NOTICE OF
CITY COUNCIL REGULAR MEETING
FIRST UNITED METHODIST CHURCH 112 N. COLORADO ST, CELINA, TX 75009
TUESDAY, NOVEMBER 10, 2015 AT 5:00 PM

AGENDA

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

II. WORKSESSION/COMMITTEE REPORTS/STAFF REPORTS:

A. Employee Introductions/Recognitions

B. Department Update for Engineering and Public Works (Johnson)

C. City Hall remodel update (Montgomery)

III. EXECUTIVE SESSION:

IV. PLEDGE OF ALLEGIANCE/INVOCATION 6:00 PM:

V. PROCLAMATIONS/PRESENTATIONS/OATHS OF OFFICE:

VI. OPEN FORUM:

Open Forum is for information only. If you wish to speak, please sign the "Speaker List" with the City Secretary. Speakers are limited to three (3) minutes. The Council can take no action. No charges and/or complaints will be heard against any elected official or employee of the city.

Please note Anyone wishing to furnish the City Council with copies/handouts regarding their item of interest must provide 9 copies and present them to the City Secretary for distribution to the City Council.

VII. CONSENT AGENDA:

Items are considered self-explanatory and will be enacted with one motion. No separate discussion of these items will occur unless so requested by at least one member of the City Council.

A. Minutes Approval:

1. City Council - Regular Meeting - Oct 13, 2015 5:00 PM
2. City Council - Public Hearing and Special Meeting - Oct 20, 2015 5:30 PM
3. City Council - Public Hearing and Special Meeting - Oct 27, 2015 6:15 PM

B. Consider and act upon an Interlocal Agreement Amendment by and between The City of Celina, Texas and the City of Weston Texas, for Municipal Court Services. (Montgomery)

C. Consider and act upon a Master Services Agreement (MSA) contract by and between the City of Celina and Pacheco Koch Consulting Engineers, Inc. for Engineering and Surveying Services. (Johnson)

D. Consider and act upon a Master Services Agreement (MSA) contract by and between the City of Celina and Garver, LLC for Engineering and Professional Services. (Johnson)

E. Consider and act upon a Master Services Agreement (MSA) contract by and between the City of Celina and Cobb, Fendley and Associates, Inc. For Engineering and Professional Services. (Johnson)

F. Consider and act upon a task order authorization by and between the City of Celina and Cobb, Fendley and Associates, Inc as per the MSA for Professional Services. (Johnson)

G. Consider and act upon a contract by and between the City of Celina and Pacheco Koch, LLC for Professional Services related to an Inflow and Infiltration Study for the West Basin. (Johnson)

H. Consider and act upon Interlocal Agreements by and between the City of Celina and Collin County for Animal Control Services and Animal Shelter Construction and Use. (Faulkner)

I. Consider and act upon a resolution of the City Council of the City of Celina, Texas, accepting the 2015 Certified Tax Roll for the City of Celina. (Toutounchian)

J. Consider and act on an Ordinance Of The City of Celina, Texas, adopting the annexation of certain territory contiguous to and adjoining the City of Celina, Texas, to wit: Being all that certain 1.60 acre tract of land situated in the L.M. Boyd Survey, Abstract No. 48, Collin County, Texas, and being a portion of that certain tract of Tract I conveyed to Philip M. Littell, by deed recorded in Volume 2869, Page 535, Deed Records, Collin County, Texas; and Being all that certain 3.26 acre tract of land situated in the L.M. Boyd Survey, Abstract No. 48, Collin County, Texas, and being a portion of that certain tract of Tract II conveyed to Philip M. Littell, by deed recorded in Volume 2869, Page 529, Deed Records, Collin County, Texas, Such tracts are generally located north of County Road 100, east of SH 289, west of County Road 97, and south of County Road 134. (Liebman)

VIII. PUBLIC HEARING/ACTION:

A. The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance of the City Council of the City of Celina, Texas, accepting and approving a Service and Assessment Plan and Neighborhood Improvement Area #1 Assessment Roll for Sutton Fields II Public Improvement District; making a finding of special benefit to the property in the district; levying special assessments against property within the district and establishing a lien on such property; providing for payment of the Neighborhood Improvement Area #1 Assessments in accordance with Chapter 372, Texas Local Government Code, as amended; providing for the method of assessment and the payment of the Neighborhood Improvement Area #1 Assessments, providing penalties and interest on delinquent assessments, providing for severability, and providing an effective date. (Liebman)

B. The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance of the City Council of the City of Celina, Texas accepting and approving a Service and Assessment Plan and Neighborhood Improvement Areas #2-5 Assessment Roll for Sutton Fields II Public Improvement District; making a finding of special benefit to the property in the district; levying special assessments against property within the district and establishing a lien on such property; providing for payment of the Neighborhood Improvement Areas #2-5 Assessments in accordance with Chapter 372, Texas Local Government Code, as amended; providing for the method of assessment and the payment of the Neighborhood Improvement Areas #2-5 Assessments, providing penalties and interest on delinquent assessments. (Liebman)

C. The Celina City Council will conduct a public hearing at 6:00 p.m. to consider testimony regarding proposed involuntary annexations of Rolling Meadows Estates being 51.418 acres situated in the Coleman Watson Survey Abstract No. 945 and encompassing 44 lots. (Liebman)

D. The Celina City Council will conduct a public hearing at 6:05 p.m. to consider testimony regarding proposed involuntary annexations of Rolling Meadows Estates being 51.418 acres situated in the Coleman Watson Survey Abstract No. 945 and encompassing 44 lots. (Liebman)

E. The Celina City Council will conduct a public hearing to consider testimony on a final Service and Assessment Plan, including a final Assessment Roll for Assessed Property, for the Wells South Public Improvement District, a +-400 acres of land located in the W. Wilhite Survey, Abstract No. 1002 and the Jonathan Westoven Survey, Abstract No. 1030; Collin County, Texas; making a finding of special benefit to assessable property within the District and establishing a lien on such property for payment of the Assessments. (Wells South NIA #1) (Liebman)

F. Conduct a public hearing to consider testimony and act upon an ordinance of the City Council of the City of Celina for a zoning amendment request for a ±96.712 acre tract of land to amend PD#45 - Planned Development #45 located in the W.H. Ratton Survey, Abstract No. 753 and the L.M. Boyd Survey, Abstract No. 48, Collin County, Texas. The property is generally located on the east side of SH 289 (Preston Road), west of CR 97, north of CR 100 and south of CR 134. (Westgate 96) (Liebman)

G. Conduct a public hearing to consider testimony and act upon an ordinance of the City Council of the City of Celina for a zoning amendment request from an AG-Agricultural Zoning District to PD-Planned Development Zoning District with a base zoning of LI - Light Industrial on a ±58.46 acre tract of land located in the Collin County School Survey #15, Abstract No. 170, Collin County, Texas. The property is generally located east of Business 289 (Louisiana Street), north of CR 95, south of CR 99 and west of the BNSF Railroad. (Huddleston 58) (Liebman)

H. Conduct a public hearing to consider testimony and act upon an ordinance of the City Council of the City of Celina for a zoning amendment request from an AG- Agricultural Zoning District to PD-Planned Development Zoning District with a base zoning of SF-R - Single Family Residential on a ±60.13 acre tract of land located in the Gabriel Chenowith Survey, Abstract No. 140, Collin County, Texas. The property is generally located east of the intersection of CR 58 and CR 59, and west of North Preston Lakes Estates (Huddleston 60) Liebman

I. The Celina City Council will conduct a public hearing to consider testimony and take action regarding an Extra Territorial Jurisdiction Development Agreement by and between the City of Celina, Texas and the property owners of Wells North. The property is a ±244.1 acre tract of land located within the extraterritorial jurisdiction of the City of Celina, Collin County, Texas and is generally located south of CR 88, east of Carter Ranch, north of CR 83, and approximately 1,350 feet west of the future alignment of Coit Road. (Wells North) (Liebman)

IX. <u>ACTION ITEM</u>:

A. Consider and act upon an ordinance amending and restating provisions of the Ordinance authorizing the issuance of "City of Celina, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2015"; specifying the tems and features of said certificates; providing for the payment of said certificates of obligation by the levy of an ad valorem tax upon all taxable property within the City and a limited pledge of the net revenues derived from the operation of the City's combined waterworks and sewer system; providing the terms and conditions of such certificates of obligation and resolving other matters incident and relating to the issuance, payment, security, sale and delivery of said certificates of obligation, including the approval and execution of Paying Agent/Registrar Agreement and an Addendum to Purchase Agreement and the ratification of the execution of a Bond Purchase Agreement and the distribution of a preliminary Official Statement and an Official Statement pertaining to such certificates; and providing an effective date. (Toutounchian)

B. Consider and act upon an ordinance approving the Reinvestment Zone Number Four, City of Celina, Texas, Final Project and Finance Plan for Sutton Fields II. (Liebman)

C. Consider and act upon an ordinance of the City Council of the City of Celina approving and authorizing the issuance and sale of the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project); and approving and authorizing related agreements. (Liebman)

D. Consider and act upon a resolution of the City of Celina, Texas, approving and authorizing the Mayor Pro Tem to execute "Sutton Fields II Public Improvement District Neighborhood Improvement area #1 Reimbursement Agreement" between the City of Celina, Texas, and CADG Sutton Fields, LLC.. (Liebman)

E. Consider and act upon an ordinance of the City Council of the City of Celina, Texas, approving and authorizing the issuance and sale of the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project); and approving and authorizing related agreements. (Liebman)

F. Consider and act upon a resolution of the City of Celina, Texas, approving and authorizing the Mayor Pro Tem to execute "Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Reimbursement Agreement" between the City of Celina, Texas, and CADG Sutton Fields, LLC. (Liebman)

G. Consider and act upon an ordinance of the City of Celina, Texas, adopting the annexation of certain territory contiguous to and adjoining the City of Celina, Texas, to wit: being an approximately 3.50 acre tract of land located in the Collin County School land #14 survey, abstract number 167, Collin County, Texas, being all of an approximately 3.50 acre tract of land conveyed to Al-Raza Enterprises Inc. in Instrument Number 20080312000296050 of the real property records of Collin County, Texas, and being more particularly described by metes and bounds in exhibit "A" and graphically depicted in exhibit "B" attached hereto and incorporated herein, such tract is generally located east of SH 289, north and west of County Road 89 and south of East Sunset Blvd. (Liebman)

H. Consider and act upon an Ordinance Of The City of Celina, Texas, adopting the annexation of certain territories contiguous to and adjoining the City of Celina, Texas, to wit: Being a .589 acre tract of land situated in the Thomas Strayton survey, abstract no. 0805, tract #3, Collin County, Texas, and being part of a 5.346 acre tract of land described in a deed to Billy J. and Cyndee V. Herrin as recorded in instrument number 19960514000392680 of the real property records of Collin County, Texas; and being a 1.07 acre tract of land situated in the Collin County School Land Survey #15, Abstract No. 0170, block 2, tract #1, Collin County, Texas, and being part of a 5.346 acre tract of land described in a deed to Billy J and Cyndee V. Herrin as recorded in instrument number 19960514000392680 of the real property records of Collin County, Texas, such tracts are generally located north of E. Malone Street, east of Business 289, west of the BNSF railroad, and south of County Road 95. (Liebman)

I. Consider and act upon appointment of three directors to the Old Celina MMD No. 1 Board of Directors as follows: (1) one member to serve until May 31, 2016, and (2) two members to serve until May 31, 2018. (Old Celina MMD Board Appointment) (Liebman)

J. Consider and act upon a seventh amendment to the Amended and Restated Development Agreement with Light Farms regarding sex offender residency restrictions. (Liebman)

K. Consider and act to institute the annexation of certain territory contiguous to and adjoining the City of Celina, Texas, to wit: being an approximately 4.203 acre tract of land located in the Jonathan Westover Survey, Abstract No. 1030 and the McKinzie Wilhite Survey, Abstract No. 1008 Collin County, Texas, such tract is generally CR 84. (Liebman)

L. Consider and act to institute the the annexation of certain territory contiguous to and adjoining the City of Celina, Texas, to wit: being a +-11.05 acre strip of CR83 right of way adjacent to Wells South, situated in the William Wilhite Survey, Abstract No. 1002, the Lindsey Lewis Survey, Abstract No. 532, and the Jonathan Westover Survey, Abstract No. 1030, Collin County, Texas; such tract is generally a portion of CR 83. (Liebman)

M. Consider and act upon a resolution of the City Council of the City of Celina, Texas, setting a date, time and place (Monday December 7, 2015 at 6:00 PM & Monday December 7, 2015 at 6:05 PM) for public hearings on the proposed annexation of 45.311 Acres situated in the Thomas Stayton Survey, Abstract 0806, Tract 2. (Liebman)

X. ADJOURNMENT:

The City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Government Code, Chapter 551. "I, the undersigned authority do hereby certify that the Notice of Meeting was posted on the bulletin board at City Hall of the City of Celina, Texas, a place convenient and readily accessible to the general public at all times and said Notice was posted on the following date and time: ____________________ at ____ p.m. and remained so posted continuously for at least 72 hours prior to the scheduled time of said meeting."

____________________________________ ____________________________________
Vicki Faulkner, TRMC Date Notice Removed
City Secretary, City of Celina, TX

Engineering/Public Works
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Gabe Johnson, Director of Public Works
Date: November 10, 2015
Re:

Action Requested:

Department Update for Engineering and Public Works (Johnson)

Supporting Documents:

Report

Staff Recommendation:

Department of Engineering and Public Works
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: **Gabe Johnson, PE, PH, CFM, GISP –** Director of Engineering and Public Works
CC: **Mike Foreman,** City Manager
Date: November 10, 2015
Re: Public Works Activity Report – October 2015

Action Requested:
This is an executive summary for review, informational, and statistical purposes.

Engineering Projects:

- SE Sector Water and Sewer – All Notices to Proceed (NTP) have been issued. Still acquiring some easements, but contractors have either mobilized or started working.
- Ash Street – Planned to be opened by 11/10.
- Willock Hills – Engineering and survey contract has been approved. Preliminary engineering and survey have been completed.
- Celina Parkway Alignment – Still working with property owners.
- CIP – Developing costs for FY16 roadway improvement projects. Task Order #1 with Cobb Fendley will get the projects moving towards bid phase.
- Special Events – Balloon Fest and Fun Day complete. Begin planning on Christmas event.
- Keller Williams Sewer Extension – Working on agreement with owner and engineer to begin the engineering and survey.
- TxDOT – Executed maintenance agreements for the Preston medians and the Opticoms. Both traffic signals are functional. Sinacola to finish Preston north by January 2016
- Multiple plan reviews and development agreements are being worked on simultaneously.
- Frontier Bridge – Have met with adjacent property owners to discuss the bridge and Collin County. County is asking for a resolution supporting the bridge from both Prosper and Celina in order for the County to manage the design and construction of the project.

Construction Inspections:

- Sunset/Utah
    - 90% complete
- Parkside Phase 1
    - Lift station installation is 98% complete
- Ash Street Rehab
    - Sewer is 95% complete
    - Storm drain is 95% complete
    - Paving is 95% complete
- Light Farms Phase 5
    - Water is 85% complete
    - Sewer is 90% complete
- Creeks of Legacy off-site
    - Water is 100% complete
    - Sewer is 100% complete
    - Storm drain is 90% complete
    - Frontier paving is 95% complete
    - Doe Branch paving 85% complete
- Creeks of Legacy Phase 1A
    - Water is 100% complete
    - Sewer is 95% complete
    - Storm drain is 90% complete
    - Paving has not started due to weather
- Creeks of Legacy Phase 1B
    - Water is 100% complete
    - Sewer is 100% complete
    - Storm drain is 100% complete
    - Paving is 100% complete
- Creeks of Legacy Phase 1C
    - Water is 95% complete
    - Sewer is 95% complete
    - Storm drain is 95% complete

  - Paving is 100% complete
- Lakes at Mustang Ranch
  - Water is 90% complete
  - Sewer is 90% complete
  - Storm drain is 90% complete
  - Paving is 50% complete
- O'Reilly's
  - 100% complete
- Carter Ranch Phase 2
  - Water is 75% complete
  - Sewer is 90% complete
  - Storm drain is 0% complete
  - Paving is 0% complete
- SE Sector Water
  - Easements are 85% acquired
  - Water is 50% complete
- SE Sector Sewer – Phase 1 – LaMR to Frontier
  - Easements are 90% acquired
  - Sewer is 0% complete
- SE Sector Sewer – Phase 2 – Frontier to Preston
  - Easements are 60% acquired
  - Sewer is 5% complete
- SE Sector Sewer – Phase 3 – Lift Station and Force Main
  - Easements are 80% acquired
  - Condemnation has started
  - Sewer is 5% complete
- SE Sector Sewer – Phase 4 – Preston to Doe Branch Trunk Main
  - Easements are 60% acquired
  - Sewer is 0% complete

Public Works:

- **Water Treatment:**
  - Produced from wells: 9,637,000 gallons
  - Purchased from Upper Trinity: 43,450,000 gallons
  - Total production: 53,087,000 gallons.
  - Water peak day: 2.352 MGD
- **Water distribution:**
  - 18 leaks repaired
  - 8 samples
  - 188 residuals
  - 30 dead end flushes
- **Water meters:**
  - 38 meters installed
  - 20 meter or radio replaced
  - 39 investigations
- **Wastewater Treatment:**
  - Treated wastewater: 11.181 million gallons
  - Treated wastewater peak day: 1.000 MGD on 10/31/2015
  - Treated wastewater average day: 0.361 MGD
  - Total rainfall: 8.8 inches
- **Wastewater Collections:**
  - Performed 46 video inspections
  - 18 re-inspections
  - Performed 5 sewer repairs
- **Streets:**
  - 26 trash cans delivered
  - 19 stop/street signs installed or replaced
  - Hauled spoil and scrap for the Water Department
  - Set up and take down of Balloon Festival
  - Set up and take down of traffic control for National Night Out
  - Set up and take down of traffic control for Fun Day
- **Total completed work orders: Total 264**

Additional supporting documents are available upon request. Thank you for your consideration of this item. If I can be of any support, please contact me on at 972-382-2682 Ext 1081, or by email at gjohnson@celina-tx.gov.

NOTICE OF
CITY COUNCIL REGULAR MEETING
FIRST UNITED METHODIST CHURCH 112 N. COLORADO ST, CELINA, TX 75009
TUESDAY, OCTOBER 13, 2015 AT 5:00 PM

MINUTES

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

Attendee Name	Organization	Title	Status	Arrived	Departed
Wayne Nabors	City of Celina	Place 2	Present		
Carmen Roberts	City of Celina	Place 4	Present		6:45 PM
Lori Vaden	City of Celina	Place 5	Present		
Chad Anderson	City of Celina	Place 6	Present		
Andy Hopkins	City of Celina	Place 3	Present		
Erik Geiger	City of Celina	Place 1	Present		
Sean Terry	City of Celina	Mayor	Present		

II. WORKSESSION/COMMITTEE REPORTS/STAFF REPORTS:

A. Department Update for Engineering and Public Works (Johnson)

Director of Public Works Gabe Johnson updated the council on several projects and introduced Eddie Haas with Freese and Nichols who explained how his firm would update the city's roadway proportionality process.

B. Home Occupations Regulations

Director of Planning and Development Services Helen-Eve Liebman briefed the Council on current Home Occupation regulations in the city. Ms. Liebman introduced the new Building Inspector Joel Huff.

III. EXECUTIVE SESSION:

The City Council adjourned into executive session at 5:43 PM with City Manager Mike Foreman, City Attorney Lance Vanzant and Julie Fort, Director of Public Works Gabe Johnson, Director of Planning and Development Services Helen-Eve Liebman and Jim Sabonis with First Southwest Securities. The City Council reconvened into open session at 6:45 PM. Councilwoman Roberts left the meeting at this time.

The Celina City Council will convene into Executive Session pursuant to Texas Government Code 551.071, Consultation with Attorney, on a matter 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 this Chapter, and Section 551.072 Deliberation Regarding Real Property.

A. Development of Old Celina Municipal Management District and requested Development Agreement.

B. Potential Real Estate Purchases.

C. Easement acquisitions for southeast sector water and sewer lines.

D. Consider and act upon any items discussed in executive session.

Councilman Hopkins moved to authorize the city manager to make offers on easement acquisitions as discussed.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Wayne Nabors, Place 2
AYES:	Nabors, Vaden, Anderson, Hopkins, Geiger
ABSENT:	Roberts

IV. PLEDGE OF ALLEGIANCE/INVOCATION 6:00 PM:

Mayor Terry led the pledges of allegiance. Councilman Nabors gave the invocation.

V. PROCLAMATIONS/PRESENTATIONS/OATHS OF OFFICE:

A. Clothe a Child Month

Mayor Terry presented the proclamation to representatives from "Clothe a Child".

B. World Pancreatic Cancer Day

This item will be presented in November.

C. Fire Prevention Month

Mayor Terry presented the proclamation to Assistant Fire Chief Kyle Mills.

D. Planning Month

Mayor Terry presented the proclamation to the Planning Department.

VI. OPEN FORUM:

Billy Herrin of 10182 CR 133 spoke against the annexation of his 1.7 acres (item J).
Marketing Director Terri Ricketts presented information on the Balloon Festival this weekend.

VII. CONSENT AGENDA:

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Chad Anderson, Place 6
AYES:	Nabors, Vaden, Anderson, Hopkins, Geiger
ABSENT:	Roberts

A. Minutes Approval:

1. City Council - Special Meeting - Aug 31, 2015 5:00 PM

2. City Council - Public Hearing and Special Meeting - Sep 1, 2015 6:00 PM

3. City Council - Special Meeting - Sep 8, 2015 4:30 PM

4. City Council - Regular Meeting - Sep 8, 2015 5:00 PM

B. City Council - Public Hearing and Special Meeting - Sep 17, 2015 5:00 PM

C. Consider and act upon an agreement to become a member of the National Joint Powers Alliance (NJPA) purchasing agreement. (Johnson)

D. Consider and act upon an agreement to become a member of the National Cooperative Purchasing Alliance (NCPA) purchasing agreement. (Johnson)

E. Consider and act upon appointments to City Boards, Commissions and Development Corporations. (Faulkner)

F. Consider and act to authorize the City Manager to execute an agreement with TxDOT for Furnishing, Installing and Maintaining the Traffic Signal Preemption Equipment. (Johnson)

G. Consider and act upon a Landscape Maintenance Agreement between the City of Celina, Texas and the Texas Department of Transportation for TX-289 (Preston Rd) and hereby authorizing the City Manager of the City of Celina, Texas, to sign such agreement. (Johnson)

H. Consider and act upon a Task Order Authorization by and between the City of Celina and Halff Associates for Professional Services related to GIS. (Johnson)

I. Consider and act upon a contract change order by and between the City of Celina and Raba Kistner for Easement Acquisition Services for the Southeast Sector Sewer Project. (Johnson)

J. Consider and act to authorize the City Manager to execute an agreement with Denton County to partially fund the construction of Mobberly Bridge. (Johnson)

K. Consider and act upon a contract by and between the City of Celina and Garver, LLC for Professional Services related to GIS. (Johnson)

L. Consider and act upon a contract change order by and between the City of Celina and Pacheco Koch for the Engineering Design for the Southeast Sector Sewer Project. (Johnson)

M. Consider and act to authorize the City Manager to execute an agreement with NTTA and Collin County for Dallas North Tollway ROW utility crossings. (Johnson)

N. Consider and act on a Construction Plat for Light Farms Phase 6, The Grange Neighborhood, being a ±17.78 acre tract of land situated in the Collin County School Land Survey No. 14, Abstract No. 167 and the John Ragsdale Survey, Abstract No. 734, and containing forty-nine (49) residential lots and six (6) common area lots. (Light Farms-The Grange) (Liebman)

O. Consider and act on a Construction Plat for Light Farms, Maydelle Neighborhood, Phase 2, ±15.457 acre tract of land situated in the Collin County School Land Survey No. 14, Abstract No. 167 and the John Ragsdale Survey, Abstract No. 734, and containing thirty-six (36) residential lots and three (3) common area lots. (Light Farms-Maydelle) (Liebman)

VIII. <u>PUBLIC HEARING/ACTION</u>:

A. The Celina City Council will conduct a public hearing, consider testimony and act upon a resolution regarding the dissolution of an existing Public Improvement District (PID) for Sutton Fields, a ±494.29 acre tract of land. The property is generally located north of Parvin Road, east of FM 1385 and west of Smiley Road. (Sutton Fields) (Liebman)

Mayor Terry recused himself at 6:58 PM due to a conflict of interest. Mayor Pro Tem Chad Anderson opened the hearing at 6:59 PM. City Attorney Julie Fort noted that the applicant is asking for a special meeting on the resolution and for the hearing to be continued. No public comment was received. Councilman Nabors moved to continue the hearing to November 4th at 6PM. Councilman Hopkins seconded. Motion carried. 5-yes;0-no. Later in the evening, Councilman Nabors moved to amend the time and date of the special meeting to November 5th at 7 AM on the previous action. Councilman Hopkins seconded. Motion carried. 5-yes;0-no.

RESULT:	**TABLED [UNANIMOUS]**
MOVER:	Wayne Nabors, Place 2
SECONDER:	Andy Hopkins, Place 3
AYES:	Nabors, Vaden, Anderson, Hopkins, Geiger
ABSENT:	Roberts

B. The Celina City Council will conduct a public hearing to consider testimony and take action upon a resolution authorizing and creating The Sutton Fields II Public Improvement District (PID) in accordance with Chapter 372 of the Texas Local Government Code, a ±622.779 acre tract of land generally located north of Parvin Road, east of FM 1385 and west of Smiley Road. (Sutton Fields PID II) (Liebman)

Mayor Pro Tem Anderson opened the hearing at 7:04 PM. Ross Martin of Dallas, Texas, representing Denton County 128 Partners, told the council he supports this resolution. The hearing was closed at 7:11 PM. (Resolution No. 2015-51R)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Erik Geiger, Place 1
SECONDER:	Andy Hopkins, Place 3
AYES:	Nabors, Vaden, Anderson, Hopkins, Geiger
ABSENT:	Roberts

C. DO NOT USEThe Celina City Council will conduct a public hearing to provide reasonable opportunity for any owner of property within the proposed tax increment reinvestment zone to protest or support the inclusion of their property within the proposed reinvestment zone, which consists of an approximate 494.883 acre tract of land. The property is generally located at the northeast corner of Parvin Road and FM 1385. (Sutton Fields) (Liebman)

Mayor Pro Tem Anderson opened the hearing at 7:08 PM. It was stated that this item will not be pursued. No public comment was received. The hearing was closed at 7:13 PM.

D. The Celina City Council will conduct a public hearing to consider testimony and take action regarding an Extra Territorial Jurisdiction Development Agreement by and between the City of Celina, Texas and the property owners of Wells North. The property is a ±244.1 acre tract of land located within the extraterritorial jurisdiction of the City of Celina, Collin County, Texas and is generally located south of CR 88, east of Carter Ranch, north of CR 83, and approximately 1,350 feet west of the future alignment of Coit Road. (Wells North) (Liebman)

Mayor Terry returned to the meeting at 7:12 PM. Mayor Terry opened the hearing at 7:13 PM. Dale Bainum of the Preston Hills neighborhood asked what changed, if the development regulations were the same and were the

70 foot lots incorporated? It was noted that these questions pertained to a different agenda item. Councilman Nabors moved to continue this hearing to the October 27th special meeting.

RESULT:	**TABLED [UNANIMOUS]**
MOVER:	Wayne Nabors, Place 2
SECONDER:	Chad Anderson, Place 6
AYES:	Nabors, Vaden, Anderson, Hopkins, Geiger
ABSENT:	Roberts

E. The Celina City Council will conduct a public hearing to consider testimony and act upon a zoning amendment request from an AG-Agricultural District to a PD-Planned Development District, with SF-R, Single Family Residential base zoning on a ±2.521 acre tract of land situated in the M.E.P. & P.RY. Co. Survey, Abstract No. 644, Celina, Texas. The property is located at the northwest corner of Sunset Blvd (CR 56) and Utah Drive. (Westgate Section 4) (Liebman)

Mayor Terry opened the hearing at 7:15 PM. No public comment was received. The hearing was closed at 7:19 PM. An ordinance (2015-47) of the City Council of the City of Celina, Texas, amending ordinance No. 2005-57, as heretofore amended, the same being the comprehensive zoning ordinance, and amending the official zoning map of the City by designating the zoning of land that is an approximately 3.516 acre tract of land located in the M.E.P. & P. RY Survey, Abstract Number 644, Collin County, Texas; as described in Exhibit "A" and depicted in Exhibit "B" attached hereto and incorporated herein to be zoned "PD" Planned Development District #55.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Lori Vaden, Place 5
SECONDER:	Chad Anderson, Place 6
AYES:	Nabors, Vaden, Anderson, Hopkins, Geiger
ABSENT:	Roberts

F. The Celina City Council will conduct a public hearing to consider testimony and take action on a zoning amendment request for a ±4.00 acre tract of land from an AG-Agricultural zoning district to an R/O-Retail/Office zoning district. The tract is generally located on the east side of Preston Road, approximately 700 feet south of Sunset Boulevard. (Keller Williams) (Liebman

Mayor Terry opened the hearing at 7:20 PM No public comment was received. The hearing was closed at 7:22 PM. Councilman Anderson stepped out of the room and did not vote on this item. Councilman Anderson returned to the meeting at the close of this item. An ordinance (2015-48) of the City Council of the City of Celina, Texas, amending Ordinance No. 2006-57, as heretofore amended, the same being the official zoning map of the City by designating the zoning of land that is an approximately 4.00 acre tract of land located in the Collin County School Land Survey #14, Abstract Number 167, Block 1, Tract 26, of the Real Property Records of Collin County, Texas; as described in Exhibit "A" and depicted in Exhibit "B" attached hereto and incorporated herein to be zoned R/O Retail Office Zoning District.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Lori Vaden, Place 5
SECONDER:	Erik Geiger, Place 1
AYES:	Nabors, Vaden, Hopkins, Geiger
ABSENT:	Roberts, Anderson

G. The Celina City Council will conduct two public hearings at 6:00 p.m. and 6:05 p.m. to consider testimony regarding an involuntary annexation of the portion of CR 83 right-of-way adjacent to Wells South, a ±11.05 acre strip of land situated in the William Wilhite Survey, Abstract No. 1002, the Lindsey Lewis Survey, Abstract No. 532, and the Jonathan Westover Survey, Abstract No. 1030. (CR 83 Annexation) (Liebman)

Mayor Terry opened the hearing at 7:22 PM. Gale Minor of 8200 Ascot Place asked if there was a P&Z hearing on this, if the city council has an idea what is to be done with this and will it be abandoned. He would like to maintain rear access to his property. The hearing was closed at 7:35 PM. The second hearing was opened at 7:35 PM. No public comment was received. The second hearing was closed at 7:36 PM.

H. The Celina City Council will conduct two public hearings at 6:00 p.m. and 6:05 p.m. to consider testimony regarding the involuntary annexation of the portion of CR 84 right-of-way adjacent to Wells South, a ±4.203 strip of land situated in the Jonathan Westover Survey, Abstract No. 1030 and the McKinzie Wilhite Survey, Abstract No. 1008. (CR 84 Annexation) (Liebman)

Mayor Terry opened the hearing at 7:36 PM. Jack Reeves of 3879 Haymeadow asked who the property owners are and why is this involuntary? The hearing was closed at 7:37 PM. The second hearing was opened at 7:38 PM. No public comment was received. The second hearing was closed at 7:38 PM.

I. The Celina City Council will conduct two public hearings at 6:00 p.m. and 6:05 p.m. to consider testimony regarding the voluntary annexation of a ±1.60 acre tract of land situated in the L.M. Boyd Survey, Abstract No. 48, Tract 2-1 and a ±3.26 acre tract of land situated in the L.M. Boyd Survey, Abstract No. 48, Tract 2. The properties are generally located east of SH 289 (Preston Road), west of CR 97, south of CR 104 and north of CR 100, within the extraterritorial jurisdiction of the City of Celina, Collin County, Texas. (Littell Outparcels) (Liebman)

Mayor Terry opened the hearing at 7:39 PM. Dale Bainum of Preston Hills asked why wasn't this annexed when the rest of it was annexed? The hearing was closed at 7:41 PM. The second hearing was opened at 7:41 PM. The second hearing was closed at 7:42 PM.

J. The Celina City Council will conduct two public hearings at 6:00 p.m. and 6:05 p.m. to consider testimony regarding proposed involuntary annexations of .589 acres situated in the Thomas Stayton Survey, Abstract 0805, Tract 3; 1.07 acres situated in the Collin County School Land #15 Survey, Abstract 0170, Blk 2, Tract 1; and 3.5 acres situated in the Collin County School Land #14 Survey, Abstract 0167, Blk 1, Tract 2. (Liebman)

Mayor Terry opened the hearing at 7:43 PM. No public comment was received. The hearing was closed at 7:43 PM. The second hearing was opened at 7:43 PM. No public comment was received. The second hearing was closed at 7:44 PM.

K. The Celina City Council will conduct a public hearing to consider testimony and take action regarding amendments to the City's Code of Ordinances Chapter 14: Zoning, Article 14.05: Development Standards and Use Regulations, Division 2: Off-Street Parking and Loading Requirements, to amend Section 14.05.043, Nonresidential and Multiple Family Districts – Special Off-Street Parking Provisions. (Zoning Ordinance Amendment) (Liebman)

Mayor Terry opened the hearing at 7:44 PM. No public comment was received. The hearing was closed at 7:46 PM. Ordinance 2015-49.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Lori Vaden, Place 5
AYES:	Nabors, Vaden, Anderson, Hopkins, Geiger
ABSENT:	Roberts

IX. ACTION ITEM:

A. Consider and act upon a resolution of the City Council of the City of Celina, Texas, setting a date, time and place (Tuesday, November 10, 2015 at 6:00 PM & Tuesday, November 10, 2015 at 6:05 PM) for public hearings on the proposed involuntary annexations of Rolling Meadows Estates being 51.418 acres situated in the Coleman Watson Survey Abstract No. 945 and encompassing 44 lots. (Liebman)

Resolution 2015-52R.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Wayne Nabors, Place 2
SECONDER:	Chad Anderson, Place 6
AYES:	Nabors, Vaden, Anderson, Hopkins, Geiger
ABSENT:	Roberts

B. Consider and act upon a Resolution of the City Council of the City of Celina, Texas, setting a public hearing under Sec. 311.003 of the Texas Tax Code for the creation of a Tax Increment Reinvestment Zone within the City of Celina, Texas, and within the Extra Territorial Jurisdiction of the City of Celina, Texas, authorizing the issuance of notice by the city secretary of Celina, Texas, regarding the public hearing; and directing the city to prepare a preliminary reinvestment zone financing plan. (Liebman)

It was first noted that no action would take place on this item and later decided that action would take place. Resolution 2015-53R.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Wayne Nabors, Place 2
SECONDER:	Andy Hopkins, Place 3
AYES:	Nabors, Vaden, Anderson, Hopkins, Geiger
ABSENT:	Roberts

C. Consider and act upon a two year agreement with Focused Advocacy for legislative consultant services in the amount of $90,000.00. Foreman

City Manager Mike Foreman explained the need for this agreement to the City Council.

RESULT:	**APPROVED [UNANIMOUS]**	
MOVER:	Chad Anderson, Place 6	
SECONDER:	Lori Vaden, Place 5	
AYES:	Nabors, Vaden, Anderson, Hopkins, Geiger	
ABSENT:	Roberts	

D. Consider and act upon an ordinance approving the Reinvestment Zone Number Three, City of Celina, Texas Final Project and Finance Plan for Wells South. (Wells South) (Liebman)

Councilman Hopkins moved to table items D, E, F and G to October 27th.

RESULT:	**TABLED [UNANIMOUS]**	**Next: 10/27/2015 6:15 PM**
MOVER:	Andy Hopkins, Place 3	
SECONDER:	Wayne Nabors, Place 2	
AYES:	Nabors, Vaden, Anderson, Hopkins, Geiger	
ABSENT:	Roberts	

E. Consider and act upon an ordinance approving the Reinvestment Zone Number Three, City of Celina, Texas Reimbursement Agreement for Wells South. (Liebman)

RESULT:	**TABLED [UNANIMOUS]**	**Next: 10/27/2015 6:15 PM**
MOVER:	Andy Hopkins, Place 3	
SECONDER:	Wayne Nabors, Place 2	
AYES:	Nabors, Vaden, Anderson, Hopkins, Geiger	
ABSENT:	Roberts	

F. Consider and act upon a resolution determining the cost of authorized improvements, calling for a public hearing for November 10, 2015 on the PID Levy and Assessment, approving the preliminary Service Assessment Plan and proposed assessment roll, and directing notice of the November 10, 2015 public hearing for Wells South Public Improvement District, generally located at the northeast corner of FM 1461 (Frontier Parkway) and CR 83 (Coit Road); consisting of a ±400.5 acre tract of land, setting a levy and assessment date for November 10, 2015. (Wells South) (Liebman)

RESULT:	**TABLED [UNANIMOUS]**	**Next: 10/27/2015 6:15 PM**
MOVER:	Andy Hopkins, Place 3	
SECONDER:	Wayne Nabors, Place 2	
AYES:	Nabors, Vaden, Anderson, Hopkins, Geiger	
ABSENT:	Roberts	

G. Consider and act upon a resolution of the City of Celina, Texas, approving the form and authorizing the distribution of a preliminary official statement for the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Wells South Public Improvement District Neighborhood Improvement Area #1 Project) and approving the form and authorizing the distribution of a Preliminary Official Statement for the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Wells South Public Improvement District Major Improvement Area Project); and resolving other matters incident and related thereto. (Liebman)

RESULT:	**TABLED [UNANIMOUS]**	**Next: 10/27/2015 6:15 PM**
MOVER:	Andy Hopkins, Place 3	
SECONDER:	Wayne Nabors, Place 2	
AYES:	Nabors, Vaden, Anderson, Hopkins, Geiger	
ABSENT:	Roberts	

X. ADJOURNMENT:

There being no further comment Mayor Terry adjourned the meeting at 7:54 PM.

____
Sean Terry, Mayor

____
Vicki Faulkner, TRMC
City Secretary, City of Celina, Texas

____
Date Minutes Approved

NOTICE OF
CITY COUNCIL PUBLIC HEARING AND SPECIAL MEETING
CELINA COUNCIL CHAMBERS 302 W. WALNUT ST., CELINA, TX 75009
TUESDAY, OCTOBER 20, 2015 AT 5:30 PM

MINUTES

I. CALL TO ORDER:

Mayor Pro Tem Anderson called the meeting to order at 5:30 PM.

Attendee Name	Organization	Title	Status	Arrived
Wayne Nabors	City of Celina	Place 2	Present	
Carmen Roberts	City of Celina	Place 4	Present	
Lori Vaden	City of Celina	Place 5	Absent	
Chad Anderson	City of Celina	Place 6	Present	
Andy Hopkins	City of Celina	Place 3	Present	
Erik Geiger	City of Celina	Place 1	Present	
Sean Terry	City of Celina	Mayor	Absent	

II. ACTION ITEMS:

A. Consider and act to move the December regular council meeting from Tuesday, December 8, 2015 to Monday, December 7, 2015 at 5PM.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Carmen Roberts, Place 4
SECONDER:	Andy Hopkins, Place 3
AYES:	Nabors, Roberts, Anderson, Hopkins, Geiger
ABSENT:	Vaden

B. Consider and act upon a resolution determining the cost of authorized improvements, calling for a public hearing for November 5, 2015 on the PID Levy and Assessment, approving the preliminary Service Assessment Plan and proposed assessment roll, setting a levy and assessment date for November 5, 2015 and directing notice of the November 5, 2015 public hearing for Sutton Fields II Public Improvement District, consisting of a ±622.883 acre tract of land, generally located on the east side of FM 1385, north of Parvin Road and south of FM 428 and located in the F. Wilkerson Survey, Abstract No. 1411, the H. Rue Survey, Abstract No. 1111, the J. Rue Survey, Abstract No. 1109, the T. Cox Survey, Abstract No. 309, the C. Jackson Survey, Abstract No. 1546, and the Thomas H. McIntyre Survey, Abstract No. 903, Denton County, Texas. (Sutton Fields II PID) (Liebman)

Julie Fort noted that a public hearing would be held on November 5th at 7:00 AM.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Andy Hopkins, Place 3
SECONDER:	Carmen Roberts, Place 4
AYES:	Nabors, Roberts, Anderson, Hopkins, Geiger
ABSENT:	Vaden

C. Consider and act upon a resolution approving the distribution of the Sutton Fields II PID Neighborhood Improvement Area #1 (NIA #1) Preliminary Official Statement and the Neighborhood Improvement Areas #2-5 as the Major Improvement Area (MIA) Preliminary Official Statement. The Sutton Field II PID will be a ±622.883 acre tract of land, generally located on the east side of FM 1385, north of Parvin Road and south of FM 428 and located in the F. Wilkerson Survey, Abstract No. 1411, the H. Rue Survey, Abstract No. 1111, the J. Rue Survey, Abstract No. 1109, the T. Cox Survey, Abstract No. 309, the C. Jackson Survey, Abstract No. 1546, and the Thomas H. McIntyre Survey, Abstract No. 903, Denton County, Texas. (Sutton Fields II PID) (Liebman)

Bond Counsel Drew Slone and Financial Advisor Jim Sabonis were present.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Wayne Nabors, Place 2
SECONDER:	Erik Geiger, Place 1
AYES:	Nabors, Roberts, Anderson, Hopkins, Geiger
ABSENT:	Vaden

III. ADJOURN:

There being no further comment Mayor Pro Tem Anderson adjourned the meeting at 5:40 PM.

____
Chad Anderson, Mayor Pro Tem

____
Vicki Faulkner, TRMC
City Secretary, City of Celina, Texas

____
Date Minutes Approved

NOTICE OF
CITY COUNCIL PUBLIC HEARING AND SPECIAL MEETING
CELINA COUNCIL CHAMBERS 302 W. WALNUT ST., CELINA, TX 75009
TUESDAY, OCTOBER 27, 2015 AT 6:15 PM

MINUTES

I. CALL TO ORDER:

Attendee Name	Organization	Title	Status	Arrived
Wayne Nabors	City of Celina	Place 2	Present	
Carmen Roberts	City of Celina	Place 4	Present	
Lori Vaden	City of Celina	Place 5	Absent	
Chad Anderson	City of Celina	Place 6	Present	
Andy Hopkins	City of Celina	Place 3	Present	
Erik Geiger	City of Celina	Place 1	Present	
Sean Terry	City of Celina	Mayor	Present	

A. Recognition of Brandy Berry Court Clerk Level II

Mayor Terry present Court Clerk Brandy Berry with a Certificate of Recognition for the attainment of her Court Clerk Level II title.

B. Information Regarding Fun Day (Bise)

Main Street Manager Bridgette Bise updated the City Council on the schedule of events for Saturday's Fun Day event on the square.

C. Collin County Open Space Grant update (Montgomery)

Administrative Services Manager Michael Montgomery advised council of a $500,000.00 grant received from Collin County.

II. EXECUTIVE SESSION:

The City Council adjourned into executive session at 6:23 PM with City Attorney Lance Vanzant, City Manager Mike Foreman and Marketing Director Terri Ricketts (Balloon Festival item only). The City Council reconvened into open session at 6:54 PM.

The Celina City Council will convene into Executive Session pursuant to Texas Government Code 551.071 Consultation with Attorney, on a matter 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 this Chapter.

A. Agreement with Light Farms

B. Celina Balloon Festival Agreement with Chamber of Commerce

C. Consider and act upon items discussed in Executive Session

No action was taken.

III. PUBLIC HEARING:

A. The Celina City Council will conduct a public hearing to consider testimony and take action regarding a Development Agreement by and between the City of Celina, Texas and the property owners of Wells North. The property is a ±244.1 acre tract of land located in the Shelby Glass Survey, Abstract No. 346 and the J. Cahill Survey, Abstract No. 171, within the extraterritorial jurisdiction of the City of Celina, Collin County, Texas and is generally located south of CR 88, east of Carter Ranch, north of CR 83, and approximately 1,350 feet west of the future alignment of Coit Road. (Wells North) (Liebman)

Mayor Terry opened the hearing at 6:54 PM. No public comment was received. Mayor Terry closed the hearing at 7:55 PM. No action was taken.

B. The Celina City Council will conduct a public hearing to consider testimony and take action regarding a Development Agreement by and between the City of Celina, Texas and CADG Sutton Fields, LLC. The property consists of ±622.779 acre tract of land located within the city limits and the ETJ of the City of Celina, Denton County, Texas, and is generally located at the north of Parvin Road, east of FM 1385 and south of FM 428. (Sutton Fields II) (Liebman)

Mayor Terry recused himself at 7:55 PM due to a conflict of interest. Mayor Pro Tem Anderson called the hearing to order at 7:56 PM. No public comment was received. Mayor Pro Tem Anderson closed the hearing at 7:56 PM. Councilwoman Roberts moved to approve item B with the conditions that the taxes are subject to attorney review and the exhibits are subject to staff review.

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Carmen Roberts, Place 4
SECONDER:	Andy Hopkins, Place 3
AYES:	Nabors, Roberts, Anderson, Hopkins, Geiger
ABSENT:	Vaden

C. The Celina City Council will conduct a public hearing to provide reasonable opportunity for any owner of property within the proposed tax increment reinvestment zone to protest the inclusion of their property within the proposed reinvestment zone, which proposed zone consists of approximately 622.779 acre tract of land located within the city limits and the ETJ of the City of Celina, Denton County, Texas, and is generally located at the north of Parvin Road, east of FM 1385 and south of FM 428. (Sutton Fields II TIRZ) (Liebman)

Mayor Pro Tem Anderson opened the hearing at 7:57 PM. Developer Representative Prabha Cinclair spoke briefly regarding the TIRZ. No public comment was received. Mayor Pro Tem Anderson closed the hearing at 6:58 PM.

IV. ACTION ITEMS:

A. Consider and act upon an ordinance approving the Reinvestment Zone Number Three, City of Celina, Texas Final Project and Finance Plan for Wells South. (Wells South) (Liebman)

Mayor Terry returned to the meeting at 6:59 PM. Mayor Pro Tem Anderson moved to approve item A, seconded by Councilman Hopkins, then later amended his motion to include "subject to final edits by staff and the land use attorney" seconded by Councilwoman Roberts for both item A and item B.

RESULT:	**APPROVED [UNANIMOUS]**
SECONDER:	Carmen Roberts, Place 4
AYES:	Nabors, Roberts, Anderson, Hopkins, Geiger
ABSENT:	Vaden

B. Consider and act upon an ordinance approving the Reinvestment Zone Number Three, City of Celina, Texas Reimbursement Agreement for Wells South. (Liebman)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Chad Anderson, Place 6
SECONDER:	Carmen Roberts, Place 4
AYES:	Nabors, Roberts, Anderson, Hopkins, Geiger
ABSENT:	Vaden

C. Consider and act upon a resolution determining the cost of authorized improvements, calling for a public hearing for November 10, 2015 on the PID Levy and Assessment, approving the preliminary Service Assessment Plan and proposed assessment roll, and directing notice of the November 10, 2015 public hearing for Wells South Public Improvement District, generally located at the northeast corner of FM 1461 (Frontier Parkway) and CR 83 (Coit Road); consisting of a ±400.5 acre tract of land, setting a levy and assessment date for November 10, 2015. (Wells South) (Liebman)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Carmen Roberts, Place 4
SECONDER:	Erik Geiger, Place 1
AYES:	Nabors, Roberts, Anderson, Hopkins, Geiger
ABSENT:	Vaden

D. Consider and act upon a resolution of the City of Celina, Texas, approving the form and authorizing the distribution of a preliminary official statement for the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Wells South Public Improvement District Neighborhood Improvement Area #1 Project) and approving the form and authorizing the distribution of a Preliminary Official Statement for the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Wells South Public Improvement District Major Improvement Area Project); and resolving other matters incident and related thereto. (Wells South PID) (Liebman)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Carmen Roberts, Place 4
SECONDER:	Andy Hopkins, Place 3
AYES:	Nabors, Roberts, Anderson, Hopkins, Geiger
ABSENT:	Vaden

E. Consider and act upon a Lease Agreement between the City of Celina, Texas and the First United Methodist Church of Celina and hereby authorizing the City Manager of the City of Celina, Texas, to sign such lease agreement. (Foreman)

City Manager Mike Foreman noted that a "30 day out" will be added for the Church to cancel the lease.

Minutes Acceptance: Minutes of Oct 27, 2015 6:15 PM (Minutes Approval)

RESULT:	**APPROVED [UNANIMOUS]**
MOVER:	Wayne Nabors, Place 2
SECONDER:	Erik Geiger, Place 1
AYES:	Nabors, Roberts, Anderson, Hopkins, Geiger
ABSENT:	Vaden

V. ADJOURN:

There being no further comment Mayor Terry adjourned the meeting at 7:10 PM.

____
Sean Terry, Mayor

____
Vicki Faulkner, TRMC
City Secretary, City of Celina, Texas

____
Date Minutes Approved

Administration
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Michael Montgomery, Administrative Services
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re:

Action Requested:

Consider and act upon an Interlocal Agreement Amendment by and between The City of Celina, Texas and the City of Weston Texas, for Municipal Court Services. (Montgomery)

Background Information:

The City of Celina has amended its Interlocal Agreement with the City of Weston concerning Municipal Court services. This amendment ensures that prosecution costs are controlled by the City of Celina.

Legal Review:

Reviewed and approved by City Attorney

Supporting Documents:

Amended Interlocal Agreement

Staff Recommendation:

Approve

STATE OF TEXAS §
§
COUNTY OF COLLIN §

INTERLOCAL COOPERATION AGREEMENT FOR MUNICIPAL COURT SERVICES

WHEREAS, the City of Celina, Texas ("Celina") is Home Rule, and the City of Weston, Texas ("Weston") is a Type A General Law municipality duly incorporated pursuant to the general laws of the State of Texas; and

WHEREAS, Celina and Weston are authorized and empowered pursuant to V.T.C.A. Government Code, Chapter 791, the Interlocal Cooperation Act, to agree with one another to perform governmental functions and services, including municipal court services; and

WHEREAS, Celina and Weston desire to improve the efficiency and effectiveness of municipal court services provided to the citizens of both Cities; and

WHEREAS, Weston has the authority to authorize Celina to perform the municipal court services as provided herein and Celina and has the authority to so act; and

WHEREAS, Celina and Weston desire to enter into this Agreement and agree that this Agreement is in the best interest of and serves the public health, safety and welfare of the Cities.

NOW THEREFORE, Celina and Weston, for and in consideration of the mutual promises and covenants herein made, the benefits flowing to each of the parties hereto, and other good and valuable consideration, Celina and Weston do hereby contract and agree as follows:

I.

The Effective Date of this Agreement shall be the ___ day of __________________, 2015. The term of this Agreement shall be for a period of one (1) year and will be automatically renewed on the ___ day of __________________ of each year unless written notice to terminate or modify the terms of the Agreement are given 45 days prior to renewal date. Such written notice shall be given no later than forty-five (45) days in advance of the expiration date of the Agreement, or no later than forty-five (45) days in advance of the termination date of any renewal Agreement as provided herein. The Agreement may be terminated by either party with or without cause.

II.

For the purposes and consideration herein stated and contemplated, Celina, by and through its municipal court, shall provide the following necessary and appropriate services for Weston to the maximum extent authorized by this Agreement, without regard to race, sex, religion, color, age, disability, or national origin, to-wit:

The adjudication of Class C misdemeanor crimes, issuing warrants, collecting and receipting fines and costs, filing the required State monthly reports, remitting the quarterly payments to the State Comptroller, and other necessary functions. Each such complaint shall be processed in the same manner as a complaint filed for a violation of a law within the corporate limits of Celina. Cases filed will be handled according to Celina Municipal Court procedures.

III.

All fines and fees collected by and through the Municipal Court (less that amount paid to the State as required by law) are credited to Celina. The City of Weston through its designated representative(s) may communicate with the City Prosecutor during scheduled court sessions, which are determined solely by Celina. Any communication outside of said court sessions shall be billed by the City Prosecutor directly to the City of Weston. The City Prosecutor shall be under no obligation to provide legal services to Weston related to this Agreement outside of scheduled court sessions.

IV.

Celina agrees to and accepts full responsibility for the acts, negligence, and/or omissions of all Celina employees, servants, agents and representatives doing work under this Agreement. Weston agrees to and accepts full responsibility for the acts, negligence, and/or omissions of all Weston employees, servants, agents and representatives doing work under this Agreement.

V.

Celina understands and agrees that Celina employees, servants, agents and representatives shall at no time represent themselves to be employees, servants, agents and/or representatives of Weston. Weston understands and agrees that Weston employees, servants, agents and representatives shall at no time represent themselves to be employees, servants, agents and/or representatives of Celina.

VI.

Celina is a political subdivision of the State of Texas. The address of Celina is:

City of Celina
142 N. Ohio
Celina, Texas 75009

Weston is a political subdivision of the State of Texas. The address of Weston is:

City of Weston
P.O. Box 248
301 Main Street
Weston, Texas 75097

VII.

This Agreement represents the entire agreement between Celina and Weston and supersedes all prior negotiations, representations and/or agreements, either written or oral. This Agreement may be amended only by written instrument signed by the governing bodies of both Cities or those authorized to sign on behalf of those governing bodies.

VIII.

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. This Agreement shall be performable in Collin County, Texas. Venue under this Agreement lies in Collin County, Texas.

IX.

If any clause, paragraph, section or portion of this Agreement shall be found to be illegal, unlawful, unconstitutional or void for any reason, the balance of the Agreement shall remain in full force and effect and the parties shall be deemed to have contracted as if said clause, section, paragraph or portion had not been in the Agreement initially.

X.

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 certified to the other that any necessary resolutions extending said authority have been duly passed and are now in full force and effect.

Executed in duplicate original at Collin County, Texas on the date and year first written above.

CITY OF CELINA, TEXAS	CITY OF WESTON, TEXAS
By:___________________________	By:______________________________
City Manager, City of Celina, Texas	Mayor, City of Weston, Texas

ATTEST:

By:___________________________
City Secretary, City of Celina, Texas

ATTEST:

By:______________________________
City Secretary, City of Weston, Texas

Engineering/Public Works
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Gabe Johnson, Director of Public Works
Date: November 10, 2015
Re:

Action Requested:

Consider and act upon a Master Services Agreement (MSA) contract by and between the City of Celina and Pacheco Koch Consulting Engineers, Inc. for Engineering and Surveying Services. (Johnson)

Background Information:

This agreement shall provide Professional Engineering Services for various City of Celina Departments in compliance with the "Texas Engineering Practice Act and Rules Concerning the Practice of Engineering and Professional Engineering Licensure" of the Texas Board of Professional Engineers, and all applicable laws. This agreement also provides for the procurement of Professional Engineering support services, including Landscape Architecture, CADD services and Land Surveying. Personnel and services shall be paid as indicated in the attached Unit Price Schedule (Exhibit A). The scope of services may vary from Project to Project shall be determined by City personnel or by mutual agreement between the City and Engineer. The contract term shall commence on the date of execution by the City Council, or their authorized representative, and extend for a period of twelve (12) months thereafter. The contract term may be extended by mutual agreement of the parties.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

None

Legal Review:

The City Attorney has reviewed the proposed contract for content and form

Supporting Documents:

Master Services Agreement

Staff Recommendation:

Approve

MASTER SERVICES AGREEMENT

Miscellaneous Professional Engineering Services

City of Celina, Texas

This agreement is made between the City of Celina, Texas (“City”), 142 North Ohio Street, Celina, Texas 75009-6201 and Pacheco Koch Consulting Engineers, Inc. (“Engineer”), 7557 Rambler Road, Suite 1400, Dallas, Texas 75231-2388.

The City’s Engineering and Public Works Department requires assistance from firms providing Professional Engineering Services to complete miscellaneous projects throughout the area served by the City of Celina. It is hereby agreed that the City does hereby retain the Engineer to provide these required services, such agreement to be subject to the following items, conditions and stipulations:

Engineer enters into this agreement as, and shall continue to be, an independent contractor. All services shall be performed only by the Engineer and Engineer’s employees. Engineer, or Engineer’s employees, shall not look to the City as his/her employer, partner, or agent.

NOW, THEREFORE, both City and Engineer, for the consideration hereinafter set forth, agree as follows:

ARTICLE I – PROFESSIONAL ENGINEERING SERVICES

Engineer shall provide Professional Engineering Services for various City of Celina Departments in compliance with the “*Texas Engineering Practice Act and Rules Concerning the Practice of Engineering and Professional Engineering Licensure” of the Texas Board of Professional Engineers, and all applicable laws. This agreement also provides for the procurement of Professional Engineering support services, including Landscape Architecture, CADD services and Land Surveying.* Personnel and services shall be paid as indicated in the attached Unit Price Schedule (Exhibit A). The scope of services may vary from Project to Project shall be determined by City personnel or by mutual agreement between the City and Engineer.

ARTICLE II – TERM OF CONTRACT

The contract term shall commence on the date of execution by the City Council, or their authorized representative, and extend for a period of twelve (12) months thereafter. The contract term may be extended by mutual agreement of the parties.

ARTICLE III - REPRESENTATIVES

The City Director of Engineering and Public Works and Assistant Director of Public Works are designated as City’s representative to the Engineer with respect to the work to be performed under this agreement; however, no change orders are effective until approved by the City Council. Mark A. Pacheco, P.E., R.P.L.S., President of Pacheco Koch Consulting Engineers, Inc., is designated as Engineer’s representative to the City.

ARTICLE IV - COMPENSATION

Engineer will submit a written fee proposal to the City for each Project prior to starting work. Engineer will invoice the City for work performed on a monthly basis and each Project will be invoiced separately. For each Project, City shall compensate the Engineer for its services on either an hourly (Not-to-Exceed) basis or on a Lump Sum basis as selected by the City. The hourly rates shall be as set forth in attached Exhibit A hereto and made a part hereof for all purposes. During the term or any extension to the term of this contract, the prices contained in Exhibit A shall remain the same, unless the parties agree otherwise. No interest shall be due on any late payments until they are at least sixty (60) days past due. Interest shall not exceed 1.0% per month simple interest.

ARTICLE V – RIGHT OF ENTRY

City will obtain and provide right of entry to private properties as necessary for the Engineer to perform the work under this contract.

ARTICLE VI - INDEMNIFICATION

Engineer shall and does hereby agree to indemnify and hold harmless the City of Celina, its agents and assigns from any and all damages, loss or liability of any kind, whatsoever, by reason of injury to property or to third persons caused by the omission or act of the Engineer, its officers, agents, employees, invitees or other persons for whom it is legally liable, with regard to the performance of this agreement.

Acceptance by the City of Engineer’s work shall not constitute, nor be deemed, a release of the responsibility and liability of Engineer, its employees, subcontractors, agents and consultants for the accuracy and competency of Engineer’s work; nor shall such acceptance be deemed to be an assumption of such responsibility by City for any defect, error or omission in Engineer’s work, its employees, subcontractors, agents and consultants. Engineer shall, without additional costs or fee, correct or revise any errors or deficiencies in his performance. Engineer shall carry professional liability insurance in an amount not less than $500,000.00.

ARTICLE VII – COMPLIANCE WITH LAWS

Engineer, its consultants, agents, employees and subcontractors shall comply with all applicable Federal and State laws, charter and ordinances of the City of Celina, as amended, and all other applicable rules and regulations promulgated by local, state and national boards, bureaus and agencies. Engineer shall complete only the Professional Engineering Services as required in the performance of the services contracted for herein. However, Engineer carries no responsibilities or obligation for any use beyond the intent of the work at the time the work is produced.

ARTICLE VIII – CITY'S RIGHTS AND OWNERSHIP OF DOCUMENTS

All of the Engineer's work products under this agreement including, but not limited to, drawings, computer files and all other documents completed or partially completed, shall be the property of the City, to be used as City desires provided, however, that the Engineer carries no responsibilities or obligation for any use beyond the intent of the work at the time said work is produced. Engineer specifically waives and releases any proprietary rights or ownership claims herein.

ARTICLE IX - SUCCESSORS AND ASSIGNS

City and Engineer each bind himself, his partners, successors, assigns and legal representatives to the other party to this agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this agreement. Neither City nor Engineer shall assign, sublet or transfer his interest in this agreement without the written consent of the other.

ARTICLE X – PROVISION FOR TERMINATION/INTERRUPTION

City may terminate or suspend Engineer's services under this agreement at any time and for any reason upon paying all sums due to the Engineer for work up to the time of termination and after giving the Engineer seven (7) calendar days prior written notice by certified mail. Payment, in the event of termination or abandonment of Engineer's services of this project by City, shall be made to the Engineer for all services performed to the date of same. Upon payment in the event of termination or abandonment, all documents prepared by the Engineer shall become the property of the City.

If the contract is terminated because of material breach of this agreement by the Engineer, the City shall notify the Engineer in writing and may have the remaining work and services to be performed by the Engineer performed by another independent firm, and Engineer shall be liable to the City for all reasonable excess costs accrued by the City thereof.

ARTICLE XI - VENUE

Venue for this contract shall be in Collin County, Texas.

ARTICLE XII - SEVERABILITY

In the event that any provision of the Agreement is found to be unenforceable under law, the remaining provisions shall continue in full force and effect.

ARTICLE XIII – EXTENT OF AGREEMENT

This agreement represents the entire and integrated agreement between the City and the Engineer and supersedes all prior negotiations, representations or agreements, either written or oral.

EXECUTED this _______________ day of ____________________________________, 2015.

CITY OF CELINA, TEXAS	PACHECO KOCH CONSULTING ENGINEERS, INC.
_____________________________________	_____________________________________
Sean Terry, Mayor	Mark A. Pacheco, PE, RPLS, President
ATTEST:	ATTEST:
_____________________________________	_____________________________________
Vicki Faulkner, City Secretary	James A. Koch, Jr., PE, RPLS, Vice President

APPROVED AS TO FORM:

____

City Attorney

EXHIBIT A

UNIT PRICE SCHEDULE

Description	Billing Rate	
Engineer Services:		
Principal	$ 225.00	per hour
Associate Principal	$ 190.00	per hour
Senior Project Manager (PE)	$ 140.00	per hour
Senior Project Coordinator	$ 140.00	per hour
Project Manager (PE)	$ 120.00	per hour
Project Coordinator	$ 120.00	per hour
Project Engineer (PE)	$ 95.00	per hour
Senior Technician	$ 110.00	per hour
Design Technician	$ 80.00	per hour
Technician	$ 75.00	per hour
Research Manager	$ 70.00	per hour
Technical Assistant	$ 50.00	per hour
Abstractor/Researcher	$ 50.00	per hour
Senior Administrative Assistant	$ 80.00	per hour
Administrative Assistant	$ 70.00	per hour
Expert Witness Testimony	$ 350.00	per hour
*(Includes GIS and/or Robotic Total Stations)		
Surveying Services:		
Principal	$ 225.00	per hour
Associate Principal	$ 190.00	per hour
Senior Project Manager (RPLS)	$ 140.00	per hour
Project Manager (RPLS)	$ 120.00	per hour
Project Surveyor (RPLS)	$ 95.00	per hour
Survey Intern (SIT)	$ 90.00	per hour
Senior Survey Technician	$ 90.00	per hour
Survey Technician	$ 75.00	per hour
1-Person Survey Field Crew*	$ 95.00	per hour
2-Person Survey Field Crew *	$ 135.00	per hour
3-Person Survey Field Crew*	$ 195.00	per hour
Research Manager	$ 70.00	per hour
Abstractor/Researcher	$ 50.00	per hour
Landscape Services:		
Principal	$ 225.00	per hour
Associate Principal	$ 190.00	per hour
Senior Project Manager (LA)	$ 140.00	per hour
Project Manager (LA)	$ 120.00	per hour
Project Landscape Architect	$ 95.00	per hour
Landscape Designer	$ 75.00	per hour

EXHIBIT A (Continued)

UNIT PRICE SCHEDULE

Description	Billing Rate	
Other Direct Expenses:		
Boat with Motor	$ 300.00	per day
ATV	$ 85.00	per day
Terrestrial Laser Scanner	$ 80.00	per hour
In-house Reproduction:		
Black line bond plots	$ 0.50	per sq. ft.
Color bond plots	$ 3.00	per sq. ft.
Color prints/photocopies (8-1/2" x 11")	$ 1.00	each
Black & White Photocopies (8-1/2" x 11")	$ 0.10	each
CD-ROM Disc	$ 8.00	each
Foam Core Mounting	$ 4.00	per sq. ft.
Reproduction by vendor (copies, binding, mounting, etc.)	Cost x 1.0	
Courier Delivery	Cost x 1.0	
Property Record Fees (deeds, maps, plats, etc.)	Cost x 1.0	
Special property corner materials (brass disc, etc.)	Cost x 1.0	
Mileage	$ 0.575	per mile

Engineering/Public Works
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Gabe Johnson, Director of Public Works
Date: November 10, 2015
Re:

Action Requested:

Consider and act upon a Master Services Agreement (MSA) contract by and between the City of Celina and Garver, LLC for Engineering and Professional Services. (Johnson)

Background Information:

This agreement shall provide Professional Engineering Services for various City of Celina Departments in compliance with the "Texas Engineering Practice Act and Rules Concerning the Practice of Engineering and Professional Engineering Licensure" of the Texas Board of Professional Engineers, and all applicable laws. The scope of services may vary from Project to Project shall be determined by City personnel or by mutual agreement between the City and Engineer. The contract term shall commence on the date of execution by the City Council, or their authorized representative, and extend for a period of twelve (12) months thereafter. The contract term may be extended by mutual agreement of the parties.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

None

Legal Review:

The City Attorney has reviewed the proposed contract for content and form

Supporting Documents:

Master Services Agreement

Staff Recommendation:

Approve

MASTER AGREEMENT FOR PROFESSIONAL SERVICES
City of Celina
Celina, Texas

THIS MASTER AGREEMENT FOR PROFESSIONAL SERVICES is made by and between the **City of Celina** of **Celina, Texas** hereinafter referred to as "Owner," and **GARVER, LLC**, hereinafter referred to as "GARVER".

GARVER will provide professional services related to improvements as described within individual Work Orders.

The Owner and GARVER in consideration of the mutual covenants in this contract agree in respect of the performance of professional services by GARVER and the payment for those services by the Owner as set forth below. This agreement supersedes all prior written or oral understandings associated with services to be rendered, including any teaming agreements.

SECTION 1 - EMPLOYMENT OF GARVER

The Owner agrees to engage GARVER, and GARVER agrees to perform professional services in connection with the proposed improvements as stated within individual Work Orders. These services will conform to the requirements and standards of the Owner and conform to the standards of practice ordinarily used by members of GARVER's profession practicing under similar conditions. For having rendered such services, the Owner agrees to pay GARVER compensation as stated in the Work Orders to follow.

SECTION 2 - SCOPE OF SERVICES

GARVER will perform professional services as requested by the Owner. The terms of each work assignment or project will be defined and agreed upon by the Owner and GARVER and represented in the form of a written Work Order.

SECTION 3 - PAYMENT

For the work described in each Work Order, except as otherwise agreed to in writing by the Owner and GARVER, the Owner agrees to pay GARVER in accordance with the terms written in the applicable Work Order.

SECTION 4 - OWNER'S RESPONSIBILITIES

In connection with the project, the Owner's responsibilities shall include, but not be limited to, the following:

1. Giving thorough consideration to all documents presented by GARVER and informing GARVER of all decisions within a reasonable time so as not to delay the work of GARVER.

2. Making provision for the employees of GARVER to enter public and private lands as required

for GARVER to perform necessary preliminary surveys and other investigations.

3. Obtaining the necessary lands, easements and right-of-way for the construction of the work. All costs associated with securing the necessary land interests, including property acquisition and/or easement document preparation, surveys, appraisals, and abstract work, shall be borne by the Owner outside of this contract, except as otherwise described in Section 2 – Scope of Services.

4. Furnishing GARVER such plans and records of construction and operation of existing facilities, available aerial photography, reports, surveys, or copies of the same, related to or bearing on the proposed work as may be in the possession of the Owner. Such documents or data will be returned upon completion of the work or at the request of the Owner.

5. Furnishing GARVER a current boundary survey with easements of record plotted for the project property.

6. Paying all plan review and advertising costs in connection with the project.

7. Providing legal, accounting, and insurance counseling services necessary for the project and such auditing services as the Owner may require.

8. Furnishing permits, permit fees, and approvals from all governmental authorities having jurisdiction over the project and others as may be necessary for completion of the project.

9. Giving prompt written notice to GARVER whenever the Owner observes or otherwise becomes aware of any defect in the project or other events which may substantially alter GARVER's performance under this Agreement.

10. Owner will not hire any of GARVER's employees during performance of this contract and for a period of one year beyond completion of this contract.

11. Furnishing GARVER a current geotechnical report for the proposed site of construction. GARVER will coordinate with the geotechnical consultant, the Owner has contracted with, on the Owner's behalf for the information that is needed for this project.

SECTION 5 – MISCELLANEOUS

5.1 Instruments of Service

GARVER's instruments of service provided by this agreement consist of the printed hard copy reports, drawings, and specifications issued for the Assignment or Project; whereas electronic media, including CADD files, are tools for their preparation. As a convenience to the Owner, GARVER will furnish to the Owner both printed hard copies and electronic media. In the event of a conflict in their content, however, the printed hard copies shall take precedence over the electronic media.

GARVER's electronic media are furnished without guarantee of compatibility with the Owner's software or hardware, and GARVER's sole responsibility for the electronic media is to furnish a replacement for defective disks within thirty (30) days after delivery to the Owner.

GARVER retains ownership of the printed hard copy drawings and specifications and the electronic media. The Owner is granted a license for their use, but only in the operation and maintenance of the

Project or Assignment for which they were provided. Use of these materials for modification, extension, or expansion of this Project or on any other project, unless under the direction of GARVER, shall be without liability to GARVER and GARVER's consultants. The Owner shall indemnify, defend, save harmless GARVER, GARVER's consultants, and the officers and employees of any of them from and against any and all claims, liabilities, damages, losses, and costs, including but not limited to costs of defense, arising out of the Owner's use of these materials for modification, extension, or expansion of this Project or on any other project not under the direction of GARVER.

Because data stored in electronic media form can be altered, either intentionally or unintentionally, by transcription, machine error, environmental factors, or by operators, it is agreed that the Owner shall indemnify, defend, save harmless GARVER, GARVER's consultants, and the officers and employees of any of them from and against any and all claims, liabilities, damages, losses, and costs, including but not limited to costs of defense, arising out of changes or modifications to the data in electronic media form in the Owner's possession or released to others by the Owner and for any use of the electronic media and printed hard copy drawings and specifications outside the license granted by this provision.

5.2 Opinions of Cost

Since GARVER has no control over the cost of labor, materials, equipment, or services furnished by others, or over the Contractor(s)' methods of determining prices, or over competitive bidding or market conditions, GARVER's Estimates of Project Costs and Construction Costs provided for herein are to be made on the basis of GARVER's experience and qualifications and represent GARVER's best judgment as an experienced and qualified professional engineer, familiar with the construction industry; but GARVER cannot and does not guarantee that proposals, bids or actual Total Project or Construction Costs will not vary from estimates prepared by GARVER.

The Owner understands that the construction cost estimates developed by GARVER do not establish a limit for the construction contract amount. If the actual amount of the low construction bid exceeds the construction budget established by the Owner, GARVER will not be required to re-design the project without additional compensation.

5.3 Underground Utilities

GARVER will not, unless defined within a Work Order, provide research regarding utilities and survey utilities located and marked by their owners as provided for in this agreement. Additionally, since many utility companies typically will not locate and mark their underground facilities prior to notice of excavation, GARVER is not responsible for knowing whether underground utilities are present or knowing the exact location of utilities for design and cost estimating purposes. Additionally, GARVER is not responsible for damage to underground utilities, unmarked or improperly marked, caused by geotechnical, potholing, construction, or other subconsultants working under a subcontract to this agreement.

GARVER

5.4 Insurance

GARVER currently has in force, and agrees to maintain in force for the life of this Contract, the following minimum schedule of insurance:

Worker's Compensation	Statutory Limit
Automobile Liability (Combined Property Damage and Bodily Injury)	$500,000.00
General Liability (Combined Property Damage and Bodily Injury)	$1,000,000.00
Professional Liability	$2,000,000.00

5.5 Records

GARVER will retain all pertinent records for a period of two years beyond completion of the project. Owner may have access to such records during normal business hours.

5.6 Indemnity Provision

Subject to the limitation on liability set forth in Section 5.8, GARVER agrees to indemnify the Owner for damages, liabilities, or costs (including reasonable attorneys' fees) to the extent the damages and costs are caused by the negligent acts, errors, or omissions of GARVER, its subconsultants, or any other party for whom GARVER is legally liable, in the performance of their professional services under this contract.

The Owner agrees to indemnify GARVER for damages, liabilities, or costs (including reasonable attorneys' fees) to the extent the damages and costs are caused by the negligent acts, errors, or omissions of the Owner, its agents, or any other party for whom the Owner is legally liable, in the performance of their professional services under this contract.

In the event claims, losses, damages, or expenses are caused by the joint or concurrent negligence of GARVER and the Owner, they shall be borne by each party in proportion to its own negligence.

Owner agrees that any claim or suit for damages made or filed against GARVER by Owner will be made or filed solely against GARVER or its successors or assigns and that no member or employee of GARVER shall be personally liable to Owner for damages under any circumstances.

5.7 Design without Construction Phase Services

In the event GARVER's Scope of Services under this agreement is not amended to include project observation or review of the Contractor's performance or any other construction phase services, the Owner assumes all responsibility for interpretation of the Construction Contract Documents and for construction observation and supervision and waives any claims against GARVER that may be in any way connected thereto.

In addition, the Owner agrees, to the fullest extent permitted by law, to indemnify and hold GARVER harmless from any loss, claim or cost, including reasonable attorneys' fees and costs of defense, arising or resulting from the performance of such services by other persons or entities and from any and all claims arising from modifications, clarifications, interpretations, adjustments or changes made to the Construction Contract Documents to reflect changed field or other conditions, except for claims arising from the sole negligence or willful misconduct of GARVER.

If the Owner requests in writing that GARVER provide any specific construction phase services and if GARVER agrees in writing to provide such services, then they shall be compensated for the work as Additional Services.

5.8 Limitation of Liability

In recognition of the relative risks and benefits of the project to both the Owner and GARVER, the risks have been allocated such that the Owner agrees, to the fullest extent permitted by law, to limit the liability of GARVER and its subconsultants to the Owner and to all construction contractors and subcontractors on the project for any and all claims, losses, costs, damages of any nature whatsoever or claims for expenses from any cause or causes, so that the total aggregate liability of GARVER and its subconsultants to all those named shall not exceed GARVER's total fee for services rendered on this project. Such claims and causes include, but are not limited to negligence, professional errors or omissions, strict liability, breach of contractor warranty, and indemnity obligations.

Notwithstanding any other provision to the contrary in this Agreement or a Work Authorization and to the fullest extent permitted by law, neither Owner nor Garver shall be liable, whether based on contract, tort, negligence, strict liability, warranty, indemnity, error and omission, or any other cause whatsoever, for any consequential, special, incidental, indirect, punitive, or exemplary damages, or damages arising from or in connection with loss of power, loss of use, loss of revenue or profit (actual or anticipated), loss by reason of shutdown or non-operation, increased cost of construction, cost of capital, cost of replacement power or customer claims, and Owner hereby releases Garver, and Garver releases Owner, from any such liability.

5.8.1 Hazardous Materials

Nothing in this agreement shall be construed or interpreted as requiring GARVER to assume any role in the identification, evaluation, treatment, storage, disposal, or transportation of any hazardous substance or waste. Notwithstanding any other provision to the contrary in this Agreement or a Work Authorization and to the fullest extent permitted by law, Owner shall indemnify, defend and save GARVER and its affiliates, subconsultants, agents, suppliers, and any and all employees, officers, directors of any of the foregoing, if any, from and against any and all losses which arise out of the performance of the Services and relating to the regulation and/or protection of the environment, including, without limitation, losses incurred in connection with characterization, handling, transportation, storage, removal, remediation, disturbance, or disposal of hazardous material, whether above or below ground.

5.9 Mediation

In an effort to resolve any conflicts that arise during the design or construction of the project or following the completion of the project, the Owner and GARVER agree that all disputes between them arising out of or relating to this Agreement shall be submitted to non-binding mediation unless the parties mutually agree otherwise.

The Owner and GARVER further agree to include a similar mediation provision in all agreements with independent contractors and consultants retained for the project and to require all independent contractors and consultants also to include a similar mediation provision in all agreements with subcontractors, subconsultants, suppliers or fabricators so retained, thereby providing for mediation as the primary method for dispute resolution between the parties to those agreements.

SECTION 6 - CONTROL OF SERVICES

This is a Texas Contract and in the event of a dispute concerning a question of fact in connection with the provisions of this contract which cannot be disposed of by mutual agreement between the Owner and GARVER, the matter shall be resolved in accordance with the Laws of the State of Texas.

This Agreement may be terminated by either party by seven (7) days written notice in the event of substantial failure to perform in accordance with the terms hereof by the one (1) party through no fault to the other party or for the convenience of the Owner upon delivery of written notice to GARVER. If this Agreement is so terminated, GARVER shall be paid for the time and materials expended to accomplish the services performed to date, as provided in SECTION 3 - PAYMENT; however, GARVER may be required to furnish an accounting of all costs.

SECTION 7 - SUCCESSORS AND ASSIGNS

The Owner and GARVER each bind themselves and their successors, executors, administrators, and assigns of such other party, in respect to all covenants of this Agreement; neither the Owner nor GARVER shall assign, sublet, or transfer their interest in this agreement without the written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of any public body which may be a party hereto.

SECTION 8 – APPENDICES AND EXHIBITS

8.1 The following Appendices and/or Exhibits are attached to and made a part of this Agreement:
8.1.1 Appendix A – Work Order No. 1

This Agreement may be executed in two (2) or more counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

GARVER

IN WITNESS WHEREOF, Owner and GARVER have executed this Agreement effective as of the date last written below.

CITY OF CELINA

By: ______________________
Signature

Name: ______________________
Printed Name

Title: ______________________

Date: ______________________

Attest: ______________________

GARVER, LLC

By: ______________________
Signature

Name: JEFFREY L SOBER
Printed Name

Title: VICE PRESIDENT

Date: OCTOBER 20, 2015

Attest: ______________________

Engineering/Public Works
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Gabe Johnson, Director of Public Works
Date: November 10, 2015
Re:

Action Requested:

Consider and act upon a Master Services Agreement (MSA) contract by and between the City of Celina and Cobb, Fendley and Associates, Inc. For Engineering and Professional Services. (Johnson)

Background Information:

This agreement shall provide Professional Engineering Services for various City of Celina Departments in compliance with the "Texas Engineering Practice Act and Rules Concerning the Practice of Engineering and Professional Engineering Licensure" of the Texas Board of Professional Engineers, and all applicable laws. The scope of services may vary from Project to Project shall be determined by City personnel or by mutual agreement between the City and Engineer. The contract term shall commence on the date of execution by the City Council, or their authorized representative, and extend for a period of twelve (12) months thereafter. The contract term may be extended by mutual agreement of the parties.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

None

Legal Review:

The City Attorney has reviewed the proposed contract for content and form

Supporting Documents:

Master Services Agreement

Staff Recommendation:

Approve

MASTER AGREEMENT
TO FURNISH
CONSULTING SERVICES TO
CITY OF CELINA, TEXAS

For consideration hereinafter set forth, Cobb, Fendley & Associates, Inc., (Engineer) a Texas corporation with an office in Frisco, Texas, agrees to provide consulting services to the CITY OF CELINA, TEXAS (Owner), for various projects located within Collin and Denton Counties, Texas. This Master Agreement to Furnish Consulting Services to the CITY OF CELINA, TEXAS (Agreement) is effective as of____________________, 2015 and unless earlier terminated by Owner pursuant to Section 6-2, shall continue through the completion of performance of any Work Order(s) executed by both Parties on the dates designated on the appropriate Work Orders.

ARTICLE 1. SCOPE OF SERVICES

At Owner's request and in Owner's sole discretion, Owner may engage from time to time the Engineer to perform professional engineering services in connection with a Project (as defined in Section 7-2). Engineer agrees to perform such services in accordance with the terms and conditions of this Agreement and with any individual Work Order. Owner reserves the right, in its sole discretion, to hire other engineers for any reason and for any purpose. In performing its professional engineering services hereunder and in connection with each Project and Work Order, the Engineer shall follow the degree of professional engineering standard of care and skill set forth in Section 4-3 of this Agreement.

The Services to be provided by the Engineer shall be as mutually agreed to in separate written Work Orders executed by Owner and Engineer in substantially the form attached as Attachment A. Accordingly, whenever used in this Agreement, the term Services shall mean those services specified in a Work Order and all related work. Each Work Order shall include, directly or by reference, appropriate cost and pricing data and such other documentation as required by the Owner. Each Work Order shall be subject to and integrated into this Agreement, and the terms of this Agreement shall be incorporated into and made a part of each Work Order. All Services shall be performed by the employees of Engineer or his Associates unless otherwise provided in a Work Order. Engineer shall be wholly and solely responsible for any Services or Subcontracted Services provided by any officer, employee, agent, representative, contractor or subcontractor of Engineer (collectively, Engineer's Personnel).

ARTICLE 2. COMPENSATION

2-1. ENGINEER

Compensation by the Owner to the Engineer for Services shall be on a fixed fee or a time and materials basis as specified in the applicable Work Order. All time shall be billed at the Engineer′s then current labor billing rates. Said rates shall be subject to a cost of living adjustment on an annual basis as agreed to between the Parties. Then current billing and labor rates shall be made available to the Owner upon request; billing and labor rates in effect on the effective Date of this Agreement are attached hereto as Attachment B. Owner shall also reimburse Engineer for any Direct Expenses (as defined in Article 7) reasonably and necessarily incurred by Engineer in performing Services, plus any applicable sales, use, or other similar taxes (which shall not include any payroll, withholding or income taxes). This Agreement contemplates that alternate compensation may be proposed by either Party on a Work Order specific basis, including fixed price or time and materials tasks, or negotiated rates which, if applicable, shall be specified in the Work Order. The total compensation to the Engineer shall not exceed $30,000 in one calendar year from the date of contract execution.

2-2. SUBCONTRACTED SERVICES

When necessary, technical or professional contracted or subcontracted work or services and / or other outside services and facilities (collectively, the Subcontracted Services) shall be procured by the Engineer in connection with the work, subject to Owner's prior written consent. Engineer shall issue subcontracts for Subcontracted Services in its own name. Engineer shall be compensated for its work related to the Subcontracted Services for the actual amount invoiced by the subcontractor times a multiplier or the equivalent staff hourly billing rate, whichever is greater and agreed to by the parties in a Work Order.

Except as set forth above, neither Engineer nor Owner may assign, sublet, transfer, or otherwise convey (together, an Assignment), or has the power to assign, sublet, transfer, or otherwise convey, any or all of the rights, duties and obligations or interest in this Agreement without the prior written consent of the other. Unless specifically stated to the contrary in any written consent to an Assignment, no Assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

ARTICLE 3. TERMS OF PAYMENT

3-1. PAYMENT

Engineer shall submit to Owner monthly invoices for Services and any compensation due under Section 2. Each invoice shall be accompanied by such documentation as Owner may reasonably require to verify the accuracy of the invoice, including an itemized statement of reimbursable costs incurred, and the sum of all prior payments under this Agreement in connection with each Work Order. Payment to the Engineer shall be made within 30 days of receipt of such invoices and accompanying documentation, subject to Owner′s right to withhold payment pursuant to Section 3-2 of this Agreement. Engineer shall not be entitled to any compensation for any services or work not actually performed or for any lost profits as a result of any abandonment or suspension of any work by the Owner.

Any provision hereof to the contrary notwithstanding, Owner shall not be obligated to make payment to Engineer hereunder if:

1. Engineer is in default of any of its obligations under this Agreement or any Work Order or any other documents in connection with a Project (and payment may be withheld to the extent of any such default);

2. Any part of such payment is attributable to any services of Engineer which are not performed in accordance with this Agreement;

3. Engineer has failed to make payment promptly to subcontractors or consultants or other third parties used by Engineer in connection with Engineer's services hereunder for which the Owner has made payment to Engineer; or

4. If Owner, in its good faith judgment and after consultation with Engineer, determines that the portion of the compensation then remaining unpaid will not be sufficient to complete the Services in connection with a Work Order, no additional payments will be due Engineer hereunder unless and until Engineer performs a sufficient portion of the Services so that such portion of the compensation remaining unpaid is determined by Owner to be sufficient to complete the Services.

3-2. DISPUTED BILLING

In the event Owner disputes or contests any invoice, Owner shall nevertheless pay any undisputed amounts in accordance with Section 3-1. The Owner shall not dispute or contest any invoice without a reasonable basis. Owner's dispute or contest shall be submitted to Engineer in writing within 5 days of receipt of such disputed invoice. The parties shall use their best efforts to resolve any dispute within 5 days of Engineer's receipt of the written dispute or contest.

3-3. BILLING ADDRESS

Engineer shall submit monthly the original invoice and necessary and reasonable accompanying documentation to the following address:

Owner
City of Celina
Attention: Gabe Johnson, P.E.
Director of Engineering & Public Works
142 N. Ohio Street
Celina, Texas 75009

3-4. ACCOUNTING RECORDS

Engineer shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management under this Agreement; the accounting and control systems to be reasonably satisfactory to Owner. Owner and Owner's accountants shall be afforded reasonable access to the Engineer's records, books, correspondence, instructions, drawings, receipts, subcontracts, purchase orders, memoranda, and other data relating to this Agreement during normal business hours at the location where such documents are stored by Engineer, including to audit or inspect the same. Engineer shall preserve all such related documentation for a period of five (5) years after final payment is made of each Work Order.

ARTICLE 4. OBLIGATIONS OF THE ENGINEER

4-1. GENERAL

Engineer shall serve as Owner's professional consultant for all Services or Subcontracted Services in connection with any Work Order between the Parties and shall provide professional consultation and advice and furnish customary services incidental thereto. Engineer shall perform all work hereunder in a manner satisfactory and acceptable to Owner in accordance with the terms and conditions of this Agreement, including the Standard. Engineer shall perform all Services in a timely and professional manner, utilizing at all times an economical and expeditious manner for performing such Services consistent with the Standard (as defined in Section 4-3) and shall cause all Subcontracted Services to be similarly undertaken and performed. No less than monthly, Engineer shall keep Owner informed, orally or in writing, as to the status of all Services and Subcontracted Services in process. All oral information shall be subsequently confirmed in writing if requested by Owner. Notwithstanding anything to the contrary in this Agreement, Engineer shall not be deemed to be an agent of Owner for any purpose but shall in all events be an independent contractor exercising control over its work and the manner in which it is performed. Except as specifically set forth in this Agreement or a Work Order, (a) this Agreement shall not make Engineer a partner or agent of Owner for any purpose, and Owner shall not be deemed an agent for Engineer, and (b) neither Engineer nor Owner shall have the right or authority to assume, create, or enlarge any obligations or commitment on behalf of the other and shall not represent itself as having the authority to bind the other in any manner. Nothing in this Agreement is intended nor shall be construed to create an employer-employee relationship, a joint venture or joint enterprise relationship, or to allow the City to exercise discretion or control over the professional manner in which the Engineer performs the Services which are the subject matter of this Agreement or any Work Order; provided always however that the Services to be provided by Engineer shall be provided in a manner consistent with all applicable standards and regulations governing such Services. The method and manner in which Engineer's Services hereunder and under any Work Order shall be performed shall be determined by the Engineer in its sole discretion. The employees, agents, and representatives of, and the methods, equipment and facilities used by, the Engineer shall at all times be under the Engineer's exclusive direction and control.

Upon completion of any documents, drawings, specifications, and information, Engineer shall provide to Owner three (3) sets of such documents for review and approval. Notwithstanding Owner's approval of any of such documents, drawings, specifications or information, Engineer attests that such documents, drawings, specifications, and information, as the same may be amended or supplemented by the

Engineer, shall be sufficient and adequate for the Project for which they are prepared. Notwithstanding Owner's approval of any of the documents, drawings, specifications, and information, Engineer attests and represents that the same, may be amended or supplemented by Engineer, per the Standard, shall, to the best of Engineer's knowledge, information and belief as a civil engineer performing the practice of civil engineering in accordance with the standards, duties, and obligations set forth herein, be free from material error, and shall be satisfactory to the Client. In accordance with the standard of care, Engineer agrees that if it shall recommend unsuitable materials in connection with any Project and this Agreement or if the design of a Project should be defective in any way, Engineer will assume sole responsibility for any damages, loss, claims, or expenses to the extent caused by Engineer's recommendation of unsuitable materials or defective design. Approval by the Owner of any of Engineer's documents, drawings, specifications, and information or work pursuant to this Agreement shall not constitute nor be deemed a release of the responsibility and liability of Engineer, its employees, subcontractors, agents and consultants for the accuracy and competency of the same, nor shall such approval be deemed to be an assumption of or an indemnification for such responsibility or liability by the Owner for any defect, error or omission in such documents, drawings, specifications, and information or work, it being understood that the Owner at all times is ultimately relying on Engineer's skill and knowledge in preparing the documents, drawings, specifications, and information.

4-2. AUTHORIZATION TO PROCEED

The Engineer shall not begin work on any Services until the Owner directs Engineer in writing to proceed. Unless otherwise specified in a Work Order, each Work Order shall constitute notice and authorization to proceed in connection with the applicable Services.

4-3. STANDARD OF CARE; REPRESENTATIONS

The standard of care applicable to Engineer, including Engineer's Personnel, in rendering Services or Subcontracted Services shall be the standard of professional ethics and the degree of skill, care and diligence normally employed by professional engineers performing the same or similar Services or Subcontracted Services in the same locality in which the work and services hereunder are being provided (collectively, the Standard). The Engineer shall re-perform and otherwise remedy any Services, including Subcontracted Services, not meeting the Standard without additional compensation. Further, Engineer and all subcontractors shall perform all Services in accordance with any applicable law, rule, regulation or order of any federal, state or local agency having jurisdiction over any matter related to this Agreement that is in effect or effective at the time such Services or Subcontracted Services are performed.

Engineer represents that it is authorized to practice civil engineering in the State of Texas and that any necessary licenses, permits or other authorization to practice civil engineering and professional surveying and to provide the Services set forth herein have been heretofore acquired as required by law, rule or regulation. Engineer agrees and acknowledges that Owner is entering into this Agreement in reliance on Engineer's professional abilities with respect to performing the Services set forth herein.

4-4. ENGINEER'S INSURANCE

The Engineer shall maintain during the term of this Agreement the following policies of insurance or such other policies as may be required by applicable law or the Engineer decides to maintain consistent with safe, efficient professional business practices:

a) Worker's Compensation as required by the State of Texas or the jurisdiction where the Services are to be performed, whichever is greater, including coverage under the broad form, all states endorsement and with Employer's liability primary coverage with limits of Five Hundred Thousand Dollars ($500,000) for each occurrence and in the aggregate.

b) Comprehensive automobile and vehicle liability insurance covering claims for injuries to members of the public and/or damages to property of others arising from use of motor vehicles, including on-site and offsite operations, and owned, non-owned, or hired vehicles, with $500,000 combined single limit.

c) Commercial general liability insurance covering claims for injuries to members of the public or damage to property of others arising out of any covered negligent act of the Engineer including any of Engineer's Personnel, with a limit of $500,000 per occurrence and $1,000,000 in the annual aggregate.

d) Professional Liability insurance covering claims resulting from engineering errors and omissions with a limit of $500,000 per occurrence and $1,000,000 in the annual aggregate.

e) Engineer shall submit insurance certificates to Owner in connection with each Work Order prior to commencement of Services or site mobilization. All liability insurance required under this section 4-4 shall include Owner, Owner's agents and employees as additional name insured and be with a company or companies satisfactory to Owner.

f) Engineer shall require any person providing Subcontracted Services to carry adequate insurance in connection with each Work Order prior to commencement of Subcontracted Services or site mobilization if required by Owner.

All insurance shall be procured and maintained by Engineer and any person providing Subcontracted Services at its own cost and expense. The insurance coverage referenced in this Agreement and maintained by Engineer and any person providing Subcontracted Services shall be primary as to any valid and collectible insurance maintained by Engineer. Each policy of insurance referenced in this Agreement and maintained by Engineer or any person providing Subcontracted Services shall provide that written notice shall be delivered to Owner not less than sixty (60) days prior to cancellation of such policy. A waiver of subrogation in favor of the CITY OF CELINA, TEXAS shall be contained in the workers compensation and all liability policies. Engineer shall submit insurance certificates to Owner prior to commencement of Services or Subcontracted Services or site mobilization which shall evidence on the face thereof compliance with the basic requirements of this Agreement, including the requirements set forth in the two sentences immediately preceding this sentence. Owner reserves the right to reasonably adjust the types and amounts of insurance set forth herein.

4-5. FEDERAL, STATE AND LOCAL REGULATIONS

Engineer shall comply with all federal, state and local laws, standards, rules, and regulations applicable to this Agreement.

4-6. CONFIDENTIALITY

Engineer acknowledges that Owner is a Municipality and must comply with all the rules and regulations of the Public Information Act, as the same may be amended or superseded. However, the Engineer is not an employee, but a contractor for the Owner and as such the Engineer hereby agrees that Engineer shall not use the Owner's insignia, logo, service mark, or other intellectual property of Owner, but shall be allowed to use photographs of the Service product work, or any other publicity pertaining to the work in any magazine, trade paper, newspaper, or other medium.

4-7. LIENS - Not applicable for municipal projects

ARTICLE 5. OBLIGATIONS OF THE OWNER

5-1. OWNER-FURNISHED DATA AND ACCESS TO SITE

The Owner shall provide to the Engineer available (i.e., in the Owner's custody and control) technical data that Owner determines to be needed to perform the Services on the Project. Subject to the Standard, Engineer may reasonably rely upon the accuracy, timeliness, and completeness of the information provided by the Owner. Engineer shall be entitled to additional compensation and time to complete the Services to the extent the cost or time to complete the Services are increased due to inaccurate technical data or inaccurate information provided by the Owner.

5-2. PROMPT NOTICE

The Owner shall give prompt written notice to Engineer whenever Owner observes or becomes aware of any development that affects the scope or timing of Services or any Subcontracted Services, or any defect in the Services or Subcontracted Services of the Engineer, including Engineer's Personnel; provided, however, that Owner's failure to comply with its obligations under this paragraph shall not be construed to adversely affect any liability responsibility or obligation of Engineer to Owner under this Agreement. The Engineer shall give prompt written notice to Owner whenever Engineer observes or becomes aware of any development that affects the scope or timing of Services, or any defect in the Services or Contracted Services of the Engineer, including Engineer′s Personnel.

5-3. CHANGES

No changes in the general scope of Services or Subcontracted Services and no amendment may be made to any Work Order (collectively, Changes) unless first agreed to by Owner and Engineer in writing. Engineer′s key personnel shall not be permitted to be changed or substituted unless first authorized in writing by the Owner. If any approved Changes affect the Engineer′s cost of or time required for performance of the Services, an equitable adjustment shall be made through a written amendment to this Agreement or Work Order signed by Owner and Engineer within seven (7) days after Change.

ARTICLE 6. GENERAL LEGAL PROVISIONS

6-1. FORCE MAJEURE

The Engineer is not responsible to Owner for any damages to Owner or delay in performance caused by acts of God, strikes, lockouts, accidents, or other events beyond the control of the Engineer and not avoidable by the diligence of the Engineer; in such event, Engineer shall give Owner prompt notice of such delay and the performance of this Agreement shall be excused for the period of such delay. If such an event necessitates a change in the time required for performance of the Services or Subcontracted Services, the Parties shall make an equitable adjustment of the schedule and maximum price; provided, however, that Engineer shall continue to promptly perform all of its obligations under this Agreement, including the Services, while the Parties are determining the nature and extent of any such adjustments. This Section shall not excuse Owner′s obligation to make payment for Services or Subcontracted Services in accordance with this Agreement; provided, however, that Owner's obligations under this Agreement, including Owner's obligation to pay Engineer, may be excused for such period of time as Owner is not able to perform as a result of acts of God, strikes, lockouts, accidents, or other events beyond the control of Owner and not avoidable by the diligence of Owner.

6-2. TERMINATION

This contract shall remain in effect for one (1) calendar year from the date of execution. This Agreement or any Work Order may be terminated (Termination for Convenience) by either Party through written notice to the other Party to be effective thirty (30) calendar days after the other Party's receipt of such notice; provided, however, that Owner shall be responsible to pay the Engineer for all authorized Services and Subcontracted Services properly performed up to the termination date. Upon receipt of notice of termination for any reason, Engineer shall cause to be promptly delivered to Owner′s offices a copy of all confidential information and Work Product. In the event of a Termination for Convenience by either Party, Engineer shall have no recourse against Owner except as stated in the preceding sentence; additionally, in the event of a Termination for Convenience by the City, Engineer shall also be entitled to receive reimbursement from Owner of an amount equal to the sum of: (i) the reasonable out-of-pocket costs actually and necessarily incurred by Engineer in withdrawing its equipment and personnel from the projects and otherwise demobilizing; and (ii) the actual, reasonable and necessary costs incurred by Engineer in terminating those contracts, not assumed by Owner, for Subcontractors Services. Engineer shall document any cost claimed by it to Owner′s reasonable satisfaction and shall supply Owner with copies of all invoices for Subcontracted Services covering the amounts claimed as costs for such purpose. Engineer shall submit an invoice to Owner for the amount of reimbursement claimed by Engineer with all supporting information and requisite documents. Owner shall pay such invoice in accordance with Article 3.

Either Party may terminate this Agreement or any Work Order because of default of the other Party, to be effective fifteen (15) days after receipt by the breaching Party of a written notice specifying such default, unless the breaching Party corrects such default or presents a mutually agreeable plan to cure such default within such time.

Notwithstanding any termination of this Agreement, unless otherwise agreed by Owner, Engineer shall complete all Work Orders executed prior to the effective date of termination. Owner shall pay for such work in accordance with Article 3. Upon termination of this Agreement for any reason, if Owner has compensated Engineer for work not yet performed, Engineer shall promptly return such compensation to Owner.

6-3. SUSPENSION, DELAY, OR INTERRUPTION OF WORK

Upon seven (7) days prior written notice, the Owner may suspend, delay, or interrupt for up to six (6) months the services of the Engineer for the convenience of the Owner. Nothing in this Section 6-3 shall be construed to apply to any such suspension, delay or interruption caused by an event identified in Section 6-1. A suspension may be withdrawn by Owner upon five (5) days written notice to Engineer accompanied by Owner's payment to Engineer of 10% of the sum of all prior Work Orders signed in connection with the Project on which the Work Orders have been issued. Any suspension, delay or interruption that exceeds six (6) months shall be deemed to be a termination by Owner and Engineer shall be compensated by Owner as if this Agreement were a Termination for Convenience.

6-4. INDEMNIFICATION

Notwithstanding any other provision herein which may be to the contrary:

(A) IN CONSIDERATION OF THE GRANTING OF THIS AGREEMENT, ENGINEER AGREES TO DEFEND, INDEMNIFY AND HOLD HARMLESS THE OWNER, ITS, OFFICERS, AGENTS AND EMPLOYEES (EACH AN "INDEMNITEE") FROM AND AGAINST ANY AND ALL SUITS, ACTIONS, JUDGMENTS, LIABILITIES, PENALTIES, FINES, EXPENSES, FEES AND COSTS (INCLUDING REASONABLE ATTORNEY'S FEES AND OTHER COSTS OF DEFENSE), AND DAMAGES (TOGETHER, "DAMAGES") TO THE EXTENT SUCH DAMAGES ARE CAUSED BY OR RESULT FROM ANY NEGLIGENT ACT, ERROR OR OMISSION OR WILLFUL MISCONDUCT OF ENGINEER, INCLUDING ENGINEER'S PERSONNEL, UNDER THIS AGREEMENT.

(B) THE OBLIGATIONS SET FORTH IN THIS SECTION SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

(C) Engineer shall cause all contracts for Subcontracted Services to include a like indemnity which shall cover both Owner and Engineer. Nothing herein shall limit the insurance requirements or applicability under Section 4-4.

(D) The above indemnity is a business understanding between the Parties and applies to all different theories of recovery, including breach of contract or warranty, tort including negligence, statutory liability, or any other cause of action.

6-5. JURISDICTION

The law of the State of Texas shall govern the validity of this Agreement, its interpretation and performance, and any other claims related to it; and, with respect to any conflict of law provisions, the parties agree that such conflict of law provisions shall not affect the application of the law of Texas (without reference to its conflict of law provisions) to the governing, interpretation, validity and enforcement of this Agreement. In the event of any action under this Agreement, venue for all causes of action shall be instituted and maintained in state courts located in Dallas County, Texas.

6-6. SEVERABILITY

If any of the provisions contained in this Agreement are held for any reason to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceable provisions shall not affect any other provision, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein; and it is the intention of the Parties that in lieu of each provision that is found to be illegal, invalid, or unenforceable, the Parties agree to seek to reasonably negotiate a new provision to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

6-7. ASSIGNMENT

Neither Party may sell, transfer or assign any or all of its respective rights and obligations pursuant to this Agreement to a third party without the prior written consent of the other Party, which shall not be unreasonably withheld.

6-8. SURVIVAL

Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination or expiration of this Agreement shall survive termination or expiration. Without limiting the foregoing, Articles 4 and 6 shall survive termination of this Agreement.

6-9. NO THIRD PARTY RIGHTS

Except as provided in Sections 4-4 and 6-4, this Agreement shall not create any rights or benefits to parties other than Engineer, Owner, and any Owner affiliated entity including, but not limited to, an entity formed for purposes of developing and/or owning the Project.

6-10. USE OF WORK PRODUCT

The Work Product (including all drawings, plans, specifications, reports, documents, records, plans, and designs, in whatever form or format) prepared by the Engineer shall be the property of the Owner and may be used by the Owner solely on the Project in connection with which the Work Order has been issued without the prior written consent of the Engineer. Engineer shall provide to Owner all such Work Product.

6-11. NOTICE

Except as otherwise provided herein, all notices and other communications required or permitted to be given under this Agreement, including Exhibits and Work Orders, shall be in writing, addressed to the Parties at their respective addresses as provided below, and may be delivered in person, sent by overnight express mail or courier service, or by certified mail, postage prepaid, return receipt requested. The addresses of each Party are as follows:

IF TO OWNER:	City of Celina, Texas Attention: Gabe Johnson, P.E. Director of Engineering & Public Works 142 N. Ohio Street Celina, Texas 75009
IF TO ENGINEER:	Cobb Fendley & Associates Ted B. Sugg, P.E. 6801 Gaylord Parkway, Suite 302 Frisco, Texas 75034

Each Party may from time to time change its address for receipt of notices by sending notice thereof in the manner provided herein to the other Party. Each notice given by certified mail shall be deemed delivered on the date of delivery as shown on the return receipt, or if delivery is attempted, at the last address specified and the notice is returned, notice shall be deemed delivered on the date the notice was originally sent. Each notice delivered in any other manner shall be deemed delivered as of the time of actual receipt thereof. The Parties acknowledge and agree to provide to the other Party within 72 hours of transmission such documents bearing the original signatures.

6-12. LIMITATIONS

All indemnities against, releases from, and limitations on liability, and limitations on remedies expressed in this Agreement, as well as waivers of rights, including, but not limited to, subrogation rights, shall apply even in the event of the fault, negligence, or strict liability of the Party indemnified or released or whose liability is limited or against whom remedies have been limited and shall extend to the partners, officers, directors, employees, licensors, agents, subcontractors, vendors and related entities of such Party.

6-13. RIGHT OF ENTRY

Owner shall permit Engineer reasonable access to a Project as may be required to permit Engineer to perform the Services; provided, however, Engineer shall coordinate all Services so as not to interfere with any of Owner′s operations at a Project site.

6-14. INTERPRETATION AND FAIR CONSTRUCTION OF AGREEMENT

This Agreement has been reviewed and approved by each of the Parties. In the event it should be determined that any provision of this Agreement is uncertain or ambiguous, the language in all parts of this Agreement shall be in all cases construed as a whole according to its fair meaning.

6-15. NON-WAIVER

The failure of either Party to insist upon or enforce strict performance by the other Party of any provision of this Agreement or to exercise any right under this Agreement shall not be construed as a waiver or relinquishment to any extent of such Party′s right to assert or rely upon any such provision or right in that or any other instance, rather, the same shall be and remain in full force and effect.

6-16. OPINIONS OF PROBABLE COST (COST ESTIMATES)

Any opinions provided by the Engineer concerning probable project cost or probable construction cost are made on the basis of information available to Engineer and on the basis of Engineer's experience and qualifications, and represents its judgment as an experienced and qualified professional engineer. However, since Engineer has no control over the cost of labor, materials, equipment or services furnished by others, or over the contractor(s) methods of determining prices, or over competitive bidding or market conditions, Engineer does not guarantee that proposals, bids or actual project or construction cost shall not vary from the opinions of probable cost Engineer prepares. The Engineer shall advise the Owner if it appears that the construction cost may exceed the latest approved Project budget and make recommendations for corrective action.

6-17. CONSTRUCTION PROCEDURES

For construction work contracted directly to or with Owner, Engineer's observation or monitoring portions of the work performed under construction contracts shall not relieve the contractor from its responsibility for performing work in accordance with applicable contract documents. Engineer shall not control or have charge of, and shall not be responsible for, construction means, methods, techniques, sequences, procedures of construction, health or safety programs or precautions connected with the construction work and shall not manage, supervise, control or have charge of construction. Further, Engineer shall not be responsible for the acts or omissions of the contractor or other parties on a Project.

Engineer's visits to a Project site during the construction phase of a Project are to allow Engineer to become generally familiar with and to observe the progress and quality of the construction work, and to determine in general if the work is being performed and is proceeding in a manner indicating that the work, when completed, will be in accordance with the Work Product prepared by or for Engineer hereunder. However, it is understood that the contractor, not Engineer, is solely responsible for the construction of the Project, for safety programs and procedures at the site, and for its own acts or omissions and those of any subcontractor. Engineer shall recommend to Owner that contractor's work be disapproved and rejected while it is in progress if, on the basis of such on-site visits and observations, Engineer believes that such work will not produce a completed Project that conforms generally to the contract documents and Work Product or that it will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated in the contract documents and Work Product.

On the basis of on-site visits and observations, Engineer shall keep the Owner informed of the progress and quality of the construction work, and shall endeavor to guard the Owner against defects and deficiencies in the work and to the extent Engineer observes or is made aware of such defects and deficiencies, Engineer will report any such defects and deficiencies to the Owner. Engineer shall require such special inspections or tests of contractor's work as Engineer deems appropriate, and shall receive and review certificates of or other documents regarding inspections, tests and approvals as requested by the Owner and as required by laws, rules, regulations, ordinances, codes, orders or the contract documents and Work Product; Engineer's review of such certificates will be for the purpose of determining that the results certified indicate compliance with the same.

Engineer shall promptly correct any defective Work Product or other information furnished by Engineer at no cost to the Owner. The Owner's approval, acceptance, use of or payment for all or any part of Engineer's services hereunder, including, without limitation, the Work Product or any portion thereof, or of the Project itself, shall in no way alter Engineer's obligations or the Owner's rights hereunder. If requested by Owner, Engineer shall review and take appropriate action on the contractor's submittals and application for payment (including, without limitation, certifying any amounts due the contractor based upon Engineer's visits to and observations at the site, and such certification shall constitute a representation to the Owner, based on Engineer's visits and observations at the site and on the data comprising the Contractor's applications for payment, that, to the best of Engineer's knowledge, information and belief, the work has progressed to the point indicated and the quality of the work is in accordance with the Work Product. Engineer shall furnish to the contractor such additional details, interpretations, and clarifications as are customary during the Construction Phase. All changes, substitutions, and deviations from the Work Product shall be subject to Owner's approval.

Engineer shall review and approve or take other appropriate action upon contractor's submittals such as shop drawings, product data and samples for the purpose of checking such submittals for conformance with, and the design concept expressed in the requirements of the contract documents and Work Product. Engineer's action shall be taken with such reasonable promptness as to cause no delay in the contractor's work on in construction by the Owner's own forces (if any), while allowing sufficient time in Engineer's professional judgment to permit adequate review. Engineer's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by Engineer, of construction means, methods, techniques, sequences or procedures. Engineer's approval of a specific item shall not indicate approval of an assembly of which the item is a component. When professional certification of performance characteristics of materials, systems or equipment is required by the contract documents and Work Product, Engineer shall be entitled to rely upon such certification to establish that the materials, systems or equipment will meet the performance criteria required by the contract documents and Work Product.

At Owner's request, Engineer shall review or take other appropriate action on construction change orders and construction change directives. Engineer shall also issue necessary clarifications and interpretations (and report the same to Owner) of the contract documents and Work Product as appropriate to the orderly completion of the work. Such clarifications and interpretations will be consistent with the intent of and reasonably inferable from the contract documents and Work Product.

Based on Engineer's observations and on its review of applications for payment and accompanying supporting documentation from the contractor (if Owner has requested such review), Engineer shall, at Owner's request, determine the amounts that Engineer recommends the contractor be paid. Such recommendations of payment (if requested by Owner) will be in writing and will constitute Engineer's representation to Owner, based on such observations and review, that, to the best of Engineer's knowledge, information and belief, (i) the contractor's work has progressed to the point indicated, (ii) such work is generally in accordance with the contract documents and Work Product (subject to an evaluation of the work as a functioning whole upon substantial completion, to the results of any subsequent tests called for in the contract documents and Work Product and to any other qualifications stated in the recommendation), and (iii) the conditions precedent to contractor's being entitled to such payment appear to have been fulfilled in so far as it is Engineer's responsibility to observe contractor's work. In the case of unit price work, Engineer's recommendations of payment will include final determinations of quantities and classifications of contractor's work, based on observations and measurements of quantities provided by the contractor with contractor's pay requests.

Engineer shall secure, review, and transmit to Owner all original documents Engineer receives from the contractor, including without limitation any required lien waivers, releases, bonds, affidavits, certificates of inspection, tests and approvals, warranties and similar submittals, and deliver all keys, manuals, record drawings and maintenance books to Owner, as required by the contract documents which are to be assembled by contractor in order to obtain final payment.

Promptly after notice from the contractor that the contractor considers the work ready for its intended use, Engineer, accompanied by Owner and the contractor, shall conduct a visit and observation to determine if the work is substantially complete. If after considering any objections of Owner, Engineer considers the work on the Project substantially complete, Engineer shall notify the Owner and contractor and shall issue a certificate of substantial completion to Owner and the contractor. Simultaneous with Engineer’s determination that the Project is substantially complete and the issuance of a certificate of substantial completion, Engineer shall, jointly with the contractor, prepare for Owner a list of incomplete or unsatisfactory items and a schedule for their completion (the “punch list”). If requested by Owner, Engineer shall observe and monitor the correction and final completion of the work. Following issuance of a certificate of substantial completion of the work, if requested by Owner, Engineer shall evaluate the completion of the work of the contractor and make recommendations to Owner when the work is ready for final inspection. Promptly after notice from the contractor that the contractor considers the entire work finally complete and all items on the punch list completed, Engineer, accompanied by Owner and the contractor, shall conduct an inspection of the Project to determine if the work is finally complete.

When the Engineer determines that work of the contractor has been finally completed, is acceptable, and is generally in accordance with the contract documents and Work Product, Engineer will recommend, in writing, final payment to the contractor. Accompanying the recommendation for final payment, Engineer shall also provide a notice that the work meets the intent of Engineer’s design, is acceptable, and is generally in accordance with the contract documents and Work Product to the best of Engineer’s knowledge, information, and belief and based on the extent of the Services provided by Engineer under this Agreement.

Engineer shall assemble and deliver to the Owner (i) one full size bond set, (ii) one half size bond set, and (iii) a CD in AutoCAD format and PDF format, of reproducible Record Construction Drawings as prepared by Engineer showing changes in the construction work during the construction process, including the final location of all buried utilities, based on marked up prints and drawings and other data furnished by the contractor.

Engineer shall advise and consult with the Owner during construction until final payment to the contractor is made and during any maintenance bond period and warranty by the contractor for a Project.

6-18. HAZARDOUS WASTES

Owner represents to Engineer that, to its actual knowledge, no hazardous wastes (as hereinafter defined) are present at a Project site, except as may be disclosed orally to Engineer or set forth in a Work Order. However, in the event hazardous wastes are known to Owner to be present, Owner represents that it shall disclose to Engineer the existence, including type, quantity and location of such hazardous wastes. In the event Engineer or any other party encounters undisclosed hazardous wastes, Engineer shall have the obligation to notify Owner and, to the extent required by law or regulation, the appropriate governmental officials, and Engineer may, at its option and without liability for consequential or any other damages to Owner, suspend performance of Services on that portion of a Project affected by such hazardous wastes. For purposes of this section, "hazardous wastes" has the same meaning as such term is defined in the Resource Conservation and Recovery Act or any applicable state law, rule or regulation then in effect.

ARTICLE 7. DEFINITIONS; MISCELLANEOUS

7-1. DIRECT EXPENSES

Direct Expenses shall mean those out-of-pocket reasonable costs or expenses directly and necessarily incurred by Engineer, including its employees, for Services including, but not limited to, transportation costs, including current rates for Engineer′s vehicles; meals and lodging (however, in order to be reimbursed, any costs associated with out-of-town travel shall receive the prior approval of Owner), laboratory tests and analysis; and special Owner-requested and Project-related insurance, not including the insurance described in Section 4-4. Direct Expenses shall not include payroll costs and compensation, capital expenses, overhead, or costs incurred as a result of the application of Section 4-4 or Section 6 of the Agreement or otherwise as a result of the negligent act, error or omission or willful misconduct of Engineer or Engineer′s Personnel. Reimbursement for Direct Expenses shall be on the basis of actual charges when furnished by commercial sources and, when furnished by Engineer, on the basis of current rates specified in the applicable Work Order.

7-2. OTHER DEFINITIONS

Whenever used in this Agreement, the term (a) including shall mean including without limitation, (b) "Party shall mean Owner or Engineer, and "Parties" shall mean Owner and Engineer, collectively, and (c) "Project" shall mean the project for which a Work Order has been issued in accordance with Article 1.

7-3. MISCELLANEOUS

All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the parties, pertaining to a period of time following the termination or expiration of this Agreement shall survive termination or expiration.

The undersigned officers and/or agents of the Parties hereto are the properly authorized persons 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 motions, resolutions or other act extending such authority have been duly passed and are now in full force and effect.

This Agreement may be only amended or altered by written instrument signed by both of the Parties.

ARTICLE 8. SIGNATURES

This Agreement and the Work Orders, and any Exhibits, constitute the entire Agreement, supersede all prior written or oral understandings, and may only be changed by a written amendment to the Agreement executed by both Parties.

IN WITNESS WHEREOF, the Parties execute below:

City of Celina, Texas	Cobb Fendley & Associates, Inc.
Mike Foreman City Manager	J. Cal Bostwick, P.E. Vice President

Date: ______________________ Date: ______________________

ATTACHMENT A

WORK ORDER

MASTER SERVICE AGREEMENT (MSA), Task Order No. ______1______________

Pursuant and subject to the above captioned MSA dated ______________________ between Cobb, Fendley and Associates, Inc. and the City of Celina, Texas. CLIENT hereby requests that CONSULTANT performs the work described below upon the terms set forth:

CLIENT PROVIDED INFORMATION:

Work Site: ____

Work to Be Performed: ____

Drawings, plans, specifications (are) (are not) attached: ______________________________

Date and Time to Commence: ____

Date and Time to Complete: ____

Equipment, vehicles, tools, materials, supplies to be furnished or obtained through third parties by CLIENT (if any): ____

Invoice Mailing Instructions: ____

Other Requirements or Variance from MSA (if any): ______________________________

____

____

(Additional details may be attached hereto by Engineer or Client)

CONSULTANT PROVIDED INFORMATION:

Compensation: ______________________________

Scope of Work:

____

____

____

____

ACCEPTANCE:

The foregoing TASK ORDER is accepted on the terms set forth as indicated by the signatures below.

CONSULTANT	**CLIENT**
COBB, FENDLEY & ASSOCIATES, INC.	
By: ______________________________	By: ______________________________
Printed Name: ______________________________	Printed Name: ______________________________
Title: ______________________________	Title: ______________________________
Date: ______________________________	Date: ______________________________

Engineering/Public Works
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Gabe Johnson, Director of Public Works
Date: November 10, 2015
Re:

Action Requested:

Consider and act upon a task order authorization by and between the City of Celina and Cobb, Fendley and Associates, Inc as per the MSA for Professional Services. (Johnson)

Background Information:

This task order is being executed under the existing Master Services Agreement (MSA) for professional services. This Task Order 1 will provide the preparation of plan sheets necessary to bid the proposed Street Rehabilitation Project at N. Preston Lakes, Preston Hills, and CR 128. The total compensation for Task Order 1 shall not exceed $4,000.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

We have money available via FY16 budget line item 102-514-02-5149 Engineering.

Legal Review:

The City Attorney has reviewed the proposed contract for content and form.

Supporting Documents:

1. Task Order

Staff Recommendation:

Approve

CobbFendley

TASK ORDER

MASTER SERVICE AGREEMENT (MSA), Task Order No. 1

Pursuant and subject to the above captioned MSA dated ______________________ between Cobb, Fendley and Associates, Inc. and the City of Celina, Texas. CLIENT hereby requests that CONSULTANT performs the work described below upon the terms set forth:

CLIENT PROVIDED INFORMATION:

Work Site: Prepare plans for asphalt overlay / replacement for
Preston Hills (Approx. 5,300 Ft, Frontier Parkway to Pheasant Run St),
North Preston Lakes (Approx. 17,280 LF, from HW 289 to Preston Lakes Circle,
County Road 128 (Approx. 3,100 FT, From HW 455 to north of Lake Drive)

Work to Be Performed: Prepare plan sheets

Drawings, plans, specifications (are) (are not) attached: N/A

Date and Time to Commence: Upon execution of the MSA and this Task Order

Date and Time to Complete: 14 Days from Notice to Proceed

Equipment, vehicles, tools, materials, supplies to be furnished or obtained through third parties by CLIENT (if any): None

Invoice Mailing Instructions: Per the executed MSA

Other Requirements or Variance from MSA (if any): None

(Additional details may be attached hereto by Engineer or Client)

CONSULTANT PROVIDED INFORMATION:

Compensation: $4,000

Scope of Work:

Prepare cover sheet, one plan sheet per street showing the limits of the replacement on aerial photographs obtained from NCTOG, and one general detail sheet. Quantities for pavement removal & replacement and general notes will be shown on each plan sheet. The City will assist in development of general notes and TxDOT specification references. No specifications, bid book, or construction contract documents will be prepared by CobbFendley. The City will perform all construction bidding activities, construction administration, and construction inspection. No field survey nor geotechnical investigation will be performed on this project.

ACCEPTANCE:

The foregoing TASK ORDER is accepted on the terms set forth as indicated by the signatures below.

CONSULTANT	**CLIENT**
COBB, FENDLEY & ASSOCIATES, INC.	
By: ______________________	By: ______________________
Printed Name: Ted B. Sugg, P.E.	Printed Name: ______________________
Title: Principal: Regional Municipal Manager	Title: ______________________
Date: ______________________	Date: ______________________

6801 Gaylord Parkway, Suite 302 | Frisco, Texas 75034 | 972.335.3214 | fax 972.335.3202 | www.cobbfendley.com

TBPE Firm Registration No. 274 | TBPLS Registration No. 100467

Engineering/Public Works
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Gabe Johnson, Director of Public Works
Date: November 10, 2015
Re:

Action Requested:

Consider and act upon a contract by and between the City of Celina and Pacheco Koch, LLC for Professional Services related to an Inflow and Infiltration Study for the West Basin. (Johnson)

Background Information:

Pacheco Koch will perform the duties of lead professional engineer. These duties include providing project management, general oversight of the field activities, coordinating between the City and the field services company, reviewing the field data, updating the City's GIS, and developing a CIP program to address the system defects. Pacheco Koch will sub-contract with Wachs Water Services, a division of Pure Technologies, which will perform the I/I study field tasks, provide MACP/PACP evaluation, collect GPS data on wastewater manholes and defects, and develop the resulting field report, as detailed in their attached proposal.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

The total compensation for this I&I study shall not exceed $75,000. Funds for professional services have been approved in the fiscal year 2015-16 budget, line item 202-522-02-5149 Engineering.

Legal Review:

The City Attorney has reviewed the proposed contract for content and form

Supporting Documents:

Contract

Staff Recommendation:

Approve

Pacheco Koch

November 3, 2015
PK No.: 3551-0100

Mr. Alan Fourmentin
Assistant Director of Public Works
CITY OF CELINA
142 North Ohio Street
Celina, Texas 75009

Re: Inflow and Infiltration Study
CELINA WEST BASIN
Celina, Collin County, Texas
MAPSCO: C4F31, 32

Dear Mr. Fourmentin:

Pacheco Koch, LLC is pleased to submit this proposal to conduct an Inflow and Infiltration Study Project for the Celina West Basin, City of Celina, Collin County, Texas. For this project, Pacheco Koch has sub-contracted with Wachs Water Services, a division of Pure Technologies, for the Field-Related Services. Our total fee proposal of $75,000.00 includes:

- $13,875.00 for Professional Engineering Services (Pacheco Koch, LLC)
- $61,125.00 for Field-Related Services (Wachs Water Services)

The proposal, including a detailed Scope of Work, Project Budget and Schedule for each firm, is attached.

As always, we appreciate the opportunity to work with you and other City staff, as we work together to serve the citizens of Celina.

Sincerely,

Christopher M. Jones, P.E., DBIA

TFB/dtn
01-14366

Pacheco Koch

November 3, 2015
PK No.: 3551-0100

Mr. Alan Fourmentin
Assistant Director of Public Works
CITY OF CELINA
142 North Ohio Street
Celina, Texas 75009

Re: Inflow and Infiltration Study
CELINA WEST BASIN
Celina, Collin County, Texas
MAPSCO: C4F31, 32

Dear Mr. Fourmentin:

Pacheco Koch, LLC is pleased to submit this proposal to provide professional engineering services relating to the referenced project. It is our understanding the Celina West Basin includes approximately 160 manholes and 62,000 linear feet of wastewater mains ranging in size from 6 to 18 inches.

SCOPE OF SERVICES

Pacheco Koch will perform the duties of lead professional engineer for the Inflow and Infiltration Study. These duties include providing project management, general oversight of the field activities, coordinating between the City and the field services company, reviewing the field data, updating the City's GIS, and developing a CIP program to address the system defects.

In support of the study, Pacheco Koch has sub-contracted with Wachs Water Services, a division of Pure Technologies, to perform the I/I study field tasks, provide MACP/PACP evaluation, collect GPS data on wastewater manholes and defects, and develop the resulting field report, as detailed in attached Exhibit A.

Included with this Scope:

- Monitoring and reporting the assets studied and the defects reported
- Verifying quantities and reviewing invoices submitted by the field services company
- Viewing the videos and photographs produced in the field for quality
- Checking the GPS data collected in the field by importing into GIS
- Providing the City with a weekly schedule of field activities and affected communities for posting on the City's website
- Ensuring the City, including the fire and police departments, are notified daily of planned field activities
- Participating in one client workshop and one public information meeting
- Providing Engineers Opinion of Probable Engineer's Fees and Construction Costs to eliminate the defects reported
- Inputting of X and Y GPS coordinates and Z data for manholes into City's GIS database
- Developing a CIP program to address system defects, including tables and graphics
- Making recommendations to the City regarding additional future field investigations

Not included with this scope:

- Managing the activities of the field services company
- Performing QA/QC on the MACP/PACP evaluations provided by the field services company
- Developing a City Ordinance to address system defects on private laterals

COMPENSATION

Pacheco Koch proposes to provide the services described above on a Fixed Fee basis for a total fee, exclusive of direct reimbursable costs, for a total fee of $75,000.00 as summarized below.

FEE SCHEDULE	
A. Pacheco Koch	
Project Management	$ 1,000.00
Client Workshop and Public Information Meeting	$ 2,000.00
General Oversight of Field Activities	$ 3,000.00
Coordination between the City and Field Services Company	$ 1,000.00
Review of Field Data	$ 2,000.00
Development of CIP Program	$ 4,000.00
Direct Expenses	$ 875.00
Sub Total	**$ 13,875.00**
B. Pure Technologies	
Site Reconnaissance/Client Workshop	$ 1,500.00
Mobilization	$ 3,000.00
Smoke Testing	$ 21,700.00
Pole Mounted IMX Camera Field Inspection & Recording	$ 28,000.00
Mapping Grade GPS Location in X, Y, and Z Axes, and Z Location of Inverts	$ 4,800.00
Dye Flooding (in conjunction with zoom camera)	$ 1,125.00
Final Report	$ 1,000.00
Sub Total	**$ 61,125.00**
TOTAL	**$ 75,000.00**

SCHEDULE

Pacheco Koch acknowledges the importance to City of Celina of the project schedule and agrees to put forth its best professional efforts to perform its services under this Agreement in a manner consistent with that schedule. City of Celina understands, however, that Pacheco Koch's performance must be governed by sound professional practices. If, through no fault of Pacheco Koch, such periods of times or dates are changed, or the orderly and continuous progress of Pacheco Koch's services is impaired or Pacheco Koch's services are delayed or suspended, then the time for completion of Pacheco Koch's services, and the rates and amounts of Pacheco Koch's compensation, shall be adjusted equitably. *Barring unforeseen circumstances beyond the control of Pacheco Koch, we would anticipate completion and delivery of the services previously described within fifteen (15) weeks as shown in the Project Schedule below.*

PROJECT SCHEDULE		
ACTIVITY	ESTIMATED DURATION (WEEKS)	ESTIMATED COMPLETION AFTER NTP
Notice to Proceed		Week 0
Field Activities	5	Week 5
MACP/PACP Assessments and Final Field Report	6	Week 11
CIP Program	4	Week 15

SUMMARY

This proposal, unless otherwise noted, constitutes our understanding of the services to be provided by Pacheco Koch, LLC on the project described above. This proposal is offered for a period of thirty (30) days after which, if said proposal has not been executed, said proposal should no longer be valid.

Pacheco Koch, LLC is pleased to have this opportunity to submit this proposal and looks forward to working with you on this project. Upon receipt of notice to proceed, either in writing or verbally, it will be assumed said agreement is accepted by all parties and services will be provided accordingly. If you have any questions or would like any additional information, please do not hesitate to call us at your convenience.

Sincerely,

Christopher M. Jones, P.E., DBIA

TFB/dtn
01-14366

Pacheco Koch

SCHEDULE OF STANDARD HOURLY BILLING RATES
(*Our hourly rates are subject to change at any time.*)

ENGINEERING

Principal	$225.00/Hr.
Associate Principal	$190.00/Hr.
Senior Project Manager	$140.00/Hr.
Senior Project Coordinator	$140.00/Hr.
Project Manager	$120.00/Hr.
Project Coordinator	$120.00/Hr.
Project Engineer	$95.00/Hr.
Senior Technician	$110.00/Hr.
Design Technician	$80.00/Hr.
Technician	$75.00/Hr.
Research Manager	$70.00/Hr.
Technical Assistant	$50.00/Hr.
Senior Administrative Assistant	$80.00/Hr.
Administrative Assistant	$70.00/Hr.
Expert Witness Testimony	$350.00/Hr.

LANDSCAPE ARCHITECTURE

Principal	$225.00/Hr.
Associate Principal	$190.00/Hr.
Senior Project Manager	$140.00/Hr.
Project Manager	$120.00/Hr.
Project Landscape Architect	$95.00/Hr.
Landscape Designer	$75.00/Hr.
Senior Administrative Assistant	$80.00/Hr.
Administrative Assistant	$70.00/Hr.
Expert Witness Testimony	$350.00/Hr.

SURVEYING

Principal	$225.00/Hr.
Associate Principal	$190.00/Hr.
Senior Project Manager	$140.00/Hr.
Senior Project Coordinator	$140.00/Hr.
Project Manager	$120.00/Hr.
Project Coordinator	$120.00/Hr.
Project Surveyor	$95.00/Hr.
Survey Intern	$90.00/Hr.
Senior Technician	$90.00/Hr.
Technician	$75.00/Hr.
Research Manager	$70.00/Hr.
Technical Assistant	$50.00/Hr.
Senior Administrative Assistant	$80.00/Hr.
Administrative Assistant	$70.00/Hr.
Expert Witness Testimony	$350.00/Hr.
Survey Field Crew (1-person)	$95.00/Hr.
Survey Field Crew (2-person)	$135.00/Hr.
Survey Field Crew (3-person)	$195.00/Hr.
Survey Field Crew (4-person)	$250.00/Hr.

rev. 05/2015

Pacheco Koch

STANDARD BILLING RATES FOR IN HOUSE REIMBURSABLE CHARGES
(Rates are subject to change at any time.)

Reproduction:

Black Line Bond Prints .... $ 0.50/sf

Black Line Vellum Prints .... $ 1.50/sf

Black Line Mylar Prints .... $ 2.00/sf

Color Bond Plots .... $ 3.00/sf

Color Prints (8 1/2" x 11") .... $ 1.00/ea

Photocopies (8 1/2" x 11") .... $ 0.10/ea

Monumentation (Materials Only):

3" Aluminum Disks $25.00/ea

Mounting:

Foam-core (3/16") $4.00/sf

Binding Services:

Punch & Bind $2.00/ea

Storage Media:

CD .... $ 8.00/ea

Travel Expenses:

Per Diem (Lodging/Meals) .... $ 100.00/Day/Person

rev. 12/2012

7557 Rambler Road ▪ Suite 1400 ▪ Dallas, TX 75231-2388 ▪ 972.235.3031 ▪ p

AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES

Celina West Basin
Celina, Collin County, Texas
PK No: 3551-0100

This Agreement is made between Pacheco Koch, LLC, a Texas limited liability company, (hereinafter referred to as "PK") whose mailing addres is 7557 Rambler Road, Suite 1400, Dallas, Texas 75231-2388, and City of Celina, (hereinafter referred to as "CLIENT"), whose mailing address is 14 North Ohio Street, Celina, Texas 75009, and is subject to the following terms and conditions to which the parties mutually agree:

ARTICLE 1 - SCOPE OF SERVICES

1.1 In consideration of the mutual covenants contained herein, PK shall perform the services identified in letter of proposal dated Novembe 3, 2015, which is made a part hereof, in accordance with the terms of this Agreement.

1.2 PK will commence the services upon receipt of an executed copy of this Agreement signed by an authorized representative of th CLIENT and by an authorized representative of PK.

1.3 PK shall not be responsible for a CLIENT's directive or substitution made without PK's agreement and which agreement shall not b unreasonably withheld.

ARTICLE 2 - AMENDMENTS

2.1 CLIENT, without invalidating this Agreement, may request changes within the general scope of the Service required by this Agreemer by altering or adding to the Services to be performed, and any such changes in the Services shall be performed subject to th Agreement. Upon receiving the CLIENT's request, PK shall return to CLIENT a written change proposal setting forth an adjustment to th services and cost estimated by PK to represent the value of the requested changes. Following CLIENT's review of PK's change proposo CLIENT shall execute said written proposal authorizing PK to perform the changes in the Services.

ARTICLE 3 - PROJECT COSTS AND PAYMENT

3.1 PK shall be compensated, in U.S. Dollars, in accordance with the afore referenced letter of proposal and any subsequent execute amendments to said proposal.

3.2 Unless otherwise noted, direct costs such as application fees, review fees, blueprinting, reproductions, delivery fees, etc. are not include in the fees above and will be charged at cost times a multiplier of 1.10.

3.3 State and local sales tax shall also be considered a direct cost when applicable and will be charged at cost. Please note thc professional boundary surveying services are subject to state sales tax.

3.4 PK will submit an invoice to CLIENT at the end of each month, on an hourly rate basis or based on the estimated percentage c completion of the services as stipulated in the proposal, unless otherwise specified by the CLIENT in writing and agreed upon by PK.

3.5 Payment shall be made by CLIENT within 30 days after receipt of the invoice.

3.6 PK shall be compensated by CLIENT for services rendered regardless of whether or not any impending sale of the subject property finalized.

3.7 CLIENT shall provide written notification to PK within 15 days of receipt of the invoice should CLIENT object to all or any part of charge appearing on the invoice. The portion of the invoice that is not in dispute shall be paid by CLIENT within 30 days of receipt of said invoice

3.8 If legal action is necessary to enforce payment provisions of this Agreement, PK shall be entitled to collect from CLIENT any judgment c settlement sums due, reasonable attorneys' fees, court costs and expenses incurred by PK in connection therewith.

3.9 A finance charge of 1.50% per month will be paid by CLIENT for all non-disputed invoices after 30 days.

3.10 If CLIENT for any reason fails to pay the undisputed portion of any invoice within 30 days of presentation, PK has the right to cease wor on the project and CLIENT shall waive any claim against PK for cessation of services, and shall defend and indemnify PK from and agains any claims for injury or loss stemming from said cessation of services. In the event the project is restarted, CLIENT shall also pay the cos of restarting and shall renegotiate appropriate contract terms and conditions, such as those associated with budget, schedule or scop of service.

ARTICLE 4 - DELAYS AND TERMINATION

4.1 CLIENT or PK may terminate this Agreement upon forty-eight (48) hours written notice should the other party fail substantially to perforr in accordance with the terms and conditions of this Agreement through no fault of the terminating party. A complete settlement of c claims upon such termination of this Agreement shall be made as follows: In the event of any termination PK will be entitled to invoic CLIENT and to receive full payment for all services performed or furnished in accordance with this Agreement and all Reimbursabl Expenses incurred through the effective date of termination. Upon making such payment, CLIENT shall have the limited right to the us of Documents, at CLIENT's sole risk, subject to the provisions here within. In the event the services cannot be performed on or before th projected due date because of circumstances beyond the control of PK, including, but not limited to strike, fire, riot, excessiv precipitation, act of God, governmental action, third party action or action of omission by CLIENT, the services shall be amended b CLIENT and PK in accordance with Article 2 of this Agreement.

4.2 If the CLIENT suspends the Project, PK shall be compensated for services performed prior to notice of such suspension. When the Projec is resumed, PK shall be compensated for expenses incurred in the interruption and resumption of PK's services. PK's fees for the remainin services and the time schedules shall be equitably adjusted.

4.3 If the CLIENT suspends the Project for more than 90 cumulative days for reasons other than the fault of PK, PK may terminate th Agreement by giving not less than seven (7) days' written notice.

4.4 CLIENT's failure to make payment to PK in accordance with the payment terms herein shall constitute a material breach of th Agreement and shall be cause for termination by PK.

ARTICLE 5 - RIGHT OF ENTRY

5.1 CLIENT shall provide for PK's right to enter from time to time, property owned by CLIENT and/or others in order for PK to fulfill the scope c services included hereunder.

ARTICLE 6 - INFORMATION PROVIDED BY OTHERS

6.1 PK shall indicate to CLIENT the information needed for rendering of services hereunder, and CLIENT shall provide to PK such informatio as is available to CLIENT. CLIENT recognizes that it is impossible for PK to assure the sufficiency of such information, either because it impossible to do so, or because of errors or omissions, which may have occurred in assembling the information. CLIENT shall b responsible for, and PK may rely upon, the accuracy and completeness of all requirements, programs, instructions, reports, data, an other information furnished by CLIENT to PK pursuant to this Agreement. PK may use such requirements, programs, instructions, report data, and information in performing or furnishing services under this Agreement. Accordingly, CLIENT waives any claim against PK, an agrees to defend, indemnify and hold PK harmless from any claim or liability for injury or loss allegedly arising from errors, omissions, c inaccuracies in documents or other information provided to PK by CLIENT. Further, CLIENT agrees to compensate PK for any time sper or expenses incurred by PK in defense of any such claim, with such compensation to be based upon PK's prevailing fee schedule an expense reimbursement policy.

6.2 Subject to the standard of care set forth here within, PK and its Consultants may use or rely upon design elements and informatio ordinarily or customarily furnished by others, including, but not limited to, specialty contractors, manufacturers, suppliers, and th publishers of technical standards.

ARTICLE 7 - CONSTRUCTION ACTIVITIES

7.1 CLIENT agrees that the General Contractor is solely responsible for job site safety and for construction means, methods, sequence techniques and procedures necessary for performing, superintending and/or coordination all construction activities and warrants the this intent shall be made evident in CLIENT's agreement with the General Contractor.

7.2 Unless otherwise required in this Agreement, PK shall have no responsibility for discovery, presence, handling, removal or disposal of, c exposure of persons to, hazardous materials or toxic substances in any form at the Project site.

ARTICLE 8 - CONFIDENTIALITY

8.1 PK shall maintain as confidential, and not disclose to others without CLIENT's prior written consent, all information obtained from CLIEN not otherwise previously known to PK in the public domain. The provisions of this paragraph shall not apply to information in whateve form which (i) is published or comes into the public domain through no fault of PK, (ii) is furnished by or obtained from a third party wh is under no obligation to keep the information confidential, or (iii) is required to be disclosed by law on order of a court, administrativ agency or other authority with proper jurisdiction. PK will notify CLIENT in writing immediately if information is requested under item (ii above. PK shall keep such information strictly confidential and shall not disclose it to any other person except to (i) its employees, (i those who need to know the content of such information in order to perform services or construction solely and exclusively for the Projec or (iii) its consultants and contractors whose contracts include similar restrictions on the use of confidential information.

ARTICLE 9 - OWNERSHIP OF INSTRUMENT OF SERVICE

9.1 All reports, plans, specifications, field data, field notes, calculations, estimates and other documents prepared by PK, as instruments c service shall remain the property of PK. PK shall retain these records for a period of five (5) years following completion of services, durin which period they will be made available to CLIENT at all reasonable times.

ARTICLE 10 - JURISDICTION

10.1 In compliance with Sec. 29 of the Professional Land Surveying Act, as enacted by the Legislature of the State of Texas, we are require to inform you that land surveying services in the State of Texas are under the jurisdiction of the Texas Board of Professional Land Surveying 12100 Park 35 Circle, Bldg. A, Suite 156, MC-230, Austin, Texas 78753, (512) 239-5263. Complaints regarding surveying services rendere may be addressed to that agency. The firm registration number is TBPLS No. 10008000.

10.2 This Agreement is to be governed by the laws of the State of Texas.

ARTICLE 11 - INDEMNITY

11.1 PK shall indemnify and hold harmless CLIENT from and against lawsuits, claims, liabilities, causes of action, losses, damages, forfeiture penalties, fines, costs and expenses, including, but not limited to, reasonable attorney's fees and expenses, by whomever assertec including, but not limited to, any government agency or branch or any third party to the extent the same arise from (i) a breach by P of any term or provision of this Agreement, (ii) violation by PK of federal, state or local statute, rule, regulation or ordinance in th negligent performance of the Services, or (iii) negligent errors or omissions of PK or its employees, agents, or subcontractors in th performance of the Services.

11.2 To the fullest extent permitted by law, CLIENT shall indemnify and hold harmless PK and its officers, directors, members, partners, agent employees, and Consultants from and against any and all claims, costs, losses, and damages (including but not limited to, all fees an charges of engineers, architects, attorneys and other professionals, and all court, arbitration, or other dispute resolution costs), b whomever asserted, including, but not limited to, any government entity, agency or branch, any third party, an employee, contracto employed or retained by PK, any third party or employee employed or retained by PK, to the extent that such claim, property damage injury or death resulted from (i) the negligence or willful misconduct of CLIENT or agent of CLIENT, (ii) violation of federal, state, or loc statute, rule, regulation or ordinance by CLIENT or agent of CLIENT, (iii) CLIENT's alleged involvement or status as an owner, operato arranger, generator or transporter of hazardous substances or constituents at the site, or (iv) inaccurate information provided by CLIEN to PK provided that (i) any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to c destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, and (ii) nothing in this paragrap shall obligate CLIENT to indemnify any individual or entity from and against the consequences of that individual's or entity's ow negligence or willful misconduct.

ARTICLE 12 - LIMITATION OF LIABILITY

12.1 CLIENT, through its authorized representative, identified below, and PK, have discussed their risks, rewards and benefits of the projec and PK's total fee for services. Neither PK, nor their consultants, agents, or employees shall be jointly, severally or individually liable t CLIENT in excess of one hundred thousand ($ 100,000.00) by any act of omission, including breach of contract or negligence nc amounting to willful or intentional wrong.

12.2 If, due to PK's error, any required item or component of the project is omitted from the construction documents, PK's liability shall be limited to the difference between the cost of adding the item at the time of discovery of the omission and the cost had the item or component been included in the construction documents. In no event will PK be responsible for any cost or expense that provide betterment, upgrade or enhancement of the project.

12.3 CLIENT and PK mutually agree that PK's liability to CLIENT for all causes shall be limited to the proceeds from any insurance available t PK.

ARTICLE 13 – FIDUCIARY RESPONSIBILITY

13.1 CLIENT confirms that neither PK nor any of PK's subconsultants or subcontractors has offered any fiduciary service to the CLIENT and n fiduciary responsibility shall be owed to the CLIENT by PK or any of PK's subconsultants or subcontractors, as a consequence of PK entering into this Agreement with the CLIENT.

13.2 If this Agreement is a subcontract to CLIENT'S agreement with OWNER, CLIENT also confirms that neither PK nor any of PK's subconsultan owes a fiduciary responsibility to the CLIENT or OWNER. CLIENT shall, as a material element of the consideration the Consultant require performance of the services enumerated herein, require OWNER to formally recognize this provision in CLIENT's agreement with OWNEF

ARTICLE 14 - INSURANCE

14.1 PK represents that it now carries and will continue during the terms of this Agreement to carry Workers Compensation, Comprehensiv General Liability and Comprehensive Automobile Liability insurance required by the laws of the State of Texas. A current PK Insuranc Certificate will be provided to the CLIENT, if requested.

ARTICLE 15 - ASSIGNMENT

15.1 Unless otherwise noted, neither PK nor CLIENT shall assign this Agreement in whole or in part without the prior written consent of bot parties. PK shall not subcontract any portion of the work to be performed hereunder, except that PK may use the services of persor and entities not in the employ of PK when it is appropriate and customary to do so. Such persons and entities include, but are nc necessarily limited to, surveyors, specialized consultants, and testing laboratories. PK's use of others for additional services shall not b unreasonably restricted by CLIENT provided PK notifies CLIENT in advance.

15.2 PK may, at their discretion, assign this contract to a subsidiary of PK. PK shall notify CLIENT of their assignment at such time it takes place

ARTICLE 16 - NOTICES

16.1 Any notice given hereunder shall be deemed served when hand-delivered in writing to an officer or other duly appointe representative of the party to whom the notice is directed, or if sent by registered or certified mail or by a commercial courier servic to the business address identified at the end of the Agreement. All notices shall be effective upon the date of receipt.

ARTICLE 17 – STANDARD OF CARE

17.1 The standard of care for all professional engineering and related services performed or furnished by PK under this Agreement will be th care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in th same locality. PK makes no warranties, express or implied, under this Agreement or otherwise, in connection with PK's services.

ARTICLE 18 – OTHER PROVISIONS

18.1 The Agreement (including attached schedules) constitutes the sole and entire agreement between PK and CLIENT. This Agreemer replaces and supersedes all prior discussions and agreements between the CLIENT and PK with respect to the matters contained hereir This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument signed by bot CLIENT and PK.

18.2 Any signature of or pursuant to this Agreement, shall be considered for all purposes an original signature and of the same legal effec as an original, provided that at the request of a party any signature sent by facsimile or email shall be subsequently confirmed by a original re-execution.

18.3 All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion c termination for any reason.

18.4 Any provision or part of the Agreement held to be void or unenforceable under any Laws or Regulations shall be deemed stricken, an all remaining provisions shall continue to be valid and binding upon CLIENT and PK, which agree that the Agreement shall be reforme to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressin the intention of the stricken provision.

18.5 CLIENT shall not rely in any way on any Document unless it is issued in final form, signed or sealed by PK or one of its Consultants.

18.6 A party's non-enforcement of any provision shall not constitute a waiver of that provision, nor shall it affect the enforceability of thc provision or of the remainder of this Agreement.

18.7 To the fullest extent permitted by law, all causes of action arising under this Agreement shall be deemed to have accrued, and c statutory periods of limitation shall commence, no later than the date of Substantial Completion.

By executing this agreement, PK and CLIENT indicate their acceptance and agreement with its terms.

City of Celina		**Pacheco Koch, LLC**	
By:	______________	By:	
Name:	______________	Name:	Christopher M. Jones, P.E., DBIA
Title:	______________	Title:	Principal
Date:	______________	Date:	November 3, 2015

Exhibit A

October 28, 2015

Thelma Flores Box, P.E.
Director of Utility Infrastructure
Pacheco Koch
7557 Rambler Road
Suite 1400
Dallas, TX 75231

Dear Thelma,

Wachs Water Services (WWS), a division of Pure Technologies, is pleased to provide Pacheco Koch with a proposal to assess the wastewater pipelines as presented for the City of Celina, TX.

Sewer & Storm Water Collection Pipelines and Manholes

Historically, assessment of sewer and storm water collection pipelines has focused on using CCTV cameras deployed using robotic units (i.e., conventional CCTV). Often, the CCTV inspection is accompanied by a jet cleaning crew to ensure that the pipeline is clear of debris and sediment that may impede the travel of the robotic unit. Although a CCTV inspection allows for visual assessment of the interior pipe wall, it is also the most expensive approach to inspecting sewer and storm water collection pipelines and may often not be warranted for many mains.

Wachs Water Services (WWS) offers a more practical and cost effective approach to condition assessment of sewer and storm water collection pipelines. The following inspection technologies and methodologies offer a lower cost alternative to conventional CCTV inspection. By utilizing these lower cost inspection strategies, we can minimize or eliminate the need to conduct a costly CCTV inspection on the collection mains – thereby recognizing significant savings on assessment of wastewater collection mains.

Proposed Scope of Services

Wachs Water Services (WWS) is proposing to assess the condition of the wastewater manholes and pipelines in designated basins for the City of Celina utilizing a combination of Smoke Testing and the CUES IMX System, with supporting conventional CCTV and cleaning only as may be needed.

The specific scope of services includes:

Site Reconnaissance and Workshop

Prior to project mobilization, WWS's Project Manager will conduct a site reconnaissance and meet with Pacheco Koch and the City of Celina to review the scope of work, defined inspection area, required support, inspection schedule, notification of residents and deliverables. The procedures and materials to be used for smoke testing and the IMX Zoom Camera inspections will be presented to Pacheco Koch and the City of Celina.

Smoke Testing

Smoke testing will be coordinated with Pacheco Koch and the City of Celina so that work can be performed during dry periods when the groundwater table is low, as this condition enables the most complete test results. WWS will provide all equipment, materials, supplies and experienced staff necessary to conduct smoke testing on the defined wastewater collection system.

WWS provides all public notifications including door hangers, and daily communications with the proper agencies, safety and traffic control. WWS will provide daily communication (typically via e-mail) to Pacheco Koch and the City of Celina indicating the location(s) of smoke testing prior to activities beginning.

A minimum of forty-eight (48) hours advanced notice is given to all residents and commercial property owners in the test area. Door hangers are used to notify property owners in the test area. The door hanger typically includes the following minimum information:

- Information about the smoke test explaining:
    - Smoke testing purpose
    - Smoke testing schedule including beginning and ending dates
    - General test procedures
    - General description of the test area boundaries
    - General disclaimer that the smoke used is non-toxic and does not create a fire hazard
- Instructions to fill plumbing traps with water to prohibit smoke from entering buildings through service lines
- A warning to property owners that persons at the residence with health problems that require that they not be exposed to smoke should be removed from the premises prior to the test.
- Provide a contact name and telephone number for a responsible crew member who will always be on site during testing.

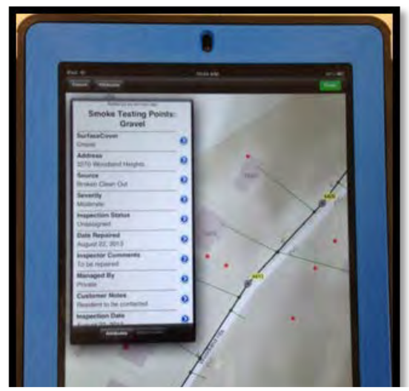
Smoke testing will be conducted using a Hurco SuperRIPCORD power smoker with "LiquiSmoke™" technology. The blower is operated by a 3 HP gasoline engine and rated at 4,500 CFM as a blow-in ventilator and achieves up to 8,761 CFM. The typical setup covers up to 2,500 linear feet (LF) per test according to the latest equipment specifications; however, testing is limited in length to what Pacheco Koch and the City of Celina deems as adequate. The base of the blower has appropriate adapters and seals to ensure a good connection to the top of the manhole without excessive loss of air and smoke.

HURCO's LiquiSmoke™ is the safest and cleanest way to smoke test a sewer line. LiquiSmoke™ does not contain toxic compounds like "zinc chloride", the active ingredient in smoke bombs. WWS uses liquid smoke to achieve greater distances and minimize field issues and resident complaints than with conventional "smoke bombs" or "smoke pipes".

Smoke Testing - Data Collection

The following information will be provided for each smoke test point:

- Sewer line segment being tested
- Description of the source (public/private) for each defect observed
- Defect type
- Categorization of smoke intensity as either light or heavy
- Parcel address associated with each private source defect
- File name assigned to each defect photograph
- GPS coordinate, sub-meter accuracy or better



IPad Data Collection integrated into GIS (Shown as red dots)

Smoke Testing - Photographs

WWS provides the field crew with iPad devices running the ArcGIS application. During each day onsite, the field crew verifies that the data entry process is working correctly. This test occurs at various times during the day to ensure no data loss.

All smoke emitting from a defect will be photographed by WWS using an iPad device. At the time of the photograph, applicable information will be entered into a GIS Database using the developed data entry screens.

Two photographs will be captured for each smoke defect observed. The first photo is taken in such a way that the smoke leak is clearly visible in the foreground and a distinct fixed reference is visible in the background. This method of referencing something fixed will support QA/QC to ensure that smoke leaks, and their associated data, can be confirmed by someone other than the original smoke crew. The second photograph is a close up picture of the defect. Videos may also be captured in addition to the two photographs.

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Public Defects

1. The manhole identification number for the upstream sanitary sewer manhole
2. The defect number for the line segment test
3. The exposure number for that particular defect
4. The “sm” identifier which signifies the photograph shows a defect found during smoke testing
5. The type of defect
6. Location of the defect

Private Defects

1. The parcel address associated with that particular defect
2. The defect number for the line segment test
3. The exposure number for that particular defect
4. The “sm” identifier signifies the photograph shows a defect found during smoke testing
5. The type of defect
6. Location of the defect, if access onto property is possible

Additionally, the photograph images will be displayed on the final report which will also indicate:

- Date of photograph
- Sewer line segment being tested
- Description of the source (public/private) for each defect observed
- Type of defect
- Smoke Intensity
- The parcel address associated with each private source defect

WWS will provide all inspection photographs on a flash drive. Each flash drive in the data set will be given a unique name/label containing the project name and number. Photographs are supplied as JPEG images or other approved format.

A GIS smoke defect point is acquired for each defect observed in the field. The smoke defect points captured in the field are stored in a Geodatabase feature class and can be displayed on a map using ArcGIS software.

Smoke Testing - Final Report

WWS typically provides a written report within six (6) weeks of the completion of the field work. The report contains the following:

- Description of field activities
- Summary of findings by source and by type
- Overall map of defects
- WWS will notify Engineer of any defects which, in our opinion, have failed or are in imminent danger of failure and require immediate attention. We may also offer an opinion as to rehabilitation, but Engineer will make final recommendations to Celina.

WWS also provides the following as part of the final deliverables:

- All digital photographs in JPEG or other approved format
- GIS Feature Class with identified defects
- Electronic database (Microsoft ACCESS) of all defects

Combined Manhole GPS/MACP Inspection and Pipeline PACP Inspection

WWS will utilize a truck mounted CUES/IMX Zoom camera system, which uses pan and tilt remote controlled camera motors and lights to provide the level of detail and picture quality needed to perform a MACP Inspection of the manhole and a PACP Inspection of the upstream and downstream connecting pipelines.

The IMX zoom camera system provides the following features and benefits:

- Identifies and documents via video and still photos manhole and pipeline defects and issues;
- Quickly identifies manhole maintenance requirements and identify structural defects to prevent sewer overflows;
- Video screen asset information (no use of white marker boards) managed by Granite XP or Granite NET software;
- Allows for inspection of connecting pipelines
    - Determines if and where cleaning and conventional CCTV is warranted;
    - Designed for use in pipes 6” in diameter and up with the ability to illuminate and inspect manholes and large diameter pipes at distances up to 300 feet;
    - Designed to provide close-up views of pipes during inspection identify blockages, leaks, in-line obstructions, etc.;
    - Swiftly locates problem areas of the pipe

Inspection of 15 manholes (assuming average depth of 8 feet) and connecting pipelines per day (two man crew) is anticipated for the City of Celina.

The zoom camera is lowered into each manhole, to record the structural and service condition of the sewer pipelines and manholes. The zoom-lens camera is positioned to view all sewer and/or storm water pipelines entering or exiting each manhole.

All photos and videos captured will be identified by file name within the MACP and PACP databases to allow for swift review and retrieval of those media files.

Manhole Inspection

The Zoom inspection of manholes consists of the following:

- At each manhole, the zoom camera crew will obtain a 360^o inspection perspective of the manhole for its entire depth. The purpose of this method of inspection is to collect sufficient information to perform a service (maintenance requirements) and structural condition assessment of each manhole.
- The zoom camera crew will locate the manholes and establish appropriate traffic control.
- Appropriate safety measures are employed before the manhole is opened to ensure there is adequate fall protection.
- The manhole cover is removed (if there is an inflow insert; it will be removed to allow access for inspection).
- An inventory of the manhole is noted, in accordance with NASSCO MACP Level 1 and 2 standards.
- The zoom camera is lowered and positioned below the chimney of the manhole and focused to provide a wide-angle view of the entire manhole depth. The video inspection will start. At the beginning of the video capture, a data information screen will be shown and will be displayed.
- The wide-angle lens camera is positioned to see the surrounding ground.
- The camera is lowered to the base of the manhole at a speed not exceeding 5 feet per min to capture a 360^o perspective of the manhole.
- Any manhole covers buried under pavement will be identified and the depth of cover of manhole covers within unpaved areas will be provided.
- WWS will uncover manhole covers that are not paved over and are less than 2-inches below the ground surface. The field crew will return to the manhole for inspection if the manhole covers that are buried under pavement and off road with more than 2-inches of cover are made accessible during the project mobilization.
- WSS will identify manholes that are inaccessible due to the existence of debris, grease, surcharges, etc.
- WWS will provide a separate list of manholes located in the field and not shown on the maps (Not on Map or NOM); and those shown on the maps that could not be located in the field.(Cannot Locate or CNL)

The WWS inspection database will be entered with inventory and defect information. The manhole video and pipeline video name will also be entered. A title screen will be shown at the beginning of the manhole video and of the separate pipeline video. One pipe video will be provided for each connection in the manhole.

Sewer Pipeline Inspection

Connecting pipelines located within inspected manholes are inspected to confirm the system mapping characterization using the pole-mounted CUES/IMX zoom camera while it is already at the bottom of the manhole after the manhole inspection. The zoom inspection of pipelines consists of the following procedure:

- The camera is positioned to inspect the sewer or storm water pipelines.
- For each pipeline entering or exiting the manhole, a data information screen will appear on the video for 5 seconds. Then the pipeline is inspected.
- At the end of the inspection of the last pipeline in the manhole, the camera is raised.
- The operator reseats the manhole lid and cleans the site.
- The crew moves to the next location to be investigated.
- The IMX Zoom camera inspection will only be able to address the portions of the pipeline interior that are visible above the flow line at the time of the inspection.

MACP/PACP Evaluation

After completing the field data surveys, MACP/PACP certified technicians review the collected manhole data including all video inspections of manholes to evaluate the deficiencies and assess the servicability and structural condition of the manholes, as well as populate the Microsoft Access database.

The database, videos, grading, and mapping changes are continuously stored and updated. For manholes, WWS technicians utilize the MACP Level 1 and 2 standards to evaluate manhole inventory, condition and defect data which is all stored within an Access database. WWS will provide the client with and MACP database of the inspected manholes which will include the following information:

- MH identification number
- Video directory designation
- Location
- Inspection date and weather condition
- Type of MH (sanitary, combined or storm)

- Material and description of all MH components
- Defects observed

A NASSCO certified viewer will review the pipeline inspection videos and assess them according to PACP standards. WWS's project manager reviews the inspections and reports any concerns which may require the client's immediate attention. An overall grade will be assigned to each pipeline corresponding with the value associated with the most severe defect observed on that pipeline. WWS will provide the client with a PACP database of the inspected pipelines which will include the following information:

- Pipeline identification number
- Video directory designation
- Location
- Inspection date and weather condition
- Type of pipe (sanitary, combined or storm)
- Flow direction
- Material, shape and estimated diameter of the pipeline
- Defects observed

Cleaning and Conventional CCTV

WWS's Subcontractor, CleanServe, Inc., will furnish a Vac truck and robotic CCTV unit to clean and inspect portions of the sewer and storm water pipelines unable to be inspected by the IMX camera inspection due to broken pipe, debris, roots, etc.

A NASSCO certified viewer will review the pipeline inspection videos and assess visible areas of the pipelines according to PACP standards. WWS's project manager reviews the inspections and reports any concerns which may require the client's immediate attention. WWS will provide the client with a PACP database of the inspected pipelines which will include the following information:

- Pipeline identification number
- Video directory designation
- Location
- Inspection date and weather condition
- Type of pipe (sanitary, combined or storm)
- Flow direction
- Material, shape and estimated diameter of the pipeline
- Defects observed

Manhole GPS Survey

In conjunction with the manhole and connecting pipeline inspections, the manhole will be GPS surveyed and the correct asset ID be attributed to it.

GPS positions will be captured with sub-meter horizontal accuracy and meter vertical accuracy.

The vertical (elevation) measurement will be taken at cover level using GPS equipment. A separate measurement of Rim to Invert is recorded during the MACP MH inspection process.

Final Deliverable for Manhole and Pipe Inspections

For the manhole inspections, WWS shall provide the following information on a portable hard drive:

- An MACP Access database containing
  - Manhole inventory
  - MACP Level 1 and 2 inspection data
  - Filenames of all videos and photos collected during manhole inspections
  - Summary of any manholes and pipelines not inspected and reasons for elimination
  - Rim to Invert Distance
- NASSCO Standard MACP Manhole Reports in PDF format
- GPS coordinates delivered as a point feature class within a Geodatabase
  - Horizontal GPS coordinates of manhole ring in X,Y axes (submeter accuracy)
  - Vertical GPS coordinate of manhole cover in Z axis (meter accuracy)
- Inspection videos and photo documentation of defects, leaks, and pipe connections
- Map indicating manholes inspected
- Technical Memorandum summarizing the field work, quality control measures, and work performed

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For the Pipeline inspections, WWS will provide the following:

- A data transmittal will be prepared and submitted to the client. The data will provide the client with an inventory of the pipelines inspected.

The data transmittal will include:

- A PACP Access database containing
  - o Pipeline inspection data
  - o Filenames of all videos and photos collected during pipeline inspections
- Map indicating pipelines inspected
- PDF reports illustrating major defects identified during the field effort, along with a still photograph showing the defect and a corresponding map showing the location of the asset.
- Video and photo files related to pipeline inspections

Cleaning and Conventional CCTV

If requested by Pacheco Koch and the City of Celina, WWS can also furnish a Vac truck and robotic CCTV unit to clean and inspect portions of the sewer and storm water pipelines unable to be inspected by the IMX camera inspection due to broken pipe, debris, roots, etc.

Fee Schedule

	Description	Unit	Quantity	Unit Price	Extension
1.	Site Reconnaissance/ Client Workshop	Each	1	$1,500.00	$1,500.00
2.	Mobilization	Lump sum	1	$4,000.00	$3,000.00
3.	Smoke testing	Lineal Foot	62,000	.35	$21,700.00
4.	Pole Mounted IMX Camera Field Inspection & Recording	Each	160	$175.00	$28,000.00
6.	Mapping grade GPS location in X, Y, and Z axes, and Z location of inverts	Each	160	$30.00	$4,800.00
7.	Dye flooding (in conjunction with zoom camera)	Each	15	$75.00	$1,125.00
8.	Final report	Each	1	$1000.00	$1,000.00
	Total				$61,125.00

Alternate Work

Cleaning and Conventional CCTV of approximately 10% of the lines (10,000/LF) based on findings

A1.	Cleaning and conventional CCTV	Day	6	$4,000.00	$24,000.00

Budgetary Notes:

- We anticipate requiring five (5) weeks to complete the proposed scope of services and will complete the MACP/PACP Assessments and deliver the final report within six (6) weeks following completion of the field work.
- Pricing is based on performing all work under a single mobilization and in a continuous manner.
- Standby rates: If delays occur due to parties other than Pure, Pure shall be reimbursed for the delay at a rate of $2500 per day and a remobilization fee of $3500.

Pure Technologies and Wachs Water Services are excited by the opportunity to perform the proposed scope of work for Pacheco Koch. We are committed to providing you with a successful project. If you have any questions or comments, please feel free to let me know.

Sincerely,

PURE TECHNOLOGIES U.S. INC.

Wayne Brown

Business Development Manager

City Secretary
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Vicki Faulkner, City Secretary
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: Animal Control Services

Action Requested:

Consider and act upon Interlocal Agreements by and between the City of Celina and Collin County for Animal Control Services and Animal Shelter Construction and Use. (Faulkner)

Background Information:

Annual contract extension of Animal Control Services and Animal Sheltering

Board Review/Citizen Input:

N/A

Alternatives:

Financial Considerations:

$22,318.00 Control Services

$10,503.00 Share of shelter construction and use

Legal Review:

Supporting Documents:

Contract Amendments

Staff Recommendation:

Contract Amendment Nine (9)

Office of the Purchasing Agent
Collin County Administration Buildin
2300 Bloomdale Rd, Ste 316
McKinney, TX 7507
972-548-416

Vendor: City of Celina
142 N Ohio St.
Celina, TX 75009

Effective Date: 10/1/2015
Contract No.: 06668-09
Contract: Interlocal Agreement for the Facility Construction and Use of an Animal Shelter in Collin County

Awarded by Court Order No.:			2006-891-09-26
Contract Amendment No.:	1	Court Order No.	2007-903-10-09
Contract Amendment No.:	2	Court Order No.	2009-012-01-12
Contract Amendment No.:	3	Court Order No.	2009-556-07-27
Contract Amendment No.:	4	Court Order No.	2010-918-11-08
Contract Amendment No.:	5	Court Order No.	2011-562-08-15
Contract Amendment No.:	6	Court Order No.	2012-902-12-10
Contract Amendment No.:	7	Court Order No.	2013-942-11-11
Contract Amendment No.:	8	Court Order No.	2014-990-12-15
Contract Amendment No.:	9	Court Order No.	

YOU ARE DIRECTED TO MAKE THE FOLLOWING AMENDMENT TO THIS CONTRACT

Agreement shall be in effect from October 1, 2015, continuing through and including September 30, 2016 at the below rate:

Total amount for fiscal year 2016: $ 10,503.00

Except as provided herein, all terms and conditions of the contract remain in full force and effect and may only be modified in writing signed by both parties.

ACCEPTED BY:

CITY OF CELINA

142 N. Ohio St.
Celina, TX 75009

SIGNATURE
TITLE:
DATE:

ACCEPTED AND AUTHORIZED BY AUTHORITY OF COLLIN COUNTY COMMISSIONERS' COURT

Collin County Administration Building
2300 Bloomdale Rd, Ste 3160
McKinney, Texas 75071

Michalyn Rains, CPPO, CPPB
Purchasing Agent
DATE:

Attachment: Copy of FY16_ShelterServices_Celina_Amendment (1341 : Animal Services)

Office of the Purchasing Agent
Collin County Administration Buildi
2300 Bloomdale Rd, Ste 31
McKinney, TX 750
972-548-416

Contract Amendment Nine (9)

Vendor:	City of Celina 142 N. Ohio St. Celina, TX 75009	Effective Date	10/1/2015
		Contract No.	01357-09
		Contract	Interlocal Agreement for Animal Control Services

Awarded by Court Order No.:			2006-879-09-26
Contract Amendment No.:	1	Court Order No.	2007-902-10-09
Contract Amendment No.:	2	Court Order No.	2009-056-01-27
Contract Amendment No.:	3	Court Order No.	2009-553-07-27
Contract Amendment No.:	4	Court Order No.	2010-917-11-08
Contract Amendment No.:	5	Court Order No.	2011-561-08-15
Contract Amendment No.:	6	Court Order No.	2012-901-12-10
Contract Amendment No.:	7	Court Order No.	2013-938-11-11
Contract Amendment No.:	8	Court Order No.	2014-989-12-15
Contract Amendment No.:	9	Court Order No.	

YOU ARE DIRECTED TO MAKE THE FOLLOWING AMENDMENT TO THIS CONTRACT

Extension of agreement for a one (1) year period as provided for in section 5.0 of the contract documents. Agreement shall be in effect from October 1, 2015, continuing through and including September 30, 2016.

Total amount for fiscal year 2016: **$ 20,318.00**

Except as provided herein, all terms and conditions of the contract remain in full force and effect and may only be modified in writing signed by both parties.

ACCEPTED BY:	ACCEPTED AND AUTHORIZED BY AUTHORITY OF COLLIN COUNTY COMMISSIONERS' COURT
CITY OF CELINA	
142 N. Ohio St. Celina, TX 75009	Collin County Administration Building 2300 Bloomdale Rd, Ste 3160 McKinney, Texas 75071
SIGNATURE	Michalyn Rains, CPPO, CPPB
TITLE:	Purchasing Agent
DATE:	DATE:

Finance Department
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Jay Toutounchian, Finance Director
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: 2015 Certified Tax Roll

Action Requested:

Consider and act upon a resolution of the City Council of the City of Celina, Texas, accepting the 2015 Certified Tax Roll for the City of Celina. (Toutounchian)

Background Information:

Annual approval of the Tax Roll per the Texas Property Tax Code.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

N/A

Supporting Documents:

2015 Tax Roll Summary

Staff Recommendation:

Approve

CITY OF CELINA
RESOLUTION NO. 2015- R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, ACCEPTING THE 2015 CERTIFIED TAX ROLL FOR THE CITY OF CELINA; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina, Texas (the "City") is a Home Rule Municipality located in Collin County and Denton County, Texas, created in accordance with the provisions of the Texas Local Government Code and operating pursuant to the City of Celina Home Rule Charter; and

WHEREAS, the City Council has received and reviewed the 2015 certified property tax rolls submitted by the Collin County Appraisal District, attached hereto as exhibit "A"; and

WHEREAS, a budget appropriating revenues generated by the collection of ad valorem taxes for the use and support of the municipal government of the City of Celina has been approved and adopted by the City Council as required by Title Four (4), Section 102.009 of the Texas Local Government Code.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, THAT:

Section 1. The certified tax roll prepared and submitted by the Chief Appraiser for the Collin County Appraisal District, reflecting an adjusted property tax base of $645,617,143.00 is hereby accepted by the Celina City Council.

Section 2. This Resolution shall take effect from and after its date of passage in accordance with law, and it is accordingly so resolved.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, this 10th day of November, 2015.

____
Sean Terry, Mayor

____
Vicki Faulkner, City Secretary

____
City Attorney

2015 TAX ROLL SUMMARY — 09 - CELINA CITY

		Amount		Count
NUMBER OF ACCOUNTS				3,606
MARKET VALUES				
ROLLCODE: PERSONAL				
Land		$0		
Personal		$34,259,626		
ROLLCODE: REAL				
Agriculture		$399,700,166		
Improvement		$397,050,704		
Improvement Non-Home Site		$96,623,385		
Land		$130,918,163		
Land Ag Land		$1,700,753		
Land Non-Home Site		$100,194,024		
	TOTAL MARKET VALUE		**$1,160,446,821**	
DEFERRALS				
Ag		$399,700,166		281
	TOTAL DEFERRALS		**$399,700,166**	
EXEMPTIONS				
Absolute Exemption , XG , XG		$230,457		1
Autos , XO , PPV , XO , PPV		$3,798,716		27
Cap Adjustment , XT , XT		$8,499,104		756
Disabled		$630,000		22
Disabled Veteran		$2,544,337		46
Energy , XR , XR		$1,323,220		2
Miscellaneous , XV , XV		$88,620,697		147
Nominal Value		$4,589		18
Over 65		$9,415,508		317
Pollution Control		$62,884		2
	TOTAL EXEMPTIONS		**$115,129,512**	
GRAND TOTAL FOR DEFERRALS AND EXEMPTIONS			**$514,829,678**	
TOTAL MARKET VALUE			**$1,160,446,821**	
TAXABLE VALUE			**$645,617,143**	
TAX RATE			**0.645**	
ROLLCODE: PERSONAL				
Levy		$194,720.58		314
ROLLCODE: REAL				
Levy		$3,969,510.08		3,292
	TOTAL LEVY		**$4,164,230.66**	
LEVY LOST DUE TO FROZEN			**$0.00**	
OTHER LOST LEVY			**$0.00**	
TOTAL LOST LEVY			**$0.00**	

Attachment: Certified Tax Roll (1342 : Tax Roll)

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)	0.00	0.00		0.00	2,219,059	2,171,837	47,222
Prorated (Excl. Frozen	0.00	0.00		0.00	0	0	0
Other	4,164,230.66	4,164,230.66		0.00	1,158,227,762	512,657,841	645,569,921
Total	4,164,230.66	4,164,230.66		0.00	1,160,446,821	514,829,678	645,617,143
DV100 (Incl. Frozen)	0.00	0.00		0.00	0	0	0
Prorated (Incl. Frozen	0.00	0.00		0.00	0	0	0

Attachment: Certified Tax Roll (1342 : Tax Roll)

Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Ben Rodriguez, Planner
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: Littell Outparcels Annexation

Action Requested:

Consider and act on an Ordinance Of The City of Celina, Texas, adopting the annexation of certain territory contiguous to and adjoining the City of Celina, Texas, to wit: Being all that certain 1.60 acre tract of land situated in the L.M. Boyd Survey, Abstract No. 48, Collin County, Texas, and being a portion of that certain tract of Tract I conveyed to Philip M. Littell, by deed recorded in Volume 2869, Page 535, Deed Records, Collin County, Texas; and Being all that certain 3.26 acre tract of land situated in the L.M. Boyd Survey, Abstract No. 48, Collin County, Texas, and being a portion of that certain tract of Tract II conveyed to Philip M. Littell, by deed recorded in Volume 2869, Page 529, Deed Records, Collin County, Texas, Such tracts are generally located north of County Road 100, east of SH 289, west of County Road 97, and south of County Road 134. (Liebman)

Background Information:

Below is the anticipated annexation schedule for the property.

- ~~September 08, 2015 - City Council accepts petition and set the public hearing dates.~~
- October 13, 2015 - Two separate public hearings are held on the same night (6:00pm & 6:05pm at 112 N. Colorado Dr., Celina, Texas.)
- November 10, 2015 - City Council acts on Ordinance annexing the property.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

The properties are within the Marilee Special Utility District, $1,250 per acre will be due to Marilee SUD upon the establishment of City water service to the property.

One of the tracts to be annexed is currently a Marilee customer, funds have been escrowed by the applicant to cover the costs of the CCN purchase on this tract.

Legal Review:

The City Attorney has reviewed the proposed ordinance and has found it to be acceptable.

Supporting Documents:

- Proposed Ordinance

Staff Recommendation:

Staff recommends approval of this item as presented

CITY OF CELINA, TEXAS

ORDINANCE NO. 2015-

AN ORDINANCE OF THE CITY OF CELINA, TEXAS, ADOPTING THE ANNEXATION OF CERTAIN TERRITORIES CONTIGUOUS TO AND ADJOINING THE CITY OF CELINA, TEXAS, TO WIT:

- **BEING A 1.60 ACRE TRACT OF LAND SITUATED IN THE L.M. BOYD SURVEY, ABSTRACT NO. 48, TRACT #3, COLLIN COUNTY, TEXAS, AND BEING A PORTION OF THAT CERTAIN TRACT 1 CONVEYED TO PHILLIM M. LITTELL BY DEED RECORDED IN VOLUME 2869, PAGE 535 OF THE DEED RECORDS OF COLLIN COUNTY, TEXAS; AND**
- **BEING A 3.26 ACRE TRACT OF LAND SITUATED IN THE L.M. BOYD SURVEY, ABSTRACT NO. 48, TRACT #3, COLLIN COUNTY, TEXAS, AND BEING A PORTION OF THAT CERTAIN TRACT 2 CONVEYED TO PHILLIM M. LITTELL BY DEED RECORDED IN VOLUME 2869, PAGE 529 OF THE DEED RECORDS OF COLLIN COUNTY, TEXAS;**

AND BEING MORE PARTICULARLY DESCRIBED BY LEGAL DESCRIPTION IN EXHIBIT "A" AND GRAPHICALLY DEPICTED IN EXHIBIT "B" ATTACHED HERETO AND INCORPORATED HEREIN, SUCH TRACTS ARE GENERALLY LOCATED NORTH OF E. MALONE STREET, EAST OF BUSINESS 289, WEST OF THE BNSF RAILROAD, AND SOUTH OF COUNTY ROAD 95; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FOR AMENDING OF THE OFFICIAL CITY MAP; PROVIDING FOR A SERVICE PLAN; REQUIRING THE FILING OF THIS ORDINANCE WITH THE COUNTY CLERK; PRESCRIBING FOR EFFECT ON TERRITORY, GRANTING AS APPROPRIATE TO ALL THE INHABITANTS OF SAID PROPERTY ALL THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING SAID INHABITANTS BY ALL OF THE ACTS, ORDINANCES, RESOLUTIONS, AND REGULATIONS OF THE CITY OF CELINA, TEXAS; PROVIDING A CUMULATIVE REPEALER CLAUSE; PROVIDING FOR SEVERABILITY; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is a Home Rule Municipality located in Collin and Denton County, Texas, created in accordance with the provisions of the Texas Local Government Code and operating pursuant to the enabling legislation of the State of Texas and the Celina City Charter; and

WHEREAS, two separate public hearings were conducted in accordance with Section 43.052 of the Texas Local Government Code, the first hearing being held on the 13th day of October, 2015 and the second hearing being held on the 13th day of October, 2015 in the Council Chambers located in the First United Methodist Church, 112 N. Colorado in the City of Celina to consider the annexation of the properties being more particularly described in Exhibit "A", attached hereto and incorporated herein; and

WHEREAS, any and all required written notices and offers were timely sent to all property owners and others entitled to same; and

WHEREAS, the public hearings were conducted and held no more than forty (40) days nor less than twenty (20) days prior to the institution of annexation proceedings; and

WHEREAS, the notice of the public hearings were published in the Celina Record, a newspaper of general circulation within the City of Celina, Texas, on the 25th day of September, 2015, such date being not more than twenty (20) days nor less than ten (10) days prior to each public hearing; and

WHEREAS, all required statutory notices pursuant to Chapter 43 of the Texas Local Government Code have been accomplished; and

WHEREAS, the City Council of the City of Celina, Texas has determined that such territory is contiguous to and adjoins the City of Celina, Texas; and

WHEREAS, the City Council of the City of Celina, Texas has investigated into, has determined and officially finds that no part of such territory is within the extraterritorial jurisdiction of any other incorporated city or town; and

WHEREAS, to the extent that this Ordinance would cause an unincorporated area to be entirely surrounded by the City of Celina's limits, the City Council has found - and incorporates herein its finding - that surrounding the area is in the public interest; and

WHEREAS, metes and bounds descriptions of the property to be annexed is attached hereto as Exhibit "A" and incorporated herein for all purposes; and

WHEREAS, the service plan for such territory is attached hereto as Exhibit "C" and incorporated herein for all purposes.

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

SECTION 1
INCORPORATION OF PREMISES

The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

SECTION 2
OFFICIAL CITY MAP AMENDED

1. The official map and boundaries of the City are hereby amended so as to include the property being more particularly described in Exhibit "A", which is incorporated herein as if written word for word, and that such territory shall be and is hereby annexed into the corporate limits of the City.

2. The Mayor is hereby directed and authorized to perform or cause to be performed all acts necessary to correct the official map of the City to add the territory hereby annexed as required by law.

SECTION 3
SERVICE PLAN

The municipal service plan for the herein annexed territory, attached hereto as Exhibit "C", was submitted in accordance with Chapter 43 of the Texas Local Government Code and is hereby approved as part of this ordinance, and is made a part hereof.

SECTION 4
FILING OF ORDINANCE REQUIRED

The Mayor shall file or cause to be filed a certified copy of this Ordinance in the office of the County Clerk of Collin County, Texas, and any other necessary agencies.

SECTION 5
EFFECT ON TERRITORY

From and after the passage of this Ordinance, the territory referenced in Exhibit "A", attached hereto and incorporated herein for all purposes, shall be a part of the City of Celina, Texas, and subject to the municipal service plan referenced in Section 3 of this Ordinance. The inhabitants thereof shall be entitled to all of the rights, privileges and immunities as all other citizens of the City of Celina, Texas, and shall be bound by all of the Ordinances and regulations enacted pursuant to and in conformity with the general laws of the State of Texas.

SECTION 6
CUMULATIVE REPEALER

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance.

SECTION 7
SEVERABILITY

If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any person or circumstance, is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of the Ordinance, and the City Council hereby declares it would have passed such remaining portions of the Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

SECTION 8
ENGROSSMENT AND ENROLLMENT

The City Secretary of the City of Celina is hereby directed to engross and enroll this Ordinance by copying the Caption in the minutes of the City Council of the City of Celina and by filing this Ordinance in the Ordinance records of the City.

SECTION 8
EFFECTIVE DATE

This Ordinance shall be in full force and effect from and after its date of passage.

AND IT IS SO ORDAINED .

PASSED AND APPROVED by the City Council of the City of Celina, Texas, on this ____ day of _______________, 2015.

____
Sean Terry, Mayor
City of Celina, Texas

ATTEST: APPROVED AS TO FORM:

____
Vicki Faulkner, City Secretary
City of Celina, Texas

____
City Attorney
City of Celina, Texas

EXHIBIT "A"
Property Description

Tract I

BEING all that certain 1.60 acre tract of land situated in the L.M. Boyd Survey, Abstract No. 48, Collin County, Texas, and being a portion of that certain tract of Tract I conveyed to Philip M. Littell, by deed recorded in Volume 2869, Page 535, Deed Records, Collin County, Texas, and being more particularly described as follows:

COMMENCING at a railroad spike found in asphalt for the Northeast corner of said Tract 1, same being in the intersection of the West right-of-way line of County Road 97 (60 foot dedication per Document Number 20110317002868 50, Plat Records, Collin County, Texas) and the approximate centerline of County Road 134, same being in the South line of that certain tract of land conveyed to Four Wind Enterprises, LTD., by deed recorded in Volume 5476, Page 8080, Collin County, Texas;

THENCE North 88 deg. 31 min. 42 sec. East, along the common line of said County Road 97 and said Four Wind tract, a distance of 60.00 feet to a point for the Northwest corner of DC Ranch, Phase 1, an addition to Collin County, Texas, according to the plat thereof recorded in Document Number 20110317002868 50, said Plat Records;

THENCE South 01 deg. 22 min. 12 sec. East, along the common line of said County Road 97 and said DC Ranch, Phase 1, a distance of 530.59 feet to a point for the Northeast corner of the herein described tract, same being the POINT OF BEGINNING;

THENCE South 01 deg. 22 min. 12 sec. East, continuing along the common line of said County Road 97 and said DC Ranch, Phase 1, a distance of 207.21 feet to a point for the Southeast corner of the herein described tract;

THENCE South 88 deg. 24 min. 47 sec. West, through the interior of said County Road 97, passing the West right-of-way line of County Road 97, same being the East line of aforesaid Tract 1, and continuing through the interior of said Tract 1, a total distance of 338.29 feet to a point for the Southwest corner of the herein described tract;

THENCE through the interior of said Tract 1 as follows:
North 01 deg. 22 min. 12 sec. West, a distance of 207.21 feet to a point for the Northwest corner of the herein described tract;
North 88 deg. 24 min. 47 sec. East, passing the East line of said Tract 1, same being the West right-of-way line of County Road 97, and continuing through the interior of said County Road 97, a total distance of 338.29 feet to the POINT OF BEGINNING and containing 1.60 acres of computed land, more or less.

Tract II

BEING all that certain 3.26 acre tract of land situated in the L.M. Boyd Survey, Abstract No. 48, Collin County, Texas, and being a portion of that certain tract of Tract II conveyed to Philip M. Littell, by deed recorded in Volume 2869, Page 529, Deed Records, Collin County, Texas, and being more particularly described as follows:

COMMENCING at a railroad spike found in asphalt for the Northeast corner of that certain tract of Tract I conveyed to Philip M. Littell, by deed recorded in Volume 2869, Page 535, Deed Records, Collin County, Texas, same being in the intersection of the West right-of-way line of County Road 97 (60 foot dedication per Document Number 20110317000286850, Plat Records, Collin County, Texas) and the approximate centerline of County Road 134, same being in the South line of that certain tract of land conveyed to Four Wind Enterprises, LTD., by deed recorded in Volume 5476, Page 8080, Collin County, Texas;

THENCE North 88 deg. 31 min. 42 sec. East, along the common line of said County Road 97 and said Four Wind tract, a distance of 60.00 feet to a point for the Northwest corner of DC Ranch, Phase 1, an addition to Collin County, Texas, according to the plat thereof recorded in Document Number 20110317000286850, said Plat Records;

THENCE South 01 deg. 22 min. 12 sec. East, along the common line of said County Road 97 and said DC Ranch, Phase 1, a distance of 1,574.27 feet to a point for the Northeast corner of the herein described tract, same being the POINT OF BEGINNING;

THENCE South 01 deg. 22 min. 12 sec. East, continuing along the common line of said County Road 97 and said DC Ranch, Phase 1, a distance of 419.56 feet to a point for the Southeast corner of the herein described tract;

THENCE South 88 deg. 24 min. 47 sec. West, through the interior of said County Road 97, passing the West right-of-way line of said County Road 97, same being the East line of aforesaid Tract II, and continuing through the interior of said Tract II, a total distance of 338.64 feet to a point for the Southwest corner of the herein described tract;

THENCE through the interior of said Tract II as follows:
North 01 deg. 22 min. 12 sec. West, a distance of 419.56 feet to a point for the Northwest corner of the herein described tract;
North 88 deg. 24 min. 47 sec. East, passing the East line of said Tract II, same being the West right-of-way line of said County Road 97, and continuing through the interior of said County Road 97, a total distance of 338.64 feet to the POINT OF BEGINNING and containing 3.26 acres of computed land, more or less.

EXHIBIT "B"

Property Exhibit

Exhibit "B"

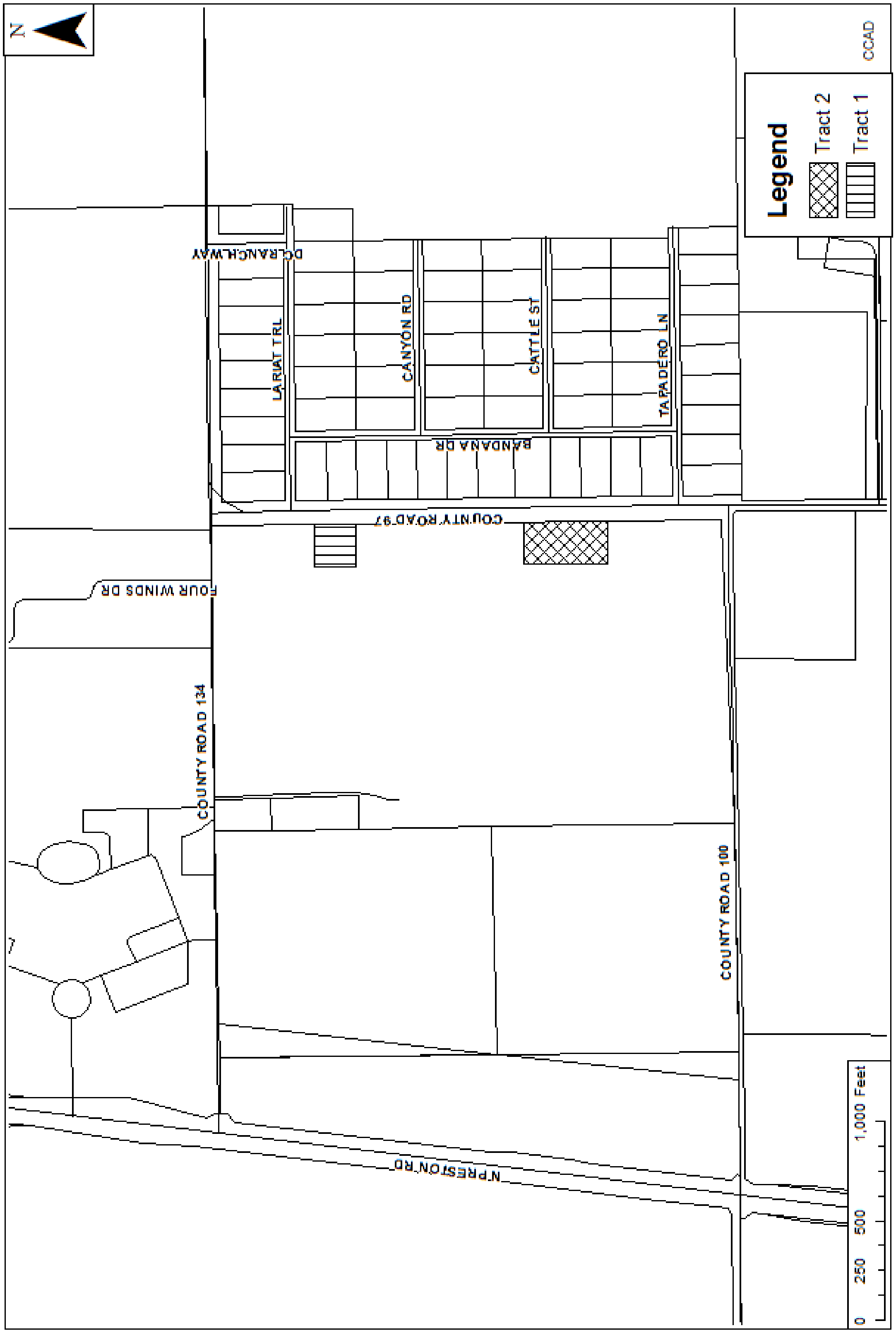


Exhibit "C"
Service Plan

A) SERVICE PLAN GENERALLY

1) This service plan has been prepared in accordance with the Texas Local Government Code ("LGC"), Sections 43.021; 43.065 and 43.056(b)-(o). Municipal facilities and services to the annexed area will be provided or made available on behalf of the City of Celina in accordance with the following plan. The City of Celina shall provide the annexed tract the levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of service, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density. The provisions of the service plan were made available for public inspection and explained at the two public hearings held by the City Council in accordance with LGC Section 43.056(j).

2) For purposes of this service plan, to "provide" services includes having services provided by any method or means by which the City provides municipal services to any other areas of the City, and may include causing or allowing private utilities, governmental entities and other public service organizations to provide such services by contract or right, in whole or in part, and may include duties on part of the private landowner with regard to such services.

B) EMERGENCY SERVICES

1) Police Protection

   a) Police protection from the City of Celina Police Department shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas on the effective date of the annexation ordinance. Some of these services include:

      i) Normal patrol and responses;

      ii) Handling of complaints and incident reports;

      iii) Special units, such as traffic enforcement and investigations; and

      iv) Coordination with other public safety support agencies.

   b) As development commences in these areas, sufficient police protection, including personnel and equipment will be provided to furnish these areas with the level of police services consistent with the characteristics of topography, land utilization and population density of the areas.

   c) Upon ultimate development, police protection will be provided at a level consistent with other similarly situated areas within the city limits.

2) Fire Protection

   a) The Celina Fire Department will provide emergency and fire prevention services to the annexed area. These services include:

      i) Fire suppression and rescue;

      ii) Pre-hospital medical services including triage, treatment and transport by Advanced Life Support (ALS) fire engines, trucks and ambulances;

      iii) Hazardous materials response and mitigation;

      iv) Emergency prevention and public education efforts;

v) Technical rescue response; and

vi) Constriction Plan Review and required inspections.

b) Fire protection from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.

c) As development commences in these areas, sufficient, fire protection, including personnel and equipment will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization and population density of the areas. It is anticipated that fire stations planned to service areas currently with the City of Celina will be sufficient to serve the annexed area.

d) Upon ultimate development, fire protection will be provided at a level consistent with similarly situated areas within the city limits.

3) Emergency Medical Services

a) The Celina Fire Department will provide emergency and safety services to the annexed area. These services include:

i) Emergency medical dispatch and pre-arrival First Aid instructions;

ii) Pre-hospital emergency Advanced Life Support (ALS) response; and transport; and

iii) Medical rescue services.

b) Emergency Medical Services (EMS) from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.

c) As development commences in these areas, sufficient EMS, including personnel and equipment, will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization and population density of the areas.

d) Upon ultimate development, EMS will be provided at a level consistent with similarly situated areas within the city limits.

C) SOLID WASTE

1) Solid Waste and Recycling Collection Services will be provided to the annexed area immediately upon the effective date of the annexation at a level consistent with current methods and procedures presently provided to similar areas within the City. Private solid waste collection service providers operating in the affected area immediately prior to annexation and currently providing customers with service may continue to provide their existing service for up to two (2) years in accordance with Texas Local Government Code Section 43.056(n).

D) WASTEWATER FACILITIES

1) As development commences in these areas, sanitary sewer mains as defined by the Certificate of Convenience and Necessity (CCN) Number 20764, as issued by the Texas Commission on Environmental Quality (TCEQ) will be extended in accordance with the provisions of the City's codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with applicable City codes, ordinances, regulations and policies. Capacity and extensions shall be provided consistent with the characteristics of topography, land utilization and population density of the areas. If the annexed area is in the CCN of another provider, wastewater service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new wastewater provider, in time.

2) Sanitary sewer mains and lift stations installed or improved to City standards, and accepted by the City, within the annexed area which are located within dedicated easement, rights-of-way, or any

other acceptable location approved by the City Manager or his designee, shall be maintained by the City on the effective date of this ordinance.

3) Operation and maintenance of wastewater facilities in the annexed area that are within the certificated service area of another wastewater utility will be the responsibility of that utility. Operation and maintenance of private wastewater facilities in the annexed area will be the responsibility of the owner.

E) WATER FACILITIES

1) Connections to existing City of Celina water distribution mains for water service as defined by Certificate of Convenience and Necessity (CCN) Number 12667, as issued by the Texas Commission on Environmental Quality (TCEQ) will be provided in accordance with existing City codes, ordinances, regulations and policies. Upon connection to existing distribution mains, water service will be provided at rates established by city ordinance. If the annexed area is in the CCN of another provider, water service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new water provider, in time.

2) As development commences in these areas, water distribution mains will be extended in accordance with City of Celina codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with the City of Celina's codes, ordinances, regulations and policies. Water service extensions and capacity shall be provided consistent with the characteristics of topography, land utilization and population density of the area.

3) Operation and maintenance of existing water facilities in the annexed area that are within the service area of another water utility will be the responsibility of that utility. Operation and maintenance of private water facilities in the annexed area will be the responsibility of the owner.

F) ROAD AND STREETS

1) Emergency street maintenance shall be provided within the annexed area on the effective date of the applicable ordinance of acceptance. Routine maintenance will be provided within the annexed area and will be scheduled as part of the City's annual program and in accordance with the City's current codes, ordinances, regulations, policies and procedures defined therein and/or as established by the City Council.

2) Any construction or reconstruction will be considered within the annexed area on a City-wide basis and within the context of the City's Capital Improvement Plan and/or yearly fiscal budgetary allotments by the City Council. As development, improvement or construction of streets to City standards commences within this property, the policies of the City of Celina with regard to participation in the costs thereof, acceptance upon completion and maintenance after completion shall apply.

3) Roadway signage and associated posts will be replaced in priority of importance starting with regulatory signs, then warning signs, then informational signs and in conformance with fiscal allotments by the City Council. If a sign remains, it will be reviewed and placed on the City's inventory listed for routine re-placement. All existing signs will be reviewed for applicability and based upon an engineering study. New signs will be installed when necessary and based upon an engineering study.

4) Routine maintenance of road/street markings will be placed on a priority listing and scheduled within the yearly budgetary allotments by the City Council.

5) The City will coordinate any request for improved road and street lighting with the local electric provider. Any and all road and street lighting will be pursuant to the rules, regulations and fees of such electric utility and shall be maintained by the applicable utility company.

G) ENVIRONMENTAL HEALTH, INSPECTIONS AND CODE ENFORCEMENT SERVICES

1) Enforcement of the City's environmental health ordinances and regulations, including but not limited to, weed and brush ordinances, junked and abandoned vehicle ordinances and animal control ordinances, shall be provided within this area sixty (60) days of the effective date of the annexation ordinance. These ordinances and regulations will be enforced through the use of existing personnel.

2) Inspection services including the review of building plans, the issuance of permits and the inspection of all buildings, plumbing, mechanical and electrical work to ensure compliance with City codes and ordinances will be continue to be provided after the effective date of the annexation ordinance. Existing personnel will be used to provide these services.

3) The City's zoning, subdivision, sign and other ordinances shall be enforced in this area beginning upon the effective date of the annexation.

4) All inspection services furnished by the City of Celina, but not mentioned above, will be provided to this area beginning within sixty (60) days of the effective date of the annexed ordinance.

5) As development and construction commence in this area, sufficient personnel will be provided to furnish this area the same level of environmental health, inspection and code enforcement services as are furnished throughout the City.

H) PLANNING AND ZONING SERVICES

1) The Planning and zoning jurisdiction of the City will extend to this area upon the effective date of the annexation ordinance. City planning will thereafter encompass this property, and it shall be entitled to consideration for zoning in accordance with the City's Zoning Ordinance and Comprehensive Plan.

I) PARKS, PLAYGROUNDS, LIBRARIES, SWIMMING POOLS

1) Residents within the annexed area may utilize all existing park and recreation facilities, on the effective date of this ordinance. Fees for such usage shall be in accordance with current fees established by ordinance.

2) As development commences in the area, additional park and recreation facilities shall be constructed based on park policies defined in the Park Master Plan and as specified in the Park Dedication Ordinance. The general planned locations and classifications of parks will ultimately serve residents from the current City limits and residents from areas being considered for annexation.

J) PUBLICLY OWNED FACILITIES

1) Any publicly owned facility, building, or service located within the annexed area, and not otherwise owned or maintained by another governmental entity, shall be maintained by the City of Celina on the effective date of the annexation ordinance.

K) OTHER SERVICES

1) Other services that may be provided by the City of Celina, such as municipal and general administration will be made available on the effective date of the annexation. The City of Celina shall provide levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of services, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density similar to those reasonably contemplated or projected in the area.

L) UNIFORM LEVEL OF SERVICES IS NOT REQUIRED

1) Nothing in this Service Plan shall require the City of Celina to provide a uniform level of full municipal services to each area of the City, including the annexed areas, if different

characteristics of topography, land use, and population density are considered a sufficient basis for provided different levels of service. The City Council finds and determines that this Service Plan will not provide any fewer services, and it will not provide a lower level of services, than were in existence in the annexed area at the time immediately preceding the annexation process.

2) The City of Celina's codes, ordinances, regulations and policies that apply throughout the City may be reviewed at City Hall and at http://www.franklinlegal.net/codes.html.

M) TERM

1) This Service Plan shall be valid for a term of ten (10) years. Renewal of the Service Plan shall be at the discretion of the City Council and must be approved by ordinance.

N) AMENDMENTS

1) This Service Plan may be amended if the City Council determines at a public hearing that changed conditions or subsequent occurrences make this Service Plan unworkable or obsolete. The City Council may amend the Service Plan to conform to the changed conditions, subsequent occurrences or any other legally sufficient circumstances exist pursuant to the LGC or other Texas or Federal laws that make this service plan unworkable, obsolete or unlawful.

City Secretary
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Vicki Faulkner, City Secretary
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: Sutton Fields II NIA #1 SAP

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance of the City Council of the City of Celina, Texas, accepting and approving a Service and Assessment Plan and Neighborhood Improvement Area #1 Assessment Roll for Sutton Fields II Public Improvement District; making a finding of special benefit to the property in the district; levying special assessments against property within the district and establishing a lien on such property; providing for payment of the Neighborhood Improvement Area #1 Assessments in accordance with Chapter 372, Texas Local Government Code, as amended; providing for the method of assessment and the payment of the Neighborhood Improvement Area #1 Assessments, providing penalties and interest on delinquent assessments, providing for severability, and providing an effective date. (Liebman)

Staff Recommendation:

na

Planning & Development Services
City of Celina, Texas

Memorandum

To:	**The Honorable Mayor Sean Terry and the Celina City Council**
CC:	Mike Foreman, City Manager
From:	Helen-Eve Liebman, AICP Director of Planning & Development Services
Meeting Date:	November 10, 2015
Re:	Public Hearing on Assessments to be levied within the NIA #1 of the Sutton Fields Public Improvement District

Action Requested:
The Celina City Council will conduct a public hearing, consider testimony and act upon an ordinance of the City Council of the City of Celina accepting and approving a final Service and Assessment Plan, including a final Assessment Roll for Assessed Property, for the Sutton Fields Public Improvement District Neighborhood Improvement Area # 1 (NIA #1), a ±130 acres of land located in the Thomas H. McIntyre Survey, Abstract Number 903; Denton County, Texas; making a finding of special benefit to assessable property within the District and establishing a lien on such property for payment of the Assessments. (Sutton Fields) (Liebman)

Background Information:
The public hearing is to allow public input for assessments to be levied to facilitate development for the Sutton Fields Public Improvement District PID NIA #1, a ±130 acres of land comprising approximately 450 single family lots. Each potential property within Sutton Fields will be assessed an annual installment of the special assessment for the PID.

Public Notice:
The public hearing notification was published in *The Celina Record* on October 23, 2015 and notice was sent to the property owner.

Supporting Documents:
N/A

Legal Review:
N/A

Staff Recommendation:
Open the public hearing, take testimony, and continue the public hearing to the December 7, 2015 City Council meeting.

Thank you for your consideration of this item, if I can be of any support please contact me at 972-382-2682 ext. 1021 or by email at hliebman@celina-tx.gov.

ORDINANCE NO. 2015-__

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS ACCEPTING AND APPROVING A SERVICE AND ASSESSMENT PLAN AND NEIGHBORHOOD IMPROVEMENT AREA #1 ASSESSMENT ROLL FOR SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT; MAKING A FINDING OF SPECIAL BENEFIT TO THE PROPERTY IN THE DISTRICT; LEVYING SPECIAL ASSESSMENTS AGAINST PROPERTY WITHIN THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR PAYMENT OF THE NEIGHBORHOOD IMPROVEMENT AREA #1 ASSESSMENTS IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE NEIGHBORHOOD IMPROVEMENT AREA #1 ASSESSMENTS, PROVIDING PENALTIES AND INTEREST ON DELINQUENT ASSESSMENTS, PROVIDING FOR SEVERABILITY, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on September 2, 2015, a petition was submitted and filed with the City Secretary (the "City Secretary") of the City of Celina, Texas (the "City") pursuant to the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "PID Act"), requesting the creation of a public improvement district in the City and the extraterritorial jurisdiction of the City; and

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

WHEREAS, on October 13, 2015, after due notice, the City Council of the City (the "City Council") held a public hearing in the manner required by law on the advisability of the public improvements and services described in the petition as required by Section 372.009 of the PID Act and made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. 2015-51R (the "Authorization Resolution") adopted by a majority of the members of the City Council, authorized and created the Sutton Fields II Public Improvement District (the "District") in accordance with its finding as to the advisability of the Authorized Improvements; and

WHEREAS, the City published the Authorization Resolution as required by law; and

WHEREAS, no written protests regarding the creation of the District from any owners of record of property within the District were filed with the City Secretary; and

WHEREAS, on October 20, 2015, the Council adopted a resolution approving the preliminary service and assessment plan, including proposed assessment rolls, calling for a public hearing to consider an ordinance levying assessments on property within Neighborhood

Improvement Area #1 of the District (the "Neighborhood Improvement Area #1 Assessments"), authorizing the publication of notice of a public hearing to consider the levying of the Neighborhood Improvement Area #1 Assessments against the property within the District (the "Levy and Assessment Hearing") in a newspaper of general circulation in the City, and directing related action; and

WHEREAS, the City Council, pursuant to Section 372.016(b) of the PID Act, published notice of the Levy and Assessment Hearing on October 23, 2015 in *The Celina Record*, a newspaper of general circulation in the City; and

WHEREAS, the City Council, pursuant to Section 372.016(c) of the PID Act, mailed the notice of the Levy and Assessment Hearing to the last known address of the owners of the property liable for the Neighborhood Improvement Area #1 Assessments; and

WHEREAS, the City Council convened the Levy and Assessment Hearing on November 5, 2015 and then recessed and continued it to November 10, 2015, at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Neighborhood Improvement Area #1 Assessment Roll, and the proposed Neighborhood Improvement Area #1 Assessments, and to offer testimony pertinent to any issue presented on the amount of the Neighborhood Improvement Area #1 Assessments, the allocation of Authorized Improvement Costs, the purposes of the Neighborhood Improvement Area #1 Assessments, the special benefits of the Neighborhood Improvement Area #1 Assessments, and the penalties and interest on annual installments and on delinquent annual installments of the Neighborhood Improvement Area #1 Assessments; and

WHEREAS, the City Council finds and determines that the Neighborhood Improvement Area #1 Assessment Roll and the Sutton Fields II Public Improvement District Service and Assessment Plan, dated November 10, 2015 in a form substantially similar to the attached ***Exhibit A,*** which final form shall be approved by the City Manager and the City's land use attorney prior to execution (the "Service and Assessment Plan"), and which is incorporated herein for all purposes, should be approved and that the Neighborhood Improvement Area #1 Assessments should be levied as provided in this Ordinance and the Service and Assessment Plan and the Neighborhood Improvement Area #1 Assessment Roll attached thereto as Appendix A (the "Neighborhood Improvement Area #1 Assessment Roll"); and

WHEREAS, the City Council further finds that there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of Authorized Improvement Costs, the Neighborhood Improvement Area #1 Assessment Roll, and the levy of the Neighborhood Improvement Area #1 Assessments; and

WHEREAS, prior to the issuance of bonds secured by the Neighborhood Improvement Area #1 Assessments, the owners (the "Landowners" or the "Assessed Parties"), or their representatives, of the majority of the privately-owned and taxable property located within the District, and who are the persons to be assessed pursuant to this Ordinance, appeared at the public hearing and stated they approve and accept the Service and Assessment Plan, approve the Neighborhood Improvement Area #1 Assessment Roll, approve this Ordinance and approve the levy of the Neighborhood Improvement Area #1 Assessments against their property located within the District, agree to pay the Neighborhood Improvement Area #1 Assessments when due and payable and requested that the City file the Service and Assessment Plan and/or the assessment roll with the real property records of Collin County; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, determined to proceed with the adoption of this Ordinance in conformity with the requirements of the PID Act.

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

Section 1. **Terms**.

Terms not otherwise defined herein are defined in the Service and Assessment Plan.

Section 2. Findings.

The findings and determinations set forth in the preambles hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section. The City Council hereby finds, determines, and ordains, as follows:

(a) The apportionment of the Authorized Improvement Costs (as reflected in the Service and Assessment Plan, and the Administrative Expenses pursuant to the Service and Assessment Plan) is fair and reasonable, reflects an accurate presentation of the special benefit each assessed Parcel will receive from the construction of the Authorized Improvements identified in the Service and Assessment Plan, and is hereby approved;

(b) The Service and Assessment Plan covers a period of at least five years and defines the annual indebtedness and projected costs for the Authorized Improvements;

(c) The Service and Assessment Plan apportions the Actual Cost(s) of an Authorized Improvement to be assessed against the property in the District and such apportionment is made on the basis of special benefits accruing to the property because of the Authorized Improvements;

(d) All of the real property in the District which is being assessed in the amounts shown in the Neighborhood Improvement Area #1 Assessment Roll will be benefited by the Authorized Improvements proposed to be constructed as described in the Service and Assessment Plan, and each assessed Parcel will receive special benefits in each year equal to or greater than each annual Neighborhood Improvement Area #1 Assessments and will receive special benefits during the term of the

Neighborhood Improvement Area #1 Assessments equal to or greater than the total amount assessed;

(e) The method of apportionment of the Authorized Improvement Costs and Administrative Expenses set forth in the Service and Assessment Plan results in imposing equal shares of the Authorized Improvement Costs and Administrative Expenses on property similarly benefited, and results in a reasonable classification and formula for the apportionment of the Actual Costs;

(f) The Service and Assessment Plan should be approved as the service plan and assessment plan for the District as described in Sections 372.013 and 372.014 of the PID Act;

(g) The Neighborhood Improvement Area #1 Assessment Roll should be approved as the Neighborhood Improvement Area #1 Assessment Roll for the District;

(h) The provisions of the Service and Assessment Plan relating to due and delinquency dates for the Neighborhood Improvement Area #1 Assessments, interest on Annual Installments, interest and penalties on delinquent Neighborhood Improvement Area #1 Assessments and delinquent Annual Installments, and procedures in connection with the imposition and collection of Neighborhood Improvement Area #1 Assessments should be approved and will expedite collection of the Neighborhood Improvement Area #1 Assessments in a timely manner in order to provide the services and improvements needed and required for the area within the District; and

(i) A written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof has been discussed, considered, and formally acted upon.

Section 3. Service and Assessment Plan.

The Service and Assessment Plan is hereby accepted and approved pursuant to Sections 372.013 and 372.014 of the PID Act as the service plan and the assessment plan for the District.

Section 4. Neighborhood Improvement Area #1 Assessment Roll.

The Neighborhood Improvement Area #1 Assessment Roll is hereby accepted and approved pursuant to Section 372.016 of the PID Act as the Neighborhood Improvement Area #1 Assessment Roll of the District.

Section 5. **Levy and Payment of Special Neighborhood Improvement Area #1 Assessments for Costs of the Neighborhood Improvement Area #1 Projects**.

(a) The City Council hereby levies an assessment on each Parcel of property (excluding Non-Benefitted Property) located within the District, as shown and described on the Service and Assessment Plan and the Neighborhood Improvement Area #1 Assessment Roll, in the respective amounts shown on the Neighborhood Improvement Area #1 Assessment Roll as a special assessment on the properties set forth in the Neighborhood Improvement Area #1 Assessment Roll.

(b) The levy of the Neighborhood Improvement Area #1 Assessments shall be effective on the date of execution of this Ordinance levying Neighborhood Improvement Area #1 Assessments and strictly in accordance with the terms of the Service and Assessment Plan and the PID Act.

(c) The collection of the Neighborhood Improvement Area #1 Assessments shall be as described in the Service and Assessment Plan and the PID Act.

(d) Each Neighborhood Improvement Area #1 Assessment may be paid in a lump sum at any time or may be paid in Annual Installments pursuant to the terms of the Service and Assessment Plan.

(e) Each Neighborhood Improvement Area #1 Assessment shall bear interest at the rate or rates specified in the Service and Assessment Plan.

(f) Each Annual Installment shall be collected each year in the manner set forth in the Service and Assessment Plan.

(g) The Administrative Expenses for Assessed Property shall be calculated pursuant to the terms of the Service and Assessment Plan.

Section 6. **Method of Assessment**.

The method of apportioning the Authorized Improvement Costs and Administrative Expenses are set forth in the Service and Assessment Plan.

Section 7. **Penalties and Interest on Delinquent Assessments**.

Delinquent Assessments shall be subject to the penalties, interest, procedures, and foreclosure sales set forth in the Service and Assessment Plan and as allowed by law.

Section 8. **Prepayments of Assessments**.

As provided in Section VII(H) of the Service and Assessment Plan, the owner of any Assessed Property may prepay the Neighborhood Improvement Area #1 Assessments levied by this Ordinance.

<u>Section 9</u>. **<u>Lien Priority</u>.**

The City Council and the Landowners intend for the obligations, covenants and burdens on the landowners of Assessed Property, including without limitation such Landowners' obligations related to payment of the Neighborhood Improvement Area #1 Assessments and the Annual Installments thereof, to constitute covenants that shall run with the land. The Neighborhood Improvement Area #1 Assessments and the Annual Installments thereof which are levied hereby shall be binding upon the Assessed Parties, as the owners of Assessed Property, and their respective transferees, legal representatives, heirs, devisees, successors and assigns in the same manner and for the same period as such parties would be personally liable for the payment of ad valorem taxes under applicable law. Neighborhood Improvement Area #1 Assessments shall have lien priority as specified in the Service and Assessment Plan and the PID Act.

<u>Section 10</u>. **<u>Appointment of Administrator and Collector of Assessments</u>.**

(a) <u>Appointment of Administrator</u>.

MuniCap, Inc., is hereby appointed and designated as the initial Administrator of the Service and Assessment Plan and of Neighborhood Improvement Area #1 Assessments levied by this Ordinance. The administrator shall perform the duties of the Administrator described in the Service and Assessment Plan and in this Ordinance. The Administrator's fees, charges and expenses for providing such service shall constitute an Administrative Expense.

(b) <u>Appointment of Temporary Collector</u>.

The City's Director of Finance is hereby appointed and designated as the temporary collector of the Neighborhood Improvement Area #1 Assessments (the "<u>Collector</u>"). The Collector shall serve in such capacity until such time as the City shall arrange for the Collector's duties to be performed by the Denton County Tax Assessor and Collector, or another qualified collection agent selected by the City.

<u>Section 11</u>. **<u>Applicability of Tax Code</u>.**

To the extent not inconsistent with this Ordinance, and not inconsistent with the PID Act or the other laws governing public improvement districts, the provisions of the Texas Tax Code shall be applicable to the imposition and collection of Neighborhood Improvement Area #1 Assessments by the City.

<u>Section 12</u>. **<u>Filing in Land Records</u>.** The City Secretary is directed to cause a copy of this Ordinance, including the Service and Assessment Plan and/or the Neighborhood Improvement Area #1 Assessment Roll, to be recorded in the real property records of Collin County. The City Secretary is further directed to similarly file each Annual Service Plan Update approved by the City Council.

Section 13. Severability.

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

Section 14. Effective Date.

This Ordinance shall take effect, and the levy of the Neighborhood Improvement Area #1 Assessments, and the provisions and terms of the Service and Assessment Plan shall be and become effective upon passage and execution hereof. However, the Service and Assessment Plan and this Ordinance shall automatically terminate if bonds secured by the Neighborhood Improvement Area #1 Assessments are not issued by the City on or before January 31, 2016.

[Remainder of Page Intentionally Left Blank; Signatures to Follow]

PASSED AND ADOPTED, this November 10, 2015.

CITY OF CELINA, TEXAS

____
Chad Anderson, Mayor Pro Tem

ATTEST:

____
City Secretary

(City Seal)

STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of November, 2015 by Chad Anderson, Mayor Pro Tem of the City of Celina, Texas on behalf of said City.

____
Notary Public, State of Texas

(SEAL)

____
Name printed or typed
Commission Expires:__________________

EXHIBIT A

Service and Assessment Plan

Sutton Fields II
Public Improvement District

Service and Assessment Plan

11/5/15

SERVICE AND ASSESSMENT PLAN

Table of Contents

List of Appendices

Section I

PLAN DESCRIPTION AND DEFINED TERMS

A. Introduction

On October 13, 2015, (the "**Creation Date**") the City Council of the city of Celina, Texas (the "City") passed and approved Resolution No._______________ approving and authorizing the creation of the Sutton Fields II Public Improvement District (the "PID") to finance the costs of certain public improvements for the benefit of property within the PID (the "Authorized Improvements"), which is located within the City of Celina, and within the Extraterritorial Jurisdiction (the **"ETJ"**) of the City of Celina, Texas.

Certain development standards have been established for the property within the PID pursuant to the terms and conditions of that certain Development Agreement dated _________, 2015 ("the Development Agreement"). The property in the PID is proposed to be developed in approximately five phases, and the PID will finance public improvements for each phase as each phase is developed. Assessments will be imposed on all property in each phase for the public improvements to be provided for that phase.

Chapter 372 of the Texas Local Government Code, the "Public Improvement District Assessment Act" (as amended, the "**PID Act**"), governs the creation of public improvement districts within the State of Texas. The Sutton Fields II Service and Assessment Plan was prepared pursuant to the PID Act and specifically Sections 372.013, 372.014, 372.015 and 372.016, which address the requirements of a service and assessment plan and the assessment roll. According to Section 372.013 of the PID Act, a service plan "must cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements." The service plan for the PID is described in more detail in **Section VI**.

Section 372.014 of the PID Act requires that "an assessment plan must be included in the annual service plan." The assessment plan is described in **Section V**.

Section 372.015 of the PID Act requires that the "governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district." The method of assessing the Authorized Improvement Costs and apportionment of such costs to the property in the PID is included in **Section V**.

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

Assessment Rolls are based on the method of assessment and apportionment of costs described in **Section V** of this Service and Assessment Plan.

B. Definitions

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

"**Actual Cost(s)**" means, with respect to an Authorized Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement, as specified in a Certification for Payment, as defined in the Construction, Funding and Acquisition Agreement, that has been reviewed and approved by the City. Actual Cost may include (a) the costs for the design, planning, financing, administration, management, acquisition, installation, construction and/or implementation of such Authorized Improvement, (b) the costs of preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs for external professional costs associated with such Authorized Improvement, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, taxes (property and franchise) (e) the costs of all labor, bonds and materials, including equipment and fixtures, incurred by contractors, builders and material men in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, County permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses. Actual Costs include general contractor's fees in an amount up to a percentage equal to the percentage of work completed and accepted by the City or construction management fees in an amount up to five percent of the eligible Actual Costs described in a Certification for Payment. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated.

"Additional Neighborhood Improvement Area #1 PID Bonds" means bonds issued to fund Neighborhood Improvement Area #1 Improvements (or a portion thereof) in Neighborhood Improvement Area #1 that are secured by the Neighborhood Improvement Area #1 Assessments.

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

"Administrator" means the employee or designee of the City, identified in any indenture of trust relating to the PID Bonds or identified in any agreement approved by City Council, who shall have the responsibilities provided for herein and in the Service and Assessment Plan.

"Annual Installment" means, with respect to each Assessed Parcel, each annual payment of the: (i) Assessments (including the principal of and interest on), as shown on the Assessment Rolls attached hereto as **Appendix A** and **Appendix B**, or in an Annual Service Plan Update, and calculated as provided in **Section VII** of this Service and Assessment Plan, (ii) Administrative Expenses, (iii) Prepayment reserve described in **Section V** of this Service and Assessment Plan, and (iv) Delinquency reserve described in **Section V** of this Service and Assessment Plan.

"Annual Service Plan Update" has the meaning set forth in **Section VI** of this Service and Assessment Plan.

"**As-Built Assessed Value**" means the estimated future assessed value of a parcel after construction.

"**Assessed Parcel(s)**" means each respective parcel, other than Non-Benefitted Property, of land located within the PID, described by metes and bounds, 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 County, against which an Assessment is levied by the Assessment Order in accordance with the Service and Assessment Plan.

"**Assessed Property**" means any and all property within the PID that benefit from the Authorized Improvements other than Non-Benefited Property and on which Assessments have been imposed as shown in the Assessment Roll, as the Assessment Roll is updated each year by the Annual Service Plan Update.

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

"**Assessment Ordinance**" means each ordinance adopted by the City Council approving the Service and Assessment Plan (including amendments or supplements to the Service and Assessment Plan) and levying the Assessments.

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

"Assessment Roll(s)" means the document(s) included in this Service and Assessment Plan as **Appendix A** and **Appendix B**, 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 or in connection with any Annual Service Plan Update or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan.

"Authorized Improvements" means the public improvements identified in **Section III** herein and authorized under Section 372.003 of the PID Act, acquired, constructed and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments.

"Authorized Improvement Costs" mean the actual or budgeted costs, as applicable, of all or any portion of the Authorized Improvements.

"Certification for Payment" means the certificate to be provided by the Developer, or his designee, to substantiate the Actual Cost of one or more Authorized Improvements segments or sections.

"City" means City of Celina, Texas.

"**City Council**" means the duly elected governing body of the City.

"City Park Fee" means an additional payment by the Developer to the City to be paid in accordance with the Development Agreement but not available for funding or reimbursement by PID Bonds.

"Construction, Funding and Acquisition Agreement" means the (i) "Neighborhood Improvement Areas #2-5 Construction, Funding and Acquisition Agreement" between the City and the Owner relating to the Neighborhood Improvement Areas #2-5 Major Improvement Bonds, dated as of ____, 2015, which provides for the appointment, levying and collection of Assessments, the construction of the Neighborhood Improvement Areas #2-5 Major Improvements, the maintenance of the Neighborhood Improvement Areas #2-5 Major Improvements, the issuance of bonds and other matters related thereto and (ii) the "Neighborhood Improvement Area #1 Construction, Funding and Acquisition Agreement" between the City and the Owner relating to the Neighborhood Improvement Area #1 Bonds, dated as of _____________, 2015, which provides for the appointment, levying and collection of Assessments, the construction of the Neighborhood Improvement Area #1 Improvements, the maintenance of the Neighborhood Improvement Area #1 Improvements, the issuance of bonds and other matters related thereto.

"**County**" means Denton County, Texas.

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

"Developer" means CADG Sutton Fields, LLC a Texas limited liability company.

"**Future Neighborhood Improvement Area"** means Neighborhood Improvement Areas that may be fully developed after Neighborhood Improvement Area #1, as such areas are generally depicted in **Table II-C**. The Future Neighborhood Improvement Areas are subject to adjustment and are shown for example only.

"Future Neighborhood Improvement Area Improvements" means those Authorized Improvements associated with any Future Neighborhood Improvement Area.

"Future Neighborhood Improvement Area PID Bonds" mean bonds issued to fund Authorized Improvements (or a portion thereof) in a Future Neighborhood Improvement Area. In connection with the Future Neighborhood Improvement Area PID Bonds, Assessments will be levied only on Parcels located within the Future Neighborhood Improvement Area in question.

"Homeowner Association Property" means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, a Homeowner's Association established for the benefit of property owners within the PID.

"Indenture" means an indenture of trust, trust agreement, ordinance or similar document between the City and Trustee setting forth the terms and other provisions relating to a series of one or more PID Bonds, as modified, amended, and/or supplemented from time to time.

"Lot" means a tract of land described as a "lot" in a subdivision plat recorded in the Official Public Records of Denton County, Texas.

"Lot Type" means a classification of final building lots with similar characteristics (e.g. commercial, light industrial, multifamily residential, single family residential, etc.), as determined by the Administrator and confirmed by the City Council. In the case of single family residential Lots, the Lot Type shall be further defined by classifying the residential lots by the estimated final Lot value for each lot as of the date of the recorded subdivision plat, considering factors such as density, lot size, proximity to amenities, view premiums, location, and any other factors that may impact Lot value, as determined by the Administrator and confirmed by the City Council.

"Lot Type A" means lots identified as such on the Assessment Roll, being lots with approximately 8,050 square feet size and a lot width of 70 feet.

"Lot Type B" means lots identified as such on the Assessment Roll, being lots with approximately 6,900 square feet size and a lot width of 60 feet.

"Lot Type C" means lots identified as such on the Assessment Roll, being lots with approximately 5,750 square feet size and a lot width of 50 feet.

"Neighborhood Improvement Area #1" means the initial area to be developed within the PID as generally shown on the map on **Table II-B** consisting of approximately 130 acres**.**

"Neighborhood Improvement Area #1 Assessed Property" means any and all Parcels within Neighborhood Improvement Area #1 other than Non-Benefited Property and as shown in the Neighborhood Improvement Area #1 Assessment Roll against which an Assessment relating to the Neighborhood Improvement Area #1 Improvements is levied.

"Neighborhood Improvement Area #1 Assessment Revenues" mean the actual revenues received by or on behalf of the City from the collection of Assessments levied against Neighborhood Improvement Area #1 Assessed Property, or the Annual Installments thereof, for the Neighborhood Improvement Area #1 Improvements.

"**Neighborhood Improvement Area #1 Assessment Roll**" means the Assessment Roll covering the Neighborhood Improvement Area #1 included in this SAP as **Appendix A**, 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 or in connection with any Annual Service Plan Updates.

"**Neighborhood Improvement Area #1 Improvements**" means (i) the pro rata portion of the Major Improvements that benefit the entire District allocable to the Neighborhood Improvement Area #1, and (ii) the Authorized Improvements which only benefit the Neighborhood Improvement Area #1 Assessed Property and are described in **Section III.B** hereto, and which are to be financed with Neighborhood Improvement Area #1 Bonds.

"Neighborhood Improvement Area #1 Bonds" means those certain "City of Celina, Texas, Special Assessment Revenue Bonds, Series, 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project)" that are secured by Neighborhood Improvement Area #1 Assessment Revenues.

"Neighborhood Improvement Areas #2-5" means the property within the PID, excluding the Neighborhood Improvement Area #1, as depicted on the map on **Table II-C** consisting of approximately 493 acres within the PID.

"Neighborhood Improvement Areas #2-5 Assessed Property" means, for any year, any and all Parcels within Neighborhood Improvement Areas #2-5 other than Non-Benefited Property and Parcels within Neighborhood Improvement Area #1.

"**Neighborhood Improvement Areas #2-5 Assessment Revenues**" mean the revenues actually received by or on behalf of the City from the collection of Assessments levied against Neighborhood Improvement Areas #2-5 Assessed Property, or the Annual Installments thereof, for the Neighborhood Improvement Areas #2-5 Major Improvements.

"Neighborhood Improvement Areas #2-5 Assessment Roll" means the Assessment Roll covering Neighborhood Improvement Areas #2-5 Major Improvements included in this SAP as **Appendix B**, 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 in connection with any Annual Service Plan Update.

"Neighborhood Improvement Areas #2-5 Major Improvements" means those Major Improvements that benefit the entire District that are allocable to Neighborhood Improvement Areas #2-5, as described in **Section III.C** hereto, and which are to be financed with the Neighborhood Improvement Areas #2-5 Major Improvement Bonds.

"Neighborhood Improvement Areas #2-5 Major Improvement Bonds" means those certain City of Celina, Texas Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project) that are secured by Assessments levied on Neighborhood Improvement Areas #2-5 Assessed Property.

"Major Improvements" means both on-site and off-site the Authorized Improvements which benefit all Assessed Property within the PID and are described in **Section III**.

"Non-Benefited Property" means Parcels that accrue no special benefit from the Authorized Improvements, including Homeowner Association Property, Public Property and easements that create an exclusive use for a public utility provider. Property identified as Non-Benefited Property is not assessed at the time the Assessments (i) are imposed or (ii) are reallocated pursuant to a subdivision of a Parcel. For Assessed Property that is converted to Non-Benefited Property, if the Assessments may not be reallocated pursuant to the provisions herein, such property remains subject to the Assessments and the Assessments must be prepaid as provided for in **Section VII.E.2**.

"Off-Site Major Improvements" mean those water and sewer Major Improvements which benefit all Assessed Property within the PID as described in **Section III.D** of this SAP, constructed and installed in accordance with this SAP.

"On-Site Major Improvements" mean those water and sewer Major Improvements which benefit all Assessed Property within the PID and are other than the Off-Site Major Improvements described in **Section III.D** of this SAP, constructed and installed in accordance with this SAP.

"Owner" means CADG Sutton Fields, LLC, a Texas limited liability corporation and CADG Sutton Fields II, LLC, a Texas limited liability corporation.

"Parcel" or "Parcels" means a specific property within the PID identified by either a tax map identification number assigned by the Denton County Appraisal District for real property tax purpose, by metes and bounds description, or by lot and block number in a final subdivision plat recorded in the Official Public Records of Denton County, or by any other means determined by the County.

"PID" means the Sutton Fields II Public Improvement District created by the City pursuant to Resolution _______ on October 13, 2015.

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

"PDD 52" means Planned Development District, #52 passed and approved by the City pursuant to Ordinance No. 2015-58 dated as of March 17, 2015.

"PID Bonds" means the bonds to be issued by the City, in one or more series, to finance the Authorized Improvements that confer special benefit on the property within the PID, which may include funds for any required reserves and amounts necessary to pay the PID Bond issuance costs, and to be secured by a pledge of the Assessments pursuant to the authority granted in the PID Act, for the purposes of (i) financing the costs of Authorized Improvements and related costs, and (ii) reimbursement for Actual Costs paid prior to the issuance of and payment for the PID Bonds. This term is used to collectively refer to the Neighborhood Improvement Area #1Bonds and the Neighborhood Improvement Areas #2-5 Major Improvement Bonds throughout this SAP.

"Prepayment Costs" mean interest and expenses to the date of prepayment, plus any additional amounts due pursuant to the Indenture related to the PID Bonds and allowed by law, if any, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment and the PID Bonds secured by such Assessment.

"Public Improvements" mean the improvements authorized under Section 372.003 of the PID Act and designed, constructed, and installed in accordance with the Service and Assessment Plan, and any future amendments thereto. Certain of the Public Improvements will confer benefit only on Neighborhood Improvement Area #1 and certain Public Improvements will confer benefits only on Neighborhood Improvement Areas #2-5.

"Public Property" means property, real property, right of way and easements located within the boundaries of the PID that is owned by or irrevocably offered for dedication to the federal government, the State of Texas, Denton County, the City, a school district, a public utility provider or any other political subdivision or public agency, whether in fee simple, through an exclusive use easement, or through a public utility easement.

"Reimbursement Agreement" means each Reimbursement Agreement by and between the City and the Developer in which the Developer agrees to fund the Actual Costs of certain Authorized Improvements and the City agrees to reimburse the Developer and/or the City for the Actual Costs of those Authorized Improvements funded by the Developer as permitted by the Act.

"Service and Assessment Plan" or **"SAP"** means this Sutton Fields II Public Improvement District Service and Assessment Plan (as such plan is amended from time to time), to be initially adopted by the City Council in the Assessment Ordinance for the purpose of assessing allocated costs against property located within the boundaries of the PID.

“Sutton Fields II” or “Project” means the approximately 622 acres of land located in this City and the ETJ of Celina, Texas. The project is contained within the area depicted on **Table II-A.**

“**TIRZ No. 5”** means the Tax Increment Reinvestment Zone No. 5, City of Celina, Texas.

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

“**TIRZ Ordinance**” means an ordinance adopted by the City Council authorizing the use of TIRZ Revenues for project costs under the Tax Increment Financing Act, Texas Tax Code, Chapter 311, as amended, relating to the Authorized Improvements as provided for in the Tax Increment Reinvestment Zone No. 5 Project Plan and Financing Plan (including amendments or supplements thereto).

“**TIRZ Revenues**” mean, for each year, the amounts paid by the City from the TIRZ No. 5 tax increment fund pursuant to the TIRZ Ordinance to reduce an Annual Installment, as calculated each year by the Administrator in collaboration with the City, in accordance with **Section V.M** of this Service and Assessment Plan.

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

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

Section II

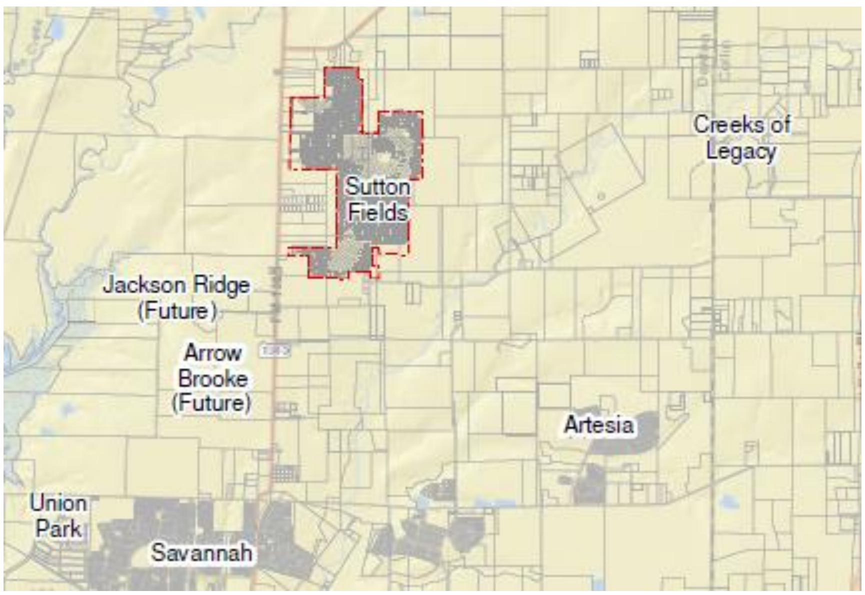
PROPERTY INCLUDED IN THE PID

A. <u>Property Included in the PID</u>

The PID is comprised of the property depicted and described by metes and bounds on **Exhibit A** to Resolution **________**, as adopted by the City Council. The PID is located within the City's corporate limits and within the extraterritorial jurisdiction of the City and contains approximately 622 acres planned for the development of approximately 2,294 single family residential lots and includes the associated rights-of-way, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID.

A map of the property within the PID is shown in **Table II-A**. Legal descriptions for all Parcels within the PID are included in **Appendix A and B**.

TABLE II-A
PID Boundary Map

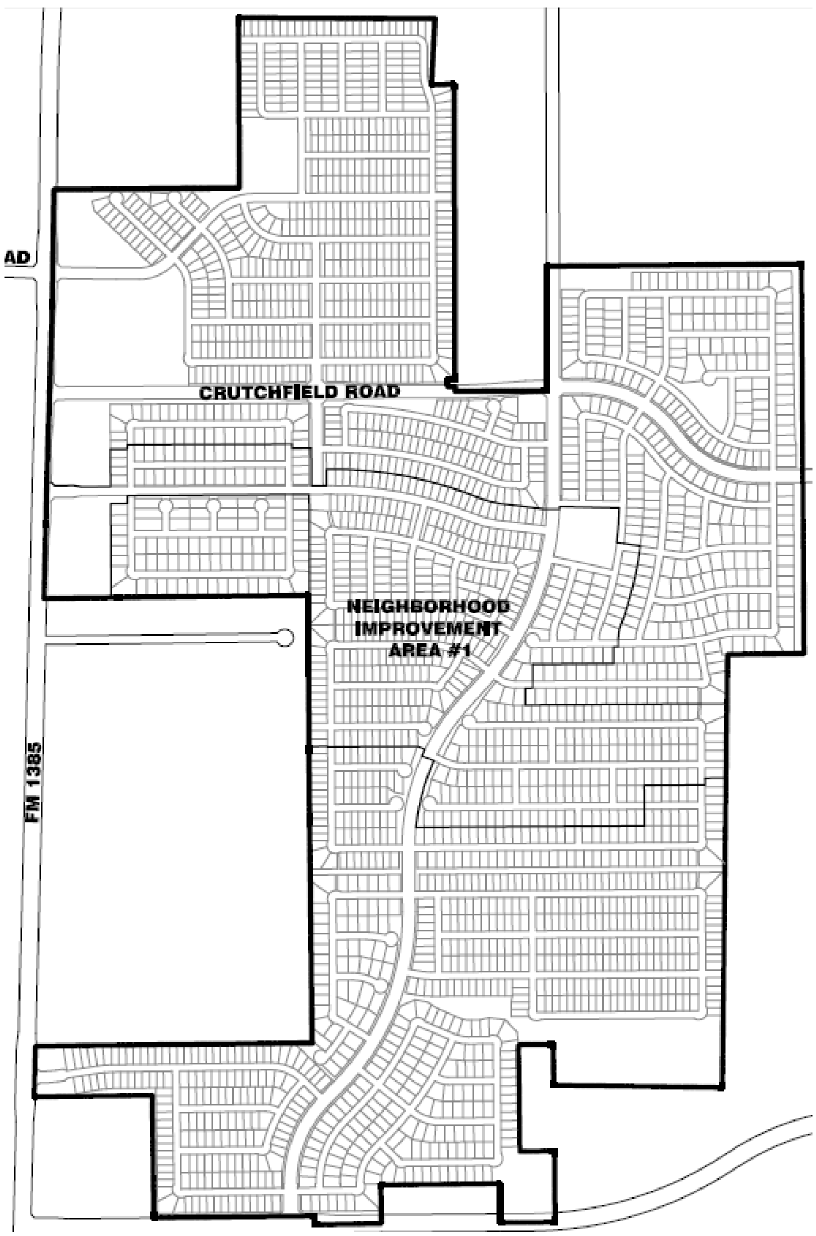


B. **Property Located in Neighborhood Improvement Area #1**

The Neighborhood Improvement Area #1 contains approximately 130 acres. Neighborhood Improvement Area #1 is expected to be developed into approximately 515 single family residential lots.

A map of the property within the PID and Neighborhood Improvement Area #1 is shown in **Table II-B**.

TABLE II-B
PID Boundary Map

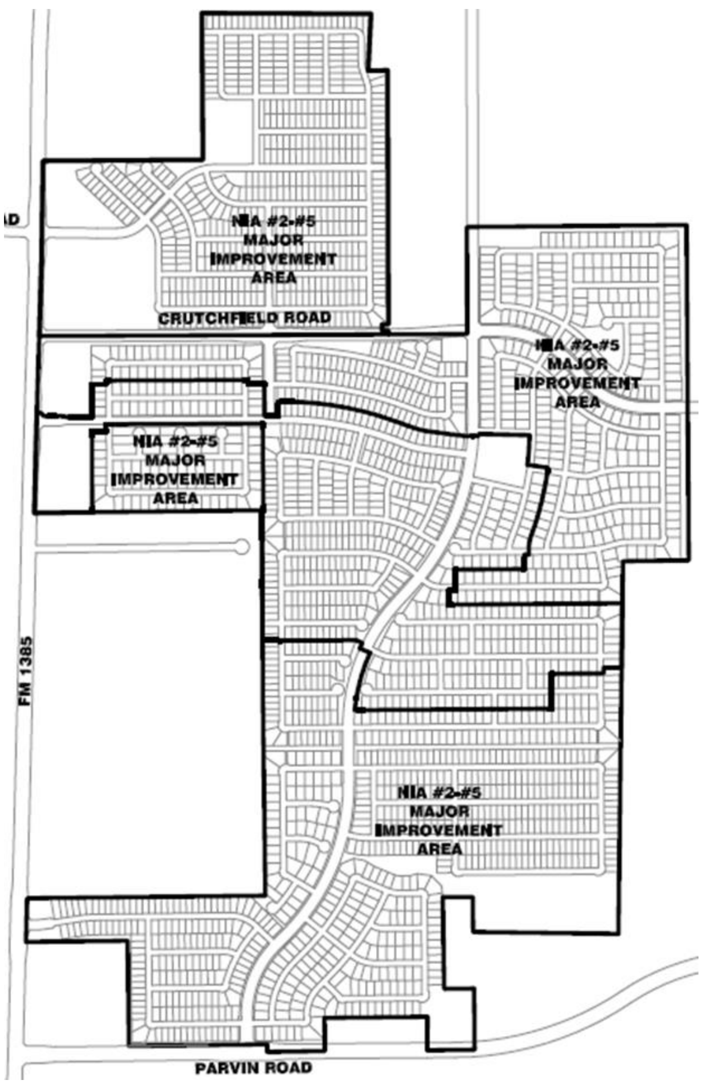


C. Property Located in Neighborhood Improvement Areas #2-5

Neighborhood Improvement Areas #2-5 contain approximately 493 acres. Neighborhood Improvement Areas #2-5 are expected to be developed in separate Future Neighborhood Improvement Areas containing, in total, approximately 1,779 single family residential lots. As Future Neighborhood Improvement Areas continue to be developed and Future Neighborhood Improvement Area PID Bonds are issued, the Assessment Plan will be amended to incorporate any applicable new information and a new table that depicts the impact of the applicable Future Neighborhood Improvement Area being developed.

A map of the property within the Neighborhood Improvement Areas #2-5 is shown in **Table II-C**.

TABLE II-C
PID Boundary Map



Section III

DESCRIPTION OF THE PUBLIC IMPROVEMENTS

A. Authorized Improvement Overview

Section 372.003 of the PID Act identifies the authorized improvements that a City may choose to undertake with the establishment of a PID.

372.003 Authorized Improvements

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

(b) The Authorized Improvements identified in the PID Act include:

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

After analyzing the public improvements authorized by the PID Act, the City has determined that of the improvements authorized under the PID Act, it will undertake the Authorized Improvements more particularly described in **Section III.B** and **Section III.C** herein for the benefit of the Property within the PID.

B. Descriptions and Costs of the Neighborhood Improvement Area #1 Improvements

The Neighborhood Improvement Area #1 Bonds will fund Authorized Improvements which benefit the Neighborhood Improvement Area #1 within the PID including a pro-rata portion of Major Improvements that are allocable to Neighborhood Improvement Area #1. The Neighborhood Improvement Area #1 Improvements are described below and the costs are shown in **Table III-A**. The Neighborhood Improvement Area #1 Bonds will pay for its share of the Major Improvements (approximately 21%) as shown within **Table III-A**. The Actual Costs to construct the Neighborhood Improvement Area #1 Improvements including the Off-Site Major Improvements is $10,527,283. The Actual Costs to construct the Neighborhood Improvement Area #1 Improvements minus the Off-Site Sewer Major Improvements allocated to the Neighborhood Improvement Area #1 (as shown in **Table V-A)** is $10,202,904. The Actual Costs shown in **Table III-A** may be revised in Annual Service Plan Updates.

In addition, Additional Neighborhood Improvement Area #1 Bonds may be requested to be issued in the future, subject to the approval of the City Council, to provide for the reimbursement for Neighborhood Improvement Area #1 Improvements not funded by the Neighborhood Improvement Area #1 Bonds.

Detention Ponds

- *Drainage System*
  - Project shall consist of the construction of one (1) retention/detention pond, including excavation to a depth of 15-feet and the associated drainage improvements for each pond. Underground reinforced concrete storm sewer pipes, inlets and rock riprap protection at outfalls will also be installed at each pond. This project will be constructed according to City of Celina standards and specifications and will be owned and operated by the City of Celina. The portion of these costs allocated to Neighborhood Improvement Area #1 is $56,652.

Paving

- *Road A*
  - The Roadway ‘A’ portion of the project consists of the construction of approximately 240 linear feet of 6-inch thick, 36-foot wide, concrete pavement with curb and gutter and 3,280 linear feet of 6-inch thick, 44-foot wide, concrete pavement with curb and gutter. The concrete will be 3,600 pounds per square inch (psi) strength. 17,978 square yards (sy) of pavement sub-grade will be lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. This will provide access from FM 1385 into the Sutton Fields Amenity Center and rest of the development. The portion of these costs allocated to Neighborhood Improvement Area #1 is $218,706.

- *Road F*
  - The Roadway 'F' portion of the project consists of the construction of approximately 1,980 linear feet of 8-inch thick, 50-foot wide, 4 lanes divided concrete pavement with curb and gutter. The concrete will be 3,600 pounds per square inch (psi) strength. 11,440 square yards (sy) of pavement sub-grade will be lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. This section is located within the project and provides north-south access to the entire development. The portion of these costs allocated to Neighborhood Improvement Area #1 is $179,579.

- *FM 1385*
  - The FM 1385 roadway portion of the project consists of the construction left and right turn lanes within FM 1385 to enhance traffic turning movement in and out of the development. These improvements will be constructed to TxDOT, Denton County and City of Celina standards. These Improvements will benefit the entire project. The portion of these costs allocated to Neighborhood Improvement Area #1 is $99,267.

Offsite Water

- *Water Distribution System*
  - This water portion of the Neighborhood Improvement Area #1 Waterline Improvements consists of constructing approximately 20,654, linear feet of 8-inch water line, including associated and 8-inch gate valves. One-inch diameter water services will be provided to each of the 515 lots within Neighborhood Improvement Area #1. All associated waterline testing, trench safety and erosion protection during construction are included. These lines will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City. These lines will include the necessary appurtenances to be fully operational transmission lines extending water service to the limits of Neighborhood Improvement Area #1 and all lots within Neighborhood Improvement Area #1. The portion of the acquisition of this and other related costs allocated to Neighborhood Improvement Area #1 is $404,400.

- *Elevated Storage Tank Engineering*
  - Engineering for the Elevated Storage Tank will start with Neighborhood Improvement Area #1 to secure all necessary approvals, including TCEQ and the City. The portion of the acquisition of this and other related costs allocated to Neighborhood Improvement Area #1 is $41,620.

Offsite Sewer

- *Sanitary Sewer*
    - The City is a customer city of the Upper Trinity Regional Water District (UTRWD) and will receive wastewater collection services by constructing a wastewater interceptor line and wastewater treatment services from the UTRWD collection point located at Parvin Road & Good Hope. UTRWD operates the Riverbend and Doe Creek wastewater treatment plants. The UTRWD treatment plant permit with the TCEQ has excess capacity to serve the Sutton Fields development. UTRWD is in the process of expanding both wastewater treatment plants.

    - This project consists of constructing approximately 3,550 linear feet of 6-inch force main, associated lift station, 6,050 linear feet of 15-inch sanitary sewer gravity line, 1,250 linear feet of 12-inch sanitary sewer gravity line and 800 linear feet of 10-inch sanitary sewer gravity line generally flowing southeasterly along Parvin Road and connecting to the UTRWD collection point and Doe Creek/ Riverbend Wastewater Treatment Plants. Cutoff valves, air release valves will be constructed in accordance with City of Celina and TCEQ regulations. The gravity interceptor line will be designed to maintain the 3.0 fps minimum velocity. The line will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City. The portion of the acquisition of this and other related costs of the CCN allocated to Neighborhood Improvement Area #1 is $324,378.

CCN Certificate

- The Developer has agreed to secure the CCN Certificate for water and wastewater services for the City. The majority of the Property in the PID was previously within Mustang Special Utility District's water and wastewater CCN areas, but a recent Public Utility Commission ruling decertified the Mustang Special Utility District from those CCNs. The portion of the acquisition of this and other related costs of the CCN allocated to Neighborhood Improvement Area #1 is $686,733.

Right of Way and Open Space Land Acquisition

- Upon closing of the Neighborhood Improvement Area #1 Bonds and corresponding to the development, the City shall pay for the acquisition of the right-of-way and open space land, which comprises approximately 18.7 acres. The portion of the acquisition of this and other related costs allocated to Neighborhood Improvement Area #1 is $936,454.

Upper Trinity Regional Water District Capacity Acquisition

- In connection with the securing of the CCN Certificate in order to provide water and wastewater services for the City, the Developer has agreed to purchase capacity for such services from UTRWD. The portion of the acquisition of this and other related costs allocated to Neighborhood Improvement Area #1 is $166,481.

Onsite Water

- *Water Distribution System*
  - This water portion of the Neighborhood Improvement Area #1 waterline improvements consists of constructing approximately 20,653, linear feet of 8-inch water line, including associated and 8-inch gate valves. One-inch diameter water services will be provided to each of the 515 lots within Neighborhood Improvement Area #1. All associated waterline testing, trench safety and erosion protection during construction are included. These lines will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City. These lines will include the necessary appurtenances to be fully operational transmission lines extending water service to the limits of Neighborhood Improvement Area #1 and all 515 lots within Neighborhood Improvement Area #1. The costs for the Neighborhood Improvement Area #1 are $1,360,892.

Onsite Sewer

- *Sanitary Sewer*
  - Neighborhood Improvement Area #1 wastewater improvements also include construction of 21,705 linear feet of 8" gravity sanitary sewer line that connects to the 10" gravity sewer main line. Construction includes connection at multiple points through 86 concrete manholes. Services to individual lots are by 4" gravity sewer services. All lines will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City. These lines will include the necessary appurtenances to be fully operational extending wastewater service to the limits of Neighborhood Improvement Area #1 and each of the 515 lots within Neighborhood Improvement Area #1. The costs for the Neighborhood Improvement Area #1 are $1,422,400.

Storm Sewer

- *Storm Drainage*
  - The drainage portion of the Neighborhood Improvement Area #1 Improvements shall consist of underground reinforced concrete storm sewer pipes, inlets and rock riprap protection at outfalls. The main means of conveyance of storm drainage within Neighborhood Improvement Area #1 is within underground storm drain pipes. The roadway pavement section incorporates the use of curbs with integrated drainage inlets to control runoff and conveyance of storm-water throughout the drainage basins associated with Neighborhood Improvement Area #1. The system includes underground reinforced concrete pipe (RCP) with associated headwalls, safety end treatments, manholes and storm sewer energy dissipaters at the points of discharge. This project will be constructed to City standards and specifications and will be owned and operated by the City. The costs for the Neighborhood Improvement Area #1 are $1,028,858.

Roadway Improvements

- *Residential Streets*
  - Roadway improvements within Neighborhood Improvement Area #1 include construction of approximately 21,740 linear feet of 6" thick, 31-foot wide, concrete pavement with curb and gutter. The concrete will be 3,600 pounds per square inch (psi) strength. Unclassified excavation for the project will consists of 231,750 cubic yards of cut and fill. 82,129 square yards (sy) of pavement sub-grade will be lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. These roadway improvements include streets that will provide street access to each lot within Neighborhood Improvement Area #1. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City. These projects will provide access to community roadways and state highways. The costs for the Neighborhood Improvement Area #1 are $3,600,863.

Table III-A Authorized Improvements - Neighborhood Improvement Area #1				
Description	**Hard Costs**	**Soft Costs**	**Contingency (5%)**	**Total Costs**
Major Improvements				
Detention Ponds	$ 56,652	$ -	$ -	$ 56,652
Paving - Road A	218,706	-	-	218,706
Paving - Road F	179,579	-	-	179,579
Paving - FM 1385	99,267	-	-	99,267
CCN Certificate	686,733	-	-	686,733
ROW and Open Space Land Acquisition	936,454	-	-	936,454
UTRWD Capacity Acquisition	166,481	-	-	166,481
Elevated Storage Tank Engineering	-	41,620	-	41,620
Offsite Improvements				
Offsite Water	404,400	-	-	404,400
Offsite Sewer	324,378	-	-	324,378
NIA #1 Improvements				
Lot Grading	-	-	-	-
Water	1,142,341	153,747	64,804	1,360,892
Sewer	1,178,511	176,156	67,733	1,422,400
Storm Sewer	772,500	207,365	48,993	1,028,858
Roadway Improvements	3,083,231	346,162	171,470	3,600,863
Total Authorized Improvements	**$ 9,249,232**	**$ 925,050**	**$ 353,001**	**$ 10,527,283**

Note: Costs provided by Petitt Barraza, LLC. The figures shown in Table III-A may be revised in Annual Service Plan Updates. Some soft costs shown in Table III-A have been completed and will be reimbursed upon issuance of the PID Bonds pursuant to the PID Construction, Funding and Acquisition Agreement.

C. Descriptions and Costs of the Neighborhood Improvement Areas #2-5 Major Improvements

The Neighborhood Improvement Areas #2-5 Major Improvements are described below and their Actual Costs are shown in **Table III-B**. The Neighborhood Improvement Areas #2-5 Major Improvement Bonds will only pay for Neighborhood Improvement Areas #2-5's share of the Major Improvements (approximately 79%) as shown within **Table III-B**. The Actual Costs to construct the Major Improvements including the Off-Site Major Improvements is $11,845,649. The Actual Costs to construct the Neighborhood Improvement Areas #2-5 Major Improvements minus the Off-Site Sewer Major Improvements allocated to Neighborhood Improvement Areas #2-5 and as shown in **Table V-B**, is $10,611,272. The Actual Costs shown in **Table III-B** may be revised through Annual Service Plan Updates.

The Actual Costs for the Neighborhood Improvement Areas #2-5 Major Improvements are to be funded both from the proceeds of the Neighborhood Improvement Areas #2-5 Major Improvement Bonds as described herein and from funds contributed by the Developer.

Detention Ponds

- *Drainage System*
  - Project shall consist of the construction of one (1) retention/detention pond, including excavation to a depth of 15-feet and the associated drainage improvements for each pond. Underground reinforced concrete storm sewer pipes, inlets and rock riprap protection at outfalls will also be installed at each pond. This project will be constructed according to City standards and specifications and will be owned and operated by the City. The portion of these

costs allocated to Neighborhood Improvement Areas #2-5 is $215,582.

Paving

- *Road A*
  - The Roadway 'A' portion of the project consists of the construction of approximately 240 linear feet of 6-inch thick, 36-foot wide, concrete pavement with curb and gutter and 3,280 linear feet of 6-inch thick, 44-foot wide, concrete pavement with curb and gutter. The concrete will be 3,600 pounds per square inch (psi) strength. 17,978 square yards (sy) of pavement sub-grade will be lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. This will provide access from FM 1385 into the Sutton Fields Amenity Center and rest of the development. The portion of these costs allocated to Neighborhood Improvement Areas #2-5 is $832,254.

- *Road F*
  - The Roadway 'F' portion of the project consists of the construction of approximately 1,980 linear feet of 8-inch thick, 50-foot wide, 4 lanes divided concrete pavement with curb and gutter. The concrete will be 3,600 pounds per square inch (psi) strength. 11,440 square yards (SY) of pavement sub-grade will be lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. This section is located within the project and provides north-south access to the entire development. The portion of these costs allocated to Neighborhood Improvement Areas #2-5 is $683,362.

- *FM 1385*
  - The FM 1385 roadway portion of the project consists of the construction left and right turn lanes within FM 1385 to enhance traffic turning movement in and out of the development. These improvements will be constructed to TX DOT, Denton County and City standards. These Improvements will benefit the entire project. The portion of these costs allocated to Neighborhood Improvement Areas #2-5 is $377,748.

CCN Certificate

- The Developer has agreed to secure the water and wastewater CCN Certificates from Mustang Special Utility District. The property within the PID was previously within Mustang Special Utility District's water and wastewater CCN areas, but a recent Public Utility Commission ruling decertified the Mustang Special Utility District from those CCNs. The portion of the costs of the acquisition and other related costs for the CCN Certificate allocated to Neighborhood Improvement Areas #2-5 is $2,613,267.

Offsite Water

- *Water Distribution System*
  - The City is a customer of the Upper Trinity Regional Water District (UTRWD) and will receive wholesale treated water through a major transmission line from the UTRWD Tom Harpool water treatment plant. Therefore, there are no water treatment plant upgrades required.

  - There is an existing 36-inch water transmission line located along the Western boundary of the project. The proposed off-site improvements will consist of constructing a new delivery point/ meter station, a 0.25 MG Ground Storage Tank, a 1.0 MG Elevated Storage Tank and a Pump Station with the required pumps to provide adequate pressure to the system. The combination of the Elevated and Ground Storage Tanks will provide the adequate storage capacity required by TCEQ and will also provide the required pressures for the entire system. Approximately 11,000 linear feet of 12-inch water line will also be constructed as part of the water distribution system. All of the proposed improvements will be located within the Development. Additional waterline improvements will include connection to the existing water-main, installation of associated 12-inch valves, fire hydrants, ductile iron fittings, erosion control, trench safety and testing. All water improvements will be constructed to City standards and specifications and all improvements will be owned and operated by the City. These Improvements will benefit the entire PID. The portion of the acquisition of this and other related costs allocated to Neighborhood Improvement Areas #2-5 is $1,533,613.

- *Elevated Storage Tank Engineering*
  - Engineering for the Elevated Storage Tank will start with NIA #1 to secure all necessary approvals, including TCEQ and the City. These Improvements will benefit the entire project. The portion of the acquisition of this and other related costs allocated to Neighborhood Improvement Areas #2-5 is $158,380.

Offsite Sewer

- *Sanitary Sewer*
  - The City of Celina is a customer city of the Upper Trinity Regional Water District (UTRWD) and will receive wastewater collection services by constructing a wastewater interceptor line and wastewater treatment services from the UTRWD collection point located at Parvin Road & Good Hope. UTRWD operates the Riverbend and Doe Creek wastewater treatment plants. The UTRWD treatment plant permit with the TCEQ has excess capacity to serve the Sutton Fields development. UTRWD is in the process of expanding both wastewater treatment plants.

- This project consists of constructing approximately 3,550 linear feet of 6-inch force main, associated lift station, 6,050 linear feet of 15-inch sanitary sewer gravity line, 1,250 linear feet of 12-inch sanitary sewer gravity line and 800 linear feet of 10-inch sanitary sewer gravity line generally flowing southeasterly along Parvin Road and connecting to the UTRWD collection point and Doe Creek/ Riverbend Wastewater Treatment Plants. Cutoff valves, air release valves will be constructed in accordance with City of Celina and TCEQ regulations. The gravity interceptor line will be designed to maintain the 3.0 fps minimum velocity. The line will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City. The portion of the acquisition of this and other related costs of the CCN allocated to Neighborhood Improvement Areas #2-5 is $1,234,377.

Right of Way and Open Space Land Acquisition

- Upon closing of the PID Bonds corresponding to the development of a certain number of lots, the City shall pay a certain amount for the acquisition for the acquisition of the right-of-way and open space land comprising approximately 71.3 acres. The portion of the acquisition of this and other related costs allocated to Neighborhood Improvement Areas #2-5 is $3,563,546.

Upper Trinity Regional Water District Capacity Acquisition

- In connection with the securing of the CCN Certificate in order to provide water and wastewater services for the City, the Developer has agreed to purchase capacity for such services from UTRWD. The portion of the acquisition of this and other related costs allocated to Neighborhood Improvement Areas #2-5 is $633,519.

Table III-B
Authorized Improvements - Neighborhood Improvement Areas #2-5

Description	Hard Costs	Soft Costs	Contingency (5%)	Total Costs
Major Improvements				
Detention Ponds	$ 215,582	$ -	$ -	$ 215,582
Paving - Road A	832,254	-	-	832,254
Paving - Road F	683,362	-	-	683,362
Paving - FM 1385	377,748	-	-	377,748
CCN Certificate	2,613,267	-	-	2,613,267
ROW and Open Space Land Acquisition	3,563,546	-	-	3,563,546
UTRWD Capacity Acquisition	633,519	-	-	633,519
Elevated Storage Tank Engineering	-	158,380	-	158,380
Offsite Improvements				
Offsite Water	1,533,613	-	-	1,533,613
Offsite Sewer	1,234,377	-	-	1,234,377
Total Authorized Improvements	**$ 11,687,269**	**$ 158,380**	**$ -**	**$ 11,845,649**

Note: Costs provided by Petitt Barraza, LLC. The figures shown in Table III-B may be revised in Annual Service Plan Updates. Some soft costs shown in Table III-B have been completed and will be reimbursed upon issuance of the PID Bonds pursuant to the PID Construction, Funding and Acquisition Agreement.

D. Descriptions and Costs of the Off-Site Major Improvements

The portion of the Off-Site Major Improvement costs presented in Table III-A and Table III-B show their share of costs as allocated to the Neighborhood Improvement Area #1 Improvements and Neighborhood Improvement Area #2-5 Improvements, respectively. In addition, the Actual Costs of the Off-Site Major Improvements are shown in **Table III-C.** The Actual Costs shown in **Table III-C** may be revised in an Annual Service Plan Updates. The total Actual Costs for the Off-Site Major Improvements are $1,558,755 and benefit the entire PID.

Offsite Sewer

- *Sanitary Sewer*
    - The City of Celina is a customer city of the Upper Trinity Regional Water District (UTRWD) and will receive wastewater collection services by constructing a wastewater interceptor line and wastewater treatment services from the UTRWD collection point located at Parvin Road & Good Hope. UTRWD operates the Riverbend and Doe Creek wastewater treatment plants. The UTRWD treatment plant permit with the TCEQ has excess capacity to serve the Sutton Fields development. UTRWD is in the process of expanding both wastewater treatment plants.
    - This project consists of constructing approximately 3,550 linear feet of 6-inch force main, associated lift station, 6,050 linear feet of 15-inch sanitary sewer gravity line, 1,250 linear feet of 12-inch sanitary sewer gravity line and 800 linear feet of 10-inch sanitary sewer gravity line generally flowing southeasterly along Parvin Road and connecting to the UTRWD collection point and Doe Creek/ Riverbend Wastewater Treatment Plants. Cutoff valves, air release valves will be constructed in accordance with City of Celina and TCEQ regulations. The gravity interceptor line will be designed to maintain the 3.0 fps minimum velocity. The line will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City.

Table III-C
Off-Site Major Improvements - Authorized Improvements

Description	Hard Costs	Soft Costs	Contingency (5%)	Total Costs
Major Improvements				
Offsite Sewer	1,558,755	-	-	1,558,755
Total Authorized Improvements	**$ 1,558,755**	**$ -**	**$ -**	**$ 1,558,755**

Note: Costs provided by Petitt Barraza, LLC. The figures shown in Table III-C may be revised in Annual Service Plan Updates. Some soft costs shown in Table III-C have been completed and will be reimbursed upon issuance of the PID Bonds pursuant to the PID Construction, Funding and Acquisition Agreement.

E. Descriptions and Costs of Future Neighborhood Improvement Area Improvements

In addition, Future Neighborhood Improvement Area PID Bonds may be requested to be issued in the future to fund Authorized Improvements that benefit the Assessed Property in a Future Neighborhood Improvement Area (the "Future Neighborhood Improvement Area Improvements"), subject to the approval of the City Council. Should that occur, then in association with issuing Future Neighborhood Improvement Area PID Bonds, this Service and Assessment Plan will be amended to identify the Future Neighborhood Improvement Area Improvements as well as adding in an additional **Table III-D**.

F. City Park Fee

In accordance with the Development Agreement, The Developer will be required to make a contribution of $2,000,000 to the City as a City Park Fee. This fee will not be included within the estimated costs of the PID, and will not be used and/or reimbursed out of any PID Bond proceeds.

Section IV

FUTURE PID BONDS TEST

A. Additional Neighborhood Improvement Area #1 PID Bonds

The City has reserved the right to issue Additional Neighborhood Improvement Area #1 PID Bonds for any purpose permitted by the Act, including those described above, and in accordance with the conditions set forth below. Terms used in this Section IV.A but not defined herein shall have the meanings assigned to them in the Indenture for the Neighborhood Improvement Area #1 Bonds:

1. The City Representative shall certify that the City is not in default in the performance and observance of any of the terms, provisions and conditions applicable to the City contained in the Indenture;

2. The Owner, through an authorized representative, shall certify that the Owner is not in default in the performance and observance of any of the terms, provisions and conditions applicable to the Owner contained in the Construction, Funding and Acquisition Agreement for the Neighborhood Improvement Area #1 Bonds;

3. The Owner shall provide the City with a certificate or report from an independent certified appraiser or appraisal firm (that may rely on County assessed value figures for the completed homes as to their value) that, assuming completion of the improvements to be financed with the proceeds of the Additional Neighborhood Improvement Area #1 PID Bonds or with the funds withdrawn from the Developer Improvement Account of the Project Fund, as applicable, (A) at least 150 single-family homes located within the Neighborhood Improvement Area #1 of the PID have been completed or have commenced construction; (B) the appraised value of the property within the Neighborhood Improvement Area #1 of the PID is equal to at least five (5) times the principal amount of the Outstanding Bonds Similarly Secured, taking into account the Additional Neighborhood Improvement Area #1 PID Bonds to be issued, (C) the appraised value allocated to every Assessed Parcel within the Neighborhood Improvement Area #1 of the PID is at least three (3.0) times the portion of the principal amount of any Outstanding Bonds Similarly Secured, taking into account the Additional Neighborhood Improvement Area #1 PID Bonds to be issued, that is allocated to each Assessed Parcel;

4. The principal of and interest on the Additional Neighborhood Improvement Area #1 PID Bonds must be scheduled to be paid or mature on March 1 or September 1, or both, of the years in which each principal or interest are scheduled to be paid or mature;

5. There shall be deposited to the Reserve Fund an amount equal to the Reserve Fund Requirement taking into account the Outstanding Bonds Similarly Secured, and the Additional Neighborhood Improvement Area #1 PID Bonds then proposed to be issued; and,

6. The maximum amount of Additional Neighborhood Improvement Area #1 PID Bonds that may be issued, subject to the approval of the City, in total, is $6.0 million.

B. Future Neighborhood Improvement Area PID Bonds

The City has reserved the right to issue Future Neighborhood Improvement Area PID Bonds for any purpose permitted by the Act, including those described above, and in accordance with the conditions set forth below:

1. At least seventy five percent (75%) of the residential lots within the particular Future Neighborhood Improvement Area of the PID for which Authorized Improvements are financed by the Future Neighborhood Improvement Area PID Bonds must be under contract with merchant builders unaffiliated with the Developer.

2. The ratio of the appraised value of all of the land in the particular Future Neighborhood Improvement Area of the PID, based on an independent appraisal and assuming completion of the improvements within such phase to be financed with the proceeds of the Future Neighborhood Improvement Area PID Bonds to be issued, to the principal amount of the Future Neighborhood Improvement Area PID Bonds to be issued must be at least 3.0:1;

3. Construction contracts for at least 50% of the costs of the improvements in such Future Neighborhood Improvement Area to be paid with proceeds of the applicable series of Future Neighborhood Improvement Area PID Bonds must be executed and ready to proceed; and

4. Construction of residences in all previously financed Neighborhood Improvement Areas taken as a whole must be at least twenty five percent (25%) complete or underway.

Section V

ASSESSMENT PLAN

A. Introduction

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

The proposed bond issuance program entails a series of bond financings that are intended to finance the public infrastructure required for the development. This financing will necessarily be undertaken in phases to coincide with the private investment and development of the Authorized Improvements. Following the initial Neighborhood Improvement Area #1 Area Bonds and the Neighborhood Improvement Areas #2-5 Major Improvement Bonds to be issued in 2015 and the Additional Neighborhood Improvement Area #1 PID Bonds, if issued, Future Neighborhood Improvement Area PID Bonds are to be issued over the upcoming decade as the four subsequent phases (phases #2, #3, #4 and #5, each corresponding to a Future Neighborhood Improvement Area) of the development are gradually constructed.

The purpose of this gradual issuance of bonds as the Future Neighborhood Improvement Areas are developed is to mirror the actual private development of the Authorized Improvements. The Bonds to be issued are most prudently and efficiently utilized when directly coinciding with construction of public infrastructure needed for private development that is to occur once the infrastructure is completed; it is most effective to issue the PID Bonds when the infrastructure is needed, not before. Furthermore, there is no economic advantage, and several disadvantages to issuing debt and encumbering property within the PID prior to the need for the Authorized Improvements.

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

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

1. The Major Improvement and Neighborhood Improvement Area #1 costs shall be allocated on the basis of the relative value of Parcels once such property is developed, and that such method of allocation will result in the imposition of equal shares of the costs of the Authorized Improvements to Parcels similarly benefited.

2. The Assessed Property is classified into different Lot Types as described in Appendix D based on the type and size of proposed development on each Parcel.

3. The Major Improvement Area Assessed Property's proportional share of the costs for the Major Improvements is allocated to each Parcel within the Major Improvement Area Assessed Property based on the allocated estimated property value of each Parcel.

4. The Neighborhood Improvement Area #1 Improvement costs (including Neighborhood Improvement Area #1 Assessed Property's proportional share of the costs of the Major Improvements) are allocated to each Parcel within the Neighborhood Improvement Area #1 Assessed Property based on the allocated estimated value of each Parcel.

Table V-A provides the estimated allocation of costs of the Authorized Improvements constituting Neighborhood Improvement Area #1 Improvements and **Table V-B** provides the estimated allocation of costs of the Authorized Improvements constituting Major Improvements.

At this time it is impossible to determine with absolute certainty the amount of special benefit each Parcel within Future Neighborhood Improvement Areas will receive from internal subdivision Authorized Improvements that will benefit each individual Future Neighborhood Improvement Area and that are to be financed with Future Neighborhood Improvement Area PID Bonds. Therefore, at this time Parcels will only be assessed for the special benefits conferred upon the Parcel because of the Major Improvements and Neighborhood Improvement Area #1 Improvements.

In connection with the issuance of Future Neighborhood Improvement Area PID Bonds and/or execution of related reimbursement agreements, this Service and Assessment Plan will be updated to reflect the special benefit each Parcel of Assessed Property within a Future Neighborhood Improvement Area receives from the specific Authorized Improvements funded with those Future Neighborhood Improvement Area PID Bonds issued with respect to that Future Neighborhood Improvement Area. Prior to assessing Parcels located within Future Neighborhood Improvement Areas in connection with issuance of Future Neighborhood Improvement Area PID Bonds, each owner of the Parcels to be assessed must acknowledge that the Authorized Improvements to be financed confer a special benefit on their Parcel and must consent to the imposition of the Assessments to pay for the Actual Costs of such Authorized Improvements.

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within the PID as a result of the Major Improvements and Neighborhood Improvement Area #1 Improvements, (ii) provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments to be levied on the Neighborhood Improvement Area #1 Assessed Property and the Neighborhood Improvement Areas #2-5 Assessed Property for such improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Major Improvements and Neighborhood Improvement Area #1 Improvements to Parcels in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Parcels similarly benefited. The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

As Future Neighborhood Improvement Areas are developed, in connection with the issuance of Future Neighborhood Improvement Area PID Bonds this Service and Assessment Plan will be updated based on the City's determination of the assessment methodology for each Future Neighborhood Improvement Area.

Tables V-A and V–B detail the estimated allocation of costs of the Authorized Improvements. This section describes the special benefit received by each Parcel within the PID as a result of the Authorized Improvements, provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments, and establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Authorized Improvements to Parcels or Lots in a manner that results in equal share of the Actual Cost being apportioned to Parcels or Lots similarly benefited. The City Council has the authority to determine the assessment methodologies to be used in the PID. Once determined, the methodologies are conclusive and binding on the Owner and all future owners of any Assessed Property.

B. <u>Special Benefit</u>

Assessed Property must receive a direct and special benefit from the Authorized Improvements, which must be equal to or greater than the amount of the Assessments. The costs of the Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described on **Tables III-A** and **III-B**) and the costs of issuance of the PID Bonds and payment of costs incurred in the establishment of the PID are costs authorized under the PID Act. These improvements are provided specifically for the benefit of the Assessed Property.

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

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

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

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

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

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

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

1. The Authorized Improvements are being provided specifically for the use of the Assessed Property, are necessary for the proposed best use of the property and provide a special benefit to the Assessed Property as a result;

2. The Developer has consented to the imposition of the Assessments for the purpose of providing the Authorized Improvements and the Developer is acting in its interest by consenting to this imposition;

3. The Authorized Improvements are required for the highest and best use of the property;

4. The highest and best use of the Assessed Property is the use of the Assessed Property that is most valuable (including any costs associated with the use of the Assessed Property);

5. Financing of the costs of the Authorized Improvement through the PID is determined to be the most beneficial means of providing for the Authorized Improvements; and,

6. As a result, the special benefits to the Assessed Property from the Authorized Improvements will be equal to or greater than the Assessments.

At the time the City Council approved the Final SAP, the Developer owned 100% of the Assessed Property. The Developer has acknowledged that the Public Improvements confer a special benefit on the Assessed Property and consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. The Developer has ratified, confirmed, accepted, agreed to and approved: (i) the determinations and findings by the City Council as to the special benefits described herein and the Assessment Ordinance; (ii) the SAP and the Assessment Ordinance, and (iii) the levying of Assessments on the Assessed Property.

The City Council has determined that funding the Actual Costs through the PID is beneficial to the City. The Authorized Improvements result in a special benefit to the Assessed Property, and such special benefit exceeds the amount of the Assessment. This conclusion is supported by the information provided to the City Council regarding the PID.

C. Cost of Major Improvements Allocated to Neighborhood Improvement Area #1

The Public Improvements provide a special benefit to the Parcels within the PID. However, the Neighborhood Improvement Areas #2-5 Area Assessed Property does not include Neighborhood Improvement Area #1 Assessed Property; therefore the costs of the Major Improvements are allocated proportionally between Neighborhood Improvement Areas #2-5 Area Assessed Property and the Neighborhood Improvement Area #1 Assessed Property based on the cost of neighborhood improvements planned within their respective boundaries. The Actual Costs of the Major Improvements allocated to Neighborhood Improvement Area #1, excluding the Off-Site Major Improvements, are shown in **Table V-A**. The costs detailed in **Table V-A** are subject to revision through the Annual Service Plan Updates.

Table V-A
Authorized Improvement Cost Allocation
Neighborhood Improvement Area #1

Authorized Improvement	Total Costs (a)	% Allocation	Share of Costs
Major Improvements			
Detention Ponds	$ 272,234	21%	$ 56,652
Paving - Road A	1,050,960	21%	218,706
Paving - Road F	862,941	21%	179,579
Paving - FM 1385	477,015	21%	99,267
CCN Certificate	3,300,000	21%	686,733
ROW and Open Space Land Acquisition	4,500,000	21%	936,454
UTRWD Capacity Acquisition	800,000	21%	166,481
Elevated Storage Tank Engineering	200,000	21%	41,620
Offsite Improvements			
Offsite Water	1,938,013	21%	404,400
Offsite Sewer	1,558,755	21%	324,378
Total Major & Offsite Improvements	**$ 14,959,918**		**$ 3,114,270**
On-Site Improvements			
Lot Grading	$ -	100%	$ -
Water	1,360,892	100%	1,360,892
Sewer	1,422,400	100%	1,422,400
Storm Sewer	1,028,858	100%	1,028,858
Roadway Improvements	3,600,863	100%	3,600,863
Total On-Site Improvements	**$ 7,413,014**		**$ 7,413,013**
Total Authorized Improvements	**$ 22,372,932**		**$ 10,527,283**

(a)See Table III-A for details.

D. Cost of the Major Improvements Allocated to Neighborhood Improvement Areas #2-5

The Major Improvements provide a special benefit to all of the Property within the PID with a portion of such costs allocable to the Neighborhood Improvement Areas #2-5. The Actual Costs of the Neighborhood Improvement Areas #2-5 Major Improvements are, therefore, allocated to Parcels entirely within Neighborhood Improvement Areas #2-5. The Actual Costs of the Neighborhood Improvement Areas #2-5 Improvements, excluding the Off-Site Major Improvements, are shown in **Table V-B**. The costs detailed in **Table V-B** are subject to revision through the Annual Service Plan Updates.

Table V-B
Authorized Improvement Cost Allocation
Neighborhood Improvement Areas #2-5

Authorized Improvement	Total Costs (a)	% Allocation	Share of Costs
Hard/Soft Costs			
Detention Ponds	$ 272,234	79%	$ 215,582
Paving - Road A	1,050,960	79%	832,254
Paving - Road F	862,941	79%	683,362
Paving - FM 1385	477,015	79%	377,748
CCN Certificate	3,300,000	79%	2,613,267
ROW and Open Space Land Acquisition	4,500,000	79%	3,563,546
UTRWD Capacity Acquisition	800,000	79%	633,519
Elevated Storage Tank Engineering	200,000	79%	158,380
Offsite Improvements			
Offsite Water	1,938,013	79%	1,533,613
Offsite Sewer	1,558,755	79%	1,234,377
Total Authorized Improvements	**$ 14,959,918**		**$ 11,845,649**

(a)See Table III-B for details.

E. Cost of the Off-Site Major Improvements

The Off-Site Major Improvements will provide a special benefit to all of the Property within the PID, other than the Non-Benefited Property. The Off-Site Major Improvements will be funded proportionally by the Neighborhood Improvement Area #1 Bonds and the Neighborhood Improvement Areas #2-5 Major Improvement Bonds. The Actual Costs of the Off-Site Major Improvements have been allocated to the Neighborhood Improvement Areas #2-5 Assessed Property and the Neighborhood Improvement Area #1 Assessed Property, as shown in **Table V-C**. The costs detailed in **Table V-C** are subject to revision through the Annual Service Plan Updates, but may not result in increased Assessments except as authorized under this SAP or the PID Act.

Table V-C Off-Site Major Improvements Cost Allocation						
		NIA #1		NIA #2-5		
Authorized Improvement	Total Costs (a)	% Allocation	Share of Costs	% Allocation	Share of Costs
Major Improvements					
Offsite Sewer	$ 1,558,755	21%	$ 324,378	79%	$ 1,234,377
Total Major & Offsite Improvements	**$ 1,558,755**		**$ 324,378**		**$ 1,234,377**

(a)See Table III-C for details.

F. Allocation of Actual Costs of Future Neighborhood Improvement Area Improvements

As Future Neighborhood Improvement Areas continue to be developed and Future Neighborhood Improvement Area PID Bonds are issued, the Assessment Plan will be amended to reflect and include information on the special benefit to any property in the PID, inside the respective Future Neighborhood Improvement Areas, from those certain Future Neighborhood Improvement Areas Improvements.

G. Assessment Methodology

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

Assessment Methodology for the Neighborhood Improvement Area #1 Improvements

For purpose of Assessment Plan, the City Council has determined that the Actual Costs associated with the Neighborhood Improvement Area #1 Bonds shall be allocated to the Assessed Property by spreading the entire Assessment across all Parcels or Lots within the Neighborhood Improvement Area #1 on the ratio of the estimated buildout value of each Parcel or Lot to the estimated buildout value for all Parcels or Lots within the Neighborhood Improvement Area #1.

Based on the Actual Costs provided by the Developer for the Neighborhood Improvement Area #1 Improvements, the City Council has determined that the benefit to the Assessed Property from the Neighborhood Improvement Area #1 Improvements at least equal to the Assessments levied on the Assessed Property as subdivided into individual Lots.

The Neighborhood Improvement Area #1 Assessments and the Neighborhood Improvement Area #1 Annual Installments for each Parcel or Lot are shown on the Neighborhood Improvement Area #1 Assessment Roll, attached as **Appendix A.** The Neighborhood Improvement Area #1 Assessments allocated to each Parcel or Lot shall not be changed except as authorized by the Assessment Plan or the PID Act. **Table V-D** reflects the proposed Total Assessments for all of Neighborhood Improvement Area #1 with such Total Assessment to be levied at the time that the Neighborhood Improvement Area #1 PID Bonds issued.

Table V-D
Assessment Allocation - Neighborhood Improvement Area #1

Phase (a)	Lot Type	Units (a)	Estimated Buildout AV	Percent of Total	Total Assessment	Annual Total Installment (b)	Total Assessment per Unit	Annual Installment per Unit	Equivalent Tax Rate
1	C	280	$ 83,720,000	52%	$ 7,203,492	$ 547,847	$ 25,727	$ 1,957	$ 0.65
	B	195	$ 63,940,500	39%	$ 5,501,611	$ 418,414	$ 28,213	$ 2,146	$ 0.65
	A	40	$ 14,700,000	9%	$ 1,264,827	$ 96,194	$ 31,621	$ 2,405	$ 0.65
	HOA				$ 141,110	$ 10,732			
	Total	**515**	**$ 162,360,500**	**100%**	**$ 14,111,040**	**$ 1,073,187**			

(a) Estimates based on information available as of xx/xx/2015, the date this SAP was adopted by the City Council. Although the actual unit counts and buildout values may vary from the estimates shown above, the initial assessment allocation for each Land Use will not change unless modified in an Annual Service Plan Update approved by the City Council, subject to the terms of this SAP, the PID Act, and any other documents associated with PID Bonds. Although the Project's entitlements provide for the possible construction of additional Parcels, the Owners anticipate the actual development will be as presented above.
(b) Reflects the annual installment for the first full year after the use of the capitalized interest for the Neighborhood Improvement Area #1 Improvement Bonds and will be adjusted to reflect the City's dedication of the $0.21 tax increment when the TIRZ is established.

Assessment Methodology for the Neighborhood Improvement Areas #2-5 Major Improvements

For purpose of Assessment Plan, the City Council has determined that the Actual Costs associated with the Neighborhood Improvement Areas #2-5 Major Improvement Bonds shall be allocated to the Assessed Property by spreading the Neighborhood Improvement Areas #2-5 Assessment across all Neighborhood Improvement Areas #2-5 Assessed Property and/or Lots based on the ratio of the estimated as-built value of each Neighborhood Improvement Areas #2-5 Assessed Property and/or Lot to the estimated as-built value for all Parcels and/or Lots within the Neighborhood Improvement Areas #2-5.

Based on the Actual Costs provided by the Developer for the Neighborhood Improvement Areas #2-5 Major Improvements, the City Council has determined that the benefit to the Neighborhood Improvement Areas #2-5 Assessed Property from the Neighborhood Improvement Areas #2-5 Major Improvements are at least equal to the Assessments levied on the Neighborhood Improvement Areas #2-5 Assessed Property and/or Lots.

The Neighborhood Improvement Areas #2-5 Assessments and Neighborhood Improvement Areas #2-5 Annual Installments for each Parcel or Lot are shown on the Neighborhood Improvement Areas #2-5 Assessment Roll, attached as **Appendix B**. The Neighborhood Improvement Areas #2-5 Assessment allocated to each Parcel or Lot shall not be changed except as authorized by the Assessment Plan or the PID Act. **Table V-E** summarizes the initial allocation of the Neighborhood Improvement Areas #2-5 Assessment relating to the Neighborhood Improvement Areas #2-5 Major Improvement Bonds for the Neighborhood Improvement Areas #2-5 Assessed Property at the time the Assessment Ordinance was adopted by the City Council.

Table V-E
Assessment Allocation - Neighborhood Improvement Areas #2-5

Phase (a)	Units (a)	Estimated Buildout AV	Total Assessment	Annual Total Installment (b)	Total Assessment per Unit	Annual Installment per Unit	Equivalent Tax Rate (per $100/AV)
2	435	$ 145,300,040	$ 3,968,090	$ 347,449	$ 9,122	$ 799	$ 0.24
3	435	$ 149,659,041	$ 4,087,133	$ 357,872	$ 9,396	$ 823	$ 0.24
4	459	$ 164,288,445	$ 4,486,656	$ 392,855	$ 9,775	$ 856	$ 0.24
5	450	$ 158,593,195	$ 3,883,122	$ 379,236	$ 8,629	$ 843	$ 0.24
Total	**1,779**	**$ 617,840,721**	**$ 16,425,000**	**$ 1,477,412**			

(a) Estimates based on information available as of xx/xx/2015, the date this SAP was adopted by the City Council. Although the actual unit counts and buildout values may vary from the estimates shown above, the initial assessment allocation for each Land Use will not change unless modified in an Annual Service Plan Update approved by the City Council, subject to the terms of this SAP, the PID Act, and any other documents associated with PID Bonds. Although the Project's entitlements provide for the possible construction of additional Parcels, the Owners anticipate the actual
(b) Reflects the annual installment for the first full year after the use of the capitalized interest for the Neighborhood Improvement Areas #2-5 Major Improvement Bonds.

Assessment Methodology for Future Neighborhood Improvement Area Improvements

As any given Future Neighborhood Improvement Area is further developed, and as any Future Neighborhood Improvement Area PID Bonds for that Future Neighborhood Improvement Area are issued, the Assessment Plan will be amended to reflect the assessment methodology for the Assessments for the Future Neighborhood Improvement Area Improvements that results in the imposition of equal shares of the Actual Costs from those Future Neighborhood Improvement Area Improvements on Assessed Property similarly benefited within that Future Neighborhood Improvement Area.

H. <u>Assessments and Annual Installments</u>

The Assessments for the PID Bonds will be levied on each Parcel or Lot according to the Assessment Roll. The Annual Installments for the PID Bonds will be collected on the dates and in the amounts shown on the Assessment Roll, subject to any revisions made during an Annual Service Plan Update.

I. Administrative Expenses

The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel or Lot based on the amount of outstanding Assessment remaining on the Parcel or Lot. The Administrative Expenses shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which will be revised based on actual costs incurred in Annual Service Plan Updates. Administrative Expenses collected and not expended for actual Administrative Expenses shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of Administration Expenses. The amount of Administrative Expenses necessary for the time period commencing on the date the initial Bonds are issued and terminating on the date the first Annual Installment is due will be paid at closing.

J. Excess Interest Rate

Pursuant to the PID Act, the interest rate for Assessments may exceed the actual interest rate per annum paid on the PID Bonds by no more than one half of one percent (0.50%), (the "Excess Interest Rate"). Forty percent (40.0%) of the funds generated by the Excess Interest Rate (0.20%) will initially fund the Prepayment Reserve. The remaining sixty percent (60.0%) balance of the funds generated by the Excess Interest Rate (0.30%) will initially fund the Delinquency Reserve.

K. Prepayment Reserve

As stated, a portion of the funds generated by the Excess Interest Rate will be allocated to fund the associated interest charged between the date of prepayment of an Assessment and the date on which PID Bonds are actually redeemed ("the **Prepayment Reserve**"). The Prepayment Reserve shall be funded each year until it reaches 1.5% of the par amount of the PID Bonds, but in no event will the annual collections be more than 0.20% higher than the actual interest rate paid on the PID Bonds. If the PID Act is subsequently amended to allow prepayment of an Assessment to include all applicable interest from the date of prepayment through and including the date of the regularly scheduled PID Bond payments to be charged upon the prepayment of the Assessment, the 0.20% allocated to fund the associated interest charged between the date of prepayment of the Assessment and the date on which PID Bonds are actually prepaid may be eliminated. If in a given year the additional reserve is fully funded at 1.5% of the par amount of the PID Bonds, the City and the Developer can allocate the Prepayment Reserve Component of the Excess Interest Rate collected during that year to the Delinquency Reserve or to pay Administrative Expenses as set forth in the Indenture.

L. Delinquency Reserve

A portion of the funds generated by the Excess Interest Rate will be allocated to offset any possible delinquent payments. This additional reserve (the "**Delinquency Reserve**") shall be funded each year up to 4.0% of the par amount of the PID Bonds, but in no event will the annual collection of the Delinquency Reserve be more than 0.30% higher than the actual interest rate paid on the PID Bonds. If in a given year the additional reserve is fully funded at 4.0% of the par amount of the PID Bonds, the City and the Developer shall allocate the Delinquency Reserve component of the Excess Interest Rate collected to the redemption of PID Bonds as set forth in the Indenture.

M. TIRZ Credit

The City has agreed to use TIRZ Revenues (up to $0.21 per $100 of Assessed Value) generated from each Parcel within Neighborhood Improvement Area #1 to offset a portion of the Annual Installment on any Parcel within Neighborhood Improvement Area #1 Assessed Property (the "TIRZ Credit"). The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to the Parcel.

Section VI

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 PID during the five year period. It is anticipated that it will take approximately 12 months for the Neighborhood Improvement Area #1 Improvements to be constructed and approximately 12 months for the Neighborhood Improvement Areas #2-5 Improvements to be constructed.

The Actual Costs for Neighborhood Improvement Area #1 Improvements plus a pro rata portion of costs related to the issuance of the PID Bonds, and payment of expenses incurred in the establishment, administration and operation of the PID is $13,920,830 as shown in **Table VI-A**. The estimated Actual Costs for Neighborhood Improvement Areas #2-5 Major Improvements plus costs related to the issuance of the PID Bonds, and payment of expenses incurred in the establishment, administration and operation of the PID is $16,790,920 as shown in **Table VI-B**. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the estimated Authorized Improvement costs, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred as an "Annual Service Plan Update."

Table VI-A and **Table VI-B** summarize the sources and uses of funds required to construct the Neighborhood Improvement Area #1 Improvements and Neighborhood Improvement Areas #2-5 Major Improvements, respectively, establish the PID, and issue the Neighborhood Improvement Area #1 Bonds and the Neighborhood Improvement Areas #2-5 Major Improvement Bonds. The sources and uses of funds shown in **Table VI-A** and **Table VI-B** shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

Table VI-A Sources and Uses of Funds Neighborhood Improvement Area #1	
Sources of Funds	
Gross Bond Amount	$ 11,560,000
Developer's Advance (a)	2,323,280
Bond Premium	37,550
	$ 13,920,830
Uses of Funds	
Project Fund Deposits:	
Authorized Improvements (b)	$ 10,527,283
Additional Project Fund (c)	446,765
	$ 10,974,048
Other Fund Deposits:	
Debt Service Reserve Fund (d)	$ 915,863
Capitalized Interest (e)	1,303,297
	$ 2,219,159
Cost of Issuance:	$ 426,200
Additional Proceeds	$ -
Underwriter's Discount/Underwriter Counsel	$ 301,423
	$ 13,920,830

(a) Developer will fund certain costs not covered by the PID Bonds.
(b) See Table III-A and Table V-A for details.
(c) Includes Developer counsel, Service and Assessment Plan consultant and Appraiser costs which costs shall be reimbursed.
(d) The PID Bonds will include a debt service reserve fund equal to the maximum annual debt service of the Bonds.
(e) The PID Bonds will include two years of capitalized interest.

Table VI-B Sources and Uses of Funds Neighborhood Improvement Areas #2-5	
Sources of Funds	
Gross Bond Amount	$ 16,425,000
Developer's Advance (a)	325,000
Bond Premium	40,920
	$ 16,790,920
Uses of Funds	
Project Fund Deposits:	
Authorized Improvements (b)	$ 11,845,649
Additional Project Fund (c)	634,785
	$ 12,480,434
Other Fund Deposits:	
Debt Service Reserve Fund (d)	$ 1,364,150
Capitalized Interest (e)	1,990,217
	$ 3,354,367
Cost of Issuance:	$ 523,500
Additional Proceeds	$ 4,342
Underwriter's Discount/Underwriter Counsel	$ 428,277
	$ 16,790,920

(a) Developer will fund certain costs not covered by the PID Bonds.
(b) See Table III-B and Table V-B for details.
(c) Includes Developer counsel, Service and Assessment Plan consultant and Appraiser costs which costs shall be reimbursed.
(d) The PID Bonds will include a debt service reserve fund equal to the maximum annual debt service of the Bonds.
(e) The PID Bonds will include two years of capitalized interest.

Table VI-C summarizes the estimated sources and uses of funds required to construct the remaining Neighborhood Improvement Area #1 Improvements and issue the Future Neighborhood Improvement Area #1 Bonds. The sources and uses of funds shown in **Table VI-C** shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs once the Future Neighborhood Improvement Area #1 Bonds have been issued.

Table VI-C
Sources and Uses of Funds
Additional Neighborhood Improvement Area #1

Sources of Funds		
Gross Bond Amount	$	1,025,000
Developer's Advance (a)		-
Bond Premium		-
	$	**1,025,000**

Uses of Funds		
Project Fund Deposits:		
Reimbursement Fund (b)	$	797,240
Additional Project Fund (c)		-
	$	**797,240**
Other Fund Deposits:		
Debt Service Reserve Fund (d)	$	77,500
Capitalized Interest (e)		38,125
	$	**115,625**
Cost of Issuance:	$	83,640
Additional Proceeds	$	-
Underwriter's Discount/Underwriter Counsel	$	28,495
	$	**1,025,000**

(a) Developer will fund certain costs not covered by the PID Bonds.
(b) See Table III-A and Table V-A for details.
(c) Includes Developer counsel, Service and Assessment Plan consultant and Appraiser costs which costs shall be reimbursed.
(d) The PID Bonds will include a debt service reserve fund equal to the maximum annual debt service of the Bonds.
(e) The PID Bonds will include six months of capitalized interest.

The projected Annual Installments for the Neighborhood Improvement Area #1 Bonds and the Neighborhood Improvement Areas #2-5 Major Improvement Bonds are shown on **Tables VI-D** and **VI-E**, respectively. The projected annual installments are subject to revision and shall be updated in the Annual Service Plan Update as necessary.

Table VI-D
Projected Annual Installments - Neighborhood Improvement Area #1

Year Ending September 1,	Principal Payments	Interest Expense	Administrative Expenses	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit	Annual PID Installments
2016	$ -	$ 557,372	$ 30,000	$ 17,276	$ 25,914	$ -	$ 557,372	$ -	$ 73,189
2017	$ -	$ 745,925	$ 30,600	$ 23,120	$ 34,680	$ -	$ 745,925	$ -	$ 88,400
2018	$ 190,000	$ 797,175	$ 61,212	$ 25,170	$ 37,755	$ -	$ 38,125	$ 135,142	$ 938,045
2019	$ 200,000	$ 787,675	$ 62,436	$ 24,770	$ 37,155	$ -	$ -	$ 282,838	$ 829,198
2020	$ 210,000	$ 777,675	$ 63,685	$ 24,350	$ 36,525	$ -	$ -	$ 380,317	$ 731,918
2021	$ 220,000	$ 767,175	$ 64,959	$ 23,920	$ 35,880	$ -	$ -	$ 380,317	$ 731,617
Total	**$ 820,000**	**$ 4,432,997**	**$ 312,892**	**$ 138,606**	**$ 207,909**	**$ -**	**$ 1,341,422**	**$ 1,178,614**	**$ 3,392,368**

Note: The Annual Projected Debt Service are the expenditures associated with the formation of the PID, the costs of issuance and repayment of the PID Bonds and the administration of the PID less the Capitalized Interest. The debt service estimates are based on an average interest rate of approximately 6.4%, a 30 year term for the Phase 1 Improvement Area Bond and Administrative Expenses starting at $30,000 per year increasing at 2.0% per year thereafter.

Table VI-E
Projected Annual Installments - Neighborhood Improvement Areas #2-5

Year Ending September 1,	Principal Payments	Interest Expense	Administrative Expenses	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit	Annual PID Installments
2016	$ -	$ 851,142	$ 30,000	$ 24,546	$ 36,819	$ -	$ 851,142	$ -	$ 91,366
2017	$ -	$ 1,139,075	$ 30,600	$ 32,850	$ 49,275	$ -	$ 1,139,075	$ -	$ 112,725
2018	$ 225,000	$ 1,139,075	$ 31,212	$ 32,850	$ 49,275	$ -	$ -	$ -	$ 1,477,412
2019	$ 235,000	$ 1,127,825	$ 31,836	$ 32,400	$ 48,600	$ -	$ -	$ -	$ 1,475,661
2020	$ 245,000	$ 1,116,075	$ 32,473	$ 31,930	$ 47,895	$ -	$ -	$ -	$ 1,473,373
2021	$ 260,000	$ 1,103,825	$ 33,122	$ 31,440	$ 47,160	$ -	$ -	$ -	$ 1,475,547
Total	**$ 965,000**	**$ 6,477,017**	**$ 189,244**	**$ 186,016**	**$ 279,024**	**$ -**	**$ 1,990,217**	**$ -**	**$ 6,106,084**

Note: The Annual Projected Debt Service are the expenditures associated with the formation of the PID, the costs of issuance and repayment of the PID Bonds and the administration of the PID less the Capitalized Interest. The debt service estimates are based on an average interest rate of approximately 6.9%, a 30 year term for the Neighborhood Improvement Areas #2-5 Bond and Administrative Expenses starting at $30,000 per year increasing at 2.0% per year thereafter.

Section VII

TERMS OF THE ASSESSMENTS

A. Amount of Assessments and Annual Installments for Parcels Located Within the Neighborhood Improvement Area #1

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

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Neighborhood Improvement Area #1 Bonds, to fund the prepayment reserve and delinquency reserve described in **Section VI**, and to cover Administrative Expenses of Neighborhood Improvement Area #1. The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to such Parcel in Neighborhood Improvement Area #1. The TIRZ Credit for each Parcel shall be as described in **Section V.M**, and shall be as provided for in **Section VII.C** below:

B. Amount of Assessments and Annual Installments for Parcels Located Within the Neighborhood Improvement Areas #2-5

The Assessment and Annual Installments for each Assessed Property located within Neighborhood Improvement Areas #2-5 are shown on the Neighborhood Improvement Areas #2-5 Assessment Roll, attached as **Appendix B**, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Neighborhood Improvement Areas #2-5 Major Improvement Bonds, to fund the prepayment reserve and delinquency reserve described in **Section VI**, to cover Administrative Expenses of Neighborhood Improvement Areas #2-5.

C. TIRZ Credit for Parcels Located in Neighborhood Improvement Area #1

The Annual Installment for each Parcel in Neighborhood Improvement Area #1 shall be calculated by taking into consideration any TIRZ Credit applicable to such Parcel.

The TIRZ Credit for each Parcel in Neighborhood Improvement Area #1 in any given year shall be determined by the TIRZ Revenues collected in the preceding year (i.e., TIRZ Revenues collected in 2016 shall be used to calculate the TIRZ Credit applicable to Annual Installments to be collected in 2017). Such TIRZ Credits shall be applied on a parcel by parcel basis. If the TIRZ Credit for an individual Parcel exceeds the total annual assessment for that Parcel, the remainder shall be returned to the TIRZ Fund.

D. Amount of Assessments and Annual Installments for Parcels Located Within Future Neighborhood Improvement Areas

As Future Neighborhood Improvement Areas are developed, this Service and Assessment Plan will be amended to determine the Assessment and Annual Installments for each Assessed Property located within Future Neighborhood Improvement Areas (e.g., an Appendix will be added as the Assessment Roll for Neighborhood Improvement Areas #2, etc.). The Assessments shall not exceed the benefit received by the Assessed Property.

E. Reallocation of Assessments for Parcels Located Within Neighborhood Improvement Area #1 and Neighborhood Improvement Areas #2-5

1. Upon Division Prior to Recording of Subdivision Plat

Upon the division of any Assessed Property (without the recording of 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 new divided Assessed Property

B = the Assessment for the Assessed Property prior to division

C = the As-Built Assessed Value of the new divided Assessed Property

D = the sum of the As-Built Assessed Value for all of the new divided Assessed Properties

The calculation of the As-Built Assessed Value of an Assessed Property shall be performed by the Administrator based on information available in the Official Public Records of Denton County, Texas regarding the Assessed Property. 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 an update to this Service and Assessment Plan 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 according to the following formula:

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

Where the terms have the following meanings:

A = the Assessment for the new subdivided Lot

B = the Assessment for the Parcel prior to subdivision

C = the sum of the estimated As-Built Assessed Value of all new subdivided Lots with same Lot Type

D = the sum of the estimated As-Built Assessed Value for all of the new subdivided Lots excluding Non-Benefitted Property

E= the number of Lots with same Lot Type

Prior to the recording of a subdivision plat, the Developer shall provide the City an estimated As-Built Assessed Value as of the date of the recorded subdivision plat for each Lot created by the recorded subdivision plat considering factors such as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, discussions with homebuilders, and any other factors that may impact future as-built Lot value and any other information available to the Developer. The calculation of the estimated As-Built Lot value for a Lot shall be performed by the Administrator and confirmed by the City Council based on information provided by the Developer, homebuilders, third party consultants, and/or the Official Public Records of Denton County, Texas regarding the Lot.

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 an update to this Service and Assessment Plan approved by the City Council.

3. Upon Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

F. <u>Mandatory Prepayment of Assessments</u>

1. If a Parcel subject to Assessments is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel subject to Assessments to become Non-Benefited Property, the owner of such Parcel shall pay to the City the full amount of the principal portion of the Assessment on such Parcel, plus all Prepayment Costs, prior to any such transfer or act.

2. The payments required above shall be treated the same as any Assessment that is due and owing under the Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the Act.

G. <u>Reduction of Assessments</u>

1. If after all Authorized Improvements to be funded with a series of PID Bonds have been completed and Actual Costs for such Authorized Improvements are less than the Actual Costs used to calculate the Assessments securing such series of PID Bonds, resulting in excess Bond proceeds being available to redeem Bonds of such series, then the Assessment securing such series of PID Bonds for each Parcel of Assessed Property shall be reduced by the City Council pro rata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the actual reduced Actual Costs and such excess Bond proceeds shall applied to redeem Bonds of such series. The Assessments shall not be reduced to an amount less than the related outstanding series of PID Bonds. If all of the Authorized Improvements are not completed, the City may reduce the Assessments in another method if it determines such method would better reflect the benefit received by the Parcels from the Authorized Improvements completed.

2. If all the Authorized Improvements are not undertaken, resulting in excess PID Bond proceeds being available to redeem PID Bonds, then the Assessments and Annual Installments for each Parcel shall be appropriately reduced by the City Council to reflect only the amounts required to repay the PID Bonds, including interest on the PID Bonds and Collection Costs, and such excess Bond proceeds shall be applied to redeem Bonds. The City Council may reduce the Assessments and the Annual Installments for each Parcel (i) in an amount that represents the Authorized Improvements provided for each Parcel or (ii) by an equal percentage calculated based on estimated build out value of each Parcel or Lot, if determined by the City Council to be the most fair and practical means of reducing the Assessments for each Parcel, such that the sum of the resulting reduced Assessments equals the amount required to repay the PID Bonds, including interest on the PID Bonds and Collection Costs. The Principal Portion of the Assessment for each Parcel shall be reduced pro rata to the reduction in the Assessments for each Parcel such that the sum of the resulting reduced Principal Portion of the PID Bonds is equal to the outstanding principal amount of the PID Bonds.

3. If after all Authorized Improvements to be funded with a series of PID Bonds have been completed and the Actual Costs for the Authorized Improvements are less than the Budgeted Costs used to calculate the Assessments securing the PID Bonds, resulting in excess Bond proceeds, then the City Council may reduce the Assessment securing the PID Bonds for each Assessed Property on a pro rata basis such that the sum of the resulting reduced Assessments for all Assessed Properties equals the reduced Actual Costs. The Assessments shall not be reduced to an amount less than the related outstanding series of PID Bonds.

4. Similarly, if the City does not undertake some of the Authorized Improvements with the PID Bonds then the City Council may reduce the Assessment securing the PID Bonds for each Assessed Property pro-rata to reflect only the Actual Costs that were expended. The Assessments shall not be reduced to an amount less than the related outstanding series of PID Bonds.

5. The City Council may apply excess PID Bond proceeds to the redemption of the respective PID Bonds.

H. <u>Payment of Assessments</u>

1. Payment in Full

(a) The Assessment for any Parcel may be paid in full at any time in accordance the PID Act. The Payment shall include all Prepayment Costs. If prepayment in full will result in redemption of PID Bonds, the payment amount shall be reduced from any proceeds from the Debt Service Reserve Fund applied to the redemption pursuant to the Indenture, net of any other costs applicable to the redemption of PID Bonds.

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

(c) Upon payment in full of an Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the related Indenture; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate. The City shall provide the owner of the affected Assessed Property a recordable "Notice of PID Assessment Termination."

(d) At the option of the Parcel owner, the Assessment on any Parcel may be paid in part in an amount equal to the amount of prepaid Assessments plus Prepayment Costs with respect thereto. Upon the payment of such amount for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made. The partial Assessment payment will be used to redeem the bonds.

2. Payment of Annual Installments

The Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the Act authorizes the City to collect interest and collection costs on the outstanding Assessment. An Annual Installment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown in the Assessment Roll, which includes interest on the outstanding Assessment and Administrative Expenses.

The Annual Installments as listed on the Assessment Roll have been calculated assuming an interest rate on the Neighborhood Improvement Area #1 Bonds of 6.40% and an interest rate on the Neighborhood Improvement Areas #2-5 Major Improvement Bonds of 6.90%. The Annual Installments may not exceed the amounts shown on the Assessment Roll except pursuant to any amendment or update to the SAP.

The Annual Installments shall be reduced to equal the actual costs of repaying the PID Bonds and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances. If additional Assessments are levied on the Project by the City, the Annual Installments will be adjusted to reflect the changes.

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

I. Collection of Annual Installments

The Administrator shall, no less frequently than annually, prepare and submit to the City Council for its approval, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Assessment Roll and a calculation of the Annual Installment for each Assessed Property. Administrative Expenses shall be allocated among Assessed Properties in proportion to the amount of the Annual Installments for the Assessed Property. Each Annual Installment shall be reduced by any credits applied under the Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, and existing deposits for a prepayment reserve. Annual Installments may be collected by the City (or such entity to whom the City directs) 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 in the same manner and at the same time as ad valorem taxes. The City Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the PID Act.

Any sale of Assessed Property for nonpayment of the delinquent Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such Assessed Property and such Assessed Property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent Annual Installments against such Assessed Property as they become due and payable.

Each Annual Installment, including the interest on the unpaid amount of a Assessment, shall be assessed annually. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year. The initial Annual Installments will be due when billed, and will be delinquent if not paid prior to February 1, 2016.

Section VIII

THE ASSESMENT ROLL

A. Neighborhood Improvement Area #1 Assessment Roll

Each Parcel or Lot within Neighborhood Improvement Area #1 has been evaluated by the City Council (based on the Development Agreement, developable area, proposed Homeowner Association Property and Public Property, the Neighborhood Improvement Area #1 Improvements, best and highest use of land, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within the Parcel.

Neighborhood Improvement Area #1 Assessed Property will be assessed for the special benefits conferred upon the property because of the Neighborhood Improvement Area #1 Improvements. **Table VIII-A** summarizes the $14,148,590 of special benefit, including the allocated costs of the PID formation and Bond issuance costs. The amount of the proposed Neighborhood Improvement Area Assessment is $14,111,040, which is less than the benefit received by the Neighborhood Improvement Area #1 Assessed Property, and as such, the total Assessment for all Assessed Property within the Neighborhood Improvement Area #1 is $14,111,040 plus annual Administrative Expenses. The Assessment for each Assessed Property within the Neighborhood Improvement Area #1 is calculated based on the allocation methodologies described in **Section V.F** of this Service and Assessment Plan. The Neighborhood Improvement Area #1 Assessment Roll is attached hereto as **Appendix A**.

Table VIII-A
Special Benefit Summary
Neighborhood Improvement Area #1

Authorized Improvement	**Total Cost (a)**
NIA #1 Improvements	
Total Hard/Soft Costs	**$ 10,527,283**
PID Formation/Bond Cost of Issuance	
Additional Project Fund Developer Costs	$ 710,637
Bond Premium	$ 37,550
Reserve Fund	$ 993,363
Capitalized Interest	$ 1,341,422
Underwriter's Discount/Underwriter Counsel	$ 28,495
Cost of Issuance	$ 509,840
Total PID Formation/Bond Cost of Issuance	**$ 3,621,306**
Total Special Benefit	**$ 14,148,590**
Proposed Special Assessment	$ 14,111,040
Excess Benefit	**$ 37,550**

B. Neighborhood Improvement Areas #2-5 Assessment Roll

Each Parcel or Lot within Neighborhood Improvement Areas #2-5 has been evaluated by the City Council (based on the Development Agreement, developable area, proposed Homeowner Association Property and Public Property, the Neighborhood Improvement Areas #2-5 Major Improvements, best and highest use of land, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within the Parcel.

The Neighborhood Improvement Areas #2-5 Assessed Property will be assessed for the special benefits conferred upon the property because of the Neighborhood Improvement Areas #2-5 Major Improvements. **Table VIII-B** summarizes the $16,831,840 of special benefit, including the allocated costs of the PID formation, and pro rata costs of Bond issuance costs. The amount of the Neighborhood Improvement Areas #2-5 Major Improvement Bonds is $16,425,000, which is less than the benefit received by Neighborhood Improvement Areas #2-5 Assessed Property and, as such, the total Assessment for all Assessed Property within the Neighborhood Improvement Areas #2-5 is $16,425,000 plus annual Administrative Expenses. The Assessment for each Assessed Property within Neighborhood Improvement Areas #2-5 is calculated based on the allocation methodologies described in **Section V.F** of this Service and Assessment Plan. The Neighborhood Improvement Areas #2-5 Assessment Roll is attached hereto as **Appendix B.**

Table VIII-B
Special Benefit Summary
Neighborhood Improvement Areas #2-5

Authorized Improvement	Total Cost (a)
Major Improvements	
Total Hard/Soft Costs	**$ 11,845,649**
PID Formation/Bond Cost of Issuance	
Additional Project Fund Developer Costs	$ 634,785
Additional Bond Proceeds	$ 4,342
Bond Premium	$ 40,920
Reserve Fund	$ 1,364,150
Capitalized Interest	$ 1,990,217
Underwriter's Discount/Underwriter Counsel	$ 428,277
Cost of Issuance	$ 523,500
Total PID Formation/Bond Cost of Issuance	**$ 4,986,191**
Total Special Benefit	**$ 16,831,840**
Proposed Special Assessment	$ 16,425,000
Excess Benefit	**$ 406,840**

C. Annual Assessment Roll Updates

The Administrator shall prepare, and shall submit to the City Council for approval, updates to the Assessment Roll and the Annual Service Plan Update to reflect changes such as (i) the identification of each Parcel or Lot (ii) the Assessment for each Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by **Section VII.G** of this Service and Assessment Plan.

The Service and Assessment Plan Update shall reflect the actual interest on the PID Bonds on which the Annual Installments shall be paid, any reduction in the Assessments, and any revisions in the Actual Costs to be funded by the PID Bonds and Developer funds.

D. Future Neighborhood Improvement Area Assessment Roll

As Future Neighborhood Improvement Areas are developed, this Service and Assessment Plan will be updated to determine the Assessment for each Parcel located within Future Neighborhood Improvement Areas (e.g., an Appendix will be added as the Assessment Roll for Neighborhood Improvement Area #2, etc.).

Section VIIII

MISCELLANEOUS PROVISIONS

A. Administrative Review

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

To the extent consistent with the PID Act, an owner of an Assessed Property claiming that a calculation error has been made in the Assessment Roll, including the calculation of the Annual Installment, must send a written notice describing the error to the City no later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. If an owner fails to give such notice, such owner shall be deemed to have accepted the calculation of the Assessment Roll (including the Annual Installments) and to have waived any objection to the calculation. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Property owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

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

B. Termination of Assessments

Each Assessment shall terminate on the date the Assessment is paid in full, including payment of any unpaid Annual Installments and Delinquent Collection Costs, if any. After the termination of the Assessment, and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the City shall provide the owner of the affected Parcel a recordable "Notice of the PID Assessment Termination."

C. Amendments

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

D. Administration and Interpretation of Provisions

The City Council shall administer (or cause the administration of) the PID, this SAP, and all Annual Service Plan Updates consistent with the PID Act, unless stated otherwise herein or in the Indenture, such determination shall be conclusive.

E. Severability

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

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

Appendix A

Neighborhood Improvement Area #1 Assessment Roll

Appendix A-1
Special Assessment by Parcel

Parcel	Owner	Estimated Assessable Units	Estimated Assessable Acres	PID Bond Special Assessment	Average Assessment per Assessable Unit	Average Assessment per Assessable Acre
52680	CADG Sutton Fields, LLC	38	37	$ 1,030,791	$ 27,126	$ 28,056
52751	CADG Sutton Fields, LLC	342	112	$ 9,277,118	$ 27,126	$ 82,887
52810	CADG Sutton Fields, LLC	30	106	$ 813,782	$ 27,126	$ 7,677
52744	CADG Sutton Fields, LLC	14	98	$ 379,765	$ 27,126	$ 3,895
52760	CADG Sutton Fields, LLC	27	18	$ 732,404	$ 27,126	$ 40,000
52721	CADG Sutton Fields, LLC	64	57	$ 1,736,069	$ 27,126	$ 30,240
HOA	CADG Sutton Fields, LLC	-	-	$ 141,110	$ 141,110	$ -
Totals		**515**	**428**	**$ 14,111,040**		

Preliminary and subject to change

Appendix A-2
Annual Installments - All Phases

Year (a)	PID Bonds Principal	PID Bonds Interest (b)	PID Bonds Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit (d)	Reimbursements	Annual Installment (e)
09/01/16	$ -	$ 557,372	$ 557,372	$ 30,000	$ 17,276	$ 25,914	$ -	$ 557,372	$ -	$ -	$ 73,189
09/01/17	$ -	$ 745,925	$ 745,925	$ 30,600	$ 23,120	$ 34,680	$ -	$ 745,925	$ -	$ -	$ 88,400
09/01/18	$ 190,000	$ 797,175	$ 987,175	$ 61,212	$ 25,170	$ 37,755	$ -	$ 38,125	$ 135,142	$ -	$ 938,045
09/01/19	$ 200,000	$ 787,675	$ 987,675	$ 62,436	$ 24,770	$ 37,155	$ -	$ -	$ 282,838	$ -	$ 829,198
09/01/20	$ 210,000	$ 777,675	$ 987,675	$ 63,685	$ 24,350	$ 36,525	$ -	$ -	$ 380,317	$ -	$ 731,918
09/01/21	$ 220,000	$ 767,175	$ 987,175	$ 64,959	$ 23,920	$ 35,880	$ -	$ -	$ 380,317	$ -	$ 731,617
09/01/22	$ 230,000	$ 756,175	$ 986,175	$ 66,258	$ 23,470	$ 35,205	$ -	$ -	$ 380,317	$ -	$ 730,791
09/01/23	$ 240,000	$ 742,113	$ 982,113	$ 67,583	$ 1,800	$ 55,700	$ -	$ -	$ 380,317	$ -	$ 726,878
09/01/24	$ 255,000	$ 727,425	$ 982,425	$ 68,935	$ 1,575	$ 54,500	$ -	$ -	$ 380,317	$ -	$ 727,118
09/01/25	$ 270,000	$ 711,800	$ 981,800	$ 70,313	$ -	$ 53,250	$ -	$ -	$ 380,317	$ -	$ 725,046
09/01/26	$ 285,000	$ 695,238	$ 980,238	$ 71,720	$ -	$ 51,925	$ -	$ -	$ 380,317	$ -	$ 723,565
09/01/27	$ 300,000	$ 677,738	$ 977,738	$ 73,154	$ -	$ 50,525	$ -	$ -	$ 380,317	$ -	$ 721,099
09/01/28	$ 320,000	$ 659,300	$ 979,300	$ 74,617	$ -	$ 49,050	$ -	$ -	$ 380,317	$ -	$ 722,650
09/01/29	$ 335,000	$ 639,613	$ 974,613	$ 76,109	$ -	$ 47,500	$ -	$ -	$ 380,317	$ -	$ 717,905
09/01/30	$ 355,000	$ 618,988	$ 973,988	$ 77,632	$ -	$ 45,850	$ -	$ -	$ 380,317	$ -	$ 717,152
09/01/31	$ 375,000	$ 597,113	$ 972,113	$ 79,184	$ -	$ 44,125	$ -	$ -	$ 380,317	$ -	$ 715,105
09/01/32	$ 400,000	$ 573,988	$ 973,988	$ 80,768	$ -	$ 42,275	$ -	$ -	$ 380,317	$ -	$ 716,713
09/01/33	$ 420,000	$ 549,300	$ 969,300	$ 82,383	$ -	$ 40,325	$ -	$ -	$ 380,317	$ -	$ 711,691
09/01/34	$ 445,000	$ 523,363	$ 968,363	$ 84,031	$ -	$ 37,200	$ -	$ -	$ 380,317	$ -	$ 709,276
09/01/35	$ 475,000	$ 495,863	$ 970,863	$ 85,712	$ -	$ 34,300	$ -	$ -	$ 380,317	$ -	$ 710,557
09/01/36	$ 500,000	$ 466,488	$ 966,488	$ 87,426	$ -	$ 32,075	$ -	$ -	$ 380,317	$ -	$ 705,671
09/01/37	$ 555,000	$ 433,175	$ 988,175	$ 89,174	$ -	$ 29,700	$ -	$ -	$ 380,317	$ -	$ 726,732
09/01/38	$ 590,000	$ 396,588	$ 986,588	$ 90,958	$ -	$ 27,175	$ -	$ -	$ 380,317	$ -	$ 724,403
09/01/39	$ 630,000	$ 357,638	$ 987,638	$ 92,777	$ -	$ 24,475	$ -	$ -	$ 380,317	$ -	$ 724,572
09/01/40	$ 665,000	$ 315,988	$ 980,988	$ 94,633	$ -	$ 21,600	$ -	$ -	$ 380,317	$ -	$ 716,903
09/01/41	$ 710,000	$ 271,975	$ 981,975	$ 96,525	$ -	$ 18,550	$ -	$ -	$ 380,317	$ -	$ 716,733
09/01/42	$ 755,000	$ 224,925	$ 979,925	$ 98,456	$ -	$ 15,300	$ -	$ -	$ 380,317	$ -	$ 713,364
09/01/43	$ 800,000	$ 174,838	$ 974,838	$ 100,425	$ -	$ 11,825	$ -	$ -	$ 380,317	$ -	$ 706,770
09/01/44	$ 850,000	$ 121,713	$ 971,713	$ 102,433	$ -	$ 8,125	$ -	$ -	$ 380,317	$ -	$ 701,954
09/01/45	$ 905,000	$ 65,213	$ 970,213	$ 104,482	$ -	$ 4,200	$ 915,863	$ -	$ -	$ -	$ 163,032
09/01/46	$ 50,000	$ 5,000	$ 55,000	$ 52,231	$ -	$ -	$ -	$ -	$ -	$ 305,208	$ 412,439
09/01/47	$ 50,000	$ 2,500	$ 52,500	$ 53,275	$ -	$ -	$ 105,775	$ -	$ -	$ 305,208	$ 305,208
09/01/48	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 305,208	$ 305,208
09/01/49	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 305,208	$ 305,208
09/01/50	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 305,208	$ 305,208
Totals	$ 12,585,000	$ 16,237,047	$ 28,822,047	$ 2,434,085	$ 165,451	$ 1,042,664	$ 1,021,638	$ 1,341,422	$ 9,925,906	$ 1,526,040	$ 21,701,321

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) TIRZ Credit per First Southwest
(e) Annual Installments are calculated assuming an average 6.59% interest rate on the Bonds plus Administrative Expenses.

Appendix A-3
Annual Installments - Parcel No. 52680

Year (a)	PID Bonds Principal	PID Bonds Interest (b)	PID Bonds Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit (d)	Reimbursements	Annual Installment (e)
09/01/16	$ -	$ 40,715	$ 40,715	$ 2,191	$ 1,262	$ 1,893	$ -	$ 40,715	$ -	$ -	$ 5,346
09/01/17	$ -	$ 54,489	$ 54,489	$ 2,235	$ 1,689	$ 2,533	$ -	$ 54,489	$ -	$ -	$ 6,457
09/01/18	$ 13,879	$ 58,232	$ 72,112	$ 4,471	$ 1,839	$ 2,758	$ -	$ 2,785	$ 9,872	$ -	$ 68,523
09/01/19	$ 14,610	$ 57,539	$ 72,148	$ 4,561	$ 1,809	$ 2,714	$ -	$ -	$ 20,661	$ -	$ 60,572
09/01/20	$ 15,340	$ 56,808	$ 72,148	$ 4,652	$ 1,779	$ 2,668	$ -	$ -	$ 27,782	$ -	$ 53,466
09/01/21	$ 16,071	$ 56,041	$ 72,112	$ 4,745	$ 1,747	$ 2,621	$ -	$ -	$ 27,782	$ -	$ 53,444
09/01/22	$ 16,801	$ 55,237	$ 72,039	$ 4,840	$ 1,714	$ 2,572	$ -	$ -	$ 27,782	$ -	$ 53,383
09/01/23	$ 17,532	$ 54,210	$ 71,742	$ 4,937	$ 131	$ 4,069	$ -	$ -	$ 27,782	$ -	$ 53,097
09/01/24	$ 18,627	$ 53,137	$ 71,765	$ 5,036	$ 115	$ 3,981	$ -	$ -	$ 27,782	$ -	$ 53,115
09/01/25	$ 19,723	$ 51,996	$ 71,719	$ 5,136	$ -	$ 3,890	$ -	$ -	$ 27,782	$ -	$ 52,964
09/01/26	$ 20,819	$ 50,786	$ 71,605	$ 5,239	$ -	$ 3,793	$ -	$ -	$ 27,782	$ -	$ 52,855
09/01/27	$ 21,915	$ 49,508	$ 71,422	$ 5,344	$ -	$ 3,691	$ -	$ -	$ 27,782	$ -	$ 52,675
09/01/28	$ 23,376	$ 48,161	$ 71,536	$ 5,451	$ -	$ 3,583	$ -	$ -	$ 27,782	$ -	$ 52,789
09/01/29	$ 24,471	$ 46,723	$ 71,194	$ 5,560	$ -	$ 3,470	$ -	$ -	$ 27,782	$ -	$ 52,442
09/01/30	$ 25,932	$ 45,216	$ 71,148	$ 5,671	$ -	$ 3,349	$ -	$ -	$ 27,782	$ -	$ 52,387
09/01/31	$ 27,393	$ 43,618	$ 71,011	$ 5,784	$ -	$ 3,223	$ -	$ -	$ 27,782	$ -	$ 52,237
09/01/32	$ 29,219	$ 41,929	$ 71,148	$ 5,900	$ -	$ 3,088	$ -	$ -	$ 27,782	$ -	$ 52,355
09/01/33	$ 30,680	$ 40,126	$ 70,806	$ 6,018	$ -	$ 2,946	$ -	$ -	$ 27,782	$ -	$ 51,988
09/01/34	$ 32,507	$ 38,231	$ 70,737	$ 6,138	$ -	$ 2,717	$ -	$ -	$ 27,782	$ -	$ 51,812
09/01/35	$ 34,698	$ 36,222	$ 70,920	$ 6,261	$ -	$ 2,506	$ -	$ -	$ 27,782	$ -	$ 51,905
09/01/36	$ 36,524	$ 34,076	$ 70,601	$ 6,386	$ -	$ 2,343	$ -	$ -	$ 27,782	$ -	$ 51,548
09/01/37	$ 40,542	$ 31,643	$ 72,185	$ 6,514	$ -	$ 2,170	$ -	$ -	$ 27,782	$ -	$ 53,087
09/01/38	$ 43,099	$ 28,970	$ 72,069	$ 6,644	$ -	$ 1,985	$ -	$ -	$ 27,782	$ -	$ 52,917
09/01/39	$ 46,021	$ 26,125	$ 72,145	$ 6,777	$ -	$ 1,788	$ -	$ -	$ 27,782	$ -	$ 52,929
09/01/40	$ 48,577	$ 23,082	$ 71,660	$ 6,913	$ -	$ 1,578	$ -	$ -	$ 27,782	$ -	$ 52,369
09/01/41	$ 51,864	$ 19,867	$ 71,732	$ 7,051	$ -	$ 1,355	$ -	$ -	$ 27,782	$ -	$ 52,356
09/01/42	$ 55,152	$ 16,430	$ 71,582	$ 7,192	$ -	$ 1,118	$ -	$ -	$ 27,782	$ -	$ 52,110
09/01/43	$ 58,439	$ 12,772	$ 71,210	$ 7,336	$ -	$ 864	$ -	$ -	$ 27,782	$ -	$ 51,629
09/01/44	$ 62,091	$ 8,891	$ 70,982	$ 7,483	$ -	$ 594	$ -	$ -	$ 27,782	$ -	$ 51,277
09/01/45	$ 66,109	$ 4,764	$ 70,873	$ 7,632	$ -	$ 307	$ 66,902	$ -	$ -	$ -	$ 11,909
09/01/46	$ 3,652	$ 365	$ 4,018	$ 3,815	$ -	$ -	$ -	$ -	$ -	$ 22,295	$ 30,128
09/01/47	$ 3,652	$ 183	$ 3,835	$ 3,892	$ -	$ -	$ 7,727	$ -	$ -	$ 22,295	$ 22,295
09/01/48	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,295	$ 22,295
09/01/49	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,295	$ 22,295
09/01/50	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,295	$ 22,295
Totals	$ 919,316	$ 1,186,093	$ 2,105,409	$ 177,806	$ 12,086	$ 76,165	$ 74,629	$ 97,989	$ 725,073	$ 111,475	$ 1,585,250

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) TIRZ Credit per First Southwest
(e) Annual Installments are calculated assuming an average 6.59% interest rate on the Bonds plus Administrative Expenses.

Appendix A-4
Annual Installments - Parcel No. 52751

Year (a)	PID Bonds Principal	PID Bonds Interest (b)	PID Bonds Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit (d)	Reimbursements	Annual Installment (e)
09/01/16	$ -	$ 366,437	$ 366,437	$ 19,723	$ 11,358	$ 17,037	$ -	$ 366,437	$ -	$ -	$ 48,117
09/01/17	$ -	$ 490,399	$ 490,399	$ 20,118	$ 15,200	$ 22,800	$ -	$ 490,399	$ -	$ -	$ 58,117
09/01/18	$ 124,913	$ 524,092	$ 649,005	$ 40,243	$ 16,548	$ 24,822	$ -	$ 25,065	$ 88,847	$ -	$ 616,705
09/01/19	$ 131,487	$ 517,847	$ 649,334	$ 41,048	$ 16,285	$ 24,427	$ -	$ -	$ 185,948	$ -	$ 545,146
09/01/20	$ 138,062	$ 511,272	$ 649,334	$ 41,869	$ 16,009	$ 24,013	$ -	$ -	$ 250,034	$ -	$ 481,190
09/01/21	$ 144,636	$ 504,369	$ 649,005	$ 42,706	$ 15,726	$ 23,589	$ -	$ -	$ 250,034	$ -	$ 480,992
09/01/22	$ 151,210	$ 497,137	$ 648,348	$ 43,560	$ 15,430	$ 23,145	$ -	$ -	$ 250,034	$ -	$ 480,449
09/01/23	$ 157,785	$ 487,892	$ 645,677	$ 44,432	$ 1,183	$ 36,619	$ -	$ -	$ 250,034	$ -	$ 477,877
09/01/24	$ 167,646	$ 478,236	$ 645,882	$ 45,320	$ 1,035	$ 35,830	$ -	$ -	$ 250,034	$ -	$ 478,034
09/01/25	$ 177,508	$ 467,964	$ 645,472	$ 46,227	$ -	$ 35,009	$ -	$ -	$ 250,034	$ -	$ 476,672
09/01/26	$ 187,370	$ 457,075	$ 644,444	$ 47,151	$ -	$ 34,137	$ -	$ -	$ 250,034	$ -	$ 475,698
09/01/27	$ 197,231	$ 445,570	$ 642,801	$ 48,094	$ -	$ 33,217	$ -	$ -	$ 250,034	$ -	$ 474,077
09/01/28	$ 210,380	$ 433,448	$ 643,828	$ 49,056	$ -	$ 32,247	$ -	$ -	$ 250,034	$ -	$ 475,097
09/01/29	$ 220,241	$ 420,505	$ 640,746	$ 50,037	$ -	$ 31,228	$ -	$ -	$ 250,034	$ -	$ 471,977
09/01/30	$ 233,390	$ 406,945	$ 640,335	$ 51,038	$ -	$ 30,143	$ -	$ -	$ 250,034	$ -	$ 471,482
09/01/31	$ 246,539	$ 392,564	$ 639,103	$ 52,059	$ -	$ 29,009	$ -	$ -	$ 250,034	$ -	$ 470,136
09/01/32	$ 262,975	$ 377,361	$ 640,335	$ 53,100	$ -	$ 27,793	$ -	$ -	$ 250,034	$ -	$ 471,194
09/01/33	$ 276,123	$ 361,130	$ 637,254	$ 54,162	$ -	$ 26,511	$ -	$ -	$ 250,034	$ -	$ 467,892
09/01/34	$ 292,559	$ 344,078	$ 636,637	$ 55,245	$ -	$ 24,457	$ -	$ -	$ 250,034	$ -	$ 466,304
09/01/35	$ 312,283	$ 325,998	$ 638,281	$ 56,350	$ -	$ 22,550	$ -	$ -	$ 250,034	$ -	$ 467,146
09/01/36	$ 328,718	$ 306,686	$ 635,405	$ 57,477	$ -	$ 21,087	$ -	$ -	$ 250,034	$ -	$ 463,934
09/01/37	$ 364,877	$ 284,785	$ 649,663	$ 58,626	$ -	$ 19,526	$ -	$ -	$ 250,034	$ -	$ 477,781
09/01/38	$ 387,888	$ 260,731	$ 648,619	$ 59,799	$ -	$ 17,866	$ -	$ -	$ 250,034	$ -	$ 476,249
09/01/39	$ 414,185	$ 235,124	$ 649,309	$ 60,995	$ -	$ 16,091	$ -	$ -	$ 250,034	$ -	$ 476,361
09/01/40	$ 437,196	$ 207,742	$ 644,937	$ 62,215	$ -	$ 14,201	$ -	$ -	$ 250,034	$ -	$ 471,318
09/01/41	$ 466,780	$ 178,806	$ 645,587	$ 63,459	$ -	$ 12,195	$ -	$ -	$ 250,034	$ -	$ 471,207
09/01/42	$ 496,365	$ 147,874	$ 644,239	$ 64,728	$ -	$ 10,059	$ -	$ -	$ 250,034	$ -	$ 468,992
09/01/43	$ 525,950	$ 114,945	$ 640,894	$ 66,023	$ -	$ 7,774	$ -	$ -	$ 250,034	$ -	$ 464,657
09/01/44	$ 558,821	$ 80,018	$ 638,840	$ 67,343	$ -	$ 5,342	$ -	$ -	$ 250,034	$ -	$ 461,490
09/01/45	$ 594,980	$ 42,873	$ 637,853	$ 68,690	$ -	$ 2,761	$ 602,122	$ -	$ -	$ -	$ 107,183
09/01/46	$ 32,872	$ 3,287	$ 36,159	$ 34,338	$ -	$ -	$ -	$ -	$ -	$ 200,655	$ 271,152
09/01/47	$ 32,872	$ 1,644	$ 34,515	$ 35,025	$ -	$ -	$ 69,541	$ -	$ -	$ 200,655	$ 200,655
09/01/48	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 200,655	$ 200,655
09/01/49	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 200,655	$ 200,655
09/01/50	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 200,655	$ 200,655
Totals	$ 8,273,843	$ 10,674,834	$ 18,948,677	$ 1,600,257	$ 108,773	$ 685,486	$ 671,662	$ 881,900	$ 6,525,657	$ 1,003,275	$ 14,267,249

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) TIRZ Credit per First Southwest
(e) Annual Installments are calculated assuming an average 6.59% interest rate on the Bonds plus Administrative Expenses.

Appendix A-5
Annual Installments - Parcel No. 52810

	PID Bonds			Administrative	Prepayment	Delinquency	Debt Service	Capitalized	Less:	Reimbursements	Annual
Year (a)	Principal	Interest (b)	Net Debt Service	Expenses (c)	Reserve	Reserve	Reserve Fund	Interest	TIRZ Credit (d)		Installment (e)
09/01/16	$ -	$ 32,144	$ 32,144	$ 1,730	$ 996	$ 1,494	$ -	$ 32,144	$ -	$ -	$ 4,221
09/01/17	$ -	$ 43,017	$ 43,017	$ 1,765	$ 1,333	$ 2,000	$ -	$ 43,017	$ -	$ -	$ 5,098
09/01/18	$ 10,957	$ 45,973	$ 56,930	$ 3,530	$ 1,452	$ 2,177	$ -	$ 2,199	$ 7,794	$ -	$ 54,097
09/01/19	$ 11,534	$ 45,425	$ 56,959	$ 3,601	$ 1,428	$ 2,143	$ -	$ -	$ 16,311	$ -	$ 47,820
09/01/20	$ 12,111	$ 44,848	$ 56,959	$ 3,673	$ 1,404	$ 2,106	$ -	$ -	$ 21,933	$ -	$ 42,210
09/01/21	$ 12,687	$ 44,243	$ 56,930	$ 3,746	$ 1,379	$ 2,069	$ -	$ -	$ 21,933	$ -	$ 42,192
09/01/22	$ 13,264	$ 43,609	$ 56,873	$ 3,821	$ 1,354	$ 2,030	$ -	$ -	$ 21,933	$ -	$ 42,145
09/01/23	$ 13,841	$ 42,798	$ 56,638	$ 3,898	$ 104	$ 3,212	$ -	$ -	$ 21,933	$ -	$ 41,919
09/01/24	$ 14,706	$ 41,951	$ 56,656	$ 3,975	$ 91	$ 3,143	$ -	$ -	$ 21,933	$ -	$ 41,933
09/01/25	$ 15,571	$ 41,049	$ 56,620	$ 4,055	$ -	$ 3,071	$ -	$ -	$ 21,933	$ -	$ 41,813
09/01/26	$ 16,436	$ 40,094	$ 56,530	$ 4,136	$ -	$ 2,995	$ -	$ -	$ 21,933	$ -	$ 41,728
09/01/27	$ 17,301	$ 39,085	$ 56,386	$ 4,219	$ -	$ 2,914	$ -	$ -	$ 21,933	$ -	$ 41,586
09/01/28	$ 18,454	$ 38,022	$ 56,476	$ 4,303	$ -	$ 2,829	$ -	$ -	$ 21,933	$ -	$ 41,675
09/01/29	$ 19,319	$ 36,886	$ 56,206	$ 4,389	$ -	$ 2,739	$ -	$ -	$ 21,933	$ -	$ 41,402
09/01/30	$ 20,473	$ 35,697	$ 56,170	$ 4,477	$ -	$ 2,644	$ -	$ -	$ 21,933	$ -	$ 41,358
09/01/31	$ 21,626	$ 34,435	$ 56,062	$ 4,567	$ -	$ 2,545	$ -	$ -	$ 21,933	$ -	$ 41,240
09/01/32	$ 23,068	$ 33,102	$ 56,170	$ 4,658	$ -	$ 2,438	$ -	$ -	$ 21,933	$ -	$ 41,333
09/01/33	$ 24,221	$ 31,678	$ 55,899	$ 4,751	$ -	$ 2,326	$ -	$ -	$ 21,933	$ -	$ 41,043
09/01/34	$ 25,663	$ 30,182	$ 55,845	$ 4,846	$ -	$ 2,145	$ -	$ -	$ 21,933	$ -	$ 40,904
09/01/35	$ 27,393	$ 28,596	$ 55,990	$ 4,943	$ -	$ 1,978	$ -	$ -	$ 21,933	$ -	$ 40,978
09/01/36	$ 28,835	$ 26,902	$ 55,737	$ 5,042	$ -	$ 1,850	$ -	$ -	$ 21,933	$ -	$ 40,696
09/01/37	$ 32,007	$ 24,981	$ 56,988	$ 5,143	$ -	$ 1,713	$ -	$ -	$ 21,933	$ -	$ 41,911
09/01/38	$ 34,025	$ 22,871	$ 56,896	$ 5,246	$ -	$ 1,567	$ -	$ -	$ 21,933	$ -	$ 41,776
09/01/39	$ 36,332	$ 20,625	$ 56,957	$ 5,350	$ -	$ 1,411	$ -	$ -	$ 21,933	$ -	$ 41,786
09/01/40	$ 38,350	$ 18,223	$ 56,573	$ 5,457	$ -	$ 1,246	$ -	$ -	$ 21,933	$ -	$ 41,344
09/01/41	$ 40,946	$ 15,685	$ 56,630	$ 5,567	$ -	$ 1,070	$ -	$ -	$ 21,933	$ -	$ 41,334
09/01/42	$ 43,541	$ 12,971	$ 56,512	$ 5,678	$ -	$ 882	$ -	$ -	$ 21,933	$ -	$ 41,140
09/01/43	$ 46,136	$ 10,083	$ 56,219	$ 5,791	$ -	$ 682	$ -	$ -	$ 21,933	$ -	$ 40,759
09/01/44	$ 49,019	$ 7,019	$ 56,039	$ 5,907	$ -	$ 469	$ -	$ -	$ 21,933	$ -	$ 40,482
09/01/45	$ 52,191	$ 3,761	$ 55,952	$ 6,025	$ -	$ 242	$ 52,818	$ -	$ -	$ -	$ 9,402
09/01/46	$ 2,883	$ 288	$ 3,172	$ 3,012	$ -	$ -	$ -	$ -	$ -	$ 17,601	$ 23,785
09/01/47	$ 2,883	$ 144	$ 3,028	$ 3,072	$ -	$ -	$ 6,100	$ -	$ -	$ 17,601	$ 17,601
09/01/48	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 17,601	$ 17,601
09/01/49	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 17,601	$ 17,601
09/01/50	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 17,601	$ 17,601
	$ 725,776	$ 936,389	$ 1,662,165	$ 140,373	$ 9,542	$ 60,130	$ 58,918	$ 77,360	$ 572,426	$ 88,007	$ 1,251,513

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) TIRZ Credit per First Southwest
(e) Annual Installments are calculated assuming an average 6.59% interest rate on the Bonds plus Administrative Expenses.

Appendix A-6
Annual Installments - Parcel No. 52744

Year (a)	PID Bonds Principal	PID Bonds Interest (b)	PID Bonds Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit (d)	Reimbursements	Annual Installment (e)
09/01/16	$ -	$ 15,000	$ 15,000	$ 807	$ 465	$ 697	$ -	$ 15,000	$ -	$ -	$ 1,970
09/01/17	$ -	$ 20,075	$ 20,075	$ 824	$ 622	$ 933	$ -	$ 20,075	$ -	$ -	$ 2,379
09/01/18	$ 5,113	$ 21,454	$ 26,567	$ 1,647	$ 677	$ 1,016	$ -	$ 1,026	$ 3,637	$ -	$ 25,245
09/01/19	$ 5,383	$ 21,198	$ 26,581	$ 1,680	$ 667	$ 1,000	$ -	$ -	$ 7,612	$ -	$ 22,316
09/01/20	$ 5,652	$ 20,929	$ 26,581	$ 1,714	$ 655	$ 983	$ -	$ -	$ 10,235	$ -	$ 19,698
09/01/21	$ 5,921	$ 20,647	$ 26,567	$ 1,748	$ 644	$ 966	$ -	$ -	$ 10,235	$ -	$ 19,690
09/01/22	$ 6,190	$ 20,351	$ 26,541	$ 1,783	$ 632	$ 947	$ -	$ -	$ 10,235	$ -	$ 19,667
09/01/23	$ 6,459	$ 19,972	$ 26,431	$ 1,819	$ 48	$ 1,499	$ -	$ -	$ 10,235	$ -	$ 19,562
09/01/24	$ 6,863	$ 19,577	$ 26,440	$ 1,855	$ 42	$ 1,467	$ -	$ -	$ 10,235	$ -	$ 19,569
09/01/25	$ 7,266	$ 19,156	$ 26,423	$ 1,892	$ -	$ 1,433	$ -	$ -	$ 10,235	$ -	$ 19,513
09/01/26	$ 7,670	$ 18,711	$ 26,381	$ 1,930	$ -	$ 1,397	$ -	$ -	$ 10,235	$ -	$ 19,473
09/01/27	$ 8,074	$ 18,240	$ 26,313	$ 1,969	$ -	$ 1,360	$ -	$ -	$ 10,235	$ -	$ 19,407
09/01/28	$ 8,612	$ 17,743	$ 26,356	$ 2,008	$ -	$ 1,320	$ -	$ -	$ 10,235	$ -	$ 19,448
09/01/29	$ 9,016	$ 17,214	$ 26,229	$ 2,048	$ -	$ 1,278	$ -	$ -	$ 10,235	$ -	$ 19,321
09/01/30	$ 9,554	$ 16,659	$ 26,213	$ 2,089	$ -	$ 1,234	$ -	$ -	$ 10,235	$ -	$ 19,300
09/01/31	$ 10,092	$ 16,070	$ 26,162	$ 2,131	$ -	$ 1,188	$ -	$ -	$ 10,235	$ -	$ 19,245
09/01/32	$ 10,765	$ 15,448	$ 26,213	$ 2,174	$ -	$ 1,138	$ -	$ -	$ 10,235	$ -	$ 19,289
09/01/33	$ 11,303	$ 14,783	$ 26,086	$ 2,217	$ -	$ 1,085	$ -	$ -	$ 10,235	$ -	$ 19,153
09/01/34	$ 11,976	$ 14,085	$ 26,061	$ 2,261	$ -	$ 1,001	$ -	$ -	$ 10,235	$ -	$ 19,088
09/01/35	$ 12,783	$ 13,345	$ 26,128	$ 2,307	$ -	$ 923	$ -	$ -	$ 10,235	$ -	$ 19,123
09/01/36	$ 13,456	$ 12,554	$ 26,011	$ 2,353	$ -	$ 863	$ -	$ -	$ 10,235	$ -	$ 18,991
09/01/37	$ 14,937	$ 11,658	$ 26,594	$ 2,400	$ -	$ 799	$ -	$ -	$ 10,235	$ -	$ 19,558
09/01/38	$ 15,878	$ 10,673	$ 26,552	$ 2,448	$ -	$ 731	$ -	$ -	$ 10,235	$ -	$ 19,496
09/01/39	$ 16,955	$ 9,625	$ 26,580	$ 2,497	$ -	$ 659	$ -	$ -	$ 10,235	$ -	$ 19,500
09/01/40	$ 17,897	$ 8,504	$ 26,401	$ 2,547	$ -	$ 581	$ -	$ -	$ 10,235	$ -	$ 19,294
09/01/41	$ 19,108	$ 7,320	$ 26,428	$ 2,598	$ -	$ 499	$ -	$ -	$ 10,235	$ -	$ 19,289
09/01/42	$ 20,319	$ 6,053	$ 26,372	$ 2,650	$ -	$ 412	$ -	$ -	$ 10,235	$ -	$ 19,198
09/01/43	$ 21,530	$ 4,705	$ 26,235	$ 2,703	$ -	$ 318	$ -	$ -	$ 10,235	$ -	$ 19,021
09/01/44	$ 22,876	$ 3,276	$ 26,151	$ 2,757	$ -	$ 219	$ -	$ -	$ 10,235	$ -	$ 18,891
09/01/45	$ 24,356	$ 1,755	$ 26,111	$ 2,812	$ -	$ 113	$ 24,648	$ -	$ -	$ -	$ 4,388
09/01/46	$ 1,346	$ 135	$ 1,480	$ 1,406	$ -	$ -	$ -	$ -	$ -	$ 8,214	$ 11,100
09/01/47	$ 1,346	$ 67	$ 1,413	$ 1,434	$ -	$ -	$ 2,847	$ -	$ -	$ 8,214	$ 8,214
09/01/48	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,214	$ 8,214
09/01/49	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,214	$ 8,214
09/01/50	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,214	$ 8,214
Totals	$ 338,695	$ 436,981	$ 775,677	$ 65,508	$ 4,453	$ 28,061	$ 27,495	$ 36,101	$ 267,132	$ 41,070	$ 584,039

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) TIRZ Credit per First Southwest
(e) Annual Installments are calculated assuming an average 6.59% interest rate on the Bonds plus Administrative Expenses.

Appendix A-7
Annual Installments - Parcel No. 52760

Year (a)	PID Bonds			Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit (d)	Reimbursements	Annual Installment (e)
	Principal	Interest (b)	Net Debt Service								
09/01/16	$ -	$ 28,929	$ 28,929	$ 1,557	$ 897	$ 1,345	$ -	$ 28,929	$ -	$ -	$ 3,799
09/01/17	$ -	$ 38,716	$ 38,716	$ 1,588	$ 1,200	$ 1,800	$ -	$ 38,716	$ -	$ -	$ 4,588
09/01/18	$ 9,862	$ 41,376	$ 51,237	$ 3,177	$ 1,306	$ 1,960	$ -	$ 1,979	$ 7,014	$ -	$ 48,687
09/01/19	$ 10,381	$ 40,883	$ 51,263	$ 3,241	$ 1,286	$ 1,928	$ -	$ -	$ 14,680	$ -	$ 43,038
09/01/20	$ 10,900	$ 40,364	$ 51,263	$ 3,305	$ 1,264	$ 1,896	$ -	$ -	$ 19,740	$ -	$ 37,989
09/01/21	$ 11,419	$ 39,819	$ 51,237	$ 3,372	$ 1,242	$ 1,862	$ -	$ -	$ 19,740	$ -	$ 37,973
09/01/22	$ 11,938	$ 39,248	$ 51,185	$ 3,439	$ 1,218	$ 1,827	$ -	$ -	$ 19,740	$ -	$ 37,930
09/01/23	$ 12,457	$ 38,518	$ 50,974	$ 3,508	$ 93	$ 2,891	$ -	$ -	$ 19,740	$ -	$ 37,727
09/01/24	$ 13,235	$ 37,755	$ 50,991	$ 3,578	$ 82	$ 2,829	$ -	$ -	$ 19,740	$ -	$ 37,740
09/01/25	$ 14,014	$ 36,944	$ 50,958	$ 3,649	$ -	$ 2,764	$ -	$ -	$ 19,740	$ -	$ 37,632
09/01/26	$ 14,792	$ 36,085	$ 50,877	$ 3,722	$ -	$ 2,695	$ -	$ -	$ 19,740	$ -	$ 37,555
09/01/27	$ 15,571	$ 35,177	$ 50,747	$ 3,797	$ -	$ 2,622	$ -	$ -	$ 19,740	$ -	$ 37,427
09/01/28	$ 16,609	$ 34,220	$ 50,829	$ 3,873	$ -	$ 2,546	$ -	$ -	$ 19,740	$ -	$ 37,508
09/01/29	$ 17,387	$ 33,198	$ 50,585	$ 3,950	$ -	$ 2,465	$ -	$ -	$ 19,740	$ -	$ 37,261
09/01/30	$ 18,426	$ 32,127	$ 50,553	$ 4,029	$ -	$ 2,380	$ -	$ -	$ 19,740	$ -	$ 37,222
09/01/31	$ 19,464	$ 30,992	$ 50,455	$ 4,110	$ -	$ 2,290	$ -	$ -	$ 19,740	$ -	$ 37,116
09/01/32	$ 20,761	$ 29,792	$ 50,553	$ 4,192	$ -	$ 2,194	$ -	$ -	$ 19,740	$ -	$ 37,200
09/01/33	$ 21,799	$ 28,510	$ 50,309	$ 4,276	$ -	$ 2,093	$ -	$ -	$ 19,740	$ -	$ 36,939
09/01/34	$ 23,097	$ 27,164	$ 50,261	$ 4,361	$ -	$ 1,931	$ -	$ -	$ 19,740	$ -	$ 36,814
09/01/35	$ 24,654	$ 25,737	$ 50,391	$ 4,449	$ -	$ 1,780	$ -	$ -	$ 19,740	$ -	$ 36,880
09/01/36	$ 25,951	$ 24,212	$ 50,164	$ 4,538	$ -	$ 1,665	$ -	$ -	$ 19,740	$ -	$ 36,626
09/01/37	$ 28,806	$ 22,483	$ 51,289	$ 4,628	$ -	$ 1,542	$ -	$ -	$ 19,740	$ -	$ 37,720
09/01/38	$ 30,623	$ 20,584	$ 51,207	$ 4,721	$ -	$ 1,410	$ -	$ -	$ 19,740	$ -	$ 37,599
09/01/39	$ 32,699	$ 18,562	$ 51,261	$ 4,815	$ -	$ 1,270	$ -	$ -	$ 19,740	$ -	$ 37,607
09/01/40	$ 34,515	$ 16,401	$ 50,916	$ 4,912	$ -	$ 1,121	$ -	$ -	$ 19,740	$ -	$ 37,209
09/01/41	$ 36,851	$ 14,116	$ 50,967	$ 5,010	$ -	$ 963	$ -	$ -	$ 19,740	$ -	$ 37,201
09/01/42	$ 39,187	$ 11,674	$ 50,861	$ 5,110	$ -	$ 794	$ -	$ -	$ 19,740	$ -	$ 37,026
09/01/43	$ 41,522	$ 9,075	$ 50,597	$ 5,212	$ -	$ 614	$ -	$ -	$ 19,740	$ -	$ 36,683
09/01/44	$ 44,117	$ 6,317	$ 50,435	$ 5,317	$ -	$ 422	$ -	$ -	$ 19,740	$ -	$ 36,433
09/01/45	$ 46,972	$ 3,385	$ 50,357	$ 5,423	$ -	$ 218	$ 47,536	$ -	$ -	$ -	$ 8,462
09/01/46	$ 2,595	$ 260	$ 2,855	$ 2,711	$ -	$ -	$ -	$ -	$ -	$ 15,841	$ 21,407
09/01/47	$ 2,595	$ 130	$ 2,725	$ 2,765	$ -	$ -	$ 5,490	$ -	$ -	$ 15,841	$ 15,841
09/01/48	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 15,841	$ 15,841
09/01/49	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 15,841	$ 15,841
09/01/50	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 15,841	$ 15,841
Totals	$ 653,198	$ 842,750	$ 1,495,948	$ 126,336	$ 8,587	$ 54,117	$ 53,026	$ 69,624	$ 515,183	$ 79,206	$ 1,126,362

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) TIRZ Credit per First Southwest
(e) Annual Installments are calculated assuming an average 6.59% interest rate on the Bonds plus Administrative Expenses.

Appendix A-8
Annual Installments - Parcel No. 52721

Year (a)	PID Bonds Principal	PID Bonds Interest (b)	PID Bonds Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit (d)	Reimbursements	Annual Installment (e)
09/01/16	$ -	$ 68,573	$ 68,573	$ 3,691	$ 2,125	$ 3,188	$ -	$ 68,573	$ -	$ -	$ 9,004
09/01/17	$ -	$ 91,771	$ 91,771	$ 3,765	$ 2,844	$ 4,267	$ -	$ 91,771	$ -	$ -	$ 10,876
09/01/18	$ 23,376	$ 98,076	$ 121,451	$ 7,531	$ 3,097	$ 4,645	$ -	$ 4,690	$ 16,626	$ -	$ 115,407
09/01/19	$ 24,606	$ 96,907	$ 121,513	$ 7,681	$ 3,047	$ 4,571	$ -	$ -	$ 34,797	$ -	$ 102,016
09/01/20	$ 25,836	$ 95,677	$ 121,513	$ 7,835	$ 2,996	$ 4,494	$ -	$ -	$ 46,790	$ -	$ 90,047
09/01/21	$ 27,066	$ 94,385	$ 121,451	$ 7,992	$ 2,943	$ 4,414	$ -	$ -	$ 46,790	$ -	$ 90,010
09/01/22	$ 28,297	$ 93,032	$ 121,328	$ 8,152	$ 2,887	$ 4,331	$ -	$ -	$ 46,790	$ -	$ 89,909
09/01/23	$ 29,527	$ 91,301	$ 120,828	$ 8,315	$ 221	$ 6,853	$ -	$ -	$ 46,790	$ -	$ 89,427
09/01/24	$ 31,372	$ 89,494	$ 120,867	$ 8,481	$ 194	$ 6,705	$ -	$ -	$ 46,790	$ -	$ 89,457
09/01/25	$ 33,218	$ 87,572	$ 120,790	$ 8,651	$ -	$ 6,551	$ -	$ -	$ 46,790	$ -	$ 89,202
09/01/26	$ 35,063	$ 85,534	$ 120,598	$ 8,824	$ -	$ 6,388	$ -	$ -	$ 46,790	$ -	$ 89,020
09/01/27	$ 36,909	$ 83,381	$ 120,290	$ 9,000	$ -	$ 6,216	$ -	$ -	$ 46,790	$ -	$ 88,716
09/01/28	$ 39,369	$ 81,113	$ 120,482	$ 9,180	$ -	$ 6,035	$ -	$ -	$ 46,790	$ -	$ 88,907
09/01/29	$ 41,215	$ 78,691	$ 119,906	$ 9,364	$ -	$ 5,844	$ -	$ -	$ 46,790	$ -	$ 88,323
09/01/30	$ 43,675	$ 76,153	$ 119,829	$ 9,551	$ -	$ 5,641	$ -	$ -	$ 46,790	$ -	$ 88,231
09/01/31	$ 46,136	$ 73,462	$ 119,598	$ 9,742	$ -	$ 5,429	$ -	$ -	$ 46,790	$ -	$ 87,979
09/01/32	$ 49,212	$ 70,617	$ 119,829	$ 9,937	$ -	$ 5,201	$ -	$ -	$ 46,790	$ -	$ 88,177
09/01/33	$ 51,672	$ 67,580	$ 119,252	$ 10,136	$ -	$ 4,961	$ -	$ -	$ 46,790	$ -	$ 87,559
09/01/34	$ 54,748	$ 64,389	$ 119,137	$ 10,338	$ -	$ 4,577	$ -	$ -	$ 46,790	$ -	$ 87,262
09/01/35	$ 58,439	$ 61,006	$ 119,444	$ 10,545	$ -	$ 4,220	$ -	$ -	$ 46,790	$ -	$ 87,419
09/01/36	$ 61,515	$ 57,392	$ 118,906	$ 10,756	$ -	$ 3,946	$ -	$ -	$ 46,790	$ -	$ 86,818
09/01/37	$ 68,281	$ 53,293	$ 121,574	$ 10,971	$ -	$ 3,654	$ -	$ -	$ 46,790	$ -	$ 89,409
09/01/38	$ 72,587	$ 48,792	$ 121,379	$ 11,190	$ -	$ 3,343	$ -	$ -	$ 46,790	$ -	$ 89,123
09/01/39	$ 77,508	$ 44,000	$ 121,508	$ 11,414	$ -	$ 3,011	$ -	$ -	$ 46,790	$ -	$ 89,144
09/01/40	$ 81,814	$ 38,876	$ 120,690	$ 11,643	$ -	$ 2,657	$ -	$ -	$ 46,790	$ -	$ 88,200
09/01/41	$ 87,351	$ 33,461	$ 120,812	$ 11,875	$ -	$ 2,282	$ -	$ -	$ 46,790	$ -	$ 88,179
09/01/42	$ 92,887	$ 27,672	$ 120,559	$ 12,113	$ -	$ 1,882	$ -	$ -	$ 46,790	$ -	$ 87,765
09/01/43	$ 98,423	$ 21,510	$ 119,933	$ 12,355	$ -	$ 1,455	$ -	$ -	$ 46,790	$ -	$ 86,953
09/01/44	$ 104,575	$ 14,974	$ 119,549	$ 12,602	$ -	$ 1,000	$ -	$ -	$ 46,790	$ -	$ 86,361
09/01/45	$ 111,341	$ 8,023	$ 119,364	$ 12,854	$ -	$ 517	$ 112,678	$ -	$ -	$ -	$ 20,058
09/01/46	$ 6,151	$ 615	$ 6,767	$ 6,426	$ -	$ -	$ -	$ -	$ -	$ 37,549	$ 50,742
09/01/47	$ 6,151	$ 308	$ 6,459	$ 6,554	$ -	$ -	$ 13,013	$ -	$ -	$ 37,549	$ 37,549
09/01/48	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 37,549	$ 37,549
09/01/49	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 37,549	$ 37,549
09/01/50	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 37,549	$ 37,549
Totals	$ 1,548,322	$ 1,997,630	$ 3,545,951	$ 299,463	$ 20,355	$ 128,278	$ 125,691	$ 165,034	$ 1,221,176	$ 187,747	$ 2,669,895

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) TIRZ Credit per First Southwest
(e) Annual Installments are calculated assuming an average 6.59% interest rate on the Bonds plus Administrative Expenses.

Appendix A-9
Annual Installments - HOA

Year (a)	PID Bonds Principal	PID Bonds Interest (b)	PID Bonds Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit (d)	Reimbursements	Annual Installment (e)
09/01/16	$ -	$ 5,574	$ 5,574	$ 300	$ 173	$ 259	$ -	$ 5,574	$ -	$ -	$ 732
09/01/17	$ -	$ 7,459	$ 7,459	$ 306	$ 231	$ 347	$ -	$ 7,459	$ -	$ -	$ 884
09/01/18	$ 1,900	$ 7,972	$ 9,872	$ 612	$ 252	$ 378	$ -	$ 381	$ 1,351	$ -	$ 9,380
09/01/19	$ 2,000	$ 7,877	$ 9,877	$ 624	$ 248	$ 372	$ -	$ -	$ 2,828	$ -	$ 8,292
09/01/20	$ 2,100	$ 7,777	$ 9,877	$ 637	$ 244	$ 365	$ -	$ -	$ 3,803	$ -	$ 7,319
09/01/21	$ 2,200	$ 7,672	$ 9,872	$ 650	$ 239	$ 359	$ -	$ -	$ 3,803	$ -	$ 7,316
09/01/22	$ 2,300	$ 7,562	$ 9,862	$ 663	$ 235	$ 352	$ -	$ -	$ 3,803	$ -	$ 7,308
09/01/23	$ 2,400	$ 7,421	$ 9,821	$ 676	$ 18	$ 557	$ -	$ -	$ 3,803	$ -	$ 7,269
09/01/24	$ 2,550	$ 7,274	$ 9,824	$ 689	$ 16	$ 545	$ -	$ -	$ 3,803	$ -	$ 7,271
09/01/25	$ 2,700	$ 7,118	$ 9,818	$ 703	$ -	$ 533	$ -	$ -	$ 3,803	$ -	$ 7,250
09/01/26	$ 2,850	$ 6,952	$ 9,802	$ 717	$ -	$ 519	$ -	$ -	$ 3,803	$ -	$ 7,236
09/01/27	$ 3,000	$ 6,777	$ 9,777	$ 732	$ -	$ 505	$ -	$ -	$ 3,803	$ -	$ 7,211
09/01/28	$ 3,200	$ 6,593	$ 9,793	$ 746	$ -	$ 491	$ -	$ -	$ 3,803	$ -	$ 7,227
09/01/29	$ 3,350	$ 6,396	$ 9,746	$ 761	$ -	$ 475	$ -	$ -	$ 3,803	$ -	$ 7,179
09/01/30	$ 3,550	$ 6,190	$ 9,740	$ 776	$ -	$ 459	$ -	$ -	$ 3,803	$ -	$ 7,172
09/01/31	$ 3,750	$ 5,971	$ 9,721	$ 792	$ -	$ 441	$ -	$ -	$ 3,803	$ -	$ 7,151
09/01/32	$ 4,000	$ 5,740	$ 9,740	$ 808	$ -	$ 423	$ -	$ -	$ 3,803	$ -	$ 7,167
09/01/33	$ 4,200	$ 5,493	$ 9,693	$ 824	$ -	$ 403	$ -	$ -	$ 3,803	$ -	$ 7,117
09/01/34	$ 4,450	$ 5,234	$ 9,684	$ 840	$ -	$ 372	$ -	$ -	$ 3,803	$ -	$ 7,093
09/01/35	$ 4,750	$ 4,959	$ 9,709	$ 857	$ -	$ 343	$ -	$ -	$ 3,803	$ -	$ 7,106
09/01/36	$ 5,000	$ 4,665	$ 9,665	$ 874	$ -	$ 321	$ -	$ -	$ 3,803	$ -	$ 7,057
09/01/37	$ 5,550	$ 4,332	$ 9,882	$ 892	$ -	$ 297	$ -	$ -	$ 3,803	$ -	$ 7,267
09/01/38	$ 5,900	$ 3,966	$ 9,866	$ 910	$ -	$ 272	$ -	$ -	$ 3,803	$ -	$ 7,244
09/01/39	$ 6,300	$ 3,576	$ 9,876	$ 928	$ -	$ 245	$ -	$ -	$ 3,803	$ -	$ 7,246
09/01/40	$ 6,650	$ 3,160	$ 9,810	$ 946	$ -	$ 216	$ -	$ -	$ 3,803	$ -	$ 7,169
09/01/41	$ 7,100	$ 2,720	$ 9,820	$ 965	$ -	$ 186	$ -	$ -	$ 3,803	$ -	$ 7,167
09/01/42	$ 7,550	$ 2,249	$ 9,799	$ 985	$ -	$ 153	$ -	$ -	$ 3,803	$ -	$ 7,134
09/01/43	$ 8,000	$ 1,748	$ 9,748	$ 1,004	$ -	$ 118	$ -	$ -	$ 3,803	$ -	$ 7,068
09/01/44	$ 8,500	$ 1,217	$ 9,717	$ 1,024	$ -	$ 81	$ -	$ -	$ 3,803	$ -	$ 7,020
09/01/45	$ 9,050	$ 652	$ 9,702	$ 1,045	$ -	$ 42	$ 9,159	$ -	$ -	$ -	$ 1,630
09/01/46	$ 500	$ 50	$ 550	$ 522	$ -	$ -	$ -	$ -	$ -	$ 3,052	$ 4,124
09/01/47	$ 500	$ 25	$ 525	$ 533	$ -	$ -	$ 1,058	$ -	$ -	$ 3,052	$ 3,052
09/01/48	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,052	$ 3,052
09/01/49	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,052	$ 3,052
09/01/50	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,052	$ 3,052
Totals	$ 125,850	$ 162,370	$ 288,220	$ 24,341	$ 1,655	$ 10,427	$ 10,216	$ 13,414	$ 99,259	$ 15,260	$ 217,013

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) TIRZ Credit per First Southwest
(e) Annual Installments are calculated assuming an average 6.59% interest rate on the Bonds plus Administrative Expenses.

Appendix B

Neighborhood Improvement Areas #2-5 Assessment Roll

Appendix B-1
Neighborhood Improvements Areas #2-5 Major Improvement Bond Special Assessment by Parcel

Parcel	Owner	Estimated Assessable Units	Estimated Assessable Acres	PID Bond Special Assessment	Average Assessment per Assessable Unit	Average Assessment per Assessable Acre
52680	CADG Sutton Fields, LLC	56	37	$ 543,203	$ 9,700	$ 14,785
122875	CADG Sutton Fields, LLC	61	18	$ 591,704	$ 9,700	$ 32,872
52751	CADG Sutton Fields, LLC	139	112	$ 1,348,308	$ 9,700	$ 12,047
52810	CADG Sutton Fields, LLC	264	106	$ 2,560,815	$ 9,700	$ 24,159
52744	CADG Sutton Fields, LLC	354	98	$ 3,433,821	$ 9,700	$ 35,215
52760	CADG Sutton Fields, LLC	58	18	$ 562,603	$ 9,700	$ 30,727
52721	CADG Sutton Fields, LLC	187	57	$ 1,813,911	$ 9,700	$ 31,596
660188	CADG Sutton Fields, LLC	161	37	$ 1,561,709	$ 9,700	$ 42,472
134236	CADG Sutton Fields II, LLC	450	128	$ 3,844,675	$ 8,544	$ 30,110
HOA	CADG Sutton Fields, LLC	-	-	$ 164,250	$ 164,250	$ -
Totals		**1,730**	**610**	**16,425,000**		

Preliminary and subject to change

Appendix B-2
Annual Installments - All Parcels

	PID Bonds			Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
Year (a)	Principal	Interest (b)	Net Debt Service						
09/01/16	$ -	$ 851,142	$ 851,142	$ 30,000	$ 24,546	$ 36,819	$ -	$ 851,142	$ 91,366
09/01/17	$ -	$ 1,139,075	$ 1,139,075	$ 30,600	$ 32,850	$ 49,275	$ -	$ 1,139,075	$ 112,725
09/01/18	$ 225,000	$ 1,139,075	$ 1,364,075	$ 31,212	$ 32,850	$ 49,275	$ -	$ -	$ 1,477,412
09/01/19	$ 235,000	$ 1,127,825	$ 1,362,825	$ 31,836	$ 32,400	$ 48,600	$ -	$ -	$ 1,475,661
09/01/20	$ 245,000	$ 1,116,075	$ 1,361,075	$ 32,473	$ 31,930	$ 47,895	$ -	$ -	$ 1,473,373
09/01/21	$ 260,000	$ 1,103,825	$ 1,363,825	$ 33,122	$ 31,440	$ 47,160	$ -	$ -	$ 1,475,547
09/01/22	$ 270,000	$ 1,090,825	$ 1,360,825	$ 33,785	$ 30,920	$ 46,380	$ -	$ -	$ 1,471,910
09/01/23	$ 290,000	$ 1,072,600	$ 1,362,600	$ 34,461	$ -	$ 75,950	$ -	$ -	$ 1,473,011
09/01/24	$ 310,000	$ 1,053,025	$ 1,363,025	$ 35,150	$ -	$ 74,500	$ -	$ -	$ 1,472,675
09/01/25	$ 330,000	$ 1,032,100	$ 1,362,100	$ 35,853	$ -	$ 72,950	$ -	$ -	$ 1,470,903
09/01/26	$ 350,000	$ 1,009,825	$ 1,359,825	$ 36,570	$ -	$ 71,300	$ -	$ -	$ 1,467,695
09/01/27	$ 375,000	$ 986,200	$ 1,361,200	$ 37,301	$ -	$ 69,550	$ -	$ -	$ 1,468,051
09/01/28	$ 400,000	$ 960,888	$ 1,360,888	$ 38,047	$ -	$ 67,675	$ -	$ -	$ 1,466,610
09/01/29	$ 430,000	$ 933,888	$ 1,363,888	$ 38,808	$ -	$ 65,675	$ -	$ -	$ 1,468,371
09/01/30	$ 455,000	$ 904,863	$ 1,359,863	$ 39,584	$ -	$ 63,525	$ -	$ -	$ 1,462,972
09/01/31	$ 490,000	$ 874,150	$ 1,364,150	$ 40,376	$ -	$ 61,250	$ -	$ -	$ 1,465,776
09/01/32	$ 520,000	$ 841,075	$ 1,361,075	$ 41,184	$ -	$ 58,800	$ -	$ -	$ 1,461,059
09/01/33	$ 555,000	$ 805,975	$ 1,360,975	$ 42,007	$ -	$ 56,200	$ -	$ -	$ 1,459,182
09/01/34	$ 595,000	$ 768,513	$ 1,363,513	$ 42,847	$ -	$ 53,425	$ -	$ -	$ 1,459,785
09/01/35	$ 635,000	$ 728,350	$ 1,363,350	$ 43,704	$ -	$ 50,450	$ -	$ -	$ 1,457,504
09/01/36	$ 675,000	$ 685,488	$ 1,360,488	$ 44,578	$ -	$ 47,275	$ -	$ -	$ 1,452,341
09/01/37	$ 725,000	$ 636,550	$ 1,361,550	$ 45,470	$ -	$ 43,900	$ -	$ -	$ 1,450,920
09/01/38	$ 775,000	$ 583,988	$ 1,358,988	$ 46,379	$ -	$ 40,275	$ -	$ -	$ 1,445,642
09/01/39	$ 835,000	$ 527,800	$ 1,362,800	$ 47,307	$ -	$ 36,400	$ -	$ -	$ 1,446,507
09/01/40	$ 895,000	$ 467,263	$ 1,362,263	$ 48,253	$ -	$ 32,225	$ -	$ -	$ 1,442,741
09/01/41	$ 960,000	$ 402,375	$ 1,362,375	$ 49,218	$ -	$ 27,750	$ -	$ -	$ 1,439,343
09/01/42	$ 1,030,000	$ 332,775	$ 1,362,775	$ 50,203	$ -	$ 22,950	$ -	$ -	$ 1,435,928
09/01/43	$ 1,105,000	$ 258,100	$ 1,363,100	$ 51,207	$ -	$ 17,800	$ -	$ -	$ 1,432,107
09/01/44	$ 1,185,000	$ 177,988	$ 1,362,988	$ 52,231	$ -	$ 12,275	$ -	$ -	$ 1,427,493
09/01/45	$ 1,270,000	$ 92,075	$ 1,362,075	$ 53,275	$ -	$ 6,350	$ 1,364,150	$ -	$ 57,550
Totals	$ 16,425,000	$ 23,703,692	$ 40,128,692	$ 1,217,042	$ 216,936	$ 1,453,854	$ 1,364,150	$ 1,990,217	$ 39,662,158

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-3
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 52680

Year (a)	PID Bonds: Principal	PID Bonds: Interest (b)	PID Bonds: Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 28,149	$ 28,149	$ 992	$ 812	$ 1,218	$ -	$ 28,149	$ 3,022
09/01/17	$ -	$ 37,671	$ 37,671	$ 1,012	$ 1,086	$ 1,630	$ -	$ 37,671	$ 3,728
09/01/18	$ 7,441	$ 37,671	$ 45,112	$ 1,032	$ 1,086	$ 1,630	$ -	$ -	$ 48,861
09/01/19	$ 7,772	$ 37,299	$ 45,071	$ 1,053	$ 1,072	$ 1,607	$ -	$ -	$ 48,803
09/01/20	$ 8,103	$ 36,911	$ 45,013	$ 1,074	$ 1,056	$ 1,584	$ -	$ -	$ 48,727
09/01/21	$ 8,599	$ 36,505	$ 45,104	$ 1,095	$ 1,040	$ 1,560	$ -	$ -	$ 48,799
09/01/22	$ 8,929	$ 36,075	$ 45,005	$ 1,117	$ 1,023	$ 1,534	$ -	$ -	$ 48,679
09/01/23	$ 9,591	$ 35,473	$ 45,064	$ 1,140	$ -	$ 2,512	$ -	$ -	$ 48,715
09/01/24	$ 10,252	$ 34,825	$ 45,078	$ 1,162	$ -	$ 2,464	$ -	$ -	$ 48,704
09/01/25	$ 10,914	$ 34,133	$ 45,047	$ 1,186	$ -	$ 2,413	$ -	$ -	$ 48,645
09/01/26	$ 11,575	$ 33,397	$ 44,972	$ 1,209	$ -	$ 2,358	$ -	$ -	$ 48,539
09/01/27	$ 12,402	$ 32,615	$ 45,017	$ 1,234	$ -	$ 2,300	$ -	$ -	$ 48,551
09/01/28	$ 13,229	$ 31,778	$ 45,007	$ 1,258	$ -	$ 2,238	$ -	$ -	$ 48,503
09/01/29	$ 14,221	$ 30,885	$ 45,106	$ 1,283	$ -	$ 2,172	$ -	$ -	$ 48,562
09/01/30	$ 15,048	$ 29,925	$ 44,973	$ 1,309	$ -	$ 2,101	$ -	$ -	$ 48,383
09/01/31	$ 16,205	$ 28,910	$ 45,115	$ 1,335	$ -	$ 2,026	$ -	$ -	$ 48,476
09/01/32	$ 17,197	$ 27,816	$ 45,013	$ 1,362	$ -	$ 1,945	$ -	$ -	$ 48,320
09/01/33	$ 18,355	$ 26,655	$ 45,010	$ 1,389	$ -	$ 1,859	$ -	$ -	$ 48,258
09/01/34	$ 19,678	$ 25,416	$ 45,094	$ 1,417	$ -	$ 1,767	$ -	$ -	$ 48,278
09/01/35	$ 21,001	$ 24,088	$ 45,088	$ 1,445	$ -	$ 1,668	$ -	$ -	$ 48,202
09/01/36	$ 22,323	$ 22,670	$ 44,994	$ 1,474	$ -	$ 1,563	$ -	$ -	$ 48,031
09/01/37	$ 23,977	$ 21,052	$ 45,029	$ 1,504	$ -	$ 1,452	$ -	$ -	$ 47,984
09/01/38	$ 25,631	$ 19,313	$ 44,944	$ 1,534	$ -	$ 1,332	$ -	$ -	$ 47,810
09/01/39	$ 27,615	$ 17,455	$ 45,070	$ 1,565	$ -	$ 1,204	$ -	$ -	$ 47,838
09/01/40	$ 29,599	$ 15,453	$ 45,052	$ 1,596	$ -	$ 1,066	$ -	$ -	$ 47,714
09/01/41	$ 31,749	$ 13,307	$ 45,056	$ 1,628	$ -	$ 918	$ -	$ -	$ 47,602
09/01/42	$ 34,064	$ 11,005	$ 45,069	$ 1,660	$ -	$ 759	$ -	$ -	$ 47,489
09/01/43	$ 36,544	$ 8,536	$ 45,080	$ 1,693	$ -	$ 589	$ -	$ -	$ 47,362
09/01/44	$ 39,190	$ 5,886	$ 45,076	$ 1,727	$ -	$ 406	$ -	$ -	$ 47,210
09/01/45	$ 42,001	$ 3,045	$ 45,046	$ 1,762	$ -	$ 210	$ 45,115	$ -	$ 1,903
Totals	$ 543,203	$ 783,922	$ 1,327,126	$ 40,250	$ 7,174	$ 48,081	$ 45,115	$ 65,820	$ 1,311,696

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-4
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 122875

Year (a)	PID Bonds: Principal	PID Bonds: Interest (b)	PID Bonds: Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 30,662	$ 30,662	$ 1,081	$ 884	$ 1,326	$ -	$ 30,662	$ 3,291
09/01/17	$ -	$ 41,035	$ 41,035	$ 1,102	$ 1,183	$ 1,775	$ -	$ 41,035	$ 4,061
09/01/18	$ 8,106	$ 41,035	$ 49,140	$ 1,124	$ 1,183	$ 1,775	$ -	$ -	$ 53,223
09/01/19	$ 8,466	$ 40,629	$ 49,095	$ 1,147	$ 1,167	$ 1,751	$ -	$ -	$ 53,160
09/01/20	$ 8,826	$ 40,206	$ 49,032	$ 1,170	$ 1,150	$ 1,725	$ -	$ -	$ 53,078
09/01/21	$ 9,366	$ 39,765	$ 49,131	$ 1,193	$ 1,133	$ 1,699	$ -	$ -	$ 53,156
09/01/22	$ 9,727	$ 39,297	$ 49,023	$ 1,217	$ 1,114	$ 1,671	$ -	$ -	$ 53,025
09/01/23	$ 10,447	$ 38,640	$ 49,087	$ 1,241	$ -	$ 2,736	$ -	$ -	$ 53,065
09/01/24	$ 11,168	$ 37,935	$ 49,102	$ 1,266	$ -	$ 2,684	$ -	$ -	$ 53,052
09/01/25	$ 11,888	$ 37,181	$ 49,069	$ 1,292	$ -	$ 2,628	$ -	$ -	$ 52,989
09/01/26	$ 12,609	$ 36,379	$ 48,987	$ 1,317	$ -	$ 2,569	$ -	$ -	$ 52,873
09/01/27	$ 13,509	$ 35,527	$ 49,037	$ 1,344	$ -	$ 2,506	$ -	$ -	$ 52,886
09/01/28	$ 14,410	$ 34,616	$ 49,025	$ 1,371	$ -	$ 2,438	$ -	$ -	$ 52,834
09/01/29	$ 15,491	$ 33,643	$ 49,133	$ 1,398	$ -	$ 2,366	$ -	$ -	$ 52,897
09/01/30	$ 16,391	$ 32,597	$ 48,988	$ 1,426	$ -	$ 2,288	$ -	$ -	$ 52,703
09/01/31	$ 17,652	$ 31,491	$ 49,143	$ 1,455	$ -	$ 2,207	$ -	$ -	$ 52,804
09/01/32	$ 18,733	$ 30,299	$ 49,032	$ 1,484	$ -	$ 2,118	$ -	$ -	$ 52,634
09/01/33	$ 19,994	$ 29,035	$ 49,029	$ 1,513	$ -	$ 2,025	$ -	$ -	$ 52,566
09/01/34	$ 21,435	$ 27,685	$ 49,120	$ 1,544	$ -	$ 1,925	$ -	$ -	$ 52,588
09/01/35	$ 22,876	$ 26,238	$ 49,114	$ 1,574	$ -	$ 1,817	$ -	$ -	$ 52,506
09/01/36	$ 24,317	$ 24,694	$ 49,011	$ 1,606	$ -	$ 1,703	$ -	$ -	$ 52,320
09/01/37	$ 26,118	$ 22,931	$ 49,049	$ 1,638	$ -	$ 1,581	$ -	$ -	$ 52,269
09/01/38	$ 27,919	$ 21,038	$ 48,957	$ 1,671	$ -	$ 1,451	$ -	$ -	$ 52,079
09/01/39	$ 30,081	$ 19,014	$ 49,094	$ 1,704	$ -	$ 1,311	$ -	$ -	$ 52,110
09/01/40	$ 32,242	$ 16,833	$ 49,075	$ 1,738	$ -	$ 1,161	$ -	$ -	$ 51,974
09/01/41	$ 34,584	$ 14,495	$ 49,079	$ 1,773	$ -	$ 1,000	$ -	$ -	$ 51,852
09/01/42	$ 37,105	$ 11,988	$ 49,093	$ 1,809	$ -	$ 827	$ -	$ -	$ 51,729
09/01/43	$ 39,807	$ 9,298	$ 49,105	$ 1,845	$ -	$ 641	$ -	$ -	$ 51,591
09/01/44	$ 42,689	$ 6,412	$ 49,101	$ 1,882	$ -	$ 442	$ -	$ -	$ 51,425
09/01/45	$ 45,751	$ 3,317	$ 49,068	$ 1,919	$ -	$ 229	$ 49,143	$ -	$ 2,073
Totals	$ 591,704	$ 853,915	$ 1,445,619	$ 43,843	$ 7,815	$ 52,374	$ 49,143	$ 71,697	$ 1,428,812

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-5
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 52751

	PID Bonds								
Year (a)	Principal	Interest (b)	Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 69,869	$ 69,869	$ 2,463	$ 2,015	$ 3,022	$ -	$ 69,869	$ 7,500
09/01/17	$ -	$ 93,505	$ 93,505	$ 2,512	$ 2,697	$ 4,045	$ -	$ 93,505	$ 9,253
09/01/18	$ 18,470	$ 93,505	$ 111,975	$ 2,562	$ 2,697	$ 4,045	$ -	$ -	$ 121,279
09/01/19	$ 19,291	$ 92,582	$ 111,873	$ 2,613	$ 2,660	$ 3,990	$ -	$ -	$ 121,135
09/01/20	$ 20,112	$ 91,617	$ 111,729	$ 2,666	$ 2,621	$ 3,932	$ -	$ -	$ 120,947
09/01/21	$ 21,343	$ 90,612	$ 111,955	$ 2,719	$ 2,581	$ 3,871	$ -	$ -	$ 121,126
09/01/22	$ 22,164	$ 89,544	$ 111,708	$ 2,773	$ 2,538	$ 3,807	$ -	$ -	$ 120,827
09/01/23	$ 23,806	$ 88,048	$ 111,854	$ 2,829	$ -	$ 6,235	$ -	$ -	$ 120,918
09/01/24	$ 25,448	$ 86,442	$ 111,889	$ 2,885	$ -	$ 6,116	$ -	$ -	$ 120,890
09/01/25	$ 27,089	$ 84,724	$ 111,813	$ 2,943	$ -	$ 5,988	$ -	$ -	$ 120,745
09/01/26	$ 28,731	$ 82,895	$ 111,626	$ 3,002	$ -	$ 5,853	$ -	$ -	$ 120,481
09/01/27	$ 30,783	$ 80,956	$ 111,739	$ 3,062	$ -	$ 5,709	$ -	$ -	$ 120,511
09/01/28	$ 32,836	$ 78,878	$ 111,714	$ 3,123	$ -	$ 5,555	$ -	$ -	$ 120,392
09/01/29	$ 35,298	$ 76,662	$ 111,960	$ 3,186	$ -	$ 5,391	$ -	$ -	$ 120,537
09/01/30	$ 37,350	$ 74,279	$ 111,629	$ 3,249	$ -	$ 5,215	$ -	$ -	$ 120,094
09/01/31	$ 40,224	$ 71,758	$ 111,981	$ 3,314	$ -	$ 5,028	$ -	$ -	$ 120,324
09/01/32	$ 42,686	$ 69,043	$ 111,729	$ 3,381	$ -	$ 4,827	$ -	$ -	$ 119,937
09/01/33	$ 45,559	$ 66,162	$ 111,721	$ 3,448	$ -	$ 4,613	$ -	$ -	$ 119,782
09/01/34	$ 48,843	$ 63,086	$ 111,929	$ 3,517	$ -	$ 4,386	$ -	$ -	$ 119,832
09/01/35	$ 52,126	$ 59,789	$ 111,916	$ 3,588	$ -	$ 4,141	$ -	$ -	$ 119,645
09/01/36	$ 55,410	$ 56,271	$ 111,681	$ 3,659	$ -	$ 3,881	$ -	$ -	$ 119,221
09/01/37	$ 59,514	$ 52,254	$ 111,768	$ 3,733	$ -	$ 3,604	$ -	$ -	$ 119,104
09/01/38	$ 63,619	$ 47,939	$ 111,558	$ 3,807	$ -	$ 3,306	$ -	$ -	$ 118,671
09/01/39	$ 68,544	$ 43,326	$ 111,871	$ 3,883	$ -	$ 2,988	$ -	$ -	$ 118,742
09/01/40	$ 73,469	$ 38,357	$ 111,826	$ 3,961	$ -	$ 2,645	$ -	$ -	$ 118,433
09/01/41	$ 78,805	$ 33,030	$ 111,836	$ 4,040	$ -	$ 2,278	$ -	$ -	$ 118,154
09/01/42	$ 84,551	$ 27,317	$ 111,869	$ 4,121	$ -	$ 1,884	$ -	$ -	$ 117,874
09/01/43	$ 90,708	$ 21,187	$ 111,895	$ 4,203	$ -	$ 1,461	$ -	$ -	$ 117,560
09/01/44	$ 97,275	$ 14,611	$ 111,886	$ 4,288	$ -	$ 1,008	$ -	$ -	$ 117,181
09/01/45	$ 104,253	$ 7,558	$ 111,811	$ 4,373	$ -	$ 521	$ 111,981	$ -	$ 4,724
Totals	$ 1,348,308	$ 1,945,807	$ 3,294,115	$ 99,906	$ 17,808	$ 119,345	$ 111,981	$ 163,374	$ 3,255,818

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-6
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 52810

	PID Bonds			Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
Year (a)	Principal	Interest (b)	Net Debt Service						
09/01/16	$ -	$ 132,701	$ 132,701	$ 4,677	$ 3,827	$ 5,740	$ -	$ 132,701	$ 14,245
09/01/17	$ -	$ 177,593	$ 177,593	$ 4,771	$ 5,122	$ 7,682	$ -	$ 177,593	$ 17,575
09/01/18	$ 35,080	$ 177,593	$ 212,672	$ 4,866	$ 5,122	$ 7,682	$ -	$ -	$ 230,343
09/01/19	$ 36,639	$ 175,839	$ 212,478	$ 4,964	$ 5,051	$ 7,577	$ -	$ -	$ 230,070
09/01/20	$ 38,198	$ 174,007	$ 212,205	$ 5,063	$ 4,978	$ 7,467	$ -	$ -	$ 229,713
09/01/21	$ 40,537	$ 172,097	$ 212,633	$ 5,164	$ 4,902	$ 7,353	$ -	$ -	$ 230,052
09/01/22	$ 42,096	$ 170,070	$ 212,166	$ 5,267	$ 4,821	$ 7,231	$ -	$ -	$ 229,485
09/01/23	$ 45,214	$ 167,229	$ 212,442	$ 5,373	$ -	$ 11,841	$ -	$ -	$ 229,657
09/01/24	$ 48,332	$ 164,177	$ 212,509	$ 5,480	$ -	$ 11,615	$ -	$ -	$ 229,604
09/01/25	$ 51,450	$ 160,914	$ 212,364	$ 5,590	$ -	$ 11,374	$ -	$ -	$ 229,328
09/01/26	$ 54,568	$ 157,441	$ 212,010	$ 5,702	$ -	$ 11,116	$ -	$ -	$ 228,828
09/01/27	$ 58,466	$ 153,758	$ 212,224	$ 5,816	$ -	$ 10,844	$ -	$ -	$ 228,883
09/01/28	$ 62,364	$ 149,812	$ 212,175	$ 5,932	$ -	$ 10,551	$ -	$ -	$ 228,659
09/01/29	$ 67,041	$ 145,602	$ 212,643	$ 6,051	$ -	$ 10,239	$ -	$ -	$ 228,933
09/01/30	$ 70,939	$ 141,077	$ 212,016	$ 6,172	$ -	$ 9,904	$ -	$ -	$ 228,091
09/01/31	$ 76,396	$ 136,288	$ 212,684	$ 6,295	$ -	$ 9,549	$ -	$ -	$ 228,529
09/01/32	$ 81,073	$ 131,132	$ 212,205	$ 6,421	$ -	$ 9,167	$ -	$ -	$ 227,793
09/01/33	$ 86,530	$ 125,659	$ 212,189	$ 6,549	$ -	$ 8,762	$ -	$ -	$ 227,501
09/01/34	$ 92,766	$ 119,818	$ 212,585	$ 6,680	$ -	$ 8,329	$ -	$ -	$ 227,595
09/01/35	$ 99,003	$ 113,557	$ 212,559	$ 6,814	$ -	$ 7,866	$ -	$ -	$ 227,239
09/01/36	$ 105,239	$ 106,874	$ 212,113	$ 6,950	$ -	$ 7,371	$ -	$ -	$ 226,434
09/01/37	$ 113,034	$ 99,244	$ 212,279	$ 7,089	$ -	$ 6,844	$ -	$ -	$ 226,212
09/01/38	$ 120,830	$ 91,049	$ 211,879	$ 7,231	$ -	$ 6,279	$ -	$ -	$ 225,389
09/01/39	$ 130,185	$ 82,289	$ 212,474	$ 7,376	$ -	$ 5,675	$ -	$ -	$ 225,524
09/01/40	$ 139,539	$ 72,851	$ 212,390	$ 7,523	$ -	$ 5,024	$ -	$ -	$ 224,937
09/01/41	$ 149,673	$ 62,734	$ 212,407	$ 7,674	$ -	$ 4,326	$ -	$ -	$ 224,407
09/01/42	$ 160,587	$ 51,883	$ 212,470	$ 7,827	$ -	$ 3,578	$ -	$ -	$ 223,875
09/01/43	$ 172,280	$ 40,240	$ 212,520	$ 7,984	$ -	$ 2,775	$ -	$ -	$ 223,279
09/01/44	$ 184,753	$ 27,750	$ 212,503	$ 8,143	$ -	$ 1,914	$ -	$ -	$ 222,560
09/01/45	$ 198,005	$ 14,355	$ 212,361	$ 8,306	$ -	$ 990	$ 212,684	$ -	$ 8,973
Totals	$ 2,560,815	$ 3,695,634	$ 6,256,449	$ 189,749	$ 33,822	$ 226,670	$ 212,684	$ 310,294	$ 6,183,712

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-7
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 52744

Year (a)	PID Bonds: Principal	PID Bonds: Interest (b)	PID Bonds: Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 177,940	$ 177,940	$ 6,272	$ 5,132	$ 7,697	$ -	$ 177,940	$ 19,101
09/01/17	$ -	$ 238,136	$ 238,136	$ 6,397	$ 6,868	$ 10,301	$ -	$ 238,136	$ 23,566
09/01/18	$ 47,039	$ 238,136	$ 285,174	$ 6,525	$ 6,868	$ 10,301	$ -	$ -	$ 308,869
09/01/19	$ 49,129	$ 235,784	$ 284,913	$ 6,656	$ 6,774	$ 10,160	$ -	$ -	$ 308,503
09/01/20	$ 51,220	$ 233,327	$ 284,547	$ 6,789	$ 6,675	$ 10,013	$ -	$ -	$ 308,024
09/01/21	$ 54,356	$ 230,766	$ 285,122	$ 6,925	$ 6,573	$ 9,859	$ -	$ -	$ 308,479
09/01/22	$ 56,446	$ 228,049	$ 284,495	$ 7,063	$ 6,464	$ 9,696	$ -	$ -	$ 307,718
09/01/23	$ 60,628	$ 224,238	$ 284,866	$ 7,204	$ -	$ 15,878	$ -	$ -	$ 307,949
09/01/24	$ 64,809	$ 220,146	$ 284,955	$ 7,348	$ -	$ 15,575	$ -	$ -	$ 307,878
09/01/25	$ 68,990	$ 215,771	$ 284,761	$ 7,495	$ -	$ 15,251	$ -	$ -	$ 307,508
09/01/26	$ 73,171	$ 211,115	$ 284,286	$ 7,645	$ -	$ 14,906	$ -	$ -	$ 306,837
09/01/27	$ 78,398	$ 206,176	$ 284,573	$ 7,798	$ -	$ 14,540	$ -	$ -	$ 306,912
09/01/28	$ 83,624	$ 200,884	$ 284,508	$ 7,954	$ -	$ 14,148	$ -	$ -	$ 306,610
09/01/29	$ 89,896	$ 195,239	$ 285,135	$ 8,113	$ -	$ 13,730	$ -	$ -	$ 306,978
09/01/30	$ 95,123	$ 189,171	$ 284,294	$ 8,276	$ -	$ 13,281	$ -	$ -	$ 305,850
09/01/31	$ 102,440	$ 182,750	$ 285,190	$ 8,441	$ -	$ 12,805	$ -	$ -	$ 306,436
09/01/32	$ 108,712	$ 175,836	$ 284,547	$ 8,610	$ -	$ 12,293	$ -	$ -	$ 305,450
09/01/33	$ 116,029	$ 168,498	$ 284,526	$ 8,782	$ -	$ 11,749	$ -	$ -	$ 305,058
09/01/34	$ 124,391	$ 160,666	$ 285,057	$ 8,958	$ -	$ 11,169	$ -	$ -	$ 305,184
09/01/35	$ 132,753	$ 152,269	$ 285,023	$ 9,137	$ -	$ 10,547	$ -	$ -	$ 304,707
09/01/36	$ 141,116	$ 143,308	$ 284,424	$ 9,320	$ -	$ 9,883	$ -	$ -	$ 303,627
09/01/37	$ 151,569	$ 133,078	$ 284,646	$ 9,506	$ -	$ 9,178	$ -	$ -	$ 303,330
09/01/38	$ 162,022	$ 122,089	$ 284,111	$ 9,696	$ -	$ 8,420	$ -	$ -	$ 302,227
09/01/39	$ 174,566	$ 110,342	$ 284,908	$ 9,890	$ -	$ 7,610	$ -	$ -	$ 302,408
09/01/40	$ 187,109	$ 97,686	$ 284,795	$ 10,088	$ -	$ 6,737	$ -	$ -	$ 301,620
09/01/41	$ 200,698	$ 84,121	$ 284,819	$ 10,290	$ -	$ 5,801	$ -	$ -	$ 300,910
09/01/42	$ 215,332	$ 69,570	$ 284,903	$ 10,495	$ -	$ 4,798	$ -	$ -	$ 300,196
09/01/43	$ 231,012	$ 53,959	$ 284,971	$ 10,705	$ -	$ 3,721	$ -	$ -	$ 299,397
09/01/44	$ 247,737	$ 37,210	$ 284,947	$ 10,919	$ -	$ 2,566	$ -	$ -	$ 298,433
09/01/45	$ 265,507	$ 19,249	$ 284,756	$ 11,138	$ -	$ 1,328	$ 285,190	$ -	$ 12,032
Totals	$ 3,433,821	$ 4,955,509	$ 8,389,330	$ 254,436	$ 45,353	$ 303,944	$ 285,190	$ 416,076	$ 8,291,796

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-8
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 52760

Year (a)	PID Bonds: Principal	PID Bonds: Interest (b)	PID Bonds: Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 29,154	$ 29,154	$ 1,028	$ 841	$ 1,261	$ -	$ 29,154	$ 3,130
09/01/17	$ -	$ 39,017	$ 39,017	$ 1,048	$ 1,125	$ 1,688	$ -	$ 39,017	$ 3,861
09/01/18	$ 7,707	$ 39,017	$ 46,723	$ 1,069	$ 1,125	$ 1,688	$ -	$ -	$ 50,606
09/01/19	$ 8,049	$ 38,631	$ 46,681	$ 1,090	$ 1,110	$ 1,665	$ -	$ -	$ 50,546
09/01/20	$ 8,392	$ 38,229	$ 46,621	$ 1,112	$ 1,094	$ 1,641	$ -	$ -	$ 50,467
09/01/21	$ 8,906	$ 37,809	$ 46,715	$ 1,135	$ 1,077	$ 1,615	$ -	$ -	$ 50,542
09/01/22	$ 9,248	$ 37,364	$ 46,612	$ 1,157	$ 1,059	$ 1,589	$ -	$ -	$ 50,417
09/01/23	$ 9,933	$ 36,740	$ 46,673	$ 1,180	$ -	$ 2,602	$ -	$ -	$ 50,455
09/01/24	$ 10,618	$ 36,069	$ 46,688	$ 1,204	$ -	$ 2,552	$ -	$ -	$ 50,443
09/01/25	$ 11,303	$ 35,352	$ 46,656	$ 1,228	$ -	$ 2,499	$ -	$ -	$ 50,383
09/01/26	$ 11,989	$ 34,589	$ 46,578	$ 1,253	$ -	$ 2,442	$ -	$ -	$ 50,273
09/01/27	$ 12,845	$ 33,780	$ 46,625	$ 1,278	$ -	$ 2,382	$ -	$ -	$ 50,285
09/01/28	$ 13,701	$ 32,913	$ 46,614	$ 1,303	$ -	$ 2,318	$ -	$ -	$ 50,236
09/01/29	$ 14,729	$ 31,988	$ 46,717	$ 1,329	$ -	$ 2,250	$ -	$ -	$ 50,296
09/01/30	$ 15,585	$ 30,994	$ 46,579	$ 1,356	$ -	$ 2,176	$ -	$ -	$ 50,111
09/01/31	$ 16,784	$ 29,942	$ 46,726	$ 1,383	$ -	$ 2,098	$ -	$ -	$ 50,207
09/01/32	$ 17,811	$ 28,809	$ 46,621	$ 1,411	$ -	$ 2,014	$ -	$ -	$ 50,045
09/01/33	$ 19,010	$ 27,607	$ 46,617	$ 1,439	$ -	$ 1,925	$ -	$ -	$ 49,981
09/01/34	$ 20,380	$ 26,324	$ 46,704	$ 1,468	$ -	$ 1,830	$ -	$ -	$ 50,002
09/01/35	$ 21,751	$ 24,948	$ 46,699	$ 1,497	$ -	$ 1,728	$ -	$ -	$ 49,924
09/01/36	$ 23,121	$ 23,480	$ 46,601	$ 1,527	$ -	$ 1,619	$ -	$ -	$ 49,747
09/01/37	$ 24,833	$ 21,804	$ 46,637	$ 1,557	$ -	$ 1,504	$ -	$ -	$ 49,698
09/01/38	$ 26,546	$ 20,003	$ 46,549	$ 1,589	$ -	$ 1,380	$ -	$ -	$ 49,517
09/01/39	$ 28,601	$ 18,079	$ 46,680	$ 1,620	$ -	$ 1,247	$ -	$ -	$ 49,547
09/01/40	$ 30,656	$ 16,005	$ 46,661	$ 1,653	$ -	$ 1,104	$ -	$ -	$ 49,418
09/01/41	$ 32,883	$ 13,782	$ 46,665	$ 1,686	$ -	$ 951	$ -	$ -	$ 49,302
09/01/42	$ 35,280	$ 11,398	$ 46,679	$ 1,720	$ -	$ 786	$ -	$ -	$ 49,185
09/01/43	$ 37,849	$ 8,841	$ 46,690	$ 1,754	$ -	$ 610	$ -	$ -	$ 49,054
09/01/44	$ 40,590	$ 6,097	$ 46,686	$ 1,789	$ -	$ 420	$ -	$ -	$ 48,896
09/01/45	$ 43,501	$ 3,154	$ 46,655	$ 1,825	$ -	$ 218	$ 46,726	$ -	$ 1,971
Totals	$ 562,603	$ 811,920	$ 1,374,523	$ 41,687	$ 7,431	$ 49,799	$ 46,726	$ 68,171	$ 1,358,543

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-9
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 52721

Year (a)	PID Bonds: Principal	PID Bonds: Interest (b)	PID Bonds: Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 93,997	$ 93,997	$ 3,313	$ 2,711	$ 4,066	$ -	$ 93,997	$ 10,090
09/01/17	$ -	$ 125,795	$ 125,795	$ 3,379	$ 3,628	$ 5,442	$ -	$ 125,795	$ 12,449
09/01/18	$ 24,848	$ 125,795	$ 150,643	$ 3,447	$ 3,628	$ 5,442	$ -	$ -	$ 163,159
09/01/19	$ 25,952	$ 124,552	$ 150,505	$ 3,516	$ 3,578	$ 5,367	$ -	$ -	$ 162,966
09/01/20	$ 27,057	$ 123,255	$ 150,312	$ 3,586	$ 3,526	$ 5,289	$ -	$ -	$ 162,713
09/01/21	$ 28,713	$ 121,902	$ 150,615	$ 3,658	$ 3,472	$ 5,208	$ -	$ -	$ 162,954
09/01/22	$ 29,818	$ 120,466	$ 150,284	$ 3,731	$ 3,415	$ 5,122	$ -	$ -	$ 162,552
09/01/23	$ 32,026	$ 118,454	$ 150,480	$ 3,806	$ -	$ 8,388	$ -	$ -	$ 162,673
09/01/24	$ 34,235	$ 116,292	$ 150,527	$ 3,882	$ -	$ 8,227	$ -	$ -	$ 162,636
09/01/25	$ 36,444	$ 113,981	$ 150,425	$ 3,959	$ -	$ 8,056	$ -	$ -	$ 162,441
09/01/26	$ 38,653	$ 111,521	$ 150,174	$ 4,039	$ -	$ 7,874	$ -	$ -	$ 162,086
09/01/27	$ 41,413	$ 108,912	$ 150,325	$ 4,119	$ -	$ 7,681	$ -	$ -	$ 162,126
09/01/28	$ 44,174	$ 106,117	$ 150,291	$ 4,202	$ -	$ 7,474	$ -	$ -	$ 161,966
09/01/29	$ 47,487	$ 103,135	$ 150,622	$ 4,286	$ -	$ 7,253	$ -	$ -	$ 162,161
09/01/30	$ 50,248	$ 99,929	$ 150,178	$ 4,372	$ -	$ 7,015	$ -	$ -	$ 161,565
09/01/31	$ 54,114	$ 96,538	$ 150,651	$ 4,459	$ -	$ 6,764	$ -	$ -	$ 161,874
09/01/32	$ 57,427	$ 92,885	$ 150,312	$ 4,548	$ -	$ 6,494	$ -	$ -	$ 161,353
09/01/33	$ 61,292	$ 89,009	$ 150,301	$ 4,639	$ -	$ 6,207	$ -	$ -	$ 161,146
09/01/34	$ 65,709	$ 84,871	$ 150,581	$ 4,732	$ -	$ 5,900	$ -	$ -	$ 161,213
09/01/35	$ 70,127	$ 80,436	$ 150,563	$ 4,827	$ -	$ 5,571	$ -	$ -	$ 160,961
09/01/36	$ 74,544	$ 75,702	$ 150,247	$ 4,923	$ -	$ 5,221	$ -	$ -	$ 160,391
09/01/37	$ 80,066	$ 70,298	$ 150,364	$ 5,022	$ -	$ 4,848	$ -	$ -	$ 160,234
09/01/38	$ 85,588	$ 64,493	$ 150,081	$ 5,122	$ -	$ 4,448	$ -	$ -	$ 159,651
09/01/39	$ 92,214	$ 58,288	$ 150,502	$ 5,224	$ -	$ 4,020	$ -	$ -	$ 159,746
09/01/40	$ 98,840	$ 51,603	$ 150,443	$ 5,329	$ -	$ 3,559	$ -	$ -	$ 159,330
09/01/41	$ 106,019	$ 44,437	$ 150,455	$ 5,435	$ -	$ 3,065	$ -	$ -	$ 158,955
09/01/42	$ 113,749	$ 36,750	$ 150,499	$ 5,544	$ -	$ 2,535	$ -	$ -	$ 158,578
09/01/43	$ 122,032	$ 28,504	$ 150,535	$ 5,655	$ -	$ 1,966	$ -	$ -	$ 158,156
09/01/44	$ 130,867	$ 19,656	$ 150,523	$ 5,768	$ -	$ 1,356	$ -	$ -	$ 157,647
09/01/45	$ 140,254	$ 10,168	$ 150,422	$ 5,884	$ -	$ 701	$ 150,651	$ -	$ 6,356
Totals	$ 1,813,911	$ 2,617,740	$ 4,431,651	$ 134,405	$ 23,958	$ 160,558	$ 150,651	$ 219,792	$ 4,380,129

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-10
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 660188

Year (a)	PID Bonds Principal	PID Bonds Interest (b)	PID Bonds Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 80,928	$ 80,928	$ 2,852	$ 2,334	$ 3,501	$ -	$ 80,928	$ 8,687
09/01/17	$ -	$ 108,305	$ 108,305	$ 2,909	$ 3,123	$ 4,685	$ -	$ 108,305	$ 10,718
09/01/18	$ 21,393	$ 108,305	$ 129,698	$ 2,968	$ 3,123	$ 4,685	$ -	$ -	$ 140,474
09/01/19	$ 22,344	$ 107,235	$ 129,579	$ 3,027	$ 3,081	$ 4,621	$ -	$ -	$ 140,308
09/01/20	$ 23,295	$ 106,118	$ 129,413	$ 3,088	$ 3,036	$ 4,554	$ -	$ -	$ 140,090
09/01/21	$ 24,721	$ 104,953	$ 129,674	$ 3,149	$ 2,989	$ 4,484	$ -	$ -	$ 140,297
09/01/22	$ 25,672	$ 103,717	$ 129,389	$ 3,212	$ 2,940	$ 4,410	$ -	$ -	$ 139,951
09/01/23	$ 27,574	$ 101,984	$ 129,558	$ 3,277	$ -	$ 7,221	$ -	$ -	$ 140,056
09/01/24	$ 29,475	$ 100,123	$ 129,598	$ 3,342	$ -	$ 7,084	$ -	$ -	$ 140,024
09/01/25	$ 31,377	$ 98,133	$ 129,510	$ 3,409	$ -	$ 6,936	$ -	$ -	$ 139,855
09/01/26	$ 33,278	$ 96,015	$ 129,294	$ 3,477	$ -	$ 6,779	$ -	$ -	$ 139,550
09/01/27	$ 35,655	$ 93,769	$ 129,425	$ 3,547	$ -	$ 6,613	$ -	$ -	$ 139,584
09/01/28	$ 38,032	$ 91,362	$ 129,395	$ 3,618	$ -	$ 6,435	$ -	$ -	$ 139,447
09/01/29	$ 40,885	$ 88,795	$ 129,680	$ 3,690	$ -	$ 6,244	$ -	$ -	$ 139,615
09/01/30	$ 43,262	$ 86,035	$ 129,297	$ 3,764	$ -	$ 6,040	$ -	$ -	$ 139,101
09/01/31	$ 46,590	$ 83,115	$ 129,705	$ 3,839	$ -	$ 5,824	$ -	$ -	$ 139,368
09/01/32	$ 49,442	$ 79,970	$ 129,413	$ 3,916	$ -	$ 5,591	$ -	$ -	$ 138,919
09/01/33	$ 52,770	$ 76,633	$ 129,403	$ 3,994	$ -	$ 5,344	$ -	$ -	$ 138,741
09/01/34	$ 56,573	$ 73,071	$ 129,644	$ 4,074	$ -	$ 5,080	$ -	$ -	$ 138,798
09/01/35	$ 60,377	$ 69,252	$ 129,629	$ 4,155	$ -	$ 4,797	$ -	$ -	$ 138,581
09/01/36	$ 64,180	$ 65,177	$ 129,357	$ 4,239	$ -	$ 4,495	$ -	$ -	$ 138,090
09/01/37	$ 68,934	$ 60,524	$ 129,458	$ 4,323	$ -	$ 4,174	$ -	$ -	$ 137,955
09/01/38	$ 73,688	$ 55,526	$ 129,214	$ 4,410	$ -	$ 3,829	$ -	$ -	$ 137,453
09/01/39	$ 79,393	$ 50,184	$ 129,577	$ 4,498	$ -	$ 3,461	$ -	$ -	$ 137,536
09/01/40	$ 85,098	$ 44,428	$ 129,526	$ 4,588	$ -	$ 3,064	$ -	$ -	$ 137,178
09/01/41	$ 91,278	$ 38,258	$ 129,536	$ 4,680	$ -	$ 2,639	$ -	$ -	$ 136,855
09/01/42	$ 97,934	$ 31,641	$ 129,574	$ 4,773	$ -	$ 2,182	$ -	$ -	$ 136,530
09/01/43	$ 105,065	$ 24,540	$ 129,605	$ 4,869	$ -	$ 1,692	$ -	$ -	$ 136,166
09/01/44	$ 112,671	$ 16,923	$ 129,595	$ 4,966	$ -	$ 1,167	$ -	$ -	$ 135,728
09/01/45	$ 120,753	$ 8,755	$ 129,508	$ 5,065	$ -	$ 604	$ 129,705	$ -	$ 5,472
Totals	$ 1,561,709	$ 2,253,777	$ 3,815,486	$ 115,718	$ 20,627	$ 138,234	$ 129,705	$ 189,232	$ 3,771,127

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-11
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 134236

Year (a)	PID Bonds: Principal	PID Bonds: Interest (b)	PID Bonds: Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 199,231	$ 199,231	$ 7,022	$ 5,746	$ 8,618	$ -	$ 199,231	$ 21,386
09/01/17	$ -	$ 266,628	$ 266,628	$ 7,163	$ 7,689	$ 11,534	$ -	$ 266,628	$ 26,386
09/01/18	$ 52,667	$ 266,628	$ 319,295	$ 7,306	$ 7,689	$ 11,534	$ -	$ -	$ 345,825
09/01/19	$ 55,008	$ 263,995	$ 319,003	$ 7,452	$ 7,584	$ 11,376	$ -	$ -	$ 345,415
09/01/20	$ 57,348	$ 261,245	$ 318,593	$ 7,601	$ 7,474	$ 11,211	$ -	$ -	$ 344,879
09/01/21	$ 60,859	$ 258,377	$ 319,237	$ 7,753	$ 7,359	$ 11,039	$ -	$ -	$ 345,388
09/01/22	$ 63,200	$ 255,334	$ 318,535	$ 7,908	$ 7,238	$ 10,856	$ -	$ -	$ 344,537
09/01/23	$ 67,882	$ 251,068	$ 318,950	$ 8,066	$ -	$ 17,778	$ -	$ -	$ 344,794
09/01/24	$ 72,563	$ 246,486	$ 319,049	$ 8,228	$ -	$ 17,439	$ -	$ -	$ 344,716
09/01/25	$ 77,245	$ 241,588	$ 318,833	$ 8,392	$ -	$ 17,076	$ -	$ -	$ 344,301
09/01/26	$ 81,926	$ 236,374	$ 318,300	$ 8,560	$ -	$ 16,690	$ -	$ -	$ 343,550
09/01/27	$ 87,778	$ 230,844	$ 318,622	$ 8,731	$ -	$ 16,280	$ -	$ -	$ 343,633
09/01/28	$ 93,630	$ 224,919	$ 318,549	$ 8,906	$ -	$ 15,841	$ -	$ -	$ 343,296
09/01/29	$ 100,652	$ 218,599	$ 319,251	$ 9,084	$ -	$ 15,373	$ -	$ -	$ 343,708
09/01/30	$ 106,504	$ 211,805	$ 318,309	$ 9,266	$ -	$ 14,870	$ -	$ -	$ 342,445
09/01/31	$ 114,697	$ 204,616	$ 319,313	$ 9,451	$ -	$ 14,337	$ -	$ -	$ 343,101
09/01/32	$ 121,719	$ 196,874	$ 318,593	$ 9,640	$ -	$ 13,764	$ -	$ -	$ 341,997
09/01/33	$ 129,911	$ 188,658	$ 318,570	$ 9,833	$ -	$ 13,155	$ -	$ -	$ 341,557
09/01/34	$ 139,274	$ 179,889	$ 319,164	$ 10,029	$ -	$ 12,505	$ -	$ -	$ 341,699
09/01/35	$ 148,637	$ 170,488	$ 319,126	$ 10,230	$ -	$ 11,809	$ -	$ -	$ 341,165
09/01/36	$ 158,000	$ 160,455	$ 318,456	$ 10,435	$ -	$ 11,066	$ -	$ -	$ 339,956
09/01/37	$ 169,704	$ 149,000	$ 318,704	$ 10,643	$ -	$ 10,276	$ -	$ -	$ 339,623
09/01/38	$ 181,408	$ 136,697	$ 318,104	$ 10,856	$ -	$ 9,427	$ -	$ -	$ 338,388
09/01/39	$ 195,452	$ 123,545	$ 318,997	$ 11,073	$ -	$ 8,520	$ -	$ -	$ 338,591
09/01/40	$ 209,497	$ 109,374	$ 318,871	$ 11,295	$ -	$ 7,543	$ -	$ -	$ 337,709
09/01/41	$ 224,712	$ 94,186	$ 318,897	$ 11,521	$ -	$ 6,496	$ -	$ -	$ 336,914
09/01/42	$ 241,097	$ 77,894	$ 318,991	$ 11,751	$ -	$ 5,372	$ -	$ -	$ 336,114
09/01/43	$ 258,652	$ 60,415	$ 319,067	$ 11,986	$ -	$ 4,167	$ -	$ -	$ 335,220
09/01/44	$ 277,378	$ 41,662	$ 319,041	$ 12,226	$ -	$ 2,873	$ -	$ -	$ 334,140
09/01/45	$ 297,275	$ 21,552	$ 318,827	$ 12,470	$ -	$ 1,486	$ 319,313	$ -	$ 13,471
Totals	$ 3,844,675	$ 5,548,432	$ 9,393,106	$ 284,879	$ 50,779	$ 340,310	$ 319,313	$ 465,859	$ 9,283,903

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-12
Annual Installments - Neighborhood Improvement Areas #2-5 - HOA

Year (a)	PID Bonds: Principal	PID Bonds: Interest (b)	PID Bonds: Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 8,511	$ 8,511	$ 300	$ 245	$ 368	$ -	$ 8,511	$ 914
09/01/17	$ -	$ 11,391	$ 11,391	$ 306	$ 329	$ 493	$ -	$ 11,391	$ 1,127
09/01/18	$ 2,250	$ 11,391	$ 13,641	$ 312	$ 329	$ 493	$ -	$ -	$ 14,774
09/01/19	$ 2,350	$ 11,278	$ 13,628	$ 318	$ 324	$ 486	$ -	$ -	$ 14,757
09/01/20	$ 2,450	$ 11,161	$ 13,611	$ 325	$ 319	$ 479	$ -	$ -	$ 14,734
09/01/21	$ 2,600	$ 11,038	$ 13,638	$ 331	$ 314	$ 472	$ -	$ -	$ 14,755
09/01/22	$ 2,700	$ 10,908	$ 13,608	$ 338	$ 309	$ 464	$ -	$ -	$ 14,719
09/01/23	$ 2,900	$ 10,726	$ 13,626	$ 345	$ -	$ 760	$ -	$ -	$ 14,730
09/01/24	$ 3,100	$ 10,530	$ 13,630	$ 351	$ -	$ 745	$ -	$ -	$ 14,727
09/01/25	$ 3,300	$ 10,321	$ 13,621	$ 359	$ -	$ 730	$ -	$ -	$ 14,709
09/01/26	$ 3,500	$ 10,098	$ 13,598	$ 366	$ -	$ 713	$ -	$ -	$ 14,677
09/01/27	$ 3,750	$ 9,862	$ 13,612	$ 373	$ -	$ 696	$ -	$ -	$ 14,681
09/01/28	$ 4,000	$ 9,609	$ 13,609	$ 380	$ -	$ 677	$ -	$ -	$ 14,666
09/01/29	$ 4,300	$ 9,339	$ 13,639	$ 388	$ -	$ 657	$ -	$ -	$ 14,684
09/01/30	$ 4,550	$ 9,049	$ 13,599	$ 396	$ -	$ 635	$ -	$ -	$ 14,630
09/01/31	$ 4,900	$ 8,742	$ 13,642	$ 404	$ -	$ 613	$ -	$ -	$ 14,658
09/01/32	$ 5,200	$ 8,411	$ 13,611	$ 412	$ -	$ 588	$ -	$ -	$ 14,611
09/01/33	$ 5,550	$ 8,060	$ 13,610	$ 420	$ -	$ 562	$ -	$ -	$ 14,592
09/01/34	$ 5,950	$ 7,685	$ 13,635	$ 428	$ -	$ 534	$ -	$ -	$ 14,598
09/01/35	$ 6,350	$ 7,284	$ 13,634	$ 437	$ -	$ 505	$ -	$ -	$ 14,575
09/01/36	$ 6,750	$ 6,855	$ 13,605	$ 446	$ -	$ 473	$ -	$ -	$ 14,523
09/01/37	$ 7,250	$ 6,366	$ 13,616	$ 455	$ -	$ 439	$ -	$ -	$ 14,509
09/01/38	$ 7,750	$ 5,840	$ 13,590	$ 464	$ -	$ 403	$ -	$ -	$ 14,456
09/01/39	$ 8,350	$ 5,278	$ 13,628	$ 473	$ -	$ 364	$ -	$ -	$ 14,465
09/01/40	$ 8,950	$ 4,673	$ 13,623	$ 483	$ -	$ 322	$ -	$ -	$ 14,427
09/01/41	$ 9,600	$ 4,024	$ 13,624	$ 492	$ -	$ 278	$ -	$ -	$ 14,393
09/01/42	$ 10,300	$ 3,328	$ 13,628	$ 502	$ -	$ 230	$ -	$ -	$ 14,359
09/01/43	$ 11,050	$ 2,581	$ 13,631	$ 512	$ -	$ 178	$ -	$ -	$ 14,321
09/01/44	$ 11,850	$ 1,780	$ 13,630	$ 522	$ -	$ 123	$ -	$ -	$ 14,275
09/01/45	$ 12,700	$ 921	$ 13,621	$ 533	$ -	$ 64	$ 13,642	$ -	$ 576
Totals	$ 164,250	$ 237,037	$ 401,287	$ 12,170	$ 2,169	$ 14,539	$ 13,642	$ 19,902	$ 396,622

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix C:

Legal Descriptions of Parcels

622.779 ACRE TRACT

BEING that certain tract of land situated in the Freeman Wilkerson Survey, Abstract No. 1411, the Thomas H. McIntyre Survey, Abstract No. 903, the Thomas B. Cox Survey, Abstract No. 309, the Carrol Jackson Survey, Abstract No. 1546, the Jacob Rue Survey, Abstract No. 1109, and the Hiram Rue Survey, Abstract No. 1111, in Denton County, Texas, and being all of that certain tract of land described in deed to Denton County 128 Development LLC recorded in Document No. 2013-135475, of the Real Property Records of Denton County, Texas (RPRDCT), all of that certain tract of land described in deed to Tarsan Corporation recorded in Document No. 2002-108524, RPRDCT, all of those certain tracts of land described in deeds to Mike A. Myers Investment Holdings, L.P. recorded in Document No. 2005-33384, RPRDCT, Document No. 2007-53939 RPRDCT, and Document No. 2005-93340, RPRDCT, all of that certain tract of land described in deed to The Amanda S. Myers Irrevocable Asset Trust recorded in Document No. 2011-125051, RPRDCT, all of that certain tract of land described in deed to Ok Kyun and Youngmoo Kim, Trustees of the Kim Family Living Trust recorded in Document No. 2005-86220, RPRDCT, and part of that certain tract of land described in deed to Frisco Industrial Partners recorded in Document NO. 2008-66233, RPRDCT, and being more particularly described as follows;

BEGINNING at a 1/2 inch capped iron rod found, said iron rod being located on the east right-of-way line of Farm to Market (FM) Road No. 1385 (variable width R.O.W.), and also being the northwest corner of Countryview Addition, an addition to Denton County according to Final Plat recorded in Cabinet F, Page 267, of the Plat Records of Denton County, Texas;

THENCE North 01°28’19” East, with said east right-of-way line of FM No. 1385, a distance of 310.72 feet to a ½ inch iron rod found for corner, said iron rod being the northwest corner of the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2007-53939 RPRDCT, and a southwest corner of the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-93340 RPRDCT;

THENCE North 01°22’30” East, continuing with the east right-of-way line of FM No. 1385, a distance of 204.07 feet to a 1/2 inch iron rod found for corner, said iron rod being the northwest corner of said Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-93340 RPRDCT, and the southwest corner of the aforementioned tract of land described in deed to Tarsan Corporation recorded in Document No. 2002-108524, RPRDCT;

THENCE North 01°32’20” East, continuing with the east right-of-way line of FM No. 1385, a distance of 455.39 feet to a 1/2 inch iron rod found for corner;

THENCE North 01°55’54” East, continuing with the east right-of-way line of FM No. 1385, a distance of 446.59 feet to a 1/2 inch iron rod found for corner at the intersection of the east right-of-way line of FM No. 1385, and the approximate center of Crutchfield Road (undedicated public road), the northwest corner of said Tarsan Corporation tract, and the southwest corner of said Denton County 128 Development LLC tract;

THENCE North 89°43’38” East, continuing with the east right-of-way line of FM No. 1385, a distance of 2.88 feet to a 1/2 inch iron rod found for corner;

THENCE North 01°41’28” East, continuing with the east right-of-way line of FM No. 1385, a distance of 606.35 feet to a point for corner;
THENCE North 00°48’41” East, continuing with the east right-of-way line of FM No. 1385, a distance of 797.78 feet to a 1/2 inch iron rod found for corner at the most westerly northwest corner of said Denton County 128 Development LLC tract;
THENCE North 89°34’28” East, leaving the east right-of-way line of FM No. 1385, and with the north line of said Denton County 128 Development LLC tract, a distance of 1280.69 feet to a 1/2 inch iron rod found for corner;
THENCE North 00°20’50” West, with a west line of said Denton County 128 Development LLC tract, a distance of 546.92 feet to a 5/8 inch iron rod found for corner;
THENCE North 00°25’58” West, with a west line of said Denton County 128 Development LLC tract, a distance of 553.08 feet to a 1/2 inch iron rod found for corner;
THENCE North 00°04’10” East, with a west line of said Denton County 128 Development LLC tract, a distance of 73.78 feet to a 1/2 inch iron rod found for corner at the most northerly northwest corner of said Denton County 128 Development LLC tract, and the most southerly southwest corner of that certain tract of land described in deed to Blue Angus Ranch, LP, recorded in Instrument No. 2007-107216, RPRDCT;
THENCE South 89°46’34” East, with the most northerly north line of said Denton County 128 Development LLC tract, and the most southerly south line of said Blue Angus Ranch, LP tract, a distance of 959.68 feet to a 3/8 inch iron rod found for corner at the most southerly southeasterly corner of said Blue Angus Ranch, LP tract, and a southwest corner of that certain tract of land described in deed to Fashand Farm, Ltd. recorded in Document No. 2004-135532, RPRDCT;
THENCE South 89°47’07” East, continuing with the most northerly north line of said Denton County 128 Development LLC tract, and with a south line of said Fashand Farm, Ltd. tract, a distance of 395.15 feet to a ½ inch iron rod found for corner;
THENCE South 02°54’24” West, with an east line of said Denton County 128 Development LLC tract, and a west line of said Fashand Farm, Ltd. tract, a distance of 454.69 feet to a 1/2 inch iron rod found for corner;
THENCE North 89°30’36” East, with a north line of said Denton County 128 Development LLC tract, and a south line of said Fashand Farm, Ltd. tract, a distance of 156.62 feet to 1/2 inch iron rod found for corner located at a northeast corner of said Denton County 128 Development LLC tract, a southwest corner of said Fashand Farm, Ltd. tract, and also being the northwest corner of that certain tract of land described in deed to Fashand Farm, Ltd. recorded in Document No. 2005-21653, RPRDCT;
THENCE South 00°08’58” East, with the most easterly east line of said Denton County 128 Development LLC tract, the west line of said Fashand Farm, Ltd. tract recorded in Document No. 2005-21653, RPRDCT, and the west line of that certain tract of land described in deed to Jan M. Paliwoda and Margaret Paliwoda recorded in Volume 4364, Page 1631, RPRDCT, a distance of 2034.69 feet to a 1/2 inch iron rod found for corner located at the northeast corner of that certain tract of land described in deed to SBA Towers IV, LLC recorded in Document No. 2013-94302, RPRDCT;
THENCE South 89°15’21” West, with the north line of said SBA Towers IV, LLC tract, a distance of 50.31 feet to a 1/2 inch iron rod found for corner;
THENCE South 00°56’04” East, with the west line of said SBA Towers IV, LLC tract, a distance of 50.03 feet to a 1/2 inch iron rod found for corner;

THENCE North 89°12’39” East, with the south line of said SBA Towers IV, LLC tract, a distance of 49.92 feet to a 1/2 inch iron rod found for corner located on said most easterly east line of said Denton County 128 Development LLC tract, and the west line of said Jan M. Paliwoda and Margaret Paliwoda tract;
THENCE South 01°18’28” East, with said most easterly east line of said Denton County 128 Development LLC tract, and the west line of the Jan M. Paliwoda and Margaret Paliwoda tract, a distance of 31.08 feet to a 1/2 inch iron rod found for corner located on said approximate center of Crutchfield Road, and being the southeast corner of said Denton County 128 Development LLC tract;
THENCE North 89°43’38” East, with said approximate center of Crutchfield Road, the north line of said Tarsan tract, and the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005- 33384, RPRDCT, a distance of 627.96 feet to a railroad spike found for corner at the northeast corner of said Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-33384, RPRDCT;
THENCE North 00°08’37” West, continuing with the approximate center of Crutchfield Road, and with the west line of the aforementioned Amanda S. Myers Irrevocable Asset Trust tract, a distance of 858.91 feet to a 1/2 inch iron rod found for corner, said iron rod being the northwest corner of said Amanda S. Myers Irrevocable Asset Trust tract, and the southwest corner of said Fashand Farm, Ltd. tract recorded in Document No. 2004-135532, RPRDCT;
THENCE North 89°30’51” East, continuing with the approximate center of Crutchfield Road, and with the north line of the Amanda S. Myers Irrevocable Asset Trust tract, a distance of 1759.29 feet to a 1/2 inch iron rod found for corner;
THENCE South 00°23’19” East, with the east line of the Amanda S. Myers Irrevocable Asset Trust tract, and the west line of that certain tract of land described in deed to Smiley Road, Ltd. recorded in Document No. 2006-2064, RPRDCT, a distance of 2685.16 feet to a 5/8 inch iron rod found for corner;
THENCE South 89°13’31” West, with a line described in Boundary Line Agreement recorded in Instrument No. 2005-122140, RPRDT, a distance of 527.69 feet to a 1/2 inch iron rod found for corner;
THENCE South 00°41’45” West, with a line described in said Boundary Line Agreement recorded in Instrument No. 2005-122140, RPRDT, a distance of 2985.21 feet to a 60d nail found in asphalt for corner, said nail being located in the approximate center of Parvin Road (undedicated public road);
THENCE North 89°11’44” West, with said approximate center of Parvin Road, and with a line described in said Boundary Line Agreement recorded in Instrument No. 2005-122140, RPRDT, a distance of 1163.46 feet to a 3/8 inch iron rod found for corner;
THENCE North 00°42’55” West, leaving the approximate center of Parvin Road and with the west line of the Amanda S. Myers Irrevocable Asset Trust tract, the east line of that certain tract of land described in deed to Donald K. Estep and Sonja K. Estep recorded in Document No. 2011-67774, RPRDCT, and that certain tract of land described in deed to Donald Kenny Estep and Sonja Kay Estep recorded in Document No. 2001-99806, RPRDCT, a distance of 280.30 feet to a 5/8 inch iron rod with plastic cap marked “PETITT-RPLS 4087” set for corner;
THENCE South 89°32’42” West, with a south line of that certain tract of land described in deed to Ok Kyun and Youngmoo Kim, Trustees of the Kim Family Living Trust recorded in Document No. 2005-86220, RPRDCT, a distance of 239.66 feet to a 5/8 inch iron rod with plastic cap marked “PETITT-RPLS 4087” set for corner;

THENCE South 00°49’27” East, with an easterly line of said Kim Family Living Trust tract, the west line of said Estep tracts, and the west line of that certain tract of land described in deed to Claude Adams and Kathleen Adams recorded in Document No. 2011-67775, RPRDCT, and the west line of that certain tract of land described in deed to David P. Brewer and Carolyn Brewer recorded in Document No. 2012-34990, RPRDCT, a distance of 734.88 feet to a 1/2 inch iron rod found for corner at the southwest corner of said Brewer tract, and an interior “ell” corner of the Kim Family Living Trust tract;

THENCE North 89°20’27” East, a distance of 238.85 feet to a 1/2 inch iron rod found for corner, said iron rod being located at the southeast corner of the Brewer tract, a northeast corner of the Kim Family Living Trust tract, and also being located in the aforementioned approximate center of Parvin Road;

THENCE South 00°32’10” East, with an easterly line of the Kim Family Living Trust tract, and said approximate center of Parvin Road, a distance of 490.79 feet to a 1/2 inch iron rod found for corner at the most southerly southeast corner of the Kim Family Living Trust tract;

THENCE South 89°26’22” West, with the south line of the Kim Family Living Trust tract, and the approximate center of Parvin Road, a distance of 378.96 feet to a nail in asphalt found for corner;

THENCE North 00°17’53” East, leaving the approximate center of Parvin Road, and with a west line of the Kim Family Living Trust tract, and the east line of that certain tract of land described in deed to John M. Cosper and Jackie Cosper recorded in Volume 626, Page 706, RPRDCT, passing at a distance of 27.73 feet a 5/8 inch iron rod in concrete found, continuing in all, a distance of 267.98 feet to a 5/8 inch iron rod with plastic cap marked “PETITT-RPLS 4087” set for corner, from which a 5/8 inch iron rod in concrete found bears South 00°17’53” West, a distance of 2.99 feet;

THENCE South 89°25’59” West, with a south line of the Kim Family Living Trust tract, and the north line of the Cosper tract, a distance of 824.19 feet to a 1/2 inch iron rod found for corner;

THENCE South 00°39’57” East, with the west line of the Cosper tract, and an easterly line of the Kim Family Living Trust tract, passing at a distance of 244.64 feet a 1/2 inch iron rod found, continuing in all, a distance of 265.80 feet to a 1/2 inch iron rod found for corner at a southeast corner of Kim Family Living Trust tract, and also being located in the aforementioned approximate center of Parvin Road;

THENCE South 89°09’41” West, with the south line of the Kim Family Living Trust tract, and the approximate center of Parvin Road, passing at a distance of 411.81 feet a 1/2 inch iron rod found at the northeast corner of that certain tract of land described in deed to Swisher Partners, L.P. recorded in Document No. 2004-7927, RPRDCT, continuing in all, a distance of 462.41 feet to a 1/2 inch iron rod found for corner at the southeast corner of that certain tract of land described in deed to the City of Celina, Texas recorded in Document No. 2008-62468, RPRDCT;

THENCE North 00°41’57” West, with the east line of said City of Celina, Texas tract, a distance of 60.00 feet to a 5/8 inch iron rod with plastic cap marked “PETITT-RPLS 4087” set for corner;

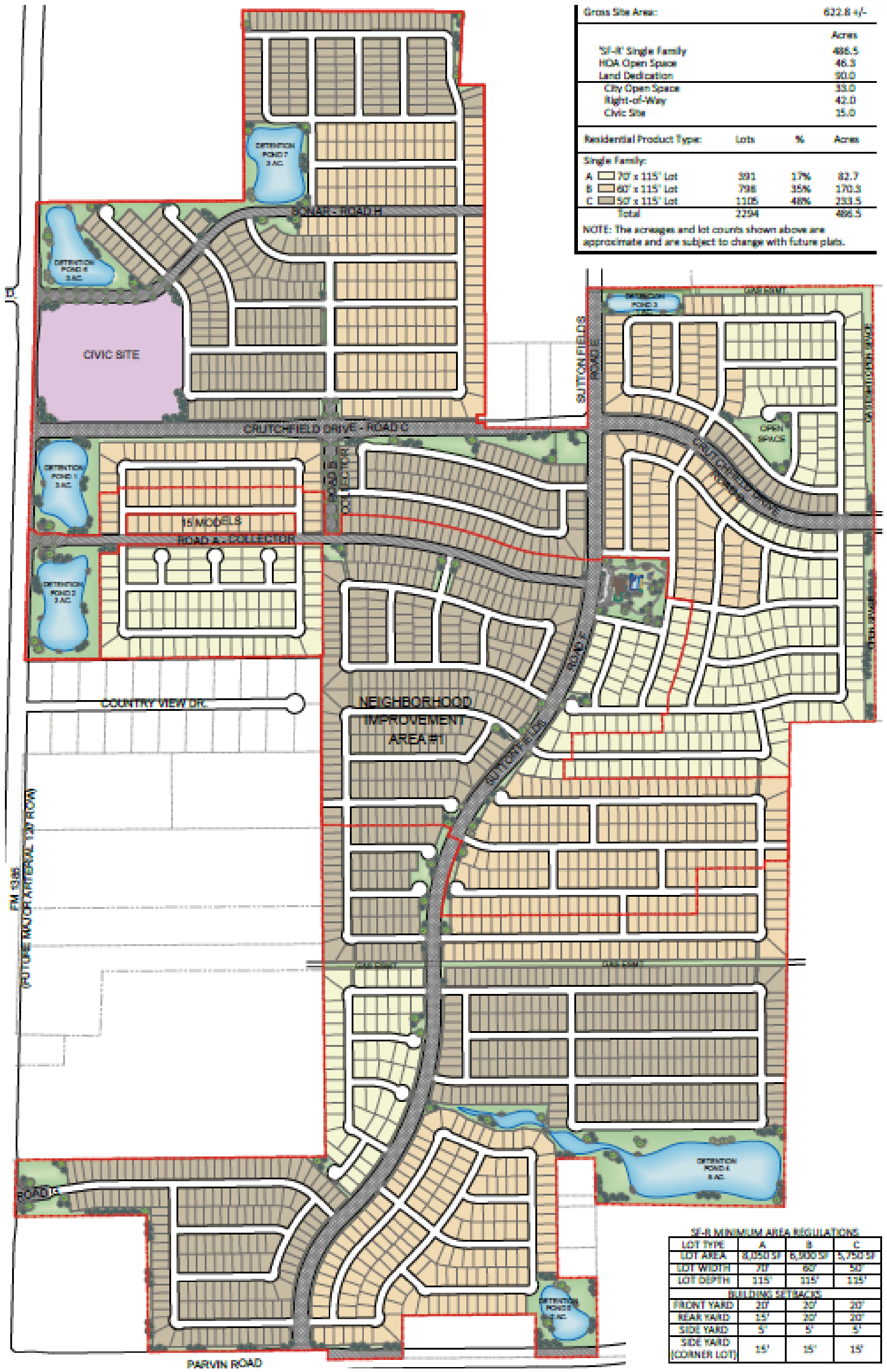
THENCE South 89°18’56” West, with a north line of the City of Celina, Texas tract, and Parvin Road, a distance of 1107.30 feet to a 5/8 inch iron rod with plastic cap marked “PETITT-RPLS 4087” set for corner;

THENCE North 00°41’04” West, leaving said north line of Parvin Road, a distance of 843.46 feet to a 5/8 inch iron rod with plastic cap marked “PETITT-RPLS 4087” set for corner;

THENCE South 89°18’56” West, a distance of 815.06 feet to a 5/8 inch iron rod with plastic cap marked “PETITTRPLS 4087” set for corner, said iron rod being located on an easterly line of said City of Celina, Texas tract, and the aforementioned east right-of-way line of FM No. 1385;
THENCE North 01°32’26” East, with said east right-of-way line of FM No. 1385 according to City of Celina, Texas tract deed, a distance of 350.05 feet to a 5/8 inch iron rod with plastic cap marked “PETITT-RPLS 4087” set for corner;
THENCE North 89°22’47” East, leaving the east right-of-way line of FM No. 1385, and with the north line of the aforementioned tract of land described in deed to Frisco Industrial Partners recorded in Document No. 2008-66233, RPRDCT, and the south line of that certain tract of land described in deed to Anna Liz Hong recorded in Document No. 2014-15601, RPRDCT, a distance of 1908.52 feet to a 5/8 inch iron rod with plastic cap marked “PETITTRPLS 4087” set for corner;
THENCE North 00°41’47” West, with the east line of said Anna Liz Hong tract, and the most westerly line of the aforementioned Kim Family Living Trust tract, a distance of 1546.84 feet to an old wood corner post found for corner, from which a 5/8 inch iron rod found bears South 16°28’53” West, a distance of 1.57 feet;
THENCE North 00°24’23” West, with the west line of the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-33384, RPRDCT, passing at a distance of 479.75 feet a 5/8 inch iron rod found at the southeast corner of that certain tract of land described in deed to Lee A. Brown recorded in Document No. 2003-122624, RPRDCT, continuing with said west line of the Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-33384, RPRDCT, and the east line of said Lee A. Brown tract, in all, a total distance of 951.64 feet to a 5/8 inch iron rod found for corner at the southeast corner of the aforementioned Countryview Addition;
THENCE North 00°07’02” West, continuing with the west line of the Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-33384, RPRDCT, and the east line of said Countryview Addition, a distance of 588.61 feet to a 5/8 inch iron rod with plastic cap marked “PETITT-RPLS 4087” set for corner, from which a ½ inch iron rod found bears South 89°26’31” West, a distance of 1.51 feet;
THENCE South 89°18’14” West, with the south line of the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-93340, RPRDCT, a distance of 1301.63 feet to a 1/2 inch iron rod found for corner at the most southerly southwest corner of said Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-93340 RPRDCT, and the southeast corner of the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2007-53939 RPRDCT;
THENCE South 89°15’45” West, with the south line of said Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2007-53939 RPRDCT, a distance of 522.72 feet to the POINT OF BEGINNING of herein described tract of land containing an area of 622.779 acres of land.
Note: This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

Appendix D:

Parcel Map



Gross Site Area:			622.8 +/-
			Acres
'SF-R' Single Family			486.5
HOA Open Space			46.3
Land Dedication			90.0
City Open Space			33.0
Right-of-Way			42.0
Civic Site			15.0
Residential Product Type:	Lots	%	Acres
Single Family:			
A 70' x 115' Lot	391	17%	82.7
B 60' x 115' Lot	798	35%	170.3
C 50' x 115' Lot	1105	48%	233.5
Total	2294		486.5

NOTE: The acreages and lot counts shown above are approximate and are subject to change with future plats.

SF-R MINIMUM AREA REGULATIONS

LOT TYPE	A	B	C
LOT AREA	8,050 SF	6,900 SF	5,750 SF
LOT WIDTH	70'	60'	50'
LOT DEPTH	115'	115'	115'
BUILDING SETBACKS			
FRONT YARD	20'	20'	20'
REAR YARD	15'	20'	20'
SIDE YARD	5'	5'	5'
SIDE YARD (CORNER LOT)	15'	15'	15'

City Secretary
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Vicki Faulkner, City Secretary
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: Sutton Fields SAP NIA #2-5

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance of the City Council of the City of Celina, Texas accepting and approving a Service and Assessment Plan and Neighborhood Improvement Areas #2-5 Assessment Roll for Sutton Fields II Public Improvement District; making a finding of special benefit to the property in the district; levying special assessments against property within the district and establishing a lien on such property; providing for payment of the Neighborhood Improvement Areas #2-5 Assessments in accordance with Chapter 372, Texas Local Government Code, as amended; providing for the method of assessment and the payment of the Neighborhood Improvement Areas #2-5 Assessments, providing penalties and interest on delinquent assessments. (Liebman)

Please see attached Memo

Staff Recommendation:

na

Planning & Development Services
City of Celina, Texas

Memorandum

To:	**The Honorable Mayor Sean Terry and the Celina City Council**
CC:	Mike Foreman, City Manager
From:	Helen-Eve Liebman, AICP Director of Planning & Development Services
Meeting Date:	November 10, 2015
Re:	Public Hearing on Assessments to be levied within the Sutton Fields Public Improvement District MIA

Action Requested:
The Celina City Council will conduct a public hearing, consider testimony and act upon an ordinance of the City Council of the City of Celina accepting and approving a final Service and Assessment Plan, including a final Assessment Roll for Assessed Property, for the Sutton Fields Public Improvement District Major Improvement Area (MIA), defined as Neighborhood Improvement Areas #2-5, a ±493 acre tract of land located in the F. Wilkerson Survey, Abstract No. 1411, H. Rue Survey, Abstract No. 1111, T. Cox Survey, Abstract No. 309, J. Rue Survey, Abstract No. 1109, and the C. Jackson Survey, Abstract No. 1546, Denton County, Texas; making a finding of special benefit to assessable property within the District and establishing a lien on such property for payment of the Assessments. (Sutton Fields MIA) (Liebman)

Background Information:
The public hearing is to allow public input for assessments to be levied to facilitate development for the Sutton Fields Public Improvement District PID MIA. Each potential property within Sutton Fields will be assessed an annual installment of the special assessment for the PID.

Public Notice:
The public hearing notification was published in *The Celina Record* on October 23, 2015 and notice was sent to the property owner.

Supporting Documents:
N/A

Legal Review:
N/A

Staff Recommendation:
Staff recommends approval of the ordinance.

Open the public hearing, take testimony, and continue the public hearing to the December 7, 2015 City Council meeting.

Thank you for your consideration of this item, if I can be of any support please contact me at 972-382-2682 ext. 1021 or by email at hliebman@celina-tx.gov.

ORDINANCE NO. 2015-__

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS ACCEPTING AND APPROVING A SERVICE AND ASSESSMENT PLAN AND NEIGHBORHOOD IMPROVEMENT AREAS #2-5 ASSESSMENT ROLL FOR SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT; MAKING A FINDING OF SPECIAL BENEFIT TO THE PROPERTY IN THE DISTRICT; LEVYING SPECIAL ASSESSMENTS AGAINST PROPERTY WITHIN THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR PAYMENT OF THE NEIGHBORHOOD IMPROVEMENT AREAS #2-5 ASSESSMENTS IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE NEIGHBORHOOD IMPROVEMENT AREAS #2-5 ASSESSMENTS, PROVIDING PENALTIES AND INTEREST ON DELINQUENT ASSESSMENTS, PROVIDING FOR SEVERABILITY, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on September 2, 2015, a petition was submitted and filed with the City Secretary (the "City Secretary") of the City of Celina, Texas (the "City") pursuant to the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "PID Act"), requesting the creation of a public improvement district in the City and the extraterritorial jurisdiction of the City; and

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

WHEREAS, on October 13, 2015, after due notice, the City Council of the City (the "City Council") held a public hearing in the manner required by law on the advisability of the public improvements and services described in the petition as required by Section 372.009 of the PID Act and made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. 2015-51R (the "Authorization Resolution") adopted by a majority of the members of the City Council, authorized and created the Sutton Fields II Public Improvement District (the "District") in accordance with its finding as to the advisability of the Authorized Improvements; and

WHEREAS, the City published the Authorization Resolution as required by law; and

WHEREAS, no written protests regarding the creation of the District from any owners of record of property within the District were filed with the City Secretary; and

WHEREAS, on October 20, 2015, the Council adopted a resolution approving the preliminary service and assessment plan, including proposed assessment rolls, calling for a public hearing to consider an ordinance levying assessments on property within Neighborhood

Improvement Areas #2-5 of the District (the "Neighborhood Improvement Areas #2-5 Assessments"), authorizing the publication of notice of a public hearing to consider the levying of the Neighborhood Improvement Areas #2-5 Assessments against the property within the District (the "Levy and Assessment Hearing") in a newspaper of general circulation in the City, and directing related action; and

WHEREAS, the City Council, pursuant to Section 372.016(b) of the PID Act, published notice of the Levy and Assessment Hearing on October 23, 2015 in *The Celina Record*, a newspaper of general circulation in the City; and

WHEREAS, the City Council, pursuant to Section 372.016(c) of the PID Act, mailed the notice of the Levy and Assessment Hearing to the last known address of the owners of the property liable for the Neighborhood Improvement Areas #2-5 Assessments; and

WHEREAS, the City Council convened the Levy and Assessment Hearing on November 5, 2015 and then recessed and continued it to November 10, 2015, at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Neighborhood Improvement Areas #2-5 Assessment Roll, and the proposed Neighborhood Improvement Areas #2-5 Assessments, and to offer testimony pertinent to any issue presented on the amount of the Neighborhood Improvement Areas #2-5 Assessments, the allocation of Authorized Improvement Costs, the purposes of the Neighborhood Improvement Areas #2-5 Assessments, the special benefits of the Neighborhood Improvement Areas #2-5 Assessments, and the penalties and interest on annual installments and on delinquent annual installments of the Neighborhood Improvement Areas #2-5 Assessments; and

WHEREAS, the City Council finds and determines that the Neighborhood Improvement Areas #2-5 Assessment Roll and the Sutton Fields II Public Improvement District Service and Assessment Plan, dated November 10, 2015 in a form substantially similar to the attached ***Exhibit A,*** which final form shall be approved by the City Manager and the City's land use attorney prior to execution (the "Service and Assessment Plan"), and which is incorporated herein for all purposes, should be approved and that the Neighborhood Improvement Areas #2-5 Assessments should be levied as provided in this Ordinance and the Service and Assessment Plan and the Neighborhood Improvement Areas #2-5 Assessment Roll attached thereto as Appendix A (the "Neighborhood Improvement Areas #2-5 Assessment Roll"); and

WHEREAS, the City Council further finds that there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of Authorized Improvement Costs, the Neighborhood Improvement Areas #2-5 Assessment Roll, and the levy of the Neighborhood Improvement Areas #2-5 Assessments; and

WHEREAS, prior to the issuance of bonds secured by the Neighborhood Improvement Areas #2-5 Assessments, the owners (the "Landowners" or the "Assessed Parties"), or their representatives, of the majority of the privately-owned and taxable property located within the District, and who are the persons to be assessed pursuant to this Ordinance, appeared at the public hearing and stated they approve and accept the Service and Assessment Plan, approve the Neighborhood Improvement Areas #2-5 Assessment Roll, approve this Ordinance and approve the levy of the Neighborhood Improvement Areas #2-5 Assessments against their property located within the District, agree to pay the Neighborhood Improvement Areas #2-5 Assessments when due and payable and requested that the City file the Service and Assessment Plan and/or the assessment roll with the real property records of Collin County; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, determined to proceed with the adoption of this Ordinance in conformity with the requirements of the PID Act.

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

Section 1. **Terms**.

Terms not otherwise defined herein are defined in the Service and Assessment Plan.

Section 2. Findings.

The findings and determinations set forth in the preambles hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section. The City Council hereby finds, determines, and ordains, as follows:

(a) The apportionment of the Authorized Improvement Costs (as reflected in the Service and Assessment Plan, and the Administrative Expenses pursuant to the Service and Assessment Plan) is fair and reasonable, reflects an accurate presentation of the special benefit each assessed Parcel will receive from the construction of the Authorized Improvements identified in the Service and Assessment Plan, and is hereby approved;

(b) The Service and Assessment Plan covers a period of at least five years and defines the annual indebtedness and projected costs for the Authorized Improvements;

(c) The Service and Assessment Plan apportions the Actual Cost(s) of an Authorized Improvement to be assessed against the property in the District and such apportionment is made on the basis of special benefits accruing to the property because of the Authorized Improvements;

(d) All of the real property in the District which is being assessed in the amounts shown in the Neighborhood Improvement Areas #2-5 Assessment Roll will be benefited by the Authorized Improvements proposed to be constructed as described in the Service and Assessment Plan, and each assessed Parcel will receive special benefits in each year equal to or greater than each annual Neighborhood Improvement Areas #2-5 Assessments and will receive special benefits during the term of the

Neighborhood Improvement Areas #2-5 Assessments equal to or greater than the total amount assessed;

(e) The method of apportionment of the Authorized Improvement Costs and Administrative Expenses set forth in the Service and Assessment Plan results in imposing equal shares of the Authorized Improvement Costs and Administrative Expenses on property similarly benefited, and results in a reasonable classification and formula for the apportionment of the Actual Costs;

(f) The Service and Assessment Plan should be approved as the service plan and assessment plan for the District as described in Sections 372.013 and 372.014 of the PID Act;

(g) The Neighborhood Improvement Areas #2-5 Assessment Roll should be approved as the Neighborhood Improvement Areas #2-5 Assessment Roll for the District;

(h) The provisions of the Service and Assessment Plan relating to due and delinquency dates for the Neighborhood Improvement Areas #2-5 Assessments, interest on Annual Installments, interest and penalties on delinquent Neighborhood Improvement Areas #2-5 Assessments and delinquent Annual Installments, and procedures in connection with the imposition and collection of Neighborhood Improvement Areas #2-5 Assessments should be approved and will expedite collection of the Neighborhood Improvement Areas #2-5 Assessments in a timely manner in order to provide the services and improvements needed and required for the area within the District; and

(i) A written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof has been discussed, considered, and formally acted upon.

Section 3. Service and Assessment Plan.

The Service and Assessment Plan is hereby accepted and approved pursuant to Sections 372.013 and 372.014 of the PID Act as the service plan and the assessment plan for the District.

Section 4. Neighborhood Improvement Areas #2-5 Assessment Roll.

The Neighborhood Improvement Areas #2-5 Assessment Roll is hereby accepted and approved pursuant to Section 372.016 of the PID Act as the Neighborhood Improvement Areas #2-5 Assessment Roll of the District.

Section 5. **Levy and Payment of Special Neighborhood Improvement Areas #2-5 Assessments for Costs of the Neighborhood Improvement Areas #2-5 Projects**.

(a) The City Council hereby levies an assessment on each Parcel of property (excluding Non-Benefitted Property) located within the District, as shown and described on the Service and Assessment Plan and the Neighborhood Improvement Areas #2-5 Assessment Roll, in the respective amounts shown on the Neighborhood Improvement Areas #2-5 Assessment Roll as a special assessment on the properties set forth in the Neighborhood Improvement Areas #2-5 Assessment Roll.

(b) The levy of the Neighborhood Improvement Areas #2-5 Assessments shall be effective on the date of execution of this Ordinance levying Neighborhood Improvement Areas #2-5 Assessments and strictly in accordance with the terms of the Service and Assessment Plan and the PID Act.

(c) The collection of the Neighborhood Improvement Areas #2-5 Assessments shall be as described in the Service and Assessment Plan and the PID Act.

(d) Each Neighborhood Improvement Areas #2-5 Assessment may be paid in a lump sum at any time or may be paid in Annual Installments pursuant to the terms of the Service and Assessment Plan.

(e) Each Neighborhood Improvement Areas #2-5 Assessment shall bear interest at the rate or rates specified in the Service and Assessment Plan.

(f) Each Annual Installment shall be collected each year in the manner set forth in the Service and Assessment Plan.

(g) The Administrative Expenses for Assessed Property shall be calculated pursuant to the terms of the Service and Assessment Plan.

Section 6. **Method of Assessment**.

The method of apportioning the Authorized Improvement Costs and Administrative Expenses are set forth in the Service and Assessment Plan.

Section 7. **Penalties and Interest on Delinquent Assessments**.

Delinquent Assessments shall be subject to the penalties, interest, procedures, and foreclosure sales set forth in the Service and Assessment Plan and as allowed by law.

Section 8. **Prepayments of Assessments**.

As provided in Section VII(H) of the Service and Assessment Plan, the owner of any Assessed Property may prepay the Neighborhood Improvement Areas #2-5 Assessments levied by this Ordinance.

Section 9. **Lien Priority**.

The City Council and the Landowners intend for the obligations, covenants and burdens on the landowners of Assessed Property, including without limitation such Landowners' obligations related to payment of the Neighborhood Improvement Areas #2-5 Assessments and the Annual Installments thereof, to constitute covenants that shall run with the land. The Neighborhood Improvement Areas #2-5 Assessments and the Annual Installments thereof which are levied hereby shall be binding upon the Assessed Parties, as the owners of Assessed Property, and their respective transferees, legal representatives, heirs, devisees, successors and assigns in the same manner and for the same period as such parties would be personally liable for the payment of ad valorem taxes under applicable law. Neighborhood Improvement Areas #2-5 Assessments shall have lien priority as specified in the Service and Assessment Plan and the PID Act.

Section 10. **Appointment of Administrator and Collector of Assessments**.

(a) Appointment of Administrator.

MuniCap, Inc., is hereby appointed and designated as the initial Administrator of the Service and Assessment Plan and of Neighborhood Improvement Areas #2-5 Assessments levied by this Ordinance. The administrator shall perform the duties of the Administrator described in the Service and Assessment Plan and in this Ordinance. The Administrator's fees, charges and expenses for providing such service shall constitute an Administrative Expense.

(b) Appointment of Temporary Collector.

The City's Director of Finance is hereby appointed and designated as the temporary collector of the Neighborhood Improvement Areas #2-5 Assessments (the "Collector"). The Collector shall serve in such capacity until such time as the City shall arrange for the Collector's duties to be performed by the Denton County Tax Assessor and Collector, or another qualified collection agent selected by the City.

Section 11. **Applicability of Tax Code.**

To the extent not inconsistent with this Ordinance, and not inconsistent with the PID Act or the other laws governing public improvement districts, the provisions of the Texas Tax Code shall be applicable to the imposition and collection of Neighborhood Improvement Areas #2-5 Assessments by the City.

Section 12. **Filing in Land Records**. The City Secretary is directed to cause a copy of this Ordinance, including the Service and Assessment Plan and/or the Neighborhood Improvement Areas #2-5 Assessment Roll, to be recorded in the real property records of Collin

County. The City Secretary is further directed to similarly file each Annual Service Plan Update approved by the City Council.

Section 13. Severability.

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

Section 14. Effective Date.

This Ordinance shall take effect, and the levy of the Neighborhood Improvement Areas #2-5 Assessments, and the provisions and terms of the Service and Assessment Plan shall be and become effective upon passage and execution hereof. However, the Service and Assessment Plan and this Ordinance shall automatically terminate if bonds secured by the Neighborhood Improvement Areas #2-5 Assessments are not issued by the City on or before January 31, 2016.

[Remainder of Page Intentionally Left Blank; Signatures to Follow]

PASSED AND ADOPTED, this November 10, 2015.

CITY OF CELINA, TEXAS

____

Chad Anderson, Mayor Pro Tem

ATTEST:

____

City Secretary

(City Seal)

STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of November, 2015 by Chad Anderson, Mayor Pro Tem of the City of Celina, Texas on behalf of said City.

____
Notary Public, State of Texas

(SEAL)

____
Name printed or typed
Commission Expires:____________________

EXHIBIT A

Service and Assessment Plan

Sutton Fields II
Public Improvement District

Service and Assessment Plan

11/5/15

SERVICE AND ASSESSMENT PLAN

Table of Contents

List of Appendices

Section I

PLAN DESCRIPTION AND DEFINED TERMS

A. Introduction

On October 13, 2015, (the "**Creation Date**") the City Council of the city of Celina, Texas (the "City") passed and approved Resolution No._______________ approving and authorizing the creation of the Sutton Fields II Public Improvement District (the "PID") to finance the costs of certain public improvements for the benefit of property within the PID (the "Authorized Improvements"), which is located within the City of Celina, and within the Extraterritorial Jurisdiction (the **"ETJ"**) of the City of Celina, Texas.

Certain development standards have been established for the property within the PID pursuant to the terms and conditions of that certain Development Agreement dated _________, 2015 ("the Development Agreement"). The property in the PID is proposed to be developed in approximately five phases, and the PID will finance public improvements for each phase as each phase is developed. Assessments will be imposed on all property in each phase for the public improvements to be provided for that phase.

Chapter 372 of the Texas Local Government Code, the "Public Improvement District Assessment Act" (as amended, the "**PID Act**"), governs the creation of public improvement districts within the State of Texas. The Sutton Fields II Service and Assessment Plan was prepared pursuant to the PID Act and specifically Sections 372.013, 372.014, 372.015 and 372.016, which address the requirements of a service and assessment plan and the assessment roll. According to Section 372.013 of the PID Act, a service plan "must cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements." The service plan for the PID is described in more detail in **Section VI**.

Section 372.014 of the PID Act requires that "an assessment plan must be included in the annual service plan." The assessment plan is described in **Section V**.

Section 372.015 of the PID Act requires that the "governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district." The method of assessing the Authorized Improvement Costs and apportionment of such costs to the property in the PID is included in **Section V**.

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

Assessment Rolls are based on the method of assessment and apportionment of costs described in **Section V** of this Service and Assessment Plan.

B. Definitions

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

"**Actual Cost(s)**" means, with respect to an Authorized Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement, as specified in a Certification for Payment, as defined in the Construction, Funding and Acquisition Agreement, that has been reviewed and approved by the City. Actual Cost may include (a) the costs for the design, planning, financing, administration, management, acquisition, installation, construction and/or implementation of such Authorized Improvement, (b) the costs of preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs for external professional costs associated with such Authorized Improvement, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, taxes (property and franchise) (e) the costs of all labor, bonds and materials, including equipment and fixtures, incurred by contractors, builders and material men in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, County permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses. Actual Costs include general contractor's fees in an amount up to a percentage equal to the percentage of work completed and accepted by the City or construction management fees in an amount up to five percent of the eligible Actual Costs described in a Certification for Payment. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated.

"Additional Neighborhood Improvement Area #1 PID Bonds" means bonds issued to fund Neighborhood Improvement Area #1 Improvements (or a portion thereof) in Neighborhood Improvement Area #1 that are secured by the Neighborhood Improvement Area #1 Assessments.

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

"Administrator" means the employee or designee of the City, identified in any indenture of trust relating to the PID Bonds or identified in any agreement approved by City Council, who shall have the responsibilities provided for herein and in the Service and Assessment Plan.

"Annual Installment" means, with respect to each Assessed Parcel, each annual payment of the: (i) Assessments (including the principal of and interest on), as shown on the Assessment Rolls attached hereto as **Appendix A** and **Appendix B**, or in an Annual Service Plan Update, and calculated as provided in **Section VII** of this Service and Assessment Plan, (ii) Administrative Expenses, (iii) Prepayment reserve described in **Section V** of this Service and Assessment Plan, and (iv) Delinquency reserve described in **Section V** of this Service and Assessment Plan.

"Annual Service Plan Update" has the meaning set forth in **Section VI** of this Service and Assessment Plan.

"**As-Built Assessed Value**" means the estimated future assessed value of a parcel after construction.

"**Assessed Parcel(s)**" means each respective parcel, other than Non-Benefitted Property, of land located within the PID, described by metes and bounds, 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 County, against which an Assessment is levied by the Assessment Order in accordance with the Service and Assessment Plan.

"**Assessed Property**" means any and all property within the PID that benefit from the Authorized Improvements other than Non-Benefited Property and on which Assessments have been imposed as shown in the Assessment Roll, as the Assessment Roll is updated each year by the Annual Service Plan Update.

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

"**Assessment Ordinance**" means each ordinance adopted by the City Council approving the Service and Assessment Plan (including amendments or supplements to the Service and Assessment Plan) and levying the Assessments.

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

"Assessment Roll(s)" means the document(s) included in this Service and Assessment Plan as **Appendix A** and **Appendix B**, 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 or in connection with any Annual Service Plan Update or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan.

"Authorized Improvements" means the public improvements identified in **Section III** herein and authorized under Section 372.003 of the PID Act, acquired, constructed and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments.

"Authorized Improvement Costs" mean the actual or budgeted costs, as applicable, of all or any portion of the Authorized Improvements.

"Certification for Payment" means the certificate to be provided by the Developer, or his designee, to substantiate the Actual Cost of one or more Authorized Improvements segments or sections.

"City" means City of Celina, Texas.

"**City Council**" means the duly elected governing body of the City.

"City Park Fee" means an additional payment by the Developer to the City to be paid in accordance with the Development Agreement but not available for funding or reimbursement by PID Bonds.

"Construction, Funding and Acquisition Agreement" means the (i) "Neighborhood Improvement Areas #2-5 Construction, Funding and Acquisition Agreement" between the City and the Owner relating to the Neighborhood Improvement Areas #2-5 Major Improvement Bonds, dated as of ____, 2015, which provides for the appointment, levying and collection of Assessments, the construction of the Neighborhood Improvement Areas #2-5 Major Improvements, the maintenance of the Neighborhood Improvement Areas #2-5 Major Improvements, the issuance of bonds and other matters related thereto and (ii) the "Neighborhood Improvement Area #1 Construction, Funding and Acquisition Agreement" between the City and the Owner relating to the Neighborhood Improvement Area #1 Bonds, dated as of ______________, 2015, which provides for the appointment, levying and collection of Assessments, the construction of the Neighborhood Improvement Area #1 Improvements, the maintenance of the Neighborhood Improvement Area #1 Improvements, the issuance of bonds and other matters related thereto.

"**County**" means Denton County, Texas.

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

"Developer" means CADG Sutton Fields, LLC a Texas limited liability company.

"**Future Neighborhood Improvement Area"** means Neighborhood Improvement Areas that may be fully developed after Neighborhood Improvement Area #1, as such areas are generally depicted in **Table II-C**. The Future Neighborhood Improvement Areas are subject to adjustment and are shown for example only.

"Future Neighborhood Improvement Area Improvements" means those Authorized Improvements associated with any Future Neighborhood Improvement Area.

"Future Neighborhood Improvement Area PID Bonds" mean bonds issued to fund Authorized Improvements (or a portion thereof) in a Future Neighborhood Improvement Area. In connection with the Future Neighborhood Improvement Area PID Bonds, Assessments will be levied only on Parcels located within the Future Neighborhood Improvement Area in question.

"Homeowner Association Property" means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, a Homeowner's Association established for the benefit of property owners within the PID.

"Indenture" means an indenture of trust, trust agreement, ordinance or similar document between the City and Trustee setting forth the terms and other provisions relating to a series of one or more PID Bonds, as modified, amended, and/or supplemented from time to time.

"Lot" means a tract of land described as a "lot" in a subdivision plat recorded in the Official Public Records of Denton County, Texas.

"Lot Type" means a classification of final building lots with similar characteristics (e.g. commercial, light industrial, multifamily residential, single family residential, etc.), as determined by the Administrator and confirmed by the City Council. In the case of single family residential Lots, the Lot Type shall be further defined by classifying the residential lots by the estimated final Lot value for each lot as of the date of the recorded subdivision plat, considering factors such as density, lot size, proximity to amenities, view premiums, location, and any other factors that may impact Lot value, as determined by the Administrator and confirmed by the City Council.

"Lot Type A" means lots identified as such on the Assessment Roll, being lots with approximately 8,050 square feet size and a lot width of 70 feet.

"Lot Type B" means lots identified as such on the Assessment Roll, being lots with approximately 6,900 square feet size and a lot width of 60 feet.

"Lot Type C" means lots identified as such on the Assessment Roll, being lots with approximately 5,750 square feet size and a lot width of 50 feet.

"Neighborhood Improvement Area #1" means the initial area to be developed within the PID as generally shown on the map on **Table II-B** consisting of approximately 130 acres**.**

"Neighborhood Improvement Area #1 Assessed Property" means any and all Parcels within Neighborhood Improvement Area #1 other than Non-Benefited Property and as shown in the Neighborhood Improvement Area #1 Assessment Roll against which an Assessment relating to the Neighborhood Improvement Area #1 Improvements is levied.

"Neighborhood Improvement Area #1 Assessment Revenues" mean the actual revenues received by or on behalf of the City from the collection of Assessments levied against Neighborhood Improvement Area #1 Assessed Property, or the Annual Installments thereof, for the Neighborhood Improvement Area #1 Improvements.

"**Neighborhood Improvement Area #1 Assessment Roll**" means the Assessment Roll covering the Neighborhood Improvement Area #1 included in this SAP as **Appendix A**, 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 or in connection with any Annual Service Plan Updates.

"**Neighborhood Improvement Area #1 Improvements**" means (i) the pro rata portion of the Major Improvements that benefit the entire District allocable to the Neighborhood Improvement Area #1, and (ii) the Authorized Improvements which only benefit the Neighborhood Improvement Area #1 Assessed Property and are described in **Section III.B** hereto, and which are to be financed with Neighborhood Improvement Area #1 Bonds.

"Neighborhood Improvement Area #1 Bonds" means those certain "City of Celina, Texas, Special Assessment Revenue Bonds, Series, 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project)" that are secured by Neighborhood Improvement Area #1 Assessment Revenues.

"Neighborhood Improvement Areas #2-5" means the property within the PID, excluding the Neighborhood Improvement Area #1, as depicted on the map on **Table II-C** consisting of approximately 493 acres within the PID.

"Neighborhood Improvement Areas #2-5 Assessed Property" means, for any year, any and all Parcels within Neighborhood Improvement Areas #2-5 other than Non-Benefited Property and Parcels within Neighborhood Improvement Area #1.

"**Neighborhood Improvement Areas #2-5 Assessment Revenues**" mean the revenues actually received by or on behalf of the City from the collection of Assessments levied against Neighborhood Improvement Areas #2-5 Assessed Property, or the Annual Installments thereof, for the Neighborhood Improvement Areas #2-5 Major Improvements.

"Neighborhood Improvement Areas #2-5 Assessment Roll" means the Assessment Roll covering Neighborhood Improvement Areas #2-5 Major Improvements included in this SAP as **Appendix B**, 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 in connection with any Annual Service Plan Update.

"Neighborhood Improvement Areas #2-5 Major Improvements" means those Major Improvements that benefit the entire District that are allocable to Neighborhood Improvement Areas #2-5, as described in **Section III.C** hereto, and which are to be financed with the Neighborhood Improvement Areas #2-5 Major Improvement Bonds.

"Neighborhood Improvement Areas #2-5 Major Improvement Bonds" means those certain City of Celina, Texas Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project) that are secured by Assessments levied on Neighborhood Improvement Areas #2-5 Assessed Property.

"Major Improvements" means both on-site and off-site the Authorized Improvements which benefit all Assessed Property within the PID and are described in **Section III**.

"Non-Benefited Property" means Parcels that accrue no special benefit from the Authorized Improvements, including Homeowner Association Property, Public Property and easements that create an exclusive use for a public utility provider. Property identified as Non-Benefited Property is not assessed at the time the Assessments (i) are imposed or (ii) are reallocated pursuant to a subdivision of a Parcel. For Assessed Property that is converted to Non-Benefited Property, if the Assessments may not be reallocated pursuant to the provisions herein, such property remains subject to the Assessments and the Assessments must be prepaid as provided for in **Section VII.E.2**.

"Off-Site Major Improvements" mean those water and sewer Major Improvements which benefit all Assessed Property within the PID as described in **Section III.D** of this SAP, constructed and installed in accordance with this SAP.

"On-Site Major Improvements" mean those water and sewer Major Improvements which benefit all Assessed Property within the PID and are other than the Off-Site Major Improvements described in **Section III.D** of this SAP, constructed and installed in accordance with this SAP.

"Owner" means CADG Sutton Fields, LLC, a Texas limited liability corporation and CADG Sutton Fields II, LLC, a Texas limited liability corporation.

"Parcel" or "Parcels" means a specific property within the PID identified by either a tax map identification number assigned by the Denton County Appraisal District for real property tax purpose, by metes and bounds description, or by lot and block number in a final subdivision plat recorded in the Official Public Records of Denton County, or by any other means determined by the County.

"PID" means the Sutton Fields II Public Improvement District created by the City pursuant to Resolution _______ on October 13, 2015.

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

"PDD 52" means Planned Development District, #52 passed and approved by the City pursuant to Ordinance No. 2015-58 dated as of March 17, 2015.

"PID Bonds" means the bonds to be issued by the City, in one or more series, to finance the Authorized Improvements that confer special benefit on the property within the PID, which may include funds for any required reserves and amounts necessary to pay the PID Bond issuance costs, and to be secured by a pledge of the Assessments pursuant to the authority granted in the PID Act, for the purposes of (i) financing the costs of Authorized Improvements and related costs, and (ii) reimbursement for Actual Costs paid prior to the issuance of and payment for the PID Bonds. This term is used to collectively refer to the Neighborhood Improvement Area #1Bonds and the Neighborhood Improvement Areas #2-5 Major Improvement Bonds throughout this SAP.

"Prepayment Costs" mean interest and expenses to the date of prepayment, plus any additional amounts due pursuant to the Indenture related to the PID Bonds and allowed by law, if any, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment and the PID Bonds secured by such Assessment.

"Public Improvements" mean the improvements authorized under Section 372.003 of the PID Act and designed, constructed, and installed in accordance with the Service and Assessment Plan, and any future amendments thereto. Certain of the Public Improvements will confer benefit only on Neighborhood Improvement Area #1 and certain Public Improvements will confer benefits only on Neighborhood Improvement Areas #2-5.

"Public Property" means property, real property, right of way and easements located within the boundaries of the PID that is owned by or irrevocably offered for dedication to the federal government, the State of Texas, Denton County, the City, a school district, a public utility provider or any other political subdivision or public agency, whether in fee simple, through an exclusive use easement, or through a public utility easement.

"Reimbursement Agreement" means each Reimbursement Agreement by and between the City and the Developer in which the Developer agrees to fund the Actual Costs of certain Authorized Improvements and the City agrees to reimburse the Developer and/or the City for the Actual Costs of those Authorized Improvements funded by the Developer as permitted by the Act.

"Service and Assessment Plan" or **"SAP"** means this Sutton Fields II Public Improvement District Service and Assessment Plan (as such plan is amended from time to time), to be initially adopted by the City Council in the Assessment Ordinance for the purpose of assessing allocated costs against property located within the boundaries of the PID.

"Sutton Fields II" or "Project" means the approximately 622 acres of land located in this City and the ETJ of Celina, Texas. The project is contained within the area depicted on **Table II-A.**

"**TIRZ No. 5"** means the Tax Increment Reinvestment Zone No. 5, City of Celina, Texas.

"**TIRZ Credit"** means, for each Parcel, the prorated amount of TIRZ Revenues calculated pursuant to **Section V.M** of this Service and Assessment Plan.

"**TIRZ Ordinance**" means an ordinance adopted by the City Council authorizing the use of TIRZ Revenues for project costs under the Tax Increment Financing Act, Texas Tax Code, Chapter 311, as amended, relating to the Authorized Improvements as provided for in the Tax Increment Reinvestment Zone No. 5 Project Plan and Financing Plan (including amendments or supplements thereto).

"**TIRZ Revenues**" mean, for each year, the amounts paid by the City from the TIRZ No. 5 tax increment fund pursuant to the TIRZ Ordinance to reduce an Annual Installment, as calculated each year by the Administrator in collaboration with the City, in accordance with **Section V.M** of this Service and Assessment Plan.

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

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

Section II

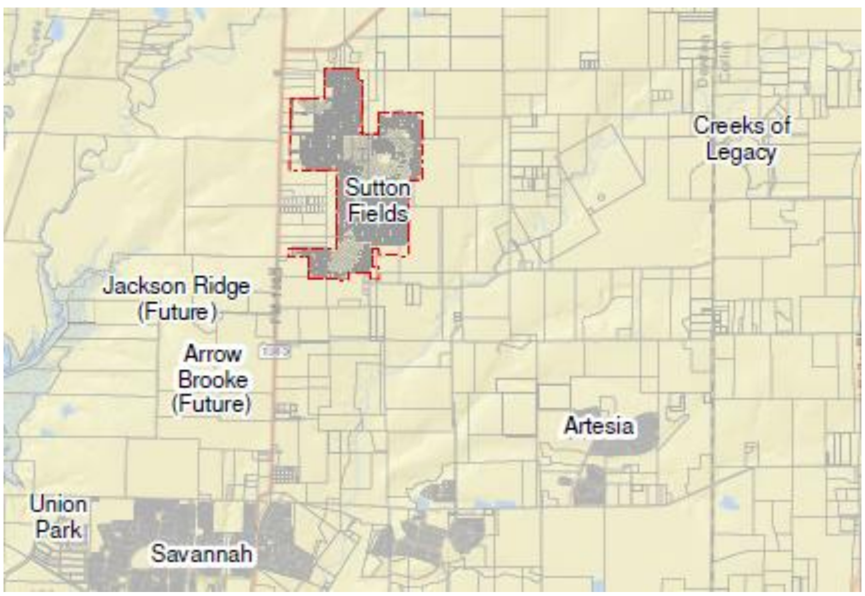
PROPERTY INCLUDED IN THE PID

A. Property Included in the PID

The PID is comprised of the property depicted and described by metes and bounds on **Exhibit A** to Resolution **_______**, as adopted by the City Council. The PID is located within the City's corporate limits and within the extraterritorial jurisdiction of the City and contains approximately 622 acres planned for the development of approximately 2,294 single family residential lots and includes the associated rights-of-way, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID.

A map of the property within the PID is shown in **Table II-A**. Legal descriptions for all Parcels within the PID are included in **Appendix A and B**.

TABLE II-A
PID Boundary Map

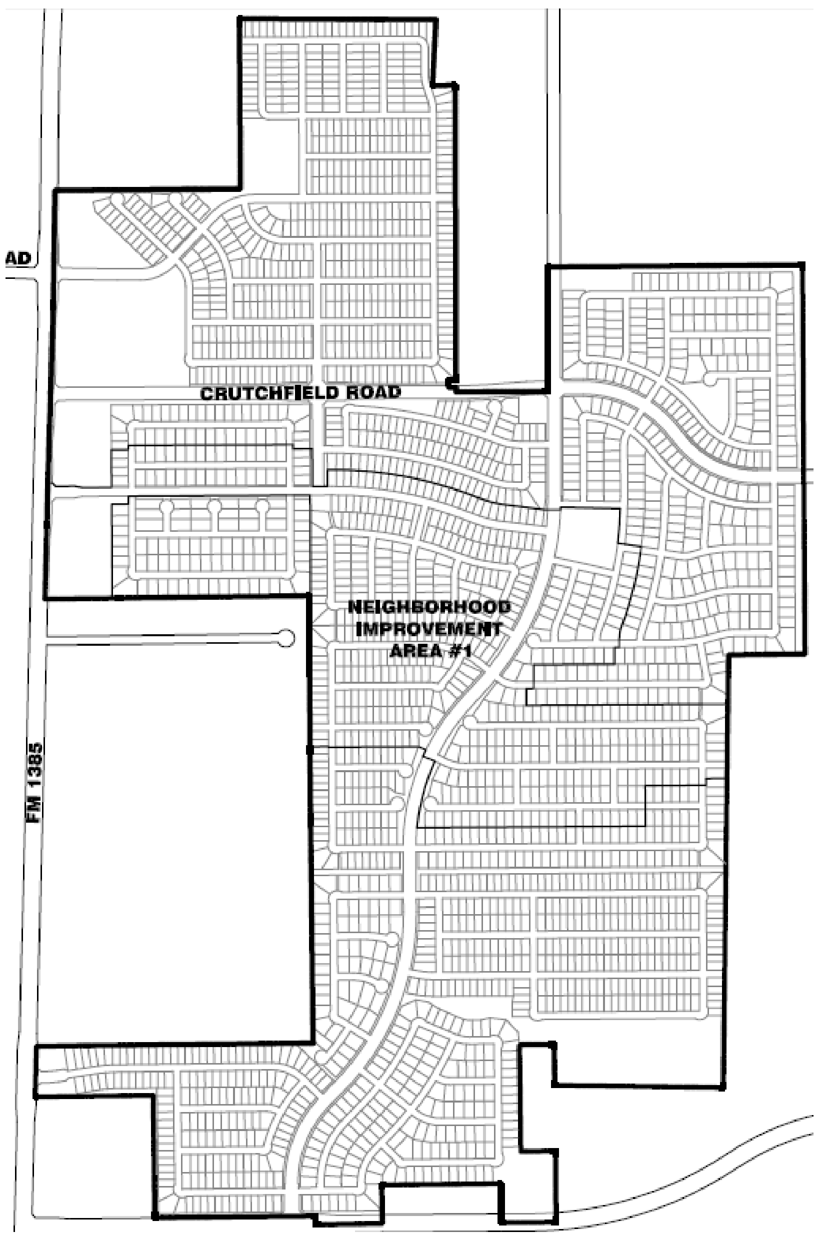


B. Property Located in Neighborhood Improvement Area #1

The Neighborhood Improvement Area #1 contains approximately 130 acres. Neighborhood Improvement Area #1 is expected to be developed into approximately 515 single family residential lots.

A map of the property within the PID and Neighborhood Improvement Area #1 is shown in **Table II-B**.

TABLE II-B
PID Boundary Map

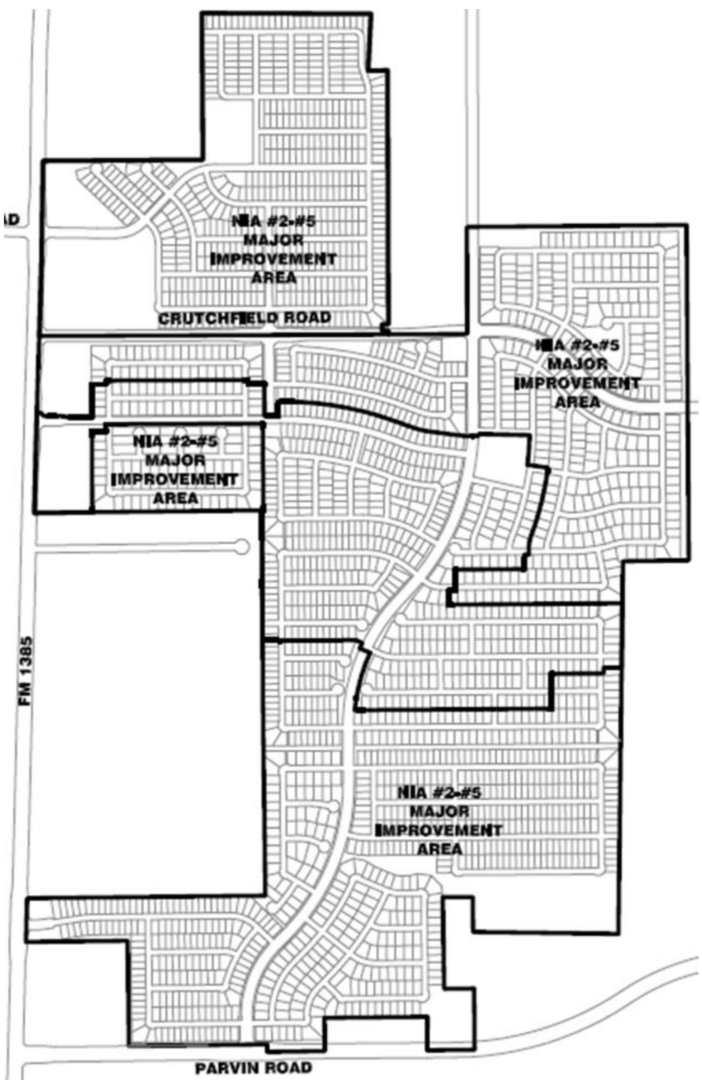


C. Property Located in Neighborhood Improvement Areas #2-5

Neighborhood Improvement Areas #2-5 contain approximately 493 acres. Neighborhood Improvement Areas #2-5 are expected to be developed in separate Future Neighborhood Improvement Areas containing, in total, approximately 1,779 single family residential lots. As Future Neighborhood Improvement Areas continue to be developed and Future Neighborhood Improvement Area PID Bonds are issued, the Assessment Plan will be amended to incorporate any applicable new information and a new table that depicts the impact of the applicable Future Neighborhood Improvement Area being developed.

A map of the property within the Neighborhood Improvement Areas #2-5 is shown in **Table II-C**.

TABLE II-C
PID Boundary Map



Section III

DESCRIPTION OF THE PUBLIC IMPROVEMENTS

A. Authorized Improvement Overview

Section 372.003 of the PID Act identifies the authorized improvements that a City may choose to undertake with the establishment of a PID.

372.003 Authorized Improvements

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

(b) The Authorized Improvements identified in the PID Act include:

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

After analyzing the public improvements authorized by the PID Act, the City has determined that of the improvements authorized under the PID Act, it will undertake the Authorized Improvements more particularly described in **Section III.B** and **Section III.C** herein for the benefit of the Property within the PID.

B. Descriptions and Costs of the Neighborhood Improvement Area #1 Improvements

The Neighborhood Improvement Area #1 Bonds will fund Authorized Improvements which benefit the Neighborhood Improvement Area #1 within the PID including a pro-rata portion of Major Improvements that are allocable to Neighborhood Improvement Area #1. The Neighborhood Improvement Area #1 Improvements are described below and the costs are shown in **Table III-A**. The Neighborhood Improvement Area #1 Bonds will pay for its share of the Major Improvements (approximately 21%) as shown within **Table III-A**. The Actual Costs to construct the Neighborhood Improvement Area #1 Improvements including the Off-Site Major Improvements is $10,527,283. The Actual Costs to construct the Neighborhood Improvement Area #1 Improvements minus the Off-Site Sewer Major Improvements allocated to the Neighborhood Improvement Area #1 (as shown in **Table V-A)** is $10,202,904. The Actual Costs shown in **Table III-A** may be revised in Annual Service Plan Updates.

In addition, Additional Neighborhood Improvement Area #1 Bonds may be requested to be issued in the future, subject to the approval of the City Council, to provide for the reimbursement for Neighborhood Improvement Area #1 Improvements not funded by the Neighborhood Improvement Area #1 Bonds.

Detention Ponds

- *Drainage System*
  - Project shall consist of the construction of one (1) retention/detention pond, including excavation to a depth of 15-feet and the associated drainage improvements for each pond. Underground reinforced concrete storm sewer pipes, inlets and rock riprap protection at outfalls will also be installed at each pond. This project will be constructed according to City of Celina standards and specifications and will be owned and operated by the City of Celina. The portion of these costs allocated to Neighborhood Improvement Area #1 is $56,652.

Paving

- *Road A*
  - The Roadway 'A' portion of the project consists of the construction of approximately 240 linear feet of 6-inch thick, 36-foot wide, concrete pavement with curb and gutter and 3,280 linear feet of 6-inch thick, 44-foot wide, concrete pavement with curb and gutter. The concrete will be 3,600 pounds per square inch (psi) strength. 17,978 square yards (sy) of pavement sub-grade will be lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. This will provide access from FM 1385 into the Sutton Fields Amenity Center and rest of the development. The portion of these costs allocated to Neighborhood Improvement Area #1 is $218,706.

- *Road F*
  - The Roadway 'F' portion of the project consists of the construction of approximately 1,980 linear feet of 8-inch thick, 50-foot wide, 4 lanes divided concrete pavement with curb and gutter. The concrete will be 3,600 pounds per square inch (psi) strength. 11,440 square yards (sy) of pavement sub-grade will be lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. This section is located within the project and provides north-south access to the entire development. The portion of these costs allocated to Neighborhood Improvement Area #1 is $179,579.

- *FM 1385*
  - The FM 1385 roadway portion of the project consists of the construction left and right turn lanes within FM 1385 to enhance traffic turning movement in and out of the development. These improvements will be constructed to TxDOT, Denton County and City of Celina standards. These Improvements will benefit the entire project. The portion of these costs allocated to Neighborhood Improvement Area #1 is $99,267.

Offsite Water

- *Water Distribution System*
  - This water portion of the Neighborhood Improvement Area #1 Waterline Improvements consists of constructing approximately 20,654, linear feet of 8-inch water line, including associated and 8-inch gate valves. One-inch diameter water services will be provided to each of the 515 lots within Neighborhood Improvement Area #1. All associated waterline testing, trench safety and erosion protection during construction are included. These lines will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City. These lines will include the necessary appurtenances to be fully operational transmission lines extending water service to the limits of Neighborhood Improvement Area #1 and all lots within Neighborhood Improvement Area #1. The portion of the acquisition of this and other related costs allocated to Neighborhood Improvement Area #1 is $404,400.

- *Elevated Storage Tank Engineering*
  - Engineering for the Elevated Storage Tank will start with Neighborhood Improvement Area #1 to secure all necessary approvals, including TCEQ and the City. The portion of the acquisition of this and other related costs allocated to Neighborhood Improvement Area #1 is $41,620.

Offsite Sewer

- *Sanitary Sewer*
  - The City is a customer city of the Upper Trinity Regional Water District (UTRWD) and will receive wastewater collection services by constructing a wastewater interceptor line and wastewater treatment services from the UTRWD collection point located at Parvin Road & Good Hope. UTRWD operates the Riverbend and Doe Creek wastewater treatment plants. The UTRWD treatment plant permit with the TCEQ has excess capacity to serve the Sutton Fields development. UTRWD is in the process of expanding both wastewater treatment plants.

  - This project consists of constructing approximately 3,550 linear feet of 6-inch force main, associated lift station, 6,050 linear feet of 15-inch sanitary sewer gravity line, 1,250 linear feet of 12-inch sanitary sewer gravity line and 800 linear feet of 10-inch sanitary sewer gravity line generally flowing southeasterly along Parvin Road and connecting to the UTRWD collection point and Doe Creek/ Riverbend Wastewater Treatment Plants. Cutoff valves, air release valves will be constructed in accordance with City of Celina and TCEQ regulations. The gravity interceptor line will be designed to maintain the 3.0 fps minimum velocity. The line will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City. The portion of the acquisition of this and other related costs of the CCN allocated to Neighborhood Improvement Area #1 is $324,378.

CCN Certificate

- The Developer has agreed to secure the CCN Certificate for water and wastewater services for the City. The majority of the Property in the PID was previously within Mustang Special Utility District's water and wastewater CCN areas, but a recent Public Utility Commission ruling decertified the Mustang Special Utility District from those CCNs. The portion of the acquisition of this and other related costs of the CCN allocated to Neighborhood Improvement Area #1 is $686,733.

Right of Way and Open Space Land Acquisition

- Upon closing of the Neighborhood Improvement Area #1 Bonds and corresponding to the development, the City shall pay for the acquisition of the right-of-way and open space land, which comprises approximately 18.7 acres. The portion of the acquisition of this and other related costs allocated to Neighborhood Improvement Area #1 is $936,454.

Upper Trinity Regional Water District Capacity Acquisition

- In connection with the securing of the CCN Certificate in order to provide water and wastewater services for the City, the Developer has agreed to purchase capacity for such services from UTRWD. The portion of the acquisition of this and other related costs allocated to Neighborhood Improvement Area #1 is $166,481.

Onsite Water

- *Water Distribution System*
  - This water portion of the Neighborhood Improvement Area #1 waterline improvements consists of constructing approximately 20,653, linear feet of 8-inch water line, including associated and 8-inch gate valves. One-inch diameter water services will be provided to each of the 515 lots within Neighborhood Improvement Area #1. All associated waterline testing, trench safety and erosion protection during construction are included. These lines will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City. These lines will include the necessary appurtenances to be fully operational transmission lines extending water service to the limits of Neighborhood Improvement Area #1 and all 515 lots within Neighborhood Improvement Area #1. The costs for the Neighborhood Improvement Area #1 are $1,360,892.

Onsite Sewer

- *Sanitary Sewer*
  - Neighborhood Improvement Area #1 wastewater improvements also include construction of 21,705 linear feet of 8" gravity sanitary sewer line that connects to the 10" gravity sewer main line. Construction includes connection at multiple points through 86 concrete manholes. Services to individual lots are by 4" gravity sewer services. All lines will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City. These lines will include the necessary appurtenances to be fully operational extending wastewater service to the limits of Neighborhood Improvement Area #1 and each of the 515 lots within Neighborhood Improvement Area #1. The costs for the Neighborhood Improvement Area #1 are $1,422,400.

Storm Sewer

- *Storm Drainage*
  - The drainage portion of the Neighborhood Improvement Area #1 Improvements shall consist of underground reinforced concrete storm sewer pipes, inlets and rock riprap protection at outfalls. The main means of conveyance of storm drainage within Neighborhood Improvement Area #1 is within underground storm drain pipes. The roadway pavement section incorporates the use of curbs with integrated drainage inlets to control runoff and conveyance of storm-water throughout the drainage basins associated with Neighborhood Improvement Area #1. The system includes underground reinforced concrete pipe (RCP) with associated headwalls, safety end treatments, manholes and storm sewer energy dissipaters at the points of discharge. This project will be constructed to City standards and specifications and will be owned and operated by the City. The costs for the Neighborhood Improvement Area #1 are $1,028,858.

Roadway Improvements

- *Residential Streets*
  - Roadway improvements within Neighborhood Improvement Area #1 include construction of approximately 21,740 linear feet of 6" thick, 31-foot wide, concrete pavement with curb and gutter. The concrete will be 3,600 pounds per square inch (psi) strength. Unclassified excavation for the project will consists of 231,750 cubic yards of cut and fill. 82,129 square yards (sy) of pavement sub-grade will be lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. These roadway improvements include streets that will provide street access to each lot within Neighborhood Improvement Area #1. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City. These projects will provide access to community roadways and state highways. The costs for the Neighborhood Improvement Area #1 are $3,600,863.

Table III-A Authorized Improvements - Neighborhood Improvement Area #1				
Description	**Hard Costs**	**Soft Costs**	**Contingency (5%)**	**Total Costs**
Major Improvements				
Detention Ponds	$ 56,652	$ -	$ -	$ 56,652
Paving - Road A	218,706	-	-	218,706
Paving - Road F	179,579	-	-	179,579
Paving - FM 1385	99,267	-	-	99,267
CCN Certificate	686,733	-	-	686,733
ROW and Open Space Land Acquisition	936,454	-	-	936,454
UTRWD Capacity Acquisition	166,481	-	-	166,481
Elevated Storage Tank Engineering	-	41,620	-	41,620
Offsite Improvements				
Offsite Water	404,400	-	-	404,400
Offsite Sewer	324,378	-	-	324,378
NIA #1 Improvements				
Lot Grading	-	-	-	-
Water	1,142,341	153,747	64,804	1,360,892
Sewer	1,178,511	176,156	67,733	1,422,400
Storm Sewer	772,500	207,365	48,993	1,028,858
Roadway Improvements	3,083,231	346,162	171,470	3,600,863
Total Authorized Improvements	**$ 9,249,232**	**$ 925,050**	**$ 353,001**	**$ 10,527,283**

Note: Costs provided by Petitt Barraza, LLC. The figures shown in Table III-A may be revised in Annual Service Plan Updates. Some soft costs shown in Table III-A have been completed and will be reimbursed upon issuance of the PID Bonds pursuant to the PID Construction, Funding and Acquisition Agreement.

C. <u>Descriptions and Costs of the Neighborhood Improvement Areas #2-5 Major Improvements</u>

The Neighborhood Improvement Areas #2-5 Major Improvements are described below and their Actual Costs are shown in **Table III-B**. The Neighborhood Improvement Areas #2-5 Major Improvement Bonds will only pay for Neighborhood Improvement Areas #2-5's share of the Major Improvements (approximately 79%) as shown within **Table III-B**. The Actual Costs to construct the Major Improvements including the Off-Site Major Improvements is $11,845,649. The Actual Costs to construct the Neighborhood Improvement Areas #2-5 Major Improvements minus the Off-Site Sewer Major Improvements allocated to Neighborhood Improvement Areas #2-5 and as shown in **Table V-B**, is $10,611,272. The Actual Costs shown in **Table III-B** may be revised through Annual Service Plan Updates.

The Actual Costs for the Neighborhood Improvement Areas #2-5 Major Improvements are to be funded both from the proceeds of the Neighborhood Improvement Areas #2-5 Major Improvement Bonds as described herein and from funds contributed by the Developer.

Detention Ponds

- *Drainage System*
  - Project shall consist of the construction of one (1) retention/detention pond, including excavation to a depth of 15-feet and the associated drainage improvements for each pond. Underground reinforced concrete storm sewer pipes, inlets and rock riprap protection at outfalls will also be installed at each pond. This project will be constructed according to City standards and specifications and will be owned and operated by the City. The portion of these

costs allocated to Neighborhood Improvement Areas #2-5 is $215,582.

Paving

- *Road A*
  - The Roadway 'A' portion of the project consists of the construction of approximately 240 linear feet of 6-inch thick, 36-foot wide, concrete pavement with curb and gutter and 3,280 linear feet of 6-inch thick, 44-foot wide, concrete pavement with curb and gutter. The concrete will be 3,600 pounds per square inch (psi) strength. 17,978 square yards (sy) of pavement sub-grade will be lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. This will provide access from FM 1385 into the Sutton Fields Amenity Center and rest of the development. The portion of these costs allocated to Neighborhood Improvement Areas #2-5 is $832,254.

- *Road F*
  - The Roadway 'F' portion of the project consists of the construction of approximately 1,980 linear feet of 8-inch thick, 50-foot wide, 4 lanes divided concrete pavement with curb and gutter. The concrete will be 3,600 pounds per square inch (psi) strength. 11,440 square yards (SY) of pavement sub-grade will be lime stabilized and compacted. Intersections, signage, lighting and re-vegetation of all disturbed areas within the right of way are included. This section is located within the project and provides north-south access to the entire development. The portion of these costs allocated to Neighborhood Improvement Areas #2-5 is $683,362.

- *FM 1385*
  - The FM 1385 roadway portion of the project consists of the construction left and right turn lanes within FM 1385 to enhance traffic turning movement in and out of the development. These improvements will be constructed to TX DOT, Denton County and City standards. These Improvements will benefit the entire project. The portion of these costs allocated to Neighborhood Improvement Areas #2-5 is $377,748.

CCN Certificate

- The Developer has agreed to secure the water and wastewater CCN Certificates from Mustang Special Utility District. The property within the PID was previously within Mustang Special Utility District's water and wastewater CCN areas, but a recent Public Utility Commission ruling decertified the Mustang Special Utility District from those CCNs. The portion of the costs of the acquisition and other related costs for the CCN Certificate allocated to Neighborhood Improvement Areas #2-5 is $2,613,267.

Offsite Water

- *Water Distribution System*
  - The City is a customer of the Upper Trinity Regional Water District (UTRWD) and will receive wholesale treated water through a major transmission line from the UTRWD Tom Harpool water treatment plant. Therefore, there are no water treatment plant upgrades required.

  - There is an existing 36-inch water transmission line located along the Western boundary of the project. The proposed off-site improvements will consist of constructing a new delivery point/ meter station, a 0.25 MG Ground Storage Tank, a 1.0 MG Elevated Storage Tank and a Pump Station with the required pumps to provide adequate pressure to the system. The combination of the Elevated and Ground Storage Tanks will provide the adequate storage capacity required by TCEQ and will also provide the required pressures for the entire system. Approximately 11,000 linear feet of 12-inch water line will also be constructed as part of the water distribution system. All of the proposed improvements will be located within the Development. Additional waterline improvements will include connection to the existing water-main, installation of associated 12-inch valves, fire hydrants, ductile iron fittings, erosion control, trench safety and testing. All water improvements will be constructed to City standards and specifications and all improvements will be owned and operated by the City. These Improvements will benefit the entire PID. The portion of the acquisition of this and other related costs allocated to Neighborhood Improvement Areas #2-5 is $1,533,613.

- *Elevated Storage Tank Engineering*
  - Engineering for the Elevated Storage Tank will start with NIA #1 to secure all necessary approvals, including TCEQ and the City. These Improvements will benefit the entire project. The portion of the acquisition of this and other related costs allocated to Neighborhood Improvement Areas #2-5 is $158,380.

Offsite Sewer

- *Sanitary Sewer*
  - The City of Celina is a customer city of the Upper Trinity Regional Water District (UTRWD) and will receive wastewater collection services by constructing a wastewater interceptor line and wastewater treatment services from the UTRWD collection point located at Parvin Road & Good Hope. UTRWD operates the Riverbend and Doe Creek wastewater treatment plants. The UTRWD treatment plant permit with the TCEQ has excess capacity to serve the Sutton Fields development. UTRWD is in the process of expanding both wastewater treatment plants.

- This project consists of constructing approximately 3,550 linear feet of 6-inch force main, associated lift station, 6,050 linear feet of 15-inch sanitary sewer gravity line, 1,250 linear feet of 12-inch sanitary sewer gravity line and 800 linear feet of 10-inch sanitary sewer gravity line generally flowing southeasterly along Parvin Road and connecting to the UTRWD collection point and Doe Creek/ Riverbend Wastewater Treatment Plants. Cutoff valves, air release valves will be constructed in accordance with City of Celina and TCEQ regulations. The gravity interceptor line will be designed to maintain the 3.0 fps minimum velocity. The line will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City. The portion of the acquisition of this and other related costs of the CCN allocated to Neighborhood Improvement Areas #2-5 is $1,234,377.

Right of Way and Open Space Land Acquisition

- Upon closing of the PID Bonds corresponding to the development of a certain number of lots, the City shall pay a certain amount for the acquisition for the acquisition of the right-of-way and open space land comprising approximately 71.3 acres. The portion of the acquisition of this and other related costs allocated to Neighborhood Improvement Areas #2-5 is $3,563,546.

Upper Trinity Regional Water District Capacity Acquisition

- In connection with the securing of the CCN Certificate in order to provide water and wastewater services for the City, the Developer has agreed to purchase capacity for such services from UTRWD. The portion of the acquisition of this and other related costs allocated to Neighborhood Improvement Areas #2-5 is $633,519.

Table III-B
Authorized Improvements - Neighborhood Improvement Areas #2-5

Description	Hard Costs	Soft Costs	Contingency (5%)	Total Costs
Major Improvements				
Detention Ponds	$ 215,582	$ -	$ -	$ 215,582
Paving - Road A	832,254	-	-	832,254
Paving - Road F	683,362	-	-	683,362
Paving - FM 1385	377,748	-	-	377,748
CCN Certificate	2,613,267	-	-	2,613,267
ROW and Open Space Land Acquisition	3,563,546	-	-	3,563,546
UTRWD Capacity Acquisition	633,519	-	-	633,519
Elevated Storage Tank Engineering	-	158,380	-	158,380
Offsite Improvements				
Offsite Water	1,533,613	-	-	1,533,613
Offsite Sewer	1,234,377	-	-	1,234,377
Total Authorized Improvements	**$ 11,687,269**	**$ 158,380**	**$ -**	**$ 11,845,649**

Note: Costs provided by Petitt Barraza, LLC. The figures shown in Table III-B may be revised in Annual Service Plan Updates. Some soft costs shown in Table III-B have been completed and will be reimbursed upon issuance of the PID Bonds pursuant to the PID Construction, Funding and Acquisition Agreement.

D. Descriptions and Costs of the Off-Site Major Improvements

The portion of the Off-Site Major Improvement costs presented in Table III-A and Table III-B show their share of costs as allocated to the Neighborhood Improvement Area #1 Improvements and Neighborhood Improvement Area #2-5 Improvements, respectively. In addition, the Actual Costs of the Off-Site Major Improvements are shown in **Table III-C.** The Actual Costs shown in **Table III-C** may be revised in an Annual Service Plan Updates. The total Actual Costs for the Off-Site Major Improvements are $1,558,755 and benefit the entire PID.

Offsite Sewer

- *Sanitary Sewer*
  - The City of Celina is a customer city of the Upper Trinity Regional Water District (UTRWD) and will receive wastewater collection services by constructing a wastewater interceptor line and wastewater treatment services from the UTRWD collection point located at Parvin Road & Good Hope. UTRWD operates the Riverbend and Doe Creek wastewater treatment plants. The UTRWD treatment plant permit with the TCEQ has excess capacity to serve the Sutton Fields development. UTRWD is in the process of expanding both wastewater treatment plants.
  - This project consists of constructing approximately 3,550 linear feet of 6-inch force main, associated lift station, 6,050 linear feet of 15-inch sanitary sewer gravity line, 1,250 linear feet of 12-inch sanitary sewer gravity line and 800 linear feet of 10-inch sanitary sewer gravity line generally flowing southeasterly along Parvin Road and connecting to the UTRWD collection point and Doe Creek/ Riverbend Wastewater Treatment Plants. Cutoff valves, air release valves will be constructed in accordance with City of Celina and TCEQ regulations. The gravity interceptor line will be designed to maintain the 3.0 fps minimum velocity. The line will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City.

Table III-C
Off-Site Major Improvements - Authorized Improvements

Description	Hard Costs	Soft Costs	Contingency (5%)	Total Costs
Major Improvements				
Offsite Sewer	1,558,755	-	-	1,558,755
Total Authorized Improvements	**$ 1,558,755**	**$ -**	**$ -**	**$ 1,558,755**

Note: Costs provided by Petitt Barraza, LLC. The figures shown in Table III-C may be revised in Annual Service Plan Updates. Some soft costs shown in Table III-C have been completed and will be reimbursed upon issuance of the PID Bonds pursuant to the PID Construction, Funding and Acquisition Agreement.

E. Descriptions and Costs of Future Neighborhood Improvement Area Improvements

In addition, Future Neighborhood Improvement Area PID Bonds may be requested to be issued in the future to fund Authorized Improvements that benefit the Assessed Property in a Future Neighborhood Improvement Area (the "Future Neighborhood Improvement Area Improvements"), subject to the approval of the City Council. Should that occur, then in association with issuing Future Neighborhood Improvement Area PID Bonds, this Service and Assessment Plan will be amended to identify the Future Neighborhood Improvement Area Improvements as well as adding in an additional **Table III-D**.

F. City Park Fee

In accordance with the Development Agreement, The Developer will be required to make a contribution of $2,000,000 to the City as a City Park Fee. This fee will not be included within the estimated costs of the PID, and will not be used and/or reimbursed out of any PID Bond proceeds.

Section IV

FUTURE PID BONDS TEST

A. Additional Neighborhood Improvement Area #1 PID Bonds

The City has reserved the right to issue Additional Neighborhood Improvement Area #1 PID Bonds for any purpose permitted by the Act, including those described above, and in accordance with the conditions set forth below. Terms used in this Section IV.A but not defined herein shall have the meanings assigned to them in the Indenture for the Neighborhood Improvement Area #1 Bonds:

1. The City Representative shall certify that the City is not in default in the performance and observance of any of the terms, provisions and conditions applicable to the City contained in the Indenture;

2. The Owner, through an authorized representative, shall certify that the Owner is not in default in the performance and observance of any of the terms, provisions and conditions applicable to the Owner contained in the Construction, Funding and Acquisition Agreement for the Neighborhood Improvement Area #1 Bonds;

3. The Owner shall provide the City with a certificate or report from an independent certified appraiser or appraisal firm (that may rely on County assessed value figures for the completed homes as to their value) that, assuming completion of the improvements to be financed with the proceeds of the Additional Neighborhood Improvement Area #1 PID Bonds or with the funds withdrawn from the Developer Improvement Account of the Project Fund, as applicable, (A) at least 150 single-family homes located within the Neighborhood Improvement Area #1 of the PID have been completed or have commenced construction; (B) the appraised value of the property within the Neighborhood Improvement Area #1 of the PID is equal to at least five (5) times the principal amount of the Outstanding Bonds Similarly Secured, taking into account the Additional Neighborhood Improvement Area #1 PID Bonds to be issued, (C) the appraised value allocated to every Assessed Parcel within the Neighborhood Improvement Area #1 of the PID is at least three (3.0) times the portion of the principal amount of any Outstanding Bonds Similarly Secured, taking into account the Additional Neighborhood Improvement Area #1 PID Bonds to be issued, that is allocated to each Assessed Parcel;

4. The principal of and interest on the Additional Neighborhood Improvement Area #1 PID Bonds must be scheduled to be paid or mature on March 1 or September 1, or both, of the years in which each principal or interest are scheduled to be paid or mature;

5. There shall be deposited to the Reserve Fund an amount equal to the Reserve Fund Requirement taking into account the Outstanding Bonds Similarly Secured, and the Additional Neighborhood Improvement Area #1 PID Bonds then proposed to be issued; and,

6. The maximum amount of Additional Neighborhood Improvement Area #1 PID Bonds that may be issued, subject to the approval of the City, in total, is $6.0 million.

B. Future Neighborhood Improvement Area PID Bonds

The City has reserved the right to issue Future Neighborhood Improvement Area PID Bonds for any purpose permitted by the Act, including those described above, and in accordance with the conditions set forth below:

1. At least seventy five percent (75%) of the residential lots within the particular Future Neighborhood Improvement Area of the PID for which Authorized Improvements are financed by the Future Neighborhood Improvement Area PID Bonds must be under contract with merchant builders unaffiliated with the Developer.

2. The ratio of the appraised value of all of the land in the particular Future Neighborhood Improvement Area of the PID, based on an independent appraisal and assuming completion of the improvements within such phase to be financed with the proceeds of the Future Neighborhood Improvement Area PID Bonds to be issued, to the principal amount of the Future Neighborhood Improvement Area PID Bonds to be issued must be at least 3.0:1;

3. Construction contracts for at least 50% of the costs of the improvements in such Future Neighborhood Improvement Area to be paid with proceeds of the applicable series of Future Neighborhood Improvement Area PID Bonds must be executed and ready to proceed; and

4. Construction of residences in all previously financed Neighborhood Improvement Areas taken as a whole must be at least twenty five percent (25%) complete or underway.

Section V

ASSESSMENT PLAN

A. Introduction

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

The proposed bond issuance program entails a series of bond financings that are intended to finance the public infrastructure required for the development. This financing will necessarily be undertaken in phases to coincide with the private investment and development of the Authorized Improvements. Following the initial Neighborhood Improvement Area #1 Area Bonds and the Neighborhood Improvement Areas #2-5 Major Improvement Bonds to be issued in 2015 and the Additional Neighborhood Improvement Area #1 PID Bonds, if issued, Future Neighborhood Improvement Area PID Bonds are to be issued over the upcoming decade as the four subsequent phases (phases #2, #3, #4 and #5, each corresponding to a Future Neighborhood Improvement Area) of the development are gradually constructed.

The purpose of this gradual issuance of bonds as the Future Neighborhood Improvement Areas are developed is to mirror the actual private development of the Authorized Improvements. The Bonds to be issued are most prudently and efficiently utilized when directly coinciding with construction of public infrastructure needed for private development that is to occur once the infrastructure is completed; it is most effective to issue the PID Bonds when the infrastructure is needed, not before. Furthermore, there is no economic advantage, and several disadvantages to issuing debt and encumbering property within the PID prior to the need for the Authorized Improvements.

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

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

1. The Major Improvement and Neighborhood Improvement Area #1 costs shall be allocated on the basis of the relative value of Parcels once such property is developed, and that such method of allocation will result in the imposition of equal shares of the costs of the Authorized Improvements to Parcels similarly benefited.

2. The Assessed Property is classified into different Lot Types as described in Appendix D based on the type and size of proposed development on each Parcel.

3. The Major Improvement Area Assessed Property's proportional share of the costs for the Major Improvements is allocated to each Parcel within the Major Improvement Area Assessed Property based on the allocated estimated property value of each Parcel.

4. The Neighborhood Improvement Area #1 Improvement costs (including Neighborhood Improvement Area #1 Assessed Property's proportional share of the costs of the Major Improvements) are allocated to each Parcel within the Neighborhood Improvement Area #1 Assessed Property based on the allocated estimated value of each Parcel.

Table V-A provides the estimated allocation of costs of the Authorized Improvements constituting Neighborhood Improvement Area #1 Improvements and **Table V-B** provides the estimated allocation of costs of the Authorized Improvements constituting Major Improvements.

At this time it is impossible to determine with absolute certainty the amount of special benefit each Parcel within Future Neighborhood Improvement Areas will receive from internal subdivision Authorized Improvements that will benefit each individual Future Neighborhood Improvement Area and that are to be financed with Future Neighborhood Improvement Area PID Bonds. Therefore, at this time Parcels will only be assessed for the special benefits conferred upon the Parcel because of the Major Improvements and Neighborhood Improvement Area #1 Improvements.

In connection with the issuance of Future Neighborhood Improvement Area PID Bonds and/or execution of related reimbursement agreements, this Service and Assessment Plan will be updated to reflect the special benefit each Parcel of Assessed Property within a Future Neighborhood Improvement Area receives from the specific Authorized Improvements funded with those Future Neighborhood Improvement Area PID Bonds issued with respect to that Future Neighborhood Improvement Area. Prior to assessing Parcels located within Future Neighborhood Improvement Areas in connection with issuance of Future Neighborhood Improvement Area PID Bonds, each owner of the Parcels to be assessed must acknowledge that the Authorized Improvements to be financed confer a special benefit on their Parcel and must consent to the imposition of the Assessments to pay for the Actual Costs of such Authorized Improvements.

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within the PID as a result of the Major Improvements and Neighborhood Improvement Area #1 Improvements, (ii) provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments to be levied on the Neighborhood Improvement Area #1 Assessed Property and the Neighborhood Improvement Areas #2-5 Assessed Property for such improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Major Improvements and Neighborhood Improvement Area #1 Improvements to Parcels in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Parcels similarly benefited. The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

As Future Neighborhood Improvement Areas are developed, in connection with the issuance of Future Neighborhood Improvement Area PID Bonds this Service and Assessment Plan will be updated based on the City's determination of the assessment methodology for each Future Neighborhood Improvement Area.

Tables V-A and V–B detail the estimated allocation of costs of the Authorized Improvements. This section describes the special benefit received by each Parcel within the PID as a result of the Authorized Improvements, provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments, and establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Authorized Improvements to Parcels or Lots in a manner that results in equal share of the Actual Cost being apportioned to Parcels or Lots similarly benefited. The City Council has the authority to determine the assessment methodologies to be used in the PID. Once determined, the methodologies are conclusive and binding on the Owner and all future owners of any Assessed Property.

B. Special Benefit

Assessed Property must receive a direct and special benefit from the Authorized Improvements, which must be equal to or greater than the amount of the Assessments. The costs of the Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described on **Tables III-A** and **III-B**) and the costs of issuance of the PID Bonds and payment of costs incurred in the establishment of the PID are costs authorized under the PID Act. These improvements are provided specifically for the benefit of the Assessed Property.

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

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

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

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

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

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

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

1. The Authorized Improvements are being provided specifically for the use of the Assessed Property, are necessary for the proposed best use of the property and provide a special benefit to the Assessed Property as a result;

2. The Developer has consented to the imposition of the Assessments for the purpose of providing the Authorized Improvements and the Developer is acting in its interest by consenting to this imposition;

3. The Authorized Improvements are required for the highest and best use of the property;

4. The highest and best use of the Assessed Property is the use of the Assessed Property that is most valuable (including any costs associated with the use of the Assessed Property);

5. Financing of the costs of the Authorized Improvement through the PID is determined to be the most beneficial means of providing for the Authorized Improvements; and,

6. As a result, the special benefits to the Assessed Property from the Authorized Improvements will be equal to or greater than the Assessments.

At the time the City Council approved the Final SAP, the Developer owned 100% of the Assessed Property. The Developer has acknowledged that the Public Improvements confer a special benefit on the Assessed Property and consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. The Developer has ratified, confirmed, accepted, agreed to and approved: (i) the determinations and findings by the City Council as to the special benefits described herein and the Assessment Ordinance; (ii) the SAP and the Assessment Ordinance, and (iii) the levying of Assessments on the Assessed Property.

The City Council has determined that funding the Actual Costs through the PID is beneficial to the City. The Authorized Improvements result in a special benefit to the Assessed Property, and such special benefit exceeds the amount of the Assessment. This conclusion is supported by the information provided to the City Council regarding the PID.

C. Cost of Major Improvements Allocated to Neighborhood Improvement Area #1

The Public Improvements provide a special benefit to the Parcels within the PID. However, the Neighborhood Improvement Areas #2-5 Area Assessed Property does not include Neighborhood Improvement Area #1 Assessed Property; therefore the costs of the Major Improvements are allocated proportionally between Neighborhood Improvement Areas #2-5 Area Assessed Property and the Neighborhood Improvement Area #1 Assessed Property based on the cost of neighborhood improvements planned within their respective boundaries. The Actual Costs of the Major Improvements allocated to Neighborhood Improvement Area #1, excluding the Off-Site Major Improvements, are shown in **Table V-A**. The costs detailed in **Table V-A** are subject to revision through the Annual Service Plan Updates.

Table V-A
Authorized Improvement Cost Allocation
Neighborhood Improvement Area #1

Authorized Improvement	Total Costs (a)	% Allocation	Share of Costs
Major Improvements			
Detention Ponds	$ 272,234	21%	$ 56,652
Paving - Road A	1,050,960	21%	218,706
Paving - Road F	862,941	21%	179,579
Paving - FM 1385	477,015	21%	99,267
CCN Certificate	3,300,000	21%	686,733
ROW and Open Space Land Acquisition	4,500,000	21%	936,454
UTRWD Capacity Acquisition	800,000	21%	166,481
Elevated Storage Tank Engineering	200,000	21%	41,620
Offsite Improvements			
Offsite Water	1,938,013	21%	404,400
Offsite Sewer	1,558,755	21%	324,378
Total Major & Offsite Improvements	**$ 14,959,918**		**$ 3,114,270**
On-Site Improvements			
Lot Grading	$ -	100%	$ -
Water	1,360,892	100%	1,360,892
Sewer	1,422,400	100%	1,422,400
Storm Sewer	1,028,858	100%	1,028,858
Roadway Improvements	3,600,863	100%	3,600,863
Total On-Site Improvements	**$ 7,413,014**		**$ 7,413,013**
Total Authorized Improvements	**$ 22,372,932**		**$ 10,527,283**

(a)See Table III-A for details.

D. Cost of the Major Improvements Allocated to Neighborhood Improvement Areas #2-5

The Major Improvements provide a special benefit to all of the Property within the PID with a portion of such costs allocable to the Neighborhood Improvement Areas #2-5. The Actual Costs of the Neighborhood Improvement Areas #2-5 Major Improvements are, therefore, allocated to Parcels entirely within Neighborhood Improvement Areas #2-5. The Actual Costs of the Neighborhood Improvement Areas #2-5 Improvements, excluding the Off-Site Major Improvements, are shown in **Table V-B**. The costs detailed in **Table V-B** are subject to revision through the Annual Service Plan Updates.

Table V-B
Authorized Improvement Cost Allocation
Neighborhood Improvement Areas #2-5

Authorized Improvement	Total Costs (a)	% Allocation	Share of Costs
Hard/Soft Costs			
Detention Ponds	$ 272,234	79%	$ 215,582
Paving - Road A	1,050,960	79%	832,254
Paving - Road F	862,941	79%	683,362
Paving - FM 1385	477,015	79%	377,748
CCN Certificate	3,300,000	79%	2,613,267
ROW and Open Space Land Acquisition	4,500,000	79%	3,563,546
UTRWD Capacity Acquisition	800,000	79%	633,519
Elevated Storage Tank Engineering	200,000	79%	158,380
Offsite Improvements			
Offsite Water	1,938,013	79%	1,533,613
Offsite Sewer	1,558,755	79%	1,234,377
Total Authorized Improvements	**$ 14,959,918**		**$ 11,845,649**

(a)See Table III-B for details.

E. Cost of the Off-Site Major Improvements

The Off-Site Major Improvements will provide a special benefit to all of the Property within the PID, other than the Non-Benefited Property. The Off-Site Major Improvements will be funded proportionally by the Neighborhood Improvement Area #1 Bonds and the Neighborhood Improvement Areas #2-5 Major Improvement Bonds. The Actual Costs of the Off-Site Major Improvements have been allocated to the Neighborhood Improvement Areas #2-5 Assessed Property and the Neighborhood Improvement Area #1 Assessed Property, as shown in **Table V-C**. The costs detailed in **Table V-C** are subject to revision through the Annual Service Plan Updates, but may not result in increased Assessments except as authorized under this SAP or the PID Act.

Table V-C Off-Site Major Improvements Cost Allocation					
		NIA #1		NIA #2-5	
Authorized Improvement	Total Costs (a)	% Allocation	Share of Costs	% Allocation	Share of Costs
Major Improvements					
Offsite Sewer	$ 1,558,755	21%	$ 324,378	79%	$ 1,234,377
Total Major & Offsite Improvements	**$ 1,558,755**		**$ 324,378**		**$ 1,234,377**

(a)See Table III-C for details.

F. Allocation of Actual Costs of Future Neighborhood Improvement Area Improvements

As Future Neighborhood Improvement Areas continue to be developed and Future Neighborhood Improvement Area PID Bonds are issued, the Assessment Plan will be amended to reflect and include information on the special benefit to any property in the PID, inside the respective Future Neighborhood Improvement Areas, from those certain Future Neighborhood Improvement Areas Improvements.

G. Assessment Methodology

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

Assessment Methodology for the Neighborhood Improvement Area #1 Improvements

For purpose of Assessment Plan, the City Council has determined that the Actual Costs associated with the Neighborhood Improvement Area #1 Bonds shall be allocated to the Assessed Property by spreading the entire Assessment across all Parcels or Lots within the Neighborhood Improvement Area #1 on the ratio of the estimated buildout value of each Parcel or Lot to the estimated buildout value for all Parcels or Lots within the Neighborhood Improvement Area #1.

Based on the Actual Costs provided by the Developer for the Neighborhood Improvement Area #1 Improvements, the City Council has determined that the benefit to the Assessed Property from the Neighborhood Improvement Area #1 Improvements at least equal to the Assessments levied on the Assessed Property as subdivided into individual Lots.

The Neighborhood Improvement Area #1 Assessments and the Neighborhood Improvement Area #1 Annual Installments for each Parcel or Lot are shown on the Neighborhood Improvement Area #1 Assessment Roll, attached as **Appendix A.** The Neighborhood Improvement Area #1 Assessments allocated to each Parcel or Lot shall not be changed except as authorized by the Assessment Plan or the PID Act. **Table V-D** reflects the proposed Total Assessments for all of Neighborhood Improvement Area #1 with such Total Assessment to be levied at the time that the Neighborhood Improvement Area #1 PID Bonds issued.

Table V-D
Assessment Allocation - Neighborhood Improvement Area #1

Phase (a)	Lot Type	Units (a)	Estimated Buildout AV	Percent of Total	Total Assessment	Annual Total Installment (b)	Total Assessment per Unit	Annual Installment per Unit	Equivalent Tax Rate
1	C	280	$ 83,720,000	52%	$ 7,203,492	$ 547,847	$ 25,727	$ 1,957	$ 0.65
	B	195	$ 63,940,500	39%	$ 5,501,611	$ 418,414	$ 28,213	$ 2,146	$ 0.65
	A	40	$ 14,700,000	9%	$ 1,264,827	$ 96,194	$ 31,621	$ 2,405	$ 0.65
	HOA				$ 141,110	$ 10,732			
	Total	**515**	**$ 162,360,500**	**100%**	**$ 14,111,040**	**$ 1,073,187**			

(a) Estimates based on information available as of xx/xx/2015, the date this SAP was adopted by the City Council. Although the actual unit counts and buildout values may vary from the estimates shown above, the initial assessment allocation for each Land Use will not change unless modified in an Annual Service Plan Update approved by the City Council, subject to the terms of this SAP, the PID Act, and any other documents associated with PID Bonds. Although the Project's entitlements provide for the possible construction of additional Parcels, the Owners anticipate the actual development will be as presented above.
(b) Reflects the annual installment for the first full year after the use of the capitalized interest for the Neighborhood Improvement Area #1 Improvement Bonds and will be adjusted to reflect the City's dedication of the $0.21 tax increment when the TIRZ is established.

Assessment Methodology for the Neighborhood Improvement Areas #2-5 Major Improvements

For purpose of Assessment Plan, the City Council has determined that the Actual Costs associated with the Neighborhood Improvement Areas #2-5 Major Improvement Bonds shall be allocated to the Assessed Property by spreading the Neighborhood Improvement Areas #2-5 Assessment across all Neighborhood Improvement Areas #2-5 Assessed Property and/or Lots based on the ratio of the estimated as-built value of each Neighborhood Improvement Areas #2-5 Assessed Property and/or Lot to the estimated as-built value for all Parcels and/or Lots within the Neighborhood Improvement Areas #2-5.

Based on the Actual Costs provided by the Developer for the Neighborhood Improvement Areas #2-5 Major Improvements, the City Council has determined that the benefit to the Neighborhood Improvement Areas #2-5 Assessed Property from the Neighborhood Improvement Areas #2-5 Major Improvements are at least equal to the Assessments levied on the Neighborhood Improvement Areas #2-5 Assessed Property and/or Lots.

The Neighborhood Improvement Areas #2-5 Assessments and Neighborhood Improvement Areas #2-5 Annual Installments for each Parcel or Lot are shown on the Neighborhood Improvement Areas #2-5 Assessment Roll, attached as **Appendix B**. The Neighborhood Improvement Areas #2-5 Assessment allocated to each Parcel or Lot shall not be changed except as authorized by the Assessment Plan or the PID Act. **Table V-E** summarizes the initial allocation of the Neighborhood Improvement Areas #2-5 Assessment relating to the Neighborhood Improvement Areas #2-5 Major Improvement Bonds for the Neighborhood Improvement Areas #2-5 Assessed Property at the time the Assessment Ordinance was adopted by the City Council.

Table V-E
Assessment Allocation - Neighborhood Improvement Areas #2-5

Phase (a)	Units (a)	Estimated Buildout AV	Total Assessment	Annual Total Installment (b)	Total Assessment per Unit	Annual Installment per Unit	Equivalent Tax Rate (per $100/AV)
2	435	$ 145,300,040	$ 3,968,090	$ 347,449	$ 9,122	$ 799	$ 0.24
3	435	$ 149,659,041	$ 4,087,133	$ 357,872	$ 9,396	$ 823	$ 0.24
4	459	$ 164,288,445	$ 4,486,656	$ 392,855	$ 9,775	$ 856	$ 0.24
5	450	$ 158,593,195	$ 3,883,122	$ 379,236	$ 8,629	$ 843	$ 0.24
Total	**1,779**	**$ 617,840,721**	**$ 16,425,000**	**$ 1,477,412**			

(a) Estimates based on information available as of xx/xx/2015, the date this SAP was adopted by the City Council. Although the actual unit counts and buildout values may vary from the estimates shown above, the initial assessment allocation for each Land Use will not change unless modified in an Annual Service Plan Update approved by the City Council, subject to the terms of this SAP, the PID Act, and any other documents associated with PID Bonds. Although the Project's entitlements provide for the possible construction of additional Parcels, the Owners anticipate the actual
(b) Reflects the annual installment for the first full year after the use of the capitalized interest for the Neighborhood Improvement Areas #2-5 Major Improvement Bonds.

Assessment Methodology for Future Neighborhood Improvement Area Improvements

As any given Future Neighborhood Improvement Area is further developed, and as any Future Neighborhood Improvement Area PID Bonds for that Future Neighborhood Improvement Area are issued, the Assessment Plan will be amended to reflect the assessment methodology for the Assessments for the Future Neighborhood Improvement Area Improvements that results in the imposition of equal shares of the Actual Costs from those Future Neighborhood Improvement Area Improvements on Assessed Property similarly benefited within that Future Neighborhood Improvement Area.

H. <u>Assessments and Annual Installments</u>

The Assessments for the PID Bonds will be levied on each Parcel or Lot according to the Assessment Roll. The Annual Installments for the PID Bonds will be collected on the dates and in the amounts shown on the Assessment Roll, subject to any revisions made during an Annual Service Plan Update.

I. Administrative Expenses

The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel or Lot based on the amount of outstanding Assessment remaining on the Parcel or Lot. The Administrative Expenses shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which will be revised based on actual costs incurred in Annual Service Plan Updates. Administrative Expenses collected and not expended for actual Administrative Expenses shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of Administration Expenses. The amount of Administrative Expenses necessary for the time period commencing on the date the initial Bonds are issued and terminating on the date the first Annual Installment is due will be paid at closing.

J. Excess Interest Rate

Pursuant to the PID Act, the interest rate for Assessments may exceed the actual interest rate per annum paid on the PID Bonds by no more than one half of one percent (0.50%), (the "Excess Interest Rate"). Forty percent (40.0%) of the funds generated by the Excess Interest Rate (0.20%) will initially fund the Prepayment Reserve. The remaining sixty percent (60.0%) balance of the funds generated by the Excess Interest Rate (0.30%) will initially fund the Delinquency Reserve.

K. Prepayment Reserve

As stated, a portion of the funds generated by the Excess Interest Rate will be allocated to fund the associated interest charged between the date of prepayment of an Assessment and the date on which PID Bonds are actually redeemed ("the **Prepayment Reserve**"). The Prepayment Reserve shall be funded each year until it reaches 1.5% of the par amount of the PID Bonds, but in no event will the annual collections be more than 0.20% higher than the actual interest rate paid on the PID Bonds. If the PID Act is subsequently amended to allow prepayment of an Assessment to include all applicable interest from the date of prepayment through and including the date of the regularly scheduled PID Bond payments to be charged upon the prepayment of the Assessment, the 0.20% allocated to fund the associated interest charged between the date of prepayment of the Assessment and the date on which PID Bonds are actually prepaid may be eliminated. If in a given year the additional reserve is fully funded at 1.5% of the par amount of the PID Bonds, the City and the Developer can allocate the Prepayment Reserve Component of the Excess Interest Rate collected during that year to the Delinquency Reserve or to pay Administrative Expenses as set forth in the Indenture.

L. <u>Delinquency Reserve</u>

A portion of the funds generated by the Excess Interest Rate will be allocated to offset any possible delinquent payments. This additional reserve (the "**<u>Delinquency Reserve</u>**") shall be funded each year up to 4.0% of the par amount of the PID Bonds, but in no event will the annual collection of the Delinquency Reserve be more than 0.30% higher than the actual interest rate paid on the PID Bonds. If in a given year the additional reserve is fully funded at 4.0% of the par amount of the PID Bonds, the City and the Developer shall allocate the Delinquency Reserve component of the Excess Interest Rate collected to the redemption of PID Bonds as set forth in the Indenture.

M. <u>TIRZ Credit</u>

The City has agreed to use TIRZ Revenues (up to $0.21 per $100 of Assessed Value) generated from each Parcel within Neighborhood Improvement Area #1 to offset a portion of the Annual Installment on any Parcel within Neighborhood Improvement Area #1 Assessed Property (the "TIRZ Credit"). The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to the Parcel.

Section VI

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 PID during the five year period. It is anticipated that it will take approximately 12 months for the Neighborhood Improvement Area #1 Improvements to be constructed and approximately 12 months for the Neighborhood Improvement Areas #2-5 Improvements to be constructed.

The Actual Costs for Neighborhood Improvement Area #1 Improvements plus a pro rata portion of costs related to the issuance of the PID Bonds, and payment of expenses incurred in the establishment, administration and operation of the PID is $13,920,830 as shown in **Table VI-A**. The estimated Actual Costs for Neighborhood Improvement Areas #2-5 Major Improvements plus costs related to the issuance of the PID Bonds, and payment of expenses incurred in the establishment, administration and operation of the PID is $16,790,920 as shown in **Table VI-B**. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the estimated Authorized Improvement costs, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred as an "Annual Service Plan Update."

Table VI-A and **Table VI-B** summarize the sources and uses of funds required to construct the Neighborhood Improvement Area #1 Improvements and Neighborhood Improvement Areas #2-5 Major Improvements, respectively, establish the PID, and issue the Neighborhood Improvement Area #1 Bonds and the Neighborhood Improvement Areas #2-5 Major Improvement Bonds. The sources and uses of funds shown in **Table VI-A** and **Table VI-B** shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

Table VI-A Sources and Uses of Funds Neighborhood Improvement Area #1	
Sources of Funds	
Gross Bond Amount	$ 11,560,000
Developer's Advance (a)	2,323,280
Bond Premium	37,550
	$ 13,920,830
Uses of Funds	
Project Fund Deposits:	
Authorized Improvements (b)	$ 10,527,283
Additional Project Fund (c)	446,765
	$ 10,974,048
Other Fund Deposits:	
Debt Service Reserve Fund (d)	$ 915,863
Capitalized Interest (e)	1,303,297
	$ 2,219,159
Cost of Issuance:	$ 426,200
Additional Proceeds	$ -
Underwriter's Discount/Underwriter Counsel	$ 301,423
	$ 13,920,830

(a) Developer will fund certain costs not covered by the PID Bonds.
(b) See Table III-A and Table V-A for details.
(c) Includes Developer counsel, Service and Assessment Plan consultant and Appraiser costs which costs shall be reimbursed.
(d) The PID Bonds will include a debt service reserve fund equal to the maximum annual debt service of the Bonds.
(e) The PID Bonds will include two years of capitalized interest.

Table VI-B Sources and Uses of Funds Neighborhood Improvement Areas #2-5	
Sources of Funds	
Gross Bond Amount	$ 16,425,000
Developer's Advance (a)	325,000
Bond Premium	40,920
	$ 16,790,920
Uses of Funds	
Project Fund Deposits:	
Authorized Improvements (b)	$ 11,845,649
Additional Project Fund (c)	634,785
	$ 12,480,434
Other Fund Deposits:	
Debt Service Reserve Fund (d)	$ 1,364,150
Capitalized Interest (e)	1,990,217
	$ 3,354,367
Cost of Issuance:	$ 523,500
Additional Proceeds	$ 4,342
Underwriter's Discount/Underwriter Counsel	$ 428,277
	$ 16,790,920

(a) Developer will fund certain costs not covered by the PID Bonds.
(b) See Table III-B and Table V-B for details.
(c) Includes Developer counsel, Service and Assessment Plan consultant and Appraiser costs which costs shall be reimbursed.
(d) The PID Bonds will include a debt service reserve fund equal to the maximum annual debt service of the Bonds.
(e) The PID Bonds will include two years of capitalized interest.

Table VI-C summarizes the estimated sources and uses of funds required to construct the remaining Neighborhood Improvement Area #1 Improvements and issue the Future Neighborhood Improvement Area #1 Bonds. The sources and uses of funds shown in **Table VI-C** shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs once the Future Neighborhood Improvement Area #1 Bonds have been issued.

Table VI-C
Sources and Uses of Funds
Additional Neighborhood Improvement Area #1

Sources of Funds		
Gross Bond Amount	$	1,025,000
Developer's Advance (a)		-
Bond Premium		-
	$	**1,025,000**

Uses of Funds		
Project Fund Deposits:		
Reimbursement Fund (b)	$	797,240
Additional Project Fund (c)		-
	$	**797,240**
Other Fund Deposits:		
Debt Service Reserve Fund (d)	$	77,500
Capitalized Interest (e)		38,125
	$	**115,625**
Cost of Issuance:	$	83,640
Additional Proceeds	$	-
Underwriter's Discount/Underwriter Counsel	$	28,495
	$	**1,025,000**

(a) Developer will fund certain costs not covered by the PID Bonds.
(b) See Table III-A and Table V-A for details.
(c) Includes Developer counsel, Service and Assessment Plan consultant and Appraiser costs which costs shall be reimbursed.
(d) The PID Bonds will include a debt service reserve fund equal to the maximum annual debt service of the Bonds.
(e) The PID Bonds will include six months of capitalized interest.

The projected Annual Installments for the Neighborhood Improvement Area #1 Bonds and the Neighborhood Improvement Areas #2-5 Major Improvement Bonds are shown on **Tables VI-D** and **VI-E**, respectively. The projected annual installments are subject to revision and shall be updated in the Annual Service Plan Update as necessary.

Table VI-D
Projected Annual Installments - Neighborhood Improvement Area #1

Year Ending September 1,	Principal Payments	Interest Expense	Administrative Expenses	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit	Annual PID Installments
2016	$ -	$ 557,372	$ 30,000	$ 17,276	$ 25,914	$ -	$ 557,372	$ -	$ 73,189
2017	$ -	$ 745,925	$ 30,600	$ 23,120	$ 34,680	$ -	$ 745,925	$ -	$ 88,400
2018	$ 190,000	$ 797,175	$ 61,212	$ 25,170	$ 37,755	$ -	$ 38,125	$ 135,142	$ 938,045
2019	$ 200,000	$ 787,675	$ 62,436	$ 24,770	$ 37,155	$ -	$ -	$ 282,838	$ 829,198
2020	$ 210,000	$ 777,675	$ 63,685	$ 24,350	$ 36,525	$ -	$ -	$ 380,317	$ 731,918
2021	$ 220,000	$ 767,175	$ 64,959	$ 23,920	$ 35,880	$ -	$ -	$ 380,317	$ 731,617
Total	**$ 820,000**	**$ 4,432,997**	**$ 312,892**	**$ 138,606**	**$ 207,909**	**$ -**	**$ 1,341,422**	**$ 1,178,614**	**$ 3,392,368**

Note: The Annual Projected Debt Service are the expenditures associated with the formation of the PID, the costs of issuance and repayment of the PID Bonds and the administration of the PID less the Capitalized Interest. The debt service estimates are based on an average interest rate of approximately 6.4%, a 30 year term for the Phase 1 Improvement Area Bond and Administrative Expenses starting at $30,000 per year increasing at 2.0% per year thereafter.

Table VI-E
Projected Annual Installments - Neighborhood Improvement Areas #2-5

Year Ending September 1,	Principal Payments	Interest Expense	Administrative Expenses	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit	Annual PID Installments
2016	$ -	$ 851,142	$ 30,000	$ 24,546	$ 36,819	$ -	$ 851,142	$ -	$ 91,366
2017	$ -	$ 1,139,075	$ 30,600	$ 32,850	$ 49,275	$ -	$ 1,139,075	$ -	$ 112,725
2018	$ 225,000	$ 1,139,075	$ 31,212	$ 32,850	$ 49,275	$ -	$ -	$ -	$ 1,477,412
2019	$ 235,000	$ 1,127,825	$ 31,836	$ 32,400	$ 48,600	$ -	$ -	$ -	$ 1,475,661
2020	$ 245,000	$ 1,116,075	$ 32,473	$ 31,930	$ 47,895	$ -	$ -	$ -	$ 1,473,373
2021	$ 260,000	$ 1,103,825	$ 33,122	$ 31,440	$ 47,160	$ -	$ -	$ -	$ 1,475,547
Total	**$ 965,000**	**$ 6,477,017**	**$ 189,244**	**$ 186,016**	**$ 279,024**	**$ -**	**$ 1,990,217**	**$ -**	**$ 6,106,084**

Note: The Annual Projected Debt Service are the expenditures associated with the formation of the PID, the costs of issuance and repayment of the PID Bonds and the administration of the PID less the Capitalized Interest. The debt service estimates are based on an average interest rate of approximately 6.9%, a 30 year term for the Neighborhood Improvement Areas #2-5 Bond and Administrative Expenses starting at $30,000 per year increasing at 2.0% per year thereafter.

Section VII

TERMS OF THE ASSESSMENTS

A. Amount of Assessments and Annual Installments for Parcels Located Within the Neighborhood Improvement Area #1

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

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Neighborhood Improvement Area #1 Bonds, to fund the prepayment reserve and delinquency reserve described in **Section VI**, and to cover Administrative Expenses of Neighborhood Improvement Area #1. The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Credit applicable to such Parcel in Neighborhood Improvement Area #1. The TIRZ Credit for each Parcel shall be as described in **Section V.M**, and shall be as provided for in **Section VII.C** below:

B. Amount of Assessments and Annual Installments for Parcels Located Within the Neighborhood Improvement Areas #2-5

The Assessment and Annual Installments for each Assessed Property located within Neighborhood Improvement Areas #2-5 are shown on the Neighborhood Improvement Areas #2-5 Assessment Roll, attached as **Appendix B**, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Neighborhood Improvement Areas #2-5 Major Improvement Bonds, to fund the prepayment reserve and delinquency reserve described in **Section VI**, to cover Administrative Expenses of Neighborhood Improvement Areas #2-5.

C. TIRZ Credit for Parcels Located in Neighborhood Improvement Area #1

The Annual Installment for each Parcel in Neighborhood Improvement Area #1 shall be calculated by taking into consideration any TIRZ Credit applicable to such Parcel.

The TIRZ Credit for each Parcel in Neighborhood Improvement Area #1 in any given year shall be determined by the TIRZ Revenues collected in the preceding year (i.e., TIRZ Revenues collected in 2016 shall be used to calculate the TIRZ Credit applicable to Annual Installments to be collected in 2017). Such TIRZ Credits shall be applied on a parcel by parcel basis. If the TIRZ Credit for an individual Parcel exceeds the total annual assessment for that Parcel, the remainder shall be returned to the TIRZ Fund.

D. Amount of Assessments and Annual Installments for Parcels Located Within Future Neighborhood Improvement Areas

As Future Neighborhood Improvement Areas are developed, this Service and Assessment Plan will be amended to determine the Assessment and Annual Installments for each Assessed Property located within Future Neighborhood Improvement Areas (e.g., an Appendix will be added as the Assessment Roll for Neighborhood Improvement Areas #2, etc.). The Assessments shall not exceed the benefit received by the Assessed Property.

E. Reallocation of Assessments for Parcels Located Within Neighborhood Improvement Area #1 and Neighborhood Improvement Areas #2-5

1. Upon Division Prior to Recording of Subdivision Plat

Upon the division of any Assessed Property (without the recording of 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 x (C ÷ D)

Where the terms have the following meanings:

A = the Assessment for the new divided Assessed Property

B = the Assessment for the Assessed Property prior to division

C = the As-Built Assessed Value of the new divided Assessed Property

D = the sum of the As-Built Assessed Value for all of the new divided Assessed Properties

The calculation of the As-Built Assessed Value of an Assessed Property shall be performed by the Administrator based on information available in the Official Public Records of Denton County, Texas regarding the Assessed Property. 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 an update to this Service and Assessment Plan 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 according to the following formula:

A = [B x (C ÷ D)]/E

Where the terms have the following meanings:

A = the Assessment for the new subdivided Lot

B = the Assessment for the Parcel prior to subdivision

C = the sum of the estimated As-Built Assessed Value of all new subdivided Lots with same Lot Type

D = the sum of the estimated As-Built Assessed Value for all of the new subdivided Lots excluding Non-Benefitted Property

E= the number of Lots with same Lot Type

Prior to the recording of a subdivision plat, the Developer shall provide the City an estimated As-Built Assessed Value as of the date of the recorded subdivision plat for each Lot created by the recorded subdivision plat considering factors such as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, discussions with homebuilders, and any other factors that may impact future as-built Lot value and any other information available to the Developer. The calculation of the estimated As-Built Lot value for a Lot shall be performed by the Administrator and confirmed by the City Council based on information provided by the Developer, homebuilders, third party consultants, and/or the Official Public Records of Denton County, Texas regarding the Lot.

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 an update to this Service and Assessment Plan approved by the City Council.

3. Upon Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

F. Mandatory Prepayment of Assessments

1. If a Parcel subject to Assessments is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel subject to Assessments to become Non-Benefited Property, the owner of such Parcel shall pay to the City the full amount of the principal portion of the Assessment on such Parcel, plus all Prepayment Costs, prior to any such transfer or act.

2. The payments required above shall be treated the same as any Assessment that is due and owing under the Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the Act.

G. Reduction of Assessments

1. If after all Authorized Improvements to be funded with a series of PID Bonds have been completed and Actual Costs for such Authorized Improvements are less than the Actual Costs used to calculate the Assessments securing such series of PID Bonds, resulting in excess Bond proceeds being available to redeem Bonds of such series, then the Assessment securing such series of PID Bonds for each Parcel of Assessed Property shall be reduced by the City Council pro rata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the actual reduced Actual Costs and such excess Bond proceeds shall applied to redeem Bonds of such series. The Assessments shall not be reduced to an amount less than the related outstanding series of PID Bonds. If all of the Authorized Improvements are not completed, the City may reduce the Assessments in another method if it determines such method would better reflect the benefit received by the Parcels from the Authorized Improvements completed.

2. If all the Authorized Improvements are not undertaken, resulting in excess PID Bond proceeds being available to redeem PID Bonds, then the Assessments and Annual Installments for each Parcel shall be appropriately reduced by the City Council to reflect only the amounts required to repay the PID Bonds, including interest on the PID Bonds and Collection Costs, and such excess Bond proceeds shall be applied to redeem Bonds. The City Council may reduce the Assessments and the Annual Installments for each Parcel (i) in an amount that represents the Authorized Improvements provided for each Parcel or (ii) by an equal percentage calculated based on estimated build out value of each Parcel or Lot, if determined by the City Council to be the most fair and practical means of reducing the Assessments for each Parcel, such that the sum of the resulting reduced Assessments equals the amount required to repay the PID Bonds, including interest on the PID Bonds and Collection Costs. The Principal Portion of the Assessment for each Parcel shall be reduced pro rata to the reduction in the Assessments for each Parcel such that the sum of the resulting reduced Principal Portion of the PID Bonds is equal to the outstanding principal amount of the PID Bonds.

3. If after all Authorized Improvements to be funded with a series of PID Bonds have been completed and the Actual Costs for the Authorized Improvements are less than the Budgeted Costs used to calculate the Assessments securing the PID Bonds, resulting in excess Bond proceeds, then the City Council may reduce the Assessment securing the PID Bonds for each Assessed Property on a pro rata basis such that the sum of the resulting reduced Assessments for all Assessed Properties equals the reduced Actual Costs. The Assessments shall not be reduced to an amount less than the related outstanding series of PID Bonds.

4. Similarly, if the City does not undertake some of the Authorized Improvements with the PID Bonds then the City Council may reduce the Assessment securing the PID Bonds for each Assessed Property pro-rata to reflect only the Actual Costs that were expended. The Assessments shall not be reduced to an amount less than the related outstanding series of PID Bonds.

5. The City Council may apply excess PID Bond proceeds to the redemption of the respective PID Bonds.

H. <u>Payment of Assessments</u>

1. Payment in Full

(a) The Assessment for any Parcel may be paid in full at any time in accordance the PID Act. The Payment shall include all Prepayment Costs. If prepayment in full will result in redemption of PID Bonds, the payment amount shall be reduced from any proceeds from the Debt Service Reserve Fund applied to the redemption pursuant to the Indenture, net of any other costs applicable to the redemption of PID Bonds.

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

(c) Upon payment in full of an Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the related Indenture; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate. The City shall provide the owner of the affected Assessed Property a recordable "Notice of PID Assessment Termination."

(d) At the option of the Parcel owner, the Assessment on any Parcel may be paid in part in an amount equal to the amount of prepaid Assessments plus Prepayment Costs with respect thereto. Upon the payment of such amount for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made. The partial Assessment payment will be used to redeem the bonds.

2. Payment of Annual Installments

The Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the Act authorizes the City to collect interest and collection costs on the outstanding Assessment. An Annual Installment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown in the Assessment Roll, which includes interest on the outstanding Assessment and Administrative Expenses.

The Annual Installments as listed on the Assessment Roll have been calculated assuming an interest rate on the Neighborhood Improvement Area #1 Bonds of 6.40% and an interest rate on the Neighborhood Improvement Areas #2-5 Major Improvement Bonds of 6.90%. The Annual Installments may not exceed the amounts shown on the Assessment Roll except pursuant to any amendment or update to the SAP.

The Annual Installments shall be reduced to equal the actual costs of repaying the PID Bonds and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances. If additional Assessments are levied on the Project by the City, the Annual Installments will be adjusted to reflect the changes.

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

I. Collection of Annual Installments

The Administrator shall, no less frequently than annually, prepare and submit to the City Council for its approval, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Assessment Roll and a calculation of the Annual Installment for each Assessed Property. Administrative Expenses shall be allocated among Assessed Properties in proportion to the amount of the Annual Installments for the Assessed Property. Each Annual Installment shall be reduced by any credits applied under the Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, and existing deposits for a prepayment reserve. Annual Installments may be collected by the City (or such entity to whom the City directs) 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 in the same manner and at the same time as ad valorem taxes. The City Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the PID Act.

Any sale of Assessed Property for nonpayment of the delinquent Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such Assessed Property and such Assessed Property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent Annual Installments against such Assessed Property as they become due and payable.

Each Annual Installment, including the interest on the unpaid amount of a Assessment, shall be assessed annually. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year. The initial Annual Installments will be due when billed, and will be delinquent if not paid prior to February 1, 2016.

Section VIII

THE ASSESMENT ROLL

A. <u>Neighborhood Improvement Area #1 Assessment Roll</u>

Each Parcel or Lot within Neighborhood Improvement Area #1 has been evaluated by the City Council (based on the Development Agreement, developable area, proposed Homeowner Association Property and Public Property, the Neighborhood Improvement Area #1 Improvements, best and highest use of land, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within the Parcel.

Neighborhood Improvement Area #1 Assessed Property will be assessed for the special benefits conferred upon the property because of the Neighborhood Improvement Area #1 Improvements. **Table VIII-A** summarizes the $14,148,590 of special benefit, including the allocated costs of the PID formation and Bond issuance costs. The amount of the proposed Neighborhood Improvement Area Assessment is $14,111,040, which is less than the benefit received by the Neighborhood Improvement Area #1 Assessed Property, and as such, the total Assessment for all Assessed Property within the Neighborhood Improvement Area #1 is $14,111,040 plus annual Administrative Expenses. The Assessment for each Assessed Property within the Neighborhood Improvement Area #1 is calculated based on the allocation methodologies described in **Section V.F** of this Service and Assessment Plan. The Neighborhood Improvement Area #1 Assessment Roll is attached hereto as **<u>Appendix A</u>**.

Table VIII-A
Special Benefit Summary
Neighborhood Improvement Area #1

Authorized Improvement	**Total Cost (a)**
NIA #1 Improvements	
Total Hard/Soft Costs	**$ 10,527,283**
PID Formation/Bond Cost of Issuance	
Additional Project Fund Developer Costs	$ 710,637
Bond Premium	$ 37,550
Reserve Fund	$ 993,363
Capitalized Interest	$ 1,341,422
Underwriter's Discount/Underwriter Counsel	$ 28,495
Cost of Issuance	$ 509,840
Total PID Formation/Bond Cost of Issuance	**$ 3,621,306**
Total Special Benefit	**$ 14,148,590**
Proposed Special Assessment	$ 14,111,040
Excess Benefit	**$ 37,550**

B. Neighborhood Improvement Areas #2-5 Assessment Roll

Each Parcel or Lot within Neighborhood Improvement Areas #2-5 has been evaluated by the City Council (based on the Development Agreement, developable area, proposed Homeowner Association Property and Public Property, the Neighborhood Improvement Areas #2-5 Major Improvements, best and highest use of land, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within the Parcel.

The Neighborhood Improvement Areas #2-5 Assessed Property will be assessed for the special benefits conferred upon the property because of the Neighborhood Improvement Areas #2-5 Major Improvements. **Table VIII-B** summarizes the $16,831,840 of special benefit, including the allocated costs of the PID formation, and pro rata costs of Bond issuance costs. The amount of the Neighborhood Improvement Areas #2-5 Major Improvement Bonds is $16,425,000, which is less than the benefit received by Neighborhood Improvement Areas #2-5 Assessed Property and, as such, the total Assessment for all Assessed Property within the Neighborhood Improvement Areas #2-5 is $16,425,000 plus annual Administrative Expenses. The Assessment for each Assessed Property within Neighborhood Improvement Areas #2-5 is calculated based on the allocation methodologies described in **Section V.F** of this Service and Assessment Plan. The Neighborhood Improvement Areas #2-5 Assessment Roll is attached hereto as **Appendix B.**

Table VIII-B
Special Benefit Summary
Neighborhood Improvement Areas #2-5

Authorized Improvement	**Total Cost (a)**
Major Improvements	
Total Hard/Soft Costs	**$ 11,845,649**
PID Formation/Bond Cost of Issuance	
Additional Project Fund Developer Costs	$ 634,785
Additional Bond Proceeds	$ 4,342
Bond Premium	$ 40,920
Reserve Fund	$ 1,364,150
Capitalized Interest	$ 1,990,217
Underwriter's Discount/Underwriter Counsel	$ 428,277
Cost of Issuance	$ 523,500
Total PID Formation/Bond Cost of Issuance	**$ 4,986,191**
Total Special Benefit	**$ 16,831,840**
Proposed Special Assessment	$ 16,425,000
Excess Benefit	**$ 406,840**

C. Annual Assessment Roll Updates

The Administrator shall prepare, and shall submit to the City Council for approval, updates to the Assessment Roll and the Annual Service Plan Update to reflect changes such as (i) the identification of each Parcel or Lot (ii) the Assessment for each Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by **Section VII.G** of this Service and Assessment Plan.

The Service and Assessment Plan Update shall reflect the actual interest on the PID Bonds on which the Annual Installments shall be paid, any reduction in the Assessments, and any revisions in the Actual Costs to be funded by the PID Bonds and Developer funds.

D. Future Neighborhood Improvement Area Assessment Roll

As Future Neighborhood Improvement Areas are developed, this Service and Assessment Plan will be updated to determine the Assessment for each Parcel located within Future Neighborhood Improvement Areas (e.g., an Appendix will be added as the Assessment Roll for Neighborhood Improvement Area #2, etc.).

Section VIIII

MISCELLANEOUS PROVISIONS

A. Administrative Review

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

To the extent consistent with the PID Act, an owner of an Assessed Property claiming that a calculation error has been made in the Assessment Roll, including the calculation of the Annual Installment, must send a written notice describing the error to the City no later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. If an owner fails to give such notice, such owner shall be deemed to have accepted the calculation of the Assessment Roll (including the Annual Installments) and to have waived any objection to the calculation. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Property owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

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

B. Termination of Assessments

Each Assessment shall terminate on the date the Assessment is paid in full, including payment of any unpaid Annual Installments and Delinquent Collection Costs, if any. After the termination of the Assessment, and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the City shall provide the owner of the affected Parcel a recordable "Notice of the PID Assessment Termination."

C. Amendments

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

D. Administration and Interpretation of Provisions

The City Council shall administer (or cause the administration of) the PID, this SAP, and all Annual Service Plan Updates consistent with the PID Act, unless stated otherwise herein or in the Indenture, such determination shall be conclusive.

E. Severability

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

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

Appendix A

Neighborhood Improvement Area #1 Assessment Roll

Appendix A-1
Special Assessment by Parcel

Parcel	Owner	Estimated Assessable Units	Estimated Assessable Acres	PID Bond Special Assessment	Average Assessment per Assessable Unit	Average Assessment per Assessable Acre
52680	CADG Sutton Fields, LLC	38	37	$ 1,030,791	$ 27,126	$ 28,056
52751	CADG Sutton Fields, LLC	342	112	$ 9,277,118	$ 27,126	$ 82,887
52810	CADG Sutton Fields, LLC	30	106	$ 813,782	$ 27,126	$ 7,677
52744	CADG Sutton Fields, LLC	14	98	$ 379,765	$ 27,126	$ 3,895
52760	CADG Sutton Fields, LLC	27	18	$ 732,404	$ 27,126	$ 40,000
52721	CADG Sutton Fields, LLC	64	57	$ 1,736,069	$ 27,126	$ 30,240
HOA	CADG Sutton Fields, LLC	-	-	$ 141,110	$ 141,110	$ -
Totals		**515**	**428**	**$ 14,111,040**		

Preliminary and subject to change

Appendix A-2
Annual Installments - All Phases

Year (a)	PID Bonds Principal	PID Bonds Interest (b)	PID Bonds Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit (d)	Reimbursements	Annual Installment (e)
09/01/16	$ -	$ 557,372	$ 557,372	$ 30,000	$ 17,276	$ 25,914	$ -	$ 557,372	$ -	$ -	$ 73,189
09/01/17	$ -	$ 745,925	$ 745,925	$ 30,600	$ 23,120	$ 34,680	$ -	$ 745,925	$ -	$ -	$ 88,400
09/01/18	$ 190,000	$ 797,175	$ 987,175	$ 61,212	$ 25,170	$ 37,755	$ -	$ 38,125	$ 135,142	$ -	$ 938,045
09/01/19	$ 200,000	$ 787,675	$ 987,675	$ 62,436	$ 24,770	$ 37,155	$ -	$ -	$ 282,838	$ -	$ 829,198
09/01/20	$ 210,000	$ 777,675	$ 987,675	$ 63,685	$ 24,350	$ 36,525	$ -	$ -	$ 380,317	$ -	$ 731,918
09/01/21	$ 220,000	$ 767,175	$ 987,175	$ 64,959	$ 23,920	$ 35,880	$ -	$ -	$ 380,317	$ -	$ 731,617
09/01/22	$ 230,000	$ 756,175	$ 986,175	$ 66,258	$ 23,470	$ 35,205	$ -	$ -	$ 380,317	$ -	$ 730,791
09/01/23	$ 240,000	$ 742,113	$ 982,113	$ 67,583	$ 1,800	$ 55,700	$ -	$ -	$ 380,317	$ -	$ 726,878
09/01/24	$ 255,000	$ 727,425	$ 982,425	$ 68,935	$ 1,575	$ 54,500	$ -	$ -	$ 380,317	$ -	$ 727,118
09/01/25	$ 270,000	$ 711,800	$ 981,800	$ 70,313	$ -	$ 53,250	$ -	$ -	$ 380,317	$ -	$ 725,046
09/01/26	$ 285,000	$ 695,238	$ 980,238	$ 71,720	$ -	$ 51,925	$ -	$ -	$ 380,317	$ -	$ 723,565
09/01/27	$ 300,000	$ 677,738	$ 977,738	$ 73,154	$ -	$ 50,525	$ -	$ -	$ 380,317	$ -	$ 721,099
09/01/28	$ 320,000	$ 659,300	$ 979,300	$ 74,617	$ -	$ 49,050	$ -	$ -	$ 380,317	$ -	$ 722,650
09/01/29	$ 335,000	$ 639,613	$ 974,613	$ 76,109	$ -	$ 47,500	$ -	$ -	$ 380,317	$ -	$ 717,905
09/01/30	$ 355,000	$ 618,988	$ 973,988	$ 77,632	$ -	$ 45,850	$ -	$ -	$ 380,317	$ -	$ 717,152
09/01/31	$ 375,000	$ 597,113	$ 972,113	$ 79,184	$ -	$ 44,125	$ -	$ -	$ 380,317	$ -	$ 715,105
09/01/32	$ 400,000	$ 573,988	$ 973,988	$ 80,768	$ -	$ 42,275	$ -	$ -	$ 380,317	$ -	$ 716,713
09/01/33	$ 420,000	$ 549,300	$ 969,300	$ 82,383	$ -	$ 40,325	$ -	$ -	$ 380,317	$ -	$ 711,691
09/01/34	$ 445,000	$ 523,363	$ 968,363	$ 84,031	$ -	$ 37,200	$ -	$ -	$ 380,317	$ -	$ 709,276
09/01/35	$ 475,000	$ 495,863	$ 970,863	$ 85,712	$ -	$ 34,300	$ -	$ -	$ 380,317	$ -	$ 710,557
09/01/36	$ 500,000	$ 466,488	$ 966,488	$ 87,426	$ -	$ 32,075	$ -	$ -	$ 380,317	$ -	$ 705,671
09/01/37	$ 555,000	$ 433,175	$ 988,175	$ 89,174	$ -	$ 29,700	$ -	$ -	$ 380,317	$ -	$ 726,732
09/01/38	$ 590,000	$ 396,588	$ 986,588	$ 90,958	$ -	$ 27,175	$ -	$ -	$ 380,317	$ -	$ 724,403
09/01/39	$ 630,000	$ 357,638	$ 987,638	$ 92,777	$ -	$ 24,475	$ -	$ -	$ 380,317	$ -	$ 724,572
09/01/40	$ 665,000	$ 315,988	$ 980,988	$ 94,633	$ -	$ 21,600	$ -	$ -	$ 380,317	$ -	$ 716,903
09/01/41	$ 710,000	$ 271,975	$ 981,975	$ 96,525	$ -	$ 18,550	$ -	$ -	$ 380,317	$ -	$ 716,733
09/01/42	$ 755,000	$ 224,925	$ 979,925	$ 98,456	$ -	$ 15,300	$ -	$ -	$ 380,317	$ -	$ 713,364
09/01/43	$ 800,000	$ 174,838	$ 974,838	$ 100,425	$ -	$ 11,825	$ -	$ -	$ 380,317	$ -	$ 706,770
09/01/44	$ 850,000	$ 121,713	$ 971,713	$ 102,433	$ -	$ 8,125	$ -	$ -	$ 380,317	$ -	$ 701,954
09/01/45	$ 905,000	$ 65,213	$ 970,213	$ 104,482	$ -	$ 4,200	$ 915,863	$ -	$ -	$ -	$ 163,032
09/01/46	$ 50,000	$ 5,000	$ 55,000	$ 52,231	$ -	$ -	$ -	$ -	$ -	$ 305,208	$ 412,439
09/01/47	$ 50,000	$ 2,500	$ 52,500	$ 53,275	$ -	$ -	$ 105,775	$ -	$ -	$ 305,208	$ 305,208
09/01/48	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 305,208	$ 305,208
09/01/49	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 305,208	$ 305,208
09/01/50	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 305,208	$ 305,208
Totals	$ 12,585,000	$ 16,237,047	$ 28,822,047	$ 2,434,085	$ 165,451	$ 1,042,664	$ 1,021,638	$ 1,341,422	$ 9,925,906	$ 1,526,040	$ 21,701,321

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) TIRZ Credit per First Southwest
(e) Annual Installments are calculated assuming an average 6.59% interest rate on the Bonds plus Administrative Expenses.

Appendix A-3
Annual Installments - Parcel No. 52680

Year (a)	PID Bonds			Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit (d)	Reimbursements	Annual Installment (e)
	Principal	Interest (b)	Net Debt Service								
09/01/16	$ -	$ 40,715	$ 40,715	$ 2,191	$ 1,262	$ 1,893	$ -	$ 40,715	$ -	$ -	$ 5,346
09/01/17	$ -	$ 54,489	$ 54,489	$ 2,235	$ 1,689	$ 2,533	$ -	$ 54,489	$ -	$ -	$ 6,457
09/01/18	$ 13,879	$ 58,232	$ 72,112	$ 4,471	$ 1,839	$ 2,758	$ -	$ 2,785	$ 9,872	$ -	$ 68,523
09/01/19	$ 14,610	$ 57,539	$ 72,148	$ 4,561	$ 1,809	$ 2,714	$ -	$ -	$ 20,661	$ -	$ 60,572
09/01/20	$ 15,340	$ 56,808	$ 72,148	$ 4,652	$ 1,779	$ 2,668	$ -	$ -	$ 27,782	$ -	$ 53,466
09/01/21	$ 16,071	$ 56,041	$ 72,112	$ 4,745	$ 1,747	$ 2,621	$ -	$ -	$ 27,782	$ -	$ 53,444
09/01/22	$ 16,801	$ 55,237	$ 72,039	$ 4,840	$ 1,714	$ 2,572	$ -	$ -	$ 27,782	$ -	$ 53,383
09/01/23	$ 17,532	$ 54,210	$ 71,742	$ 4,937	$ 131	$ 4,069	$ -	$ -	$ 27,782	$ -	$ 53,097
09/01/24	$ 18,627	$ 53,137	$ 71,765	$ 5,036	$ 115	$ 3,981	$ -	$ -	$ 27,782	$ -	$ 53,115
09/01/25	$ 19,723	$ 51,996	$ 71,719	$ 5,136	$ -	$ 3,890	$ -	$ -	$ 27,782	$ -	$ 52,964
09/01/26	$ 20,819	$ 50,786	$ 71,605	$ 5,239	$ -	$ 3,793	$ -	$ -	$ 27,782	$ -	$ 52,855
09/01/27	$ 21,915	$ 49,508	$ 71,422	$ 5,344	$ -	$ 3,691	$ -	$ -	$ 27,782	$ -	$ 52,675
09/01/28	$ 23,376	$ 48,161	$ 71,536	$ 5,451	$ -	$ 3,583	$ -	$ -	$ 27,782	$ -	$ 52,789
09/01/29	$ 24,471	$ 46,723	$ 71,194	$ 5,560	$ -	$ 3,470	$ -	$ -	$ 27,782	$ -	$ 52,442
09/01/30	$ 25,932	$ 45,216	$ 71,148	$ 5,671	$ -	$ 3,349	$ -	$ -	$ 27,782	$ -	$ 52,387
09/01/31	$ 27,393	$ 43,618	$ 71,011	$ 5,784	$ -	$ 3,223	$ -	$ -	$ 27,782	$ -	$ 52,237
09/01/32	$ 29,219	$ 41,929	$ 71,148	$ 5,900	$ -	$ 3,088	$ -	$ -	$ 27,782	$ -	$ 52,355
09/01/33	$ 30,680	$ 40,126	$ 70,806	$ 6,018	$ -	$ 2,946	$ -	$ -	$ 27,782	$ -	$ 51,988
09/01/34	$ 32,507	$ 38,231	$ 70,737	$ 6,138	$ -	$ 2,717	$ -	$ -	$ 27,782	$ -	$ 51,812
09/01/35	$ 34,698	$ 36,222	$ 70,920	$ 6,261	$ -	$ 2,506	$ -	$ -	$ 27,782	$ -	$ 51,905
09/01/36	$ 36,524	$ 34,076	$ 70,601	$ 6,386	$ -	$ 2,343	$ -	$ -	$ 27,782	$ -	$ 51,548
09/01/37	$ 40,542	$ 31,643	$ 72,185	$ 6,514	$ -	$ 2,170	$ -	$ -	$ 27,782	$ -	$ 53,087
09/01/38	$ 43,099	$ 28,970	$ 72,069	$ 6,644	$ -	$ 1,985	$ -	$ -	$ 27,782	$ -	$ 52,917
09/01/39	$ 46,021	$ 26,125	$ 72,145	$ 6,777	$ -	$ 1,788	$ -	$ -	$ 27,782	$ -	$ 52,929
09/01/40	$ 48,577	$ 23,082	$ 71,660	$ 6,913	$ -	$ 1,578	$ -	$ -	$ 27,782	$ -	$ 52,369
09/01/41	$ 51,864	$ 19,867	$ 71,732	$ 7,051	$ -	$ 1,355	$ -	$ -	$ 27,782	$ -	$ 52,356
09/01/42	$ 55,152	$ 16,430	$ 71,582	$ 7,192	$ -	$ 1,118	$ -	$ -	$ 27,782	$ -	$ 52,110
09/01/43	$ 58,439	$ 12,772	$ 71,210	$ 7,336	$ -	$ 864	$ -	$ -	$ 27,782	$ -	$ 51,629
09/01/44	$ 62,091	$ 8,891	$ 70,982	$ 7,483	$ -	$ 594	$ -	$ -	$ 27,782	$ -	$ 51,277
09/01/45	$ 66,109	$ 4,764	$ 70,873	$ 7,632	$ -	$ 307	$ 66,902	$ -	$ -	$ -	$ 11,909
09/01/46	$ 3,652	$ 365	$ 4,018	$ 3,815	$ -	$ -	$ -	$ -	$ -	$ 22,295	$ 30,128
09/01/47	$ 3,652	$ 183	$ 3,835	$ 3,892	$ -	$ -	$ 7,727	$ -	$ -	$ 22,295	$ 22,295
09/01/48	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,295	$ 22,295
09/01/49	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,295	$ 22,295
09/01/50	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 22,295	$ 22,295
Totals	$ 919,316	$ 1,186,093	$ 2,105,409	$ 177,806	$ 12,086	$ 76,165	$ 74,629	$ 97,989	$ 725,073	$ 111,475	$ 1,585,250

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) TIRZ Credit per First Southwest
(e) Annual Installments are calculated assuming an average 6.59% interest rate on the Bonds plus Administrative Expenses.

Appendix A-4
Annual Installments - Parcel No. 52751

Year (a)	PID Bonds Principal	PID Bonds Interest (b)	PID Bonds Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit (d)	Reimbursements	Annual Installment (e)
09/01/16	$ -	$ 366,437	$ 366,437	$ 19,723	$ 11,358	$ 17,037	$ -	$ 366,437	$ -	$ -	$ 48,117
09/01/17	$ -	$ 490,399	$ 490,399	$ 20,118	$ 15,200	$ 22,800	$ -	$ 490,399	$ -	$ -	$ 58,117
09/01/18	$ 124,913	$ 524,092	$ 649,005	$ 40,243	$ 16,548	$ 24,822	$ -	$ 25,065	$ 88,847	$ -	$ 616,705
09/01/19	$ 131,487	$ 517,847	$ 649,334	$ 41,048	$ 16,285	$ 24,427	$ -	$ -	$ 185,948	$ -	$ 545,146
09/01/20	$ 138,062	$ 511,272	$ 649,334	$ 41,869	$ 16,009	$ 24,013	$ -	$ -	$ 250,034	$ -	$ 481,190
09/01/21	$ 144,636	$ 504,369	$ 649,005	$ 42,706	$ 15,726	$ 23,589	$ -	$ -	$ 250,034	$ -	$ 480,992
09/01/22	$ 151,210	$ 497,137	$ 648,348	$ 43,560	$ 15,430	$ 23,145	$ -	$ -	$ 250,034	$ -	$ 480,449
09/01/23	$ 157,785	$ 487,892	$ 645,677	$ 44,432	$ 1,183	$ 36,619	$ -	$ -	$ 250,034	$ -	$ 477,877
09/01/24	$ 167,646	$ 478,236	$ 645,882	$ 45,320	$ 1,035	$ 35,830	$ -	$ -	$ 250,034	$ -	$ 478,034
09/01/25	$ 177,508	$ 467,964	$ 645,472	$ 46,227	$ -	$ 35,009	$ -	$ -	$ 250,034	$ -	$ 476,672
09/01/26	$ 187,370	$ 457,075	$ 644,444	$ 47,151	$ -	$ 34,137	$ -	$ -	$ 250,034	$ -	$ 475,698
09/01/27	$ 197,231	$ 445,570	$ 642,801	$ 48,094	$ -	$ 33,217	$ -	$ -	$ 250,034	$ -	$ 474,077
09/01/28	$ 210,380	$ 433,448	$ 643,828	$ 49,056	$ -	$ 32,247	$ -	$ -	$ 250,034	$ -	$ 475,097
09/01/29	$ 220,241	$ 420,505	$ 640,746	$ 50,037	$ -	$ 31,228	$ -	$ -	$ 250,034	$ -	$ 471,977
09/01/30	$ 233,390	$ 406,945	$ 640,335	$ 51,038	$ -	$ 30,143	$ -	$ -	$ 250,034	$ -	$ 471,482
09/01/31	$ 246,539	$ 392,564	$ 639,103	$ 52,059	$ -	$ 29,009	$ -	$ -	$ 250,034	$ -	$ 470,136
09/01/32	$ 262,975	$ 377,361	$ 640,335	$ 53,100	$ -	$ 27,793	$ -	$ -	$ 250,034	$ -	$ 471,194
09/01/33	$ 276,123	$ 361,130	$ 637,254	$ 54,162	$ -	$ 26,511	$ -	$ -	$ 250,034	$ -	$ 467,892
09/01/34	$ 292,559	$ 344,078	$ 636,637	$ 55,245	$ -	$ 24,457	$ -	$ -	$ 250,034	$ -	$ 466,304
09/01/35	$ 312,283	$ 325,998	$ 638,281	$ 56,350	$ -	$ 22,550	$ -	$ -	$ 250,034	$ -	$ 467,146
09/01/36	$ 328,718	$ 306,686	$ 635,405	$ 57,477	$ -	$ 21,087	$ -	$ -	$ 250,034	$ -	$ 463,934
09/01/37	$ 364,877	$ 284,785	$ 649,663	$ 58,626	$ -	$ 19,526	$ -	$ -	$ 250,034	$ -	$ 477,781
09/01/38	$ 387,888	$ 260,731	$ 648,619	$ 59,799	$ -	$ 17,866	$ -	$ -	$ 250,034	$ -	$ 476,249
09/01/39	$ 414,185	$ 235,124	$ 649,309	$ 60,995	$ -	$ 16,091	$ -	$ -	$ 250,034	$ -	$ 476,361
09/01/40	$ 437,196	$ 207,742	$ 644,937	$ 62,215	$ -	$ 14,201	$ -	$ -	$ 250,034	$ -	$ 471,318
09/01/41	$ 466,780	$ 178,806	$ 645,587	$ 63,459	$ -	$ 12,195	$ -	$ -	$ 250,034	$ -	$ 471,207
09/01/42	$ 496,365	$ 147,874	$ 644,239	$ 64,728	$ -	$ 10,059	$ -	$ -	$ 250,034	$ -	$ 468,992
09/01/43	$ 525,950	$ 114,945	$ 640,894	$ 66,023	$ -	$ 7,774	$ -	$ -	$ 250,034	$ -	$ 464,657
09/01/44	$ 558,821	$ 80,018	$ 638,840	$ 67,343	$ -	$ 5,342	$ -	$ -	$ 250,034	$ -	$ 461,490
09/01/45	$ 594,980	$ 42,873	$ 637,853	$ 68,690	$ -	$ 2,761	$ 602,122	$ -	$ -	$ -	$ 107,183
09/01/46	$ 32,872	$ 3,287	$ 36,159	$ 34,338	$ -	$ -	$ -	$ -	$ -	$ 200,655	$ 271,152
09/01/47	$ 32,872	$ 1,644	$ 34,515	$ 35,025	$ -	$ -	$ 69,541	$ -	$ -	$ 200,655	$ 200,655
09/01/48	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 200,655	$ 200,655
09/01/49	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 200,655	$ 200,655
09/01/50	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 200,655	$ 200,655
Totals	$ 8,273,843	$ 10,674,834	$ 18,948,677	$ 1,600,257	$ 108,773	$ 685,486	$ 671,662	$ 881,900	$ 6,525,657	$ 1,003,275	$ 14,267,249

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) TIRZ Credit per First Southwest
(e) Annual Installments are calculated assuming an average 6.59% interest rate on the Bonds plus Administrative Expenses.

Appendix A-5
Annual Installments - Parcel No. 52810

Year (a)	PID Bonds			Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit (d)	Reimbursements	Annual Installment (e)
	Principal	Interest (b)	Net Debt Service								
09/01/16	$ -	$ 32,144	$ 32,144	$ 1,730	$ 996	$ 1,494	$ -	$ 32,144	$ -	$ -	$ 4,221
09/01/17	$ -	$ 43,017	$ 43,017	$ 1,765	$ 1,333	$ 2,000	$ -	$ 43,017	$ -	$ -	$ 5,098
09/01/18	$ 10,957	$ 45,973	$ 56,930	$ 3,530	$ 1,452	$ 2,177	$ -	$ 2,199	$ 7,794	$ -	$ 54,097
09/01/19	$ 11,534	$ 45,425	$ 56,959	$ 3,601	$ 1,428	$ 2,143	$ -	$ -	$ 16,311	$ -	$ 47,820
09/01/20	$ 12,111	$ 44,848	$ 56,959	$ 3,673	$ 1,404	$ 2,106	$ -	$ -	$ 21,933	$ -	$ 42,210
09/01/21	$ 12,687	$ 44,243	$ 56,930	$ 3,746	$ 1,379	$ 2,069	$ -	$ -	$ 21,933	$ -	$ 42,192
09/01/22	$ 13,264	$ 43,609	$ 56,873	$ 3,821	$ 1,354	$ 2,030	$ -	$ -	$ 21,933	$ -	$ 42,145
09/01/23	$ 13,841	$ 42,798	$ 56,638	$ 3,898	$ 104	$ 3,212	$ -	$ -	$ 21,933	$ -	$ 41,919
09/01/24	$ 14,706	$ 41,951	$ 56,656	$ 3,975	$ 91	$ 3,143	$ -	$ -	$ 21,933	$ -	$ 41,933
09/01/25	$ 15,571	$ 41,049	$ 56,620	$ 4,055	$ -	$ 3,071	$ -	$ -	$ 21,933	$ -	$ 41,813
09/01/26	$ 16,436	$ 40,094	$ 56,530	$ 4,136	$ -	$ 2,995	$ -	$ -	$ 21,933	$ -	$ 41,728
09/01/27	$ 17,301	$ 39,085	$ 56,386	$ 4,219	$ -	$ 2,914	$ -	$ -	$ 21,933	$ -	$ 41,586
09/01/28	$ 18,454	$ 38,022	$ 56,476	$ 4,303	$ -	$ 2,829	$ -	$ -	$ 21,933	$ -	$ 41,675
09/01/29	$ 19,319	$ 36,886	$ 56,206	$ 4,389	$ -	$ 2,739	$ -	$ -	$ 21,933	$ -	$ 41,402
09/01/30	$ 20,473	$ 35,697	$ 56,170	$ 4,477	$ -	$ 2,644	$ -	$ -	$ 21,933	$ -	$ 41,358
09/01/31	$ 21,626	$ 34,435	$ 56,062	$ 4,567	$ -	$ 2,545	$ -	$ -	$ 21,933	$ -	$ 41,240
09/01/32	$ 23,068	$ 33,102	$ 56,170	$ 4,658	$ -	$ 2,438	$ -	$ -	$ 21,933	$ -	$ 41,333
09/01/33	$ 24,221	$ 31,678	$ 55,899	$ 4,751	$ -	$ 2,326	$ -	$ -	$ 21,933	$ -	$ 41,043
09/01/34	$ 25,663	$ 30,182	$ 55,845	$ 4,846	$ -	$ 2,145	$ -	$ -	$ 21,933	$ -	$ 40,904
09/01/35	$ 27,393	$ 28,596	$ 55,990	$ 4,943	$ -	$ 1,978	$ -	$ -	$ 21,933	$ -	$ 40,978
09/01/36	$ 28,835	$ 26,902	$ 55,737	$ 5,042	$ -	$ 1,850	$ -	$ -	$ 21,933	$ -	$ 40,696
09/01/37	$ 32,007	$ 24,981	$ 56,988	$ 5,143	$ -	$ 1,713	$ -	$ -	$ 21,933	$ -	$ 41,911
09/01/38	$ 34,025	$ 22,871	$ 56,896	$ 5,246	$ -	$ 1,567	$ -	$ -	$ 21,933	$ -	$ 41,776
09/01/39	$ 36,332	$ 20,625	$ 56,957	$ 5,350	$ -	$ 1,411	$ -	$ -	$ 21,933	$ -	$ 41,786
09/01/40	$ 38,350	$ 18,223	$ 56,573	$ 5,457	$ -	$ 1,246	$ -	$ -	$ 21,933	$ -	$ 41,344
09/01/41	$ 40,946	$ 15,685	$ 56,630	$ 5,567	$ -	$ 1,070	$ -	$ -	$ 21,933	$ -	$ 41,334
09/01/42	$ 43,541	$ 12,971	$ 56,512	$ 5,678	$ -	$ 882	$ -	$ -	$ 21,933	$ -	$ 41,140
09/01/43	$ 46,136	$ 10,083	$ 56,219	$ 5,791	$ -	$ 682	$ -	$ -	$ 21,933	$ -	$ 40,759
09/01/44	$ 49,019	$ 7,019	$ 56,039	$ 5,907	$ -	$ 469	$ -	$ -	$ 21,933	$ -	$ 40,482
09/01/45	$ 52,191	$ 3,761	$ 55,952	$ 6,025	$ -	$ 242	$ 52,818	$ -	$ -	$ -	$ 9,402
09/01/46	$ 2,883	$ 288	$ 3,172	$ 3,012	$ -	$ -	$ -	$ -	$ -	$ 17,601	$ 23,785
09/01/47	$ 2,883	$ 144	$ 3,028	$ 3,072	$ -	$ -	$ 6,100	$ -	$ -	$ 17,601	$ 17,601
09/01/48	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 17,601	$ 17,601
09/01/49	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 17,601	$ 17,601
09/01/50	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 17,601	$ 17,601
	$ 725,776	$ 936,389	$ 1,662,165	$ 140,373	$ 9,542	$ 60,130	$ 58,918	$ 77,360	$ 572,426	$ 88,007	$ 1,251,513

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) TIRZ Credit per First Southwest
(e) Annual Installments are calculated assuming an average 6.59% interest rate on the Bonds plus Administrative Expenses.

Appendix A-6
Annual Installments - Parcel No. 52744

	PID Bonds										
Year (a)	Principal	Interest (b)	Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit (d)	Reimbursements	Annual Installment (e)
09/01/16	$ -	$ 15,000	$ 15,000	$ 807	$ 465	$ 697	$ -	$ 15,000	$ -	$ -	$ 1,970
09/01/17	$ -	$ 20,075	$ 20,075	$ 824	$ 622	$ 933	$ -	$ 20,075	$ -	$ -	$ 2,379
09/01/18	$ 5,113	$ 21,454	$ 26,567	$ 1,647	$ 677	$ 1,016	$ -	$ 1,026	$ 3,637	$ -	$ 25,245
09/01/19	$ 5,383	$ 21,198	$ 26,581	$ 1,680	$ 667	$ 1,000	$ -	$ -	$ 7,612	$ -	$ 22,316
09/01/20	$ 5,652	$ 20,929	$ 26,581	$ 1,714	$ 655	$ 983	$ -	$ -	$ 10,235	$ -	$ 19,698
09/01/21	$ 5,921	$ 20,647	$ 26,567	$ 1,748	$ 644	$ 966	$ -	$ -	$ 10,235	$ -	$ 19,690
09/01/22	$ 6,190	$ 20,351	$ 26,541	$ 1,783	$ 632	$ 947	$ -	$ -	$ 10,235	$ -	$ 19,667
09/01/23	$ 6,459	$ 19,972	$ 26,431	$ 1,819	$ 48	$ 1,499	$ -	$ -	$ 10,235	$ -	$ 19,562
09/01/24	$ 6,863	$ 19,577	$ 26,440	$ 1,855	$ 42	$ 1,467	$ -	$ -	$ 10,235	$ -	$ 19,569
09/01/25	$ 7,266	$ 19,156	$ 26,423	$ 1,892	$ -	$ 1,433	$ -	$ -	$ 10,235	$ -	$ 19,513
09/01/26	$ 7,670	$ 18,711	$ 26,381	$ 1,930	$ -	$ 1,397	$ -	$ -	$ 10,235	$ -	$ 19,473
09/01/27	$ 8,074	$ 18,240	$ 26,313	$ 1,969	$ -	$ 1,360	$ -	$ -	$ 10,235	$ -	$ 19,407
09/01/28	$ 8,612	$ 17,743	$ 26,356	$ 2,008	$ -	$ 1,320	$ -	$ -	$ 10,235	$ -	$ 19,448
09/01/29	$ 9,016	$ 17,214	$ 26,229	$ 2,048	$ -	$ 1,278	$ -	$ -	$ 10,235	$ -	$ 19,321
09/01/30	$ 9,554	$ 16,659	$ 26,213	$ 2,089	$ -	$ 1,234	$ -	$ -	$ 10,235	$ -	$ 19,300
09/01/31	$ 10,092	$ 16,070	$ 26,162	$ 2,131	$ -	$ 1,188	$ -	$ -	$ 10,235	$ -	$ 19,245
09/01/32	$ 10,765	$ 15,448	$ 26,213	$ 2,174	$ -	$ 1,138	$ -	$ -	$ 10,235	$ -	$ 19,289
09/01/33	$ 11,303	$ 14,783	$ 26,086	$ 2,217	$ -	$ 1,085	$ -	$ -	$ 10,235	$ -	$ 19,153
09/01/34	$ 11,976	$ 14,085	$ 26,061	$ 2,261	$ -	$ 1,001	$ -	$ -	$ 10,235	$ -	$ 19,088
09/01/35	$ 12,783	$ 13,345	$ 26,128	$ 2,307	$ -	$ 923	$ -	$ -	$ 10,235	$ -	$ 19,123
09/01/36	$ 13,456	$ 12,554	$ 26,011	$ 2,353	$ -	$ 863	$ -	$ -	$ 10,235	$ -	$ 18,991
09/01/37	$ 14,937	$ 11,658	$ 26,594	$ 2,400	$ -	$ 799	$ -	$ -	$ 10,235	$ -	$ 19,558
09/01/38	$ 15,878	$ 10,673	$ 26,552	$ 2,448	$ -	$ 731	$ -	$ -	$ 10,235	$ -	$ 19,496
09/01/39	$ 16,955	$ 9,625	$ 26,580	$ 2,497	$ -	$ 659	$ -	$ -	$ 10,235	$ -	$ 19,500
09/01/40	$ 17,897	$ 8,504	$ 26,401	$ 2,547	$ -	$ 581	$ -	$ -	$ 10,235	$ -	$ 19,294
09/01/41	$ 19,108	$ 7,320	$ 26,428	$ 2,598	$ -	$ 499	$ -	$ -	$ 10,235	$ -	$ 19,289
09/01/42	$ 20,319	$ 6,053	$ 26,372	$ 2,650	$ -	$ 412	$ -	$ -	$ 10,235	$ -	$ 19,198
09/01/43	$ 21,530	$ 4,705	$ 26,235	$ 2,703	$ -	$ 318	$ -	$ -	$ 10,235	$ -	$ 19,021
09/01/44	$ 22,876	$ 3,276	$ 26,151	$ 2,757	$ -	$ 219	$ -	$ -	$ 10,235	$ -	$ 18,891
09/01/45	$ 24,356	$ 1,755	$ 26,111	$ 2,812	$ -	$ 113	$ 24,648	$ -	$ -	$ -	$ 4,388
09/01/46	$ 1,346	$ 135	$ 1,480	$ 1,406	$ -	$ -	$ -	$ -	$ -	$ 8,214	$ 11,100
09/01/47	$ 1,346	$ 67	$ 1,413	$ 1,434	$ -	$ -	$ 2,847	$ -	$ -	$ 8,214	$ 8,214
09/01/48	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,214	$ 8,214
09/01/49	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,214	$ 8,214
09/01/50	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,214	$ 8,214
Totals	$ 338,695	$ 436,981	$ 775,677	$ 65,508	$ 4,453	$ 28,061	$ 27,495	$ 36,101	$ 267,132	$ 41,070	$ 584,039

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) TIRZ Credit per First Southwest
(e) Annual Installments are calculated assuming an average 6.59% interest rate on the Bonds plus Administrative Expenses.

Appendix A-7
Annual Installments - Parcel No. 52760

Year (a)	PID Bonds: Principal	PID Bonds: Interest (b)	PID Bonds: Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit (d)	Reimbursements	Annual Installment (e)
09/01/16	$ -	$ 28,929	$ 28,929	$ 1,557	$ 897	$ 1,345	$ -	$ 28,929	$ -	$ -	$ 3,799
09/01/17	$ -	$ 38,716	$ 38,716	$ 1,588	$ 1,200	$ 1,800	$ -	$ 38,716	$ -	$ -	$ 4,588
09/01/18	$ 9,862	$ 41,376	$ 51,237	$ 3,177	$ 1,306	$ 1,960	$ -	$ 1,979	$ 7,014	$ -	$ 48,687
09/01/19	$ 10,381	$ 40,883	$ 51,263	$ 3,241	$ 1,286	$ 1,928	$ -	$ -	$ 14,680	$ -	$ 43,038
09/01/20	$ 10,900	$ 40,364	$ 51,263	$ 3,305	$ 1,264	$ 1,896	$ -	$ -	$ 19,740	$ -	$ 37,989
09/01/21	$ 11,419	$ 39,819	$ 51,237	$ 3,372	$ 1,242	$ 1,862	$ -	$ -	$ 19,740	$ -	$ 37,973
09/01/22	$ 11,938	$ 39,248	$ 51,185	$ 3,439	$ 1,218	$ 1,827	$ -	$ -	$ 19,740	$ -	$ 37,930
09/01/23	$ 12,457	$ 38,518	$ 50,974	$ 3,508	$ 93	$ 2,891	$ -	$ -	$ 19,740	$ -	$ 37,727
09/01/24	$ 13,235	$ 37,755	$ 50,991	$ 3,578	$ 82	$ 2,829	$ -	$ -	$ 19,740	$ -	$ 37,740
09/01/25	$ 14,014	$ 36,944	$ 50,958	$ 3,649	$ -	$ 2,764	$ -	$ -	$ 19,740	$ -	$ 37,632
09/01/26	$ 14,792	$ 36,085	$ 50,877	$ 3,722	$ -	$ 2,695	$ -	$ -	$ 19,740	$ -	$ 37,555
09/01/27	$ 15,571	$ 35,177	$ 50,747	$ 3,797	$ -	$ 2,622	$ -	$ -	$ 19,740	$ -	$ 37,427
09/01/28	$ 16,609	$ 34,220	$ 50,829	$ 3,873	$ -	$ 2,546	$ -	$ -	$ 19,740	$ -	$ 37,508
09/01/29	$ 17,387	$ 33,198	$ 50,585	$ 3,950	$ -	$ 2,465	$ -	$ -	$ 19,740	$ -	$ 37,261
09/01/30	$ 18,426	$ 32,127	$ 50,553	$ 4,029	$ -	$ 2,380	$ -	$ -	$ 19,740	$ -	$ 37,222
09/01/31	$ 19,464	$ 30,992	$ 50,455	$ 4,110	$ -	$ 2,290	$ -	$ -	$ 19,740	$ -	$ 37,116
09/01/32	$ 20,761	$ 29,792	$ 50,553	$ 4,192	$ -	$ 2,194	$ -	$ -	$ 19,740	$ -	$ 37,200
09/01/33	$ 21,799	$ 28,510	$ 50,309	$ 4,276	$ -	$ 2,093	$ -	$ -	$ 19,740	$ -	$ 36,939
09/01/34	$ 23,097	$ 27,164	$ 50,261	$ 4,361	$ -	$ 1,931	$ -	$ -	$ 19,740	$ -	$ 36,814
09/01/35	$ 24,654	$ 25,737	$ 50,391	$ 4,449	$ -	$ 1,780	$ -	$ -	$ 19,740	$ -	$ 36,880
09/01/36	$ 25,951	$ 24,212	$ 50,164	$ 4,538	$ -	$ 1,665	$ -	$ -	$ 19,740	$ -	$ 36,626
09/01/37	$ 28,806	$ 22,483	$ 51,289	$ 4,628	$ -	$ 1,542	$ -	$ -	$ 19,740	$ -	$ 37,720
09/01/38	$ 30,623	$ 20,584	$ 51,207	$ 4,721	$ -	$ 1,410	$ -	$ -	$ 19,740	$ -	$ 37,599
09/01/39	$ 32,699	$ 18,562	$ 51,261	$ 4,815	$ -	$ 1,270	$ -	$ -	$ 19,740	$ -	$ 37,607
09/01/40	$ 34,515	$ 16,401	$ 50,916	$ 4,912	$ -	$ 1,121	$ -	$ -	$ 19,740	$ -	$ 37,209
09/01/41	$ 36,851	$ 14,116	$ 50,967	$ 5,010	$ -	$ 963	$ -	$ -	$ 19,740	$ -	$ 37,201
09/01/42	$ 39,187	$ 11,674	$ 50,861	$ 5,110	$ -	$ 794	$ -	$ -	$ 19,740	$ -	$ 37,026
09/01/43	$ 41,522	$ 9,075	$ 50,597	$ 5,212	$ -	$ 614	$ -	$ -	$ 19,740	$ -	$ 36,683
09/01/44	$ 44,117	$ 6,317	$ 50,435	$ 5,317	$ -	$ 422	$ -	$ -	$ 19,740	$ -	$ 36,433
09/01/45	$ 46,972	$ 3,385	$ 50,357	$ 5,423	$ -	$ 218	$ 47,536	$ -	$ -	$ -	$ 8,462
09/01/46	$ 2,595	$ 260	$ 2,855	$ 2,711	$ -	$ -	$ -	$ -	$ -	$ 15,841	$ 21,407
09/01/47	$ 2,595	$ 130	$ 2,725	$ 2,765	$ -	$ -	$ 5,490	$ -	$ -	$ 15,841	$ 15,841
09/01/48	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 15,841	$ 15,841
09/01/49	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 15,841	$ 15,841
09/01/50	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 15,841	$ 15,841
Totals	$ 653,198	$ 842,750	$ 1,495,948	$ 126,336	$ 8,587	$ 54,117	$ 53,026	$ 69,624	$ 515,183	$ 79,206	$ 1,126,362

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) TIRZ Credit per First Southwest
(e) Annual Installments are calculated assuming an average 6.59% interest rate on the Bonds plus Administrative Expenses.

Appendix A-8
Annual Installments - Parcel No. 52721

Year (a)	PID Bonds: Principal	PID Bonds: Interest (b)	PID Bonds: Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit (d)	Reimbursements	Annual Installment (e)
09/01/16	$ -	$ 68,573	$ 68,573	$ 3,691	$ 2,125	$ 3,188	$ -	$ 68,573	$ -	$ -	$ 9,004
09/01/17	$ -	$ 91,771	$ 91,771	$ 3,765	$ 2,844	$ 4,267	$ -	$ 91,771	$ -	$ -	$ 10,876
09/01/18	$ 23,376	$ 98,076	$ 121,451	$ 7,531	$ 3,097	$ 4,645	$ -	$ 4,690	$ 16,626	$ -	$ 115,407
09/01/19	$ 24,606	$ 96,907	$ 121,513	$ 7,681	$ 3,047	$ 4,571	$ -	$ -	$ 34,797	$ -	$ 102,016
09/01/20	$ 25,836	$ 95,677	$ 121,513	$ 7,835	$ 2,996	$ 4,494	$ -	$ -	$ 46,790	$ -	$ 90,047
09/01/21	$ 27,066	$ 94,385	$ 121,451	$ 7,992	$ 2,943	$ 4,414	$ -	$ -	$ 46,790	$ -	$ 90,010
09/01/22	$ 28,297	$ 93,032	$ 121,328	$ 8,152	$ 2,887	$ 4,331	$ -	$ -	$ 46,790	$ -	$ 89,909
09/01/23	$ 29,527	$ 91,301	$ 120,828	$ 8,315	$ 221	$ 6,853	$ -	$ -	$ 46,790	$ -	$ 89,427
09/01/24	$ 31,372	$ 89,494	$ 120,867	$ 8,481	$ 194	$ 6,705	$ -	$ -	$ 46,790	$ -	$ 89,457
09/01/25	$ 33,218	$ 87,572	$ 120,790	$ 8,651	$ -	$ 6,551	$ -	$ -	$ 46,790	$ -	$ 89,202
09/01/26	$ 35,063	$ 85,534	$ 120,598	$ 8,824	$ -	$ 6,388	$ -	$ -	$ 46,790	$ -	$ 89,020
09/01/27	$ 36,909	$ 83,381	$ 120,290	$ 9,000	$ -	$ 6,216	$ -	$ -	$ 46,790	$ -	$ 88,716
09/01/28	$ 39,369	$ 81,113	$ 120,482	$ 9,180	$ -	$ 6,035	$ -	$ -	$ 46,790	$ -	$ 88,907
09/01/29	$ 41,215	$ 78,691	$ 119,906	$ 9,364	$ -	$ 5,844	$ -	$ -	$ 46,790	$ -	$ 88,323
09/01/30	$ 43,675	$ 76,153	$ 119,829	$ 9,551	$ -	$ 5,641	$ -	$ -	$ 46,790	$ -	$ 88,231
09/01/31	$ 46,136	$ 73,462	$ 119,598	$ 9,742	$ -	$ 5,429	$ -	$ -	$ 46,790	$ -	$ 87,979
09/01/32	$ 49,212	$ 70,617	$ 119,829	$ 9,937	$ -	$ 5,201	$ -	$ -	$ 46,790	$ -	$ 88,177
09/01/33	$ 51,672	$ 67,580	$ 119,252	$ 10,136	$ -	$ 4,961	$ -	$ -	$ 46,790	$ -	$ 87,559
09/01/34	$ 54,748	$ 64,389	$ 119,137	$ 10,338	$ -	$ 4,577	$ -	$ -	$ 46,790	$ -	$ 87,262
09/01/35	$ 58,439	$ 61,006	$ 119,444	$ 10,545	$ -	$ 4,220	$ -	$ -	$ 46,790	$ -	$ 87,419
09/01/36	$ 61,515	$ 57,392	$ 118,906	$ 10,756	$ -	$ 3,946	$ -	$ -	$ 46,790	$ -	$ 86,818
09/01/37	$ 68,281	$ 53,293	$ 121,574	$ 10,971	$ -	$ 3,654	$ -	$ -	$ 46,790	$ -	$ 89,409
09/01/38	$ 72,587	$ 48,792	$ 121,379	$ 11,190	$ -	$ 3,343	$ -	$ -	$ 46,790	$ -	$ 89,123
09/01/39	$ 77,508	$ 44,000	$ 121,508	$ 11,414	$ -	$ 3,011	$ -	$ -	$ 46,790	$ -	$ 89,144
09/01/40	$ 81,814	$ 38,876	$ 120,690	$ 11,643	$ -	$ 2,657	$ -	$ -	$ 46,790	$ -	$ 88,200
09/01/41	$ 87,351	$ 33,461	$ 120,812	$ 11,875	$ -	$ 2,282	$ -	$ -	$ 46,790	$ -	$ 88,179
09/01/42	$ 92,887	$ 27,672	$ 120,559	$ 12,113	$ -	$ 1,882	$ -	$ -	$ 46,790	$ -	$ 87,765
09/01/43	$ 98,423	$ 21,510	$ 119,933	$ 12,355	$ -	$ 1,455	$ -	$ -	$ 46,790	$ -	$ 86,953
09/01/44	$ 104,575	$ 14,974	$ 119,549	$ 12,602	$ -	$ 1,000	$ -	$ -	$ 46,790	$ -	$ 86,361
09/01/45	$ 111,341	$ 8,023	$ 119,364	$ 12,854	$ -	$ 517	$ 112,678	$ -	$ -	$ -	$ 20,058
09/01/46	$ 6,151	$ 615	$ 6,767	$ 6,426	$ -	$ -	$ -	$ -	$ -	$ 37,549	$ 50,742
09/01/47	$ 6,151	$ 308	$ 6,459	$ 6,554	$ -	$ -	$ 13,013	$ -	$ -	$ 37,549	$ 37,549
09/01/48	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 37,549	$ 37,549
09/01/49	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 37,549	$ 37,549
09/01/50	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 37,549	$ 37,549
Totals	$ 1,548,322	$ 1,997,630	$ 3,545,951	$ 299,463	$ 20,355	$ 128,278	$ 125,691	$ 165,034	$ 1,221,176	$ 187,747	$ 2,669,895

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) TIRZ Credit per First Southwest
(e) Annual Installments are calculated assuming an average 6.59% interest rate on the Bonds plus Administrative Expenses.

Appendix A-9
Annual Installments - HOA

Year (a)	PID Bonds			Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Less: TIRZ Credit (d)	Reimbursements	Annual Installment (e)
	Principal	Interest (b)	Net Debt Service								
09/01/16	$ -	$ 5,574	$ 5,574	$ 300	$ 173	$ 259	$ -	$ 5,574	$ -	$ -	$ 732
09/01/17	$ -	$ 7,459	$ 7,459	$ 306	$ 231	$ 347	$ -	$ 7,459	$ -	$ -	$ 884
09/01/18	$ 1,900	$ 7,972	$ 9,872	$ 612	$ 252	$ 378	$ -	$ 381	$ 1,351	$ -	$ 9,380
09/01/19	$ 2,000	$ 7,877	$ 9,877	$ 624	$ 248	$ 372	$ -	$ -	$ 2,828	$ -	$ 8,292
09/01/20	$ 2,100	$ 7,777	$ 9,877	$ 637	$ 244	$ 365	$ -	$ -	$ 3,803	$ -	$ 7,319
09/01/21	$ 2,200	$ 7,672	$ 9,872	$ 650	$ 239	$ 359	$ -	$ -	$ 3,803	$ -	$ 7,316
09/01/22	$ 2,300	$ 7,562	$ 9,862	$ 663	$ 235	$ 352	$ -	$ -	$ 3,803	$ -	$ 7,308
09/01/23	$ 2,400	$ 7,421	$ 9,821	$ 676	$ 18	$ 557	$ -	$ -	$ 3,803	$ -	$ 7,269
09/01/24	$ 2,550	$ 7,274	$ 9,824	$ 689	$ 16	$ 545	$ -	$ -	$ 3,803	$ -	$ 7,271
09/01/25	$ 2,700	$ 7,118	$ 9,818	$ 703	$ -	$ 533	$ -	$ -	$ 3,803	$ -	$ 7,250
09/01/26	$ 2,850	$ 6,952	$ 9,802	$ 717	$ -	$ 519	$ -	$ -	$ 3,803	$ -	$ 7,236
09/01/27	$ 3,000	$ 6,777	$ 9,777	$ 732	$ -	$ 505	$ -	$ -	$ 3,803	$ -	$ 7,211
09/01/28	$ 3,200	$ 6,593	$ 9,793	$ 746	$ -	$ 491	$ -	$ -	$ 3,803	$ -	$ 7,227
09/01/29	$ 3,350	$ 6,396	$ 9,746	$ 761	$ -	$ 475	$ -	$ -	$ 3,803	$ -	$ 7,179
09/01/30	$ 3,550	$ 6,190	$ 9,740	$ 776	$ -	$ 459	$ -	$ -	$ 3,803	$ -	$ 7,172
09/01/31	$ 3,750	$ 5,971	$ 9,721	$ 792	$ -	$ 441	$ -	$ -	$ 3,803	$ -	$ 7,151
09/01/32	$ 4,000	$ 5,740	$ 9,740	$ 808	$ -	$ 423	$ -	$ -	$ 3,803	$ -	$ 7,167
09/01/33	$ 4,200	$ 5,493	$ 9,693	$ 824	$ -	$ 403	$ -	$ -	$ 3,803	$ -	$ 7,117
09/01/34	$ 4,450	$ 5,234	$ 9,684	$ 840	$ -	$ 372	$ -	$ -	$ 3,803	$ -	$ 7,093
09/01/35	$ 4,750	$ 4,959	$ 9,709	$ 857	$ -	$ 343	$ -	$ -	$ 3,803	$ -	$ 7,106
09/01/36	$ 5,000	$ 4,665	$ 9,665	$ 874	$ -	$ 321	$ -	$ -	$ 3,803	$ -	$ 7,057
09/01/37	$ 5,550	$ 4,332	$ 9,882	$ 892	$ -	$ 297	$ -	$ -	$ 3,803	$ -	$ 7,267
09/01/38	$ 5,900	$ 3,966	$ 9,866	$ 910	$ -	$ 272	$ -	$ -	$ 3,803	$ -	$ 7,244
09/01/39	$ 6,300	$ 3,576	$ 9,876	$ 928	$ -	$ 245	$ -	$ -	$ 3,803	$ -	$ 7,246
09/01/40	$ 6,650	$ 3,160	$ 9,810	$ 946	$ -	$ 216	$ -	$ -	$ 3,803	$ -	$ 7,169
09/01/41	$ 7,100	$ 2,720	$ 9,820	$ 965	$ -	$ 186	$ -	$ -	$ 3,803	$ -	$ 7,167
09/01/42	$ 7,550	$ 2,249	$ 9,799	$ 985	$ -	$ 153	$ -	$ -	$ 3,803	$ -	$ 7,134
09/01/43	$ 8,000	$ 1,748	$ 9,748	$ 1,004	$ -	$ 118	$ -	$ -	$ 3,803	$ -	$ 7,068
09/01/44	$ 8,500	$ 1,217	$ 9,717	$ 1,024	$ -	$ 81	$ -	$ -	$ 3,803	$ -	$ 7,020
09/01/45	$ 9,050	$ 652	$ 9,702	$ 1,045	$ -	$ 42	$ 9,159	$ -	$ -	$ -	$ 1,630
09/01/46	$ 500	$ 50	$ 550	$ 522	$ -	$ -	$ -	$ -	$ -	$ 3,052	$ 4,124
09/01/47	$ 500	$ 25	$ 525	$ 533	$ -	$ -	$ 1,058	$ -	$ -	$ 3,052	$ 3,052
09/01/48	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,052	$ 3,052
09/01/49	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,052	$ 3,052
09/01/50	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,052	$ 3,052
Totals	$ 125,850	$ 162,370	$ 288,220	$ 24,341	$ 1,655	$ 10,427	$ 10,216	$ 13,414	$ 99,259	$ 15,260	$ 217,013

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) TIRZ Credit per First Southwest
(e) Annual Installments are calculated assuming an average 6.59% interest rate on the Bonds plus Administrative Expenses.

Appendix B

Neighborhood Improvement Areas #2-5 Assessment Roll

Appendix B-1 Neighborhood Improvements Areas #2-5 Major Improvement Bond Special Assessment by Parcel						
Parcel	Owner	Estimated Assessable Units	Estimated Assessable Acres	PID Bond Special Assessment	Average Assessment per Assessable Unit	Average Assessment per Assessable Acre
52680	CADG Sutton Fields, LLC	56	37	$ 543,203	$ 9,700	$ 14,785
122875	CADG Sutton Fields, LLC	61	18	$ 591,704	$ 9,700	$ 32,872
52751	CADG Sutton Fields, LLC	139	112	$ 1,348,308	$ 9,700	$ 12,047
52810	CADG Sutton Fields, LLC	264	106	$ 2,560,815	$ 9,700	$ 24,159
52744	CADG Sutton Fields, LLC	354	98	$ 3,433,821	$ 9,700	$ 35,215
52760	CADG Sutton Fields, LLC	58	18	$ 562,603	$ 9,700	$ 30,727
52721	CADG Sutton Fields, LLC	187	57	$ 1,813,911	$ 9,700	$ 31,596
660188	CADG Sutton Fields, LLC	161	37	$ 1,561,709	$ 9,700	$ 42,472
134236	CADG Sutton Fields II, LLC	450	128	$ 3,844,675	$ 8,544	$ 30,110
HOA	CADG Sutton Fields, LLC	-	-	$ 164,250	$ 164,250	$ -
Totals		**1,730**	**610**	**16,425,000**		
Preliminary and subject to change						

Appendix B-2
Annual Installments - All Parcels

Year (a)	PID Bonds: Principal	PID Bonds: Interest (b)	PID Bonds: Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 851,142	$ 851,142	$ 30,000	$ 24,546	$ 36,819	$ -	$ 851,142	$ 91,366
09/01/17	$ -	$ 1,139,075	$ 1,139,075	$ 30,600	$ 32,850	$ 49,275	$ -	$ 1,139,075	$ 112,725
09/01/18	$ 225,000	$ 1,139,075	$ 1,364,075	$ 31,212	$ 32,850	$ 49,275	$ -	$ -	$ 1,477,412
09/01/19	$ 235,000	$ 1,127,825	$ 1,362,825	$ 31,836	$ 32,400	$ 48,600	$ -	$ -	$ 1,475,661
09/01/20	$ 245,000	$ 1,116,075	$ 1,361,075	$ 32,473	$ 31,930	$ 47,895	$ -	$ -	$ 1,473,373
09/01/21	$ 260,000	$ 1,103,825	$ 1,363,825	$ 33,122	$ 31,440	$ 47,160	$ -	$ -	$ 1,475,547
09/01/22	$ 270,000	$ 1,090,825	$ 1,360,825	$ 33,785	$ 30,920	$ 46,380	$ -	$ -	$ 1,471,910
09/01/23	$ 290,000	$ 1,072,600	$ 1,362,600	$ 34,461	$ -	$ 75,950	$ -	$ -	$ 1,473,011
09/01/24	$ 310,000	$ 1,053,025	$ 1,363,025	$ 35,150	$ -	$ 74,500	$ -	$ -	$ 1,472,675
09/01/25	$ 330,000	$ 1,032,100	$ 1,362,100	$ 35,853	$ -	$ 72,950	$ -	$ -	$ 1,470,903
09/01/26	$ 350,000	$ 1,009,825	$ 1,359,825	$ 36,570	$ -	$ 71,300	$ -	$ -	$ 1,467,695
09/01/27	$ 375,000	$ 986,200	$ 1,361,200	$ 37,301	$ -	$ 69,550	$ -	$ -	$ 1,468,051
09/01/28	$ 400,000	$ 960,888	$ 1,360,888	$ 38,047	$ -	$ 67,675	$ -	$ -	$ 1,466,610
09/01/29	$ 430,000	$ 933,888	$ 1,363,888	$ 38,808	$ -	$ 65,675	$ -	$ -	$ 1,468,371
09/01/30	$ 455,000	$ 904,863	$ 1,359,863	$ 39,584	$ -	$ 63,525	$ -	$ -	$ 1,462,972
09/01/31	$ 490,000	$ 874,150	$ 1,364,150	$ 40,376	$ -	$ 61,250	$ -	$ -	$ 1,465,776
09/01/32	$ 520,000	$ 841,075	$ 1,361,075	$ 41,184	$ -	$ 58,800	$ -	$ -	$ 1,461,059
09/01/33	$ 555,000	$ 805,975	$ 1,360,975	$ 42,007	$ -	$ 56,200	$ -	$ -	$ 1,459,182
09/01/34	$ 595,000	$ 768,513	$ 1,363,513	$ 42,847	$ -	$ 53,425	$ -	$ -	$ 1,459,785
09/01/35	$ 635,000	$ 728,350	$ 1,363,350	$ 43,704	$ -	$ 50,450	$ -	$ -	$ 1,457,504
09/01/36	$ 675,000	$ 685,488	$ 1,360,488	$ 44,578	$ -	$ 47,275	$ -	$ -	$ 1,452,341
09/01/37	$ 725,000	$ 636,550	$ 1,361,550	$ 45,470	$ -	$ 43,900	$ -	$ -	$ 1,450,920
09/01/38	$ 775,000	$ 583,988	$ 1,358,988	$ 46,379	$ -	$ 40,275	$ -	$ -	$ 1,445,642
09/01/39	$ 835,000	$ 527,800	$ 1,362,800	$ 47,307	$ -	$ 36,400	$ -	$ -	$ 1,446,507
09/01/40	$ 895,000	$ 467,263	$ 1,362,263	$ 48,253	$ -	$ 32,225	$ -	$ -	$ 1,442,741
09/01/41	$ 960,000	$ 402,375	$ 1,362,375	$ 49,218	$ -	$ 27,750	$ -	$ -	$ 1,439,343
09/01/42	$ 1,030,000	$ 332,775	$ 1,362,775	$ 50,203	$ -	$ 22,950	$ -	$ -	$ 1,435,928
09/01/43	$ 1,105,000	$ 258,100	$ 1,363,100	$ 51,207	$ -	$ 17,800	$ -	$ -	$ 1,432,107
09/01/44	$ 1,185,000	$ 177,988	$ 1,362,988	$ 52,231	$ -	$ 12,275	$ -	$ -	$ 1,427,493
09/01/45	$ 1,270,000	$ 92,075	$ 1,362,075	$ 53,275	$ -	$ 6,350	$ 1,364,150	$ -	$ 57,550
Totals	$ 16,425,000	$ 23,703,692	$ 40,128,692	$ 1,217,042	$ 216,936	$ 1,453,854	$ 1,364,150	$ 1,990,217	$ 39,662,158

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-3
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 52680

	PID Bonds								
Year (a)	Principal	Interest (b)	Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 28,149	$ 28,149	$ 992	$ 812	$ 1,218	$ -	$ 28,149	$ 3,022
09/01/17	$ -	$ 37,671	$ 37,671	$ 1,012	$ 1,086	$ 1,630	$ -	$ 37,671	$ 3,728
09/01/18	$ 7,441	$ 37,671	$ 45,112	$ 1,032	$ 1,086	$ 1,630	$ -	$ -	$ 48,861
09/01/19	$ 7,772	$ 37,299	$ 45,071	$ 1,053	$ 1,072	$ 1,607	$ -	$ -	$ 48,803
09/01/20	$ 8,103	$ 36,911	$ 45,013	$ 1,074	$ 1,056	$ 1,584	$ -	$ -	$ 48,727
09/01/21	$ 8,599	$ 36,505	$ 45,104	$ 1,095	$ 1,040	$ 1,560	$ -	$ -	$ 48,799
09/01/22	$ 8,929	$ 36,075	$ 45,005	$ 1,117	$ 1,023	$ 1,534	$ -	$ -	$ 48,679
09/01/23	$ 9,591	$ 35,473	$ 45,064	$ 1,140	$ -	$ 2,512	$ -	$ -	$ 48,715
09/01/24	$ 10,252	$ 34,825	$ 45,078	$ 1,162	$ -	$ 2,464	$ -	$ -	$ 48,704
09/01/25	$ 10,914	$ 34,133	$ 45,047	$ 1,186	$ -	$ 2,413	$ -	$ -	$ 48,645
09/01/26	$ 11,575	$ 33,397	$ 44,972	$ 1,209	$ -	$ 2,358	$ -	$ -	$ 48,539
09/01/27	$ 12,402	$ 32,615	$ 45,017	$ 1,234	$ -	$ 2,300	$ -	$ -	$ 48,551
09/01/28	$ 13,229	$ 31,778	$ 45,007	$ 1,258	$ -	$ 2,238	$ -	$ -	$ 48,503
09/01/29	$ 14,221	$ 30,885	$ 45,106	$ 1,283	$ -	$ 2,172	$ -	$ -	$ 48,562
09/01/30	$ 15,048	$ 29,925	$ 44,973	$ 1,309	$ -	$ 2,101	$ -	$ -	$ 48,383
09/01/31	$ 16,205	$ 28,910	$ 45,115	$ 1,335	$ -	$ 2,026	$ -	$ -	$ 48,476
09/01/32	$ 17,197	$ 27,816	$ 45,013	$ 1,362	$ -	$ 1,945	$ -	$ -	$ 48,320
09/01/33	$ 18,355	$ 26,655	$ 45,010	$ 1,389	$ -	$ 1,859	$ -	$ -	$ 48,258
09/01/34	$ 19,678	$ 25,416	$ 45,094	$ 1,417	$ -	$ 1,767	$ -	$ -	$ 48,278
09/01/35	$ 21,001	$ 24,088	$ 45,088	$ 1,445	$ -	$ 1,668	$ -	$ -	$ 48,202
09/01/36	$ 22,323	$ 22,670	$ 44,994	$ 1,474	$ -	$ 1,563	$ -	$ -	$ 48,031
09/01/37	$ 23,977	$ 21,052	$ 45,029	$ 1,504	$ -	$ 1,452	$ -	$ -	$ 47,984
09/01/38	$ 25,631	$ 19,313	$ 44,944	$ 1,534	$ -	$ 1,332	$ -	$ -	$ 47,810
09/01/39	$ 27,615	$ 17,455	$ 45,070	$ 1,565	$ -	$ 1,204	$ -	$ -	$ 47,838
09/01/40	$ 29,599	$ 15,453	$ 45,052	$ 1,596	$ -	$ 1,066	$ -	$ -	$ 47,714
09/01/41	$ 31,749	$ 13,307	$ 45,056	$ 1,628	$ -	$ 918	$ -	$ -	$ 47,602
09/01/42	$ 34,064	$ 11,005	$ 45,069	$ 1,660	$ -	$ 759	$ -	$ -	$ 47,489
09/01/43	$ 36,544	$ 8,536	$ 45,080	$ 1,693	$ -	$ 589	$ -	$ -	$ 47,362
09/01/44	$ 39,190	$ 5,886	$ 45,076	$ 1,727	$ -	$ 406	$ -	$ -	$ 47,210
09/01/45	$ 42,001	$ 3,045	$ 45,046	$ 1,762	$ -	$ 210	$ 45,115	$ -	$ 1,903
Totals	$ 543,203	$ 783,922	$ 1,327,126	$ 40,250	$ 7,174	$ 48,081	$ 45,115	$ 65,820	$ 1,311,696

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-4
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 122875

Year (a)	PID Bonds: Principal	PID Bonds: Interest (b)	PID Bonds: Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 30,662	$ 30,662	$ 1,081	$ 884	$ 1,326	$ -	$ 30,662	$ 3,291
09/01/17	$ -	$ 41,035	$ 41,035	$ 1,102	$ 1,183	$ 1,775	$ -	$ 41,035	$ 4,061
09/01/18	$ 8,106	$ 41,035	$ 49,140	$ 1,124	$ 1,183	$ 1,775	$ -	$ -	$ 53,223
09/01/19	$ 8,466	$ 40,629	$ 49,095	$ 1,147	$ 1,167	$ 1,751	$ -	$ -	$ 53,160
09/01/20	$ 8,826	$ 40,206	$ 49,032	$ 1,170	$ 1,150	$ 1,725	$ -	$ -	$ 53,078
09/01/21	$ 9,366	$ 39,765	$ 49,131	$ 1,193	$ 1,133	$ 1,699	$ -	$ -	$ 53,156
09/01/22	$ 9,727	$ 39,297	$ 49,023	$ 1,217	$ 1,114	$ 1,671	$ -	$ -	$ 53,025
09/01/23	$ 10,447	$ 38,640	$ 49,087	$ 1,241	$ -	$ 2,736	$ -	$ -	$ 53,065
09/01/24	$ 11,168	$ 37,935	$ 49,102	$ 1,266	$ -	$ 2,684	$ -	$ -	$ 53,052
09/01/25	$ 11,888	$ 37,181	$ 49,069	$ 1,292	$ -	$ 2,628	$ -	$ -	$ 52,989
09/01/26	$ 12,609	$ 36,379	$ 48,987	$ 1,317	$ -	$ 2,569	$ -	$ -	$ 52,873
09/01/27	$ 13,509	$ 35,527	$ 49,037	$ 1,344	$ -	$ 2,506	$ -	$ -	$ 52,886
09/01/28	$ 14,410	$ 34,616	$ 49,025	$ 1,371	$ -	$ 2,438	$ -	$ -	$ 52,834
09/01/29	$ 15,491	$ 33,643	$ 49,133	$ 1,398	$ -	$ 2,366	$ -	$ -	$ 52,897
09/01/30	$ 16,391	$ 32,597	$ 48,988	$ 1,426	$ -	$ 2,288	$ -	$ -	$ 52,703
09/01/31	$ 17,652	$ 31,491	$ 49,143	$ 1,455	$ -	$ 2,207	$ -	$ -	$ 52,804
09/01/32	$ 18,733	$ 30,299	$ 49,032	$ 1,484	$ -	$ 2,118	$ -	$ -	$ 52,634
09/01/33	$ 19,994	$ 29,035	$ 49,029	$ 1,513	$ -	$ 2,025	$ -	$ -	$ 52,566
09/01/34	$ 21,435	$ 27,685	$ 49,120	$ 1,544	$ -	$ 1,925	$ -	$ -	$ 52,588
09/01/35	$ 22,876	$ 26,238	$ 49,114	$ 1,574	$ -	$ 1,817	$ -	$ -	$ 52,506
09/01/36	$ 24,317	$ 24,694	$ 49,011	$ 1,606	$ -	$ 1,703	$ -	$ -	$ 52,320
09/01/37	$ 26,118	$ 22,931	$ 49,049	$ 1,638	$ -	$ 1,581	$ -	$ -	$ 52,269
09/01/38	$ 27,919	$ 21,038	$ 48,957	$ 1,671	$ -	$ 1,451	$ -	$ -	$ 52,079
09/01/39	$ 30,081	$ 19,014	$ 49,094	$ 1,704	$ -	$ 1,311	$ -	$ -	$ 52,110
09/01/40	$ 32,242	$ 16,833	$ 49,075	$ 1,738	$ -	$ 1,161	$ -	$ -	$ 51,974
09/01/41	$ 34,584	$ 14,495	$ 49,079	$ 1,773	$ -	$ 1,000	$ -	$ -	$ 51,852
09/01/42	$ 37,105	$ 11,988	$ 49,093	$ 1,809	$ -	$ 827	$ -	$ -	$ 51,729
09/01/43	$ 39,807	$ 9,298	$ 49,105	$ 1,845	$ -	$ 641	$ -	$ -	$ 51,591
09/01/44	$ 42,689	$ 6,412	$ 49,101	$ 1,882	$ -	$ 442	$ -	$ -	$ 51,425
09/01/45	$ 45,751	$ 3,317	$ 49,068	$ 1,919	$ -	$ 229	$ 49,143	$ -	$ 2,073
Totals	$ 591,704	$ 853,915	$ 1,445,619	$ 43,843	$ 7,815	$ 52,374	$ 49,143	$ 71,697	$ 1,428,812

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-5
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 52751

Year (a)	PID Bonds Principal	PID Bonds Interest (b)	PID Bonds Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 69,869	$ 69,869	$ 2,463	$ 2,015	$ 3,022	$ -	$ 69,869	$ 7,500
09/01/17	$ -	$ 93,505	$ 93,505	$ 2,512	$ 2,697	$ 4,045	$ -	$ 93,505	$ 9,253
09/01/18	$ 18,470	$ 93,505	$ 111,975	$ 2,562	$ 2,697	$ 4,045	$ -	$ -	$ 121,279
09/01/19	$ 19,291	$ 92,582	$ 111,873	$ 2,613	$ 2,660	$ 3,990	$ -	$ -	$ 121,135
09/01/20	$ 20,112	$ 91,617	$ 111,729	$ 2,666	$ 2,621	$ 3,932	$ -	$ -	$ 120,947
09/01/21	$ 21,343	$ 90,612	$ 111,955	$ 2,719	$ 2,581	$ 3,871	$ -	$ -	$ 121,126
09/01/22	$ 22,164	$ 89,544	$ 111,708	$ 2,773	$ 2,538	$ 3,807	$ -	$ -	$ 120,827
09/01/23	$ 23,806	$ 88,048	$ 111,854	$ 2,829	$ -	$ 6,235	$ -	$ -	$ 120,918
09/01/24	$ 25,448	$ 86,442	$ 111,889	$ 2,885	$ -	$ 6,116	$ -	$ -	$ 120,890
09/01/25	$ 27,089	$ 84,724	$ 111,813	$ 2,943	$ -	$ 5,988	$ -	$ -	$ 120,745
09/01/26	$ 28,731	$ 82,895	$ 111,626	$ 3,002	$ -	$ 5,853	$ -	$ -	$ 120,481
09/01/27	$ 30,783	$ 80,956	$ 111,739	$ 3,062	$ -	$ 5,709	$ -	$ -	$ 120,511
09/01/28	$ 32,836	$ 78,878	$ 111,714	$ 3,123	$ -	$ 5,555	$ -	$ -	$ 120,392
09/01/29	$ 35,298	$ 76,662	$ 111,960	$ 3,186	$ -	$ 5,391	$ -	$ -	$ 120,537
09/01/30	$ 37,350	$ 74,279	$ 111,629	$ 3,249	$ -	$ 5,215	$ -	$ -	$ 120,094
09/01/31	$ 40,224	$ 71,758	$ 111,981	$ 3,314	$ -	$ 5,028	$ -	$ -	$ 120,324
09/01/32	$ 42,686	$ 69,043	$ 111,729	$ 3,381	$ -	$ 4,827	$ -	$ -	$ 119,937
09/01/33	$ 45,559	$ 66,162	$ 111,721	$ 3,448	$ -	$ 4,613	$ -	$ -	$ 119,782
09/01/34	$ 48,843	$ 63,086	$ 111,929	$ 3,517	$ -	$ 4,386	$ -	$ -	$ 119,832
09/01/35	$ 52,126	$ 59,789	$ 111,916	$ 3,588	$ -	$ 4,141	$ -	$ -	$ 119,645
09/01/36	$ 55,410	$ 56,271	$ 111,681	$ 3,659	$ -	$ 3,881	$ -	$ -	$ 119,221
09/01/37	$ 59,514	$ 52,254	$ 111,768	$ 3,733	$ -	$ 3,604	$ -	$ -	$ 119,104
09/01/38	$ 63,619	$ 47,939	$ 111,558	$ 3,807	$ -	$ 3,306	$ -	$ -	$ 118,671
09/01/39	$ 68,544	$ 43,326	$ 111,871	$ 3,883	$ -	$ 2,988	$ -	$ -	$ 118,742
09/01/40	$ 73,469	$ 38,357	$ 111,826	$ 3,961	$ -	$ 2,645	$ -	$ -	$ 118,433
09/01/41	$ 78,805	$ 33,030	$ 111,836	$ 4,040	$ -	$ 2,278	$ -	$ -	$ 118,154
09/01/42	$ 84,551	$ 27,317	$ 111,869	$ 4,121	$ -	$ 1,884	$ -	$ -	$ 117,874
09/01/43	$ 90,708	$ 21,187	$ 111,895	$ 4,203	$ -	$ 1,461	$ -	$ -	$ 117,560
09/01/44	$ 97,275	$ 14,611	$ 111,886	$ 4,288	$ -	$ 1,008	$ -	$ -	$ 117,181
09/01/45	$ 104,253	$ 7,558	$ 111,811	$ 4,373	$ -	$ 521	$ 111,981	$ -	$ 4,724
Totals	$ 1,348,308	$ 1,945,807	$ 3,294,115	$ 99,906	$ 17,808	$ 119,345	$ 111,981	$ 163,374	$ 3,255,818

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-6
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 52810

Year (a)	PID Bonds: Principal	PID Bonds: Interest (b)	PID Bonds: Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 132,701	$ 132,701	$ 4,677	$ 3,827	$ 5,740	$ -	$ 132,701	$ 14,245
09/01/17	$ -	$ 177,593	$ 177,593	$ 4,771	$ 5,122	$ 7,682	$ -	$ 177,593	$ 17,575
09/01/18	$ 35,080	$ 177,593	$ 212,672	$ 4,866	$ 5,122	$ 7,682	$ -	$ -	$ 230,343
09/01/19	$ 36,639	$ 175,839	$ 212,478	$ 4,964	$ 5,051	$ 7,577	$ -	$ -	$ 230,070
09/01/20	$ 38,198	$ 174,007	$ 212,205	$ 5,063	$ 4,978	$ 7,467	$ -	$ -	$ 229,713
09/01/21	$ 40,537	$ 172,097	$ 212,633	$ 5,164	$ 4,902	$ 7,353	$ -	$ -	$ 230,052
09/01/22	$ 42,096	$ 170,070	$ 212,166	$ 5,267	$ 4,821	$ 7,231	$ -	$ -	$ 229,485
09/01/23	$ 45,214	$ 167,229	$ 212,442	$ 5,373	$ -	$ 11,841	$ -	$ -	$ 229,657
09/01/24	$ 48,332	$ 164,177	$ 212,509	$ 5,480	$ -	$ 11,615	$ -	$ -	$ 229,604
09/01/25	$ 51,450	$ 160,914	$ 212,364	$ 5,590	$ -	$ 11,374	$ -	$ -	$ 229,328
09/01/26	$ 54,568	$ 157,441	$ 212,010	$ 5,702	$ -	$ 11,116	$ -	$ -	$ 228,828
09/01/27	$ 58,466	$ 153,758	$ 212,224	$ 5,816	$ -	$ 10,844	$ -	$ -	$ 228,883
09/01/28	$ 62,364	$ 149,812	$ 212,175	$ 5,932	$ -	$ 10,551	$ -	$ -	$ 228,659
09/01/29	$ 67,041	$ 145,602	$ 212,643	$ 6,051	$ -	$ 10,239	$ -	$ -	$ 228,933
09/01/30	$ 70,939	$ 141,077	$ 212,016	$ 6,172	$ -	$ 9,904	$ -	$ -	$ 228,091
09/01/31	$ 76,396	$ 136,288	$ 212,684	$ 6,295	$ -	$ 9,549	$ -	$ -	$ 228,529
09/01/32	$ 81,073	$ 131,132	$ 212,205	$ 6,421	$ -	$ 9,167	$ -	$ -	$ 227,793
09/01/33	$ 86,530	$ 125,659	$ 212,189	$ 6,549	$ -	$ 8,762	$ -	$ -	$ 227,501
09/01/34	$ 92,766	$ 119,818	$ 212,585	$ 6,680	$ -	$ 8,329	$ -	$ -	$ 227,595
09/01/35	$ 99,003	$ 113,557	$ 212,559	$ 6,814	$ -	$ 7,866	$ -	$ -	$ 227,239
09/01/36	$ 105,239	$ 106,874	$ 212,113	$ 6,950	$ -	$ 7,371	$ -	$ -	$ 226,434
09/01/37	$ 113,034	$ 99,244	$ 212,279	$ 7,089	$ -	$ 6,844	$ -	$ -	$ 226,212
09/01/38	$ 120,830	$ 91,049	$ 211,879	$ 7,231	$ -	$ 6,279	$ -	$ -	$ 225,389
09/01/39	$ 130,185	$ 82,289	$ 212,474	$ 7,376	$ -	$ 5,675	$ -	$ -	$ 225,524
09/01/40	$ 139,539	$ 72,851	$ 212,390	$ 7,523	$ -	$ 5,024	$ -	$ -	$ 224,937
09/01/41	$ 149,673	$ 62,734	$ 212,407	$ 7,674	$ -	$ 4,326	$ -	$ -	$ 224,407
09/01/42	$ 160,587	$ 51,883	$ 212,470	$ 7,827	$ -	$ 3,578	$ -	$ -	$ 223,875
09/01/43	$ 172,280	$ 40,240	$ 212,520	$ 7,984	$ -	$ 2,775	$ -	$ -	$ 223,279
09/01/44	$ 184,753	$ 27,750	$ 212,503	$ 8,143	$ -	$ 1,914	$ -	$ -	$ 222,560
09/01/45	$ 198,005	$ 14,355	$ 212,361	$ 8,306	$ -	$ 990	$ 212,684	$ -	$ 8,973
Totals	$ 2,560,815	$ 3,695,634	$ 6,256,449	$ 189,749	$ 33,822	$ 226,670	$ 212,684	$ 310,294	$ 6,183,712

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-7
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 52744

	PID Bonds			Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
Year (a)	Principal	Interest (b)	Net Debt Service						
09/01/16	$ -	$ 177,940	$ 177,940	$ 6,272	$ 5,132	$ 7,697	$ -	$ 177,940	$ 19,101
09/01/17	$ -	$ 238,136	$ 238,136	$ 6,397	$ 6,868	$ 10,301	$ -	$ 238,136	$ 23,566
09/01/18	$ 47,039	$ 238,136	$ 285,174	$ 6,525	$ 6,868	$ 10,301	$ -	$ -	$ 308,869
09/01/19	$ 49,129	$ 235,784	$ 284,913	$ 6,656	$ 6,774	$ 10,160	$ -	$ -	$ 308,503
09/01/20	$ 51,220	$ 233,327	$ 284,547	$ 6,789	$ 6,675	$ 10,013	$ -	$ -	$ 308,024
09/01/21	$ 54,356	$ 230,766	$ 285,122	$ 6,925	$ 6,573	$ 9,859	$ -	$ -	$ 308,479
09/01/22	$ 56,446	$ 228,049	$ 284,495	$ 7,063	$ 6,464	$ 9,696	$ -	$ -	$ 307,718
09/01/23	$ 60,628	$ 224,238	$ 284,866	$ 7,204	$ -	$ 15,878	$ -	$ -	$ 307,949
09/01/24	$ 64,809	$ 220,146	$ 284,955	$ 7,348	$ -	$ 15,575	$ -	$ -	$ 307,878
09/01/25	$ 68,990	$ 215,771	$ 284,761	$ 7,495	$ -	$ 15,251	$ -	$ -	$ 307,508
09/01/26	$ 73,171	$ 211,115	$ 284,286	$ 7,645	$ -	$ 14,906	$ -	$ -	$ 306,837
09/01/27	$ 78,398	$ 206,176	$ 284,573	$ 7,798	$ -	$ 14,540	$ -	$ -	$ 306,912
09/01/28	$ 83,624	$ 200,884	$ 284,508	$ 7,954	$ -	$ 14,148	$ -	$ -	$ 306,610
09/01/29	$ 89,896	$ 195,239	$ 285,135	$ 8,113	$ -	$ 13,730	$ -	$ -	$ 306,978
09/01/30	$ 95,123	$ 189,171	$ 284,294	$ 8,276	$ -	$ 13,281	$ -	$ -	$ 305,850
09/01/31	$ 102,440	$ 182,750	$ 285,190	$ 8,441	$ -	$ 12,805	$ -	$ -	$ 306,436
09/01/32	$ 108,712	$ 175,836	$ 284,547	$ 8,610	$ -	$ 12,293	$ -	$ -	$ 305,450
09/01/33	$ 116,029	$ 168,498	$ 284,526	$ 8,782	$ -	$ 11,749	$ -	$ -	$ 305,058
09/01/34	$ 124,391	$ 160,666	$ 285,057	$ 8,958	$ -	$ 11,169	$ -	$ -	$ 305,184
09/01/35	$ 132,753	$ 152,269	$ 285,023	$ 9,137	$ -	$ 10,547	$ -	$ -	$ 304,707
09/01/36	$ 141,116	$ 143,308	$ 284,424	$ 9,320	$ -	$ 9,883	$ -	$ -	$ 303,627
09/01/37	$ 151,569	$ 133,078	$ 284,646	$ 9,506	$ -	$ 9,178	$ -	$ -	$ 303,330
09/01/38	$ 162,022	$ 122,089	$ 284,111	$ 9,696	$ -	$ 8,420	$ -	$ -	$ 302,227
09/01/39	$ 174,566	$ 110,342	$ 284,908	$ 9,890	$ -	$ 7,610	$ -	$ -	$ 302,408
09/01/40	$ 187,109	$ 97,686	$ 284,795	$ 10,088	$ -	$ 6,737	$ -	$ -	$ 301,620
09/01/41	$ 200,698	$ 84,121	$ 284,819	$ 10,290	$ -	$ 5,801	$ -	$ -	$ 300,910
09/01/42	$ 215,332	$ 69,570	$ 284,903	$ 10,495	$ -	$ 4,798	$ -	$ -	$ 300,196
09/01/43	$ 231,012	$ 53,959	$ 284,971	$ 10,705	$ -	$ 3,721	$ -	$ -	$ 299,397
09/01/44	$ 247,737	$ 37,210	$ 284,947	$ 10,919	$ -	$ 2,566	$ -	$ -	$ 298,433
09/01/45	$ 265,507	$ 19,249	$ 284,756	$ 11,138	$ -	$ 1,328	$ 285,190	$ -	$ 12,032
Totals	$ 3,433,821	$ 4,955,509	$ 8,389,330	$ 254,436	$ 45,353	$ 303,944	$ 285,190	$ 416,076	$ 8,291,796

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-8
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 52760

Year (a)	PID Bonds Principal	PID Bonds Interest (b)	PID Bonds Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 29,154	$ 29,154	$ 1,028	$ 841	$ 1,261	$ -	$ 29,154	$ 3,130
09/01/17	$ -	$ 39,017	$ 39,017	$ 1,048	$ 1,125	$ 1,688	$ -	$ 39,017	$ 3,861
09/01/18	$ 7,707	$ 39,017	$ 46,723	$ 1,069	$ 1,125	$ 1,688	$ -	$ -	$ 50,606
09/01/19	$ 8,049	$ 38,631	$ 46,681	$ 1,090	$ 1,110	$ 1,665	$ -	$ -	$ 50,546
09/01/20	$ 8,392	$ 38,229	$ 46,621	$ 1,112	$ 1,094	$ 1,641	$ -	$ -	$ 50,467
09/01/21	$ 8,906	$ 37,809	$ 46,715	$ 1,135	$ 1,077	$ 1,615	$ -	$ -	$ 50,542
09/01/22	$ 9,248	$ 37,364	$ 46,612	$ 1,157	$ 1,059	$ 1,589	$ -	$ -	$ 50,417
09/01/23	$ 9,933	$ 36,740	$ 46,673	$ 1,180	$ -	$ 2,602	$ -	$ -	$ 50,455
09/01/24	$ 10,618	$ 36,069	$ 46,688	$ 1,204	$ -	$ 2,552	$ -	$ -	$ 50,443
09/01/25	$ 11,303	$ 35,352	$ 46,656	$ 1,228	$ -	$ 2,499	$ -	$ -	$ 50,383
09/01/26	$ 11,989	$ 34,589	$ 46,578	$ 1,253	$ -	$ 2,442	$ -	$ -	$ 50,273
09/01/27	$ 12,845	$ 33,780	$ 46,625	$ 1,278	$ -	$ 2,382	$ -	$ -	$ 50,285
09/01/28	$ 13,701	$ 32,913	$ 46,614	$ 1,303	$ -	$ 2,318	$ -	$ -	$ 50,236
09/01/29	$ 14,729	$ 31,988	$ 46,717	$ 1,329	$ -	$ 2,250	$ -	$ -	$ 50,296
09/01/30	$ 15,585	$ 30,994	$ 46,579	$ 1,356	$ -	$ 2,176	$ -	$ -	$ 50,111
09/01/31	$ 16,784	$ 29,942	$ 46,726	$ 1,383	$ -	$ 2,098	$ -	$ -	$ 50,207
09/01/32	$ 17,811	$ 28,809	$ 46,621	$ 1,411	$ -	$ 2,014	$ -	$ -	$ 50,045
09/01/33	$ 19,010	$ 27,607	$ 46,617	$ 1,439	$ -	$ 1,925	$ -	$ -	$ 49,981
09/01/34	$ 20,380	$ 26,324	$ 46,704	$ 1,468	$ -	$ 1,830	$ -	$ -	$ 50,002
09/01/35	$ 21,751	$ 24,948	$ 46,699	$ 1,497	$ -	$ 1,728	$ -	$ -	$ 49,924
09/01/36	$ 23,121	$ 23,480	$ 46,601	$ 1,527	$ -	$ 1,619	$ -	$ -	$ 49,747
09/01/37	$ 24,833	$ 21,804	$ 46,637	$ 1,557	$ -	$ 1,504	$ -	$ -	$ 49,698
09/01/38	$ 26,546	$ 20,003	$ 46,549	$ 1,589	$ -	$ 1,380	$ -	$ -	$ 49,517
09/01/39	$ 28,601	$ 18,079	$ 46,680	$ 1,620	$ -	$ 1,247	$ -	$ -	$ 49,547
09/01/40	$ 30,656	$ 16,005	$ 46,661	$ 1,653	$ -	$ 1,104	$ -	$ -	$ 49,418
09/01/41	$ 32,883	$ 13,782	$ 46,665	$ 1,686	$ -	$ 951	$ -	$ -	$ 49,302
09/01/42	$ 35,280	$ 11,398	$ 46,679	$ 1,720	$ -	$ 786	$ -	$ -	$ 49,185
09/01/43	$ 37,849	$ 8,841	$ 46,690	$ 1,754	$ -	$ 610	$ -	$ -	$ 49,054
09/01/44	$ 40,590	$ 6,097	$ 46,686	$ 1,789	$ -	$ 420	$ -	$ -	$ 48,896
09/01/45	$ 43,501	$ 3,154	$ 46,655	$ 1,825	$ -	$ 218	$ 46,726	$ -	$ 1,971
Totals	$ 562,603	$ 811,920	$ 1,374,523	$ 41,687	$ 7,431	$ 49,799	$ 46,726	$ 68,171	$ 1,358,543

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-9
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 52721

Year (a)	PID Bonds: Principal	PID Bonds: Interest (b)	PID Bonds: Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 93,997	$ 93,997	$ 3,313	$ 2,711	$ 4,066	$ -	$ 93,997	$ 10,090
09/01/17	$ -	$ 125,795	$ 125,795	$ 3,379	$ 3,628	$ 5,442	$ -	$ 125,795	$ 12,449
09/01/18	$ 24,848	$ 125,795	$ 150,643	$ 3,447	$ 3,628	$ 5,442	$ -	$ -	$ 163,159
09/01/19	$ 25,952	$ 124,552	$ 150,505	$ 3,516	$ 3,578	$ 5,367	$ -	$ -	$ 162,966
09/01/20	$ 27,057	$ 123,255	$ 150,312	$ 3,586	$ 3,526	$ 5,289	$ -	$ -	$ 162,713
09/01/21	$ 28,713	$ 121,902	$ 150,615	$ 3,658	$ 3,472	$ 5,208	$ -	$ -	$ 162,954
09/01/22	$ 29,818	$ 120,466	$ 150,284	$ 3,731	$ 3,415	$ 5,122	$ -	$ -	$ 162,552
09/01/23	$ 32,026	$ 118,454	$ 150,480	$ 3,806	$ -	$ 8,388	$ -	$ -	$ 162,673
09/01/24	$ 34,235	$ 116,292	$ 150,527	$ 3,882	$ -	$ 8,227	$ -	$ -	$ 162,636
09/01/25	$ 36,444	$ 113,981	$ 150,425	$ 3,959	$ -	$ 8,056	$ -	$ -	$ 162,441
09/01/26	$ 38,653	$ 111,521	$ 150,174	$ 4,039	$ -	$ 7,874	$ -	$ -	$ 162,086
09/01/27	$ 41,413	$ 108,912	$ 150,325	$ 4,119	$ -	$ 7,681	$ -	$ -	$ 162,126
09/01/28	$ 44,174	$ 106,117	$ 150,291	$ 4,202	$ -	$ 7,474	$ -	$ -	$ 161,966
09/01/29	$ 47,487	$ 103,135	$ 150,622	$ 4,286	$ -	$ 7,253	$ -	$ -	$ 162,161
09/01/30	$ 50,248	$ 99,929	$ 150,178	$ 4,372	$ -	$ 7,015	$ -	$ -	$ 161,565
09/01/31	$ 54,114	$ 96,538	$ 150,651	$ 4,459	$ -	$ 6,764	$ -	$ -	$ 161,874
09/01/32	$ 57,427	$ 92,885	$ 150,312	$ 4,548	$ -	$ 6,494	$ -	$ -	$ 161,353
09/01/33	$ 61,292	$ 89,009	$ 150,301	$ 4,639	$ -	$ 6,207	$ -	$ -	$ 161,146
09/01/34	$ 65,709	$ 84,871	$ 150,581	$ 4,732	$ -	$ 5,900	$ -	$ -	$ 161,213
09/01/35	$ 70,127	$ 80,436	$ 150,563	$ 4,827	$ -	$ 5,571	$ -	$ -	$ 160,961
09/01/36	$ 74,544	$ 75,702	$ 150,247	$ 4,923	$ -	$ 5,221	$ -	$ -	$ 160,391
09/01/37	$ 80,066	$ 70,298	$ 150,364	$ 5,022	$ -	$ 4,848	$ -	$ -	$ 160,234
09/01/38	$ 85,588	$ 64,493	$ 150,081	$ 5,122	$ -	$ 4,448	$ -	$ -	$ 159,651
09/01/39	$ 92,214	$ 58,288	$ 150,502	$ 5,224	$ -	$ 4,020	$ -	$ -	$ 159,746
09/01/40	$ 98,840	$ 51,603	$ 150,443	$ 5,329	$ -	$ 3,559	$ -	$ -	$ 159,330
09/01/41	$ 106,019	$ 44,437	$ 150,455	$ 5,435	$ -	$ 3,065	$ -	$ -	$ 158,955
09/01/42	$ 113,749	$ 36,750	$ 150,499	$ 5,544	$ -	$ 2,535	$ -	$ -	$ 158,578
09/01/43	$ 122,032	$ 28,504	$ 150,535	$ 5,655	$ -	$ 1,966	$ -	$ -	$ 158,156
09/01/44	$ 130,867	$ 19,656	$ 150,523	$ 5,768	$ -	$ 1,356	$ -	$ -	$ 157,647
09/01/45	$ 140,254	$ 10,168	$ 150,422	$ 5,884	$ -	$ 701	$ 150,651	$ -	$ 6,356
Totals	$ 1,813,911	$ 2,617,740	$ 4,431,651	$ 134,405	$ 23,958	$ 160,558	$ 150,651	$ 219,792	$ 4,380,129

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-10
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 660188

	PID Bonds								
Year (a)	Principal	Interest (b)	Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 80,928	$ 80,928	$ 2,852	$ 2,334	$ 3,501	$ -	$ 80,928	$ 8,687
09/01/17	$ -	$ 108,305	$ 108,305	$ 2,909	$ 3,123	$ 4,685	$ -	$ 108,305	$ 10,718
09/01/18	$ 21,393	$ 108,305	$ 129,698	$ 2,968	$ 3,123	$ 4,685	$ -	$ -	$ 140,474
09/01/19	$ 22,344	$ 107,235	$ 129,579	$ 3,027	$ 3,081	$ 4,621	$ -	$ -	$ 140,308
09/01/20	$ 23,295	$ 106,118	$ 129,413	$ 3,088	$ 3,036	$ 4,554	$ -	$ -	$ 140,090
09/01/21	$ 24,721	$ 104,953	$ 129,674	$ 3,149	$ 2,989	$ 4,484	$ -	$ -	$ 140,297
09/01/22	$ 25,672	$ 103,717	$ 129,389	$ 3,212	$ 2,940	$ 4,410	$ -	$ -	$ 139,951
09/01/23	$ 27,574	$ 101,984	$ 129,558	$ 3,277	$ -	$ 7,221	$ -	$ -	$ 140,056
09/01/24	$ 29,475	$ 100,123	$ 129,598	$ 3,342	$ -	$ 7,084	$ -	$ -	$ 140,024
09/01/25	$ 31,377	$ 98,133	$ 129,510	$ 3,409	$ -	$ 6,936	$ -	$ -	$ 139,855
09/01/26	$ 33,278	$ 96,015	$ 129,294	$ 3,477	$ -	$ 6,779	$ -	$ -	$ 139,550
09/01/27	$ 35,655	$ 93,769	$ 129,425	$ 3,547	$ -	$ 6,613	$ -	$ -	$ 139,584
09/01/28	$ 38,032	$ 91,362	$ 129,395	$ 3,618	$ -	$ 6,435	$ -	$ -	$ 139,447
09/01/29	$ 40,885	$ 88,795	$ 129,680	$ 3,690	$ -	$ 6,244	$ -	$ -	$ 139,615
09/01/30	$ 43,262	$ 86,035	$ 129,297	$ 3,764	$ -	$ 6,040	$ -	$ -	$ 139,101
09/01/31	$ 46,590	$ 83,115	$ 129,705	$ 3,839	$ -	$ 5,824	$ -	$ -	$ 139,368
09/01/32	$ 49,442	$ 79,970	$ 129,413	$ 3,916	$ -	$ 5,591	$ -	$ -	$ 138,919
09/01/33	$ 52,770	$ 76,633	$ 129,403	$ 3,994	$ -	$ 5,344	$ -	$ -	$ 138,741
09/01/34	$ 56,573	$ 73,071	$ 129,644	$ 4,074	$ -	$ 5,080	$ -	$ -	$ 138,798
09/01/35	$ 60,377	$ 69,252	$ 129,629	$ 4,155	$ -	$ 4,797	$ -	$ -	$ 138,581
09/01/36	$ 64,180	$ 65,177	$ 129,357	$ 4,239	$ -	$ 4,495	$ -	$ -	$ 138,090
09/01/37	$ 68,934	$ 60,524	$ 129,458	$ 4,323	$ -	$ 4,174	$ -	$ -	$ 137,955
09/01/38	$ 73,688	$ 55,526	$ 129,214	$ 4,410	$ -	$ 3,829	$ -	$ -	$ 137,453
09/01/39	$ 79,393	$ 50,184	$ 129,577	$ 4,498	$ -	$ 3,461	$ -	$ -	$ 137,536
09/01/40	$ 85,098	$ 44,428	$ 129,526	$ 4,588	$ -	$ 3,064	$ -	$ -	$ 137,178
09/01/41	$ 91,278	$ 38,258	$ 129,536	$ 4,680	$ -	$ 2,639	$ -	$ -	$ 136,855
09/01/42	$ 97,934	$ 31,641	$ 129,574	$ 4,773	$ -	$ 2,182	$ -	$ -	$ 136,530
09/01/43	$ 105,065	$ 24,540	$ 129,605	$ 4,869	$ -	$ 1,692	$ -	$ -	$ 136,166
09/01/44	$ 112,671	$ 16,923	$ 129,595	$ 4,966	$ -	$ 1,167	$ -	$ -	$ 135,728
09/01/45	$ 120,753	$ 8,755	$ 129,508	$ 5,065	$ -	$ 604	$ 129,705	$ -	$ 5,472
Totals	$ 1,561,709	$ 2,253,777	$ 3,815,486	$ 115,718	$ 20,627	$ 138,234	$ 129,705	$ 189,232	$ 3,771,127

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-11
Annual Installments - Neighborhood Improvement Areas #2-5 - Parcel No. 134236

Year (a)	PID Bonds: Principal	PID Bonds: Interest (b)	PID Bonds: Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 199,231	$ 199,231	$ 7,022	$ 5,746	$ 8,618	$ -	$ 199,231	$ 21,386
09/01/17	$ -	$ 266,628	$ 266,628	$ 7,163	$ 7,689	$ 11,534	$ -	$ 266,628	$ 26,386
09/01/18	$ 52,667	$ 266,628	$ 319,295	$ 7,306	$ 7,689	$ 11,534	$ -	$ -	$ 345,825
09/01/19	$ 55,008	$ 263,995	$ 319,003	$ 7,452	$ 7,584	$ 11,376	$ -	$ -	$ 345,415
09/01/20	$ 57,348	$ 261,245	$ 318,593	$ 7,601	$ 7,474	$ 11,211	$ -	$ -	$ 344,879
09/01/21	$ 60,859	$ 258,377	$ 319,237	$ 7,753	$ 7,359	$ 11,039	$ -	$ -	$ 345,388
09/01/22	$ 63,200	$ 255,334	$ 318,535	$ 7,908	$ 7,238	$ 10,856	$ -	$ -	$ 344,537
09/01/23	$ 67,882	$ 251,068	$ 318,950	$ 8,066	$ -	$ 17,778	$ -	$ -	$ 344,794
09/01/24	$ 72,563	$ 246,486	$ 319,049	$ 8,228	$ -	$ 17,439	$ -	$ -	$ 344,716
09/01/25	$ 77,245	$ 241,588	$ 318,833	$ 8,392	$ -	$ 17,076	$ -	$ -	$ 344,301
09/01/26	$ 81,926	$ 236,374	$ 318,300	$ 8,560	$ -	$ 16,690	$ -	$ -	$ 343,550
09/01/27	$ 87,778	$ 230,844	$ 318,622	$ 8,731	$ -	$ 16,280	$ -	$ -	$ 343,633
09/01/28	$ 93,630	$ 224,919	$ 318,549	$ 8,906	$ -	$ 15,841	$ -	$ -	$ 343,296
09/01/29	$ 100,652	$ 218,599	$ 319,251	$ 9,084	$ -	$ 15,373	$ -	$ -	$ 343,708
09/01/30	$ 106,504	$ 211,805	$ 318,309	$ 9,266	$ -	$ 14,870	$ -	$ -	$ 342,445
09/01/31	$ 114,697	$ 204,616	$ 319,313	$ 9,451	$ -	$ 14,337	$ -	$ -	$ 343,101
09/01/32	$ 121,719	$ 196,874	$ 318,593	$ 9,640	$ -	$ 13,764	$ -	$ -	$ 341,997
09/01/33	$ 129,911	$ 188,658	$ 318,570	$ 9,833	$ -	$ 13,155	$ -	$ -	$ 341,557
09/01/34	$ 139,274	$ 179,889	$ 319,164	$ 10,029	$ -	$ 12,505	$ -	$ -	$ 341,699
09/01/35	$ 148,637	$ 170,488	$ 319,126	$ 10,230	$ -	$ 11,809	$ -	$ -	$ 341,165
09/01/36	$ 158,000	$ 160,455	$ 318,456	$ 10,435	$ -	$ 11,066	$ -	$ -	$ 339,956
09/01/37	$ 169,704	$ 149,000	$ 318,704	$ 10,643	$ -	$ 10,276	$ -	$ -	$ 339,623
09/01/38	$ 181,408	$ 136,697	$ 318,104	$ 10,856	$ -	$ 9,427	$ -	$ -	$ 338,388
09/01/39	$ 195,452	$ 123,545	$ 318,997	$ 11,073	$ -	$ 8,520	$ -	$ -	$ 338,591
09/01/40	$ 209,497	$ 109,374	$ 318,871	$ 11,295	$ -	$ 7,543	$ -	$ -	$ 337,709
09/01/41	$ 224,712	$ 94,186	$ 318,897	$ 11,521	$ -	$ 6,496	$ -	$ -	$ 336,914
09/01/42	$ 241,097	$ 77,894	$ 318,991	$ 11,751	$ -	$ 5,372	$ -	$ -	$ 336,114
09/01/43	$ 258,652	$ 60,415	$ 319,067	$ 11,986	$ -	$ 4,167	$ -	$ -	$ 335,220
09/01/44	$ 277,378	$ 41,662	$ 319,041	$ 12,226	$ -	$ 2,873	$ -	$ -	$ 334,140
09/01/45	$ 297,275	$ 21,552	$ 318,827	$ 12,470	$ -	$ 1,486	$ 319,313	$ -	$ 13,471
Totals	$ 3,844,675	$ 5,548,432	$ 9,393,106	$ 284,879	$ 50,779	$ 340,310	$ 319,313	$ 465,859	$ 9,283,903

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix B-12
Annual Installments - Neighborhood Improvement Areas #2-5 - HOA

Year (a)	PID Bonds: Principal	PID Bonds: Interest (b)	PID Bonds: Net Debt Service	Administrative Expenses (c)	Prepayment Reserve	Delinquency Reserve	Debt Service Reserve Fund	Capitalized Interest	Annual Installment (d)
09/01/16	$ -	$ 8,511	$ 8,511	$ 300	$ 245	$ 368	$ -	$ 8,511	$ 914
09/01/17	$ -	$ 11,391	$ 11,391	$ 306	$ 329	$ 493	$ -	$ 11,391	$ 1,127
09/01/18	$ 2,250	$ 11,391	$ 13,641	$ 312	$ 329	$ 493	$ -	$ -	$ 14,774
09/01/19	$ 2,350	$ 11,278	$ 13,628	$ 318	$ 324	$ 486	$ -	$ -	$ 14,757
09/01/20	$ 2,450	$ 11,161	$ 13,611	$ 325	$ 319	$ 479	$ -	$ -	$ 14,734
09/01/21	$ 2,600	$ 11,038	$ 13,638	$ 331	$ 314	$ 472	$ -	$ -	$ 14,755
09/01/22	$ 2,700	$ 10,908	$ 13,608	$ 338	$ 309	$ 464	$ -	$ -	$ 14,719
09/01/23	$ 2,900	$ 10,726	$ 13,626	$ 345	$ -	$ 760	$ -	$ -	$ 14,730
09/01/24	$ 3,100	$ 10,530	$ 13,630	$ 351	$ -	$ 745	$ -	$ -	$ 14,727
09/01/25	$ 3,300	$ 10,321	$ 13,621	$ 359	$ -	$ 730	$ -	$ -	$ 14,709
09/01/26	$ 3,500	$ 10,098	$ 13,598	$ 366	$ -	$ 713	$ -	$ -	$ 14,677
09/01/27	$ 3,750	$ 9,862	$ 13,612	$ 373	$ -	$ 696	$ -	$ -	$ 14,681
09/01/28	$ 4,000	$ 9,609	$ 13,609	$ 380	$ -	$ 677	$ -	$ -	$ 14,666
09/01/29	$ 4,300	$ 9,339	$ 13,639	$ 388	$ -	$ 657	$ -	$ -	$ 14,684
09/01/30	$ 4,550	$ 9,049	$ 13,599	$ 396	$ -	$ 635	$ -	$ -	$ 14,630
09/01/31	$ 4,900	$ 8,742	$ 13,642	$ 404	$ -	$ 613	$ -	$ -	$ 14,658
09/01/32	$ 5,200	$ 8,411	$ 13,611	$ 412	$ -	$ 588	$ -	$ -	$ 14,611
09/01/33	$ 5,550	$ 8,060	$ 13,610	$ 420	$ -	$ 562	$ -	$ -	$ 14,592
09/01/34	$ 5,950	$ 7,685	$ 13,635	$ 428	$ -	$ 534	$ -	$ -	$ 14,598
09/01/35	$ 6,350	$ 7,284	$ 13,634	$ 437	$ -	$ 505	$ -	$ -	$ 14,575
09/01/36	$ 6,750	$ 6,855	$ 13,605	$ 446	$ -	$ 473	$ -	$ -	$ 14,523
09/01/37	$ 7,250	$ 6,366	$ 13,616	$ 455	$ -	$ 439	$ -	$ -	$ 14,509
09/01/38	$ 7,750	$ 5,840	$ 13,590	$ 464	$ -	$ 403	$ -	$ -	$ 14,456
09/01/39	$ 8,350	$ 5,278	$ 13,628	$ 473	$ -	$ 364	$ -	$ -	$ 14,465
09/01/40	$ 8,950	$ 4,673	$ 13,623	$ 483	$ -	$ 322	$ -	$ -	$ 14,427
09/01/41	$ 9,600	$ 4,024	$ 13,624	$ 492	$ -	$ 278	$ -	$ -	$ 14,393
09/01/42	$ 10,300	$ 3,328	$ 13,628	$ 502	$ -	$ 230	$ -	$ -	$ 14,359
09/01/43	$ 11,050	$ 2,581	$ 13,631	$ 512	$ -	$ 178	$ -	$ -	$ 14,321
09/01/44	$ 11,850	$ 1,780	$ 13,630	$ 522	$ -	$ 123	$ -	$ -	$ 14,275
09/01/45	$ 12,700	$ 921	$ 13,621	$ 533	$ -	$ 64	$ 13,642	$ -	$ 576
Totals	$ 164,250	$ 237,037	$ 401,287	$ 12,170	$ 2,169	$ 14,539	$ 13,642	$ 19,902	$ 396,622

(a) The 9/01/XX dates represent the fiscal year end for the Bonds.
(b) Gross of Capitalized Interest
(c) Preliminary Estimate. Assumes a 2% increase per year. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.
(d) Annual Installments are calculated assuming an average 7.09% interest rate on the Bonds plus Administrative Expenses.

Appendix C:

Legal Descriptions of Parcels

622.779 ACRE TRACT

BEING that certain tract of land situated in the Freeman Wilkerson Survey, Abstract No. 1411, the Thomas H. McIntyre Survey, Abstract No. 903, the Thomas B. Cox Survey, Abstract No. 309, the Carrol Jackson Survey, Abstract No. 1546, the Jacob Rue Survey, Abstract No. 1109, and the Hiram Rue Survey, Abstract No. 1111, in Denton County, Texas, and being all of that certain tract of land described in deed to Denton County 128 Development LLC recorded in Document No. 2013-135475, of the Real Property Records of Denton County, Texas (RPRDCT), all of that certain tract of land described in deed to Tarsan Corporation recorded in Document No. 2002-108524, RPRDCT, all of those certain tracts of land described in deeds to Mike A. Myers Investment Holdings, L.P. recorded in Document No. 2005-33384, RPRDCT, Document No. 2007-53939 RPRDCT, and Document No. 2005-93340, RPRDCT, all of that certain tract of land described in deed to The Amanda S. Myers Irrevocable Asset Trust recorded in Document No. 2011-125051, RPRDCT, all of that certain tract of land described in deed to Ok Kyun and Youngmoo Kim, Trustees of the Kim Family Living Trust recorded in Document No. 2005-86220, RPRDCT, and part of that certain tract of land described in deed to Frisco Industrial Partners recorded in Document NO. 2008-66233, RPRDCT, and being more particularly described as follows;

BEGINNING at a 1/2 inch capped iron rod found, said iron rod being located on the east right-of-way line of Farm to Market (FM) Road No. 1385 (variable width R.O.W.), and also being the northwest corner of Countryview Addition, an addition to Denton County according to Final Plat recorded in Cabinet F, Page 267, of the Plat Records of Denton County, Texas;

THENCE North 01°28’19” East, with said east right-of-way line of FM No. 1385, a distance of 310.72 feet to a ½ inch iron rod found for corner, said iron rod being the northwest corner of the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2007-53939 RPRDCT, and a southwest corner of the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-93340 RPRDCT;

THENCE North 01°22’30” East, continuing with the east right-of-way line of FM No. 1385, a distance of 204.07 feet to a 1/2 inch iron rod found for corner, said iron rod being the northwest corner of said Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-93340 RPRDCT, and the southwest corner of the aforementioned tract of land described in deed to Tarsan Corporation recorded in Document No. 2002-108524, RPRDCT;

THENCE North 01°32’20” East, continuing with the east right-of-way line of FM No. 1385, a distance of 455.39 feet to a 1/2 inch iron rod found for corner;

THENCE North 01°55’54” East, continuing with the east right-of-way line of FM No. 1385, a distance of 446.59 feet to a 1/2 inch iron rod found for corner at the intersection of the east right-of-way line of FM No. 1385, and the approximate center of Crutchfield Road (undedicated public road), the northwest corner of said Tarsan Corporation tract, and the southwest corner of said Denton County 128 Development LLC tract;

THENCE North 89°43’38” East, continuing with the east right-of-way line of FM No. 1385, a distance of 2.88 feet to a 1/2 inch iron rod found for corner;

THENCE North 01°41’28” East, continuing with the east right-of-way line of FM No. 1385, a distance of 606.35 feet to a point for corner;
THENCE North 00°48’41” East, continuing with the east right-of-way line of FM No. 1385, a distance of 797.78 feet to a 1/2 inch iron rod found for corner at the most westerly northwest corner of said Denton County 128 Development LLC tract;
THENCE North 89°34’28” East, leaving the east right-of-way line of FM No. 1385, and with the north line of said Denton County 128 Development LLC tract, a distance of 1280.69 feet to a 1/2 inch iron rod found for corner;
THENCE North 00°20’50” West, with a west line of said Denton County 128 Development LLC tract, a distance of 546.92 feet to a 5/8 inch iron rod found for corner;
THENCE North 00°25’58” West, with a west line of said Denton County 128 Development LLC tract, a distance of 553.08 feet to a 1/2 inch iron rod found for corner;
THENCE North 00°04’10” East, with a west line of said Denton County 128 Development LLC tract, a distance of 73.78 feet to a 1/2 inch iron rod found for corner at the most northerly northwest corner of said Denton County 128 Development LLC tract, and the most southerly southwest corner of that certain tract of land described in deed to Blue Angus Ranch, LP, recorded in Instrument No. 2007-107216, RPRDCT;
THENCE South 89°46’34” East, with the most northerly north line of said Denton County 128 Development LLC tract, and the most southerly south line of said Blue Angus Ranch, LP tract, a distance of 959.68 feet to a 3/8 inch iron rod found for corner at the most southerly southeasterly corner of said Blue Angus Ranch, LP tract, and a southwest corner of that certain tract of land described in deed to Fashand Farm, Ltd. recorded in Document No. 2004-135532, RPRDCT;
THENCE South 89°47’07” East, continuing with the most northerly north line of said Denton County 128 Development LLC tract, and with a south line of said Fashand Farm, Ltd. tract, a distance of 395.15 feet to a ½ inch iron rod found for corner;
THENCE South 02°54’24” West, with an east line of said Denton County 128 Development LLC tract, and a west line of said Fashand Farm, Ltd. tract, a distance of 454.69 feet to a 1/2 inch iron rod found for corner;
THENCE North 89°30’36” East, with a north line of said Denton County 128 Development LLC tract, and a south line of said Fashand Farm, Ltd. tract, a distance of 156.62 feet to 1/2 inch iron rod found for corner located at a northeast corner of said Denton County 128 Development LLC tract, a southwest corner of said Fashand Farm, Ltd. tract, and also being the northwest corner of that certain tract of land described in deed to Fashand Farm, Ltd. recorded in Document No. 2005-21653, RPRDCT;
THENCE South 00°08’58” East, with the most easterly east line of said Denton County 128 Development LLC tract, the west line of said Fashand Farm, Ltd. tract recorded in Document No. 2005-21653, RPRDCT, and the west line of that certain tract of land described in deed to Jan M. Paliwoda and Margaret Paliwoda recorded in Volume 4364, Page 1631, RPRDCT, a distance of 2034.69 feet to a 1/2 inch iron rod found for corner located at the northeast corner of that certain tract of land described in deed to SBA Towers IV, LLC recorded in Document No. 2013-94302, RPRDCT;
THENCE South 89°15’21” West, with the north line of said SBA Towers IV, LLC tract, a distance of 50.31 feet to a 1/2 inch iron rod found for corner;
THENCE South 00°56’04” East, with the west line of said SBA Towers IV, LLC tract, a distance of 50.03 feet to a 1/2 inch iron rod found for corner;

THENCE North 89°12’39” East, with the south line of said SBA Towers IV, LLC tract, a distance of 49.92 feet to a 1/2 inch iron rod found for corner located on said most easterly east line of said Denton County 128 Development LLC tract, and the west line of said Jan M. Paliwoda and Margaret Paliwoda tract;
THENCE South 01°18’28” East, with said most easterly east line of said Denton County 128 Development LLC tract, and the west line of the Jan M. Paliwoda and Margaret Paliwoda tract, a distance of 31.08 feet to a 1/2 inch iron rod found for corner located on said approximate center of Crutchfield Road, and being the southeast corner of said Denton County 128 Development LLC tract;
THENCE North 89°43’38” East, with said approximate center of Crutchfield Road, the north line of said Tarsan tract, and the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005- 33384, RPRDCT, a distance of 627.96 feet to a railroad spike found for corner at the northeast corner of said Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-33384, RPRDCT;
THENCE North 00°08’37” West, continuing with the approximate center of Crutchfield Road, and with the west line of the aforementioned Amanda S. Myers Irrevocable Asset Trust tract, a distance of 858.91 feet to a 1/2 inch iron rod found for corner, said iron rod being the northwest corner of said Amanda S. Myers Irrevocable Asset Trust tract, and the southwest corner of said Fashand Farm, Ltd. tract recorded in Document No. 2004-135532, RPRDCT;
THENCE North 89°30’51” East, continuing with the approximate center of Crutchfield Road, and with the north line of the Amanda S. Myers Irrevocable Asset Trust tract, a distance of 1759.29 feet to a 1/2 inch iron rod found for corner;
THENCE South 00°23’19” East, with the east line of the Amanda S. Myers Irrevocable Asset Trust tract, and the west line of that certain tract of land described in deed to Smiley Road, Ltd. recorded in Document No. 2006-2064, RPRDCT, a distance of 2685.16 feet to a 5/8 inch iron rod found for corner;
THENCE South 89°13’31” West, with a line described in Boundary Line Agreement recorded in Instrument No. 2005-122140, RPRDT, a distance of 527.69 feet to a 1/2 inch iron rod found for corner;
THENCE South 00°41’45” West, with a line described in said Boundary Line Agreement recorded in Instrument No. 2005-122140, RPRDT, a distance of 2985.21 feet to a 60d nail found in asphalt for corner, said nail being located in the approximate center of Parvin Road (undedicated public road);
THENCE North 89°11’44” West, with said approximate center of Parvin Road, and with a line described in said Boundary Line Agreement recorded in Instrument No. 2005-122140, RPRDT, a distance of 1163.46 feet to a 3/8 inch iron rod found for corner;
THENCE North 00°42’55” West, leaving the approximate center of Parvin Road and with the west line of the Amanda S. Myers Irrevocable Asset Trust tract, the east line of that certain tract of land described in deed to Donald K. Estep and Sonja K. Estep recorded in Document No. 2011-67774, RPRDCT, and that certain tract of land described in deed to Donald Kenny Estep and Sonja Kay Estep recorded in Document No. 2001-99806, RPRDCT, a distance of 280.30 feet to a 5/8 inch iron rod with plastic cap marked “PETITT-RPLS 4087” set for corner;
THENCE South 89°32’42” West, with a south line of that certain tract of land described in deed to Ok Kyun and Youngmoo Kim, Trustees of the Kim Family Living Trust recorded in Document No. 2005-86220, RPRDCT, a distance of 239.66 feet to a 5/8 inch iron rod with plastic cap marked “PETITT-RPLS 4087” set for corner;

THENCE South 00°49’27” East, with an easterly line of said Kim Family Living Trust tract, the west line of said Estep tracts, and the west line of that certain tract of land described in deed to Claude Adams and Kathleen Adams recorded in Document No. 2011-67775, RPRDCT, and the west line of that certain tract of land described in deed to David P. Brewer and Carolyn Brewer recorded in Document No. 2012-34990, RPRDCT, a distance of 734.88 feet to a 1/2 inch iron rod found for corner at the southwest corner of said Brewer tract, and an interior “ell” corner of the Kim Family Living Trust tract;

THENCE North 89°20’27” East, a distance of 238.85 feet to a 1/2 inch iron rod found for corner, said iron rod being located at the southeast corner of the Brewer tract, a northeast corner of the Kim Family Living Trust tract, and also being located in the aforementioned approximate center of Parvin Road;

THENCE South 00°32’10” East, with an easterly line of the Kim Family Living Trust tract, and said approximate center of Parvin Road, a distance of 490.79 feet to a 1/2 inch iron rod found for corner at the most southerly southeast corner of the Kim Family Living Trust tract;

THENCE South 89°26’22” West, with the south line of the Kim Family Living Trust tract, and the approximate center of Parvin Road, a distance of 378.96 feet to a nail in asphalt found for corner;

THENCE North 00°17’53” East, leaving the approximate center of Parvin Road, and with a west line of the Kim Family Living Trust tract, and the east line of that certain tract of land described in deed to John M. Cosper and Jackie Cosper recorded in Volume 626, Page 706, RPRDCT, passing at a distance of 27.73 feet a 5/8 inch iron rod in concrete found, continuing in all, a distance of 267.98 feet to a 5/8 inch iron rod with plastic cap marked “PETITT-RPLS 4087” set for corner, from which a 5/8 inch iron rod in concrete found bears South 00°17’53” West, a distance of 2.99 feet;

THENCE South 89°25’59” West, with a south line of the Kim Family Living Trust tract, and the north line of the Cosper tract, a distance of 824.19 feet to a 1/2 inch iron rod found for corner;

THENCE South 00°39’57” East, with the west line of the Cosper tract, and an easterly line of the Kim Family Living Trust tract, passing at a distance of 244.64 feet a 1/2 inch iron rod found, continuing in all, a distance of 265.80 feet to a 1/2 inch iron rod found for corner at a southeast corner of Kim Family Living Trust tract, and also being located in the aforementioned approximate center of Parvin Road;

THENCE South 89°09’41” West, with the south line of the Kim Family Living Trust tract, and the approximate center of Parvin Road, passing at a distance of 411.81 feet a 1/2 inch iron rod found at the northeast corner of that certain tract of land described in deed to Swisher Partners, L.P. recorded in Document No. 2004-7927, RPRDCT, continuing in all, a distance of 462.41 feet to a 1/2 inch iron rod found for corner at the southeast corner of that certain tract of land described in deed to the City of Celina, Texas recorded in Document No. 2008-62468, RPRDCT;

THENCE North 00°41’57” West, with the east line of said City of Celina, Texas tract, a distance of 60.00 feet to a 5/8 inch iron rod with plastic cap marked “PETITT-RPLS 4087” set for corner;

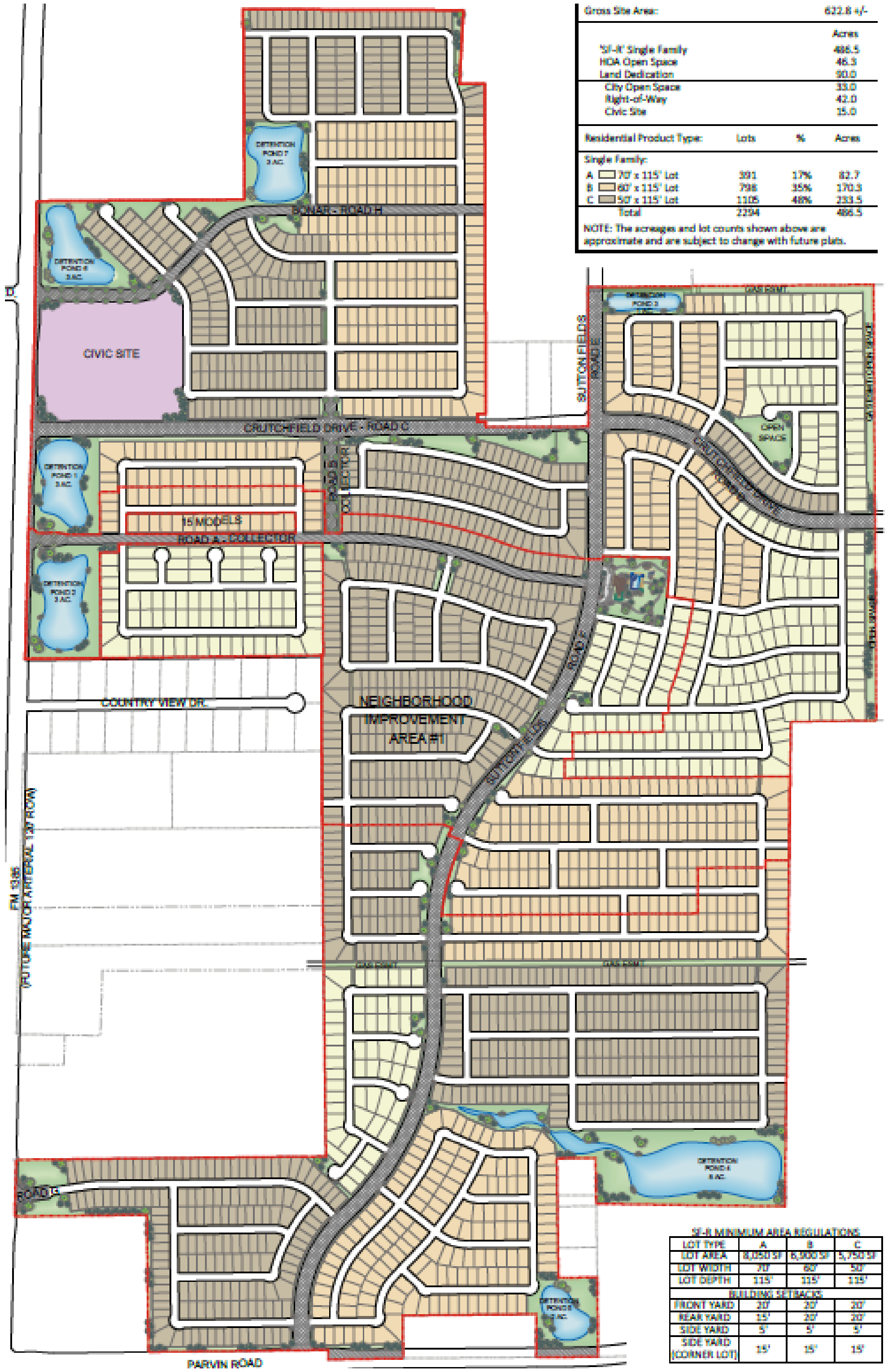
THENCE South 89°18’56” West, with a north line of the City of Celina, Texas tract, and Parvin Road, a distance of 1107.30 feet to a 5/8 inch iron rod with plastic cap marked “PETITT-RPLS 4087” set for corner;

THENCE North 00°41’04” West, leaving said north line of Parvin Road, a distance of 843.46 feet to a 5/8 inch iron rod with plastic cap marked “PETITT-RPLS 4087” set for corner;

THENCE South 89°18’56” West, a distance of 815.06 feet to a 5/8 inch iron rod with plastic cap marked “PETITTRPLS 4087” set for corner, said iron rod being located on an easterly line of said City of Celina, Texas tract, and the aforementioned east right-of-way line of FM No. 1385;
THENCE North 01°32’26” East, with said east right-of-way line of FM No. 1385 according to City of Celina, Texas tract deed, a distance of 350.05 feet to a 5/8 inch iron rod with plastic cap marked “PETITT-RPLS 4087” set for corner;
THENCE North 89°22’47” East, leaving the east right-of-way line of FM No. 1385, and with the north line of the aforementioned tract of land described in deed to Frisco Industrial Partners recorded in Document No. 2008-66233, RPRDCT, and the south line of that certain tract of land described in deed to Anna Liz Hong recorded in Document No. 2014-15601, RPRDCT, a distance of 1908.52 feet to a 5/8 inch iron rod with plastic cap marked “PETITTRPLS 4087” set for corner;
THENCE North 00°41’47” West, with the east line of said Anna Liz Hong tract, and the most westerly line of the aforementioned Kim Family Living Trust tract, a distance of 1546.84 feet to an old wood corner post found for corner, from which a 5/8 inch iron rod found bears South 16°28’53” West, a distance of 1.57 feet;
THENCE North 00°24’23” West, with the west line of the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-33384, RPRDCT, passing at a distance of 479.75 feet a 5/8 inch iron rod found at the southeast corner of that certain tract of land described in deed to Lee A. Brown recorded in Document No. 2003-122624, RPRDCT, continuing with said west line of the Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-33384, RPRDCT, and the east line of said Lee A. Brown tract, in all, a total distance of 951.64 feet to a 5/8 inch iron rod found for corner at the southeast corner of the aforementioned Countryview Addition;
THENCE North 00°07’02” West, continuing with the west line of the Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-33384, RPRDCT, and the east line of said Countryview Addition, a distance of 588.61 feet to a 5/8 inch iron rod with plastic cap marked “PETITT-RPLS 4087” set for corner, from which a ½ inch iron rod found bears South 89°26’31” West, a distance of 1.51 feet;
THENCE South 89°18’14” West, with the south line of the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-93340, RPRDCT, a distance of 1301.63 feet to a 1/2 inch iron rod found for corner at the most southerly southwest corner of said Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2005-93340 RPRDCT, and the southeast corner of the aforementioned Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2007-53939 RPRDCT;
THENCE South 89°15’45” West, with the south line of said Mike A. Myers Investment Holdings, L.P. tract recorded in Document No. 2007-53939 RPRDCT, a distance of 522.72 feet to the POINT OF BEGINNING of herein described tract of land containing an area of 622.779 acres of land.
Note: This document was prepared under 22 TAC §663.21, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.

Appendix D:

Parcel Map



Gross Site Area:			622.8 +/-
			Acres
'SF-R' Single Family			486.5
HOA Open Space			46.3
Land Dedication			90.0
City Open Space			33.0
Right-of-Way			42.0
Civic Site			15.0
Residential Product Type:	Lots	%	Acres
Single Family:			
A 70' x 115' Lot	391	17%	82.7
B 60' x 115' Lot	798	35%	170.3
C 50' x 115' Lot	1105	48%	233.5
Total	2294		486.5

NOTE: The acreages and lot counts shown above are approximate and are subject to change with future plats.

SF-R MINIMUM AREA REGULATIONS

LOT TYPE	A	B	C
LOT AREA	8,050 SF	6,900 SF	5,750 SF
LOT WIDTH	70'	60'	50'
LOT DEPTH	115'	115'	115'
BUILDING SETBACKS			
FRONT YARD	20'	20'	20'
REAR YARD	15'	20'	20'
SIDE YARD	5'	5'	5'
SIDE YARD (CORNER LOT)	15'	15'	15'

Attachment: Agenda item VIII(B)--1344--Ordinance approving SAP and Levying Assessments NIA #2-5 (1344 : Sutton Fields II SAP NIA 2-5)

Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Ben Rodriguez, Planner
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: Rolling Meadows Public Hearings

Action Requested:

The Celina City Council will conduct a public hearing at 6:00 p.m. to consider testimony regarding proposed involuntary annexations of Rolling Meadows Estates being 51.418 acres situated in the Coleman Watson Survey Abstract No. 945 and encompassing 44 lots. (Liebman)

Background Information:

Below is the anticipated annexation schedule for Rolling Meadows Estates.

The properties do not currently have an agricultural exemption, and no pre-annexation offer is required.

- ~~October 13, 2015 - City Council acts on Resolution to set the public hearing dates.~~
- November 10, 2015 - Two separate public hearings are held on the same night (6:00pm &6:05pm @ 112 N. Colorado Dr. Celina, Texas.)
- December 7, 2015 - City Council acts on Ordinance annexing the properties.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

Rolling Meadows is currently served water by the City of Celina at the City's current rate for non-residents (1.5x the normal rate). Upon annexation these resident's will begin to pay the normal rate for residents of Celina.

Legal Review:

N/A

Supporting Documents:

- Map of proposed annexation

Staff Recommendation:

N/A

6589

OWNERS CERTIFICATE

STATE OF TEXAS
COUNTY OF COLLIN

WHEREAS Vines/Herrin, L.L.C., is the owner of a tract of land situated in Collin County, Texas, in the Coleman Watson Survey, Abstract No. 945, being a part of the 105.34 acre tract described in deed from Able Investments, Inc. to 88-106 LLC, dated August 13, 1997, recorded in Clerk's File No. 97-67495 of the Collin County Land Records, being described by metes and bounds as follows:

BEGINNING at an iron pin found near a corner post at the northwest corner of said 105.34 acre tract;

THENCE North 89° 03' 27" East, with the north line of said 105.34 acre tract and generally near a wooden fence, passing near the end of said fence at 1509.8 feet and continuing in all 1799.65 feet to an iron pin found at the northeast corner of said 105.34 acre tract, same being the west right-of-way line of Farm Road No. 2478;

THENCE southerly with the east line of said 105.34 acre tract and the west right-of-way line of said Farm Road No. 2478, as follows:

South 0° 40' 40" East, 1006.18 feet to an iron pin set;

South 0° 45' 40" East, 233.01 feet to an iron pin set;

THENCE South 89° 03' 27" West, 1819.31 feet to an iron pin set in the west line of said 105.34 acre tract;

THENCE northerly with the west line of said 105.34 acre tract and generally near a wood fence as follows:

North 0° 06' 25" East, 359.73 feet to an iron pin found on the east edge of said fence;

North 0° 15' 36" East, 879.7 feet to the PLACE OF BEGINNING and containing 51.481 ACRES OF LAND.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:
That Vines/Herrin, L.L.C., does hereby adopt this plat designating the herein above described property as ROLLING MEADOWS ESTATES, a subdivision in Collin County, Texas, and do hereby dedicate to the public use forever the streets/roads and easements as shown thereon.

WITNESS my hand at ____________, Texas, this the 12th day of July, 2001.

Cyndee Herrin

Cyndee Herrin, Owner

Before me, the undersigned authority, a notary public in and for the state, on this day personally appeared Cyndee Herrin, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office, this the 12th day of July, 2001.

Elaine Thurmon

Notary Public in and for the State of Texas

ELAINE THURMON
Notary Public
STATE OF TEXAS
My Comm. Exp. 01/06/2004

SURVEYOR'S CERTIFICATE

KNOW ALL MEN BY THESE PRESENT:
That I, Bruce Geer, do hereby certify that I prepared this plat from an actual and accurate survey of the land, and that the corner monuments shown thereon were properly placed under my supervision.

Bruce Geer

Bruce Geer, Registered Professional Land Surveyor, No. 4117

STATE OF TEXAS
REGISTERED
BRUCE GEER
4117
PROFESSIONAL
LAND SURVEYOR

Accepted this 24 day of July, 2001, by the City Planning and Zoning Commission of the City of Celina.

Chairman

Secretary

This plat is approved by the Collin County Commissioner's Court on the 25 day of September, 2001.

Ron Harris

Ron Harris, County Judge

DIRECTIONAL CONTROL LINE: North line of 2.522 acre tract recorded in Volume 484, Page 311.

CONTROLLING MONUMENTS: Concrete Markers found in North right-of-way line of Farm Road No. 1461, at Stations 328+23.4 and 310+46.5.

FLOOD CERTIFICATION
According to Flood Insurance Rate Map No. 48085C0150 G, dated January 19, 1996, the property platted hereon is not within the 100 year flood plain.

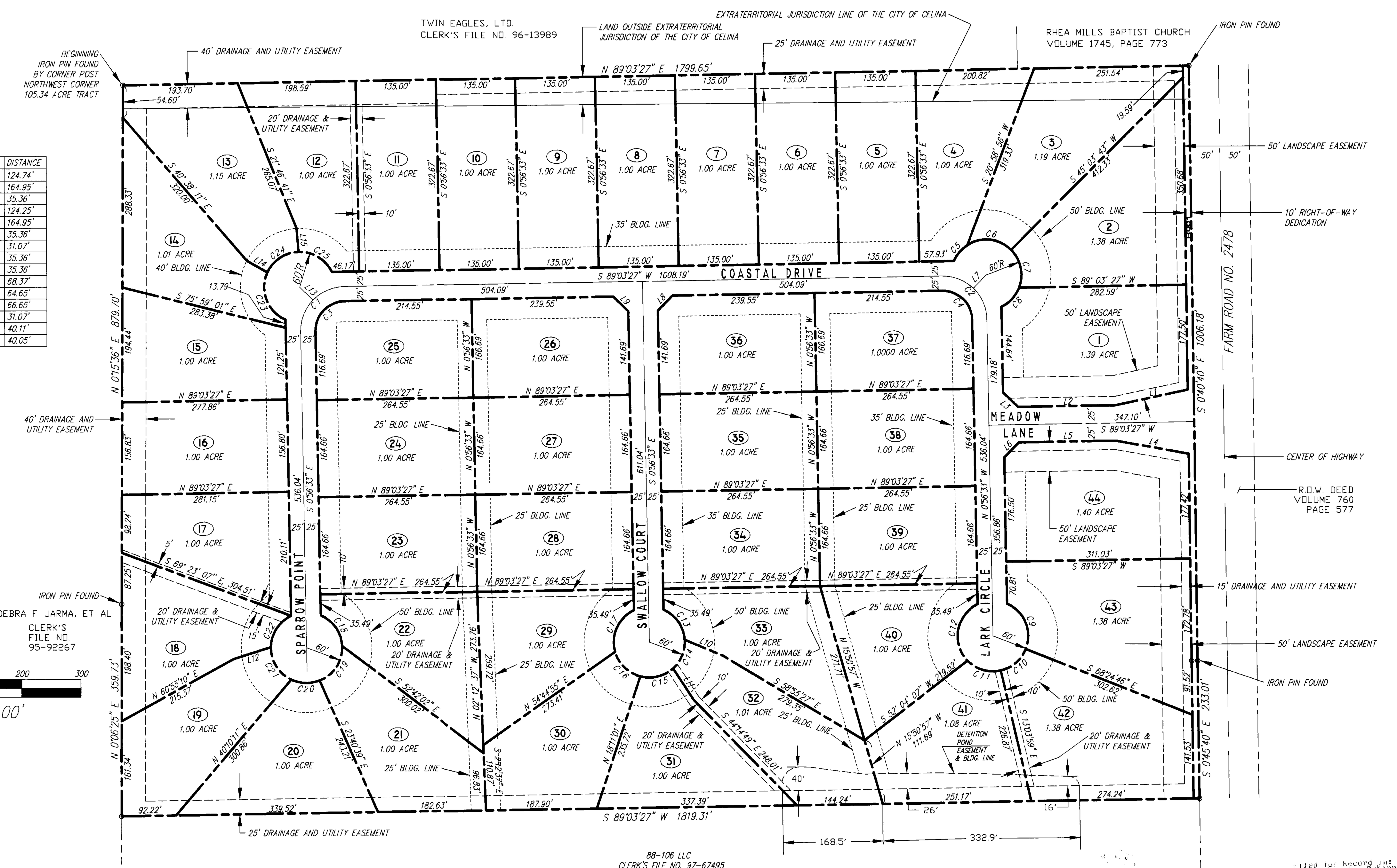
Before me, the undersigned authority, a notary public in and for the state, on this day personally appeared Bruce Geer known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.
Given under my hand and seal of office, this the 5th day of September 2001.

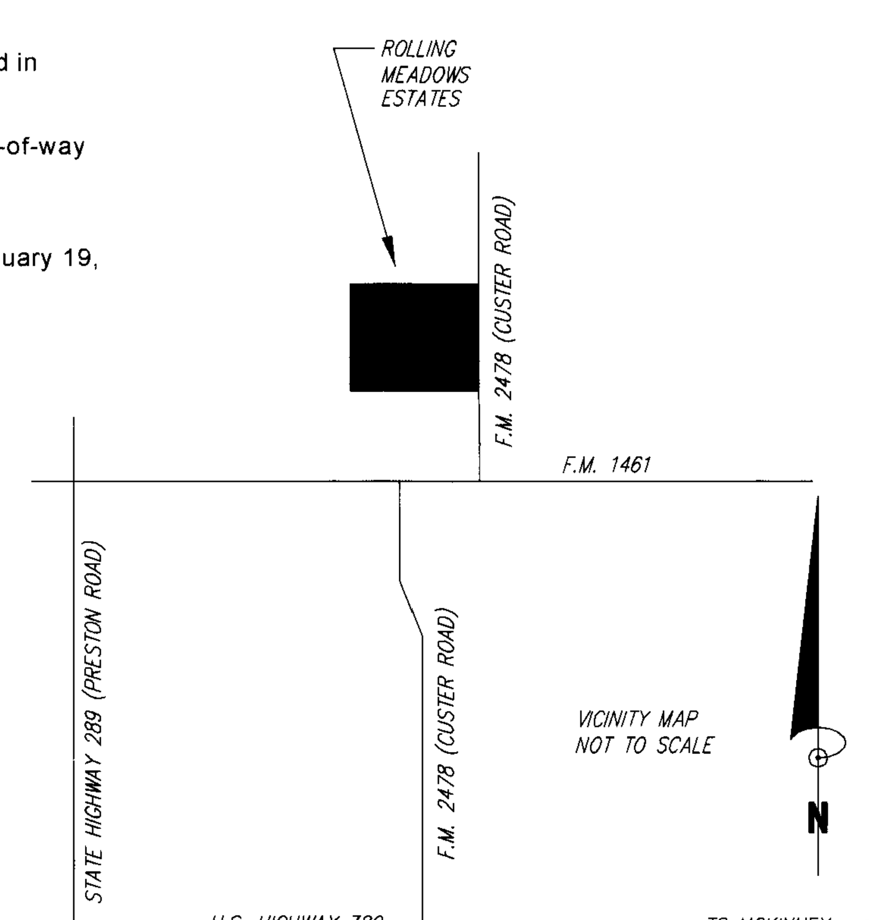
Phillip L. Smith

Notary Public in and for the State of Texas

PHILLIP L. SMITH
Notary Public, State of Texas
My Commission Expires
April 16, 2003

NUMBER	DIRECTION	DISTANCE
L1	S 77°55'38" W	124.74'
L2	S 89°03'27" W	164.95'
L3	N 45°56'33" W	35.36'
L4	N 79°46'04" W	124.25'
L5	S 89°03'27" W	164.95'
L6	S 44°03'27" W	35.36'
L7	N 44°03'27" E	31.07'
L8	S 44°03'27" W	35.36'
L9	N 45°56'33" W	35.36'
L10	S 67°21'14" E	68.37'
L11	S 33°12'03" E	64.65'
L12	N 72°10'57" E	66.65'
L13	N 45°56'33" W	31.07'
L14	S 59°46'54" E	40.11'
L15	S 05°08'58" E	40.05'

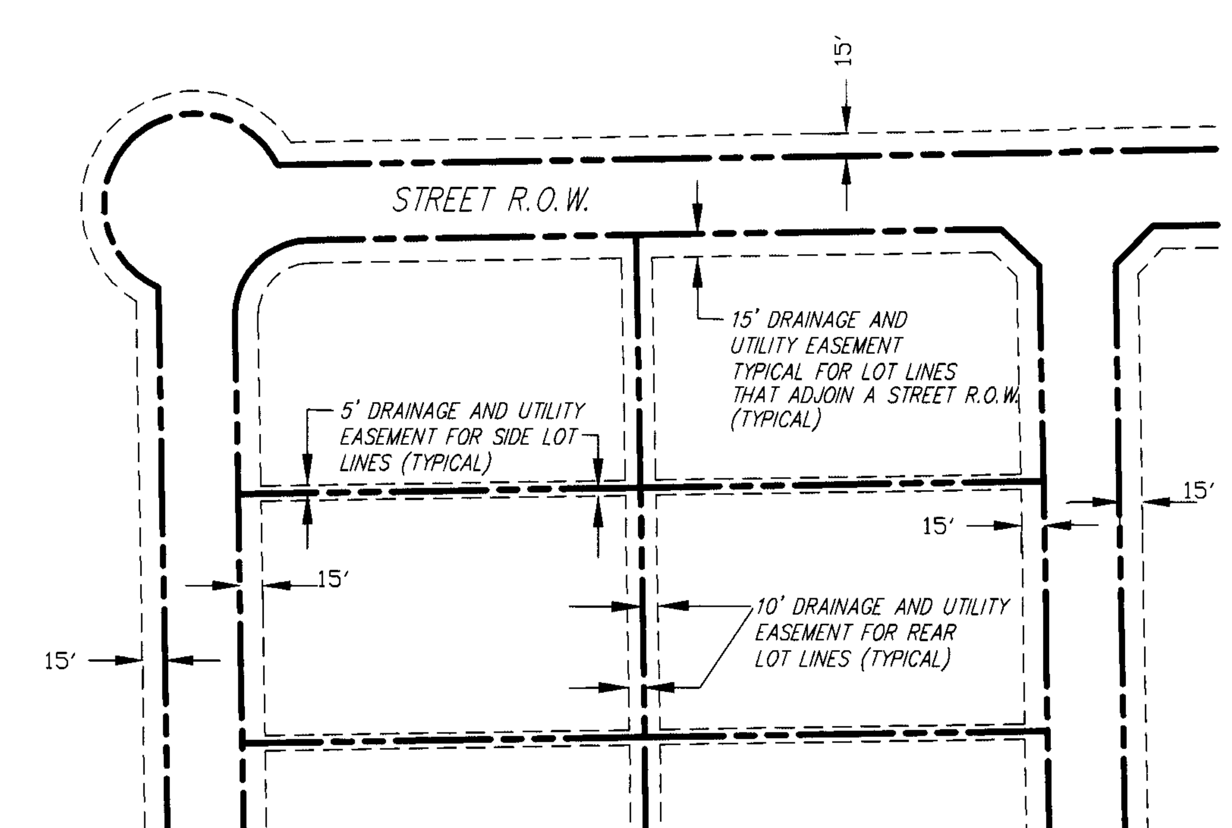




DATE: FIELD WORK FINISHED ON JUNE 15, 2000
O = IRON PIN SET UNLESS OTHERWISE SPECIFIED
IRON PINS SET AT ALL LOT CORNERS
WATER SOURCE: DANVILLE WATER SUPPLY
SANITARY TREATMENT ON SITE
NOTE: MUST OBTAIN BUILDING PERMIT PRIOR TO CONSTRUCTION OF HOUSE
NOTE: EACH LOT OWNER MUST OBTAIN PERMIT FROM COUNTY PRIOR TO PLACEMENT OF ENTRANCE CULVERT (15" DIA. MIN.)
LOT USE: RESIDENTIAL
A 10' BUILDING SETBACK LINE SHALL BE FOR ALL SIDE LOT LINES EXCEPT AS SHOWN ON THE PLAT HEREON.

NUMBER	CENTRAL ANGLE	CHORD BEARING	RADIUS	LENGTH	CHORD LENGTH
C1	90° 00' 00"	N 44° 03' 27" E	75.00	117.81	106.07
C2	90° 00' 00"	S 45° 56' 33" E	75.00	117.81	106.07
C3	90° 00' 00"	N 44° 03' 27" E	50.00	78.54	70.71
C4	90° 00' 00"	S 45° 56' 33" E	50.00	78.54	70.71
C5	34° 23' 28"	N 40° 52' 39" E	60.00	36.01	35.48
C6	76° 59' 21"	S 83° 25' 57" E	60.00	80.62	74.69
C7	66° 07' 28"	S 11° 52' 33" E	60.00	69.25	65.47
C8	43° 14' 48"	S 42° 48' 35" W	60.00	45.29	44.22
C9	87° 54' 19"	S 22° 21' 56" E	60.00	92.05	83.29
C10	55° 20' 47"	S 49° 15' 37" W	60.00	57.96	55.73
C11	59° 43' 28"	N 73° 12' 15" W	60.00	62.54	59.75
C12	107° 46' 31"	N 10° 32' 44" E	60.00	112.86	96.94
C13	62° 34' 27"	S 35° 01' 52" E	60.00	65.53	62.32
C14	51° 51' 07"	S 22° 10' 55" W	60.00	54.30	52.47
C15	56° 38' 04"	S 76° 25' 30" W	60.00	59.31	56.92
C16	59° 19' 37"	N 45° 35' 40" W	60.00	62.13	59.39
C17	80° 21' 51"	N 24° 15' 04" E	60.00	84.16	77.43
C18	63° 25' 21"	S 34° 36' 25" E	60.00	66.42	63.08
C19	71° 20' 28"	S 32° 46' 30" W	60.00	74.71	69.97
C20	46° 54' 19"	N 88° 06' 07" W	60.00	49.12	47.76
C21	65° 23' 04"	N 31° 57' 25" W	60.00	68.47	64.82
C22	63° 41' 52"	N 32° 35' 03" E	60.00	66.70	63.32
C23	91° 09' 30"	N 20° 44' 21" W	60.00	95.46	85.71
C24	63° 35' 06"	N 56° 37' 57" E	60.00	66.59	63.22
C25	66° 00' 29"	S 58° 34' 15" E	60.00	69.12	65.36

FROM 2943-004-0530-1
FROM
YEAR 2002



TYPICAL EASEMENT LAYOUT UNLESS OTHERWISE SHOWN ON THE PLAT HEREON

Filed for Record in: Collin County, McKinney TX
Honorable Helen Starnes
Collin County Clerk
On Sep 13 2001 at 11:07am
Doc/Num : 2001- 0115601
Recording/Type:PL 16.00
Receipt #: 30154

ANY PROVISION HEREIN WHICH RESTRICTS THE ... OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW

S4878

44 LOTS

FINAL PLAT

ROLLING MEADOWS ESTATES

51.481 ACRES IN COLLIN COUNTY, IN THE COLEMAN WATSON SURVEY, ABSTRACT No. 945

OWNER:
VINES/HERRIN, L.L.C.
1900 PRESTON RD
PLANO, TEXAS 75093
(972)-618-3512

SURVEYOR:
BRUCE GEER
1512 WEST UNIVERSITY, SUITE 300
McKINNEY, TEXAS 75069
(972) 562-3959

Attachment: Map of proposed annexation (1323 : Rolling Meadows Public Hearing 6:00pm)

Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Ben Rodriguez, Planner
CC: Mike Foreman, City Manager
Date: November 10, 2015
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Legal Review:

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Supporting Documents:

- Map of proposed annexation

Staff Recommendation:

N/A

6589

OWNERS CERTIFICATE

STATE OF TEXAS
COUNTY OF COLLIN

WHEREAS Vines/Herrin, L.L.C., is the owner of a tract of land situated in Collin County, Texas, in the Coleman Watson Survey, Abstract No. 945, being a part of the 105.34 acre tract described in deed from Able Investments, Inc. to 88-106 LLC, dated August 13, 1997, recorded in Clerk's File No. 97-67495 of the Collin County Land Records, being described by metes and bounds as follows:

BEGINNING at an iron pin found near a corner post at the northwest corner of said 105.34 acre tract;

THENCE North 89° 03' 27" East, with the north line of said 105.34 acre tract and generally near a wooden fence, passing near the end of said fence at 1509.8 feet and continuing in all 1799.65 feet to an iron pin found at the northeast corner of said 105.34 acre tract, same being the west right-of-way line of Farm Road No. 2478;

THENCE southerly with the east line of said 105.34 acre tract and the west right-of-way line of said Farm Road No. 2478, as follows:

South 0° 40' 40" East, 1006.18 feet to an iron pin set;
South 0° 45' 40" East, 233.01 feet to an iron pin set;

THENCE South 89° 03' 27" West, 1819.31 feet to an iron pin set in the west line of said 105.34 acre tract;

THENCE northerly with the west line of said 105.34 acre tract and generally near a wood fence as follows:

North 0° 06' 25" East, 359.73 feet to an iron pin found on the east edge of said fence;
North 0° 15' 36" East, 879.7 feet to the PLACE OF BEGINNING and containing 51.481 ACRES OF LAND.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:
That Vines/Herrin, L.L.C., does hereby adopt this plat designating the herein above described property as ROLLING MEADOWS ESTATES, a subdivision in Collin County, Texas, and do hereby dedicate to the public use forever the streets/roads and easements as shown thereon.

WITNESS my hand at ____________, Texas, this the 12th day of July, 2001.

Cyndee Herrin
Cyndee Herrin, Owner

Before me, the undersigned authority, a notary public in and for the state, on this day personally appeared Cyndee Herrin, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office, this the 12th day of July, 2001.

Elaine Thurmon
Notary Public in and for the State of Texas

ELAINE THURMON
Notary Public
STATE OF TEXAS
My Comm. Exp. 01/06/2005

STATE OF TEXAS
REGISTERED
BRUCE GEER
4117
PROFESSIONAL
LAND SURVEYOR

SURVEYOR'S CERTIFICATE

KNOW ALL MEN BY THESE PRESENT:
That I, Bruce Geer, do hereby certify that I prepared this plat from an actual and accurate survey of the land, and that the corner monuments shown thereon were properly placed under my supervision.

Bruce Geer
Bruce Geer, Registered Professional Land Surveyor, No. 4117

Accepted this 24 day of July, 2001, by the City Planning and Zoning Commission of the City of Celina.

Chairman   Secretary

This plat is approved by the Collin County Commissioner's Court on the 25 day of September, 2001.

Ron Harris
Ron Harris, County Judge

DIRECTIONAL CONTROL LINE: North line of 2.522 acre tract recorded in Volume 484, Page 311.

CONTROLLING MONUMENTS: Concrete Markers found in North right-of-way line of Farm Road No. 1461, at Stations 328+23.4 and 310+46.5.

FLOOD CERTIFICATION
According to Flood Insurance Rate Map No. 48085C0150 G, dated January 19, 1996, the property platted hereon is not within the 100 year flood plain.

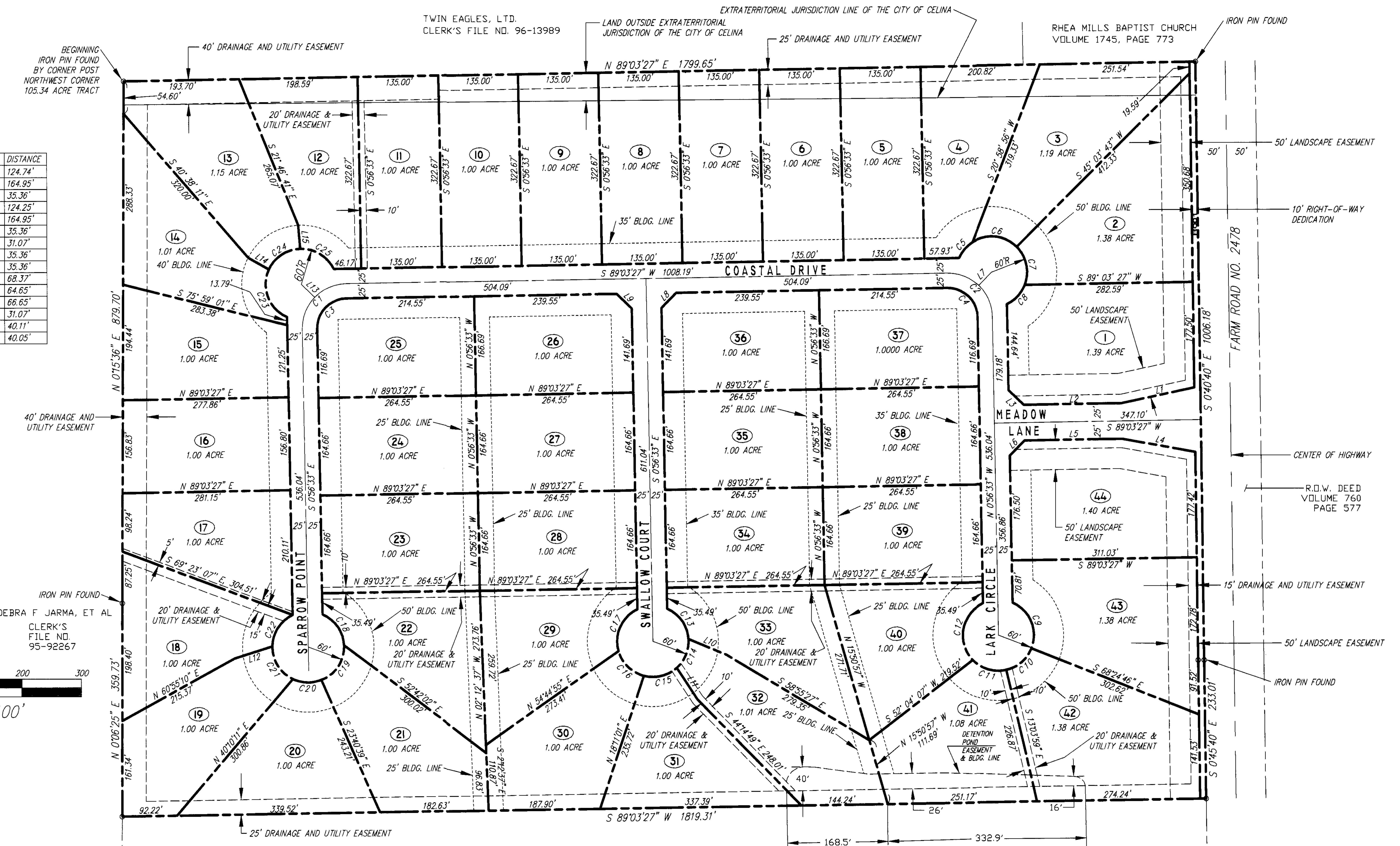
Before me, the undersigned authority, a notary public in and for the state, on this day personally appeared Bruce Geer known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, and in the capacity therein stated.
Given under my hand and seal of office, this the 5th day of September 2001.

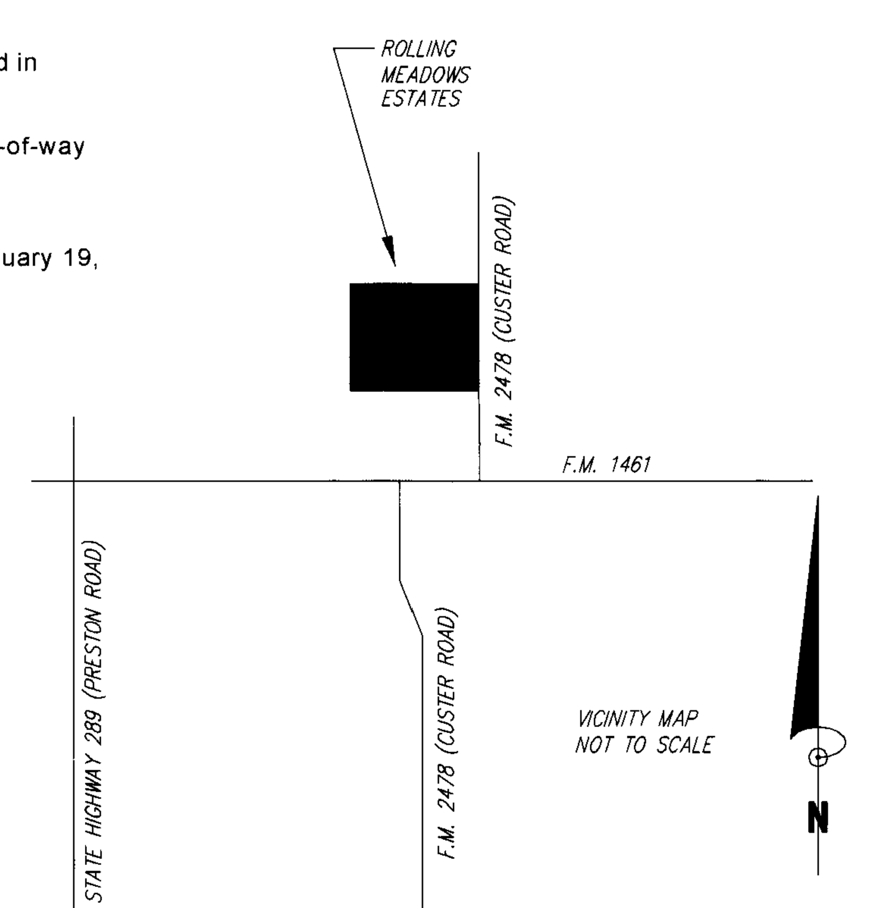
Phillip L. Smith
Notary Public in and for the State of Texas

PHILLIP L. SMITH
Notary Public, State of Texas
My Commission Expires
April 16, 2003

DATE: FIELD WORK FINISHED ON JUNE 15, 2000
O = IRON PIN SET UNLESS OTHERWISE SPECIFIED
IRON PINS SET AT ALL LOT CORNERS
WATER SOURCE: DANVILLE WATER SUPPLY
SANITARY TREATMENT ON SITE
NOTE: MUST OBTAIN BUILDING PERMIT PRIOR TO CONSTRUCTION OF HOUSE
NOTE: EACH LOT OWNER MUST OBTAIN PERMIT FROM COUNTY PRIOR TO PLACEMENT OF ENTRANCE CULVERT (15' DIA. MIN.)
LOT USE: RESIDENTIAL
A 10' BUILDING SETBACK LINE SHALL BE FOR ALL SIDE LOT LINES EXCEPT AS SHOWN ON THE PLAT HEREON.

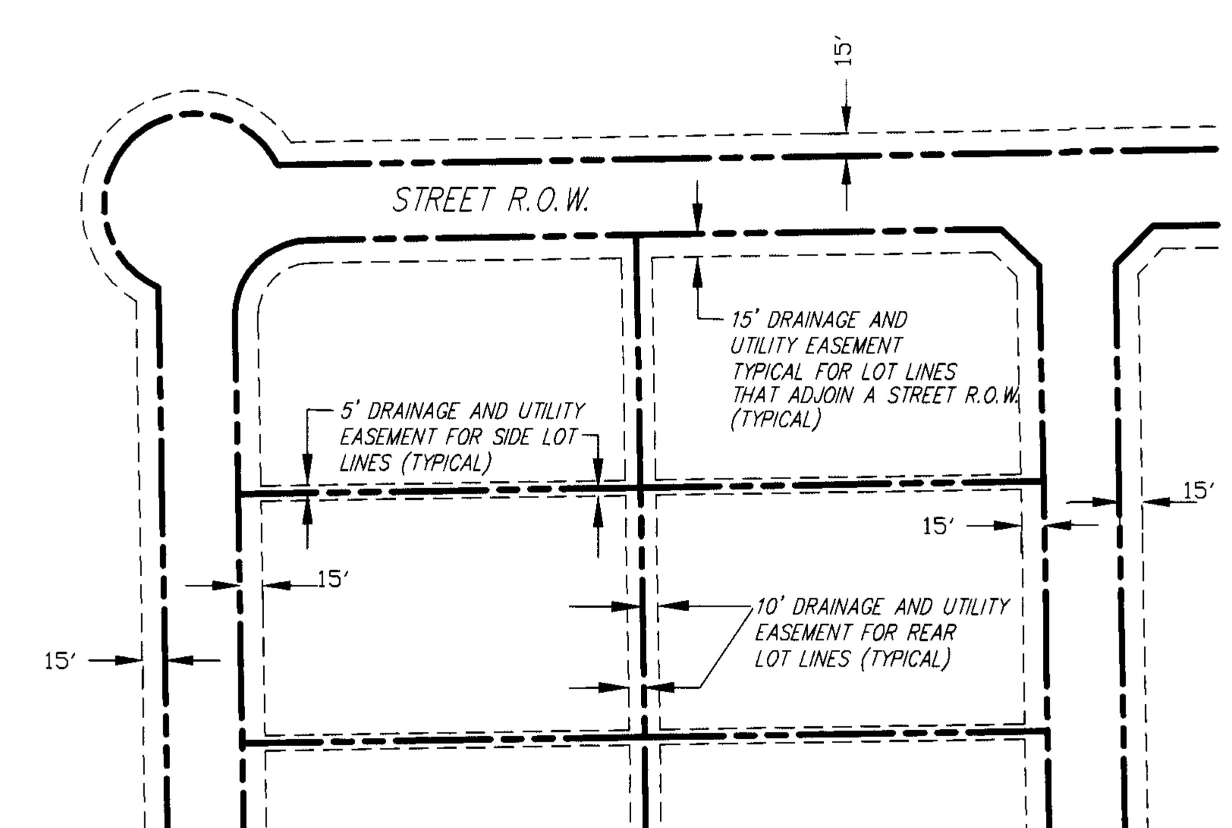
NUMBER	DIRECTION	DISTANCE
L1	S 77°55'38" W	124.74'
L2	S 89°03'27" W	164.95'
L3	N 45°56'33" W	35.36'
L4	N 79°46'04" W	124.25'
L5	S 89°03'27" W	164.95'
L6	S 44°03'27" W	35.36'
L7	N 44°03'27" E	31.07'
L8	S 44°03'27" W	35.36'
L9	N 45°56'33" W	35.36'
L10	S 67°21'14" E	68.37'
L11	S 33°12'03" E	64.65'
L12	N 72°10'57" E	66.65'
L13	N 45°56'33" W	31.07'
L14	S 59°46'54" E	40.11'
L15	S 05°08'58" E	40.05'





NUMBER	CENTRAL ANGLE	CHORD BEARING	RADIUS	LENGTH	CHORD LENGTH
C1	90° 00' 00"	N 44° 03' 27" E	75.00	117.81	106.07
C2	90° 00' 00"	S 45° 56' 33" E	75.00	117.81	106.07
C3	90° 00' 00"	N 44° 03' 27" E	50.00	78.54	70.71
C4	90° 00' 00"	S 45° 56' 33" E	50.00	78.54	70.71
C5	34° 23' 28"	N 40° 52' 39" E	60.00	36.01	35.48
C6	76° 59' 21"	S 83° 25' 57" E	60.00	80.62	74.69
C7	66° 07' 28"	S 11° 52' 33" E	60.00	69.25	65.47
C8	43° 14' 48"	S 42° 48' 35" W	60.00	45.29	44.22
C9	87° 54' 19"	S 22° 21' 56" E	60.00	92.05	83.29
C10	55° 20' 47"	S 49° 15' 37" W	60.00	57.96	55.73
C11	59° 43' 28"	N 73° 12' 15" W	60.00	62.54	59.75
C12	107° 46' 31"	N 10° 32' 44" E	60.00	112.86	96.94
C13	62° 34' 27"	S 35° 01' 52" E	60.00	65.53	62.32
C14	51° 51' 07"	S 22° 10' 55" W	60.00	54.30	52.47
C15	56° 38' 04"	S 76° 25' 30" W	60.00	59.31	56.92
C16	59° 19' 37"	N 45° 35' 40" W	60.00	62.13	59.39
C17	80° 21' 51"	N 24° 15' 04" E	60.00	84.16	77.43
C18	63° 25' 21"	S 34° 36' 25" E	60.00	66.42	63.08
C19	71° 20' 28"	S 32° 46' 30" W	60.00	74.71	69.97
C20	46° 54' 19"	N 88° 06' 07" W	60.00	49.12	47.76
C21	65° 23' 04"	N 31° 57' 25" W	60.00	68.47	64.82
C22	63° 41' 52"	N 32° 35' 03" E	60.00	66.70	63.32
C23	91° 09' 30"	N 20° 44' 21" W	60.00	95.46	85.71
C24	63° 35' 06"	N 56° 37' 57" E	60.00	66.59	63.22
C25	66° 00' 29"	S 58° 34' 15" E	60.00	69.12	65.36

FROM 2945-004-0530-1
FROM ____________
YEAR 2002



TYPICAL EASEMENT LAYOUT UNLESS OTHERWISE SHOWN ON THE PLAT HEREON

Filed for Record in:
Collin County, McKinney TX
Honorable Helen Starnes
Collin County Clerk

On Sep 13 2001
At 11:07am

Doc/Num : 2001- 0115601

Recording/Type:PL 16.00
Receipt #: 30154

N302

...VISION HEREIN WHICH RESTRICTS ... OF USE OF THE DESCRIBED REAL PROP... ...USE OF COLOR OR RACE IS INVALID AND ... UNDER FEDERAL LAW

S4878
44 LOTS

FINAL PLAT
ROLLING MEADOWS ESTATES
51.481 ACRES IN COLLIN COUNTY, IN THE COLEMAN WATSON SURVEY, ABSTRACT No. 945

OWNER:
VINES/HERRIN, L.L.C.
1900 PRESTON RD
PLANO, TEXAS 75093
(972)-618-3512

SURVEYOR:
BRUCE GEER
1512 WEST UNIVERSITY, SUITE 300
McKINNEY, TEXAS 75069
(972) 562-3959

Attachment: Map of Proposed Annexation (1326 : Rolling Meadows Public Hearing 6:05 pm)

Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Brooks Wilson, Senior Planner
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: Wells South PID SAP hearing NIA 1

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony on a final Service and Assessment Plan, including a final Assessment Roll for Assessed Property, for the Wells South Public Improvement District, a +-400 acres of land located in the W. Wilhite Survey, Abstract No. 1002 and the Jonathan Westoven Survey, Abstract No. 1030; Collin County, Texas; making a finding of special benefit to assessable property within the District and establishing a lien on such property for payment of the Assessments. (Wells South NIA #1) (Liebman)

At the time of packet preparation this item was still under review.

Staff Recommendation:

Staff Recommends Approving This Staff Report

Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Ben Rodriguez, Planner
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: Conduct a public hearing to consider testimony and take action on a zoning amendment request for a ±96.712 acre tract of land to amend PD#45 - Planned Development #45 located in the W.H. Ratton Survey, Abstract No. 753 and the L.M. Boyd Survey, Abstract No. 48, Collin County, Texas. The property is generally located on the east side of SH 289 (Preston Road), west of CR 97, north of CR 100 and south of CR 134. (Westgate 96)

Action Requested:

Conduct a public hearing to consider testimony and act upon an ordinance of the City Council of the City of Celina for a zoning amendment request for a ±96.712 acre tract of land to amend PD#45 - Planned Development #45 located in the W.H. Ratton Survey, Abstract No. 753 and the L.M. Boyd Survey, Abstract No. 48, Collin County, Texas. The property is generally located on the east side of SH 289 (Preston Road), west of CR 97, north of CR 100 and south of CR 134. (Westgate 96) (Liebman)

Action Requested:

Conduct a public hearing to consider testimony and take action on a zoning amendment request for a ±96.712 acre tract of land to amend PD#45 - Planned Development #45 located in the W.H. Ratton Survey, Abstract No. 753 and the L.M. Boyd Survey, Abstract No. 48, Collin County, Texas. The property is generally located east of SH 289 (Preston Road), west of CR 97, north of CR 100 and south of CR 134. (Westgate 96)

Background Information:

The applicant is proposing an amendment to the current Planned Development that was approved in 2010 to address the division in ownership into three tracts. The amendment is addressing various desired changes by the city such as lot width, height limitations, densities, open space and detention amenities, screening requirements, and any future amendments. The original Planned Development also contained a sunset clause which stated that the property will revert back to the base zoning district if the property was not developed in seven years.

The PD proposes a mixture of land use types spread out over three tracts that include MU-2, Mixed Use Regional and several residential types including townhomes, duplexes and multi-family. The PD prohibits residential uses within 200 feet of Preston Road and will comply with the PRO Preston Road Overlay regulations.

The MU-2 Mixed Use Regional standards are contained within "Tract 1" adjacent to Preston Road, and "Tract 2".

The MU-2 standards contain a maximum height provision of 100 feet with a maximum footprint size of 200,000 square feet.

The MU-2 areas within Tracts 1 & 2 must provide setbacks equal to the height of the building but not less than 45 feet from adjacent single family residential structures. Additionally, a six foot solid masonry screening wall will be constructed for screening when adjacent to any single family district.

Residential Type "B" (RTB) units are attached residential duplexes, and are limited to 75 units each in Tracts 2 & 3. Each duplex shall be at least 1,300 square feet in size and have a lot area of 3,750 square feet. Each building must have a front and rear set back of 20 feet and buildings must have a side setback of seven and a half feet. Side yards adjacent to a public street must have a 15 foot setback.

All front entry garages for Residential Type B units shall be set back thirty feet from the street, rear entry garages must be set back twenty five feet from the property line / Right of Way ROW.

Residential Type "C" (RTC) units are multi-family units. The RTC units are limited to tracts 2 & 3 and may developed to twenty four (24) units per acre and have a maximum limit of 20 acres throughout the entire PD. Developments that provide 50% or 100% enclosed spaces may qualify for density bonuses up to twenty nine (29) units per acre. RTC units are limited to 4 stories not to exceed sixty (60) feet in height.

Residential Type "D" (RTD) units are attached residential townhome units. RTD units are limited to Tracts 2 and 3 with each tract allowed 112 units each. RTD units shall be a minimum of 1,200 square feet and each lot shall be a minimum of 3,000 square feet. RTD units shall have a maximum of three stories and be limited to 45 feet in height. Front entry garages must be set back 30 feet from the ROW and rear entry garages must be set back 25 feet from the property line/ROW. Additionally, the RTD units may not repeat the same front façade elevation on the same building more frequently than every fourth unit.

A minimum of 15% of each tract area shall be devoted to open space for non-residential development and a minimum of 1 acre per 75 dwelling units shall be devoted to open space for single, duplex, and multi-family development. Detention/retention areas counted toward open space shall be amenitized on three sides with improvements such as sidewalks, benches, pavilions, etc.

Staff has had the opportunity to coordinate the amendments with the applicant and the item before you represents a compromise that benefits both the land owners and the city.

Public Notice:

The public hearing notice was published in the Celina Record on Friday, October 2, 2015. Notices of the public hearing have been sent to all owners of property, as indicated by the most recently approved city tax roll, who are located within 200 feet of any property affected. As of October 15, 2015 staff has received no letters either in support or in opposition to the proposal.

Supporting Documents:

· Proposed Zoning Ordinance

- Proposed Planned Development Zoning Exhibit
- Proposed Planned Development Concept Plan

Legal Review:

N/A

Board/Committee Recommendation:

At it's regularly scheduled meeting on October 20, 2015 the Planning and Zoning Commission voted unanimously to recommend their approval of the proposal.

Staff Recommendation:

Staff recommends that the item be approved as it presented to P&Z incorporating a 20 acre limit on multi-family.

CITY OF CELINA, TEXAS

ORDINANCE 2015-____
WESTGATE 96 PD#45 AMENDMENT

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING ORDINANCE NO. 2006-57, AS HERETOFORE AMENDED, THE SAME BEING THE COMPREHENSIVE ZONING ORDINANCE, AND AMENDING THE OFFICIAL ZONING MAP OF THE CITY BY DESIGNATING THE ZONING OF LAND THAT IS AN APPROXIMATELY 96.678 ACRE TRACT OF LAND LOCATED IN THE L M BOYD SURVEY, ABSTRACT NUMBER 48, TRACT 1, COLLIN COUNTY, TEXAS; AND THE W H RATTON SURVEY, TRACT 9, COLLIN COUNTY, TEXAS; AS DESCRIBED IN EXHIBIT "A" AND DEPICTED IN EXHIBIT "B" ATTACHED HERETO AND INCORPORATED HEREIN TO BE ZONED "PD" PLANNED DEVELOPMENT DISTRICT #45; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FINDINGS; PROVIDING FOR AMENDMENT OF ZONING CLASSIFICATION; PROVIDING FOR ZONING DESIGNATION AND DEVELOPMENT STANDARDS; PROVIDING FOR REVISION OF ZONING MAP; PROVIDING FOR COMPLIANCE; PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00 AND A SEPARATE OFFENSE SHALL BE DEEMED COMMITTED EACH DAY DURING OR ON WHICH A VIOLATION OCCURS OR CONTINUES AND INCLUDING PROVISIONS FOR THE AUTHORIZATION TO SEEK INJUNCTIVE RELIEF TO ENJOIN VIOLATIONS WHICH CONSTITUTE AN IMMINENT HAZARD OR DANGER TO PUBLIC HEALTH AND SAFETY; PROVIDING A CUMULATIVE REPEALER CLAUSE; PROVIDING FOR SAVINGS; PROVIDING FOR SEVERABILITY; PROVIDING FOR PUBLICATION; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is a home rule municipality located in Collin, and Denton County, Texas created in accordance with the provisions of the Texas Local Government Code, The Texas Constitution and operating pursuant to the enabling legislation of the state of Texas; and

WHEREAS, the City Council of the City of Celina, Texas is empowered under Local Government Code 54.001 to do all acts and make all regulations which may be necessary or expedient for the promotion of the public health, safety and general welfare; and

WHEREAS, Title 7 Chapter 211.003 of the Texas Local Government Code, empowers a municipality to, among other things, establish and amend zoning districts, classifications of land use, adopt a comprehensive plan to regulate the use of land and open spaces, adopt and amend zoning regulations, regulate population density, and regulate the use and location of buildings; and

WHEREAS, the establishment of a zoning classification has been requested for the property more specifically described in Exhibit "A" attached hereto and incorporated herein; and

WHEREAS, the tract comprising the property has been depicted in detail in Exhibit "B" attached hereto; and incorporated herein; and

WHEREAS, the concept plan and development regulations set forth in Exhibit "C" and Exhibit "D" attached hereto and incorporated herein define the base zoning districts and provide for certain modifications to such district regulations.

WHEREAS, the City Council has considered, among other things, the character of the property and its suitability for particular uses, with a view of encouraging the most appropriate use of land in the

City, and is in the interest of public health, safety, and welfare, and does hereby find that the requested zoning accomplishes such objectives and is consistent with the provisions of the 2030 Comprehensive Plan of the City of Celina; and

WHEREAS, the Planning and Zoning Commission of the City of Celina and the City Council of the City of Celina, in compliance with the laws of the State of Texas and the ordinances of the City of Celina, have given the requisite notices by publication and otherwise, and have held public hearings and afforded a full and fair hearing to all property owners generally and to all persons interested in and situated in the affected area and in the vicinity thereof; and

WHEREAS, the City Council, in the exercise of its legislative discretion has concluded that the zoning classification on the tract of land described herein should be changed and the zoning map so amended.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS

SECTION 1
INCORPORATION OF PREMISES

The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

SECTION 2
FINDINGS

After due deliberations the City Council has concluded that the adoption of this Ordinance is in the best interest of the City of Celina, Texas and of the public health, safety and welfare.

SECTION 3
AMENDMENT OF ZONING CLASSIFICATION

That the zoning classification is hereby established as “PD” Planned Development District, #45 on a certain tract of land described in in Exhibit “A” and depicted in Exhibit “B”.

SECTION 4
ZONING DESIGNATION AND DEVELOPMENT STANDARDS

4.01 That Ordinance No. 2006-57 of the City of Celina, Texas, as heretofore amended, the same being the City’s Comprehensive Zoning Ordinance, is hereby amended by designating the zoning on the land, depicted in Exhibit “A” attached hereto and incorporated herein, as “PD” Planned Development District #45.

4.02 This ordinance only regulates the uses allowed for the property identified above. All development and construction shall occur in accordance with the requirements of this ordinance; the concept plan set forth in Exhibit “C”; the development standards set forth in Exhibit “D” and all other applicable ordinances, rules, and regulations of the City.

SECTION 5
REVISION OF ZONING MAP

That the City Manager for the City of Celina is hereby directed to mark and indicate on the official Zoning District Map of the City the zoning change herein made.

SECTION 6
COMPLIANCE REQUIRED

That the property depicted on Exhibit "A" hereto shall be used only in the manner and for the purposes provided for in this ordinance and the Comprehensive Zoning Ordinance, of the City of Celina as amended.

SECTION 7
PENALTY

7.01 Any person, firm or corporation violating any of the provisions or terms of this ordinance or of the Code of Ordinances as amended hereby, shall be subject to the same penalty as provided for in the Code of Ordinances of the City of Celina, and upon conviction shall be punished by a fine not to exceed Two Thousand Dollars ($2,000.00) for each offense.

7.02 If the governing body of the City of Celina determines that a violation of this Ordinance has occurred, the City of Celina may bring suit in district court to enjoin the person, firm, partnership, corporation, or association from engaging in the prohibited activity.

SECTION 8
CUMULATIVE REPEALER CLAUSE

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided however, that any complaint, action, claim or lawsuit which has been initiated or has arisen under or pursuant to such other Ordinances on this date of adoption of this Ordinance shall continue to be governed by the provisions of such Ordinance and for that purpose the Ordinance shall remain in full force and effect.

SECTION 9
SAVINGS CLAUSE

All rights and remedies of the City of Celina, Texas are expressly saved as to any and all violations of the provisions of any other ordinance affecting zoning regulations which have secured at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances same shall not be affected by this Ordinance but may be prosecuted until final disposition by the court.

SECTION 10
SEVERABILITY

The provisions of the Ordinance are severable. However, in the event this Ordinance or any procedure provided in this Ordinance becomes unlawful, or is declared or determined by a judicial, administrative or legislative authority exercising its jurisdiction to be excessive, unenforceable, void, illegal or otherwise inapplicable, in while in part, the remaining and lawful provisions shall be of full force and effect and the City shall promptly promulgate new revised provisions in compliance with the authority's decisions or enactment.

SECTION 11
PUBLICATION CLAUSE

The City Secretary of the City of Celina is hereby directed to publish in the Official Newspaper of the City of Celina the Caption, Penalty and Effective Date Clause of this Ordinance as required by Section 52.011 of the Local Government Code.

SECTION 12
ENGROSSMENT AND ENROLLMENT

The City Secretary is hereby directed to engross and enroll this Ordinance by copying the exact Caption and Effective Date clause in the minutes of the City Council and by filing this Ordinance in the Ordinance records of the City.

SECTION 13
EFFECTIVE DATE

This Ordinance shall become effective from and after its date of passage and publication as required by law.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this ______day of _ ____________________, 2015.

____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

____
Vicki Faulkner, City Secretary
City of Celina, Texas

[SEAL]

APPROVED AS TO FORM:

____
City Attorney
City of Celina, Texas

Exhibit "A"

Overall Description - 96.678 Acres

Tract One:

BEGING a tract of land situated in the W.H. Ratton Survey, Abstract No. 753 and the L.M. Boyd Survey, Abstract No. 48, Collin County, Texas, and being part of a called 640 acre tract of land described in a Deed to Moses Hubbard et ux, of record in Volume 29, Page 487, Deed Records, Collin County, Texas, and being a portion of that certain tract of land conveyed to Westgate Celina Investors, L.P., by deeds recorded in Volume 5857, Page 335 and Instrument Number 2006497280, Official Public Records, Collin County, Texas, and being more particularly described as follows;

BEGINNING at a 1/2 inch iron rod with "Peiser & Mankin SURV" red plastic cap set (hereinafter referred to as 1/2 inch iron rod set) for corner in the East Right-of-Way line of State Highway 289 (variable R.O.W.) and near the centerline of County Road 100, said point also being the northwest corner of a tract of land conveyed to Preston Acreage, L.P., by deed recorded in Volume 5239, Page 1060, Deed Records, Collin County, Texas, from which a 60 "D" nail found for reference bears North 85° 13' 01" East, a distance of 0.86 feet;

THENCE in a Northerly direction along the East Right-of-Way line of said State Highway 289, the following courses and distances:

1) North 06° 09' 00" East, a distance of 18.98 feet to a 1/2" iron rod with "RPLS 3963" cap found for corner at an angle point thereof;

2) North 42° 26' 00" West, a distance of 39.69 feet to a 1/2" iron rod with "RPLS 3963" cap found for corner at an angle point thereof;

3) North 06° 09' 00" East, a distance of 707.91 feet to a 1/2" iron rod with cap found for corner at an angle point thereof, from which a Wood R.O.W. Marker found for reference bears North 10° 57' 01" West, a distance of 1.27 feet;

4) North 11° 52' 00" East, a distance of 100.50 feet to a 1/2" iron rod with cap found for corner at a angle point thereof, from which a Wood R.O.W. Marker found for reference bears North 28° 39' 50", West, a distance of 1.27 feet;

5) North 06° 09' 00" East, a distance of 300.00 feet a 1/2" iron rod with "RPLS 3963" cap found for corner at an angle point thereof, from which a Wood R.O.W. Marker found for reference bears North 02°02'06" East, a distance of 1.73 feet;

6) North 00° 26' 00" East, a distance of 100.50 feet to a 1/2" iron rod with "RPLS 3963" cap found for corner at an angle point thereof, from which a Wood R.O.W. Marker found for reference bears North 21° 57' 39" East, a distance of 1.80 feet;

7) North 06° 09' 00" East, a distance of 1297.10 feet to a 1/2 inch iron rod set for the most westerly Northwest corner of the herein described tract, same being the South end of a corner clip in the Southeast intersection of said State Highway 289 and County Road 134

THENCE North 50° 25' 23" East, along said corner clip, a distance of 56.73 feet to a 1/2 inch iron rod set for the North end of said corner clip;

THENCE North 01° 00' 04" West, along the East right-of-way line of said State Highway 289, a distance of 31.39 feet to a mag nail set for the most northerly Northwest corner of the herein described tract, said corner being near the centerline of County Road 134, same being in the South line of that certain tract of land conveyed to Celina Independent School District, by deed recorded under Instrument Number 20070404000455450, Official Public Records, Collin County, Texas;

THENCE in an Easterly direction along the approximate centerline of County Road 134, the following courses and distances;

1) North 88° 21' 11" East, a distance of 270.14 feet to a 1/2" iron rod with "RPLS 3963" cap found for angle point;

2) North 88° 17' 46" East, a distance of 1146.25 feet to a mag nail set for the Northeast corner of the herein described tract, same being ;

THENCE South 01° 17' 40" East, with the West line of aforesaid Westgate tract, and with the West line of an 0.55 acre tract of land conveyed to Gunter Water Supply Corporation by deed recorded in Volume 796, Page 810, Deed Records, Collin County, Texas, at a distance or 160.0 feet passing the Southwest corner of said 0.55 acre tract, the Northwest corner of a 46.885 acre tract of land conveyed to Philip N. Littell, recorded in Volume 2869, Page 535, Deed Records, Collin County Texas, the Northwest corner of an 0.5032 acre tract of land conveyed to Gunter Water Supply Corporation, recorded in Volume 2936, Page 496, Deed Records, Collin County, Texas, and continuing with the West line of said 0.5032 acre tract, passing its Southwest corner, and continuing, passing the Southwest corner of said 46.885 acre tract and continuing with the West line of said Westgate tract, at a distance of 2583.63 feet passing a cross tie corner post on the North side of a gravel public road known as County Road No. 100, and continuing for a total distance of 2601.13 feet to a found 3/8 inch rebar in said County Road No. 100, and on the South line of said Boyd Survey, the North line of the George Joy Survey, Abstract No. 488, the North line of that certain tract of land conveyed to Central Frisco, LTD. by deed recorded under Instrument Number 20080306000268700, Official Public Records, Collin County, Texas, said rebar maintaining the Southwest corner of said Westgate tract;

THENCE South 88° 19' 51" West, with the South line of said Boyd Survey, the North line of both said Joy Survey and Westgate tract, at a distance of 1066.99 feet passing the Northeast corner of a 50.487 acre tract of land conveyed to Preston Acreage, L.P. by deed recorded in Volume 5239, Page 1060 (Clerk's No. 2002-0120427), Deed Records, Collin County, Texas, the Northeast corner of the John M. Herron Survey Abstract No. 377, in said County Road No. 100 and continuing with the North line of both said Herron Survey, and 50.487 acre tract for a total distance of 1143.91 feet to a found spike nail in said County Road No. 100 maintaining the Southwest corner of said Boyd Survey, the most Southerly Southeast corner of the above mentioned W. H. Ratton Survey;

THENCE South 88° 40' 12" West with the South line of said Westgate tract, the approximate centerline of said County Road 100, the North line of said Preston tract, a distance of 618.08 feet to the PLACE OF BEGINNING, and containing 96.678 acres of computed land, more or less.

Tract 1 – 30 Acres

BEING a tract of land situated in the W.H. Ratton Survey, Abstract No. 753 and the L.M. Boyd Survey, Abstract No. 48, Collin County, Texas, and being part of a called 640 acre tract of land described in a Deed to Moses Hubbard et ux, of record in Volume 29, Page 487, Deed Records, Collin County, Texas, and being a portion of that certain tract of land conveyed to Westgate Celina Investors, L.P., by deeds recorded in Volume 5857, Page 335 and Instrument Number 2006497280, Official Public Records, Collin County, Texas, and being more particularly described as follows;

BEGINNING at a 1/2 inch iron rod with "Peiser & Mankin SURV" red plastic cap set (hereinafter referred to as 1/2 inch iron rod set) from which a 60D nail found bears North 85 deg. 10 min. 01 sec. East, 0.86 feet for corner in the East Right-of-Way line of State Highway 289 (variable R.O.W.) and near the centerline of County Road 100, said point also being the northwest corner of a tract of land conveyed to Preston Acreage, L.P., by deed recorded in Volume 5239, Page 1060, Deed Records, Collin County, Texas, from which a 60 "D" nail found for reference bears North 85° 13' 01" East, a distance of 0.86 feet;

THENCE in a Northerly direction along the East Right-of-Way line of said State Highway 289, the following courses and distances:

1) North 06° 09' 00" East, a distance of 18.98 feet to a 1/2" iron rod with "RPLS 3963" cap found for corner at an angle point thereof;

2) North 42° 26' 00" West, a distance of 39.69 feet to a 1/2" iron rod with "RPLS 3963" cap found for corner at an angle point thereof;

3) North 06° 09' 00" East, a distance of 707.91 feet to a 1/2" iron rod with cap found for corner at an angle point thereof, from which a Wood R.O.W. Marker found for reference bears North 10° 57' 01" West, a distance of 1.52 feet;

4) North 11° 52' 00" East, a distance of 100.50 feet to a 1/2" iron rod with cap found for corner at a angle point thereof, from which a Wood R.O.W. Marker found for reference bears North 28° 39' 50", West, a distance of 1.27 feet;

5) North 06° 09' 00" East, a distance of 300.00 feet a 1/2" iron rod with "RPLS 3963" cap found for corner at an angle point thereof, from which a Wood R.O.W. Marker found for reference bears North 02°02'06" East, a distance of 1.73 feet;

6) North 00° 26' 00" East, a distance of 100.50 feet to a 1/2" iron rod with "RPLS 3963" cap found for corner at an angle point thereof, from which a Wood R.O.W. Marker found for reference bears North 21° 57' 39" East, a distance of 1.80 feet;

7) North 06° 09' 00" East, a distance of 1297.10 feet to a 1/2 inch iron rod set for the most westerly Northwest corner of the herein described tract, same being the South end of a corner clip in the Southeast intersection of said State Highway 289 and County Road 134

THENCE North 50° 25' 23" East, along said corner clip, a distance of 56.73 feet to a 1/2 inch iron rod set for the North end of said corner clip;

THENCE North 01° 00' 04" West, along the East right-of-way line of said State Highway 289, a distance of 31.39 feet to a mag nail set for the most northerly Northwest corner of the herein described tract, said corner being near the centerline of County Road 134, same being in the South line of that certain tract of land conveyed to Celina Independent School District, by deed recorded under Instrument Number 20070404000455450, Official Public Records, Collin County, Texas;

THENCE in an Easterly direction along the approximate centerline of County Road 134, the following courses and distances;

1) North 88° 21' 11" East, a distance of 270.14 feet to a 1/2" iron rod with "RPLS 3963" cap found for angle point;

2) North 88° 17' 46" East, a distance of 199.47 feet to a point for the Northeast corner of the herein described tract;

THENCE South 06° 09' 00" West, through the interior of aforesaid Westgate tract, a distance of 2624.05 feet to a point for the Southeast corner of the herein described tract, same being in the South line of said Westgate tract, same being in the approximate centerline of aforesaid County Road 100, same being in the North line of aforesaid Preston Acreage tract;

THENCE South 88° 40' 12" West with the South line of said Westgate tract, the approximate centerline of said County Road 100, the North line of said Preston tract, a distance of 475.22 feet to the PLACE OF BEGINNING, and containing 30.000 acres of computed land, more or less.

Tract 2 – 33.356 Acres (southern)

BEING a tract of land situated in the W.H. Ratton Survey, Abstract No. 753 and the L.M. Boyd Survey, Abstract No. 48, Collin County, Texas, and being part of a called 640 acre tract of land described in a Deed to Moses Hubbard et ux, of record in Volume 29, Page 487, Deed Records, Collin County, Texas, and being a portion of that certain tract of land conveyed to Westgate Celina Investors, L.P., by deeds recorded in Volume 5857, Page 335 and Instrument Number 2006497280, Official Public Records, Collin County, Texas, and being more particularly described as follows;

COMMENCING at a 1/2 inch iron rod with "Peiser & Mankin SURV" red plastic cap set (hereinafter referred to as 1/2 inch iron rod set) from which a 60D nail found bears North 85 deg. 10 min. 01 sec. East, 0.86 feet for corner in the East Right-of-Way line of State Highway 289 (variable R.O.W.) and near the centerline of County Road 100, said point also being the northwest corner of a tract of land conveyed to Preston Acreage, L.P., by deed recorded in Volume 5239, Page 1060, Deed Records, Collin County, Texas, from which a 60 "D" nail found for reference bears North 85° 13' 01" East, a distance of 0.86 feet;

THENCE North 88° 40' 12" East, with the South line of said Westgate tract, the approximate centerline of said County Road 100, the North line of said Preston tract, a distance of 475.22 feet to a point for the Southwest corner of the herein described tract, same being the POINT OF BEGINNING;

THENCE through the interior of said Westgate tract as follows:

North 06° 09' 00" East, a distance of 1213.41 feet to a point for the Northwest corner of the herein described tract;

North 88 deg. 21 min. 58 sec. East, a distance of 1129.55 feet to a point for the Northeast corner of the herein described tract, same being in the West line of a 46.885 acre tract of land conveyed to Philip N. Littell, recorded in Volume 2869, Page 535, Deed Records, Collin County Texas;

THENCE South 01° 17' 40" East, with the East line of said Westgate tract, and with the West line of said 46.885 acre tract a distance of 1202.30 feet to a found 3/8 inch rebar in aforesaid County Road No. 100, and on the South line of said Boyd Survey, the North line of the George Joy Survey, Abstract No. 488, the North line of that certain tract of land conveyed to Central Frisco, LTD. by deed recorded under Instrument Number 20080306000268700, Official Public Records, Collin County, Texas, said rebar maintaining the Southeast corner of said Westgate tract;

THENCE South 88° 19' 51" West, with the South line of said Boyd Survey, the North line of both said Joy Survey and said Central Frisco tract, at a distance of 1066.99 feet passing the Northeast corner of a 50.487 acre tract of land conveyed to Preston Acreage, L.P. by deed recorded in Volume 5239, Page 1060 (Clerk's No. 2002-0120427), Deed Records, Collin County, Texas, the Northeast corner of the John M. Herron Survey Abstract No. 377, in said County Road No. 100 and continuing with the North line of both said Herron Survey, and 50.487 acre tract for a total distance of 1143.91 feet to a found spike nail in said County Road No. 100 maintaining the Southwest corner of said Boyd Survey, the most Southerly Southeast corner of the above mentioned W. H. Ratton Survey;

THENCE South 88° 40' 12" West with the South line of said Westgate tract, the approximate centerline of said County Road 100, the North line of said Preston tract, a distance of 142.85 feet to the PLACE OF BEGINNING, and containing 33.356 acres of computed land, more or less.

Tract 3 – 33.356 Acres (northern)

BEING a tract of land situated in the L.M. Boyd Survey, Abstract No. 48, Collin County, Texas, and being part of a called 640 acre tract of land described in a Deed to Moses Hubbard et ux, of record in Volume 29, Page 487, Deed Records, Collin County, Texas, and being a portion of that certain tract of land conveyed to Westgate Celina Investors, L.P., by deed recorded under Instrument Number 2006497280, Official Public Records, Collin County, Texas, and being more particularly described as follows;

COMMENCING at a nail spike found from which a 60D nail found bears North 85 deg. 10 min. 01 sec. East, 0.86 feet for corner in the East Right-of-Way line of State Highway 289 (variable R.O.W.) and near the centerline of County Road 100, said point also being the northwest corner of a tract of land conveyed to Preston Acreage, L.P., by deed recorded in Volume 5239, Page 1060, Deed Records, Collin County, Texas, from which a 60 "D" nail found for reference bears North 85° 13' 01" East, a distance of 0.86 feet;

THENCE North 88° 40' 12" East, with the South line of said Westgate tract, the approximate centerline of said County Road 100, the North line of said Preston tract, a distance of 475.22 feet to a point;

THENCE through the interior of said Westgate tract as follows:

North 06° 09' 00" East, a distance of 1213.41 feet to a 1/2 inch iron rod set with "Peiser & Mankin SURV" red plastic cap set (hereinafter referred to as 1/2 inch iron rod set) for the Southwest corner of the herein described tract, same being the POINT OF BEGINNING;

North 06 deg. 09 min. 00 sec. East, a distance of 1410.65 feet to a mag nail set for the Northwest corner of the herein described tract, same being in the North line of said Westgate tract, same being in the approximate centerline of County Road 134, same being in the South line of that certain tract of land conveyed to Celina Independent School District, by deed recorded under Instrument Number 20070404000455450, Official Public Records, Collin County, Texas;

THENCE North 88° 17' 46" East, along the approximate centerline of County Road 134, a distance of 946.78 feet to a mag nail set for the Northeast corner of the herein described tract;

THENCE South 01° 17' 40" East, with the East line of aforesaid Westgate tract, and with the West line of an 0.55 acre tract of land conveyed to Gunter Water Supply Corporation by deed recorded in Volume 796, Page 810, Deed Records, Collin County, Texas, at a distance or 160.0 feet passing the Southwest corner of said 0.55 acre tract, the Northwest corner of a 46.885 acre tract of land conveyed to Philip N. Littell, recorded in Volume 2869, Page 535, Deed Records, Collin County Texas, the Northwest corner of an 0.5032 acre tract of land conveyed to Gunter Water Supply Corporation, recorded in Volume 2936, Page 496, Deed Records, Collin County, Texas, and continuing with the West line of said 0.5032 acre tract, passing its Southwest corner, and continuing, passing the Southwest corner of said 46.885 acre tract and continuing with the East line of said Westgate tract for a total distance of 1398.83 feet to a 1/2 inch iron rod set for the Southeast corner of the herein described tract;

THENCE South 88° 21' 58" West, through the interior of said Westgate tract, a distance of 1129.55 feet to the PLACE OF BEGINNING, and containing 33.356 acres of computed land, more or less.

Exhibit "B"

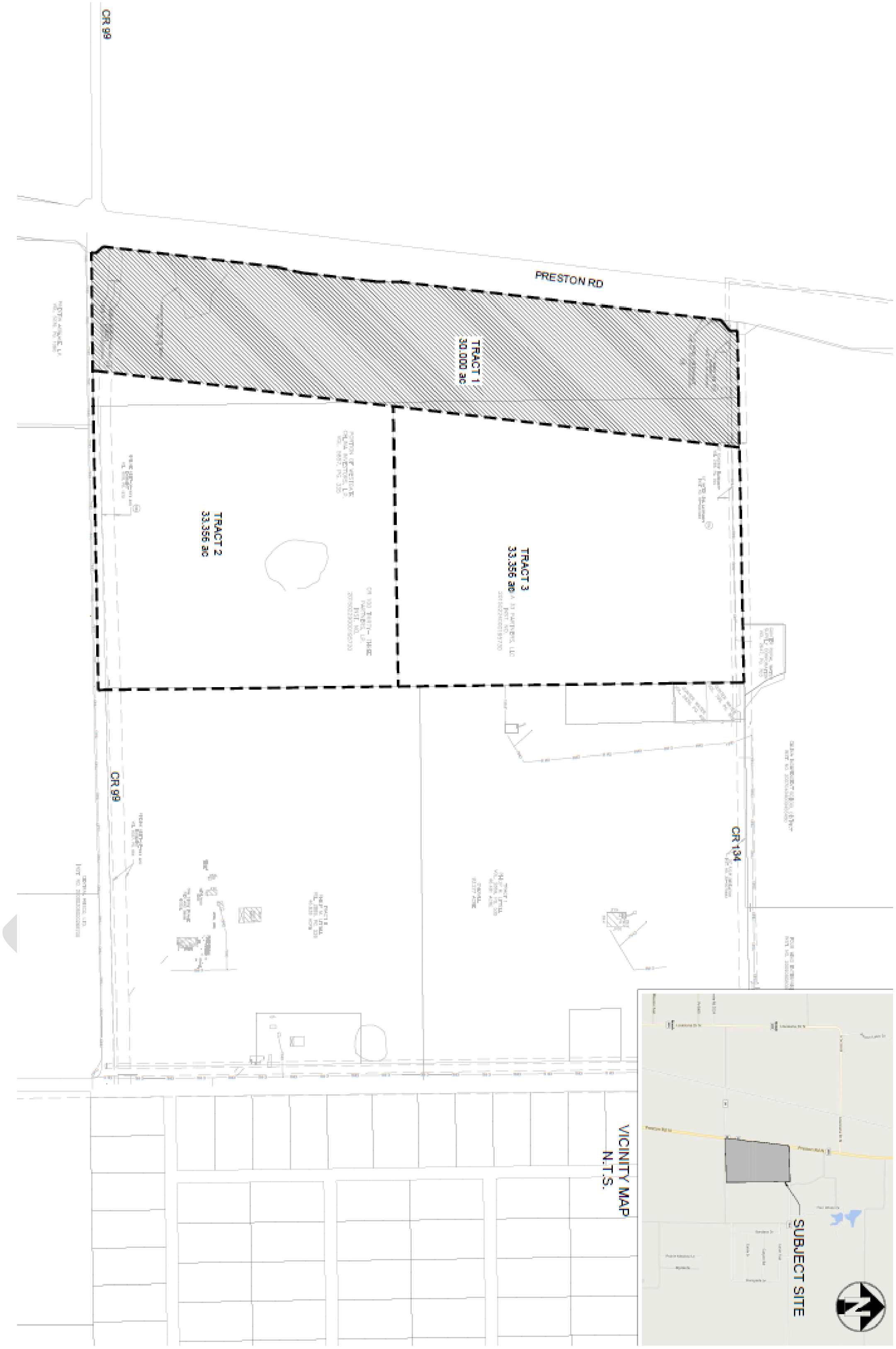

CR 99
PRESTON RD
TRACT 1
30.000 ac
TRACT 2
33.356 ac
TRACT 3
33.356 ac
CR 99
CR 134
VICINITY MAP
N.T.S.
SUBJECT SITE

Exhibit "C"

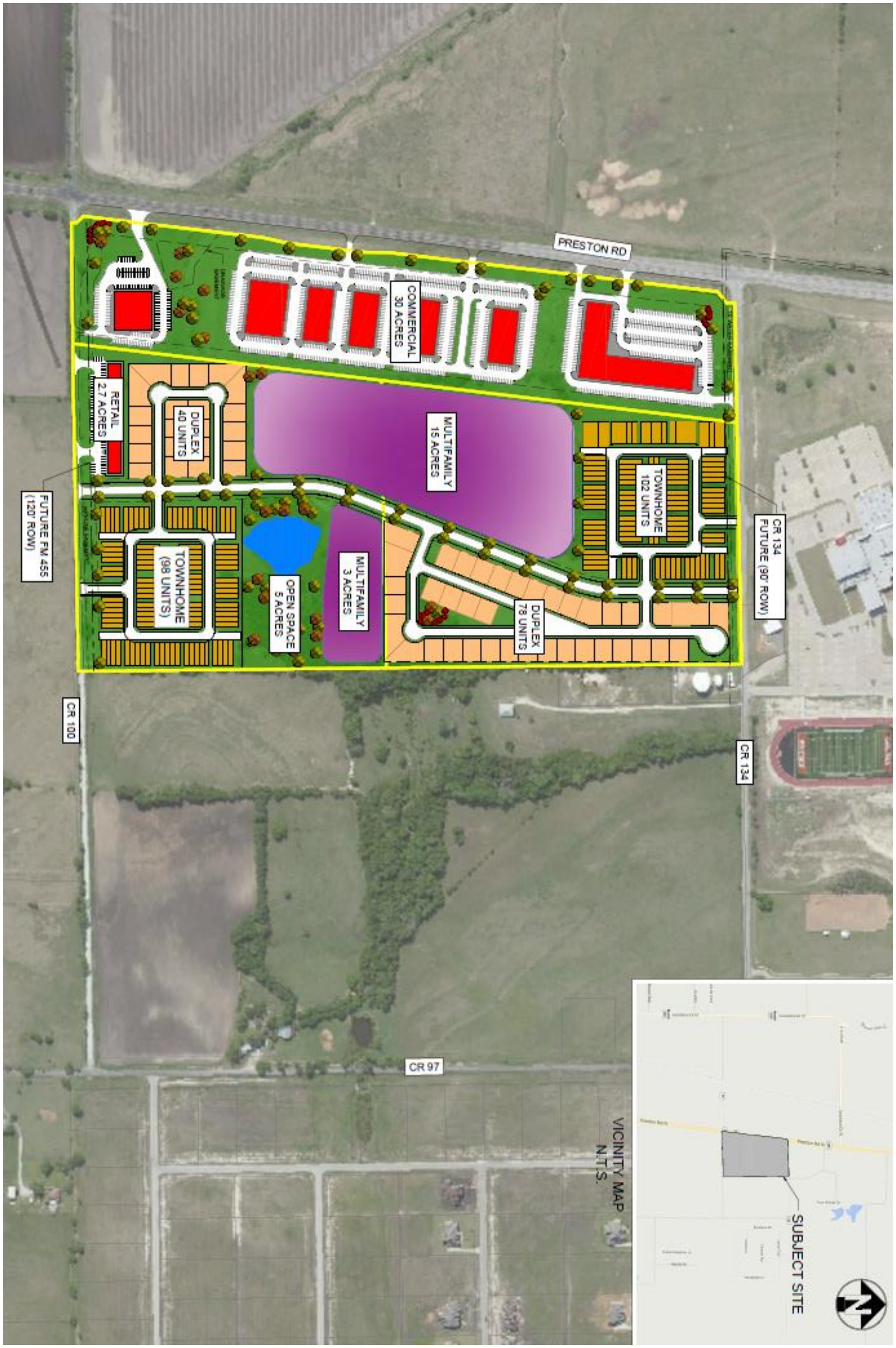

PRESTON RD
COMMERCIAL
30 ACRES
RETAIL
2.7 ACRES
DUPLEX
40 UNITS
MULTIFAMILY
15 ACRES
TOWNHOME
102 UNITS
TOWNHOME
(98 UNITS)
OPEN SPACE
5 ACRES
MULTIFAMILY
3 ACRES
DUPLEX
78 UNITS
FUTURE FM 455
(120' ROW)
CR 134
FUTURE (90' ROW)
CR 100
CR 134
CR 97
VICINITY MAP
N.T.S.
SUBJECT SITE

Exhibit "D"
Development Standards

Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Ben Rodriguez, Planner
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: Huddleston 58 - Light Industrial PD Zoning Change

Action Requested:

Conduct a public hearing to consider testimony and act upon an ordinance of the City Council of the City of Celina for a zoning amendment request from an AG-Agricultural Zoning District to PD-Planned Development Zoning District with a base zoning of LI - Light Industrial on a ±58.46 acre tract of land located in the Collin County School Survey #15, Abstract No. 170, Collin County, Texas. The property is generally located east of Business 289 (Louisiana Street), north of CR 95, south of CR 99 and west of the BNSF Railroad. (Huddleston 58) (Liebman)

Background Information:

The ±58.46 acre tract was annexed into the City on July 14, 2015. The applicant is requesting a zoning change from the "holding zoning district" of AG, Agriculture District to PD, Planned Development District with I-1, Light Industrial District as the base zoning district.

The Planned Development proposal is being proposed to allow for a greater number of land uses to be allowed than what is permitted under the base Light Industrial Zoning District, most notably allowances for karate, gymnastics, and dance studios.

Public Notice:

The public hearing notice was published in the *Celina Record* on Friday, August 28, 2015 Notices of the public hearing have been sent to all owners of property, as indicated by the most recently approved city tax roll, who are located within 200 feet of any property affected. As of October 15, 2015 staff has received no letters either in support or in opposition to the proposal.

Supporting Documents:

- Proposed Ordinance
- Concept Plan

Legal Review:

The City Attorney has reviewed the proposed item and has found it to be acceptable.

Board/Committee Recommendation:

At it's regularly scheduled meeting on October 20, 2015 the Planning and Zoning Commission voted unanimously to recommend their approval of the proposal.

Staff Recommendation:

Staff recommends that the item be approved as presented.

CITY OF CELINA, TEXAS

ORDINANCE 2015-____
HUDDLESTON 58 PD#57

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING ORDINANCE NO. 2006-57, AS HERETOFORE AMENDED, THE SAME BEING THE COMPREHENSIVE ZONING ORDINANCE, AND AMENDING THE OFFICIAL ZONING MAP OF THE CITY BY DESIGNATING THE ZONING OF LAND THAT IS AN APPROXIMATELY 58.464 ACRE TRACT OF LAND LOCATED IN THE COLLIN COUNTY SCHOOL LAND #15 SURVEY, ABSTRACT NUMBER 170, BLOCK 1, TRACT 7, COLLIN COUNTY, TEXAS; AS DESCRIBED IN EXHIBIT "A" AND DEPICTED IN EXHIBIT "B" ATTACHED HERETO AND INCORPORATED HEREIN TO BE ZONED "PD" PLANNED DEVELOPMENT DISTRICT #57; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FINDINGS; PROVIDING FOR AMENDMENT OF ZONING CLASSIFICATION; PROVIDING FOR ZONING DESIGNATION AND DEVELOPMENT STANDARDS; PROVIDING FOR REVISION OF ZONING MAP; PROVIDING FOR COMPLIANCE; PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00 AND A SEPARATE OFFENSE SHALL BE DEEMED COMMITTED EACH DAY DURING OR ON WHICH A VIOLATION OCCURS OR CONTINUES AND INCLUDING PROVISIONS FOR THE AUTHORIZATION TO SEEK INJUNCTIVE RELIEF TO ENJOIN VIOLATIONS WHICH CONSTITUTE AN IMMINENT HAZARD OR DANGER TO PUBLIC HEALTH AND SAFETY; PROVIDING A CUMULATIVE REPEALER CLAUSE; PROVIDING FOR SAVINGS; PROVIDING FOR SEVERABILITY; PROVIDING FOR PUBLICATION; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is a home rule municipality located in Collin, and Denton County, Texas created in accordance with the provisions of the Texas Local Government Code, The Texas Constitution and operating pursuant to the enabling legislation of the state of Texas; and

WHEREAS, the City Council of the City of Celina, Texas is empowered under Local Government Code 54.001 to do all acts and make all regulations which may be necessary or expedient for the promotion of the public health, safety and general welfare; and

WHEREAS, Title 7 Chapter 211.003 of the Texas Local Government Code, empowers a municipality to, among other things, establish and amend zoning districts, classifications of land use, adopt a comprehensive plan to regulate the use of land and open spaces, adopt and amend zoning regulations, regulate population density, and regulate the use and location of buildings; and

WHEREAS, the establishment of a zoning classification has been requested for the property more specifically described in Exhibit "A" attached hereto and incorporated herein; and

WHEREAS, the tract comprising the property has been depicted in detail in Exhibit "B" attached hereto; and incorporated herein; and

WHEREAS, the concept plan and development regulations set forth in Exhibit "C" and Exhibit "D" attached hereto and incorporated herein define the base zoning districts and provide for certain modifications to such district regulations.

WHEREAS, the City Council has considered, among other things, the character of the property and its suitability for particular uses, with a view of encouraging the most appropriate use of land in the City, and is in the interest of public health, safety, and welfare, and does hereby find that the requested zoning accomplishes such objectives and is consistent with the provisions of the 2030 Comprehensive Plan of the City of Celina; and

WHEREAS, the Planning and Zoning Commission of the City of Celina and the City Council of the City of Celina, in compliance with the laws of the State of Texas and the ordinances of the City of Celina, have given the requisite notices by publication and otherwise, and have held public hearings and afforded a full and fair hearing to all property owners generally and to all persons interested in and situated in the affected area and in the vicinity thereof; and

WHEREAS, the City Council, in the exercise of its legislative discretion has concluded that the zoning classification on the tract of land described herein should be changed and the zoning map so amended.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS

SECTION 1
INCORPORATION OF PREMISES

The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

SECTION 2
FINDINGS

After due deliberations the City Council has concluded that the adoption of this Ordinance is in the best interest of the City of Celina, Texas and of the public health, safety and welfare.

SECTION 3
AMENDMENT OF ZONING CLASSIFICATION

That the zoning classification is hereby established as "PD" Planned Development District, #57 on a certain tract of land described in in Exhibit "A" and depicted in Exhibit "B".

SECTION 4
ZONING DESIGNATION AND DEVELOPMENT STANDARDS

4.01 That Ordinance No. 2006-57 of the City of Celina, Texas, as heretofore amended, the same being the City's Comprehensive Zoning Ordinance, is hereby amended by designating the zoning on the land, depicted in Exhibit "A" attached hereto and incorporated herein, as "PD" Planned Development District #57.

4.02 This ordinance only regulates the uses allowed for the property identified above. All development and construction shall occur in accordance with the requirements of this ordinance; the concept plan set forth in Exhibit "C"; the development standards set forth in Exhibit "D" and all other applicable ordinances, rules, and regulations of the City.

SECTION 5
REVISION OF ZONING MAP

That the City Manager for the City of Celina is hereby directed to mark and indicate on the official Zoning District Map of the City the zoning change herein made.

SECTION 6
COMPLIANCE REQUIRED

That the property depicted on Exhibit "A" hereto shall be used only in the manner and for the purposes provided for in this ordinance and the Comprehensive Zoning Ordinance, of the City of Celina as amended.

SECTION 7
PENALTY

7.01 Any person, firm or corporation violating any of the provisions or terms of this ordinance or of the Code of Ordinances as amended hereby, shall be subject to the same penalty as provided for in the Code of Ordinances of the City of Celina, and upon conviction shall be punished by a fine not to exceed Two Thousand Dollars ($2,000.00) for each offense.

7.02 If the governing body of the City of Celina determines that a violation of this Ordinance has occurred, the City of Celina may bring suit in district court to enjoin the person, firm, partnership, corporation, or association from engaging in the prohibited activity.

SECTION 8
CUMULATIVE REPEALER CLAUSE

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided however, that any complaint, action, claim or lawsuit which has been initiated or has arisen under or pursuant to such other Ordinances on this date of adoption of this Ordinance shall continue to be governed by the provisions of such Ordinance and for that purpose the Ordinance shall remain in full force and effect.

SECTION 9
SAVINGS CLAUSE

All rights and remedies of the City of Celina, Texas are expressly saved as to any and all violations of the provisions of any other ordinance affecting zoning regulations which have secured at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances same shall not be affected by this Ordinance but may be prosecuted until final disposition by the court.

SECTION 10
SEVERABILITY

The provisions of the Ordinance are severable. However, in the event this Ordinance or any procedure provided in this Ordinance becomes unlawful, or is declared or determined by a judicial, administrative or legislative authority exercising its jurisdiction to be excessive, unenforceable, void, illegal or otherwise inapplicable, in while in part, the remaining and lawful provisions shall be of full force and effect and the City shall promptly promulgate new revised provisions in compliance with the authority's decisions or enactment.

SECTION 11
PUBLICATION CLAUSE

The City Secretary of the City of Celina is hereby directed to publish in the Official Newspaper of the City of Celina the Caption, Penalty and Effective Date Clause of this Ordinance as required by Section 52.011 of the Local Government Code.

SECTION 12
ENGROSSMENT AND ENROLLMENT

The City Secretary is hereby directed to engross and enroll this Ordinance by copying the exact Caption and Effective Date clause in the minutes of the City Council and by filing this Ordinance in the Ordinance records of the City.

SECTION 13
EFFECTIVE DATE

This Ordinance shall become effective from and after its date of passage and publication as required by law.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this ______day of _ ____________________, 2015.

____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

____
Vicki Faulkner, City Secretary
City of Celina, Texas

[SEAL]

APPROVED AS TO FORM:

____
City Attorney
City of Celina, Texas

Exhibit "A"

Legal Description

FIRST TRACT:

SITUATED in Collin County, Texas, in the Collin County School Land Survey, Abstract No. 170, being a resurvey of part of the 160 acre SECOND TRACT described in a Deed from H. L. Merritt Enterprises, to Michael B. Merritt and wife, Margaret A. Merritt, et al dated December 22, 1986, recorded in Volume 2527, Page 206, of the Collin County Land Records, being described by metes and bounds as follows:
COMMENCING at an iron pin set at the Northeast Ell Corner of said Collin County School Land Survey, Abstract No. 170, in the center of East-West County Rock Road # 95, and at the Southeast corner of said 160 acre tract;
THENCE SOUTH 89 degs. 29' 28" west, 2015.35 feet, with the south line of said 160 acre tract and with said road to an iron pin set in the west Right-of-Way Line of the St. Louis, San Francisco and Texas Railroad for a place of beginning;
THENCE SOUTH 89 degs. 29' 28" west, 654.85 feet with the south line of said 160 acre tract and with said road to an iron pin set in the center of State Highway 289 Business, in the west line of said School Land Survey, at the southwest corner of said 160 acre tract;
THENCE NORTH 0 deg. 05' 05" west, with the west line of said 160 acre tract and with said West Survey Line along the east side of said State Highway pavement and through a wooded area and returning to the center of said Highway pavement at approximately 1350 feet and continuing with the center of said Highway in all 2646.36 feet to an existing iron pin set at the northwest corner of said 160 acre tract, in the center of said State Highway;
THENCE easterly with the north line of said 160 acre tract and with an established fence as follows:
North 89 degs. 20' 25" East, 341.34 feet; North 89 degs. 42' 19" East, 722.55 feet; North 89 degs. 07' 19" East, 206.2 feet to an iron pin set in the west Right-of-Way Line of the St. Louis, San Francisco and Texas Railroad;
THENCE SOUTH 12 DEGS. 59' West, 2720.9 feet with said west R. O. W. line to the place of beginning and containing 58.464 acres of land.

Exhibit "B"
Graphical Depiction


VICINITY MAP
N.T.S.
SUBJECT SITE
Celina
CR 95
UNION PACIFIC RAILROAD
58.464 Acres
CR 95
Bus. 289
CR 994
HUDDLESTON - 58 ACRES
CELINA, TX
3.26.15
Kirkman
ENGINEERING

Exhibit "C"
Concept Plan

Exhibit "D"
Development Standards

HUDDLESTON 58

PLANNED DEVELOPMENT STANDARDS

SEPTEMBER 2015

Prepared By:

kirkman ENGINEERING

4821 Merlot Avenue, Suite 210 :: Grapevine, TX 76051 :: 817-488-4960

TABLE OF CONTENTS

PLANNED DEVELOPMENT – HUDDLESTON 58

INTRODUCTION

SUMMARY AND INTENT

This Planned Development (PD) zoning submittal encompasses approximately 58 total acres of land within the City of Celina more fully described on the legal description attached as Exhibit A (the "Property") and depicted on Exhibit B. The uses proposed for the Property are consistent with the Future Land Use Plan which identifies "Light Industrial/Mixed-Use" as the use. It is the intent of this PD to offer greater flexibility and clarity for industrial, commercial and retail/office development.

The development proposes areas for light industrial, commercial, retail, office and generous areas for open space, trails and amenities. This PD will provide the zoning necessary to develop the site as shown in Exhibit C.

This zoning submittal promotes development that will improve the balance of land uses in the area by extending the light industrial uses along the existing railroad while increasing the potential for retail and office development. This increase in business tax base along with new residents in the area, likely will increase the potential for development. The PD will provide an expanded area for light industrial with additional uses from the retail and office district.

PROJECT LOCATION

As shown in Exhibit B, the proposed PD is located in central Celina. A legal description (Exhibit A) and property exhibit (Exhibit B) for the Property is provided in this document.

The property is located east of the Business 289 and north of CR 95. This proposed PD offers greater flexibility in mixed-use development than what can be accommodated with straight zoning. Submitted as a Concept Plan, this PD will provide:

- Various light industrial development opportunities along the railroad and Business 289
- Additional flexibility for retail and office uses
- Integrated open spaces and amenities to preserve areas designated within the 100-year floodplain. This will protect existing stream corridors and other physical assets as amenities.
- High quality project with the potential to attract an experienced developer.

EXISTING CONDITIONS

The existing conditions surrounding the Property are primarily agricultural with sparse commercial and residential housing. The Property has recently been annexed.

EXISTING THOROUGHFARES/THOROUGHFARE PLAN

The property is accessed by Business 289 and CR 95. The Celina Thoroughfare Plan (CTP) shows future Business 289 and CR 95 as ultimate 120' right-of-way major arterials.

PROPOSED CONDITIONS

PROPOSED LAND USES

The proposed land use of light industrial is in accordance with the proposed PD zoning ordinance. This PD proposes the following:

- Light Industrial/Mixed-Use
    - Up to 58 acres of Light Industrial
    - Additional uses for retail and office development
- Open Space
- Landscaped Arterial Frontage
- Potential Rail Spur Access

PROPOSED THOROUGHFARES/ACCESS

The proposed development will utilize the existing roadway infrastructure. Commercial driveways will be utilized for internal traffic circulation. There are no proposed collectors or thoroughfares within the development. Business 289 and CR 95 are proposed major arterials and will require adequate right-of-way dedication.

CONCEPT PLAN

Exhibit C identifies and locates the proposed land uses outlined within the Property. All land uses shall conform to the District Regulations in place at the time of platting unless modified herein. The proposed development should have unified and consistent design elements and provide an integrated development that compliments the City of Celina.

DEFINITIONS

Any capitalized terms not defined below are per the definition as provided in the City of Celina Code of Ordinances.

Common Area: Any portion of the PD District that does not constitute a residential lot or street right-of-way and is owned by the Homeowners Association.
Covered Front Porch: An area of at least 50 square feet covered by the main roof or an architectural extension of the Main Structure.
Property Owner Association: An association governed by by-laws, deed restrictions, and architectural guidelines of the community. All lot owners will have mandatory membership in the homeowner association, which, among other things, will require financial obligations in the form of annual membership dues.
PD District Concept Plan (Exhibit B): The graphic plan for PD District that establishes and delineates the location of the land uses and is attached as Exhibit B.
Main Structure: The primary residence to be constructed on any Lot.
Open Space: Publicly accessible parks, greens, sports fields, natural flood plain, and tot lots, shall constitute Open Space.
Parkway: The area of right-of-way between the curb and the sidewalk in front of residential lots.
PD District: The land and/or lots contained within the legal boundaries identified in Exhibit A.
Shall: A term requiring compliance.
Should: A term encouraging compliance.

EXHIBIT D
DEVELOPMENT REGULATIONS

GENERAL
The purpose of the proposed PD is to provide greater flexibility for industrial and commercial development than is available under straight light industrial (I-1) zoning and the City of Celina Ordinances. This PD zoning request is in accordance with Sec. 14.03.031.

I-1, LIGHT INDUSTRIAL
The base zoning for the proposed PD shall be "I-1" (Light Industrial) district. Unless amended by this Ordinance, the development regulations shall comply with the I-1 (Light Industrial) zoning district as they exist at the time of platting.

PERMISSIBLE USES
In addition to the uses allowed under I-1, Light Industrial, the following uses shall be allowed:

1. Agricultural Uses – Agricultural uses whose products are grown primarily for home consumption, such as domestic gardening, berry or bush crops, tree crops, flower gardening, orchards, and aviaries.
3. Community Facility Uses
   A. Public and private parks;
   B. Recreational and open space including but not limited to playgrounds, parkways, greenbelts, ponds and lakes, botanical gardens, pedestrian paths, bicycle paths, equestrian bridle trails, nature centers, bird and wildlife sanctuaries;
   C. Landscaped Entry Features
4. Retail and Office uses including permitted (P) or Conditional (C):

A.	Armed service recruiting center	P
B.	General retail store	P
C.	Artist studio	P
D.	Kiosk (providing a service)	P
E.	Auto laundry or carwash	P
F.	Laundry/dry cleaning (drop off/pick up)	P
G.	Auto Supply store for new and rebuilt parts	P
H.	Motorcycle sales and repair	C
I.	Bakery or confectionery (retail)	P
J.	Nursing/convalescent home	C
K.	Bank/credit unions	P
L.	Offices (professional and general business)	P
M.	Child day care (business)	C
N.	Parking lot structure, commercial (auto)	P
O.	Church/place of worship	P
P.	Personal services shop	P
Q.	Concrete or asphalt batching plant (temporary)	C
R.	Pet and animal gromming shop	P
S.	Convenience store (with or without gas sales)	P
T.	Restaurant (with no drive-through service)	C
U.	Food or grocery store	P
V.	Retirement home/home for the aged	P
W.	Food or grocery store (with beer and wine sales)	C

X.	Theater or playhouse (indoor)	P
Y.	Funeral home	C
Z.	Veterinarian (indoor kennels)	P
AA.	Garden shop (inside storage)	P
BB.	Karate, Martial Arts Studio	P
CC.	Gynastics Facility	P
DD.	Dance Studio	P

5. Temporary structure for storage of building materials and equipment used for initial construction, when on the same or adjoining lot, for a period not to exceed the duration of the construction. This shall include temporary trailers for construction and sales/leasing activity. Building material storage will be allowed adjacent to temporary trailers or in a lot designated for storage.

PROHIBITED USES
Prohibited uses shall be as defined by the I-1, Light Industrial district

MISCELLANEOUS

ANNEXATION STATUS
This property was annexed after the 2010 alcohol sales election. Alcohol sales shall be prohibited until the next approved alcohol election.

PARKING
Uses that require greater parking than I-1 uses shall be provided for on-site or through a shared parking agreement.

PROPERTY OWNERS ASSOCIATION
A Property Owner Association will be established as the land is developed. The PD shall contain one or multiple Property Owner Associations.

kirkman ENGINEERING

CONCEPT PLAN

HUDDLESTON - 58 ACRES

CELINA, TX

9.28.15

GRAPHIC SCALE

0 200 400 FEET

Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Ben Rodriguez, Planner
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: Huddleston 60 - Single Family PD Zoning Change

Action Requested:

Conduct a public hearing to consider testimony and act upon an ordinance of the City Council of the City of Celina for a zoning amendment request from an AG- Agricultural Zoning District to PD-Planned Development Zoning District with a base zoning of SF-R - Single Family Residential on a ±60.13 acre tract of land located in the Gabriel Chenowith Survey, Abstract No. 140, Collin County, Texas. The property is generally located east of the intersection of CR 58 and CR 59, and west of North Preston Lakes Estates (Huddleston 60) Liebman

Background Information:

The ±60.13 acre tract was annexed into the City on July 14, 2015. The applicant is requesting a zoning change from the "holding zoning district" of AG-Agriculture district to PD-Planned Development District with SF-R, Single Family Residential base zoning district to accommodate varying lot sizes for the development.

The proposed zoning is to allow for a maximum of 225 lots which will break down as follows.

Lot width	Number
50 foot	50%
60 foot	40%
70 foot	10%
Total	Up to 225 Lots

The 70 foot lots will be adjacent to the existing estate lots within North Preston Lakes Estates.

All garages within the proposed development must be flush with the buildings front façade or be of a J-swing type of construction. J-swing garages may encroach up to 5 feet into the front setback to allow for additional variation of the homes and street scape.

The development will be screened from CR 58 by a 6 foot masonry wall, and a 15 foot landscape buffer for all lots backing or siding CR 58. Lots adjacent to open space areas shall incorporate a six foot decorative metal fence.

The development is proposing 14 acres of open space 11 of which is within the flood plain. Flood plain areas utilized as open space will be amenitized on three sides with sidewalks and benches, pavilions, recreation areas, etc.

Public Notice:

The public hearing notice was published in the *Celina Record* on Friday, August 28, 2015. Notices of the public hearing have been sent to all owners of property, as indicated by the most recently approved city tax roll, who are located within 200 feet of any property affected. As of October 15, 2015 staff has received no letters either in support or in opposition to the proposal. As of 10/15/2015 staff has received one letter in opposition to the proposal.

This property has received letters of opposition from more than 20% of the notification area. Approval of this zoning request will require a 3/4ths vote.

Supporting Documents:

- Proposed Ordinance
- Concept Plan
- Citizen Response

Legal Review:

The City Attorney has reviewed the proposed item and has found it to be acceptable.

Board/Committee Recommendation:

At it's regularly scheduled meeting on October 20, 2015 the Planning and Zoning Commission voted unanimously to recommend their approval of the proposal.

Staff Recommendation:

Staff recommends that the item be approved as presented.

CITY OF CELINA, TEXAS

ORDINANCE 2015-____
HUDDLESTON 60 PD #56

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING ORDINANCE NO. 2006-57, AS HERETOFORE AMENDED, THE SAME BEING THE COMPREHENSIVE ZONING ORDINANCE, AND AMENDING THE OFFICIAL ZONING MAP OF THE CITY BY DESIGNATING THE ZONING OF LAND THAT IS AN APPROXIMATELY 60.13 ACRE TRACT OF LAND LOCATED IN THE GABRIEL CHENOWITH SURVEY, ABSTRACT NUMBER 140, COLLIN COUNTY, TEXAS; AS DESCRIBED IN EXHIBIT "A" AND DEPICTED IN EXHIBIT "B" ATTACHED HERETO AND INCORPORATED HEREIN TO BE ZONED "PD" PLANNED DEVELOPMENT DISTRICT #56; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FINDINGS; PROVIDING FOR AMENDMENT OF ZONING CLASSIFICATION; PROVIDING FOR ZONING DESIGNATION AND DEVELOPMENT STANDARDS; PROVIDING FOR REVISION OF ZONING MAP; PROVIDING FOR COMPLIANCE; PROVIDING FOR A PENALTY NOT TO EXCEED $2,000.00 AND A SEPARATE OFFENSE SHALL BE DEEMED COMMITTED EACH DAY DURING OR ON WHICH A VIOLATION OCCURS OR CONTINUES AND INCLUDING PROVISIONS FOR THE AUTHORIZATION TO SEEK INJUNCTIVE RELIEF TO ENJOIN VIOLATIONS WHICH CONSTITUTE AN IMMINENT HAZARD OR DANGER TO PUBLIC HEALTH AND SAFETY; PROVIDING A CUMULATIVE REPEALER CLAUSE; PROVIDING FOR SAVINGS; PROVIDING FOR SEVERABILITY; PROVIDING FOR PUBLICATION; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is a home rule municipality located in Collin, and Denton County, Texas created in accordance with the provisions of the Texas Local Government Code, The Texas Constitution and operating pursuant to the enabling legislation of the state of Texas; and

WHEREAS, the City Council of the City of Celina, Texas is empowered under Local Government Code 54.001 to do all acts and make all regulations which may be necessary or expedient for the promotion of the public health, safety and general welfare; and

WHEREAS, Title 7 Chapter 211.003 of the Texas Local Government Code, empowers a municipality to, among other things, establish and amend zoning districts, classifications of land use, adopt a comprehensive plan to regulate the use of land and open spaces, adopt and amend zoning regulations, regulate population density, and regulate the use and location of buildings; and

WHEREAS, the establishment of a zoning classification has been requested for the property more specifically described in Exhibit "A" attached hereto and incorporated herein; and

WHEREAS, the tract comprising the property has been depicted in detail in Exhibit "B" attached hereto; and incorporated herein; and

WHEREAS, the concept plan and development regulations set forth in Exhibit "C" and Exhibit "D" attached hereto and incorporated herein define the base zoning districts and provide for certain modifications to such district regulations.

WHEREAS, the City Council has considered, among other things, the character of the property and its suitability for particular uses, with a view of encouraging the most appropriate use of land in the City, and is in the interest of public health, safety, and welfare, and does hereby find that the requested zoning accomplishes such objectives and is consistent with the provisions of the 2030 Comprehensive Plan of the City of Celina; and

WHEREAS, the Planning and Zoning Commission of the City of Celina and the City Council of the City of Celina, in compliance with the laws of the State of Texas and the ordinances of the City of Celina, have given the requisite notices by publication and otherwise, and have held public hearings and afforded a full and fair hearing to all property owners generally and to all persons interested in and situated in the affected area and in the vicinity thereof; and

WHEREAS, the City Council, in the exercise of its legislative discretion has concluded that the zoning classification on the tract of land described herein should be changed and the zoning map so amended.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS

SECTION 1
INCORPORATION OF PREMISES

The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

SECTION 2
FINDINGS

After due deliberations the City Council has concluded that the adoption of this Ordinance is in the best interest of the City of Celina, Texas and of the public health, safety and welfare.

SECTION 3
AMENDMENT OF ZONING CLASSIFICATION

That the zoning classification is hereby established as "PD" Planned Development District, #56 on a certain tract of land described in in Exhibit "A" and depicted in Exhibit "B".

SECTION 4
ZONING DESIGNATION AND DEVELOPMENT STANDARDS

4.01 That Ordinance No. 2006-57 of the City of Celina, Texas, as heretofore amended, the same being the City's Comprehensive Zoning Ordinance, is hereby amended by designating the zoning on the land, depicted in Exhibit "A" attached hereto and incorporated herein, as "PD" Planned Development District #56.

4.02 This ordinance only regulates the uses allowed for the property identified above. All development and construction shall occur in accordance with the requirements of this ordinance; the concept plan set forth in Exhibit "C"; the development standards set forth in Exhibit "D" and all other applicable ordinances, rules, and regulations of the City.

SECTION 5
REVISION OF ZONING MAP

That the City Manager for the City of Celina is hereby directed to mark and indicate on the official Zoning District Map of the City the zoning change herein made.

SECTION 6
COMPLIANCE REQUIRED

That the property depicted on Exhibit “A” hereto shall be used only in the manner and for the purposes provided for in this ordinance and the Comprehensive Zoning Ordinance, of the City of Celina as amended.

SECTION 7
PENALTY

7.01 Any person, firm or corporation violating any of the provisions or terms of this ordinance or of the Code of Ordinances as amended hereby, shall be subject to the same penalty as provided for in the Code of Ordinances of the City of Celina, and upon conviction shall be punished by a fine not to exceed Two Thousand Dollars ($2,000.00) for each offense.

7.02 If the governing body of the City of Celina determines that a violation of this Ordinance has occurred, the City of Celina may bring suit in district court to enjoin the person, firm, partnership, corporation, or association from engaging in the prohibited activity.

SECTION 8
CUMULATIVE REPEALER CLAUSE

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance. Provided however, that any complaint, action, claim or lawsuit which has been initiated or has arisen under or pursuant to such other Ordinances on this date of adoption of this Ordinance shall continue to be governed by the provisions of such Ordinance and for that purpose the Ordinance shall remain in full force and effect.

SECTION 9
SAVINGS CLAUSE

All rights and remedies of the City of Celina, Texas are expressly saved as to any and all violations of the provisions of any other ordinance affecting zoning regulations which have secured at the time of the effective date of this ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such ordinances same shall not be affected by this Ordinance but may be prosecuted until final disposition by the court.

SECTION 10
SEVERABILITY

The provisions of the Ordinance are severable. However, in the event this Ordinance or any procedure provided in this Ordinance becomes unlawful, or is declared or determined by a judicial, administrative or legislative authority exercising its jurisdiction to be excessive, unenforceable, void, illegal or otherwise inapplicable, in while in part, the remaining and lawful provisions shall be of full force and effect and the City shall promptly promulgate new revised provisions in compliance with the authority’s decisions or enactment.

SECTION 11
PUBLICATION CLAUSE

The City Secretary of the City of Celina is hereby directed to publish in the Official Newspaper of the City of Celina the Caption, Penalty and Effective Date Clause of this Ordinance as required by Section 52.011 of the Local Government Code.

SECTION 12
ENGROSSMENT AND ENROLLMENT

The City Secretary is hereby directed to engross and enroll this Ordinance by copying the exact Caption and Effective Date clause in the minutes of the City Council and by filing this Ordinance in the Ordinance records of the City.

SECTION 13
EFFECTIVE DATE

This Ordinance shall become effective from and after its date of passage and publication as required by law.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this ______day of _ ____________________, 2015.

____
Sean Terry, Mayor
City of Celina, Texas

ATTEST:

____
Vicki Faulkner, City Secretary
City of Celina, Texas

[SEAL]

APPROVED AS TO FORM:

____
City Attorney
City of Celina, Texas

Exhibit "A"

SITUATED in Collin County, Texas, a part of the G. Chenoweth Survey, Abst. No. 140, and being a re-survey of all of a 60 acre tract as described in a Deed from Bessie Collins to Marvin L. Collins, et al dated Dec. 23, 1953, and recorded in Vol. 482, Page 94, of the Collin County Deed Records, and being more fully described as follows:

BEGINNING at an iron stake by a corner post in the southeast corner of the said tract;

THENCE NORTH 89 degs. 32 mins. West with the south line of the said tract a distance of 1634.2 feet to an iron stake in the southwest corner of the said tract and the center line of a public road;

THENCE NORTH with the west line of the said tract and the center line of the road a distance of 1592.4 feet to an iron stake in the northwest corner of the said tract;

THENCE NORTH 89 degs. 56 mins. East with an established fence along the north line of the said tract a distance of 1638.8 feet to an iron stake by a corner post;

THENCE SOUTH 0 deg. 10 mins. West with an established fence along the east line of the said tract a distance of 1607.7 feet to the place of beginning, containing 60.112 acres of land.

Exhibit "B"

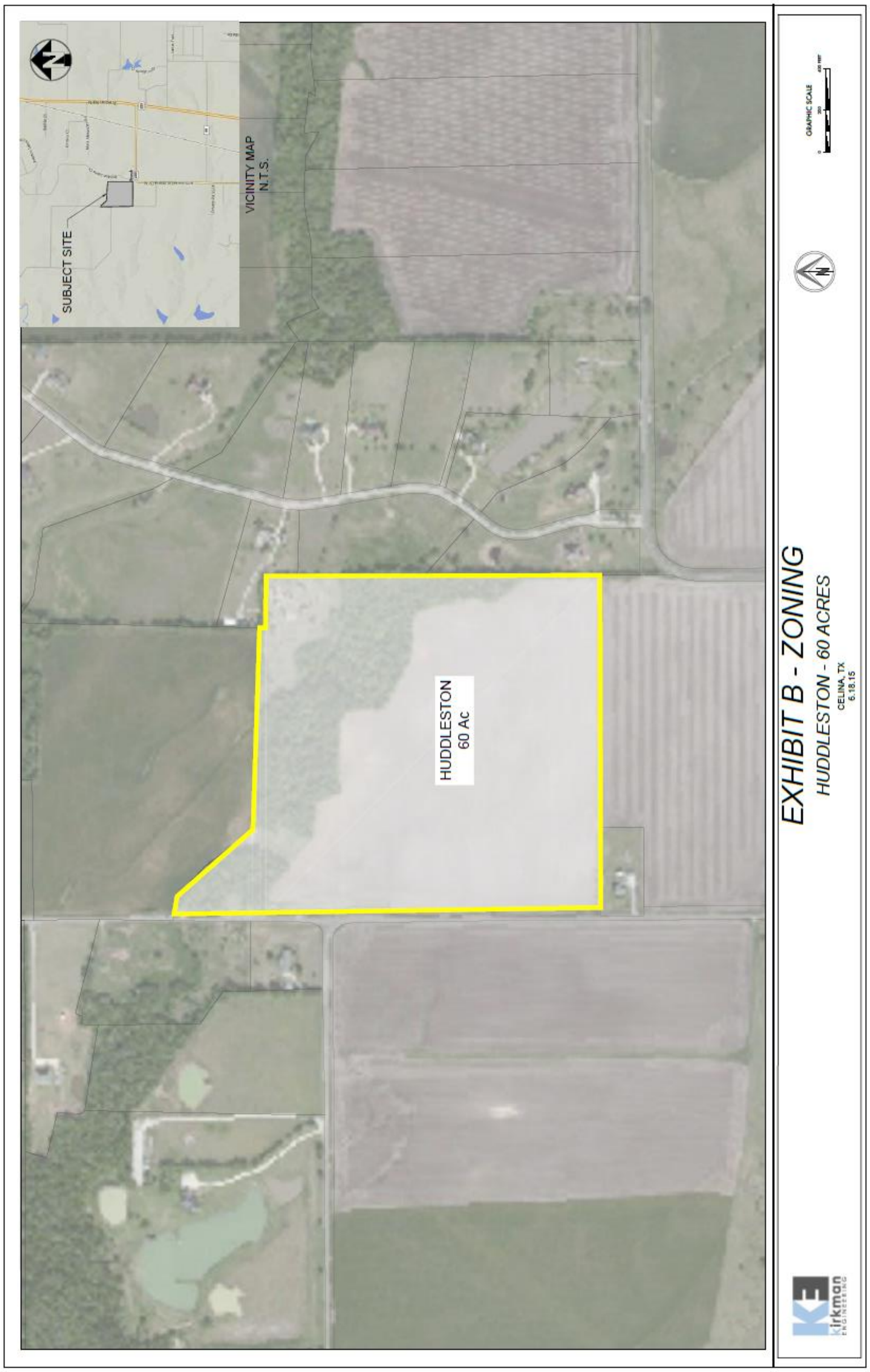
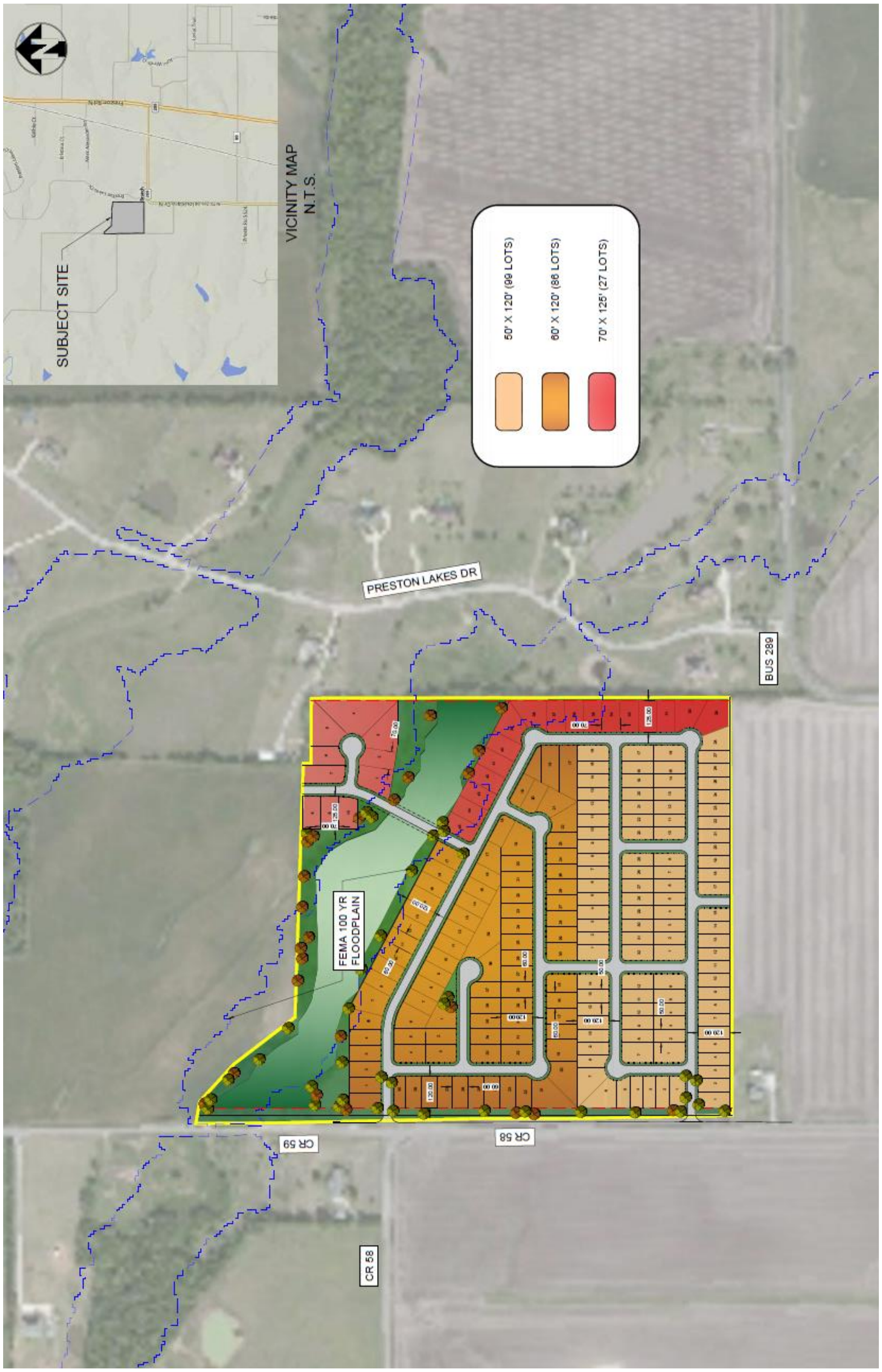

VICINITY MAP
N.T.S.
SUBJECT SITE
HUDDLESTON
60 Ac
EXHIBIT B - ZONING
HUDDLESTON - 60 ACRES
CELINA, TX
6.18.15
GRAPHIC SCALE
Kirkman
ENGINEERING

Exhibit "C"



Attachment: Huddleston SF PD ordinance (1318 : Huddleston 60 SF PD Ordinance)

EXHIBIT "D"

HUDDLESTON 60

PLANNED DEVELOPMENT
STANDARDS

SEPTEMBER 2015

Prepared By:

kirkman ENGINEERING

4821 Merlot Avenue, Suite 210 :: Grapevine, TX 76051 :: 817-488-4960

TABLE OF CONTENTS

PLANNED DEVELOPMENT – HUDDLESTON 60

INTRODUCTION

SUMMARY AND INTENT

This Planned Development (PD) zoning submittal encompasses approximately 60 total acres of land within the City of Celina more fully described on the legal description attached as Exhibit A (the "Property") and depicted on Exhibit B. The uses proposed for the Property are consistent with the Future Land Use Plan which identifies "Suburban Moderate-High Residential" as the use. It is the intent of this PD to offer greater flexibility and clarity for residential development.

The development has three (3) proposed lot sizes and generous areas for open space, trails and amenities. This PD will provide the zoning necessary to develop the plan as shown in Exhibit C.

This zoning submittal promotes development that will improve the balance of land uses in the area by increasing the number of single-family units and increasing the potential for retail development with the additional rooftops. The PD will provide an expanded range of housing choices through varying lot sizes of Single Family detached housing that currently is unavailable in the area and by doing so will follow current market trends observed in surrounding cities.

PROJECT LOCATION

As shown in Exhibit B, the proposed PD is located in north-central Celina. A legal description (Exhibit A) and property exhibit (Exhibit B) for the Property is provided in this document.

The property is located east of the CR 58 and CR 59 intersection west of the North Preston Lake Estates community. This proposed PD offers greater flexibility in Single Family detached development than what can be accommodated with straight "SF-R" residential zoning. Submitted as a Concept Plan, this PD will provide:

- Expanded range of housing choices through a diversity of lot sizes ranging from 50-feet in width to 70-feet in width .
- Integrated open spaces and amenities to preserve areas designated within the 100-year floodplain. This will protect existing stream corridors and other physical assets as amenities.
- High quality project with the potential to attract an experienced developer.

EXISTING CONDITIONS

The existing conditions surrounding the Property are primarily agricultural with sparse residential housing. The Property has recently been annexed.

EXISTING THOROUGHFARES/THOROUGHFARE PLAN

The property is accessed by CR 58. The Celina Thoroughfare Plan (CTP) shows future Business 289 near, but not adjacent to the property's southern boundary. This property is not adjacent to future Business 289 or other major roadways. The property is approximately one mile west of Preston Road.

PROPOSED CONDITIONS

PROPOSED LAND USES

The proposed land use of single-family is in accordance with the proposed PD zoning ordinance. This PD proposes the following:

- Suburban Moderate-High Residential (Suburban Mix)
  - Single family detached dwellings with varying lot sizes of at least 6,000 SF
  - Typical lot sizes: 50'x120', 60'x120' and 70'x125'
- Open Space/Park Space
- Landscaped Entry Feature
- Trail System

PROPOSED THOROUGHFARES/ACCESS

The proposed development will utilize the existing roadway infrastructure. Residential roadways will be utilized for internal traffic circulation. There are no proposed collectors or thoroughfares within or adjacent to the development.

CONCEPT PLAN

Exhibit C identifies and locates the proposed land uses outlined within the Property. All land uses shall conform to the District Regulations in place at the time of platting unless modified herein.

DEFINITIONS

Any capitalized terms not defined below are per the definition as provided in the City of Celina Code of Ordinances.

Common Area: Any portion of the PD District that does not constitute a residential lot or street right-of-way and is owned by the Homeowners Association.
Covered Front Porch: An area of at least 50 square feet covered by the main roof or an architectural extension of the Main Structure.
Homeowner Association: An association governed by by-laws, deed restrictions, and architectural guidelines of the community. All lot owners will have mandatory membership in the homeowner association, which, among other things, will require financial obligations in the form of annual membership dues.
PD District Concept Plan (Exhibit C): The graphic plan for PD District that establishes and delineates the location of the respective Lot Types and is attached as Exhibit C.
Main Structure: The primary residence to be constructed on any Lot.
Open Space: Publicly accessible parks, green spaces, sports fields, amenitizeed flood plain, and tot lots, shall constitute Open Space.
Parkway: The area of right-of-way between the curb and the sidewalk in front of residential lots.
PD District: The land and/or lots contained within the legal boundaries identified in Exhibit A.
Shall: A term requiring compliance.
Should: A term encouraging compliance.

DEVELOPMENT REGULATIONS

GENERAL
The purpose of the proposed PD is to provide greater flexibility for single family detached development than is available under straight residential zoning and the City of Celina Ordinances. This PD zoning request is in accordance with Sec. 14.03.031.

Single-Family

The base zoning for the proposed PD shall be "SF-R" (Single-Family Residential) district as it exists or may be amended. The following regulations shall also apply.

PERMISSIBLE USES
The following uses shall be allowed:

1. Agricultural Uses – Agricultural uses whose products are grown primarily for home consumption, such as domestic gardening, berry or bush crops, tree crops, flower gardening, orchards, and aviaries.
2. Residential Uses: Single-family detached dwellings
3. Community Facility Uses
   - A. Public and private parks;
   - B. Recreational and open space including but not limited to playgrounds, parkways, greenbelts, ponds and lakes, botanical gardens, pedestrian paths, bicycle paths, equestrian bridle trails, nature centers, bird and wildlife sanctuaries;
   - C. Amenity centers
   - D. Landscaped Entry Features
4. Temporary structure for storage of building materials and equipment used for initial residential construction, when on the same or adjoining lot, for a period not to exceed the duration of the construction of the subdivision phase. This shall include temporary trailers for construction and sales activity. Building material storage will be allowed adjacent to temporary trailers or in a lot designated for storage.

PROHIBITED USES
The following uses shall not be allowed:

1. Manufactured and/or modular homes
2. Accessory dwellings

RESIDENTIAL DESIGN GUIDELINES

I. Lot Type Regulations
The PD District will include a variety of lot types in order to achieve the goals established for the district. The lot types and requirements for each shall be as follows:

A. Lot Type 1:

1. Purpose: This lot type is designed to allow single family detached dwellings on lots of not less than six thousand (6,000) square feet, with front-entry garages, together with the allowed incidental and accessory uses.

2. Height Regulations: No building shall exceed forty feet (40') or two and one-half (2-1/2) stories in height to the highest point of its roof. Accessory structures shall not exceed twenty-five feet (25').
3. Area Regulations: The following minimum standards shall be required as measured from property lines:
Lot Size: Six thousand (6,000) square feet.
Lot Coverage: The maximum Lot Coverage shall not exceed sixty percent (60%).
Minimum Floor Area: The minimum square footage of a dwelling unit, exclusive of garages, breezeways and porches, shall be seventeen hundred (1,700) square feet.
Front Yard: Twenty feet (20') minimum. 25% of the lots have an increased minimum of twenty five (25'). Key lots shall have 2 front yards.
Covered Front Porches may extend over the front building setback line up to five feet (5'), but the garage door must remain at or behind the front setback line in all instances.
Rear Yard: Twenty feet (20') minimum.
Side Yard: Five feet (5') minimum.
Side Yard Adjacent to Street: Fifteen feet (15') minimum.
Lot Width: Fifty feet typical (50'); forty feet (40') minimum (@ right-of-way) on cul-de-sac lots.
Lot Depth: One hundred twenty feet (120') minimum.
Lot Depth (cul-de-sac lot): Eighty-five feet (85') minimum.
Garage Orientation & Setback: Garages may face the street or be J-swing type. For garage doors facing the front of the street, garage setback shall be flush or setback from front of building. J-swing type garages may protrude up to five feet (5') into the front setback to ensure additional variations of homes.

B. Lot Type 2:

1. Purpose: This lot type is designed to allow single family detached dwellings on lots of not less than seven thousand five hundred (7,200) square feet, with front-entry garages, together with the allowed incidental and accessory uses.
2. Height Regulations: No building shall exceed forty feet (40') or two and one-half (2-1/2) stories in height to the highest point of its roof.
3. Area Regulations: The following minimum standards shall be required as measured from property lines:
Lot Size: Seven thousand five hundred (7,200) square feet.
Lot Coverage: The maximum Lot Coverage shall not exceed fifty-five percent (55%).
Minimum Floor Area: The minimum square footage of a dwelling unit, exclusive of garages, breezeways and porches, shall be nineteen hundred (1,900) square feet.
Front Yard: Twenty feet (20') minimum. 25% of the lots have an increased minimum of twenty five (25'). Key lots shall have 2 front yards.
Covered Front Porches may extend over the front building setback line up to five feet (5'), but the garage door must remain at or behind the front setback line in all instances.
Rear Yard: Twenty feet (20') minimum.
Side Yard: Five feet (5') minimum.
Side Yard Adjacent to Street: Fifteen feet (15') minimum.
Lot Width: Sixty feet (60') typical; fifty feet (50') minimum (@ right-of-way) on cul-de-sac lots.
Lot Depth: One hundred twenty-five feet (120') minimum.
Lot Depth (cul-de-sac lot): Eighty-five feet (85') minimum.

Garage Orientation & Setback: Garages may face the street or be J-swing type. For garage doors facing the front of the street, garage setback shall be flush or setback from front of building. J-swing type garages may protrude up to five feet (5') into the front setback to ensure additional variations of homes.

Lot Type 3:

1. Purpose: This lot type is designed to allow single family detached dwellings on lots of not less than seven thousand five hundred (8,750) square feet, with front-entry garages, together with the allowed incidental and accessory uses.
2. Height Regulations: No building shall exceed forty feet (40') or two and one-half (2-1/2) stories in height to the highest point of its roof.
3. Area Regulations: The following minimum standards shall be required as measured from property lines:

Lot Size: Seven thousand five hundred (8,750) square feet.
Lot Coverage: The maximum Lot Coverage shall not exceed fifty-five percent (55%).
Minimum Floor Area: The minimum square footage of a dwelling unit, exclusive of garages, breezeways and porches, shall be nineteen hundred (1,900) square feet.
Front Yard: Twenty feet (20') minimum. 25% of the lots have an increased minimum of twenty five (25'). Key lots shall have 2 front yards.
Covered Front Porches may extend over the front building setback line up to five feet (5'), but the garage door must remain at or behind the front setback line in all instances.
Rear Yard: Twenty feet (20') minimum.
Side Yard: Five feet (5') minimum.
Side Yard Adjacent to Street: Fifteen feet (15') minimum.
Lot Width: Sixty feet (70') typical; fifty feet (50') minimum (@ right-of-way) on cul-de-sac lots.
Lot Depth: One hundred twenty-five feet (125') minimum.
Lot Depth (cul-de-sac lot): Eighty-five feet (85') minimum.
Garage Orientation & Setback: Garages may face the street or be J-swing type. For garage doors facing the front of the street, garage setback shall be flush or setback from front of building. J-swing type garages may protrude up to five feet (5') into the front setback to ensure additional variations of homes.

II. Neighborhood Regulations

The maximum number of lots permitted within the PD District shall not exceed 225 lots. The percentage of lots per Lot Type is as follows:

Lot Type 1: Maximum 50 %

Lot Type 2: Minimum 40 %

Lot Type 3: Minimum 10 %

The lot types shall generally conform to the layout shown in Exhibit C.

III. Development and Design Standards

A. Landscape Standards: All development within this PD District shall comply with the City's landscape ordinance as currently adopted or may be amended at time of platting.

B. **Screening Standards:** All development within this PD District shall comply with the following minimum screening requirements:

1. Lots Adjacent to CR 58: 6’ masonry wall
2. Lots adjacent to open space or park land: 4’ wrought iron fence
3. 15’ landscape buffer for all lots backing or siding to CR 58

C. **Amenities:** This PD District shall contain the following amenity features:

1. Landscaped Entry Feature
2. Passive Recreation Field
3. Private, Off-Street Hike/Bike Trail to connect to future public trail
4. Dog Park or Outdoor Meeting/Gathering Space

MISCELLANEOUS

HOMEOWNERS ASSOCIATION

A Homeowner Association will be established as each residential parcel of land is developed. The PD shall contain one or multiple Homeowner Associations.

OPEN SPACE

The PD will contain no less than 14 acres of open space including 11 acres of floodplain. Private open space shall be owned and maintained by the Homeowner Association(s). Flood plain areas used as open space must be amenitized on three sides.

kirkman ENGINEERING

CONCEPT PLAN

HUDDLESTON - 60 ACRES - 212 LOTS

CELINA, TX

9.10.15

GRAPHIC SCALE

0 200 400 FEET

Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Brooks Wilson, Senior Planner
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: Wells South Development Agreement

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and take action regarding an Extra Territorial Jurisdiction Development Agreement by and between the City of Celina, Texas and the property owners of Wells North. The property is a ±244.1 acre tract of land located within the extraterritorial jurisdiction of the City of Celina, Collin County, Texas and is generally located south of CR 88, east of Carter Ranch, north of CR 83, and approximately 1,350 feet west of the future alignment of Coit Road. (Wells North) (Liebman)

Background Information:

At the time of packet preparation the agreement is still under review.

Staff Recommendation:

At the time of packet preparation the agreement is still under review.

DEVELOPMENT AGREEMENT

(Wells North)

This Development Agreement (this "Agreement") is made and entered into as of the 10th day of November, 2015 (the "Effective Date"), by and between THE CITY OF CELINA, TEXAS (the "City"), a home rule municipality located within Collin County, Texas, and THE GEORGE WHITE FAMILY LIMITED PARTNERSHIP, a Texas limited partnership (the "Owner") (the City and the Owner individually, a "Party" and collectively, the "Parties").

RECITALS

WHEREAS, the City is a home rule municipal corporation duly organized and validly existing under the laws of the State of Texas located within Collin County, Texas;

WHEREAS, the Owner is a Texas limited partnership whose principal office is located within Dallas County, Texas;

WHEREAS, the Owner owns a tract of land in Collin County, Texas, containing approximately 244.136 acres, as more particularly described by metes and bounds in **Exhibit A** and depicted on **Exhibit B** attached hereto (the "Property");

WHEREAS, the Property is currently located wholly within the extraterritorial jurisdiction ("ETJ") of the City;

WHEREAS, the Parties intend for the Owner to assign this Agreement to Hillwood Enterprises, L.P., a Texas limited partnership, or other entity affiliated with Hillwood Enterprises, L.P. ("Hillwood") when such entity buys the Property;

WHEREAS, Hillwood submitted to the City on March 4, 2015 that certain original District Proposal and Development Agreement Application, which application described the plan for development of the Property and requested that the City enter into this Agreement obligating the Property to certain development conditions and fees in exchange for the City allowing the Owner to receive reimbursement for public improvements;

WHEREAS, an updated plan for development of the Property is attached as **Exhibit C**;

WHEREAS, pursuant to Chapter 791, Texas Government Code, the City entered into an interlocal agreement with Collin County pursuant to which the City has exclusive jurisdiction over subdivision regulation and platting within the City's ETJ and the design, construction, installation, and inspection of water, sanitary sewer, drainage, roads, and other roadway and utility infrastructure to be located upon the Property, and that Collin County shall have and exercise no jurisdiction over such matters;

WHEREAS, the Marilee Special Utility District holds a water certificate of convenience and necessity (the "Marilee CCN") for approximately 31.3 acres within the Property;

WHEREAS, the City holds a water certificate of convenience and necessity (a "CCN") for the remaining portion of the Property; and

WHEREAS, the Property is located within no area for which a CCN has been granted to a retail sewer service provider;

WHEREAS, the Parties intend for the City to be the retail provider of water service and sewer service to the Property;

WHEREAS, Hillwood desires to proceed with development of the Property as a master planned community as shown on the concept plan attached hereto as **Exhibit C** (the "Concept Plan") and described on **Exhibit D** and **Exhibit E** attached hereto (the "Development"), which Development is anticipated to occur over a number of years in phases of various sizes;

WHEREAS, the Development will require certain road improvements to thoroughfares internal to the Property and located along the perimeter of the Property (as defined in Article V of this Agreement, the "Road Improvements");

WHEREAS, the Development will require certain onsite infrastructure, including streets and roads; drainage; water, sanitary sewer, and other utility systems; parks, open space, landscaping, and trail systems; and land for all of the onsite public improvements (collectively, the "Onsite Public Improvements");

WHEREAS, the Onsite Public Improvements are not currently available to serve the Development;

WHEREAS, the Development will be served by certain off-site wastewater infrastructure that will be sized to serve the Development as well as other development located outside of the Property (as defined in Section 6.03(d), the "Off-Site Wastewater Improvements");

WHEREAS, due to the location and other natural features of the Property, the cost of the Road Improvements, the Onsite Public Improvements, and the Off-Site Wastewater Improvements (collectively, the "Public Improvements") does not allow for the Owner's intended Development in a cost-effective and market-competitive manner without participation by the City;

WHEREAS, the City has determined that full development of the Property as provided herein will promote local economic development within the City and will stimulate business and commercial activity within the City;

WHEREAS, such managed growth and voluntary annexation will drive infrastructure investment and job creation, both of which will, in turn, have a multiplier effect that increases both the City's tax base and utility revenues;

WHEREAS, the Parties have determined that the financing of all or a portion of the costs of the Public Improvements necessary for the development of the Property, can be achieved by means of Chapter 372, Texas Local Government Code, as amended, entitled the Public Improvement District Assessment Act ("PID Act");

WHEREAS, the City intends to create a public improvement district for the purpose of financing the Public Improvements that confer a special benefit on the Property (the "PID");

WHEREAS, the Parties have determined that they have the authority to enter into this Agreement, including, but not limited to, the authority granted by Section 212.172, Texas Local Government Code, as amended;

WHEREAS, the City is agreeable to the Property being developed as a master planned community pursuant to this Agreement, which will remain in place for the term of this Agreement and be binding on subsequent purchasers of all or a portion of the Property as provided herein and by Section 212.172, Texas Local Government Code;

WHEREAS, the City supports the Concept Plan and will consider plats and other development applications for all or a portion of the Property in general accordance with such plan and this Agreement;

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

WHEREAS, on August 28, 2015, the City mailed notices to property owners within 200 feet of the Property notifying such owners that the City's Planning and Zoning Commission would consider **Exhibit C** and **Exhibit D** to this Agreement during their September 15, 2015 meeting;

WHEREAS, the City's Planning and Zoning Commission considered **Exhibit C** and **Exhibit D** to this Agreement during their September 15, 2015 meeting and recommended to the City Council that the development regulations contained therein be approved;

WHEREAS, it is the intent of this Agreement to establish certain legally binding restrictions and commitments to be imposed upon the Property; and the City, the Owner and Hillwood are proceeding in reliance on the enforceability of this Agreement;

WHEREAS, the Parties intend for this Agreement to terminate if Hillwood does not close on the purchase of the Property in accordance with the terms hereof, in which event the Parties also intend to dissolve the PID and release all PID assessments on the Property.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained herein, and other good and valuable consideration, the City and the Owner hereby agree as follows:

ARTICLE I
REPRESENTATIONS AND DEFINITIONS

1.01 Recitals. The recitals contained in this Agreement are true and correct as of the Effective Date and form the basis upon which the Parties negotiated and entered into this Agreement.

1.02 Authority. The City represents and warrants that this Agreement has been approved and duly adopted by the City Council of the City in accordance with all applicable public meeting and 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 authorized to do so. The Owner represents and warrants that this Agreement has been approved by appropriate action of the Owner, and that the individual executing this Agreement on behalf of the Owner has been authorized to do so. Hillwood represents and warrants that this Agreement has been approved by appropriate action of Hillwood, and that the individual executing this Agreement on behalf of Hillwood has been authorized to do so.

ARTICLE II
PURPOSES, CONSIDERATION, AND TERM

2.01 Purposes. The Parties desire to enter into this Agreement to: extend the City's planning authority over the land by providing for a development plan under which certain general uses and development of the Property are authorized; authorize enforcement by the City of municipal land use and development regulations in the same manner the regulations are enforced within the City's boundaries; authorize enforcement by the City of certain land use and development regulations other than those that apply within the City's boundaries; and provide for infrastructure for the Property, including the Public Improvements. It is further the intent and purpose of the Parties to provide for the annexation of the Property and to provide for the terms of annexation; specify the uses and development of the Property before and after annexation; and include other lawful terms and consideration, including establishing the means of and terms for financing the Public Improvements by the City and the Owner.

2.02 Consideration. The covenants of, benefits to, and performances by, the Parties set forth in this Agreement, plus the mutual promises expressed herein, are good and valuable consideration for this Agreement, the sufficiency of which is hereby acknowledged by the Parties.

2.03 Term. This Agreement shall have a 30-year term starting on the Effective Date (the "Term"); provided, however, this Agreement shall be void ab initio and shall have no force or effect if, and only if, Hillwood does not purchase the Property by the Closing Deadline. The term "Closing Deadline" shall mean one of the following events, whichever occurs last: (1) the 180th day after the Effective Date; or (2) 15 days after the date the City delivers written notice to Hillwood notifying Hillwood that the City Council has approved a resolution approving distribution of the preliminary offering statement for the first series of PID Bonds. Nothing herein shall obligate Hillwood to purchase the Property. If Hillwood purchases the Property from the Owner, Hillwood shall also be defined as the "Owner" and as a "Party" for purposes of this Agreement.

ARTICLE III
REGULATION OF DEVELOPMENT

3.01 Governing Regulations. Development of the Property shall be governed solely by the following:

(a) The Concept Plan attached as **Exhibit C** to this Agreement, as amended in accordance with the terms of this Agreement, as well as all future approved concept plans and site plans required for the development of Areas D and E, as further described on **Exhibit D** (collectively, the "Required Concept Plans and Site Plans"). The Concept Plan attached as **Exhibit C** is a conceptual plan that illustrates how the Property could be developed with single family uses, and includes an alternative plan that illustrates how the Property could be developed with single family uses and an elementary school. The following information on the Concept Plan is informational only and subject to change by the Owner without City approval provided the changes meet the applicable requirements of the Development Regulations, the Subdivision Regulations, the Special Regulations, and the Engineering and Construction Standards (all as hereinafter defined): the lot layout, the location of different single family product types, the street layout, points of ingress and egress, the location, size, and configuration of an elementary school site (if one is provided within the Property), and the location, size, shapes, and configuration of open space.

(b) The Planned Development Regulations for the Wells North Tract attached as **Exhibit D** to this Agreement (the "Development Regulations").

(c) The City's subdivision ordinance adopted by the City Council pursuant to Chapter 212 of the Texas Local Government Code (the "Subdivision Regulations"), as modified by the Special Regulations **Exhibit E** to this Agreement (the "Special Regulations").

(d) The City's building codes adopted by the City Council (the "Building Codes").

(e) The City's engineering and construction standards adopted by the City Council (the "Engineering and Construction Standards").

(f) The City's water and wastewater rules in Articles 13.03 and 13.04 of the City Code (the "Water and Wastewater Rules").

(g) The City's early model home policy, adopted by the City Council through the approval of Resolution No. 2015-13R adopted by the City Council on March 17, 2015 (the "Model Home Policy").

(h) Ordinance No. 2015-06 (the "Roadway Impact Fee Regulations").

(i) Article 10.02 of the City Code (the "Water and Sewer Impact Fee Regulations").

(j) The City's sign ordinance codified as Chapter 3, Article 3.07 of the City of Celina Code of Ordinances (the "Sign Ordinance").

(k) The Owner's final plats for portions of the Property that are approved, from time to time, by the City in accordance with this Agreement and the Subdivision Regulations (the "Approved Plats").

(l) The City's Code of Ordinances and all other City ordinances, as amended from time to time, that are generally applicable to all property within the City's corporate limits and that are not otherwise in conflict with this Agreement, including, but not limited to, Ordinance No. 2006-58 related to sex offender residency and ordinances imposing development fees that are not in conflict with Section 3.06. The City's Code of Ordinances and such other City ordinances shall collectively be referred to herein as the "City Ordinances."

The following shall hereinafter be referred to collectively as the "Governing Regulations": (i) the Concept Plan and the Required Concept Plans and Site Plans; (ii) the Development Regulations; (iii) the Subdivision Regulations; (iv) the Special Regulations; (v) the Building Codes; (vi) the

Engineering and Construction Standards; (vii) the Water and Wastewater Rules; (viii) the Model Home Policy; (ix) the Water and Sewer Impact Fee Regulations, (x) the Roadway Impact Fee Regulations; (xi) the Sign Ordinance, (xii) the Approved Plats; and (xiii) the City Ordinances. The Governing Regulations are the exclusive development regulations, and no other ordinances, rules, regulations, standards, policies, orders, guidelines or other City-adopted or City-enforced requirements of any kind (including any moratorium adopted by the City after the Effective Date unless the City, in its reasonable discretion, determines that a moratorium applicable to the Property is an absolute necessity from a health and welfare standpoint and is applicable uniformly to at least the general vicinity of the Property) apply to the development of the Property with the exception of those regulations adopted to prevent the imminent destruction of property or injury of persons. Subject to the limitations set forth in Section 3.04, the Subdivision Regulations, Building Codes, Sign Ordinance, Engineering and Construction Standards, Water and Wastewater Rules, City Ordinances, Roadway Impact Fee Regulations, and Water and Sewer Impact Fee Regulations may be amended by the City from time to time during the Term of this Agreement and such amendments shall apply to the Property. The Governing Regulations and this Agreement shall continue to be applicable after annexation of the Property by the City. The Parties agree that the Concept Plan and Development Regulations constitute a "plan for development" as such term is used in Section 212.172, Texas Local Government Code.

Notwithstanding any other provisions of this Agreement, following annexation of the Property, the City may enforce any zoning ordinance adopted for the Property and the City's general zoning ordinance contained in Chapter 14 of the Code of Ordinances as currently existing or may be amended (together the "Zoning Regulations") against any End-Buyer of a fully developed and improved lot. The term "End-Buyer" means any owner, tenant, user, occupant, or homebuilder, but not a developer. The term "fully developed and improved lot" means any lot, regardless of proposed use, for which a final plat has been approved by the City and recorded in the deed records.

3.02 Concept Plan Revisions. The Concept Plan attached as **Exhibit C** (but not the total lot count) may be revised, from time to time, with only the approval of the City's staff, which approval shall not be unreasonably withheld, conditioned or delayed, if:

(a) the revision is approved, in writing, by the owners of all the property within the geographical area of the Concept Plan that is subject to the revision;

(b) the revision is approved, in writing, by the Owner;

(c) a revised Concept Plan is submitted to the City's staff concurrently with the submission of any general development plan or plat covering any portion of the property subject to the change;

(d) the cumulative effect of all revisions does not change the net acreage within any tract by more than 10% (based on the tracts as they are shown on the Concept Plan); and

(e) the maximum lot count of 900 single family living units in Areas A, B, and C combined, as identified on the Concept Plan, is not increased.

Nothing in this Section 3.02 shall eliminate the requirement for the Required Concept Plans and Site Plans for non-single family development within Areas D and E to be approved in accordance with the Development Regulations, and this Section 3.02 shall not apply to such plans. City Council approval is required for all other revisions to the Concept Plan attached as **Exhibit C**. If the Concept Plan is revised as provided by this section, the revision shall be considered an amendment to this Agreement, and the City shall cause the revised Concept Plan to be attached to the official version of this Agreement on file in the Collin County deed records. After annexation of the Property into the corporate limits, this review standard for Concept Plan revisions will be incorporated into the PD zoning ordinance governing the Property.

3.03 Plat Extensions. If requested in writing by the Owner prior to the expiration date, any approved construction plat or construction drawings shall be automatically extended one time for one year. The City's staff shall provide the Owner written confirmation of such one-year extension upon receipt of the Owner's written request for such extension.

3.04 Impact of Revisions. Nothing in this Article III constitutes a waiver of the Owner's right to claim that a future adopted City ordinance: (A) does not apply to the Property based on the "vested rights" of the Owner, whether such rights arise under Chapter 43, as amended, or Chapter 245, as amended, Texas Local Government Code; (B) does not apply to the Property based on any other legal or equitable theory, whether based on existing or future common-law or state or federal statutes; or (C) constitutes an illegal exaction or a "taking" without compensation, excluding consideration of any improvements or fees agreed to by the Owner under this Agreement.

3.05 Conflicts. In the event of any conflict between this Agreement and any other ordinance, rule, regulation, standard, policy, procedure, order, guideline or other City-adopted or City-enforced requirement for initial development by Hillwood, whether existing on the Effective Date or hereinafter adopted, or whether before or after annexation of the Property by the City, this Agreement shall control. In the event of any conflict between the Subdivision Regulations and the Special Regulations, the Special Regulations shall control. In the event of any conflict between any Approved Plat and any of the other Governing Regulations, the Approved Plat shall control. In the event of a conflict between this Agreement and the Subdivision Regulations, the Building Codes, the Model Home Policy, the Water and Sewer Impact Fee Regulations, Roadway Impact Fee Regulations, the Engineering and Construction Standards, the Water and Wastewater Rules, or the City Ordinances, this Agreement shall control.

3.06 Exclusive Fees.

(a) Except as specifically described below in this Section 3.06, the Owner shall be subject to those lawfully adopted fees and charges due and payable to the City in connection with the development of the Property, including, but not limited to, outdoor warning device fees, permit fees and inspection fees.

(b) A fee may be charged to fund the City's reasonable costs of hiring a third party to review engineering plans in connection with the design and construction of water, sewer, drainage, and roadway improvements.

(c) Notwithstanding anything to the contrary in this Section 3.06 or the Governing Regulations, no capital recovery fees including, but not limited to, pro rata fees, impact fees for water, sewer, and roadways, park fees, and other capital recovery fees, shall be charged against the Property other than the following:

(i) Development of the Property shall be subject to payment of park fees in the amount of $1,500 per residential dwelling unit. Other than the provisions of open space required by the Concept Plan and Development Regulations, no park land dedication or construction of park improvements shall be required, and no fee related to maintenance of park improvements shall be required other than PID assessments.

(ii) Water and sewer/wastewater impact fees adopted, assessed and collected in compliance with Chapter 395 of the Texas Local Government Code; and

(iii) Fees for roadways that equal the same amount as the City's Roadway Impact Fee Regulations ("Roadway Fees"). The Roadway Fees shall be assessed and collected in the same manner as Roadway Impact Fees are collected under the Roadway Impact Fee Regulations. The Roadway Fees are in consideration for the City agreeing not to collect the amount of pro-rata fees for roadways due under Ordinance No. 2015-06.

(d) In addition to the fees described above, the Owner will make a one-time escrow deposit with the City in an amount equal to $585,000 (the "Escrow Funds"). The Escrow Funds will be paid when the City makes available to Hillwood the proceeds of the first series of PID Bonds. The City shall use the Escrow Funds only for regional park improvements within five miles of the Property. If the Escrow Funds have not been used prior to the expiration of the Term, such funds will be reimbursed to Hillwood.

ARTICLE IV
ANNEXATION & ZONING

4.01 Annexation and Zoning.

(a) The Owner shall present a petition for annexation of the Property (the "Annexation Petition") prior to the City's consideration of any ordinance authorizing the issuance of PID Bonds (hereinafter defined). The Owner retains the right to withdraw the Annexation Petition if the City does not satisfy the terms of Section 4.02(a).

(b) Concurrently with submitting the Annexation Petition, Hillwood shall submit a zoning change application to the City requesting the Property be zoned consistent with the Governing Regulations pursuant to a planned development district ("PD") zoning ordinance.

(c) The City guarantees the extraterritorial status of the Property and its immunity from full purpose annexation by the City until the City has satisfied the conditions in Section 4.02 or this Agreement terminates in accordance with its terms. If the Owner exercises its right to withdraw the Annexation Petition pursuant to Section 4.02, the Property shall remain in the City's ETJ and be immune from full purpose annexation by the City until such time as the City has satisfied the conditions in Section 4.02 or this Agreement terminates in accordance with its terms.

(d) The Property annexed into the City shall be initially developed in accordance with the Concept Plan and Development Regulations regardless of the PD zoning of the Property after annexation, and nothing herein shall be construed to prevent the Property from being developed in accordance with such standards, provided, however, the Required Concept Plans and Site Plans must be approved for non-single family projects in Areas D and E prior to issuance of buildings permits for those projects.

(e) Pursuant to Section 43.106 of the Texas Local Government Code, the City agrees to annex the full width of the existing right-of-way of CR 83 and CR 88 along the perimeter of the Property concurrently with the annexation of the Property.

4.02 Conditions to Annexation Petition.

(a) The Owner's right to withdraw the Annexation Petition terminates after the City satisfies the following conditions:

(i) The City shall have executed this Agreement and recorded such fully-executed agreement in the real property records of Collin County, Texas; and

(ii) The City shall have approved a bond ordinance authorizing the issuance and selling of the first series of PID assessment revenue bonds in amounts sufficient to fund the Public Improvements that provide a special benefit to the Property (the first series and all subsequent series of bonds to be referred to herein as the "PID Bonds").

(b) After the completion of all public hearings required by law for annexation and zoning, the following items will be considered for approval on the same City Council meeting agenda in the order noted, which meeting is expected to occur on February 9, 2016:

(i) first, an ordinance levying PID assessments on the Property and approving a Final Service and Assessment Plan for the PID;

(ii) second, a bond ordinance authorizing the issuance and selling of the first series of PID Bonds in amounts sufficient to fund the costs of the Public Improvements that provide a special benefit to the Property;

(iii) third, an annexation ordinance for the Property; and

(iv) fourth, a PD zoning ordinance for the Property that is consistent with the terms of this Agreement.

The agenda shall state that each agenda item is to be considered and acted upon in the order in which it is listed on the agenda.

4.03 Enforcement Rights after Annexation and Zoning. After annexation of the Property, this Agreement does not limit the City's enforcement rights.

ARTICLE V
ROAD INFRASTRUCTURE

5.01 Road Infrastructure. The Parties agree to fund and construct the following internal and perimeter thoroughfare improvements described in Sections 5.01(a) through (d) (collectively, the "Road Improvements") pursuant to the following terms:

(a) The City agrees to construct improvements to CR 88 adjacent to the Property at the City's sole cost in accordance with the road sections attached as **Exhibit F**. Such construction shall be completed prior to or concurrently with Hillwood's platting and development of the first phase adjacent to CR 88. With the exception of the dedications required by Section 5.02, the City shall acquire all necessary easements for CR 88 Road Improvements at its sole cost. The City shall fund all utility relocations required for the CR 88 Road Improvements at its sole cost. Hillwood shall not be required to construct or fund any improvements to CR 88. No plat approval shall be conditioned on Hillwood making improvements to CR 88, and no plat shall be denied on the basis that CR 88 needs to be improved prior to the development of any portion of the Property.

(b) The City agrees to construct the portion of CR 83 adjacent to the Property, as further described in this paragraph, at the City's sole cost in accordance with the road sections attached as **Exhibit G**. Such construction shall be completed prior to or concurrently with Hillwood's platting and development of the first phase adjacent to CR 83. In the event of a conflict between **Exhibit G** and the City's Master Thoroughfare Plan, **Exhibit G** shall control. With the exception of the dedications required by Section 5.02, the City shall acquire all necessary easements for CR 83 Road Improvements at its sole cost. The City shall fund all utility relocations required for the CR 83 Road Improvements at its sole cost. Hillwood shall not be required to construct or fund any improvements to CR 83. No plat approval shall be conditioned on Hillwood making improvements to CR 83, and no plat shall be denied on the basis that CR 83 needs to be improved prior to the development of any portion of the Property.

(c) Hillwood agrees to construct the portions of the north/south collector described as "Road A" and "Road B" located within the Property in accordance with the road sections shown on Attachment 3 of **Exhibit D** and following the City's approval of the construction drawings and issuance of all required permits. Such construction drawings may be a separate submittal from the plat for the adjacent portions of the Property.

(d) Hillwood agrees to construct the portion of Punk Carter Parkway within the Property following the City's approval of the construction drawings and issuance of all required permits. Such construction drawings may be a separate submittal from the plat for the adjacent portions of the Property. Construction of the Punk Carter Parkway Road Improvements shall be in accordance with the road section attached as **Exhibit H**. In the event of a conflict between **Exhibit H** and the City's Master Thoroughfare Plan, **Exhibit H** shall control.

(e) Hillwood agrees to submit construction drawings to the City for portions of the "Road A," "Road B," and Punk Carter Parkway Road Improvements adjacent to the Property concurrently with the platting and development of adjacent portions of the Property. No security, such as a bond or letter of credit, shall be required from Hillwood to secure completion of the Road Improvements, but a payment and maintenance bond shall be provided to the City by Owner as required by the Subdivision Regulations.

(g) The City agrees that Hillwood may fund its share of the costs of the "Road A," "Road B," and Punk Carter Parkway Road Improvements from the proceeds of the PID Bonds to the extent the improvements provide a special benefit to the Property.

(h) With the exception of the construction obligations above in this Section 5.01(c) and (d) and the obligation to fund other on-site roads within the Property necessary for development, Hillwood shall have no obligation to fund or construct any roadway improvements.

5.02 Hillwood Dedications.

(a) Where portions of the Property are located along both sides of future CR 88 right-of-way, Hillwood shall dedicate the full width of CR 88 right-of-way, which width shall be at least 100 feet and shall not exceed 120 feet. Where the Property is located along one side of the future CR 88 right-of-way, Hillwood shall dedicate its proportional share of the CR 88 right-of-way adjacent to the Property, which shall be 36 percent of such right-of-way.

(b) Hillwood shall dedicate right-of-way for the portion of CR 83 adjacent to the Property in accordance with the dedications shown on **Exhibit G**.

(c) Hillwood shall dedicate right-of-way for portions of collector roadways located within the Property, and the width of each dedication shall be at least 60 feet and shall not exceed 80 feet.

(d) Dedication of right-of-way pursuant to this Section 5.02 shall be required when final plats are approved for the affected sections of roadways.

(e) With the exception of the dedication requirements of this Section 5.02, there are no requirements to dedicate right-of-way for perimeter roads or other thoroughfares. The dedication requirements of this Section 5.02 are conditioned upon the City annexing the future right-of-way to be dedicated.

(f) The City shall reimburse to Hillwood $1,000,000 from the payment of the first $1,000,000 of Roadway Fees assessed and collected from the Property pursuant to Section 3.06(c) as consideration and in exchange for the dedication of right-of-way for the Road Improvements required by this Section 5.02. All Roadway Fees paid on the Property to the City shall be held in a segregated account and paid to Hillwood once each quarter on January 1, April 1, July 1, and October 1 of each year until Hillwood is paid $1,000,000. The City shall keep any Roadway Fees collected in excess of $1,000,000.

ARTICLE VI
UTILITY SERVICE PLAN

6.01 General. It is anticipated that the Development will occur in phases. Further, other areas within the City's corporate boundaries are expected to continue to develop over time.

Accordingly, it is understood and agreed that a reliable long term source of treated water supply and wastewater treatment will be needed by the City so that utility capacities will be available at times and in amounts needed to meet the ultimate requirements of the Development and other areas of the City as they develop. It is recognized, however, that as of the Effective Date, the City does not own sufficient treated water supply and distribution facilities or wastewater collection or treatment improvements or capacities to meet such needs. However, the Parties have agreed upon a plan for meeting the treated water and wastewater needs of the Parties, including the financing thereof.

6.02 Water Service. The provisions of this Section 6.02 apply to portions of the Property located within the City's water CCN.

(a) Retail Service; CCN Matters.

(i) The Parties acknowledge that the City has a CCN to provide retail water service to all of the Property excluding approximately 31.3 acres within the Marilee CCN (the "Marilee CCN Property"). The Parties agree to use $38,750 from proceeds from PID Bonds to reimburse the City for payments the City makes to the Marilee Special Utility District to secure the release of the Marilee CCN Property from the Marilee CCN. The Parties agree to use the proceeds from the PID Bonds to reimburse the City for a pro rata share (not to exceed $30,000) of actual costs associated with the City processing a CCN service area amendment with the Public Utility Commission confirming the released property is within the City's CCN. The pro rata share shall be calculated based on acreage with the numerator being 31.3 acres and the denominator being all acres included in the amended CCN service area. Such amounts shall be escrowed from the proceeds of PID Bonds issued for the phase or phases of development that include the Marilee CCN Property. The release shall be pursuant to that certain Full and Final Settlement and Release between the City and Marilee Special Utility District f/k/a Gunter Special Utility District f/k/a Gunter Rural Water Supply Corporation, including the Addendums approved by those parties in March 2006, March 2009, and March 2011.

(ii) The Parties acknowledge and agree that water capacity will be needed in phases as the Development progresses. The City represents and confirms that it will provide water service at times and in amounts sufficient to meet the service demands of the Development, including, without limitation, for the Owner's anticipated first phase of single family lots in the Development. Based upon the foregoing, the Owner acknowledges and agrees to the City's designation as the sole and exclusive retail service provider to the Property. From time to time and within 10 days after receiving a written request from the Owner, the City will provide to the Owner a "will serve" letter confirming sufficient water capacity to serve the next phase of the Development.

(b) UTRWD Wholesale Water Supply Contract. The City has entered into a Participating Customer Treated Water Supply Contract, dated February 14, 2000, as amended September 22, 2003, with the Upper Trinity Regional Water District ("UTRWD") for wholesale treated water supply which contract may be amended from time to time. The City agrees to amend or take such other appropriate action necessary to secure water supply for the Development at times and in amounts as will permit the continuous and orderly development of the Property pursuant to the Concept Plan and Development Regulations, including, without limitation, for the Owner's anticipated first phase of single family lots in the Development. The

City agrees to request input from the Owner for planning purposes, and the Owner agrees to provide information as may be reasonably requested from time to time by the City, to enable the City to plan for the water service demands of the Development.

(c) Off-Site Water Infrastructure. The City agrees to construct a 12-inch water line in the right-of-way of CR 88 adjacent to the Property (the "Off-Site Water Improvements") when the City constructs the CR 88 Road Improvements described in Section 5.01. The Off-Site Water Improvements will serve the development of the Property, as well as other properties. Hillwood agrees to pay its pro rata share of the cost of this water line as described on **Exhibit J** (the "Hillwood Water Contribution"). The City shall give Hillwood at least 180 days written notice that the City will be proceeding with construction of the Off-Site Water Improvements. By the end of the 180-day notice period, Hillwood shall place the Hillwood Water Contribution in escrow. The terms of the escrow shall require the release of the escrowed funds to the City within 30 days after the Off-Site Water Improvements are completed and accepted by the City. The City shall not conditionally approve a plat or deny a plat on the basis that the Off-Site Water Improvements have not been completed. With the exception of the payment required by this Section 6.02(c), Hillwood shall have no obligation to construct or fund any off-site water improvements. Hillwood shall fund the Hillwood Water Contribution with the proceeds from PID Bonds issued for the phase or phases of development adjacent to CR 88, and a share of the capacity in the Off-Site Water Improvements shall be reserved for the development of the Property proportionate to the allocable share of the costs of such improvements paid by PID assessments on such Property.

(d) On-Site Water Infrastructure. Hillwood agrees to construct the on-site water infrastructure necessary to serve the Development, which shall be part of the Public Improvements. Such infrastructure shall not be required to be oversized to serve other development outside of the Property unless otherwise agreed to by Hillwood and the City in writing.

6.03 Wastewater Service.

(a) Retail Service; CCN Matters. The Parties acknowledge and agree that sanitary sewer capacity will be needed in phases as the Property develops. The City represents and confirms that it will provide sanitary sewer service at times and in amounts sufficient to meet the service demands of the Development, including, without limitation, for the Owner's anticipated first phase of single family lots in the Development. The Parties acknowledge that the City has a sewer CCN to provide retail sewer service to certain areas, but not the Property. Within 90 days after annexation of the Property, the City agrees to expand City sewer CCN No. 20764 to include the Property. Based upon the foregoing, the Owner acknowledges and agrees to the City being designated as the sole and exclusive retail sewer service provider for the Property. From time to time and within 10 days after receiving a written request from the Owner, the City will provide to the Owner a "will serve" letter confirming sufficient sewer discharge capacity to serve the next phase of Development.

(b) Wholesale Waste Treatment Contract. The City entered into a contract for the provision of wastewater collection and treatment services, dated December 7, 2006, and amended December 13, 2007, with UTRWD, which contract may be further amended from time to time. The City agrees to take all appropriate action necessary to secure wastewater collection and treatment services for the Development at times and in amounts as will permit the continuous orderly development of the Property pursuant to the Concept Plan and Development Regulations, including, without limitation, for the Owner's anticipated first phase of single family lots in the Development. The City agrees to request input from the Owner for planning purposes and the Owner agrees to provide information as may be reasonably requested from time to time by the City to plan for the wastewater service demands of the Development.

(c) Wastewater Infrastructure. Except as otherwise provided in Section 6.03(d), Hillwood agrees to construct the wastewater infrastructure necessary to serve the Development, which shall be part of the Public Improvements, and Hillwood shall not be required to oversize such infrastructure to serve other development outside of the Property unless otherwise agreed to by Hillwood and the City in writing.

(d) Off-Site Wastewater Improvements.

(i) Subject to the terms of this Section 6.03(d), Hillwood agrees to construct the wastewater improvements described on **Exhibit I** (the "Off-Site Wastewater Improvements"). Hillwood's obligation to construct the Off-Site Wastewater Improvements is conditioned upon (A) the City timely funding all costs of the Off-Site Wastewater Improvements excluding Hillwood's allocable share of such costs as described on **Exhibit J** (the "City Wastewater Contribution"); and (B) the City timely acquiring all necessary easements for the Off-Site Wastewater Improvements at the City's sole cost. The Off-Site Wastewater Improvements shall be constructed by open cut method, and if the City requires boring of any of the lines, the increased cost associated with boring shall be the City's sole cost and deemed to be part of the City Wastewater Contribution.

(ii) Hillwood shall give the City at least 180 days written notice that Hillwood will be proceeding with construction of the Off-Site Wastewater Improvements. Prior to providing such notice, Hillwood shall provide to the City legal descriptions for all on-site and off-site easements required for construction of the Off-Site Wastewater Improvements. Hillwood shall be responsible for the cost of engineering and survey work required to produce the legal descriptions for the on-site and off-site easements which costs shall not be eligible for City reimbursement. Hillwood shall dedicate, at no cost to the City, all on-site easements for the Off-Site Water Improvements. The City shall acquire all necessary off-site easements and escrow the City Wastewater Contribution within such 180-day notice period, which deadline shall not be extended by, or subject to, the additional notice and cure provisions of Section 8.01. The terms of the escrow shall require the release of the escrowed funds to Hillwood within 30 days after the Off-Site Wastewater Improvements are completed and accepted by the City.

(iii) If the City fails to acquire all necessary off-site easements within such 180-day notice period, (A) at Hillwood's request the City, at its sole cost and expense, shall pump and haul wastewater from the Development until the easements for the Off-Site Wastewater Improvements have been acquired and the Off-Site Wastewater Improvements have been constructed; or (B) at Hillwood's option, Hillwood may construct an alternative wastewater line and associated lift stations utilizing existing City utility easements, in which case Hillwood shall have no obligation to construct the Off-Site Wastewater Improvements.

(iv) If the City timely acquires the necessary easements but fails to escrow the City Wastewater Contribution within such 180-day notice period, Hillwood may construct the Off-Site Wastewater Improvements, and shall be entitled to a rebate of wastewater impact fees collected from the development of the Property in the amount of the City Wastewater Contribution. Such rebate shall be pursuant to Chapter 380 of the Texas Local Government Code, and no further action by the city is required to approve this rebate.

ARTICLE VII
INFRASTRUCTURE FINANCING

7.01 PID Financing.

(a) Following the receipt of a petition for creation of the PID that is in compliance with the PID Act, the City shall create the PID to fund all or a portion of the Public Improvements that will confer a special benefit upon the Property. Concurrently with the Owner's submittal of the petition seeking creation of the PID, the Owner shall deliver to the City a petition for dissolution of the PID, which shall be held in trust by the City and used by the City to dissolve the PID if Hillwood does not purchase the Property by the Closing Deadline.

(b) As soon as reasonably practicable following a request by the Owner, and provided the City's financial advisor confirms the bonds are credit worthy and marketable to third party institutional investors, the City agrees to adopt an ordinance authorizing the issuance of the PID Bonds. The City's adoption of an ordinance authorizing the issuance of the first series of PID Bonds is a prerequisite to the City's annexation of the Property. Hillwood's purchase of the Property, and the City's annexation of the Property, are each prerequisites to the City's closing on the sale of the first series of PID Bonds. The ordinance levying PID assessments may, in the City's sole discretion, be withheld from filing as a lien against the Property by the City until the City confirms that Hillwood has purchased the Property and that this Agreement will not be void ab initio as provided in Section 2.03 above.

(c) PID funding of the Public Improvements, as authorized by the PID Act and approved by the City, will include to the maximum extent authorized by State law: (i) annual payments by each owner to the City of PID assessments; (ii) the issuance by the City of PID Bonds secured by such assessments and/or other security; (iii) the issuance by the City or other issuer of other bonds secured by PID assessments and/or other security; and (iv) any other method approved by the Parties.

(d) The Public Improvements to be funded by the PID will be the same as those described in the PID Service and Assessment Plan, which Public Improvements confer a special benefit on the Property (the "PID Projects").

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

PID Bonds funding such improvements. The total of all PID Bonds shall not exceed $47,000,000 without City Council approval of an increase.

(f) The City and the Owner will jointly determine the PID Project Costs and prepare a Service and Assessment Plan for the PID. After the City approves the final PID Project Costs, prepares a proposed assessment roll based thereon, and files the Service and Assessment Plan and proposed assessment roll with the Secretary for the City for public inspection, the City will levy special assessments against the Property. The City shall review and update the Service and Assessment Plan consistent with the requirements of Section 372.013(b) of the PID Act. As needed for consistency with the updated Service and Assessment Plan and consistent with the requirements of Sections 372.019 and 372.020 of the PID Act, the City shall make supplemental assessments, reassessments or new assessments such that assessments reflect the updated PID Project Costs. As needed to implement the Service and Assessment Plan, the City and the Owner will enter into a PID reimbursement agreement that provides for the Owner's construction of certain PID Projects and the City's reimbursement to the Owner of certain PID Project Costs.

(g) The City will use its reasonable efforts to issue one or more series of PID Bonds secured, in whole or in part, by assessments levied against benefited property within the PID. The net proceeds from the sale of PID Bonds (i.e., PID administration costs, net of costs and expenses of issuance and amounts for debt service reserves and capitalized interest) will be used to pay PID Project Costs. Notwithstanding the foregoing, the obligation of the City to issue PID Bonds is conditioned upon the adequacy of the bond security and the financial ability and obligation of the Owner to pay the amount, if any, by which PID Project Costs exceed the net proceeds from the sale of PID Bonds and the amount, if any, of cost overruns. The City may require the Owner to secure its obligation to pay such deficit and cost overruns by providing a performance bond, letter of credit, lender set-aside letter, or other security acceptable to the City prior to the issuance of the PID Bonds. The net proceeds from the sale of the PID Bonds will be deposited in and disbursed from a construction fund created and administered pursuant to the indenture under which the PID Bonds are issued.

7.02 Costs for Non-Bank Qualified Bonds. If in any calendar year (including 2015) the City issues PID Bonds that would constitute a bank qualified debt issuance but for the issuance of the PID Bonds or other bonds supporting public improvements for non-City owned development projects, including either bonds authorized by the PID Act, then the Owner shall pay to the City a fee (the "PID Bond Fee") to compensate the City for the interest savings the City would have achieved had the debt issued by the City been bank qualified provided that all other developers or owners benefitting from the City issuing debt are similarly burdened with an obligation to compensate the City. The PID Bond Fee of the Owner and all other developers or owners on whose behalf the City issues debt, will be calculated as follows:

The net present value (calculated based on the Internal Revenue Service bond yield as used to calculate the present value of debt savings for refunding bonds) of the interest rate savings that would have accrued to the City had it been able to issue bank qualified debt multiplied by a fraction, the numerator of which is the amount of debt issued by the City for any particular owner or developer (including the Owner, as applicable) and the denominator of which is the total debt issued by the City for the benefit of all owners or developers (including the Owner, as applicable).

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

If in any calendar year the City issues PID Bonds on its own account that exceed the amount that would otherwise qualify the City for the issuance of bank qualified debt, or if the City fails to charge the PID Bond Fee to any other developer or owner on whose behalf the City has issued debt, then no PID Bond Fee shall be due under this provision and if any PID Bond Fee had already been paid to the City under this provision, then such PID Bond Fee shall be reimbursed promptly to the Owner.

Notwithstanding anything contained herein to the contrary, under no circumstances shall the PID Bond Fee payable by the Owner exceed $150,000 in the aggregate during any one calendar year.

ARTICLE VIII
EVENTS OF DEFAULT; REMEDIES

8.01 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 (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 determined based on the nature of the alleged failure, but in no event less than five business days after written notice of the alleged failure has been given in the case of a default of an obligation to make a payment required under this Agreement and 30 days after written notice of the alleged failure in all other cases). In addition, 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. If a Party who has received notice under this Section 8.01 cannot cure an alleged failure to perform within 30 days after receipt of written notice, such Party shall give written notice to the other Party within such 30 day period (a) stating that the Party cannot cure the alleged failure within 30 days after receipt of written notice, and explaining the reason; and (b) providing a date by which such Party can reasonably cure the alleged failure ("Cure Time Notice"). A Party who does not timely provide a Cure Time Notice shall be deemed to be able to cure the alleged failure to perform within 30 days after the initial written notice of the alleged failure has been given.

8.02 Remedies. In addition to the remedies provided in Article V, if a Party is in default, the aggrieved Party may, at its option and without prejudice to any other right or remedy under this Agreement, seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act, specific performance, mandamus, and injunctive relief. NOTWITHSTANDING THE FOREGOING, HOWEVER, NO DEFAULT UNDER THIS AGREEMENT SHALL:

(a) entitle the aggrieved Party to terminate this Agreement; or

(b) entitle the aggrieved Party to suspend performance under this Agreement unless (i) the portion of the Property for which performance is suspended is the subject of the default, or (ii) the portion of the Property for which performance is suspended is owned or controlled by the owner or developer in default (for example, the City shall not be entitled to suspend its performance with regard to the development of "Tract X" by "Developer A" based on the grounds that any other developer is in default with respect to any other tract but may suspend performance with regard to development of "Tract X" and all tracts owned by "Developer A" if "Developer A" is in default on "Tract Y"); or

(c) entitle the aggrieved Party to seek or recover monetary damages of any kind; or

(d) limit the term.

8.03 Limited Waivers of Immunity. The City does not waive or surrender any of its governmental powers, immunities, or rights, except to the extent permitted by law and necessary to allow the Owner to enforce its remedies under this Agreement.

THE CITY CONFIRMS ITS IMMUNITY FROM SUIT AND IMMUNITY FROM LIABILITY IS WAIVED WITH RESPECT TO THE ENFORCEMENT OF THIS AGREEMENT BY THE OWNER.

8.04 PID Notices. When selling any of the Property, the Owner shall provide notices in a form required by Section 5.014 of the Texas Property Code, as amended, to anyone who purchases property within the PID notifying the purchaser: (a) that the property is located in the PID; (b) that the City has issued or may issue PID Bonds; (c) that the City has levied or may levy PID assessments; (d) of the unpaid reimbursement amount of the PID assessment against the Property; (e) of the estimated annual installments if PID assessments are not paid in full; and (f) of the estimated duration of the PID assessment and annual installments. Further, the Owner and subsequent owners shall require builders selling homes to continuously post a notice of the PID assessments in a conspicuous location in each model home and provide an explanation of the PID assessments in written brochures and promotional materials given to each prospective purchaser. Notwithstanding Article X, this Section 8.04 applies to all owners of all or any portion of the Property.

ARTICLE IX
ASSIGNMENT AND ENCUMBRANCE

9.01 Assignment by Owner to Successor Owners.

(a) The Owner has the right (from time to time) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of the Owner under this Agreement to any person or entity (an "Assignee") that is or will become an owner of any portion of the Property or that is an entity that is controlled by or under common control by the Owner (a) without City consent, but with notice to the City, if to Hillwood; or (b) with the City's prior written consent, if to any other person or entity other than Hillwood, provided that the Owner is not in breach of this Agreement at the time of such assignment. An Assignee is considered the

"Owner," a "Party," and "Hillwood" under this Agreement for purposes of the obligations, rights, title, and interest assigned to the Assignee.

(b) Notice of each proposed assignment to an Assignee shall be provided to the City at least 15 days prior to the effective date of the assignment, which notice shall include a copy of the proposed assignment document together with the name, address, telephone number, and e-mail address (if available) of a contact person representing the Assignee who the City may contact for additional information regarding the experience and background of the Assignee.

(c) Each assignment shall be in writing executed by the Owner 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, and shall contain a representation by the Assignee acknowledged by a notary public that the Assignee has the financial ability to timely perform the assigned obligations. A copy of each fully executed assignment to an Assignee shall be provided to all Parties within 15 days after execution. From and after such assignment, the City agrees to look solely to the Assignee for the performance of all obligations assigned to the Assignee and agrees that the Owner shall be released from subsequently performing the assigned obligations and from any liability that results from the Assignee's failure to perform the assigned obligations; provided, however, if a copy of the assignment is not received by the City within 15 days after execution, the Owner shall not be released until the City receives such copy of the assignment.

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

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

9.02 Assignment by the City. The City shall not assign this Agreement.

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

9.04 Transfer of Warranties. Any Public Improvements that are transferred to the City shall be accompanied by all applicable third-party bonds and warranties related to construction and maintenance of such Public Improvements, as required by the Subdivision Regulations and State law.

9.05. **OWNER'S ACKNOWLEDGEMENT OF THE CITY'S COMPLIANCE WITH FEDERAL AND STATE CONSTITUTIONS, STATUTES AND CASE LAW AND FEDERAL, STATE AND LOCAL ORDINANCES, RULES AND REGULATIONS/OWNERS' WAIVER AND RELEASE OF CLAIMS FOR OBLIGATIONS IMPOSED BY THIS AGREEMENT.**

(a) THE OWNER ACKNOWLEDGES AND AGREES THAT:

(I) THE PUBLIC IMPROVEMENTS TO BE CONSTRUCTED UNDER THIS AGREEMENT, AND THE FEES TO BE IMPOSED BY THE CITY PURSUANT TO SECTION 3.06(C) AND (D) OF THIS AGREEMENT, REGARDING THE PROPERTY, IN WHOLE OR IN PART, DO NOT CONSTITUTE A:

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

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

(C) NUISANCE.

(II) ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE AMOUNT OF THE OWNER'S FINANCIAL OR INFRASTRUCTURE CONTRIBUTION FOR THE PUBLIC IMPROVEMENTS IS ROUGHLY PROPORTIONAL TO THE DEMAND THAT THE OWNER'S ANTICIPATED IMPROVEMENTS AND OWNER'S DEVELOPMENT PLACES ON THE CITY'S INFRASTRUCTURE.

(III) SUBJECT TO THE CITY TIMELY SAITSFYING ALL OF ITS OBLIGATIONS UNDER THIS AGREEMENT, THE OWNER HEREBY AGREES AND ACKNOWLEDGES, WITHOUT WAIVING CLAIMS RELATED SOLELY TO EXACTIONS NOT CONTEMPLATED BY THIS AGREEMENT, THAT: (A) ANY PROPERTY WHICH IT CONVEYS TO THE CITY OR ACQUIRES FOR THE CITY PURSUANT TO SECTION 5.02 OF THIS AGREEMENT IS ROUGHLY PROPORTIONAL TO THE BENEFIT RECEIVED BY THE OWNER FOR SUCH LAND, AND THE OWNER HEREBY WAIVES ANY CLAIM THEREFOR THAT IT

MAY HAVE; AND (B) ALL PREREQUISITES TO SUCH DETERMINATION OF ROUGH PROPORTIONALITY HAVE BEEN MET, AND ANY VALUE RECEIVED BY THE CITY RELATIVE TO SAID CONVEYANCE IS RELATED BOTH IN NATURE AND EXTENT TO THE IMPACT OF THE DEVELOPMENT OF THE PROPERTY ON THE CITY'S INFRASTRUCTURE. SUBJECT TO THE CITY TIMELY SAITSFYING ALL OF ITS OBLIGATIONS UNDER THIS AGREEMENT, THE OWNER FURTHER AGREES TO WAIVE AND RELEASE ALL CLAIMS IT MAY HAVE AGAINST THE CITY UNDER THIS AGREEMENT RELATED TO ANY AND ALL: (A) CLAIMS OR CAUSES OF ACTION BASED ON ILLEGAL OR EXCESSIVE EXACTIONS; AND (B) ROUGH PROPORTIONALITY AND INDIVIDUAL DETERMINATION REQUIREMENTS MANDATED BY THE UNITED STATES SUPREME COURT IN *DOLAN V. CITY OF TIGARD*, 512 U.S. 374 (1994), AND ITS PROGENY, AS WELL AS ANY OTHER REQUIREMENTS OF A NEXUS BETWEEN DEVELOPMENT CONDITIONS AND THE PROJECTED IMPACT OF THE PUBLIC IMPROVEMENTS.

(b) THIS SECTION 9.05 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

ARTICLE X
RECORDATION, RELEASES, AND ESTOPPEL CERTIFICATES

10.01 Binding Obligations. Pursuant to the requirements of Section 212.172(f) of the Texas Local Government Code, this Agreement, and all amendments hereto, shall be recorded in the deed records of Collin County. In addition, all assignments of this Agreement shall be recorded in the deed records of Collin County. This Agreement, when recorded, shall be binding upon the Parties and their successors and assigns permitted by this Agreement and upon the Property; however, this Agreement shall not be binding upon, and shall not constitute any encumbrance to title as to, any End-Buyer of a fully developed and improved lot except for land use and development regulations that apply to specific lots; provided that this provision shall not negate the End-Buyer's obligation to comply with the City's ordinances or for the payment of ad valorem taxes and assessments (including assessments that result from the application of this Agreement) applicable to such End-Buyer's property. For purposes of this Agreement, the Parties agree that the term "land use and development regulations that apply to specific lots" mean the Governing Regulations and the Zoning Regulations (including any authorized revisions thereto).

10.02 Releases. From time to time upon the written request of the Owner, the City shall execute, in recordable form, a release of this Agreement if the Owner's obligations under this Agreement have been satisfied, subject to the continued application of the Governing Regulations. The Owner shall pay the City $1,000 at the time of the Owner's request for a release for each release in excess of one per calendar year.

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

ARTICLE XI
ADDITIONAL PROVISIONS

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

11.02 Notices. All notices required or contemplated by this Agreement (or otherwise given in connection with this Agreement) shall be in writing, shall be signed by or on behalf of the Party giving the notice, and shall be effective as follows: (a) on or after the 10th business day after being deposited with the United States mail service, Certified Mail, Return Receipt Requested with a confirming copy sent by FAX; (b) on the day delivered by a private delivery or private messenger service (such as FedEx or UPS) as evidenced by a receipt signed by any person at the delivery address (whether or not such person is the person to whom the notice is addressed); or (c) otherwise on the day actually received by the person to whom the notice is addressed, including, but not limited to, delivery in person and delivery by regular mail or by E-mail (with a confirming copy sent by FAX). Notices given pursuant to this section shall be addressed as follows:

To the City: Attn: Mike Foreman, City Manager
City of Celina
302 W. Walnut St.
Celina, Texas 75009
E-mail:mforeman@celina-tx.gov
TEL: (972) 382-2682
FAX: (972) 382-3736

With a copy to: Attn: Lance Vanzant
Hayes, Berry, White & Vanzant, LLP
512 W. Hickory St., Ste. 100
Denton, TX 75206
E-mail: lvanzant@hbwvlaw.com
TEL: (940) 387-3518
FAX: (866) 580-1744

With a copy to: Attn: Julie Fort
Messer, Rockefeller & Fort , P.L.L.C.
6351 Preston Rd., Ste. 350
Frisco, Texas 75034
E-mail: julie@txmunicipallaw.com
TEL: (972) 668-6400
FAX: (972) 668-6414

To the Owner: Attn: Ms. Marianne D. Wells
The George White Family Limited Partnership
PO Box 262447
Plano, Texas 75026
E-mail:mdwells50@gmail.com
TEL: (410) 207-1938
FAX: (214) 501-3970

To Hillwood: Attn: Brian Carlock
Hillwood Enterprises, L.P.
3090 Olive Street, Suite 300
Dallas, Texas 75219
E-mail:brian.carlock@hillwood.com
TEL: (972) 201-2932
FAX: (972) 201-2959

With a copy to: Attn: Misty Ventura
Shupe Ventura Lindelow & Olson, PLLC
9406 Biscayne Blvd.
Dallas, Texas 75218
E-mail:misty.ventura@svlandlaw.com
TEL: (214)328-1101
FAX: (800) 519-3768

11.03 Reservation of Rights. This Agreement constitutes a "permit" within the meaning of Chapter 245, Texas Local Government Code, as amended, for Hillwood's Development, as defined herein. In addition, to the extent the City fails to provide adequate and continuous retail water and sewer service in accordance with the requirements of the CCNs, the Owner does not waive (and expressly reserves) the right to seek retail water and sewer services from an alternative provider and, if required to obtain such services, seek decertification of the CCNs. In the event the voluntary annexation as contemplated in Article IV is not completed, the City expressly reserves its authority to unilaterally annex the Property pursuant to Chapter 43 of the Texas Local Government Code, as amended, so long as the annexation conditions of Section 4.02 have been fully satisfied.

11.04 Water Wells. To the extent allowed by state law, water wells may be drilled within the Property for the limited purposes of providing construction water, irrigation water and water required for amenity lakes and other water features; subject, however, to all applicable rules and regulations of Collin County, the City, and the Texas Commission on Environmental Quality or other State agency having regulatory authority.

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

11.06 Enforceability. Each Party acknowledges and agrees that this Agreement is binding upon such Party and enforceable against such Party in accordance with its terms and conditions and that the performance by the Parties under this Agreement is authorized by Section 212.172 of the Texas Local Government Code.

11.07 Entire Agreement; Severability. This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement. This Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, such unenforceable provision shall be deleted from this Agreement, and 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. Without limiting the generality of the foregoing, (a) if it is determined that, as of the Effective Date, the Owner does not own an immaterial portion of the Property, this Agreement shall remain in full force and effect with respect to all of the Property that the Owner does then own, and (b) if it is determined, as of the Effective Date, that any portion of the Property is not within the City's ETJ, this Agreement shall remain in full force and effect with respect to all of the Property that is then within the City's ETJ. If at any time after the Effective Date it is determined that any portion of the Property that is owned by the Owner, or the Owner's successors and assigns, is not within the City's ETJ, then the Owner, or the Owner's successors and assigns, shall petition the City to include such portion of the Property within the City's ETJ and then voluntarily petition for annexation of that portion of the Property into the City's corporate limits.

11.08 Applicable Law; Venue. This Agreement is entered into under and pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Collin County, Texas. Venue for any action to enforce or construe this Agreement shall be Collin County, Texas.

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

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

11.11 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 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 exercise of good faith, due diligence and reasonable care.

11.12 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

11.13 Exhibits. The following Exhibits are attached to this Agreement and are part of this Agreement:

Exhibit A	Metes and Bounds Description of Property
Exhibit A-1	Metes and Bounds Description of Areas A, B, C, D, and E
Exhibit B	Map of Property
Exhibit C	Concept Plan
Exhibit D	Development Regulations
Exhibit E	Special Regulations
Exhibit F	CR 88 Road Section
Exhibit G	CR 83 Road Section
Exhibit H	Punk Carter Parkway Section
Exhibit I	Off-Site Wastewater Improvements
Exhibit J	Hillwood's Allocable Share of Costs for the Off-Site Wastewater Improvements

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement as of the Effective Date.

CITY OF CELINA, TEXAS
"The City"

By: ________________________________
Sean Terry, Mayor

ATTEST:

By: _________________________________
Vicki Faulkner, City Secretary

THE STATE OF TEXAS §
§
COUNTY OF COLLIN §

On _______________ ___, 2015, before me, the undersigned personally appeared Sean Terry, Mayor, of the City of Celina and proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged that he executed the same in his authorized capacity.

____
Notary Public in and for the State of TEXAS

SELLER: THE GEORGE WHITE FAMILY LIMITED PARTNERSHIP

By: WWW Group, LLC,
a Texas limited liability company,
its general partner

By:_______________________________________

Name:_____________________________________

Title:______________________________________

Date of Execution: _______________

PURCHASER: HILLWOOD ENTERPRISES, L.P.,
a Texas limited partnership

By:_______________________________________

Name:_____________________________________

Title:______________________________________

Date of Execution: _______________

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on ____________ _____, 2015, by ______________________, Manager of ________________________, a Texas limited liability company, on behalf thereof as the general partner of ______________________, a Texas limited partnership, on behalf of said limited partnership.

____
Notary Public in and for the State of TEXAS

SELLER: THE GEORGE WHITE FAMILY LIMITED PARTNERSHIP

By: WWW Group, LLC,
a Texas limited liability company,
its general partner

By:____
Name:_______________________________________
Title:____

Date of Execution: _______________

PURCHASER: HILLWOOD ENTERPRISES, L.P.,
a Texas limited partnership

By:____
Name:_______________________________________
Title:____

Date of Execution: _______________

THE STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on _______________ _____, 2015, by _____________________, Manager of _______________________, a Texas limited liability company, on behalf thereof as the general partner of _____________________, a Texas limited partnership, on behalf of said limited partnership.

____
Notary Public in and for the State of TEXAS

Exhibit A
Property Description

TRACT 1

233.738 ACRES

BEING a tract of land out of the Shelby Glass Survey, Abstract No. 346 and the J. Cahill Survey, Abstract No. 171, Collin County, Texas, and being part of a tract of land depicted in Special Warranty Deed to George White Family Limited Partnership, recorded in Clerk's File No. 2005-0005697, Official Public Records of Real Property of Collin County, Texas, said tract also being part of a tract of land described as "1st Tract" in deed to Mary G. White recorded in Volume 142, Page 343, Deed Records of Collin County, Texas and being more particularly described as follows:

COMMENCING at a ½" iron rod found in County Road No. 88 at the northeast corner of a called 35.814 acre tract of land described in Special Warranty Deed to CTMGT CR 2C FL-2, LLC, recorded in Instrument No. 20130829001223660, Official Public Records of Collin County;

THENCE along the east line of said 35.814 acre tract, South 00°33'04" East, a distance of 39.13 feet to a 5/8" iron rod with "KHA" cap found in the south right-of-way line of said County Road No. 88, for the northwest corner of a called 75.0000 acre tract of land described in Special Warranty Deed to Collin County Community College District, recorded in Instrument No. 20090818001039820, Official Public Records of Collin County;

THENCE departing the said east line of called 35.814 acre tract, along the south right-of-way line of said County Road No. 88 and the north line of said 75.0000 acre tract, the following courses and distances:

North 89°38'04" East, a distance of 854.43 feet to a 5/8" iron rod with "KHA" cap found for comer at the beginning of a tangent curve to the right with a radius of 1,356.38 feet, a central angle of 39°54'51" and a chord bearing and distance of South 70°24'31" East, 925.91 feet;

In a southeasterly direction along said curve, an arc distance of 944.90 feet to a 5/8" iron rod with "KHA" cap found at the beginning of a reverse curve to the left with a radius of 1,396.84 feet, a central angle of 40°11'41" and a chord bearing and distance of South 70°32'56" East, 959.96 feet for the northeast corner of said 75.000 acre tract and the **POINT OF BEGINNING**;

THENCE continuing along the south right-of-way line of said County Road No. 88, the following courses and distances:

In a southeasterly direction along said curve, an arc distance of 979.93 feet to a 5/8" iron rod with "KHA" cap found at the end of said curve;

North 89°21'13" East, a distance of 22.58 feet (Deed 22.79') to a 5/8" iron rod with "KHA" cap found for corner in the west line of a called 115.503 acre tract of land described in Special Warranty Deed to Westgate 115 Investors, L.P., recorded in Instrument No. 20130621000869270, Official Public Records of Collin County, Texas; from said point a 1/2" iron rod with "Metroplex 1849" cap found for witness bears North 00°55'47" West, a distance of 6.25 feet;

THENCE along the said west line of called 115.503 acre tract, South 00°55'47" East, at a distance of 1,949.66 feet, passing a 1/2" iron rod with "Metroplex 1849" cap found, continuing along the west line of said 115.503 acre tract, at a distance of 3,612.06 feet, passing the northwest corner of a tract of land described in General Warranty Deed to William K. Wood and Kathy D. Wood recorded in Instrument No. 20080310000279150, Official Public Records of Collin County, Texas, continuing along the west line of said Wood tract, at a distance of 4,075.82 feet, passing a 1/2" iron rod found at the southwest comer of said Wood tract and the northwest corner of a tract of land described in General Warranty Deed to William K. Wood and Kathy D. Wood recorded in Instrument No. 20071029001470070, Official Public Records of Collin County, Texas, continuing with the west line of the second referenced Wood tract, in all a total distance of 4,629. 12 feet to a 5/8" iron rod with "KHA" cap found for comer in County Road No. 83;

THENCE departing the said west line of the second reference Wood tract and along the north right-of-way line of County Road No. 83 and the north line of a called 76.69 acre tract of land described in Special Warranty Deed to Collin County Investments, Ltd., recorded in Volume 5419, Page 2461, Official Public Records of Collin County, Texas, South 89°30'11" West, a distance of 2,678.92 feet (Deed calls 2,663.76 feet) to a PK nail found for the southeast comer of The Carter Ranch Phase III, an addition to the City of Celina according to the plat recorded in Cabinet 2006, Page 460 of the Map Records of Collin County, Texas and in Instrument No. 20060714010003020, of Official Public Records of Collin County, Texas;

THENCE North 00°33'04" West, at a distance of 58.02 feet, passing the southeast comer of Lot 1X, Block B, said The Carter Ranch Phase Ill, continuing along the east line of said Block B, at a distance of 1,052.02 feet, passing a 5/8" iron rod with "Huitt Zollars" cap found at the northeast corner of Lot 26 of said Block B and the southeast comer of the east terminus of Andalusian Trail (a 50-foot wide right-of-way), continuing along the said east terminus of Andalusian Trail, at a distance of 1,102.02 feet, passing a 5/8" iron rod with "Huitt Zollars" cap found at the northeast comer of the said east terminus of Andalusian Trail and the southeast comer of Lot 20, Block L, said The Carter Ranch Phase Ill, continuing along the east line of said Block L, at a distance of 1,801.02 feet, passing the northeast comer of Lot 1X, of said Block L and the southeast comer of the east terminus of Carter Ranch Boulevard (an 80-foot wide right-of-way), continuing along the said east terminus of Carter Ranch Boulevard, at a distance of 1,881.02 feet, passing the northeast corner of said terminus of Carter Ranch Boulevard and the southeast corner of Lot Z-1, Block Z, The Carter Ranch Phase llA, an addition to the City of Celina, Texas according to the plat recorded in Cabinet 2007, Page 292, Map Records of Collin County, Texas and in Instrument No. 20070531010001890, Official Public Records of Collin County, Texas, continuing along the east line of said

Block Z, at a distance of 3,149.24 feet to a 5/8” iron rod with “KHA” cap found for the southwest corner of aforesaid called 75.000 acre tract;

THENCE along the south line of said 75.000 acre tract, North 89°26'56" East, a distance if 1,665.00 to a 5/8” iron rod with “KHA” cap found at the southeast corner of said 75.000 acre tract;

THENCE, along the east line of said 75.000 acre tract, the following courses and distances:

North 00°33'04" West, a distance of 242.54 feet to a 5/8” iron rod with “KHA” cap found at the beginning of a tangent curve to the left having a central angle of 23°51'09", a radius of 1,000.00 feet, a chord bearing and distance of North 12°28'39" West, 413.30 feet;

In a northwesterly direction, with said curve to the left, an arc distance of 416.30 feet to a 5/8” iron rod with “KHA” cap found for corner;

North 24°24'13" West, a distance of 239.76 feet to a 5/8” iron rod with “KHA” cap found at the beginning of a tangent curve to the right having a central angle of 63°57'09", a radius of 750.00 feet, a chord bearing and distance of North 7°34'21" East, 794.35 feet;

In a northeasterly direction, with said curve to the right, an arc distance of 837.13 feet to a 5/8” iron rod with “KHA” cap found for corner;

North 39°32'55" East, a distance of 200.00 feet to the **POINT OF BEGINNING** and containing 233.738 acres or 10,181,614 square feet of land, more or less.

TRACT 2

10.3980 ACRES

BEING a tract of land out of the Shelby Glass Survey, Abstract No. 346, Collin County, Texas, and being part of a tract of land depicted in Special Warranty Deed to George White Family Limited Partnership, recorded in Clerk's File No.

2005-0005697, Official Public Records of Real Property of Collin County, Texas, and also being part of the tract of land described as "1st Tract" in deed to Mary G. White recorded in Volume 142, Page 343 of the Deed Records of Collin County, Texas; said tract also being all of the same resultant tract of land defined by the Right-of-Way Dedication to Collin County recorded in Instrument No. 20061122001662300, Official Public Records of Collin County, Texas and being more particularly described as follows:

COMMENCING at a 1/2" iron rod found in County Road No. 88 at the northeast comer of a called 35.814 acre tract of land described in Special Warranty Deed to CTMGT CR 2C FL-2, LLC recorded in Instrument No. 20130829001223660, Official Public Records of Collin County, Texas;

THENCE along the east line of said 35.814 acre tract, South 00°33'04" East a distance of 39.13 feet to a 5/8" iron rod with "KHA" cap found on the south right-of-way line of said County Road No. 88, for the northwest corner of a called 75.0000 acre tract of land described in Special Warranty Deed to Collin County Community College District recorded in Instrument No. 20090818001039820, Official Public Records of Collin County;

THENCE, along the south right-of-way line of County Road No. 88 and north line of said 75.0000 acre tract, North 89°38'04" East, a distance of 854.43 feet to a 5/8" iron rod with "KHA" cap found for the point of beginning of a tangent curve to the right;

THENCE, departing the said south right-of-way line of County Road No. 88 and north line of called 75.000 acre tract, South 88°48'06" West, a distance of 511.14 feet to a 5/8" iron rod with "KHA" cap set for corner on a north right-of-way line of said County Road No. 88 for the **POINT OF BEGINNING;**

THENCE along a south right-of-way line of said County Road No. 88, the following courses and distances:

North 00°50'34" West, a distance of 25.47 feet to a 5/8" iron rod with "KHA" cap set for corner;

North 89°09'26" East, a distance of 1,192.91 feet to a 5/8" iron rod with "KHA" cap found for corner at the northern most end of a right-of-way comer clip at the intersection of said south right-of-way line and the west right-of-way line of County Road No. 86 (a variable width right-of-way);

THENCE along said right-of-way comer clip, South 45°30'03" East, a distance of 70.29 feet to a 5/8" iron rod with "KHA" cap found for corner at the southernmost end of said comer clip;

THENCE along the said west right-of-way line of County Road No. 86, South 00°09'32" East, a distance of 533.28 feet to a 5/8" iron rod with "KHA" cap found for comer at the intersection of the said west right-of-way line of County Road No. 86 and the north right-of-way line of County Road No. 88; said point also being at the beginning of a non-tangent curve to the right having a radius of 1,316.84 feet, a central angle of 39°15'29", a chord bearing and distance of North 70°04'50" West, 884.73 feet;

THENCE along the said north right-of-way line of County Road No. 88, the following courses and distances:

In a northwesterly direction, along said curve, an arc distance 902.28 feet to a 5/8" iron rod with "KHA" cap set at the beginning of a reverse curve to the left with a radius of 1,436.38 feet, a central angle of 19°04'36", and a chord bearing and distance of North 59°59'23" West, 476.04 feet;

In a northwesterly direction, along said curve, an arc distance of 478.24 feet to the **POINT OF BEGINNING** and containing 10.3980 acres or 452,936 square feet of land.

Exhibit A-1
Metes and Bounds Description of Areas A, B, C, D, and E

LAND DESCRIPTION
AREA "A"

BEING, a tract of land situated in the John Cahill Survey, Abstract No. 171, Collin County, Texas, and being a tract of land as described in instrument to The George White Family, as recorded in County Clerk's File No. 2005-005697 of the Official Property Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found with cap stamped "KHA" at the northeast corner of Preston Hills III Addition, Phase II, and addition to Collin County, Texas, as recorded in Cabinet J, Pg. 942, of the Map Records of Collin County, Texas, said corner also being the southeast corner of the George White Family tract;

THENCE, South 89 degrees 30 minutes 11 seconds West along the south line of the George White Family tract, a distance of 1,708.63 feet to a magnetic nail set;

THENCE, North 00 degrees 29 minutes 49 seconds West departing the south line of the George White Family tract, a distance of 210.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 89 degrees 30 minutes 11 seconds East passing at a distance of 1,677.05 feet a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars", in all a total distance of 1,707.05 feet to the east line of the George White Family tract;

THENCE, South 00 degrees 55 minutes 47 seconds East along the east line of the George White Family tract, a distance of 210.01 feet to the POINT OF BEGINNING and CONTAINING 8.233 acres of land, more or less.

All bearings are based on the Texas State Plane Coordinate System, N.A.D. 83, North Central Zone.

LAND DESCRIPTION
AREA "B"

BEING, a tract of land situated in the John Cahill Survey, Abstract No. 171 and the Shelby Glass Survey, Abstract No, 346, Collin County, Texas, and being a tract of land as described in instrument to The George White Family, as recorded in County Clerk's File No. 2005-005697 of the Official Property Records of Collin County, Texas (O.P.R.C.C,T.), and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found with cap stamped "KHA" at the southeast corner of a tract of land as described in instrument to Collin County Community College District, as recorded in instrument number 20090818001039820, O.P.R.C.C.T.;

THENCE, North 00 degrees 33 minutes 04 seconds West along the east line of the said Collin County Community College District tract, a distance of 242.54 feet to a 5/8 inch iron rod found with cap stamped "KHA" and being the beginning of a curve to the left having a central angle of 23 degrees 51 minutes 09 seconds, a radius of 1,000.00 feet, a chord bearing of North 12 degrees 28 minutes 39 seconds West, a chord distance of 413.30 feet;

THENCE, continuing along the east line of the said Collin County Community College District tract along said curve to the left an arc distance of 416.30 feet to a 5/8 inch iron rod found with cap stamped "KHA";

THENCE, North 24 degrees 24 minutes 13 seconds West continuing along the east line of the said Collin County Community College District tract, a distance of 59.76 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 84 degrees 31 minutes 04 seconds East departing the east line of the said Collin County Community College District tract, passing at a distance of 1,071.49 feet a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars", in all a total distance of 1,101.49 feet to the east line of the George White Family tract;

THENCE, South 00 degrees 55 minutes 47 seconds East along the east line of the George White Family tract, a distance of 3,738.11 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 89 degrees 30 minutes 11 seconds West departing the east line of the George White Family tract, passing at a distance of 30.00 feet a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars", in all a total a distance of 1,707.05 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 00 degrees 29 minutes 49 seconds East a distance of 210.00 feet to a magnetic nail set in the south line of the George White Family tract;

THENCE, South 89 degrees 30 minutes 11 seconds West along the south line of the George White Family tract a distance of 970.29 feet to a PK nail found at the southwest corner of the George White Family tract;

THENCE, North 00 degrees 33 minutes 04 seconds West along the west line of the Georg White Family tract, at a distance of 3.02 feet passing the southeast corner of The Carter Ranch-Phase III, an addition to the City of Celina, recorded in instrument number 20060714010003020, O.P.R.C.C.T., continuing in all a total distance of 1,881.02 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

THENCE, North 89 degrees 21 minutes 24 seconds East departing the west line of the Georg White Family tract and the east line of The Carter Ranch-Phase III addition, a distance of 150.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 00 degrees 33 minutes 04 seconds West, a distance of 1,267.98 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" in the south line of the said Collin County Community College District tract;

THENCE, North 89 degrees 26 minutes 56 seconds East along the south line of the said Collin County Community College District tract, a distance of 1,515.00 feet
to the POINT OF BEGINNING and CONTAINING 197.93 acres of land, more or less.

All bearings are based on the Texas State Plane Coordinate System, N.A.D. 83, North Central Zone.

LAND DESCRIPTION
AREA "C"

BEING, a tract of land situated in the John Cahill Survey, Abstract No. 171 and the Shelby Glass Survey, Abstract No, 346, Collin County, Texas, and being a tract of land as described in instrument to The George White Family, as recorded in County Clerk's File No. 2005-005697 of the Official Property Records of Collin County, Texas (O.P.R.C.C,T), and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found with cap stamped "KHA" at the southwest corner of a tract of land as described in instrument to Collin County Community College District, as recorded in instrument number 20090818001039820, O.P.R.C.C.T., said corner being in the west line of the George White Family tract and the east line of The Carter Ranch-Phase III, an addition to the City of Celina, recorded in instrument number 20060714010003020, O.P.R.C.C.T.;

THENCE, North 89 degrees 26 minutes 56 seconds East along the south line of the Collin County Community College District tract, a distance of 149.99 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 00 degrees 33 minutes 04 seconds East departing the south line of the Collin County Community College District tract, a distance of 1,267.98 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 89 degrees 21 minutes 24 seconds West, a distance of 150.00 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" in the west line of the George White Family tract and the east line of The Carter Ranch-Phase III addition;

THENCE, North 00 degrees 33 minutes 04 seconds West along west line of the George White Family tract and the east line of The Carter Ranch-Phase III addition, a distance of 1,268.22 feet to the POINT OF BEGINNING and CONTAINING 4.367 acres land, more or less.

All bearings are based on the Texas State Plane Coordinate System, N.A.D. 83, North Central Zone.

LAND DESCRIPTION
AREA “D”

BEING, a tract of land situated in the Shelby Glass Cahill Survey, Abstract No. 346, Collin County, Texas, and being a tract of land as described in instrument to The George White Family, as recorded in County Clerk’s File No. 2005-005697 of the Official Property Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found with cap stamped “KHA” at the southeast corner of a tract of land Collin County as described in Right of Way Deed for County Road No. 88, recorded in County Clerk’s File No. 20061122001662300 of the Official Property Records of Collin County, Texas, said corner being in the east line of the George White Family tract;

THENCE, South 00 degrees 55 minutes 47 seconds East along the east line of the George White Family tract, a distance of 681.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 84 degrees 31 minutes 04 seconds West departing the east line of the George White Family tract, passing at a distance of 30.00 feet a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars", in all a total a distance of 1,101.49 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" in the east line of a tract of land as described in instrument to Collin County Community College District, as recorded in instrument number 20090818001039820, O.P.R.C.C.T.;

THENCE, along the east line of the Collin County Community College District tract the following courses and distances:

North 24 degrees 24 minutes 13 seconds West a distance of 180.00 feet to a 5/8 inch iron rod found with plastic cap stamped "KHA" at the beginning of a curve to the right having a central angle of 63 degrees 57 minutes 08 seconds, a radius of 750.00 feet, a chord bearing of North 07 degrees 34 minutes 21 seconds East, a chord distance of 794.35 feet;

Along said curve to the right an arc distance of 837.13 feet to a 5/8 inch iron rod found with cap stamped “KHA”;

North 39 degrees 32 minutes 55 seconds East, a distance of 200.00 feet to a 5/8 inch iron rod found with cap stamped “KHA” in the said south right-of-way line of County Road No. 88, and being the beginning of a non-tangent curve to the left having a central angle of 40 degrees 11 minutes 41 seconds, a radius of 1,396.84 feet, a chord bearing of South 70 degrees 32 minutes 57 seconds East, a chord distance of 959.95 feet;

THENCE, along the said south right-of-way line of County Road No. 88 the following courses and distances:

Along said curve to the left an arc distance of 979.93 feet to a 5/8 inch iron rod found with cap stamped “KHA”;

North 89 degrees 21 minutes 13 seconds East a distance of 22.58 feet to the POINT OF BEGINNING and CONTAINING 23.203 acres of land, more or less.

All bearings are based on the Texas State Plane Coordinate System, N.A.D. 83, North Central Zone.

LAND DESCRIPTION
AREA "E"

BEING, a tract of land situated in the Shelby Glass Cahill Survey, Abstract No. 346, Collin County, Texas, and being a tract of land as described in instrument to The George White Family, as recorded in County Clerk's File No. 2005-005697 of the Official Property Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found with cap stamped "KHA" at the intersection of the west right-of-way line of County Road No 1244 with the north right-of-way line of County Road No. 88 as established by a tract of land to Collin County as described in Right of Way Deed for County Road No. 88, as recorded in County Clerk's File No. 20061122001662300 of the Official Property Records of Collin County, Texas, and being the beginning of a curve to the right having a central angle of 39 degrees 15 minutes 29 seconds, a radius of 1,316.84 feet, a chord bearing of North 70 degrees 04 minutes 51 seconds West, a chord distance of 884.73 feet;

THENCE, along the said north right-of-way line of County Road No. 88 the following courses and distances:

> Along said curve to the right an arc distance of 902.28 feet to a 5/8 inch iron rod found with cap stamped "KHA" and being the beginning of a reverse curve to the left having a central angle of 19 degrees 04 minutes 36 seconds, a radius of 1,436.38 feet, a chord bearing of North 59 degrees 59 minutes 24 seconds West, a chord distance of 476.04 feet;
>
> Along said curve to the left an arc distance of 478.24 feet to a 5/8 inch iron rod found with cap stamped "KHA";
>
> North 00 degrees 50 minutes 35 seconds West, a distance of 25.47 feet to a 5/8 inch iron rod found with cap stamped "KHA" in the south right-of-way line of County Road No. 1244 as described in said instrument to Collin County, recorded in County Clerk's File No. 20061122001662300;

THENCE, along the said south and west right-of-way line of County Road No. 1244 the following courses and distances:

> North 89 degrees 09 minutes 25 seconds East, a distance of 1,192.91 feet to a 5/8 inch iron rod found with cap stamped "KHA";
>
> South 45 degrees 30 minutes 04 seconds East, a distance of 70.29 feet to a 5/8 inch iron rod found with cap stamped "KHA";
>
> South 00 degrees 09 minutes 32 seconds East, a distance of 533.27 feet to the POINT OF BEGINNING and CONTAINING 10.398 acres of land, more or less.

All bearings are based on the Texas State Plane Coordinate System, N.A.D. 83, North Central Zone.

Exhibit B
Map of Property

Exhibit C
<u>Concept Plan</u>

Exhibit D
<u>Development Regulations</u>

The following shall constitute the Wells South Tract Planned Development Regulations:

1. <u>Purpose</u>. The purpose and intent of these Development Regulations is to create a unique and well-designed master planned community to preserve natural features, open space, and other topographical features of the land. The community will be a walkable environment where the amenities will consist of long, contiguous open space greenways with hike and bike trails that connect the entire community and promote connectivity of the community to the City of Celina. The project will promote a sense of community, environmental stewardship, and healthy living, embrace new technology, and attempt to educate its residences through the project's design and planning principles.

2. <u>Definitions</u>. All terms used on this **<u>Exhibit D</u>** shall be defined as stated in the Agreement and the Zoning Ordinance, as applicable, except as follows:

   a. Concept Plan means the drawing attached as **<u>Exhibit C</u>** to this Agreement, as amended from time to time in accordance with Section 3.02 of this Agreement.

   b. Open space means any publicly or privately owned or accessible property containing a minimum of 10,000 square feet in area and being at least 15 feet in width or 100 feet in length, with no slope greater than eight percent, exclusive of rights-of-way, that is designated as open space at the time of platting. Open space may include bodies of water, trails, landscaped or hardscaped areas, trails, and other similar features. The term open space shall include detention ponds in Areas A, B, and C. Typically, open space will not be individually owned, and will be for the common use or enjoyment of the residents within the Property. The City Manager may allow full or partial open space credit for areas exceeding the maximum eight percent slope if it is determined that such are environmentally or aesthetically significant and their existence enhances the development or surrounding area.

   c. Zoning Ordinance means the comprehensive zoning ordinance of the City, as amended from time to time.

3. <u>Applicable Regulations; Conflicts; Concept Plans and Site Plans</u>

   a. Development and use of the Property shall comply with this Agreement and the Zoning Ordinance. In the event of a conflict between this Agreement and the Zoning Ordinance, this Agreement controls. Areas A, B, and C, as shown on the Concept Plan and more particularly described on **<u>Exhibit A-1</u>**, shall be governed by the SF-R residential zoning district in the Zoning Ordinance, as amended by this **<u>Exhibit D</u>**. Areas D and E, as shown on the Concept Plan and more particularly described on **<u>Exhibit A-1</u>**, shall be governed, as determined by the developer at the time of platting, by either SF-R or MU-2, as amended by this **<u>Exhibit D</u>**.

b. The Concept Plan attached as **<u>Exhibit C</u>** is a conceptual plan that illustrates how the Property could be developed with single family uses. The following information on the Concept Plan is informational only and subject to change by the Owner without City approval: the lot layout, the location of different single family product types, the street layout, points of ingress and egress, the location, size, and configuration of an elementary school site (if one is provided within the Property), and the location, size, shapes, and configuration of open space. Revisions other than the foregoing revisions to the Concept Plan may be made in accordance with Section 3.02 of the Agreement.

c. Prior to the development of portions of the Property located in Area D or E, a concept plan and site plan for each non-single family project within that area must be approved in accordance with Division 7 of the Zoning Ordinance in effect on the Effective Date (defined in Article III of the Agreement as the "<u>Required Concept Plans and Site Plans</u>"), except as follows:

i. No concept plan or site plan other than the Concept Plan attached as **<u>Exhibit C</u>** shall be required in connection with the PD zoning of the Property upon annexation. The Required Concept Plans and Site Plans for Areas D and E shall be required only as a condition to the issuance of a building permit. Required Concept Plans and Site Plans are not required for single family detached or attached development, including amenities, at any location within the Property.

ii. The Required Concept Plans and Site Plans for Areas D and E may be submitted and approved on a project by project basis. No particular phasing is required, and no development schedule shall be required.

iii. The Division 7 process for approving the Required Concept Plans and Site Plans for Areas D and E may not be used to require conditions that conflict with or are inconsistent with the terms of this **<u>Exhibit D</u>** or this Agreement.

iv. Consideration and approval of the Required Concept Plans and Site Plans for Areas D and E shall be subject to the same notice and public hearing procedural requirements before the Planning and Zoning Commission and City Council that apply to any request in the City for a change of zoning. Section 14.02.226 of the Zoning Ordinance shall not apply, and the City shall not be authorized to require additional studies or information described in that section in connection with an application under this Section 3(c).

4. <u>General Regulations</u>.

a. All single family detached and attached residences may have front entry garages and direct access from a dedicated public street. All front entry garage doors must be in line with, or set back from, the front facade of the home as shown on Attachment 1. This requirement does not apply to a j-swing garage.

b. No particular phasing of any area shown on the Concept Plan is required.

5. <u>Use Regulations; Cap on Residential Units</u>. The uses permitted by this Section 5 are permitted. In addition, any residential or commercial use that is less intense than permitted uses within the designated area, as reasonably determined by the Director of Planning and Development Services, is also permitted. The uses authorized by this Section 5 are the only uses permitted on the Property.

   a. Areas A, B, and C: SF-R single family residential district uses and the associated uses defined in Section 14.03.008 of the Zoning Ordinance, on the Effective Date of this Agreement, are permitted to the same extent they are permitted in the SF-R district. For example, if a use is permitted by right in the SF-R zoning district, that use is permitted by right in Areas A, B, and C. If a use is permitted by SUP in the SF-R zoning district, that use is permitted by SUP in Areas A, B, and C. In addition, a public elementary school is permitted by right. The maximum number of residential lots in Areas A, B, and C combined shall be 900. Within Areas A, B, and C combined, at full build out, a maximum of 50 percent shall be Type I lots, a minimum of 35 percent shall be Type II lots, and a minimum of 15 percent shall be Type III lots. Areas A and C are restricted to Type III lots.

   b. Area D:

      i. The MU-2 mixed use regional district uses identified on Attachment 2 are permitted by right.

      ii. Single family detached uses are permitted by right, and must be Type I, II, or III lots or patio homes, as described in Section 6 below.

      iii. A public elementary school is permitted by right.

      iv. Accessory dwellings are prohibited.

      v. Townhouses, multi-family and permitted non-residential uses are permitted by right. Multi-family development is limited to a maximum of 350 dwelling units within the Property, and townhouses are limited to a maximum density of nine dwelling units per acre. A minimum of five acres within Area D, net of right-of-way dedicated for thoroughfares described in the TIA, shall be reserved for nonresidential development.

      vi. Duplexes are prohibited.

   c. Area E:

i. The MU-2 mixed use regional district uses identified on Attachment 2 are permitted by right.

ii. Single family detached uses are permitted by right, and must be Type I, II, or III lots or patio homes, as described in Section 6 below.

iii. A public elementary school is permitted by right.

iv. Accessory dwellings are prohibited.

v. Townhouses and permitted non-residential uses are permitted by right.

vi. Townhouses are permitted within Area E at a density not to exceed nine dwelling units per gross acre.

vii. Duplexes and multi-family are prohibited.

6. Area Regulations.

a. The regulations in Section 5 and this Section 6 shall serve as the exclusive regulations governing residential density (regardless of the type of residential use), as well as the following with respect to single family detached development only: lot size, width, and depth, setbacks, roof pitch, lot coverage, and minimum dwelling unit size.

b. The regulations in the table below in this Section 6 shall apply to all single family detached residential lots within the Property. In addition, single family detached homes in Areas D and E may be developed in accordance with the patio home standards below in this Section 6.

c. All single family detached homes within the Property that are on a key lot shall meet the minimum front yard setback requirement along both street frontages. A key lot is a corner lot with a rear yard that is adjacent to the front yard of the adjoining lot.

d. Within Areas D and E, townhouses shall be developed in accordance with the height regulations and area regulations of the TH zoning district set forth in Section 14.03.017 of the Zoning Ordinance; and all permitted uses other than single family detached and townhouses shall be developed in accordance with the perimeter setback regulations and lot regulations of the MU-2 zoning district set forth in Section 14.03.006(a)-(d) of the Zoning Ordinance. All other requirements in Section 14.03.006 shall not apply to Areas D and E.

	Type I Lots	**Type II Lots**	**Type III Lots**
Minimum lot width	50 feet	60 feet	70 feet

Minimum lot depth	110 feet	115 feet	115 feet
Minimum lot area	5,500 square feet	7,000 square feet	8,500 square feet
Minimum front yard setback (applicable to both streets for key lots)	20 feet	20 feet generally 15 feet if the house has a j-swing garage	25 feet 15 feet if the house has a j-swing garage
Minimum rear yard setback	20 feet	20 feet	20 feet
Minimum side yard setback	5 feet generally 15 feet on corner side yards	5 feet generally 15 feet on corner side yards	7 feet generally 15 feet on corner side yards
Minimum front porch setback	15 feet	15 feet	20 feet
Minimum primary roof pitch*	6:12	8:12	8:12
Maximum percentage of impervious lot cover**	60 percent	60 percent	60 percent
Minimum dwelling unit size (air conditioned floor area)	1,600 square feet	1,800 square feet	2,000 square feet
Accessory building setbacks	Minimum front yard setback – 50 feet Minimum side yard setback generally – 3 feet Minimum setback for corner side yard – 15 feet Minimum rear setback – 3 feet		
Minimum off-street parking requirements	At a minimum, each dwelling unit shall provide: • 2 parking spaces within an enclosed garage 2 unenclosed parking spaces (which may be included within a setback area)		

*Primary roof pitch does not include roofs over architectural features or enhancements, such as porches and dormers.

**Impervious lot cover limitations apply only to the footprint of an enclosed building, including enclosed garages, and excluding patios and porches (whether covered or uncovered), driveways, sidewalks, and other similar improvements that are not part of an enclosed building.

e. Single Family Detached (Patio Homes) in Areas D and E. Single family detached homes may be developed pursuant to the following patio home standards:

i. Minimum front yard setback: 20 feet (applies to both streets for key lots)

ii. Minimum side yard setback:

1. Zero sided option: 0 feet on one side and 10 feet on the other side, except 15 feet on corner side yards

2. Center option: 5 feet on both sides, except 15 feet on corner side yards

iii. Minimum rear yard setback: 12 feet

iv. Minimum lot area: 5,000 square feet for a zero side option, and 6,000 square feet for a center option

v. Minimum lot width: 40 feet

vi. Minimum lot depth: 90 feet

vii. Minimum dwelling unit size (air conditioned floor area): 1,200 square feet

viii. Minimum primary roof pitch: 6:12. Primary roof pitch does not include roofs over architectural features or enhancements, such as porches and dormers.

ix. Maximum height and number of stories: 40 feet and 2.5 stories, subject to Section 6(f) below.

x. Maximum impervious lot cover: 55 percent. Impervious lot cover limitations apply only to the footprint of an enclosed building, including enclosed garages, and excluding patios and porches (whether covered or uncovered), driveways, sidewalks, and other similar improvements that are not part of an enclosed building.

xi. Accessory building setbacks: same requirements that apply to Type I, II, and III lots

xii. Minimum off-street parking: same requirements that apply to Type I, II, and III lots

7. Building Materials. Exterior Building Facade for Residential Main Structures. Except as follows, all exterior building facades shall meet the requirements in Section 14.05.152 of the Zoning Ordinance: Single family detached residential structures (primary and accessory) shall comply with the applicable requirements in Section 14.05.152 of the Zoning Ordinance in effect on the Effective Date, except that cementitious fiberboard may be used in the same vertical plane as the first story if it is interrupted with an intersecting roof line or another architectural element. No other building design or architectural standards shall apply to detached single family residences.

8. Screening and Landscaping Regulations. Landscaping and screening along CR-83 shall be provided as shown in one of the options in the conceptual drawings on Attachment 3.

All required landscaping materials shall be selected from the recommended list on Attachment 4. Internal landscaping and screening shall comply with the internal landscaping edge treatment exhibit on Attachment 3. Where trees are shown along streets, trees must average a minimum of one tree per 50 feet of street frontage, but are not required to be evenly spaced and may be clustered. Section 14.05.122 of the Zoning Ordinance shall apply only when a nonresidential use in Area D or E abuts any residential use adjacent to the boundary of the Property, and a minimum six foot tall solid masonry wall shall be required in that instance.

9. Open Space Regulations. The following shall serve as the exclusive open space requirements:

   a. Open space requirements for Areas A, B, and C shall be governed by SF-R district requirements in effect on the Effective Date of this Agreement and the definition of the term "open space" on this **Exhibit D**. A minimum of ten percent of Areas D and E combined shall be open space.

   b. At full build out of the Property, a minimum of 14.8 acres of open space shall be provided within the Property unless a portion of the Property has been conveyed to the Celina Independent School District, in which case a minimum of 12 acres of open space shall be provided within the Property. The open space required by Section 9(a) shall be counted for purposes of satisfying the requirements of this Section (b).

   c. Maintenance of open space may be funded through the PID or by a homeowners association. If the maintenance of open space is funded through the PID, a homeowners association shall also be established to assume all of the PID's maintenance responsibilities under this paragraph when and if the PID is dissolved. If open space maintenance will be funded through the PID, a homeowners association shall own the open space, and a public use easement covering the open space and benefiting the City shall be recorded by separate instrument with each final plat that includes open space. When and if the PID is dissolved, the City has the sole option of terminating the easement, at which point the homeowners association that owns the open space shall have the sole responsibility for maintaining the open space.

   d. Other than the provision of open space required by these Development Regulations, no park land dedication or construction of park improvements shall be required, and no fee related to maintenance of park improvements shall be required other than PID assessments.

   e. This Section 9 shall serve as the exclusive open space requirement for the Property.

10. Trails and Sidewalks. Trails shall be constructed in general conformance with the conceptual open space and trail plan attached as Attachment 5. The exact location of trails shown on the plan is conceptual and subject to change based on the final design of

lot and street layouts at the time of platting. The construction of trails may be phased with each affected plat. Sidewalks shall generally be curvilinear. Trails shall be constructed of concrete or an alternative material approved by the Director of Planning and Development Services.

11. Street Sections. The Property may be developed in accordance with the conceptual street sections and street diagram shown on Attachment 3. The street sections may be used to design roadways, and may be modified by the developer with the approval of the Director of Planning and Development Services. The lot and street layouts on Attachment 3 are conceptual and subject to change at the time of platting.

12. Street Trees.

    a. Street trees, as shown on the conceptual street tree diagram attached as Attachment 6, may be provided in the parkway at the option of the developer to meet landscaping requirements for large trees on the adjacent lot, subject to approval by the Director of Planning and Development Services and the Fire Marshall at the time of building permit issuance. If street trees are approved, the developer shall, as a condition of the City's approval, do one of the following, as determined by the City, to fund resulting damages to streets, sidewalks, and utilities: (1) enter into a repair agreement obligating developer to make the repairs and providing financial security of the ability to perform; or (2) consent to annual updates to PID assessments on the Property to fund repair costs.

    b. The lot and street layouts on Attachment 6 are conceptual and subject to change at the time of platting.

    c. For purposes of Attachment 6 and the landscaping regulations in the zoning ordinance, a large tree shall be a minimum of three inches in caliper at the time of planting, and a small or ornamental tree shall be a minimum of two inches in caliper at the time of planting.

    d. If trees are planted in the parkway in accordance with this section, the trees must have a minimum height clearance of 14 feet at maturity. Where trees are shown along streets, trees must average a minimum of one tree per 50 feet of street frontage, but are not required to be evenly spaced and may be clustered.

13. Stormwater Detention. If a school site is developed within the Property, detention for the school site shall be handled as part of the regional detention for the overall development of the Property.

Attachment 1
Garage Setback

Attachment 2
Uses Permitted in Areas D and E

The following uses are permitted by right in Areas D and E except as noted with a "C" indicating a conditional use permit is required for that use in accordance with the conditional use permit requirements of this Zoning Ordinance:

1. Amusement park – C
2. Amusement ride – C
3. Amusement services (indoors)
4. Amusement services (outdoors) – C
5. Armed services recruiting center
6. Artist studio
7. Assisted living facility – C
8. Auto dealer (new) – C
9. Auto laundry or car wash – C
10. Auto repair (major) – C
11. Auto repair (minor) – C
12. Auto supply stores for new & rebuilt parts – C
13. Bakery or confectionery (retail)
14. Bank/credit union
15. Bed & breakfast inn – C
16. Caretaker's/guard's residence – C
17. Carnival – C
18. Child day care (business)
19. Church/place of worship
20. Club, private (Class I & II) – C
21. Community home – C
22. Concrete or asphalt batching plant (temporary) – C
23. Contractor's office/sales (with no outside storage)
24. Convenience store
25. Convenience store (with gas sales) – C
26. Day camp for children
27. Drapery, blind or furniture upholstery shop
28. Dry cleaning plant – C
29. Dwelling, single family attached (no duplex)
30. Fair ground/exhibition area – C
31. Family home (adult or child care) – C
32. Farmers market (public) – C
33. Feed and grain store
34. Food or grocery store
35. Franchise private utility – C
36. Fraternal organization, lodge or union – C
37. Funeral home (without crematorium) – C
38. Garden shop (inside storage)
39. General retail store

40. Group day care home – C
41. Home improvement center (lumber yard) – C
42. Hotel – C
43. Household appliance service and repair – C
44. Kiosk (providing a service) – C
45. Laundry/dry cleaning (drop off/pick up)
46. Living quarters on-site with a business – C
47. Medical facilities
48. Micro brewery - C
49. Mini-warehouse/self storage – C
50. Motorcycle sales and repair – C
51. Municipal facility
52. Nursery (grown for commercial purposes) – C
53. Nursery (retail sales outdoors)
54. Nursing/convalescent home – C
55. Office center
56. Offices (professional and general business)
57. Office warehouse – C
58. Outdoor retail sales/commercial promotion – C
59. Parking lot structure, commercial (auto) – C
60. Pawn shop – C
61. Personal services shop
62. Pet and animal grooming shop (no outdoor kennels/play area)
63. Propane sales (retail) – C
64. Rehabilitation care facility – C
65. Rehabilitation care institutions – C
66. Residential loft
67. Restaurant (with or without drive-through or drive-in services)
68. Retirement home/home for the aged – C
69. Rooming/boarding house – C
70. Seasonal business – C
71. Studio for radio or television (without tower) – C
72. Telemarketing agency – C
73. Temporary amusement rides – C
74. Temporary business – C
75. Theater or playhouse (indoor)
76. Tire dealer, with or without open storage – C

Note: Uses listed above that involve the sale or consumption of alcohol are permitted only to the extent permitted by applicable state alcohol laws.

Attachment 3
Screening and Landscaping

Attachment 4
Recommended Planting List

Canopy Trees:
1. Acer barbatum var. Caddo. **Caddo Maple**
2. Acer buergerianum. **Trident Maple**
3. Acer grandidentatum. **Bigtooth Maple**
4. Acer negundo. **Boxelder Tree or Ashleaf Maple**
5. Carya illinoensis. **Pecan,** select Sioux or Desirable variety
6. Fraxinus americana. **White Ash**
7. Fraxinus pennsylvanica. **Green Ash**
8. Fraxinus pennsylvanica var. Urbanite. **Urbanite Ash**
9. Fraxinum texensis. **Texas Ash**
10. Gingko biloba. **Gingko**
11. Gleditsia triacanthus var. Inermis. **Inermis Thornless Honeylocust**
12. Gymnocladus dioicus. **Kentucky Coffeetree**
13. Juglans microcarpa. **Texas Black Walnut**
14. Koelreuteria paniculata. **Goldenrain Tree**
15. Pistacio chinensis. **Chinese Pistache**
16. Quercus acutissima. **Sawtooth Oak**
17. Quercus buckleyi. **Texas Red Oak**
18. Quercus durandii. **Durand Oak**
19. Quercus laceyii. **Lacey Oak,** bluish foliage
20. Quercus macrocarpa. **Bur Oak**
21. Quercus muhlenbergii. **Chinquapin Oak**
22. Quercus prinus. **Chestnut Oak**
23. Quercus shumardii. **Shumard Red Oak**
24. Quercus virginiana. **Live Oak**
25. Sapindus drummondii. **Western** Soap berry
26. Sideroxylon lanuginosum. **Chittamwood**
27. Taxodium ascendens. **Pond Cypress**
28. Taxodium distichum. **Bald Cypress**
29. Taxodium distichum var. Shawnee Brave. **Shawnee Brave Bald Cypress**
30. Ulmus alata. **Winged Elm**
31. Ulmus Americana var. Valley Forge. **Valley Forge American Elm,** this variety is resistant to Dutch Elm Disease
32. Ulmus crassifolia. **Cedar Elm**
33. Ulmus parvifolia. **Lacebark Elm**
34. Ulmus parvifolia var. Allee. **Allee Elm**
35. Zelkova serrata. **Japanese Zelkova -** very drought tolerant

Accent Plants:
1. Aesculus pavia. **Red Buckeye**
2. Aesculus parviflora. **Bottlebrush Buckeye**

3. Callicarpa americana. **American Beautyberry**
4. Callicarpa Americana var. Profusion. **Profusion Beautyberry**
5. Callicarpa dichotoma var. Early Amethyst. **Early Amethyst Beautyberry**
6. Carpinus betulus. **European Hornbeam**
7. Cephalanthus occidentalis. **Button Bush**
8. Cercis canadensis. **Redbud -** full sun or understory tree
9. Cercis canadensis var. Alba, **White Redbud -** full sun or understory tree
10. Cercis canadensis var. Texensis, **Texas Redbud -** full sun or understory tree
11. Cercis canadensis var. Mexicana, **Mexican Redbud -** full sun or understory tree
12. Cercis reniformis var. Oklahoma, **Oklahoma Redbud -** full sun or understory tree
13. Chilopsis linearis, **Desert Willow**
14. Chionanthus virginicus, **White Fringe Tree**
15. Corn us drummondii, **Roughleaf Dogwood -** understory tree
16. Cotinus obovatus, **American Smoketree**
17. Cupressus arizonica - **Arizona Cypress**
18. Cupressus sempeNirens, **Italian Cypress**
19. Diospyros texana, **Texas Persimmon**
20. Foresteria pubescens, **Elbow Bush**
21. Hamamelis vernalis, **Arkansas Witch Hazel**
22. Hamamelis virginiana, **Comman Witch Hazel**
23. lIex decidua, **Possumhaw Holly**
24. Ilex decidua var. Finch's Golden, **Finch's Golden Possumhaw Holly -** bright golden berries
25. Ilex decidua var. Paco, **Paco Possumhaw Holly -** deep orange berries
26. Ilex decidua var. Warren's Red, **Warren's Red** Possum haw **Holly** - bright red berries
27. Ilex var. Mary Nell, **Mary Nell Holly**
28. Ilex var. Nellie R. Steven's, **Nellie R. Steven's Holly**
29. lIex vomitoria var. Pride of Houston, **Pride of Houston Yaupon Holly**
30. lIex vomitoria var. Will Fleming, **Will Fleming Yaupon Holly -** upright, 1-2' spread, no berries
31. Juniperus asheL **Ash Juniper or Blueberry Juniper**
32. Juniperus chinensis var. Blue Point, **Blue Point Juniper -** blue color foliage
33. Juniperus chinensis var. Spartan, **Spartan Juniper** - more upright
34. Juniperus virginiana, **Eastern Red Cedar**
35. Lagerstroemia indica var. Acoma, **Acoma Crape Myrtle -** white with weeping, cascading growth habit
36. Lagerstroemia indica var. Basham's Party Pink, **Party Pink Crape Myrtle -** lavender pink
37. Lagerstroemia indica var. Muskogee, **Muskogee Crape Myrtle -** Ught lavender
38. Lagerstroemia indica var. Natchez, **Natchez Crape Myrtle** - White
39. Lagerstroemia indica var. Sioux, **Sioux Crape Myrtle -** vivid pink
40. Lagerstroemia indica var. Tonto, **Tonto Crape Myrtle** - deep red
41. Lagerstroemia indica var. Tuscarora, **Tuscarora Crape Myrtle** - coral pink
42. Lagerstroemia indica var. Tuskegee, **Tuskegee Crape Myrtle -** dark pink
43. Leucana retusa, **Lemonball or Goldenball Lead Tree -** very drought tolerant
44. Undera benzoin, **Spice Bush**

45. Magnolia grandiflora var. Alta, **Alta Magnolia** - upright and dense
46. Magnolia grandiflora var. Claudia Wannamaker - **Claudia Wannamaker Magnolia**
47. Magnolia grandiflora var. Uttle Gem - **Little Gem Magnolia**
48. Magnolia stellata, **Star Magnolia -** understory tree
49. Magnolia soulangiana, **Saucer Magnolia** - understory tree
50. Pinus edulis, **Pinion Pine**
51. Pinus eldarica, **Afghan Pine**
52. Pinus nigra, **Austrian Pine**
53. Pinus pinea, **Italian Stone Pine**
54. Pinus thunbergiL **Japanese Black Pine**
55. Prosopis glandulosa, **Honey Mesquite**
56. Prunus mexicana. **Mexican Plum**
57. Rhamnus caroliniana. **Carolina Buckthorn**
58. Rhus aromatic. **Fragrant Sumac**
59. Rhus lanceolata. **Prairie Flameleaf Sumac**
60. Rhus microphylla. **Littleleaf Sumac -** very. very drought tolerant
61. Sophora affinis. **Eve's Necklace**
62. Ungnadia speciosa. **Mexican Buckeye**
63. Viburnum macrocephalum. **Chinese Snowball Viburnum**
64. Viburnum rufululum. **Rusty Blackhaw -** good understory tree
65. Vitex agnus-castus. **Vitex -** purple variety
66. Vltex agnus-castus var. Cooke's White. **Cooke's White Vitex -** white variety

Shrubs:
1. Abella var. Rose Creek. **Rose Creek Abelia**
2. Abelia var. Kaleidoscope. **Kaleidoscope Abelia**
3. Abelia var. White Prostrate. **White Prostrate Abelia**
4. Agavespp.Agave
5. Buxus var.Wlntergreen. **Wintergreen Boxwood**
6. Buxus var Winter Gem. **Winter Gem Boxwood**
7. Ceanothus americana. **New Jersey Tea Plant**
8. Chaenomeles superba var. Texas Scarlet. **Texas Scarlet Flowering Quince**
9. Cotoneaster glaucophyllus. **Gray Cotoneaster**
10. Daleo formosa. **Feather Dalea**
11. Eupatorium greggil. **Greg's Mist Flower**
12. Hesperaloe funifera. **Giant Red Yucca**
13. Hesperaloe parviflora. **False Red Yucca**
14. Hesperaloe parviflora. **False Yellow Yucca**
15. Hibiscus cocclneus. **Texas Star Hibiscus**
16. Hydrangea querclfolla. **Oakleaf Hydrangea**
17. Ilex vomltorla var. Nona. **Dwarf Yaupon Holly**
18. lIex vomltorla var. Bordeaux. **Bordeaux Dwarf Yaupon Holly**
19. Lagerstroemla Indica. **Dwarf Crape Myrtle,** this plant is available in many colors and range of heights
20. Leucophyllum frutescens. **Texas Sage**
21. Leucophyllum var. Greencloud. **Greencloud Texas Sage**

22. Leucophyllum var. Silverado Dwarf. **Silverado Dwarf Texas Sage**
23. Malvavlscus drummondl!. **Turk's Cap**
24. Mimosa borealis. **Fragrant Mimosa**
25. Myrica pusila. **Dwarf Wax Myrtle**
26. Optunla ellisiana. **Spineless Prickly Pear**
27. Rhus michauxii **Michaux's Sumac**
28. Rosa var. Belinda's Dream. **Belinda's Dream Rose**
29. Rosa var. Knockout. **Knockout Rose**
30. Rosa var. Martha Gonzalez. **Martha Gonzalez Rose**
31. Rosa var. Mutabilis. **Mutabilis Rose**
32. Rosmarlnus officinalis. **Rosemary**
33. Sedum var. Autumn Joy. **Autumn Joy Sedum**
34. Spirea vanhouttel. **Bridal Wreath Spirea**
35. Spirea japonica var. Anthony Japonlca. **Anthony Spirea**
36. Symphoricarpos chenaultii var. Hancock, **Hancock Snowberry**
37. Symphoricarpos orbiculatus, **Coralberry**
38. Yucca filamentosa var. Color Guard, **Color Guard Yucca**
39. Yucca gloriosa var. Variegata, **Variegated Spanish Dagger**
40. Yucca pallida, **Pale Leaf Yucca**
41. Yucca recurvifolia, **Softleaf Yucca**
42. Yucca rigida, **Blue Yucca**
43. Yucca rostrata var. Sapphire Skies, **Sapphire Skies Yucca**
44. Yucca rupicola, **Twisted Leaf Yucca**
45. Yucca treculeana, **Texas Bayonet Yucca**

Ornamental Grasses:
1. Carex buchananii var. Red Rooster, **Red Rooster Sedge**
2. Carex cherokeensis, **Cherokee Sedge**
3. Carex divulsa, **Meadow Sedge**
4. Carex oshimensis var. Everest **Everest Weeping Sedge**
5. Carex oshimensis var. Evergold, **Evergold Sedge**
6. Carex perdentata, **Webberville Sedge**
7. Carex phyllocephala var. Sparkler, **Sparkler Sedge**
8. Chasmanthium latifolium, **Inland Sea Oats**
9. Cortaderia selloana var. Pumila, **Dwarf Pampas Grass**
10. Corynephorus canescens var. Spiky Blue, **Spiky Blue Grass**
11. Cyperus alternifolia, **Umbrella Plant**
12. Cyperus nanas, **Compact Umbrella Plant**
13. Dianella tasmanica var. Variegata, **Variegated Flax Lily**
14. Eragrostis curvula, **Weeping Lovegrass**
15. Eragrostis elliottii. **Blue Lovegrass**
16. Juncus inflexus var. Blue Arrows, **Blue Arrows Rush**
17. Juncus pallidus var. Javelin, **Javelin Rush**
18. Koeleria glauca var. Coolio, **Coolio Blue Hair Grass**
19. Koeleria glauca var. Blue Sprite, **Blue Sprite Blue Hair Grass**
20. Miscanthus sinensis var. Adagio, **Adagio Miscanthus**

21. Miscanthus sinensis var. Gracillimus, **Maiden Grass**
22. Muhlenbergia capillaris, **Gulf Coast Muhly**
23. Muhlenbergla capillaris var. Lenca, **Regal Mist Pink Muhly**
24. Muhlenbergia duboides, **Weeping Muhly**
25. Muhlenbergia dumosa, **Bamboo Muhly**
26. Muhlenbergia lindheimeri, **Lindheimer Muhly**
27. Panicum virgatum var. Dallas Blues, **Dallas Blues Switchgrass**
28. Panicum virgatum var. Heavy Metal. **Heavy Metal Switchgrass**
29. Schizachyrium scoparium, **Little Bluestem**
30. Stipa tenuissima, **Mexican Feathergrass**

Perennials:
1. Achillea var. Moonshine, **Moonshine Yarrow**
2. Anisacanthus quadrifidus wrightii. **Flame Acanthus**
3. Aquilegia chrysantha var. hinkcleyana, **Texas Gold Columbine**
4. Artemesia var. Powis Castle, **Powis CasHe Artemesia**
5. Aster oblongifolius, **Fall Aster**
6. Astrolepis sinuata, **Wavy Scaly Cloakfern**
7. Buddleia david ii, **Butterfly Bush**
8. Caillirhoe involucrate, **Winecup**
9. Calyptocarpus vialis, **Horse Herb**
10. Chrysactinia mexicana, **Damianita**
11. Coreopsis lanceolata, **Lanceleaf Coreopsis**
12. Datura wrightii. **Datura Jimson Weed**
13. Dyschoriste linearis, **Snake Herb**
14. Echinacea purpurea, **Purple Coneflower**
15. Eupatorium greegii. **Greg's Mist Flower**
16. Gaura lindheimeri, **Pink Gaura**
17. Lantana horrida, **Texas Lantana**
18. Lavandula intermedia var. Provence, **Provence Lavender**
19. Lippia graveolens, **Mexican Oregano**
20. Marsilia macropoda, **Clover Fern**
21 . Melampodium leucanthum, **Blackfoot Daisy**
22. Nepeta faassenii var. Walker's Low, **Walker's Low Catmint**
23. Nierembergia graciliS var. Starry Eyes, **Starry Eyes Nierembergia**
24. Oenothera missouriensis, **Fluttermills**
25. Penstemon tenuis, **Brazos Penstemon**
26. Perovskia atriplicifolia, **Russian Sage**
27. Physostegia virginiana, **Fall Obedient Plant**
28. Rosmarinus officinalis var. Prostratus, **Prostrate Rosemary**
29. Rudbeckia fulgida, **Black-eyed Susan**
30. Rudbeckia fulgida var. Goldsturm, **Goldsturm Rudbeckia**
31. Rudbeckia maxima, **Giant Coneflower**
32. Salvia chamaedryoides, **Gray Shrub Sage**
33. Salvia farinacea var. Henry Duelberg, **Henry Duelberg Sage**
34. Salvia gregii var. Autumn Sage, **Autumn Sage Salvia**

35. Salvia hybrid. **Nuevo Leon Sage**
36. Salvia longispicata var. Indigo Spires, **Indigo Spires Salvia**
37. Salvia Iyrata, **Lyre Leaf Sage**
38. Salvia roemeriana, **Cedar Sage**
39. Salvia var. May Night. **May Night Salvia**
40. Santolina chamaecyparissus, **Gray Santolina**
41 . Santolina pin nata, **Green Santolina**
42. Scyttellaria ovate, **Heartleaf Skullcap**
43. Scutellaria suffrutescens, **Pink Skullcap**
44. Sedum var. Autumn Joy, **Autumn Joy Sedum**
45. Stachys byzantine, **Lamb's Ear**
46. Tetraneuris scaposa, **Four Nerve Daisy**
47. Thelypteris kunthii. **Southern Wood Fern**
48. Verbena canadensis var. Homestead Purple, **Homestead Purple Verbena**
49. Wedelia texana, **Orange Zexmenia**

Vines and Groundcover:
1. Bignonia capreolata var. Tangerine Beauty, **Tangerine Beauty Crossvine**
2. Campsis tagliabuana var. Madame Galen, **Madame Galen Trumpetcreeper**
3. Campsis radicans var. MonbaL **Balboa Sunset Trumpetcreeper**
4. Campsis radicans var. Flamingo, **Flamingo Trumpetcreeper**
5. Campsis radicans var. Flava, **Yellow Trumpetcreeper**
6. Clematis paniculata, **Sweet Autumn Clematis**
7. Clematis var. Henryi, **Henry's Clematis**
8. Clematis var. Jackmanii, **Jackmanii ClemaHs**
9. Clematis var. Ramona, **Ramona ClemaHs**
10. Gelsemium rankinii, **Swamp Jessamine**
11 . Gelsemium sempervirens, **Carolina Jessamine**
12. Ipomoea quamoclit, **Cypress Vine**
13. Ipomoea sinuate, **Alamo Vine**
14. Lonicera sempervirens, **Coral Honeysuckle**
15. Lonicera sempervirens, **Yellow Honeysuckle**
16. Mascagnia macroptera, **Butterfly Vine**
17. Mazus Reptans, **Mazus Reptans**
18. Parthenocissus quinquefolia, **Virginia Creeper**
19. Passiflora caerulea var. Blue Crown, **Blue Crown Passion Vine**
20. Passiflora incarnate cinnicata var. Incense, **Incense Passion Vine**
21. Phyla nodiflora, **Texas Frogfruit**
22. Sedum spp., **Sedum**
23. Vinca Major, **Vinca Major**
24. Vinca Minor, **Vinca Minor**
25. Wisteria frutescsens, **Texas Wisteria**

Attachment 5
Conceptual Open Space and Trail Plan

Attachment 6
Conceptual Street Tree Diagram

Exhibit E
Special Regulations

1. The City agrees to approve final occupancy of completed residential structures as soon as sufficient fire service is in place and fire access has been established, subject to the developer providing a bond sufficient to secure the cost of completion of any public improvement that has not been completed and accepted at the time of the City's approval of final occupancy.

2. As construction of each phase is completed, representatives of the City shall inspect the water, sewer, drainage, and roadway improvements. If the City finds that such improvements have been completed in accordance with the final plats and specifications approved by the City (or any modifications thereof approved by the City), and in accordance with all other applicable laws, rules, and regulations, the City shall accept the same whereupon ownership of such improvements shall be transferred to the City and be operated and maintained by the City at its sole expense. The requirement for acceptance does not apply to recreational facilities and landscaping improvements that will be maintained by a homeowners association or public improvement district. Installation of franchise utilities shall be a requirement for acceptance, except that the developer may sell up to thirty percent of the lots within a platted phase without the completion of such installation if the developer indemnifies the City for any damage to the accepted improvements that results from the franchise utility provider installing such utilities after acceptance by the City. Installation of landscaping, hardscape, and amenity improvements shall not be a requirement for acceptance of a subdivision.

3. The centerline curve of streets and alleys shall have a minimum radius per the following table:

Classification	**Minimum Centerline Radius (feet)**			
Thoroughfare	*Design Speed, V (MPH)*	*Friction Factor, F*	*Superelevation, e (ft/ft)*	*Radius, R (ft) (Rounded for Design)*
	25	0.23	-0.02	250*****
	30	0.20	-0.02	350
	35	0.18	-0.02	525
	40	0.16	-0.02	775
	45	0.15	-0.02	1100
	50	0.14	-0.02	1400
Collector	300			
Local	300			
Residential	150			
Loop streets and alleys	75			

*****May be reduced to a 200 feet radius at mid-block locations provided that it is shown that the general public safety is not compromised (e.g., stopping sight distance). A curve with a radius less than 250 feet must be a minimum of 300 feet from a street or alley intersection.

4. Per the requirements of the City's Storm Drainage Design Manual, any upstream, off-site drainage flow contribution to the Property will be required to detain to pre-development flow, unless it is an existing facility designed under an alternative basis. In addition to the predevelopment flow, an allowance of ten percent will be added in analyzing any required on-

site detention systems as an added factor of safety. Any off-site flow contribution will not be required to be detained on the Property and may be released as a "pass-through" flow.

5. The following information shown on an approved general development plan is subject to change by the Owner without City approval: the lot layout, the location of different single family product types, the street layout, points of ingress and egress, the location, size, and configuration of an elementary school site (if one is provided within the Property), and the location, size, shapes, and configuration of open space. In addition, City staff may approve revisions to an approved general development plan requested in writing by the Owner if (1) the cumulative effect of all revisions does not change the net acreage within any tract by more than ten percent (based on the tracts as they are shown on the Concept Plan, as amended); and (2) the maximum lot count of 900 single family living units in Areas A, B, and C combined, as identified on the Concept Plan, is not increased. All other revisions to an approved general development plan shall be approved in accordance with the Subdivision Regulations. Nothing in this Section 5 shall be construed to require submittal and approval of a general development plan when one is not required by the Subdivision Regulations.

6. All plat submittals required by the Subdivision Regulations shall be considered to conform to the City's comprehensive plan and development regulations if the submittal complies with this Agreement.

Exhibit F
<u>CR 88 Road Section</u>

Exhibit G
CR 83 Road Section

Exhibit H
Punk Carter Parkway Section

Exhibit I
Off-Site Wastewater Improvements

Exhibit J
Hillwood's Allocable Share of Costs for Off-Site Wastewater Improvements

City Secretary
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Vicki Faulkner, City Secretary
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: Revenue Certificates of Obligation, Series 2015

Action Requested:

Consider and act upon an ordinance amending and restating provisions of the Ordinance authorizing the issuance of "City of Celina, Texas, Tax and Waterworks and Sewer System (Limited Pledge) Revenue Certificates of Obligation, Series 2015"; specifying the tems and features of said certificates; providing for the payment of said certificates of obligation by the levy of an ad valorem tax upon all taxable property within the City and a limited pledge of the net revenues derived from the operation of the City's combined waterworks and sewer system; providing the terms and conditions of such certificates of obligation and resolving other matters incident and relating to the issuance, payment, security, sale and delivery of said certificates of obligation, including the approval and execution of Paying Agent/Registrar Agreement and an Addendum to Purchase Agreement and the ratification of the execution of a Bond Purchase Agreement and the distribution of a preliminary Official Statement and an Official Statement pertaining to such certificates; and providing an effective date. (Toutounchian)

Background Information:

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:

Staff Recommendation:

na

Planning and Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Brooks Wilson, Senior Planner
CC:	Mike Foreman, City Manager
Date:	November 10, 2015
Re:	Sutton Fields II Finance Plan

Action Requested:

Consider and act upon an ordinance approving the Reinvestment Zone Number Four, City of Celina, Texas, Final Project and Finance Plan for Sutton Fields II. (Liebman)

Please see attached Memo

Staff Recommendation:

Staff recommends approval.

Planning & Development Services
City of Celina

Memorandum

To: **The Honorable Mayor Sean Terry and Celina City Council**
CC: Mike Foreman, City Manager
From: Brooks Wilson, AICP, Senior Planner
Date: November 10, 2015
Re: Sutton Fields TIRZ Final Project and Financing Plan Ordinance

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Action Requested:
Consider and act upon an ordinance approving the Reinvestment Zone Number Four, City of Celina, Texas, Final Project and Finance Plan for Sutton Fields II. (Liebman)

Background Information:
At the October 27, 2015 Special Called Meeting, the City Council passed an ordinance creating the Sutton Fields II TIRZ, also known as City of Celina TIRZ Number Four. This item presents the costs of projects associated with the development of Sutton Fields II and the Final Financing Plan proposed for the TIRZ.

Legal Obligations and Review:
The TIRZ Number Four Final Project and Financing Plan have been reviewed by the city's land use attorney and bond counsel.

Supporting Documents:
- Ordinance adopting the Sutton Fields II TIRZ Project and Financing Plan

Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Brooks Wilson, Senior Planner
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: NIA #1 Sutton Fields II PID Bond

Action Requested:

Consider and act upon an ordinance of the City Council of the City of Celina approving and authorizing the issuance and sale of the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project); and approving and authorizing related agreements. (Liebman)

At the time of packet preparation this item was still under review.

Staff Recommendation:

At the time of packet preparation this item was still under review

ORDINANCE NO. 2015-__

AN ORDINANCE APPROVING AND AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF CELINA, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015 (SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECT); AND APPROVING AND AUTHORIZING RELATED AGREEMENTS.

WHEREAS, the City of Celina, Texas (the "City"), pursuant to and in accordance with the terms, provisions and requirements of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (the "PID Act"), has previously established the “Sutton Fields II Public Improvement District” (the "District"), pursuant to Resolution No. 2015-51R adopted by the City Council of the City (the "City Council") on October 13, 2015; and

WHEREAS, pursuant to the PID Act, the City Council published notice of and held a public hearing on November 5, 2015, regarding the levy of special assessments against benefitted property located in Neighborhood Improvement Area #1 of the District, and, after opening such public hearing then recessed the public hearing to November 10, 2015; and

WHEREAS, after reconvening the public hearing regarding the levy of special assessments against benefitted property located in Neighborhood Improvement Area #1 of the District at the November 10, 2015 meeting of the City Council, and after hearing testimony at such public hearing, the City Council closed the public hearing and adopted Ordinance No. 2015-__ (the “Neighborhood Improvement Area #1 Assessment Ordinance”) on November 10, 2015; and

WHEREAS, in the Neighborhood Improvement Area #1 Assessment Ordinance, the City Council approved and accepted Sutton Fields II Public Improvement District Service and Assessment Plan, dated November 10, 2015 (the “Service and Assessment Plan”) relating to the District and levied the “Neighborhood Improvement Area #1 Assessments” (as defined in the Neighborhood Improvement Area #1 Assessment Ordinance, the “Neighborhood Improvement Area #1 Assessments”) against the “Neighborhood Improvement Area #1 Assessment Roll” (as defined and described in the Service and Assessment Plan, the “Assessment Roll”). Capitalized terms used in this Ordinance and not otherwise defined herein shall have the meanings assigned to them in the Service and Assessment Plan; and

WHEREAS, the City is authorized by the PID Act to issue its revenue bonds payable from the Neighborhood Improvement Area #1 Assessments and other revenues received for the purposes of (i) paying a portion of the Costs of the Neighborhood Improvement Area #1 Projects, as defined in the Indenture (defined herein), (ii) paying a portion of the interest on the Bonds (defined herein) during and after the period of acquisition and construction of the Neighborhood Improvement Area #1 Projects, (iii) funding a reserve fund for payment of principal 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 issuing the Bonds; and

WHEREAS, the City Council hereby finds and determines that it is in the best interests of the City to issue its bonds to be designated “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project)” (the “Bonds”), such series to be payable from and secured by the Pledged Revenues, as defined in the Indenture (defined herein); and

WHEREAS, the City Council hereby finds and determines to (i) approve the issuance of the Bonds to finance a portion of the costs of the Neighborhood Improvement Area #1 Projects (as defined in the Indenture), (ii) approve the form, terms and provisions of an indenture of trust securing the Bonds authorized hereby, (iii) approve the form, terms and provisions of a Bond Purchase Agreement (defined below) between the City and the purchaser of the Bonds, (iv) approve an Official Statement (defined below), (v) approve the form, terms and provisions of a Continuing Disclosure Agreement (defined below) and (vi) approve the form, terms and provisions of a Construction Funding Agreement (defined below).

WHEREAS, the meeting at which this Ordinance is considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code; now, therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS:

SECTION 1. Approval of Issuance of Bonds and Indenture of Trust.

(a) The issuance of the Bonds in the principal amount of $_____________ for the purpose of providing funds for (i) paying a portion of the Costs of the Neighborhood Improvement Area #1 Projects, as defined in the Indenture (defined herein), (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Neighborhood Improvement Area #1 Projects, (iii) funding a reserve fund for payment of principal 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 issuing the Bonds, is hereby authorized and approved.

(b) The Bonds shall be issued and secured under that certain Indenture of Trust (the "Indenture") dated as of December 1, 2015, between the City and U.S. Bank National Association, as trustee (the "Trustee"), with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the City Manager and the City's land use attorney, such approval to be evidenced by the execution and delivery of the Indenture by the Mayor Pro Tem of the City, which Indenture is hereby approved in substantially the form attached hereto as **Exhibit A** which is incorporated herein as a part hereof for all purposes. The Mayor Pro Tem of the City is hereby authorized and directed to execute the Indenture and the City Secretary is hereby authorized and directed to attest such signature of the Mayor Pro Tem.

(c) The Bonds shall be dated, shall mature on the date or dates and in the principal amounts, shall bear interest, shall be subject to redemption and shall have such other terms and provisions as set forth in the Indenture. The Bonds shall be in substantially the form set forth in the Indenture with such insertions, omissions and modifications as may be required to conform the form of bond to the actual terms of the Bonds. The Bonds shall be payable from and secured by the Pledged Revenues (as defined in the Indenture) and other assets of the "Trust Estate" (as defined in the Indenture) pledged to such series, and shall never be payable from ad valorem taxes.

SECTION 2. Sale of Bonds; Approval of Bond Purchase Agreement. The Bonds shall be sold to Jefferies LLC (the "Underwriter") under that certain Bond Purchase Agreement and Developer [and Minority Landowner] Representations (the "Bond Purchase Agreement"), dated the date hereof, among the City, CADG Sutton Fields, LLC, a Texas limited liability company (the "Developer"), CADG Sutton Fields II, LLC, a Texas limited liability company and the Underwriter, substantially in the form attached hereto as **Exhibit B** which is incorporated herein as a part hereof for all purposes, which terms of sale are declared to be in the best interests of the City at the price and on the terms and provisions set forth in the Bond Purchase Agreement. The form, terms and provisions of the Bond Purchase Agreement are hereby authorized and approved with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the City Manager and the City's land use attorney, such approval to be evidenced by the execution and delivery of the Bond Purchase Agreement by the Mayor Pro Tem of the City. The Mayor Pro Tem of the City is hereby authorized and directed to execute and deliver the Bond Purchase Agreement.

SECTION 3. **Official Statement**. The form and substance of the Preliminary Official Statement for the Bonds and any addenda, supplement or amendment thereto and the final Official Statement (the "Official Statement") presented to and considered at the meeting at which this Ordinance is considered are hereby in all respects approved and adopted. The Mayor Pro Tem is hereby authorized and directed to execute such Official Statement with such changes and alterations therein as the Mayor Pro Tem may approve, such approval to be conclusively evidenced by such execution thereof. The Official Statement as thus approved, executed and delivered, with such appropriate variations as shall be approved by the Mayor Pro Tem of the City and the Underwriter, may be used by the Underwriter in the offering and sale of the Bonds. The City Secretary is hereby authorized and directed to include and maintain a copy of the Preliminary Official Statement and Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Official Statement in the offering of the Bonds is hereby ratified, approved and confirmed. Notwithstanding the execution, approval and delivery of such Preliminary Official Statement and Official Statement by the Mayor Pro Tem and this City Council are not responsible for and proclaim no specific knowledge of the information contained in the Preliminary Official Statement and Official Statement pertaining to the Development (as defined in the Official Statement), the Developer (as defined therein) or its financial ability, any builders, any landowners, or the appraisal of the property in the District.

SECTION 4. **Continuing Disclosure Agreement**. That certain Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") between the City and FSC Continuing Disclosure Services, a division of First Southwest Company, LLC (the "Dissemination Agent") is hereby authorized and approved in substantially the form attached hereto as **Exhibit C** which is incorporated herein as a part hereof for all purposes and the City Manager and the Director of Finance of the City is each hereby authorized and directed to execute and deliver such Continuing Disclosure Agreement with such changes as may be required to carry out the purpose of this Ordinance and as approved by the City Manager or the Director of Finance, such approval to be evidenced by the execution thereof.

SECTION 5. **Approval of Construction Funding Agreement**. That certain Neighborhood Improvement Area #1 Construction, Funding and Acquisition Agreement (the "Construction Funding Agreement"), between the City and the Developer is hereby authorized and approved in substantially the form attached hereto as **Exhibit D** which is incorporated herein as a part hereof for all purposes and the Mayor Pro Tem of the City is hereby authorized and directed to execute and deliver such Construction Funding Agreement with such changes as may be required to carry out the purposes of this Ordinance and approved by the Mayor Pro Tem, such approval to be evidenced by the execution thereof. The Mayor Pro Tem's signature on the Construction Funding Agreement may be attested by the City Secretary.

SECTION 6. **Additional Actions**. The Mayor Pro Tem, the City Manager, the Director of Finance, and the City Secretary are hereby authorized and directed to take any and all actions on behalf of the City necessary or desirable to carry out the intent and purposes of this Ordinance and to issue the Bonds in accordance with the terms of this Ordinance. The Mayor Pro Tem, the City Manager, the Director of Finance, and the City Secretary are hereby authorized and directed to execute and deliver any and all certificates, agreements, notices, instruction letters, requisitions, and other documents which may be necessary or advisable in connection with the sale, issuance and delivery of the Bonds and the carrying out of the purposes and intent of this Ordinance.

SECTION 7. **Governing Law**. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 8. **Effect of Headings**. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 9. **Severability**. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance or the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 10. **Construction of Terms**. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 11. **Incorporation of Findings and Determinations**. The findings and determinations of the City Council contained in the preamble of this Ordinance are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

SECTION 12. **Effective Date**. This Ordinance shall take effect and be in force immediately from and after its adoption on the date shown below in accordance with Texas Government Code, Section 1201.028, as amended.

PASSED AND ADOPTED, this November 10, 2015.

CITY OF CELINA, TEXAS

____
Chad Anderson, Mayor Pro Tem

ATTEST:

____
City Secretary

(City Seal)

EXHIBIT A

INDENTURE OF TRUST

INDENTURE OF TRUST

By and Between

CITY OF CELINA, TEXAS

and

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

DATED AS OF DECEMBER 1, 2015

SECURING

$________
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015
(SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT
NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECT)

TABLE OF CONTENTS

Page

TABLE OF CONTENTS

Page

TABLE OF CONTENTS

INDENTURE OF TRUST

THIS INDENTURE, dated as of December 1, 2015 is by and between the CITY OF CELINA, TEXAS (the "City"), and U.S. BANK NATIONAL ASSOCIATION, as trustee (together with its successors, the "Trustee"). Capitalized terms used in the preambles, recitals and granting clauses and not otherwise defined shall have the meanings assigned thereto in Article I.

WHEREAS, a petition was submitted by the Petitioner (defined herein) and filed with the City Secretary of the City (the "City Secretary") pursuant to the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "PID Act"), requesting the creation of a public improvement district located in the City and in the extraterritorial jurisdiction of the City to be known as the Sutton Fields II Public Improvement District (the "District"); and

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

WHEREAS, on October 13, 2015, after due notice, the City Council of the City (the "City Council") held the public hearing in the manner required by law on the advisability of the improvement projects and services described in the petition as required by Sec. 372.009 of the PID Act and on October 13, 2015, the City Council made the findings required by Sec. 372.009(b) of the PID Act and, by Resolution No. 2015-51R, adopted by a majority of the members of the City Council, authorized the District in accordance with its finding as to the advisability of the improvement projects and services; and

WHEREAS, on October 15, 2015, the City published notice of its authorization of the District in the *Dallas Morning News*, a newspaper of general circulation in the City and the extraterritorial jurisdiction of the City; and

WHEREAS, no written protests of the District from any owners of record of property within the District were filed with the City Secretary within 20 days after October 15, 2015; and

WHEREAS, on October 20, 2015, the City Council by Resolution 2015-54R made findings and determinations relating to the Costs of certain Authorized Improvements and directed City staff to (i) prepare a proposed assessment roll as required by Section 372.016(a) of the PID Act, (ii) file said proposed assessment roll with the City Secretary and to make it available for public inspection as required by Section 372.016(b), (iii) publish such notice as required by Section 372.016(b) of the PID Act, and (iv) prepare a service and assessment plan in accordance with Sections 372.13 and 372.14 of the PID Act; and

WHEREAS, the City Council, pursuant to Section 372.016(b) of the PID Act, published notice of a public hearing in a newspaper of general circulation in the City and in the extraterritorial jurisdiction of the City to consider the proposed "Assessment Roll" and the "Service and Assessment Plan" and the levy of the "Assessments" on property in the District; and

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

WHEREAS, the City Council convened the hearing on November 5, 2015, and at such public hearing all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the proposed Assessment Roll and the Assessments, and to offer testimony pertinent to any issue presented on the amount of the Assessment, the allocation of Costs, the purposes of the Assessment, the special benefits of the Assessment, and the penalties and interest on annual installments and on delinquent annual installments of the Assessment, and then the City Council recessed such public hearing until November 10, 2015; and

WHEREAS, on November 10, 2015, the City Council reconvened the public hearing first opened on November 10, 2015 as referenced above, and all persons who appeared, or requested to appear, in person or by their attorney, were also given the opportunity to contend for or contest the proposed Assessment Roll and the Assessments, and to offer testimony pertinent to any issue presented on the amount of the Assessment, the allocation of Costs, the purposes of the Assessment, the special benefits of the Assessment, and the penalties and interest on annual installments and on delinquent annual installments of the Assessment, and there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of Costs, the Assessment Roll, and the levy of the Assessments; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, and

WHEREAS, on November 10, 2015, the City approved and accepted the Service and Assessment Plan in conformity with the requirements of the PID Act and adopted the Assessment Ordinance and therein levied the Assessments; and

WHEREAS, the City Council hereby finds and determines that the Assessment Roll and the Service and Assessment Plan should be approved and that the Assessments should be levied as provided in the Service and Assessment Plan and the Assessment Roll; and

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

WHEREAS, the City Council now desires to issue revenue bonds, in accordance with the PID Act, such bonds to be entitled "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project)" (the "Bonds"), such Bonds being payable solely from the Assessment Revenue and other funds pledged under this Indenture to the payment of the Bonds and for the purposes set forth in the preamble of this Indenture; and

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

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

FIRST GRANTING CLAUSE

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

SECOND GRANTING CLAUSE

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

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

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

PROVIDED, HOWEVER, that if and to the extent Assessments have been prepaid, the lien on real property associated with such Assessment prepayment shall be released from the Trust Estate and shall no longer constitute a part of the Trust Estate;

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

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

ARTICLE I

DEFINITIONS, FINDINGS AND INTERPRETATION

Section 1.1. Definitions.

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

"Account" means any of the accounts established pursuant to Section 6.1 of this Indenture.

"Additional Bonds" means the additional parity bonds authorized to be issued in accordance with the terms and conditions prescribed in Section 13.2(c) and 13.2(d) of this Indenture.

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

"Administrator" means an employee or designee of the City who shall have the responsibilities provided in the Service and Assessment Plan, this Indenture, or any other agreement or document approved by the City related to the duties and responsibilities of the administration of the District.

"Annual Collection Costs" mean the following actual or budgeted costs, as applicable, related to the annual collection costs of outstanding Assessments paid in installments, including the costs or anticipated costs of: (i) issuing, refunding or refinancing bonds, (ii) computing, levying, collecting and transmitting the Assessments (whether by the City, the Administrator or otherwise), (iii) remitting the Assessments to the Trustee, (iv) the City, the Administrator and Trustee (including legal counsel) in the discharge of their duties, (v) complying with arbitrage rebate requirements, (vi) complying with securities disclosure requirements, and (vii) the City in any way related to the collection of the Assessments in installments, including, without limitation, the administration of the District, maintaining the record of installments, payments and reallocations and/or cancellations of Assessments, and the repayment of the Bonds, including, without limitation, any associated legal expenses, the reasonable costs of other consultants and advisors and contingencies and reserves for such costs as deemed appropriate by the City Council. Assessments collected to pay Annual Collection Costs that are collected and not expended for actual Annual Collection Costs shall be carried forward and applied to reduce Annual Collection Costs in subsequent years to avoid the over-collection of Annual Collection Costs.

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

"Annual Installment" means, with respect to each Assessed Parcel, each annual payment of the Assessments as shown on the Assessment Roll attached to the Service and Assessment Plan as Appendix G and related to the Bonds and the Neighborhood Improvement Area #1 Projects; which annual payment includes the 0.20% additional interest rate collected on each annual payment of the Assessments for the prepayment reserve and the 0.30% additional interest rate collected on each annual payment of the Assessments for the delinquency reserve as described in Section 6.7 herein and as defined and calculated in the Service and Assessment Plan or in any Annual Service Plan Update.

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

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

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

“Assessment Ordinance” means Ordinance No. 2015-__ adopted by the City Council on November 10, 2015, that levied the Assessments on the Assessed Parcels.

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

“Assessment Roll” means the Assessment Roll attached as Appendix G to the Service and Assessment Plan or any other Assessment Roll in an amendment or supplement to the Service and Assessment Plan or in an Annual Service Plan Update, showing the total amount of the Assessment against each Assessed Parcel related to the Neighborhood Improvement Area #1 Projects, as updated, modified, or amended from time to time in accordance with the terms of the Service and Assessment Plan and the PID Act.

“Assessments” means the aggregate assessments shown on the Assessment Roll. The singular of such term means the assessment levied against an Assessed Parcel as shown on the Assessment Roll, subject to reallocation upon the subdivision of an Assessed Parcel or reduction according to the provisions of the Service and Assessment Plan and the PID Act.

“Authorized Denomination” means $25,000 and any integral multiple of $5,000 in excess thereof.

"Authorized Improvements" means those public improvements described in Section III of the Service and Assessment Plan and Section 372.003 of the PID Act, constructed and installed in accordance with the Service and Assessment Plan or an Annual Service Plan Update for the benefit of the Assessed Parcels.

“Bond” means any of the Bonds.

“Bond Counsel” means Norton Rose Fulbright US LLP or any other attorney or firm of attorneys designated by the City that are nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

“Bond Date” means the date designated as the initial date of the Bonds by Section 3.2(a) of this Indenture.

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

“Bond Ordinance” means Ordinance No. 2015-__ adopted by the City Council on November 10, 2015 authorizing the issuance of the Bonds pursuant to this Indenture.

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

“Bond Year” means the one-year period beginning on September 1 in each year and ending on August 31 the following year.

"Bonds” means the City's bonds authorized to be issued by Section 3.1(a) of this Indenture entitled “City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project)”.

“Bonds Similarly Secured” means, collectively, any Outstanding Bonds or Additional Bonds.

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

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

“Certification for Payment” means a certificate executed by an engineer, construction manager or other person or entity acceptable to the City, as evidenced by the signature of a City Representative, specifying the amount of work performed and the cost thereof, presented to the Trustee to request funding for Costs from money on deposit in the Project Fund.

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

“City Order” means written instructions by the City, executed by a City Representative.

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

“Closing Date” means the date of the initial delivery of and payment for the Bonds.

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

“Construction Funding Agreement” means the "Neighborhood Improvement Area #1 Construction, Funding and Acquisition Agreement" between the City and the Developer relating to the Bonds, dated as of November 10, 2015, which provides for the appointment, levying and collection of Assessments, the construction of the Neighborhood Improvement Area #1 Projects, the maintenance of the Neighborhood Improvement Area #1 Projects, the issuance of bonds and other matters related thereto.

“Costs” means the costs of the Authorized Improvements, including the Neighborhood Improvement Area #1 Projects.

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

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

"Delinquency Reserve Account" means the Account established pursuant to Section 6.1.

"Delinquency Reserve Requirement" means an amount equal to 4% of the principal amount of the Outstanding Bonds which will be funded from revenues received from the payment of Assessments deposited to the Pledged Revenue Fund.

"Delinquent Collection Costs" means the costs related to the foreclosure on an Assessed Parcel and the costs of collection of a delinquent Assessment, including penalties and reasonable attorney's fees actually paid, but excluding amounts representing interest and penalty interest.

"Developer" means CADG Sutton Fields, LLC, a Texas limited liability corporation (including its successors and assigns).

"Development Agreement" means the "Facilities and Development Agreement" between the City and the Developer dated as of ___________, 2015 which provides for the development of property within the District, the creation of the District, the construction and financing of the Authorized Improvements and other matters related thereto.

"Designated Payment/Transfer Office" means (i) with respect to the initial Paying Agent/Registrar named in this Indenture, the transfer/payment office located in St. Paul, Minnesota, or such other location designated by the Paying Agent/Registrar and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

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

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

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

"Foreclosure Proceeds" means the proceeds, including interest and penalty interest, received by the City from the enforcement of the Assessments against any Assessed Parcel or Assessed Parcels, whether by foreclosure of lien or otherwise, but excluding and net of all Delinquent Collection Costs.

"Fund" means any of the funds established pursuant to Section 6.1 of this Indenture.

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

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

"Initial Bonds" means the Initial Bonds as set forth in Exhibit A to this Indenture.

"Interest Payment Date" means the date or dates upon which interest on the Bonds is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being on March 1 and September 1 of each year, commencing March 1, 2016.

"Investment Securities" means those authorized investments described in the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended; and provided further 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.

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

"Major Improvement Projects" means the Authorized Improvements which will benefit all of the property within the District and are more particularly described in Section III.A and III.B of the Service and Assessment Plan.

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

"Neighborhood Improvement Area #1" means the initial phase to be developed within the District and further identified and described in the Service and Assessment Plan.

"Neighborhood Improvement Area #1 Improvement Account" means the Account of such name established pursuant to Section 6.1.

"Neighborhood Improvement Area #1 Major Improvement Account" means the Account of such name established pursuant to Section 6.1.

"Neighborhood Improvement Area #1 Projects" means the Authorized Improvements which will benefit Assessed Parcels more particularly described in Section III.A of the Service and Assessment Plan which include a proportional share of costs for the Major Improvement Projects allocable to Neighborhood Improvement Area #1.

"Neighborhood Improvement Area #1 Local Projects" means a proportional amount of the Neighborhood Improvement Area #1 Projects <u>excluding</u> the proportional share of costs for the Major Improvement Projects allocable to Neighborhood Improvement Area #1, in an amount not to exceed $4,875,000.

"Neighborhood Improvement Area #1 Reimbursement Agreement" means the "Neighborhood Improvement Area #1 Reimbursement Agreement" between the City and the Developer dated as of November 10, 2015 which provides for the reimbursement of costs to the Developer from the Reimbursement Fund for funds withdrawn from the Developer Improvement Account of the Project Fund and used to pay costs of Neighborhood Improvement Area #1 Projects.

"Neighborhood Improvement Areas #2-5" means the phases to be developed within the District subsequent to Neighborhood Improvement Area #1 and further identified and depicted in Section II.C of the Service and Assessment Plan or in any Annual Service Plan Update.

"Neighborhood Improvement Areas #2-5 Assessed Parcel" means each respective parcel of land located within Neighborhood Improvement Areas #2-5 of the District against which an Assessment is levied in accordance with the assessment roll relating to Neighborhood Improvement Areas #2-5 attached as Appendix B to the Service and Assessment Plan.

"Neighborhood Improvement Areas #2-5 Major Improvement Bond Indenture" means the Indenture of Trust dated as of December 1, 2015 between the City and U.S. Bank National Association, securing the City's bonds entitled "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project)".

"Neighborhood Improvement Areas #2-5 Major Improvement Bonds Project Fund" means the project fund established under Section 6.1 of the Neighborhood Improvement Areas #2-5 Major Improvement Bond Indenture for payment of the Costs of Major Improvement Projects allocable to Neighborhood Improvement Areas #2-5.

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

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

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

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

"Petitioner" means the Developer, the owner of all real property within the District.

"PID Act" means Texas Local Government Code, Chapter 372, Improvement Districts in Municipalities and Counties, Subchapter A, Public Improvement Districts, as amended.

"Pledged Funds" means the Pledged Revenue Fund (excluding moneys in the Developer Reimbursement Pledged Revenue Account), the Bond Fund, the Project Fund (but excluding the Developer Improvement Account), the Reserve Fund, and the Redemption Fund.

"Pledged Revenue Fund" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.3 herein.

"Pledged Revenues" means the sum of (i) Assessment Revenue less (a) the Annual Collection Costs and (b) Foreclosure Proceeds; (ii) the moneys held in any of the Pledged Funds; and (iii) any additional revenues that the City may pledge to the payment of Bonds Similarly Secured.

"Prepayment" means the payment of all or a portion of an Assessment before the due date thereof.

"Prepayment Reserve Account" means the Account of such name established pursuant to Section 6.1.

"Prepayment Reserve Requirement" means an amount equal to 1.5% of the principal amount of the Outstanding Bonds Similarly Secured which will be funded from revenues received from the payment of Assessments deposited to the Pledged Revenue Fund.

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

"Project Fund" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.5 herein.

"Purchaser" means the initial purchaser of the Bonds.

"Rebate Amount" has the meaning set forth in section 1.148-1(b) of the Regulations.

"Rebate Fund" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.8 herein.

"Record Date" means the close of business on the fifteenth calendar day (whether or not a Business Day) of the month next preceding an Interest Payment Date.

"Redemption Fund" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.6 herein.

"Redemption Prices" means, when used with respect to any Bond or portion thereof, the redemption prices shown in Section 4.3 of this Indenture.

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

"Reimbursement Fund" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.12 herein.

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

"Reserve Account Requirement" means the least of: (i) Maximum Annual Debt Service on the Bonds Similarly Secured as of the date of issuance, (ii) 125% of average Annual Debt Service on the Bonds Similarly Secured as of the date of issuance, or (iii) 10% of the proceeds of the Bonds Similarly Secured; provided, however, that such amount shall be reduced by the amount of any transfers made pursuant to subsections (c) and (d) of Section 6.7; and provided further that as a result of an optional redemption pursuant to Section 4.3, the Reserve Account

Requirement shall be reduced by a percentage equal to the pro rata principal amount of Bonds Similarly Secured redeemed by such optional redemption divided by the total principal amount of the Outstanding Bonds Similarly Secured prior to such redemption. As of the date of delivery of the Bonds, the Reserve Account Requirement is $____________, which is an amount equal to [Maximum Annual Debt Service on the Bonds Similarly Secured as of the date of issuance].

"Reserve Fund" means that fund established pursuant to Section 6.1 and administered in Section 6.7 herein.

"Service and Assessment Plan" means the document, including the Assessment Roll, as amended, which is attached as Exhibit A to the Assessment Ordinance.

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

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

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

"Tax Certificate" means the Certificate as to Tax Exemption delivered by the City on the Closing Date for the Bonds setting forth the facts, estimates and circumstances in existence on the Closing Date which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the interest on such Bonds to be included in the gross income of the Owners thereof for Federal income tax purposes.

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

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

Section 1.2. Findings.

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

Section 1.3. Table of Contents, Titles and Headings.

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

Section 1.4. Interpretation.

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

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

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

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

ARTICLE II

THE BONDS

Section 2.1. Security for the Bonds.

The Bonds, as to both principal and interest, are and shall be equally and ratably secured by and payable from a first lien on and pledge of the Trust Estate.

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

Section 2.2. Limited Obligations.

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

Section 2.3. Authorization for Indenture.

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

Section 2.4. Contract with Owners and Trustee.

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

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

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.1. Authorization.

The Bonds are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, including particularly the PID Act, as amended. The Bonds shall be issued in the aggregate principal amount of $________ for the purpose of (i) paying a portion of the Costs of the Neighborhood Improvement Area #1 Projects, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Neighborhood Improvement Area #1 Projects, (iii) funding a reserve fund for payment of principal 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.

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

(a) The Bonds shall be dated December 1, 2015 (the "Bond Date") and shall be issued in Authorized Denominations. The Bonds shall be in fully registered form, without coupons, and shall be numbered separately from R-1 upward, except the Initial Bond, which shall be numbered T-1.

(b) Interest shall accrue and be paid on each Bond from the later of the date of initial delivery of the Bonds or the most recent Interest Payment Date to which interest has been paid or provided for, at the rate per annum set forth below until the principal thereof has been paid on the maturity date specified below or otherwise provided for. Such interest shall be payable semiannually on March 1 and September 1 of each year, commencing March 1, 2016 computed on the basis of a 360-day year of twelve 30-day months.

(c) The Bonds shall mature on September 1 in the years and in the principal amounts and shall bear interest as set forth below:

Year	Principal Amount	Interest Rate
****	**********	******

Year	Principal Amount	Interest Rate
20__		
****	*********	******
20__		
****	*********	******
20__		

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

Section 3.3. Conditions Precedent to Delivery of Bonds.

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

(a) a copy of the executed Assessment Ordinance;

(b) a copy of the executed Bond Ordinance;

(c) a copy of the executed Neighborhood Improvement Areas #2-5 Major Improvement Bond Indenture;

(d) a copy of the executed Development Agreement;

(e) a copy of the executed Construction Funding Agreement;

(f) a copy of the executed Neighborhood Improvement Area #1 Reimbursement Agreement; and

(g) a copy of this Indenture executed by the Trustee and the City; and

(h) a City Certificate directing the authentication and delivery of the Bonds, describing the Bonds to be authenticated and delivered, designating the purchasers to whom the Bonds are to be delivered, stating the purchase price of the Bonds and stating that all items required by this Section are therewith delivered to the Trustee in form and substance satisfactory to the City.

Section 3.4. Medium, Method and Place of Payment.

(a) Principal of and interest on the Bonds shall be paid in lawful money of the United States of America, as provided in this Section.

(b) Interest on the Bonds shall be payable to the Owners thereof as shown in the Register at the close of business on the relevant Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) Business Days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Bond appearing on the books of the Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

(c) Interest on the Bonds shall be paid by check, dated as of the Interest Payment Date, and sent, first class United States mail, postage prepaid, by the Paying Agent/Registrar to each Owner at the address of each as such appears in the Register or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the Owner; provided, however, the Owner shall bear all risk and expense of such other banking arrangement.

(d) The principal of each Bond shall be paid to the Owner of such Bond on the due date thereof, whether at the maturity date or the date of prior redemption thereof, upon presentation and surrender of such Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar.

(e) If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day that is not a Saturday, Sunday, legal holiday, or day on which banking institutions are required or authorized to close, and payment on such date shall for all purposes be deemed to have been made on the due date thereof as specified in Section 3.2 of this Indenture.

(f) Unclaimed payments of amounts due hereunder shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Bonds to which such unclaimed payments pertain. Subject to any escheat, abandoned property, or similar law of the State of Texas, any such payments remaining unclaimed by the Owners entitled thereto for two (2) years after the applicable payment or redemption date shall be applied to the next payment or payments on such Bonds thereafter coming due and, to the extent any such money remains after the retirement of all Outstanding Bonds, shall be paid to the City to be used for any lawful purpose. Thereafter, none of the City, the Paying Agent/Registrar, or any other Person shall be liable or responsible to any holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to any applicable escheat law or similar law of the State of Texas, including the provisions of Title 6 of the Texas Property Code, as amended.

Section 3.5. Execution and Registration of Bonds.

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

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

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Indenture unless and until there appears thereon the Certificate of Trustee substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Trustee. It shall not be required that the same officer or authorized signatory of the Trustee sign the Certificate of Trustee on all of the Bonds. In lieu of the executed Certificate of Trustee described above, the Initial Bond delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller of Public Accounts of the State of Texas, or by her duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General of the State of Texas, is a valid and binding obligation of the City, and has been registered by the Comptroller of Public Accounts of the State of Texas, including the provisions of Title 6 of the Texas Property Code, as amended.

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

Section 3.6. Ownership.

(a) The City, the Trustee the Paying Agent/Registrar and any other Person may treat the Person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment as provided herein (except interest shall be paid to the Person in whose name such Bond is registered on the relevant Record Date) and for all other purposes, whether or not such Bond is overdue, and neither the City nor the Trustee, nor the Paying Agent/Registrar, shall be bound by any notice or knowledge to the contrary.

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

Section 3.7. Registration, Transfer and Exchange.

(a) So long as any Bond remains Outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a Register in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Indenture. The Paying Agent/Registrar represents and warrants that it will file and maintain a copy of the Register with the City, and shall cause the Register to be current with all registration and transfer information as from time to time may be applicable.

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

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

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

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

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

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

Section 3.8. Cancellation.

All Bonds paid or redeemed before scheduled maturity in accordance with this Indenture, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Indenture, shall be cancelled, and proper records shall be made regarding such payment, redemption, exchange, or replacement. The Paying Agent/Registrar shall dispose of cancelled Bonds in accordance with the records retention requirements of the Trustee.

Section 3.9. Temporary Bonds.

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

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

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

Section 3.10. Replacement Bonds.

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

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

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

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

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

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

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

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

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

Section 3.11. Book-Entry Only System.

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

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any Person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other Person, other than an Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other Person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Indenture to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the Person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners as shown in the Register, as provided in this Indenture, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No Person other than an Owner, as shown in the Register, shall receive a Bond certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Indenture. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Indenture with respect to interest checks or drafts being mailed to the registered owner at the close of business on the relevant Record Date, the word "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

Section 3.12. Successor Securities Depository: Transfer Outside Book-Entry-Only System.

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

Section 3.13. Payments to Cede & Co.

Notwithstanding any other provision of this Indenture to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the blanket letter of representations from the City to DTC.

ARTICLE IV

REDEMPTION OF BONDS BEFORE MATURITY

Section 4.1. Limitation on Redemption.

The Bonds shall be subject to redemption before their scheduled maturity only as provided in this Article IV.

Section 4.2. Mandatory Sinking Fund Redemption.

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

Term Bonds Maturing September 1, 20__

Redemption Date	Sinking Fund Installment
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	

Term Bonds Maturing September 1, 20__

Redemption Date	Sinking Fund Installment
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	

Term Bonds Maturing September 1, 20__		Term Bonds Maturing September 1, 20__	
Redemption Date	Sinking Fund Installment	Redemption Date	Sinking Fund Installment
September 1, 20__		September 1, 20__	
September 1, 20__		September 1, 20__	
September 1, 20__		September 1, 20__	
September 1, 20__		September 1, 20__	
September 1, 20__		September 1, 20__	
September 1, 20__		September 1, 20__	

(b) At least forty-five (45) days prior to each sinking fund redemption date, the Trustee shall select 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 redemption date, and shall give notice of such redemption, as provided in Section 4.6.

(c) The principal amount of Bonds of a stated maturity required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced, at the option of the City, by the principal amount of any Bonds of such maturity which, at least 45 days prior to the sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

(d) The principal amount of Bonds required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced on a pro rata basis among Sinking Fund Installments by the principal amount of any Bonds which, at least forty-five (45) days prior to the sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions hereof and not previously credited to a sinking mandatory fund redemption.

Section 4.3. Optional Redemption.

(a) Optional Redemption. The City reserves the right and option to redeem Bonds before their scheduled maturity dates, in whole or in part, on any Interest Payment Date on or after September 1, 20__, such redemption date or dates to be fixed by the City, at the Redemption Prices shown below, plus accrued interest to the date of redemption.

Redemption Date	Redemption Price
On or after September 1, 20__	103%
On or after September 1, 20__	102%
On or after September 1, 20__	101%
On or after September 1, 20__	100%

(b) Optional Redemption Relation to Neighborhood Improvement Area #1 Local Projects. In addition to the optional redemption described in paragraph (a) above, Bonds allocable to the Neighborhood Improvement Area #1 Local Projects, in an amount up to $___________, may be redeemed prior to their scheduled maturity dates, on any Interest Payment Date on or after September 1, 20__, such redemption date or dates to be fixed by the City, at a redemption price equal to 100% of the principal amount of such Bonds.

Section 4.4. Extraordinary Optional Redemption.

The City reserves the right and option to redeem Bonds before their respective scheduled maturity dates, in whole or in part, on the first day of any month, at 100% of the principal amount of such Bonds, or portions thereof, to be redeemed plus accrued interest to the date of redemption from amounts on deposit in the Redemption Fund as a result of Prepayments (including related transfers to the Redemption Fund as provided in Section 6.7(c)), transfers to the Redemption Fund made pursuant to Section 6.3(e), 6.3(f), 6.7(a), 6.7(c), 6.7(e), 6.7(f), or 6.7(j) hereof or as a result of unexpended amounts transferred from the Project Fund as provided in Section 6.5(f).

Section 4.5. Partial Redemption.

(a) If less than all of the Bonds are to be redeemed pursuant to either Sections 4.2, 4.3 or 4.4, Bonds shall be redeemed in minimum principal amounts of $25,000 or any integral of $5,000 in excess thereof by any method selected by the Trustee that results in a random selection. Each Bond shall be treated as representing the number of Bonds that is obtained by dividing the principal amount of such Bond by the smallest Authorized Denomination for such Bond.

(b) A portion of a single Bond of a denomination greater than an Authorized Denomination may be redeemed, but only in a principal amount equal to $25,000 or any integral of $5,000 in excess thereof. The Trustee shall treat each $5,000 portion of such Bond as though it were a single bond for purposes of selection for redemption. No redemption shall result in a Bond in a denomination of less than the Authorized Denomination in effect at that time.

(c) Upon surrender of any Bond for redemption in part, the Trustee in accordance with Section 3.7 of this Indenture, shall authenticate and deliver and exchange the Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, such exchange being without charge.

Section 4.6. Notice of Redemption to Owners.

(a) The Trustee shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond or portion thereof to be redeemed, at the address shown in the Register.

(b) The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, and subject to Section 4.5 hereof, an identification of the Bonds or portions thereof to be redeemed, any conditions to such redemption and that on the redemption date, if all conditions, if any, to such redemption have been satisfied, such Bond shall become due and payable.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

(d) The City has the right to rescind any optional redemption or extraordinary optional redemption described in Section 4.3 or 4.4 by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The Trustee shall mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

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

Section 4.7. Payment Upon Redemption.

(a) The Trustee shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust an amount from the Redemption Fund or otherwise received by the Trustee from the City and shall use such funds solely for the purpose of paying the Redemption Price on the Bonds being redeemed.

(b) Upon presentation and surrender of any Bond called for redemption at the designated corporate trust office of the Trustee on or after the date fixed for redemption, the Trustee shall pay the Redemption Price on such Bond to the date of redemption from the moneys set aside for such purpose.

Section 4.8. Effect of Redemption.

Notice of redemption having been given as provided in Section 4.6 of this Indenture, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption provided that funds for the payment of the Redemption Price of such Bonds to the date fixed for redemption are on deposit with the Trustee; thereafter, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

ARTICLE V

FORM OF THE BONDS

Section 5.1. Form Generally.

(a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Trustee, and the Assignment to appear on each of the Bonds, (i) shall be substantially in the form set forth in Exhibit A to this Indenture with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Indenture, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Bonds, as evidenced by their execution thereof.

(b) Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bonds.

(c) The definitive Bonds shall be typewritten, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof.

(d) The Initial Bond submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

Section 5.2. CUSIP Registration.

The City may secure identification numbers through the CUSIP Service Bureau Division of Standard & Poor's Corporation, New York, New York, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof; and, none of the City, the Trustee, or the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds. The Trustee may include in any redemption notice a statement to the effect that the CUSIP numbers on the Bonds have been assigned by an independent service and are included in such notice solely for the convenience of the Owners of the Bonds and that neither the City nor the Trustee shall be liable for any inaccuracies of such numbers.

Section 5.3. Legal Opinion.

The approving legal opinion of Bond Counsel may be printed on or attached to each Bond over the certification of the City Secretary of the City, which may be executed in facsimile.

ARTICLE VI

FUNDS AND ACCOUNTS

Section 6.1. Establishment of Funds and Accounts.

(a) Creation of Funds. The following Funds are hereby created and established under this Indenture:

(i) Pledged Revenue Fund;

(ii) Bond Fund;

(iii) Project Fund;

(iv) Reserve Fund;

(v) Redemption Fund;

(vi) Rebate Fund;

(vii) Administrative Fund; and

(viii) Reimbursement Fund.

(b) Creation of Accounts.

(i) The following Accounts are hereby created and established under the Bond Fund:

(A) Capitalized Interest Account; and

(B) Principal and Interest Account.

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

(A) Reserve Account;

(B) Prepayment Reserve Account; and

(C) Delinquency Reserve Account.

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

(A) Neighborhood Improvement Area #1 Improvement Account;

(B) Neighborhood Improvement Area #1 Major Improvement Account;

(C) Developer Improvement Account; and

(D) Costs of Issuance Account.

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

(A) Bond Pledged Revenue Account; and

(B) Developer Reimbursement Pledged Revenue Account.

(v) The following Accounts are hereby created and established under the Administrative Fund:

(A) District Administration Account.

(c) Each Fund and Account created within such Fund shall be maintained by the Trustee separate and apart from all other funds and accounts of the City. The Pledged Funds shall constitute trust funds which shall be held in trust by the Trustee as part of the Trust Estate solely for the benefit of the Owners of the Bonds.

(d) Interest earnings and profit on each respective Fund and Account established by this Indenture shall be applied or withdrawn for the purposes of such Fund or Account as specified below.

Section 6.2. Initial Deposits to Funds and Accounts.

(a) The proceeds from the sale of the Bonds shall be paid to the Trustee and deposited or transferred by the Trustee as follows:

(i) to the Capitalized Interest Account of the Bond Fund: $_________;

(ii) to the Reserve Account of the Reserve Fund: $_________;

(iii) to the District Administration Account of the Administrative Fund: $_________;

(iv) to the Costs of Issuance Account of the Project Fund: $_________;

(v) to the Neighborhood Improvement Area #1 Improvement Account of the Project Fund: $_________; and

(vi) to the Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund: $_________.

(b) Funds received from the Developer or other sources on the Closing Date pursuant to the terms of the Neighborhood Improvement Area #1 Reimbursement Agreement in the amount of $____________ shall be deposited to the Developer Improvement Account of the Project Fund.

(c) Funds received from the Developer in the amount of $_________ on the Closing Date shall be deposited by the Trustee as follows:

(i) $_________ to the Neighborhood Improvement Area #1 Improvement Account of the Project Fund; and

(ii) $_________ to the Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund.

Section 6.3. Pledged Revenue Fund.

(a) On or before February 1 of each year while the Bonds are Outstanding and beginning in year 2016, the City shall deposit or cause to be deposited the Pledged Revenues into the Pledged Revenue Fund. Specifically, the City shall deposit or cause to be deposited Assessment Revenues as follows: (i) first, to the Bond Pledged Revenue Account of the Pledged Revenue Fund in an amount sufficient to pay debt service on the Bonds next coming due, (ii) second to the Reserve Account of the Reserve Fund in an amount to cause the amount in the Reserve Account to equal the Reserve Account Requirement, (iii) third, to the Prepayment Reserve Account and the Delinquency Reserve Account, respectively, amounts equal the Delinquency Component and the Prepayment Component described in Section 6.7(a) hereof, (iv) fourth, to the Developer Reimbursement Pledged Revenue Account of the Pledged Revenue Fund to pay and reimburse the Developer for costs of Neighborhood Improvement Area #1 Projects that have been paid from the Developer Improvement Account of the Project Fund (pursuant to the terms of the Neighborhood Improvement Area #1 Reimbursement Agreement), (v) fifth to pay other costs of the Authorized Improvements, and (vi) sixth, to pay other costs permitted by the PID Act. Moneys transferred to the Developer Reimbursement Pledged Revenue Account shall not be a part of the Trust Estate and are not security for the Bonds.

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

(c) Subject to the provisions of the Neighborhood Improvement Area #1 Reimbursement Agreement, from time to time as needed to pay the obligations relating to costs of Neighborhood Improvement Area #1 Projects that are paid with funds withdrawn from the Developer Improvement Account of the Project Fund, the Trustee shall withdraw from the Developer Reimbursement Pledged Revenue Account and transfer to the Reimbursement Fund such amount needed to reimburse the Developer for funds withdrawn from the Developer Improvement Account of the Project Fund used to fund costs of Neighborhood Improvement Area #1 Projects.

(d) If, after the foregoing transfers and any transfer from the Reserve Fund as provided in Section 6.7 herein, there are insufficient funds to make the payments provided in paragraph (b) above, the Trustee shall apply the available funds in the Principal and Interest Account first to the payment of interest, then to the payment of principal (including any Sinking Fund Installments) on the Bonds.

(e) Notwithstanding Section 6.3(a) hereof, the Trustee shall deposit Prepayments to the Pledged Revenue Fund and as soon as practicable after such deposit shall transfer such Prepayments to the Redemption Fund.

(f) Notwithstanding Section 6.3(a) hereof, the Trustee shall deposit Foreclosure Proceeds to the Pledged Revenue Fund and as soon as practicable after such deposit shall transfer Foreclosure Proceeds first to the Reserve Fund to restore any transfers from the Reserve Fund made with respect to the Assessed Parcel or Assessed Parcels to which the Foreclosure Proceeds relate, and second, to the Redemption Fund.

(g) 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 and to fund any obligations due to the Developer with funds deposited to the Reimbursement Fund, the City may direct the Trustee by City Order to apply Assessments for any lawful purposes permitted by the PID Act for which Assessments may be paid.

(h) Any Assessments remaining after satisfying the foregoing payments may be used for any lawful purpose for which Assessments may be used under the PID Act.

Section 6.4. Bond Fund.

(a) On each Interest Payment Date, the Trustee shall withdraw from the Principal and Interest Account and transfer to the Paying Agent/Registrar the principal (including any Sinking Fund Installments) and interest then due and payable on the Bonds, less any amount to be used to pay interest on the Bonds on such Interest Payment Date from the Capitalized Interest Account as provided below.

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

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

Date	**Amount**

March 1, 2016	$_________
September 1, 2016	$_________
March 1, 2017	$_________

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

Section 6.5. Project Fund.

(a) Money on deposit in the Project Fund shall be used for the purposes specified in Section 3.1 hereof.

(b) Any funds received at Closing pursuant to the Construction Funding Agreement shall be applied as provided therein. Such provisions and procedures are herein incorporated by reference and deemed set forth herein in full.

(c) Any funds received at Closing pursuant to the Neighborhood Improvement Area #1 Reimbursement Agreement shall be applied as provided therein. Such provisions and procedures are herein incorporated by reference and deemed set forth herein in full.

(d) Disbursements from the Costs of Issuance Account of the Project Fund shall be made by the Trustee to pay costs of issuance of the Bonds pursuant to one or more City Certificates. Disbursements from all other Accounts of the Project Fund to pay Costs shall be made by the Trustee upon receipt by the Trustee of a properly executed and completed Certification for Payment. The disbursement of funds from the Project Fund pursuant to a Certification for Payment shall be pursuant to and accordance with the disbursement procedures described in the Construction Funding Agreement. Such provisions and procedures related to such disbursement contained in the Construction Funding Agreement, and no other provisions of the Construction Funding Agreement, are herein incorporated by reference and deemed set forth herein in full.

(e) The Neighborhood Improvement Areas #2-5 Major Improvement Bond Indenture has established thereunder the Neighborhood Improvement Areas #2-5 Major Improvement Bonds Project Fund for purposes of paying the Costs of the Major Improvement Projects (defined therein) allocable to Neighborhood Improvement Areas #2-5 pursuant to and as described in the Service and Assessment Plan. Upon receipt of, and pursuant to instructions contained within, a Certification for Payment, the Trustee shall disburse amounts from the Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund to pay costs of the Major Improvement Projects consisting of Neighborhood Improvement Area #1's pro-rata share of those "Major Improvement Projects" in an amount equal to the portion allocable to the Assessed Parcels within Neighborhood Improvement Area #1 as provided in the Service and Assessment Plan with the remainder of the Costs of the Major Improvement Projects (as defined in the Neighborhood Improvement Areas #2-5 Major Improvement Bond Indenture) to be paid from the Neighborhood Improvement Areas #2-5 Major Improvement Bonds Project Fund. Each Certification for Payment shall set forth the amount of the costs of an individual Neighborhood Improvement Area #1 Project or Neighborhood Improvement Areas #2-5 Project, as applicable, to be paid from the Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund and the amount to be paid from the Neighborhood Improvement Areas #2-5 Major Improvement Bonds Project Fund.

(f) If the City Representative determines in his or her sole discretion that amounts then on deposit in the Neighborhood Improvement Area #1 Improvement Account of the Project Fund or the Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund are not expected to be expended for purposes of the Project Fund due to the abandonment, or constructive abandonment, of the Neighborhood Improvement Area #1 Projects or Major Improvement Projects allocable to Neighborhood Improvement Area #1, as the case may be, such that, in the opinion of the City Representative, it is unlikely that the amounts in the Neighborhood Improvement Area #1 Improvement Account of the Project Fund or the Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund 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 Neighborhood Improvement Area #1 Improvement Account of the Project Fund or the Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund that are not expected to be used for purposes of the Project Fund. If such City Certificate is so filed, the amounts on deposit in the Neighborhood Improvement Area #1 Improvement Account of the Project Fund or the Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund shall be transferred to the Redemption Fund to redeem Bonds on the earliest practicable date after notice of redemption has been provided in accordance with the Indenture.

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

(h) Upon the filing of a City Certificate stating that all Neighborhood Improvement Area #1 Projects have been completed and that all Costs of the Neighborhood Improvement Area #1 Projects have been paid, or that any such Costs are not required to be paid from the Neighborhood Improvement Area #1 Improvement Account of the Project Fund or the Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund pursuant to a Certification for Payment, the Trustee (i) shall transfer the amount, if any, remaining within the Project Fund to the Bond Fund, (ii) shall transfer any remaining amount in the Developer Improvement Account of the Project Fund to the Developer and (iii) shall close the Project Fund.

(i) 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 another Account in the Project Fund and used to pay Costs or to the Principal and Interest Account of the Bond Fund and used to pay interest on the Bonds, as directed by the City in a City Certificate filed with the Trustee, and the Costs of Issuance Account shall be closed.

Section 6.6. Redemption Fund.

(a) The Trustee shall cause to be deposited to the Redemption Fund from the Bond Pledged Revenue Account of the Pledged Revenue Fund an amount sufficient to redeem Bonds as provided in Sections 4.3 and 4.4 on the dates specified for redemption as provided in Sections 4.3 and 4.4. Amounts on deposit in the Redemption Fund shall be used and withdrawn by the Trustee to redeem Bonds as provided in Article IV.

Section 6.7. Reserve Fund.

(a) The City agrees with the Owners of the Bonds to accumulate, and when accumulated maintain in the Reserve Account, an amount equal to not less than the Reserve Account Requirement. All amounts deposited in the Reserve Account shall be used and withdrawn by the Trustee for the purpose of making transfers to the Principal and Interest

Account of the Bond Fund as provided in this Indenture. The Trustee will transfer from the Bond Pledged Revenue Account of the Pledged Revenue Fund to the Prepayment Reserve Account on March 1 of each year, commencing March 1, 2016, an amount equal to 0.20% of the interest rate component of the Annual Installments (the "Prepayment Component") in the Prepayment Reserve Account until the Prepayment Reserve Requirement has been accumulated in the Prepayment Reserve Account; provided, however, that at any time the amount on deposit in the Prepayment Reserve Account is less than Prepayment Reserve Requirement, the Trustee shall resume depositing the Prepayment Component into the Prepayment Reserve Account until the Prepayment Reserve Requirement has accumulated in the Prepayment Reserve Account. 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 Prepayment Reserve Account exceed the Prepayment Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess (the "Excess Prepayment Reserve Amount"). The Excess Prepayment Reserve Amount shall be transferred, at the direction of the City pursuant to a City Order, to the Administrative Fund for the payment of Administrative Expenses or to the Delinquency Reserve Account. In the event that the Trustee does not receive a City Order directing the transfer of the Excess Prepayment Reserve Amount to the Administrative Fund within 45 days of providing notice to the City of such Excess Prepayment Reserve Amount, the Trustee shall transfer the Excess Prepayment Reserve Amount to the Delinquency Reserve Account or, in the event that the Delinquency Reserve Account contains the Delinquency Reserve Requirement, to the Redemption Fund redeem Bonds pursuant to Section 4.4 hereof. The Trustee shall also deposit from the Bond Pledged Revenue Account of the Pledged Revenue Fund to the Delinquency Reserve Account on March 1 of each year, commencing March 1, 2016, an amount equal to 0.30% of the interest rate component of the Annual Installments (the "Delinquency Component"). Once the Delinquency Reserve Requirement has been accumulated in the Delinquency Reserve Account, any amounts in excess of the Delinquency Reserve Requirement in the Delinquency Reserve Account shall be transferred by the Trustee to the Redemption Fund to redeem Bonds as provided in Article IV; provided, however, that at any time the amount on deposit in the Delinquency Reserve Account is less than Delinquency Reserve Requirement, the Trustee shall resume depositing such Delinquency Component into the Delinquency Reserve Account until the Delinquency Reserve Requirement has accumulated in the Delinquency Reserve Account.

(b) 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.

(c) Whenever Bonds are to be redeemed with the proceeds of Prepayments pursuant to Section 4.4, a proportionate amount in the Reserve Account of the Reserve Fund shall be transferred on the Business Day prior to the redemption date by the Trustee to the Redemption Fund to be applied to the redemption of the Bonds. The amount so transferred from the Reserve Account of the Reserve Fund shall be equal to a percentage of the amount of the Bonds redeemed with such percentage equal to the lesser of: (i) the amount required to be in the Reserve Account of the Reserve Fund, as a percentage of the Outstanding Bonds prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund, as a percentage of the 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 from the Prepayment Reserve Account to the Redemption Fund to be applied to the redemption of the Bonds.

(d) Whenever, on any Interest Payment Date, or on any other date at the written request of a City Representative, the amount in the Reserve Account exceeds the Reserve Account Requirement, the Trustee shall provide written notice to the City Representative of the amount of the excess. Such excess shall be transferred to the Principal and Interest Account to be used for the payment of interest on the Bonds on the next Interest Payment Date in accordance with Section 6.4 hereof, unless within thirty days of such notice to the City Representative, the Trustee receives a City Order instructing the Trustee to apply such excess: (i) to pay amounts due under Section 6.8 hereof, (ii) to the Administrative Fund in an amount not more than the Annual Collection Costs for the Bonds, or (iii) to the Project Fund if such application and the expenditure of funds is expected to occur within three years of the date hereof.

(e) Whenever, on any Interest Payment Date, or on any other date at the written request of the City Representative, the amount in the Prepayment Reserve Account exceeds the Prepayment Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess. The amount of such excess on deposit in the Prepayment Reserve Account shall then be transferred by the Trustee first to the Delinquency Reserve Account in the event such account contains less than the Delinquency Reserve Requirement, or, if the Delinquency Reserve Account contains the Delinquency Reserve Requirement then to the Redemption Fund to redeem Bonds pursuant to Section 4.4 hereof.

(f) Moneys in the Delinquency Reserve Account up to the Delinquency Reserve Requirement may be used as directed by a City Order for the purposes of payment of Annual Collection Costs in the event that amounts on deposit in the Administrative Fund are insufficient for such purpose. The amounts set forth in such City Order shall be transferred to the Administrative Fund to be used for such purposes. Whenever, on any Interest Payment Date, or on any other date at the written request of the City Representative, the value of cash and Value of Investment Securities on deposit in the Delinquency Reserve Account exceeds the Delinquency Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess (the “Excess Delinquency Reserve Amount”). Such excess on deposit in the Delinquency Reserve Account 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 order to effect the redemption of Bonds pursuant to Section 4.4. In the event that the Trustee does not receive a City Order directing the transfer of the Excess Delinquency Reserve Amount to the Administrative Fund within 45 days of providing notice to the City of such Excess Delinquency Reserve Amount, the Trustee shall transfer the Excess Delinquency Reserve Amount to the Redemption Fund and redeem Bonds pursuant to Section 4.4 hereof.

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

(h) At the final maturity of the Bonds Similarly Secured, the amount on deposit in the Reserve Account, the Prepayment Reserve Account and the Delinquency Reserve Account shall be transferred to the Redemption Fund and applied to the payment of the principal of the Bonds Similarly Secured.

(i) If, after a Reserve Account withdrawal, the amount on deposit in the Reserve Account of the Reserve Account is less than the Reserve Account Requirement, the Trustee shall transfer from the Pledged Revenue Fund to the Reserve Account of the Reserve Fund the amount of such deficiency, in accordance with Section 6.3.

(j) If the amount held in the Reserve Fund together with the amount held in the Bond Fund and Redemption Fund is sufficient to pay the principal amount and of all Outstanding Bonds Similarly Secured on the next Interest Payment Date, together with the unpaid interest accrued on such Bonds Similarly Secured as of such Interest Payment Date, the moneys shall be transferred to the Redemption Fund and thereafter used to redeem all Bonds Similarly Secured as of such Interest Payment Date.

Section 6.8. Rebate Fund: Rebate Amount.

(a) There is hereby established a special fund of the City to be designated "City of Celina, Texas, Rebate Fund" (the "Rebate Fund") to be held by the Trustee in accordance with the terms and provisions of this Indenture. Amounts on deposit in the Rebate Fund shall be used solely for the purpose of paying amounts due the United States Government in accordance with the Code.

(b) In order to assure that Rebate Amount is paid to the United States rather than to a third party, investments of funds on deposit in the Rebate Fund shall be made in accordance with the Code and the Tax Certificate.

(c) The Trustee conclusively shall be deemed to have complied with the provisions of this Section and Section 7.5(h) and shall not be liable or responsible if it follows the instructions of the City and shall not be required to take any action under this Section and Section 7.5(h) in the absence of written instructions from the City.

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

Section 6.9. Administrative Fund.

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

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

Section 6.10. Investment of Funds.

(a) Money in any Fund established pursuant to this Indenture shall be invested by the Trustee as directed by the City pursuant to a City Order filed with the Trustee at least two (2) days in advance of the making of such investment in time deposits or certificates of deposit secured in the manner required by law for public funds, or be invested in direct obligations of, including obligations the principal and interest on which are unconditionally guaranteed by, the

United States of America, in obligations of any agencies or instrumentalities thereof, or in such other investments as are permitted under the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended, or any successor law, as in effect from time to time; provided that all such deposits and investments shall be made in such manner (which may include repurchase agreements for such investment with any primary dealer of such agreements) that the money required to be expended from any Fund will be available at the proper time or times. Such investments shall be valued each year in terms of current market value as of September 30. For purposes of maximizing investment returns, to the extent permitted by law, money in such Funds 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 are held by or on behalf of each such Fund. If necessary, such investments shall be promptly sold to prevent any default.

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

(c) The Trustee and its affiliates may act as sponsor, advisor, depository, principal or agent in the acquisition or disposition of any investment. The Trustee shall not incur any liability for losses arising from any investments made pursuant to this Section. The Trustee shall not be required to determine the suitability or legality of any investments.

(d) Investments in any and all Funds and Accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular Funds or Accounts of amounts received or held by the Trustee hereunder, provided that the Trustee shall at all times account for such investments strictly in accordance with the Funds and Accounts to which they are credited and otherwise as provided in this Indenture.

(e) The Trustee will furnish the City monthly cash transaction statements which include detail for all investment transactions made by the Trustee hereunder; and, unless the Trustee receives a written request, the Trustee is not required to provide brokerage confirmations so long as the Trustee is providing such monthly cash transaction statements.

Section 6.11. Security of Funds.

All Funds heretofore created or reaffirmed, to the extent not invested as herein permitted, shall be secured in the manner and to the fullest extent required by law for the security of public funds, and such Funds shall be used only for the purposes and in the manner permitted or required by this Indenture.

Section 6.12. Reimbursement Fund.

Money on deposit in the Reimbursement Fund shall be used to reimburse the Developer for funds withdrawn from the Developer Improvement Account of the Project Fund and used to pay costs of Neighborhood Improvement Area #1 Projects as provided in the Neighborhood Improvement Area #1 Reimbursement Agreement. When all amounts due to the Developer to reimburse it for the funds withdrawn from the Developer Improvement Account of the Project Fund have been paid to the Developer, whether through Assessments received and applied in accordance with the Service and Assessment Plan or an Annual Service Plan Update or through the proceeds of Additional Bonds, no further deposits shall be made to the Reimbursement Fund and the Reimbursement Fund shall be closed.

ARTICLE VII

COVENANTS

Section 7.1. Confirmation of Assessments.

The City hereby confirms, covenants, and agrees that, in the Assessment Ordinance, it has levied the Assessments against the respective Assessed Parcels from which the Pledged Revenues will be collected and received.

Section 7.2. Collection and Enforcement of Assessments.

(a) For so long as any Bonds are Outstanding and amounts are due the Developer to reimburse it for its funds it has contributed to pay costs of the Neighborhood Improvement Area #1 Projects, the City covenants, agrees and warrants that it will take and pursue all actions permissible under Applicable Laws to cause the Assessments to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and, to the extent permitted by Applicable Laws, to cause no reduction, abatement or exemption in the Assessments.

(b) The City will determine or cause to be determined, no later than 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 Parcel.

Section 7.3. Against Encumbrances.

(a) Other than bonds issued to refund all or a portion of the Bonds Similarly Secured, 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 Pledged Revenues, other than that specified in Section 9.6 of this Indenture, or upon any other property pledged under this Indenture, except the pledge created for the security of the Bonds Similarly Secured, and other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds Similarly Secured.

(b) So long as Bonds Similarly Secured are Outstanding hereunder, the City shall not issue any bonds, notes or other evidences of indebtedness, other than the Bonds, Additional Bonds and bonds issued to refund all or a portion of the Bonds Similarly Secured, secured by any pledge of or other lien or charge on the Pledged Revenues or other property pledged under this Indenture, other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds Similarly Secured.

Section 7.4. Records, Accounts, Accounting Reports.

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

Section 7.5. Covenants to Maintain Tax-Exempt Status.

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

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

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

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

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

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

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

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

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

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

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

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

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

(d) No Private Loan.

(i) Except to the extent permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

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

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

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

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

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

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

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

(iii) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall, pursuant to a City Order, direct the Trustee to transfer to the Rebate Fund from the funds or subaccounts designated in such City Order and direct the Trustee to pay to the United States from the Rebate Fund the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

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

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

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Director of Finance, or City Secretary, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Tax Certificate or similar or other appropriate certificate, form or document.

ARTICLE VIII

LIABILITY OF CITY

The City shall not incur any responsibility in respect of the Bonds or this Indenture other than in connection with the duties or obligations explicitly herein or in the Bonds assigned to or imposed upon it. The City shall not be liable in connection with the performance of its duties hereunder, except for its own willful default or act of bad faith. The City shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions covenants or agreements of the Trustee herein or of any of the documents executed by the Trustee in connection with the Bonds, or as to the existence of a default or event of default thereunder.

In the absence of bad faith, the City may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the City and conforming to the requirements of this Indenture. The City shall not be liable for any error of judgment made in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts.

No provision of this Indenture, the Bonds, the Assessment Ordinance, or any agreement, document, instrument, or certificate executed, delivered or approved in connection with the issuance, sale, delivery, or administration of the Bonds (the "Bond Documents"), shall require the City to expend or risk its own general funds or otherwise incur any financial liability (other than with respect to the Pledged Revenues and the Annual Collection Costs) in the performance of any of its obligations hereunder, or in the exercise of any of its rights or powers, if in the judgment of the City there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it.

Neither the Owners nor any other Person shall have any claim against the City or any of its officers, officials, agents, or employees for damages suffered as a result of the City's failure to perform in any respect any covenant, undertaking, or obligation under any Bond Documents or as a result of the incorrectness of any representation in, or omission from, any of the Bond Documents, except to the extent that any such claim relates to an obligation, undertaking, representation, or covenant of the City, in accordance with the Bond Documents and the PID Act. Any such claim shall be payable only from Pledged Revenues or the amounts collected to pay Annual Collection Costs on deposit in the Administrative Fund. Nothing contained in any of the Bond Documents shall be construed to preclude any action or proceeding in any court or before any governmental body, agency, or instrumentality against the City or any of its officers, officials, agents, or employees to enforce the provisions of any of the Bond Documents or to enforce all rights of the Owners of the Bonds by mandamus or other proceeding at law or in equity.

The City may rely on and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The City may consult with counsel with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Indenture the City shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the City, be deemed to be conclusively proved and established by a certificate of the Trustee, an Independent Financial Consultant, an independent inspector or City Manager or other person designated by the City Council to so act on behalf of the City, and such certificate shall be full warrant to the City for any action taken or suffered under the provisions of this Indenture upon the faith thereof, but in its discretion the City may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

In order to perform its duties and obligations hereunder, the City may employ such persons or entities as it deems necessary or advisable. The City shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith hereunder, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations, and directions of such persons or entities.

ARTICLE IX

THE TRUSTEE

Section 9.1. Trustee as Registrar and Paying Agent

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

Section 9.2. Trustee Entitled to Indemnity

The Trustee shall be under no obligation to institute any suit, or to undertake any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays, and counsel fees and other reasonable disbursements, and against all liability except as a consequence of its own negligence or willful misconduct. Nevertheless, the Trustee may begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as the Trustee, without indemnity, and in such case the Trustee may make transfers from the Pledged Revenue Fund or the District Administration Account of the Administrative Fund to pay all costs and expenses, outlays, and counsel fees and other reasonable disbursements properly incurred in connection therewith and shall be entitled to a preference therefor over any Bonds Outstanding hereunder.

Section 9.3. Responsibilities of the Trustee.

The recitals contained in this Indenture and in the Bonds shall be taken as the statements of the City and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or the Bonds or with respect to the security afforded by this Indenture, and the Trustee shall incur no liability with respect thereto. Except as otherwise expressly provided in this Indenture, the Trustee shall have no responsibility or duty with respect to: (i) the issuance of Bonds for value; (ii) the application of the proceeds thereof, except to the extent that such proceeds are received by it in its capacity as Trustee; (iii) the application of any moneys paid to the City or others in accordance with this Indenture, except as to the application of any moneys paid to it in its capacity as Trustee; or (iv) any calculation of arbitrage or rebate under the Code.

The duties and obligations of the Trustee shall be determined by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture.

The Trustee shall not be liable for any action taken or omitted by it in the performance of its duties under this Indenture, except for its own gross negligence or willful misconduct. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from this Indenture for the existence, furnishing or use of the Authorized Improvements.

Section 9.4. Property Held in Trust.

All moneys and securities held by the Trustee at any time pursuant to the terms of this Indenture shall be held by the Trustee in trust for the purposes and under the terms and conditions of this Indenture.

Section 9.5. Trustee Protected in Relying on Certain Documents.

The Trustee may rely upon any order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond, or other document provided to the Trustee in accordance with the terms of this Indenture that it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or Person or to have been prepared and furnished pursuant to any of the provisions of this Indenture, or upon the written opinion of any counsel, architect, engineer, insurance consultant, management consultant, or accountant believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry into any statements contained or matters referred to in any such instrument. The Trustee may consult with counsel, who may or may not be Bond Counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered, or omitted to be taken by it in good faith and in accordance therewith.

Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter may be deemed to be conclusively proved and established by a City Certificate, unless other evidence in respect thereof be hereby specifically prescribed. Such City Certificate shall be full warrant for any action taken or suffered in good faith under the provisions hereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice, or other direction required or permitted to be furnished pursuant to any provision hereof by the City to the Trustee shall be sufficiently executed if executed in the name of the City by the City Representative.

The Trustee shall not be under any obligation to see to the recording or filing of this Indenture, or otherwise to the giving to any Person of notice of the provisions hereof except as expressly required in Section 9.13 herein.

Section 9.6. Compensation.

Unless otherwise provided by contract with the Trustee, the Trustee shall transfer from the Administrative Fund, from time to time, reasonable compensation for all services rendered by it hereunder, including its services as Registrar and Paying Agent, together with all its reasonable expenses, charges, and other disbursements and those of its counsel, agents and employees, incurred in and about the administration and execution of the trusts hereby created and the exercise of its powers and the performance of its duties hereunder, subject to any limit on the amount of such compensation or recovery of expenses or other charges as shall be prescribed by specific agreement, and the Trustee shall have a lien therefor on any and all funds at any time held by it hereunder prior to any Bonds Outstanding. None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if in the judgment of the Trustee there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it. If the City shall fail to make any payment required by this Section, the Trustee may make such payment from any moneys in its possession under the provisions of this Indenture and shall be entitled to a preference therefor over any Bonds Outstanding hereunder.

Section 9.7. Permitted Acts.

The Trustee and its directors, officers, employees, or agents may become the owner of or may in good faith buy, sell, own, hold and deal in Bonds and may join in any action that any Owner of Bonds may be entitled to take as fully and with the same rights as if it were not the Trustee. The Trustee may act as depository, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, the City or any committee formed to protect the rights of holders of Bonds or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not such committee shall represent the holders of a majority in aggregate outstanding principal amount of the Bonds.

Section 9.8. Resignation of Trustee.

The Trustee may at any time resign and be discharged of its duties and obligations hereunder by giving not fewer than 30 days' notice, specifying the date when such resignation shall take effect, to the City and each Owner of any Outstanding Bond. Such resignation shall take effect upon the appointment of a successor as provided in Section 9.10 and the acceptance of such appointment by such successor.

Section 9.9. Removal of Trustee.

The Trustee may be removed at any time by (i) the Owners of at least a majority of the aggregate outstanding principal of the Bonds by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or by their attorneys-in-fact, duly authorized and delivered to the City, or (ii) so long as the City is not in default under this Indenture, the City. Copies of each such instrument shall be delivered by the City to the Trustee and any successor thereof. The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the City or the Owners of not less than 10% of the aggregate outstanding principal of the Bonds.

Section 9.10. Successor Trustee.

If the Trustee shall resign, be removed, be dissolved, or become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator, or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the position of the Trustee hereunder shall thereupon become vacant.

If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, a successor Trustee may be appointed within one year after any such vacancy shall have occurred by the Owners of at least twenty-five percent (25%) of the aggregate outstanding principal of the Bonds by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or their attorneys-in-fact, duly authorized and delivered to such successor Trustee, with notification thereof being given to the predecessor Trustee and the City.

Until such successor Trustee shall have been appointed by the Owners of the Bonds, the City shall forthwith appoint a Trustee to act hereunder. Copies of any instrument of the City providing for any such appointment shall be delivered by the City to the Trustee so appointed. The City shall mail notice of any such appointment to each Owner of any Outstanding Bonds within 30 days after such appointment. Any appointment of a successor Trustee made by the City immediately and without further act shall be superseded and revoked by an appointment subsequently made by the Owners of Bonds.

If in a proper case no appointment of a successor Trustee shall be made within 45 days after the giving by any Trustee of any notice of resignation in accordance with Section 9.8 herein or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any Owner of Bonds may apply to any court of competent jurisdiction for the appointment of such a successor, and the court may thereupon, after such notice, if any, as the court may deem proper, appoint such successor and the City shall be responsible for the costs of such appointment process.

Any successor Trustee appointed under the provisions of this Section shall be a commercial bank or trust company or national banking association (i) having a capital and surplus and undivided profits aggregating at least $50,000,000, if there be such a commercial bank or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms, and (ii) authorized by law to perform all the duties of the Trustee required by this Indenture.

Each successor Trustee shall mail, in accordance with the provisions of the Bonds, notice of its appointment to the Trustee, any rating agency which, at the time of such appointment, is providing a rating on the Bonds and each of the Owners of the Bonds.

Section 9.11. Transfer of Rights and Property to Successor Trustee.

Any successor Trustee appointed under the provisions of Section 9.10 shall execute, acknowledge, and deliver to its predecessor and the City an instrument in writing accepting such appointment, and thereupon such successor, without any further act, deed, or conveyance, shall become fully vested with all moneys, estates, properties, rights, immunities, powers, duties, obligations, and trusts of its predecessor hereunder, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request of the City or of such successor, execute, acknowledge, and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the rights, immunities, powers, and trusts of such Trustee and all the right, title, and interest of such Trustee in and to the Trust Estate, and shall pay over, assign, and deliver to such successor any moneys or other properties subject to the trusts and conditions herein set forth. Should any deed, conveyance, or instrument in writing from the City be required by such successor for more fully and certainly vesting in and confirming to it any such moneys, estates, properties, rights, powers, duties, or obligations, any and all such deeds, conveyances, and instruments in writing, on request and so far as may be authorized by law, shall be executed, acknowledged, and delivered by the City.

Section 9.12. Merger, Conversion or Consolidation of Trustee.

Any corporation or association into which the Trustee may be merged or with which it may be consolidated or any corporation or association resulting from any merger, conversion or consolidation to which it shall be a party or any corporation or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business shall be the successor to such Trustee hereunder, without any further act, deed or conveyance, provided that such corporation or association shall be a commercial bank or trust company or national banking association qualified to be a successor to such Trustee under the provisions of Section 9.10, or a trust company that is a wholly-owned subsidiary of any of the foregoing.

Section 9.13. Trustee To File Continuation Statements.

If necessary, the Trustee shall file or cause to be filed, such continuation statements as are delivered to the Trustee by the City, or on behalf of the City, and which may be required by the Texas Uniform Commercial Code, as from time to time in effect (the “UCC”), in order to continue perfection of the security interest of the Trustee in such items of tangible or intangible personal property and any fixtures as may have been granted to the Trustee pursuant to this Indenture in the time, place and manner required by the UCC.

Section 9.14. Accounts, Periodic Reports and Certificates.

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

Section 9.15. Construction of Indenture.

The Trustee may construe any of the provisions of this Indenture insofar as the same may appear to be ambiguous or inconsistent with any other provision hereof, and any construction of any such provisions hereof by the Trustee in good faith shall be binding upon the Owners of the Bonds.

ARTICLE X

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 10.1. Amendments Permitted.

This Indenture and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Indenture, except as provided below, pursuant to the affirmative vote at a meeting of Owners of the Bonds, or with the written consent without a meeting, of the Owners of at least fifty-one percent (51%) of the aggregate principal amount of the Bonds then Outstanding. No such modification or amendment shall (i) extend the maturity of any Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, or (ii) permit the creation by the City of any pledge or lien upon the Pledged Revenues superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as otherwise permitted by Applicable Laws or this Indenture), or reduce the percentage of Bonds required for the amendment hereof. Any such amendment may not modify any of the rights or obligations of the Trustee without its written consent.

This Indenture and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Indenture, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(i) to add to the covenants and agreements of the City in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;

(ii) to make modifications not adversely affecting any Outstanding Bonds in any material respect;

(iii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in regard to questions arising under this Indenture, as the City and the Trustee may deem necessary or desirable and not inconsistent with this Indenture, and that shall not adversely affect the rights of the Owners of the Bonds; and

(iv) to make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds.

Section 10.2. Owners' Meetings.

The City may at any time call a meeting of the Owners of the Bonds. In such event the City is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof, and to fix and adopt rules and regulations for the conduct of said meeting.

Section 10.3. Procedure for Amendment with Written Consent of Owners.

The City and the Trustee may at any time adopt a Supplemental Indenture amending the provisions of the Bonds or of this Indenture, to the extent that such amendment is permitted by Section 10.1 herein, to take effect when and as provided in this Section. A copy of such Supplemental Indenture, together with a request to Owners for their consent thereto, shall be mailed by first class mail, by the Trustee to each Owner of Bonds from whom consent is required under this Indenture, but failure to mail copies of such Supplemental Indenture and request shall not affect the validity of the Supplemental Indenture when assented to as in this Section provided.

Such Supplemental Indenture shall not become effective unless there shall be filed with the Trustee the written consents of the Owners as required by this Indenture and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 11.6 herein. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof), unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Indenture, the City shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Indenture, stating in substance that the Supplemental Indenture has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Indenture or consents thereto). Proof of the mailing of such notice shall be filed with the Trustee. A record, consisting of the papers required by this Section 10.3 to be filed with the Trustee, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Indenture shall become effective upon the filing with the Trustee of the proof of mailing of such notice, and the Supplemental Indenture shall be deemed conclusively binding (except as otherwise hereinabove specifically provided in this Article) upon the City and the Owners of all Bonds at the expiration of ninety (90) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such ninety-day period.

Section 10.4. Effect of Supplemental Indenture.

From and after the time any Supplemental Indenture becomes effective pursuant to this Article X, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties, and obligations under this Indenture of the City, the Trustee and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.5. Endorsement or Replacement of Bonds Issued After Amendments.

The City may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article X shall bear a notation, by endorsement or otherwise, in form approved by the City, as to such action. In that case, upon demand of the Owner of any Bond Outstanding at such effective date and presentation of his Bond for that purpose at the designated office of the Trustee or at such other office as the City may select and designate for that purpose, a suitable notation shall be made on such Bond. The City may determine that new Bonds, so modified as in the opinion of the City is necessary to conform to such Owners' action, shall be prepared, executed, and delivered. In that case, upon demand of the Owner of any Bonds then Outstanding, such new Bonds shall be exchanged at the designated office of the Trustee without cost to any Owner, for Bonds then Outstanding, upon surrender of such Bonds.

Section 10.6. Amendatory Endorsement of Bonds.

The provisions of this Article X shall not prevent any Owner from accepting any amendment as to the particular Bonds held by such Owner, provided that due notation thereof is made on such Bonds.

Section 10.7. Waiver of Default

With the written consent of at least fifty-one percent (51%) in aggregate principal amount of the Bonds then Outstanding, the Owners may waive compliance by the City with certain past defaults under the Indenture and their consequences. Any such consent shall be conclusive and binding upon the Owners and upon all future Owners.

Section 10.8. Execution of Supplemental Indenture.

In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall receive, and shall be fully protected in relying upon, an opinion of counsel addressed and delivered to the Trustee and the City stating that the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's own rights, duties and immunities under this Indenture or otherwise.

ARTICLE XI

DEFAULT AND REMEDIES

Section 11.1. Events of Default.

Each of the following occurrences or events shall be and is hereby declared to be an "Event of Default," to wit:

(i) The failure of the City to deposit the Pledged Revenues to the Bond Pledged Revenue Account of the Pledged Revenue Fund;

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

(iii) The failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable and such failure is not remedied within thirty (30) days; and

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

Section 11.2. Immediate Remedies for Default.

(a) Subject to Article VIII, upon the happening and continuance of any of the Events of Default described in Section 11.1, the Owners of at least 25% of the Bonds then Outstanding, may proceed against the City for the purpose of protecting and enforcing the rights of the Owners under this Indenture, by action seeking mandamus or by other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by Applicable Laws, including, but not limited to, the specific performance of any covenant or agreement contained herein, or injunction; provided, however, that no action for money damages against the City may be sought or shall be permitted.

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

(c) If the assets of the Trust Estate are sufficient to pay all amounts due with respect to all Outstanding Bonds Similarly Secured, in the selection of Trust Estate assets to be used in the payment of Bonds due under this Article, the City shall determine, in its absolute discretion, and shall instruct the Trustee by City Order, which Trust Estate assets shall be applied to such payment and shall not be liable to any Owner or other Person by reason of such selection and application. In the event that the City shall fail to deliver to the Trustee such City Order, the Trustee shall select and liquidate or sell Trust Estate assets as provided in the following paragraph, and shall not be liable to any Owner, or other Person, or the City by reason of such selection, liquidation or sale.

(d) Whenever moneys are to be applied pursuant to this Article XI, irrespective of and whether other remedies authorized under this Indenture shall have been pursued in whole or in part, the Trustee may cause any or all of the assets of the Trust Estate, including

Investment Securities, to be sold. The Trustee may so sell the assets of the Trust Estate and all right, title, interest, claim and demand thereto and the right of redemption thereof, in one or more parts, at any such place or places, and at such time or times and upon such notice and terms as the Trustee may deem appropriate and as may be required by law and apply the proceeds thereof in accordance with the provisions of this Section. Upon such sale, the Trustee may make and deliver to the purchaser or purchasers a good and sufficient assignment or conveyance for the same, which sale shall be a perpetual bar both at law and in equity against the City, and all other Persons claiming such properties. No purchaser at any sale shall be bound to see to the application of the purchase money proceeds thereof or to inquire as to the authorization, necessity, expediency, or regularity of any such sale. Nevertheless, if so requested by the Trustee, the City shall ratify and confirm any sale or sales by executing and delivering to the Trustee or to such purchaser or purchasers all such instruments as may be necessary or, in the judgment of the Trustee, proper for the purpose which may be designated in such request.

Section 11.3. Restriction on Owner's Action.

(a) No Owner shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of this Indenture or for the execution of any trust thereof or any other remedy hereunder, unless (i) a default has occurred and is continuing of which the Trustee has been notified in writing, (ii) such default has become an Event of Default and the Owners of 25% of the aggregate principal amount of the Bonds then Outstanding have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (iii) the Owners have furnished to the Trustee indemnity as provided in Section 9.2 herein, (iv) the Trustee has for ninety (90) days after such notice failed or refused to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its own name, (v) no direction inconsistent with such written request has been given to the Trustee during such 90-day period by the registered owners of a majority of the aggregate principal amount of the Bonds Similarly Secured then Outstanding, and (vi) notice of such action, suit, or proceeding is given to the Trustee; however, no one or more Owners of the Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice this Indenture by its, his or their action or to enforce any right hereunder except in the manner provided herein, and that all proceedings at law or in equity shall be instituted and maintained in the manner provided herein and for the equal benefit of the registered owners of all Bonds Similarly Secured then Outstanding. The notification, request and furnishing of indemnity set forth above shall, at the option of the Trustee, be conditions precedent to the execution of the powers and trusts of this Indenture and to any action or cause of action for the enforcement of this Indenture or for any other remedy hereunder.

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

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

Section 11.4. Application of Revenues and Other Moneys After Default.

(a) All moneys, securities, funds and Pledged Revenues and the income therefrom received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the cost and expenses of the proceedings resulting in the collection of such amounts, the expenses (including its counsel), liabilities, and advances incurred or made by the Trustee and the fees of the Trustee in carrying out this Indenture, during the continuance of an Event of Default, notwithstanding Section 11.2 hereof, shall be applied by the Trustee, on behalf of the City, to the payment of interest and principal or Redemption Price then due on Bonds Similarly Secured, as follows:

FIRST: To the payment to the registered 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 registered owners entitled thereto, without any discrimination or preference; and

SECOND: To the payment to the registered owners entitled thereto of the unpaid principal of Outstanding Bonds Similarly Secured, or Redemption Price of any Bonds Similarly Secured 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 Similarly Secured due on any date, then to the payment thereof ratably, according to the amounts of principal due and to the registered owners entitled thereto, without any discrimination or preference.

Within ten (10) days of receipt of such good and available funds, the Trustee may fix a record and payment date for any payment to be made to Owners pursuant to this Section 11.4.

(b) In the event funds are not adequate to cure any of the Events of Default described in Section 11.1, the available funds shall be allocated to the Bonds Similarly Secured that are Outstanding in proportion to the quantity of Bonds Similarly Secured that are currently due and in default under the terms of this Indenture.

(c) The restoration of the City to its prior position after any and all defaults have been cured, as provided in Section 11.3, shall not extend to or affect any subsequent default under this Indenture or impair any right consequent thereon.

Section 11.5. Effect of Waiver.

(a) No delay or omission of the Trustee, or any Owner, to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Indenture to the Trustee or the Owners, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 11.6. Evidence of Ownership of Bonds.

(a) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Owners of Bonds may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys duly appointed in writing. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, or the holding by any Person of the Bonds shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner:

(i) The fact and date of the execution of such instruments by any Owner of Bonds or the duly appointed attorney authorized to act on behalf of such Owner may be provided by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the Person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate, or affidavit shall also constitute sufficient proof of his authority.

(ii) The ownership of Bonds and the amount, numbers and other identification and date of holding the same shall be proved by the Register.

(b) Except as otherwise provided in this Indenture with respect to revocation of a consent, any request or consent by an Owner of Bonds shall bind all future Owners of the same Bond Similarly Secured in respect of anything done or suffered to be done by the City or the Trustee in accordance therewith.

Section 11.7. No Acceleration.

In the event of the occurrence of an Event of Default under Section 11.1 hereof, the right of acceleration of any Stated Maturity is not granted as a remedy hereunder and the right of acceleration under this Indenture is expressly denied.

Section 11.8. Mailing of Notice.

Any provision in this Article for the mailing of a notice or other document to Owners shall be fully complied with if it is mailed, first class postage prepaid, only to each Owner at the address appearing upon the Register.

Section 11.9. Exclusion of Bonds.

Bonds owned or held by or for the account of the City will not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Indenture, and the City shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Indenture.

ARTICLE XII

GENERAL COVENANTS AND REPRESENTATIONS

Section 12.1. Representations as to Pledged Revenues.

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

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

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

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

Section 12.2. Accounts, Periodic Reports and Certificates.

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

Section 12.3. General.

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

ARTICLE XIII

SPECIAL COVENANTS

Section 13.1. Further Assurances; Due Performance.

(a) At any and all times the City will duly execute, acknowledge and deliver, or will cause to be done, executed and delivered, all and every such further acts, conveyances, transfers, and assurances in a manner as the Trustee shall reasonably require for better conveying, transferring, pledging, and confirming unto the Trustee, all and singular, the revenues, Funds, Accounts and properties constituting the Pledged Revenues, and the Trust Estate hereby transferred and pledged, or intended so to be transferred and pledged.

(b) The City will duly and punctually keep, observe and perform each and every term, covenant and condition on its part to be kept, observed and performed, contained in this Indenture.

Section 13.2. Other Obligations or Other Liens; Additional Bonds; Refunding Bonds.

(a) The City reserves the right, subject to the provisions contained in this Section 13.2, 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 Pledged Revenues.

(b) Other than bonds issued to refund all or a portion of the Bonds Similarly Secured, the City will not create or voluntarily permit to be created any debt, lien or charge on the Trust Estate, and will not do or omit to do or suffer to be or omitted to be done any matter or things whatsoever whereby the lien of this Indenture or the priority hereof might or could be lost or impaired; and further covenants that it will pay or cause to be paid or will make adequate provisions for the satisfaction and discharge of all lawful claims and demands which if unpaid might by law be given precedence over or any equality with this Indenture as a lien or charge upon the Pledged Revenues or Pledged Funds; provided, however, that nothing in this Section shall require the City to apply, discharge, or make provision for any such lien, charge, claim, or demand so long as the validity thereof shall be contested by it in good faith, unless thereby, in the opinion of Bond Counsel or counsel to the Trustee, the same would endanger the security for the Bonds Similarly Secured.

(c) The City reserves the right to issue Additional Bonds for any purpose permitted by the PID Act, including paying or refunding any of the Bonds Similarly Secured and in accordance with the conditions set forth below:

(i) the City Representative shall certify that the City is not in default in the performance and observance of any of the terms, provisions and conditions applicable to the City contained in the Indenture;

(ii) the Developer, through an authorized representative, shall certify that the Developer is not in default in the performance and observance of any of the terms, provisions and conditions applicable to the Developer contained in the Construction Funding Agreement;

(iii) the Developer shall provide the City with a certificate or report from an independent certified appraiser or appraisal firm (that may rely on County assessed value figures for the completed homes as to their value) that, assuming completion of the improvements to be financed with the proceeds of the Additional Bonds or with the funds withdrawn from the Developer Improvement Account of the Project Fund, as applicable, (A) at least 150 single-family homes located within the Neighborhood Improvement Area #1 Area of the District have been completed or have commenced construction; (B) the appraised value of the property within the Neighborhood

Improvement Area #1 Area of the District is equal to at least five (5) times the principal amount of the Outstanding Bonds Similarly Secured, taking into account the Additional Bonds to be issued, (C) the appraised value allocated to every Assessed Parcel within the Neighborhood Improvement Area #1 Area of the District is at least three (3.0) times the portion of the principal amount of any Outstanding Bonds Similarly Secured, taking into account the Additional Bonds to be issued, that is allocated to each Assessed Parcel

(iv) The maximum amount of Additional Bonds that may be issued is $6.0 million.

(v) the principal of and interest on the Additional Bonds must be scheduled to be paid or mature on March 1 or September 1, or both, of the years in which each principal or interest are scheduled to be paid or mature; and

(vi) there shall be deposited to the Reserve Fund an amount equal to the Reserve Account Requirement taking into account the outstanding Bonds Similarly Secured and the Additional Bonds then proposed to be issued.

(d) Notwithstanding the provisions of Section 13.2(c) above, bonds issued to refund all or a portion of the Bonds Similarly Secured shall not be required to meet the requirements set forth in Section 13.2(c)(iii) or 13.2(c)(iv).

Section 13.3. Books of Record.

(a) The City shall cause to be kept full and proper books of record and accounts, in which full, true and proper entries will be made of all dealing, business and affairs of the City, which relate to the Pledged Revenues, the Pledged Funds, and the Bonds.

(b) The Trustee shall have no responsibility with respect to the financial and other information received by it pursuant to this Section 13.3 except to receive and retain same, subject to the Trustee's document retention policies, and to distribute the same in accordance with the provisions of this Indenture. Specifically, but without limitation, the Trustee shall have no duty to review such information, is not considered to have notice of the contents of such information or a default based on such contents, and has no duty to verify the accuracy of such information.

ARTICLE XIV

PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE INDENTURE

Section 14.1. Trust Irrevocable.

The trust created by the terms and provisions of this Indenture is irrevocable until the Bonds secured hereby are fully paid or provision is made for their payment as provided in this Article.

Section 14.2. Satisfaction of Indenture.

If the City shall pay or cause to be paid, or there shall otherwise be paid to the Owners, principal of and interest on all of the Bonds, at the times and in the manner stipulated in this Indenture, and all amounts due and owing with respect to the Bonds have been paid or provided for, then the pledge of the Trust Estate and all covenants, agreements, and other obligations of the City to the Owners of such Bonds, shall thereupon cease, terminate, and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the City copies of all such documents as it may have evidencing that principal of and interest on all of the Bonds has been paid so that the City may determine if the Indenture is satisfied; if so, the Trustee shall pay over or deliver all moneys held by it in the in Funds and Accounts held hereunder to the Person entitled to receive such amounts, or, if no Person is entitled to receive such amounts, then to the City.

Section 14.3. Bonds Deemed Paid.

All Outstanding Bonds shall prior to the Stated Maturity or redemption date thereof be deemed to have been paid and to no longer be deemed Outstanding if (i) in case any such Bonds are to be redeemed on any date prior to their Stated Maturity, the Trustee shall have given notice of redemption on said date as provided herein, (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Securities the principal of and the interest on which when due will provide moneys which, together with any moneys deposited with the Trustee at the same time, shall be sufficient to pay when due the principal of and interest on of the Bonds to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (iii) the Trustee shall have received a report by an independent certified public accountant selected by the City verifying the sufficiency of the moneys or Defeasance Securities deposited with the Trustee to pay when due the principal of and interest on of the Bonds to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (iv) if the Bonds are then rated, the Trustee shall have received written confirmation from each rating agency that such deposit will not result in the reduction or withdrawal of the rating on the Bonds. Neither Defeasance Securities nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Bonds. Any cash received from such principal of and interest on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall, be reinvested in Defeasance Securities as directed in writing by the City maturing at times and in amounts sufficient to pay when due the principal of and interest on the Bonds on and prior to such redemption date or maturity date thereof, as the case may be. Any payment for Defeasance Securities purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Defeasance Securities.

ARTICLE XV

MISCELLANEOUS

Section 15.1. Benefits of Indenture Limited to Parties.

Nothing in this Indenture, expressed or implied, is intended to give to any Person other than the City, the Trustee and the Owners, any right, remedy, or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture by and on behalf of the City shall be for the sole and exclusive benefit of the Owners and the Trustee.

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

Whenever in this Indenture or any Supplemental Indenture either the City or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the City or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 15.3. Execution of Documents and Proof of Ownership by Owners.

Any request, declaration, or other instrument which this Indenture may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys duly appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration, or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the Person signing such request, declaration, or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number, and date of holding the same shall be proved by the Register.

Any request, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the City or the Trustee in good faith and in accordance therewith.

Section 15.4. Waiver of Personal Liability.

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

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

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

If to the City:	City of Celina, Texas 142 North Ohio Celina, Texas 75009 Attn: Director of Finance
If to the Trustee or the Paying Agent/Registrar:	U.S. Bank National Association Attention: Bond Operations

111 Fillmore Avenue East
St. Paul, Minnesota
55107-1402

Any such notice, demand, or request may also be transmitted to the appropriate party by telegram or telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

Any of such addresses may be changed at any time upon written notice of such change given to the other party by the party effecting the change. Notices and consents given by mail in accordance with this Section shall be deemed to have been given five Business Days after the date of dispatch; notices and consents given by any other means shall be deemed to have been given when received.

(b) The Trustee shall mail to each Owner of a Bond notice of (i) any substitution of the Trustee; or (ii) the redemption or defeasance of all Bonds Outstanding.

(c) The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the City shall provide to the Trustee an incumbency certificate listing designated persons authorized to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The City agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 15.6. Partial Invalidity.

If any Section, paragraph, sentence, clause, or phrase of this Indenture shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The City hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause, or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid, or unenforceable.

Section 15.7. Applicable Laws.

This Indenture shall be governed by and enforced in accordance with the laws of the State of Texas applicable to contracts made and performed in the State of Texas.

Section 15.8. Payment on Business Day.

In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to this Indenture is other than a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding day that is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period from and after such date.

Section 15.9. Counterparts.

This Indenture may be executed in counterparts, each of which shall be deemed an original.

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

CITY OF CELINA, TEXAS

By: ________________________________,
Mayor Pro Tem

Attest:

____
VICKI FAULKNER, City Secretary

[CITY SEAL]

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: ________________________________
Authorized Officer

Signature Page to Indenture of Trust

EXHIBIT A

(a) Form of Bond.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, THE CITY, OR ANY OTHER POLITICAL CORPORATION, SUBDIVISION OR AGENCY THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND.

REGISTERED REGISTERED

No. ______ $_____________

United States of America
State of Texas

CITY OF CELINA, TEXAS
SPECIAL ASSESSMENT REVENUE BOND, SERIES 2015
(SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECT)

INTEREST RATE	MATURITY DATE	DATE OF DELIVERY	CUSIP NUMBER
______%	September 1, 20___	____________	___________

The City of Celina, Texas (the "City"), for value received, hereby promises to pay, solely from the Pledged Revenues, to

____

or registered assigns, on the Maturity Date, as specified above, the sum of

_____________________________ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of the Date of Delivery, as specified above, or the most recent Interest Payment Date to which interest has been paid or provided for until such principal amount shall have been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on March 1 and September 1 of each year, commencing March 1, 2016, until maturity or prior redemption.

Capitalized terms appearing herein that are defined terms in the Indenture defined below, have the meanings assigned to them in the Indenture. Reference is made to the Indenture for such definitions and for all other purposes.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the corporate trust office in St. Paul, Minnesota (the "Designated Payment/Transfer Office"), of

U.S. Bank National Association, as trustee and paying agent/registrar (the "Trustee", which term includes any successor trustee under the Indenture), or, with respect to a successor trustee and paying agent/registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Bond is payable by check dated as of the Interest Payment Date, mailed by the Trustee to the registered owner at the address shown on the registration books kept by the Trustee or by such other customary banking arrangements acceptable to the Trustee, requested by, and at the risk and expense of, the Person to whom interest is to be paid. For the purpose of the payment of interest on this Bond, the registered owner shall be the Person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the fifteenth day of the month next preceding such Interest Payment Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Bond appearing on the books of the Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of a duly authorized issue of assessment revenue bonds of the City having the designation specified in its title (herein referred to as the "Bonds"), dated December 1, 2015 and issued in the aggregate principal amount of $________ and issued, with the limitations described herein, pursuant to an Indenture of Trust, dated as of December 1, 2015 (the "Indenture"), by and between the City and the Trustee, to which Indenture reference is hereby made for a description of the amounts thereby pledged and assigned, the nature and extent of the lien and security, the respective rights thereunder to the holders of the Bonds, the Trustee, and the City, and the terms upon which the Bonds are, and are to be, authenticated and delivered and by this reference to the terms of which each holder of this Bond hereby consents. All Bonds issued under the Indenture are equally and ratably secured by the amounts thereby pledged and assigned. The Bonds are being issued for the purpose of (i) paying a portion of the Costs of the Neighborhood Improvement Area #1 Projects, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Neighborhood Improvement Area #1 Projects, (ii) funding a reserve fund for payment of principal 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 issuing the Bonds.

The Bonds are limited obligations of the City payable solely from the Pledged Revenues as defined in the Indenture. Reference is hereby made to the Indenture, copies of which are on file with and available upon request from the Trustee, for the provisions, among others, with respect to the nature and extent of the duties and obligations of the City, the Trustee and the Owners. The Owner of this Bond, by the acceptance hereof, is deemed to have agreed and consented to the terms, conditions and provisions of the Indenture.

Notwithstanding any provision hereof, the Indenture may be released and the obligation of the City to make money available to pay this Bond may be defeased by the deposit of money and/or certain direct or indirect Defeasance Securities sufficient for such purpose as described in the Indenture.

The Bonds are issuable as fully registered bonds only in Authorized Denominations, subject to the provisions of the Indenture authorizing redemption in denominations of $25,000 and any multiple of $5,000 in excess thereof.

The Bonds are subject to sinking fund redemption prior to their respective maturities and will be redeemed by the City in part at a price equal to the principal amount thereof plus accrued and unpaid interest thereon to the date set for redemption from moneys available for such purpose in the Redemption Fund pursuant to Article VI of the Indenture, on the dates and in the Sinking Fund Installment amounts as set forth in the following schedule:

Term Bonds Maturing September 1, 20__

Redemption Date	Sinking Fund Installment
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	

Term Bonds Maturing September 1, 20__

Redemption Date	Sinking Fund Installment
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	

Term Bonds Maturing September 1, 20__

Redemption Date	Sinking Fund Installment
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	

Term Bonds Maturing September 1, 20__

Redemption Date	Sinking Fund Installment
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	

At least forty-five (45) days prior to each sinking fund redemption date, the Trustee shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Bonds of such maturity equal to the Sinking Fund Installments of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in Section 4.6 of the Indenture.

The principal amount of Bonds required to be redeemed on any 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 45 days prior to the sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued and unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption and not previously credited to a sinking fund redemption.

The City reserves the right and option to redeem Bonds before their scheduled maturity dates, in whole or in part, on any Interest Payment Date on or after September 1, 20__, such redemption date or dates to be fixed by the City, at the Redemption Prices shown below, plus accrued interest to the date of redemption.

Redemption Date	Redemption Price
On or after September 1, 20__	103%
On or after September 1, 20__	102%
On or after September 1, 20__	101%
On or after September 1, 20__	100%

In addition to the optional redemption described in paragraph (a) above, Bonds allocable to the Neighborhood Improvement Area #1 Local Projects, in an amount up to $__________, may be redeemed prior to their scheduled maturity dates, on any Interest Payment Date on or after September 1, 20__, such redemption date or dates to be fixed by the City, at a redemption price equal to 100% of the principal amount of such Bonds

Bonds are subject to extraordinary optional redemption prior to maturity in whole or in part, on the first day of any month, at a Redemption Price equal to the principal amount of the Bonds called for redemption, plus accrued and unpaid interest to the date fixed for redemption from amounts on deposit in the Redemption Fund as a result of Prepayments, other transfers to the Redemption Fund pursuant to the Indenture, or as a result of unexpended amounts transferred from the Project Fund as provided in the Indenture.

The Trustee shall give notice of any redemption of Bonds by sending notice by 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 part thereof) to be redeemed, at the address shown on the Register. The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed. Any notice so given shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

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

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the City and the rights of the holders of the Bonds under the Indenture at any time Outstanding affected by such modification. The Indenture also contains provisions permitting the holders of specified percentages in aggregate principal amount of the Bonds at the time Outstanding, on behalf of the holders of all the Bonds, to waive compliance by the City with certain past defaults under the Bond Ordinance or the Indenture and their consequences. Any such consent or waiver by the holder of this Bond or any predecessor Bond evidencing the same debt shall be conclusive and binding upon such holder and upon all future holders thereof and of any Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, whether or not notation of such consent or waiver is made upon this Bond.

As provided in the Indenture, this Bond is transferable upon surrender of this Bond for transfer at the Designated Payment/Transfer Office, with such endorsement or other evidence of transfer as is acceptable to the Trustee, and upon delivery to the Trustee of such certifications and/or opinion of counsel as may be required under the Indenture for the transfer of this Bond. Upon satisfaction of such requirements, one or more new fully registered Bonds of the same Stated Maturity, of Authorized Denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the City nor the Trustee shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 calendar days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

The City, the Trustee, and any other Person may treat the Person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the Person in whose name this Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Bond be overdue, and neither the City nor the Trustee shall be affected by notice to the contrary.

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

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

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form and manner, as required by law; and that the total indebtedness of the City, including the Bonds, does not exceed any Constitutional or statutory limitation.

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

____
Mayor Pro Tem, City of Celina, Texas

____
City Secretary, City of Celina, Texas

[City Seal]

(b) Form of Comptroller's Registration Certificate.

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

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER §
OF PUBLIC ACCOUNTS § REGISTER NO.__________________
§
THE STATE OF TEXAS §

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has approved this Bond, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____________________

____
Comptroller of Public Accounts
of the State of Texas

[SEAL]

(c) Form of Certificate of Trustee.

CERTIFICATE OF TRUSTEE

It is hereby certified that this is one of the Bonds of the series of Bonds referred to in the within mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
Dallas, Texas, as Trustee

DATED: ___________________

By:__________________________
Authorized Signatory

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto (print or typewrite name, address and zip code of transferee):

____
____
____

(Social Security or other identifying number: ______________________) the within Bond and all rights hereunder and hereby irrevocably constitutes and appoints

________________________ attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Date: _________________ ____

Signature Guaranteed By:

____

____

Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner acceptable to the Trustee.

(e) The Initial Bond shall be in the form set forth in paragraphs (a) through (d) of this Exhibit A, except for the following alterations:

(i) immediately under the name of the Bond the heading "INTEREST RATE" and "MATURITY DATE" shall both be completed with the expression "As Shown Below," and the reference to the "CUSIP NUMBER" shall be deleted;

(ii) in the first paragraph of the Bond, the words "on the Maturity Date specified above, the sum of _________________ DOLLARS" shall be deleted and the following will be inserted: "on September 1 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Years</u>	<u>Principal Installments</u>	<u>Interest Rates</u>"

(Information to be inserted from Section 3.2(c) hereof); and

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

EXHIBIT B

BOND PURCHASE AGREEMENT

$11,560,000*
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015
(SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECT)

BOND PURCHASE AGREEMENT
AND
DEVELOPER AND MINORITY LANDOWNER REPRESENTATIONS

November 10, 2015

City of Celina, Texas
142 N. Ohio St.
Celina, Texas 76201

CADG Sutton Fields, LLC
c/o Centurion American Custom Homes Inc.
d/b/a Centurion American Development Group Inc.
1800 Valley View Lane Ste. 300
Farmers Branch, Texas 75234

CADG Sutton Fields II, LLC
c/o Centurion American Custom Homes Inc.
d/b/a Centurion American Development Group Inc.
1800 Valley View Lane Ste. 300
Farmers Branch, Texas 75234

Ladies and Gentlemen:

The undersigned, Jefferies LLC (the "Underwriter"), offers to enter into this Bond Purchase Agreement and Developer and Minority Landowner Representations (this "Agreement") with the City of Celina, Texas (the "City"), CADG Sutton Fields, LLC, a Texas limited liability company (the "Developer") and CADG Sutton Fields II, a Texas limited liability company (the "Minority Landowner"), which will be binding upon the City, the Developer, the Minority Landowner and the Underwriter upon the acceptance of this Agreement by the City, the Developer and the Minority Landowner. This offer is made subject to its acceptance by the City, the Developer and the Minority Landowner by execution of this Agreement and its delivery to

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* Preliminary, subject to change.

the Underwriter on or before 10:00 p.m., Central Time, on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered to the City, the Developer and the Minority Landowner at any time prior to the acceptance hereof by the City, the Developer and the Minority Landowner. The Developer and the Minority Landowner are parties to and have executed this Agreement for the limited purposes stated herein. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Indenture (defined herein) between the City and U.S. Bank National Association, as trustee (the "Trustee"), authorizing the issuance of the Bonds (defined herein), and in the Official Statement (defined herein).

1. Purchase and Sale of Bonds. Upon the terms and conditions and upon the basis of representations, warranties, and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the $11,560,000* aggregate principal amount of the "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project)" (the "Bonds"), at a purchase price of $______________ (representing the aggregate principal amount of the Bonds, plus a premium of $__________, less an Underwriter's discount of $___________, which includes the fees of Underwriter's Counsel in the amount of $_________).

Inasmuch as this purchase and sale represents a negotiated transaction, the City, the Developer and the Minority Landowner understand, and hereby confirm, that the Underwriter is not acting as a municipal advisor or fiduciary of the City, the Developer or the Minority Landowner, but rather is acting solely in its capacity as Underwriter for its own account. The City, the Developer and the Minority Landowner acknowledge and agree that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction among the City, the Developer, the Minority Landowner and the Underwriter, (ii) in connection therewith and with the discussions, undertakings, and procedures leading up to the consummation of this transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, municipal advisor, or fiduciary of the City, the Developer or the Minority Landowner, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City, the Developer or the Minority Landowner with respect to the offering described herein or the discussions, undertakings, and procedures leading thereto (regardless of whether the Underwriter has provided other services or is currently providing other services to the City, the Developer or the Minority Landowner on other matters) and the Underwriter has no obligation to the City, the Developer or the Minority Landowner with respect to the offering described herein except the obligations expressly set forth in this Agreement, and (iv) the City, the Developer and the Minority Landowner have consulted their own legal, financial, and other advisors to the extent they have deemed appropriate. The City, the Developer and the Minority Landowner further acknowledge and agree that following the issuance and delivery of the Bonds, the Underwriter has indicated that it may have periodic discussions with the City, the Developer or the Minority Landowner regarding the expenditure of Bond proceeds and the construction of the projects financed with the Bonds and, in connection

* Preliminary, subject to change.

with such discussions, the Underwriter shall be acting solely as a principal and will not be acting as the agent or fiduciary of, and will not be assuming an advisory or fiduciary responsibility in favor of, the City, the Developer or the Minority Landowner.

The Bonds shall be dated the date of their issuance and delivery and shall have the maturities and redemption features, if any, and bear interest at the rates per annum shown on Appendix A hereto. Payment for and delivery of the Bonds, and the other actions contemplated hereby, shall take place on December 9, 2015 (or such other date as may be agreed to by the City, the Developer, and the Underwriter) (the "Closing Date").

2. Authorization Instruments and Law. The Bonds were authorized by Ordinance No. 2015-__ enacted by the City Council of the City (the "City Council") on November 10, 2015 (the "Bond Ordinance") and shall be issued pursuant to the provisions of Subchapter A of Chapter 372, Texas Local Government Code, as amended (the "Act"), and the Indenture of Trust, dated as of December 1, 2015, between the City and the Trustee, authorizing the issuance of the Bonds (the "Indenture"). The Bonds shall be substantially in the form described in, and shall be secured under the provisions of, the Indenture.

The Bonds and interest thereon shall be secured by the proceeds of special assessments (the "Assessments") levied on the assessable parcels within Neighborhood Improvement Area #1 of Sutton Fields II Public Improvement District (the "District"). The District was established by Resolution No. 2015-___ (the "Creation Resolution"), enacted by the City Council on October 13, 2015, in accordance with the Act. A Service and Assessment Plan (the "Service and Assessment Plan") which sets forth the costs of the Neighborhood Improvement Area #1 Projects and the method of payment of the Assessments was adopted by the City Council on November 10, 2015, pursuant to Ordinance No. 2015-___ (the "Assessment Ordinance" and, together with the Creation Resolution, the Indenture, and the Bond Ordinance, the "Authorizing Documents"). The Bonds shall be further secured by certain applicable funds and accounts created under the Indenture.

The Bonds shall be as described in Appendix A, the Indenture, and the Official Statement.

The proceeds of the Bonds shall be used for (i) paying a portion of the costs of the Neighborhood Improvement Area #1 Projects which consist of (a) Neighborhood Improvement Area #1's proportionate share of the costs of certain public improvements that will benefit the entire District and (b) the costs of the local infrastructure benefitting only Neighborhood Improvement Area #1 of the District; (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Neighborhood Improvement Area #1 Projects; (iii) funding a reserve fund for payment of principal and interest on the Bonds; (iv) paying a portion of the costs incidental to the organization of the District; and (v) paying costs of issuance of the Bonds.

3. Public Offering. The Underwriter agrees to make a bona fide public offering of all of the Bonds at prices not to exceed the public offering prices set forth on the inside cover page of the Official Statement and may subsequently change such offering prices without any requirement of prior notice. The Underwriter may offer and sell Bonds to certain dealers

(including dealers depositing Bonds into investment trusts) and others at prices lower than the public offering prices (or yields higher than the public offering yields) stated on the inside cover page of the Official Statement. The Underwriter shall disclose to the City and its financial advisor any offering prices different from the initial offering prices stated on the inside cover page of the Official Statement. On or before the third business day prior to Closing, the Underwriter shall execute and deliver to Bond Counsel the Issue Price Certificate, in substantially the form attached hereto as Appendix B.

4. Official Statement.

(a) Delivery of Official Statement. The City previously has delivered, or caused to be delivered, to the Underwriter the Preliminary Official Statement for the Bonds dated October 23, 2015 (the "Preliminary Official Statement"), in a "designated electronic format," as defined in the Municipal Securities Rulemaking Board ("MSRB") Rule G-32 ("Rule G-32"). The City will prepare, or cause to be prepared, a final Official Statement relating to the Bonds (the "Official Statement") which will be (i) dated the date of this Agreement, (ii) complete within the meaning of the United States Securities and Exchange Commission's Rule 15c2-12, as amended (the "Rule"), (iii) in a "designated electronic format," and (iv) substantially in the form of the most recent version of the Preliminary Official Statement provided to the Underwriter before the execution hereof. The Official Statement, including the cover page thereto, all exhibits, schedules, appendices, maps, charts, pictures, diagrams, reports, and statements included or incorporated therein or attached thereto, and all amendments and supplements thereto that may be authorized for use with respect to the Bonds are collectively referred to herein as the "Official Statement." Until the Official Statement has been prepared and is available for distribution, the City shall provide to the Underwriter sufficient quantities (which may be in electronic format) of the Preliminary Official Statement as the Underwriter deems necessary to satisfy the obligation of the Underwriter under the Rule with respect to distribution to each potential customer, upon request, of a copy of the Preliminary Official Statement.

(b) Preliminary Official Statement Deemed Final. The Preliminary Official Statement has been prepared for use by the Underwriter in connection with the public offering, sale, and distribution of the Bonds. The City hereby represents and warrants that the Preliminary Official Statement has been deemed final by the City as of its date, except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of the Rule.

(c) Use of Official Statement in Offering and Sale. The City hereby authorizes the Official Statement and the information therein contained to be used by the Underwriter in connection with the public offering and the sale of the Bonds. The City consents to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Bonds. The City shall provide, or cause to be provided, to the Underwriter as soon as practicable after the date of the City's acceptance of this Agreement (but, in any event, not later than the earlier of the Closing Date or seven (7) business days after the City's acceptance of this Agreement) copies of the Official Statement which is complete as of the date of its delivery to the Underwriter.

The City shall provide the Official Statement, or cause the Official Statement to be provided, (i) in a "designated electronic format" consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall request in order for the Underwriter to comply with Section (b)(4) of the Rule and the rules of the MSRB.

(d) Updating of Official Statement. If, after the date of this Agreement, up to and including the date the Underwriter is no longer required to provide an Official Statement to potential customers who request the same pursuant to the Rule (the earlier of (i) ninety (90) days from the "end of the underwriting period" (as defined in the Rule) and (ii) the time when the Official Statement is available to any person from the MSRB, but in no case less than the 25th day after the "end of the underwriting period" for the Bonds), the City, the Developer or the Minority Landowner becomes aware of any fact or event which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Official Statement to comply with law, the City, the Developer or the Minority Landowner, as applicable, will notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as it may from time to time request), and if, in the reasonable judgment of the Underwriter, such fact or event requires preparation and publication of a supplement or amendment to the Official Statement, the City, the Developer or the Minority Landowner, as applicable, will forthwith prepare and furnish, at the Developer's expense (in a form and manner approved by the Underwriter), either an amendment or a supplement to the Official Statement so that the statements therein as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading or so that the Official Statement will comply with law; provided, however, that for all purposes of this Agreement and any certificate delivered by the City, the Developer or the Minority Landowner in accordance herewith, (i) the City, the Developer or the Minority Landowner do not make any representations with respect to the descriptions in the Preliminary Official Statement or the Official Statement of The Depository Trust Company, New York, New York, or its book-entry-only system, (ii) the City makes no representation with respect to the information in the Preliminary Official Statement or the Official Statement under the captions and subcaptions "PLAN OF FINANCE — Development Plan" and " — Status of Lot Purchase and Sale Agreements," "THE NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER," "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Minority Landowner, the Neighborhood Improvement Area #1 Projects and the Development, as defined in the Official Statement), "THE SPECIAL ASSESSMENT CONSULTANT," "CONTINUING DISCLOSURE — The Developer," "LEGAL MATTERS — Litigation - The Developer" and "INFORMATION RELATING TO THE TRUSTEE" and (iii) the Developer and the Minority Landowner make no representations with respect to the information in the Preliminary Official Statement or the Official Statement under the captions "THE CITY," "THE DISTRICT," "BONDHOLDERS' RISKS" (except as it pertains to the Developer, the Neighborhood Improvement Area #1 Projects and the

Development, as defined in the Official Statement), "LEGAL MATTERS — Litigation - The City," "CONTINUING DISCLOSURE — The City" and "— The City Compliance with Prior Undertakings" and "INFORMATION RELATING TO THE TRUSTEE." If such notification shall be subsequent to the Closing, the City, at the expense of the Developer, shall furnish such legal opinions, certificates, instruments, and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement. The City shall provide any such amendment or supplement, or cause any such amendment or supplement to be provided, (i) in a "designated electronic format" consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall request in order for the Underwriter to comply with Section (b)(4) of the Rule and the rules of the MSRB.

(e) Filing with MSRB. The Underwriter hereby agrees to timely file the Official Statement with the MSRB through its Electronic Municipal Market Access ("EMMA") system within one business day after receipt but no later than the Closing Date. Unless otherwise notified in writing by the Underwriter, the City can assume that the "end of the underwriting period" for purposes of the Rule is the Closing Date.

5. City Representations, Warranties and Covenants. The City represents, warrants and covenants to the Underwriter, the Developer and Minority Landowner that:

(a) Due Organization, Existence and Authority. The City is a political subdivision of the State of Texas (the "State"), and has, and at the Closing Date will have, full legal right, power and authority:

(i) to enter into:

(1) this Agreement;

(2) the Indenture;

(3) the Neighborhood Improvement Area #1 Reimbursement Agreement effective November 10, 2015 executed and delivered by the City and the Developer (the "Reimbursement Agreement");

(4) the Sutton Fields Facilities and Development Agreement executed by and between the City, Developer [and the Minority Landowner] effective November 10, 2015 (the "Development Agreement");

(5) the Neighborhood Improvement Area #1 Construction, Funding, and Acquisition Agreement dated as of November 10, 2015 executed and delivered by the City and the Developer (the "Finance Agreement"); and

(6) the Continuing Disclosure Agreement of Issuer with respect to the Bonds, dated as of December 1, 2015 (the "Continuing

Disclosure Agreement of Issuer"), executed and delivered by the City and FSC Continuing Disclosure Services, a division of First Southwest Company, LLC, as Dissemination Agent;

(ii) to issue, sell, and deliver the Bonds to the Underwriter as provided herein; and

(iii) to carry out and consummate the transactions on its part contemplated by the Authorizing Documents, this Agreement, the Reimbursement Agreement, the Development Agreement, the Finance Agreement, the Official Statement, the Continuing Disclosure Agreement of Issuer, and any other documents and certificates contemplated by any of the foregoing (collectively, the "City Documents").

(b) Due Authorization and Approval of City. By all necessary official action of the City, the City has duly authorized and approved the adoption or execution and delivery by the City of, and the performance by the City of the obligations on its part contained in, the City Documents and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded, except as may have been approved by the Underwriter. When validly executed and delivered by the other parties thereto, the City Documents will constitute the legally valid and binding obligations of the City enforceable upon the City in accordance with their respective terms, except insofar as enforcement may be limited by principles of sovereign immunity, bankruptcy, insolvency, reorganization, moratorium, or similar laws or equitable principles relating to or affecting creditors' rights generally. The City has complied, and will at the Closing be in compliance, in all material respects, with the obligations on its part to be performed on or prior to the Closing Date under the City Documents.

(c) Due Authorization for Issuance of the Bonds. The City has duly authorized the issuance and sale of the Bonds pursuant to the Bond Ordinance, the Indenture, and the Act. The City has, and at the Closing Date will have, full legal right, power and authority (i) to enter into, execute, deliver, and perform its obligations under this Agreement and the other City Documents, (ii) to issue, sell and, deliver the Bonds to the Underwriter pursuant to the Indenture, the Bond Ordinance, the Act, and as provided herein, and (iii) to carry out, give effect to and consummate the transactions on the part of the City described by the City Documents and the Bond Ordinance.

(d) No Breach or Default. As of the time of acceptance hereof, and to the best of its knowledge, the City is not, and as of the Closing Date the City, in relation to the Bonds, will not be, in breach of or in default in any material respect under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument and to which the City is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have a material adverse effect on the City's ability to perform its obligations under the Bonds or the City Documents; and, as of such times, the authorization, execution and delivery of the Bonds and the City Documents and compliance by the City with obligations on its part to be performed in each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the City (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties are bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be permitted by the City Documents.

(e) No Litigation. At the time of acceptance hereof there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "Action") pending against the City with respect to which the City has been served with process, nor to the knowledge of the City is any Action threatened against the City, in which any such Action (i) in any way questions the existence of the City or the rights of the members of the City Council to hold their respective positions, (ii) in any way questions the formation or existence of the District, (iii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the City Documents or the consummation of the transactions on the part of the City described therein, or contests the exclusion of the interest on the Bonds from federal income taxation, or (iv) which may result in any material adverse change in the financial condition of the City; and, as of the time of acceptance hereof, to the City's knowledge, there is no basis for any action, suit, proceeding, inquiry, or investigation of the nature described in clauses (i) through (iv) of this sentence.

(f) Bonds Issued Pursuant to Indenture. The City represents that the Bonds, when issued, executed, and delivered in accordance with the Indenture and sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the City subject to the terms of the Indenture, entitled to the benefits of the Indenture and the security of the pledge of the proceeds of the levy of the Assessments received by the City, all to the extent provided for in the Indenture. The Indenture creates a valid pledge of the monies in certain funds and accounts established pursuant to the Indenture to the extent provided for in the Indenture, including the investments thereof, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

(g) Assessments. The Assessments constituting the security for the Bonds have been levied by the City in accordance with the Act on those parcels of land identified in the Assessment Roll (as defined in the Service and Assessment Plan).

According to the Act, such Assessments constitute a valid and legally binding first and prior lien against the properties assessed, superior to all other liens and claims, except liens or claims for state, county, school district, or municipality ad valorem taxes.

(h) Consents and Approvals. All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency, or commission having jurisdiction in the matters which are required by the Closing Date for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the City of, its obligations in connection with the City Documents have been duly obtained or made and are in full force and effect, except the approval of the Bonds by the Attorney General of the State, registration of the Bonds by the Comptroller of Public Accounts of the State, and the approvals, consents and orders as may be required under Blue Sky or securities laws of any jurisdiction.

(i) Public Debt. Prior to the Closing, the City will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by a pledge of the Assessments which secure the Bonds without the prior approval of the Underwriter.

(j) Preliminary Official Statement. The information contained in the Preliminary Official Statement with respect to the City under the captions and subcaptions "THE CITY," "THE DISTRICT," "LEGAL MATTERS — Litigation – The City," and "CONTINUING DISCLOSURE — The City" and "— The City Compliance with Prior Undertakings" is true and correct in all material respects, and such information does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) Official Statement. At the time of the City's acceptance hereof and (unless the Official Statement is amended or supplemented pursuant to paragraph (d) of Section 4 of this Agreement) at all times subsequent thereto during the period up to and including the 25th day subsequent to the "end of the underwriting period," the information contained in the Official Statement with respect to the City under the captions and subcaptions "THE CITY," "THE DISTRICT," "LEGAL MATTERS — Litigation – The City," and "CONTINUING DISCLOSURE — The City" and "— The City Compliance with Prior Undertakings" does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 4(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Official Statement, then the Official Statement in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

(l) Supplements or Amendments to Official Statement. If the Official Statement is supplemented or amended pursuant to paragraph (d) of Section 4 of this

Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the 25th day subsequent to the "end of the underwriting period," the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 4(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Official Statement, then the Official Statement in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

(m) Compliance with the Rule. During the past five years, the City has complied in all material respects with its previous continuing disclosure undertaking made by it in accordance with the Rule, except as described in the Official Statement.

(n) Use of Bond Proceeds. The City will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Indenture and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

(o) Blue Sky and Securities Laws and Regulations. The City will furnish such information and execute such instruments and take such action in cooperation with the Underwriter as the Underwriter may reasonably request, at no expense to the City, (i) to (y) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriter may designate and (z) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and (ii) to continue such qualifications in effect so long as required for the initial distribution of the Bonds by the Underwriter (provided, however, that the City will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Underwriter immediately of receipt by the City of any notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose.

(p) Certificates of the City. Any certificate signed by any official of the City authorized to do so in connection with the transactions described in this Agreement shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein and can be relied upon by the Underwriter as to the statements made therein.

(q) Intentional Actions Regarding Representations and Warranties. The City covenants that between the date hereof and the Closing it will not intentionally take actions which will cause the representations and warranties made in this Section to be untrue as of the Closing.

(r) Financial Advisor. The City has engaged First Southwest Company, LLC, as its financial advisor in connection with its offering and issuance of the Bonds.

By delivering the Official Statement to the Underwriter, the City shall be deemed to have reaffirmed, with respect to the Official Statement, the representations, warranties and covenants set forth above with respect to the Preliminary Official Statement.

6. Developer and Minority Landowner Representations, Warranties and Covenants. In order to induce the City to enter into this Agreement and as consideration for the execution, delivery and sale of the Bonds by the City and the purchase of the Bonds by the Underwriter, the Developer and the Minority Landowner represent, warrant and covenant to the Underwriter and the City that:

(a) Due Organization, Existence and Authority of Developer. The Developer is duly formed and validly existing as a limited liability company under the laws of the State, with full rights, power and authority to execute, deliver and perform its obligations under

(i) this Agreement;

(ii) the Reimbursement Agreement;

(iii) the Development Agreement;

(iv) the Finance Agreement;

(v) Continuing Disclosure Agreement of Developer dated as of December 1, 2015 (the "Continuing Disclosure Agreement of Developer"); and

(vi) any other documents and certificates of the Developer contemplated by any of the foregoing (i) through (v) above (collectively, the "Developer Documents").

(b) Due Organization, Existence and Authority of Minority Landowner. The Minority Landowner is duly formed and validly existing as a limited liability company under the laws of the State, with full rights, power and authority to execute, deliver and perform its obligations under

(i) this Agreement;

(ii) the Development Agreement; and

(iii) any other documents and certificates of the Minority Landowner contemplated by any of the foregoing (i) through (iv) above (collectively, the "Minority Landowner Documents").

(c) Organizational Documents. The copies of (i) the organizational documents of the Developer delivered on the Closing Date (the "Developer

Organizational Documents") and (ii) the copies of the organizational documents of the Minority Landowner delivered on the Closing Date (the "Minority Landowner Organizational Documents") are fully executed, true, correct and complete copies of such documents and such documents have not been amended or supplemented and are in full force and effect as of the date hereof.

(d) Due Authorization and Approval. By all necessary action, the Developer and the Minority Landowner have duly authorized and approved its execution and delivery of the Developer Documents and the Minority Landowner Documents, respectively, and the performance by the Developer and Minority Landowner of their obligations contained in the Developer Documents and the Minority Landowner Documents, as applicable, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded.

(e) No Breach or Default. The execution and delivery of the Developer Documents by the Developer and the Minority Landowner Documents by the Minority Landowner and compliance by such party with the provisions thereof under the circumstances contemplated thereby do not and will not in any material respect conflict with or constitute on the part of the Developer or Minority Landowner a breach or default under (i) any order, writ, judgment, injunction, decree, determination or award of any governmental authority against or with respect to the Developer or Minority Landowner, or (ii) any agreement or instrument to which the Developer or Minority Landowner is a party or by which it is bound, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would, in any material respect, constitute a default or an event of default by the Developer or the Minority Landowner under the Developer Documents or Minority Landowner Documents, as applicable.

(f) No Litigation. Other than as described in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the knowledge of the Developer or Minority Landowner, threatened by or against the Developer or Minority Landowner; (i) in any way questioning the due formation and valid existence of the Developer or Minority Landowner; (ii) in any way challenging the titles of such party's officers executing the Developer Documents or the Minority Landowner Documents, (iii) in any way contesting or affecting the validity or enforceability or the execution and delivery by such party of the Developer Documents or the Minority Landowner Documents, as applicable, or the consummation of the transactions contemplated thereby; (iv) in any way questioning or contesting the validity of any governmental approval of the District or any aspect thereof; (v) in any way questioning or contesting the construction and development of the Development, or (vi) which would have a material adverse effect upon the financial condition of the Developer or the Minority Landowner or the Minority Landowner's ability to own or the Developer's ability to develop property within the District.

(g) Information. The information prepared and submitted by the Developer and the Minority Landowner to the City or the Underwriter in connection with the preparation of the Preliminary Official Statement and the Official Statement was, and is, as of this date, true and correct in all material respects.

(h) Preliminary Official Statement and Official Statement. The Developer and the Minority Landowner represent and warrant that the information set forth in the Preliminary Official Statement and Official Statement under the captions "PLAN OF FINANCE — Development Plan" and "— Status of Lot Purchase and Sale Agreements," "THE NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER" and "CONTINUING DISCLOSURE — The Developer," and, to the best of such party's knowledge after due inquiry, under the captions "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Minority Landowner, the Neighborhood Improvement Area #1 Projects, and the Development, as defined in the Official Statement) and "LEGAL MATTERS — Litigation — The Developer" is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Developer and the Minority Landowner agree to provide a certificate dated the Closing Date affirming, as of such date, the representations contained in this subsection (h) with respect to the Preliminary Official Statement and the Official Statement.

(i) Consent to Bond Issuance. The Developer and Minority Landowner hereby consent to the issuance of the Bonds.

(j) Agreement. The Developer and Minority Landowner covenant that, while the Bonds are outstanding, such party will not bring any action, suit, proceeding, inquiry or investigation at law or in equity, before any court, regulatory agency, public board or body which in any way seeks to challenge or overturn the District, the validity of the Developer Documents and the Minority Landowner Documents, the levy or collection of the Assessments or the validity of the Bonds or the proceedings relating to their issuance.

(k) Permits, Licenses, Etc. The Developer and Minority Landowner have obtained and there are currently in force and effect, or the Developer and Minority Landowner are not aware of any fact that will prevent such party from receiving at or prior to the Closing Date or by the date required or necessary therefor, all consents, permits, licenses, certificates and other approvals (governmental or otherwise) required of it that:

(i) are necessary to conduct such party's business as it is currently being conducted;

(ii) (with the exception of the Authorizing Documents) would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance of its obligations under this Agreement, the Developer Documents, the Minority Landowner Documents and any other material agreement or instrument to which they are a party and which is to be used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement relating to the financing and construction of the Neighborhood Improvement Area #1 Projects; or

(iii) are necessary for the acquisition, construction and operation of the Neighborhood Improvement Area #1 Projects.

(l) Events of Default. No "Event of Default" or "event of default" by the Developer under any of the Developer Documents or by the Minority Landowner under any of the Minority Landowner Documents, any documents to which Developer or Minority Landowner is a party described in the Official Statement, or under any material documents relating to the financing and construction of the Neighborhood Improvement Area #1 Projects to which the Developer or the Minority Landowner is a party, or event that, with the passage of time or the giving of notice or both, would constitute such "Event of Default" or "event of default," by the Developer or the Minority Landowner has occurred and is continuing.

(m) Financing. Other than the Assessments and the liens securing the [Acquisition Loan] and the [Development Loan], no debt will be issued nor will any additional liens be placed on the property within Neighborhood Improvement Area #1 of the District in order to complete the construction of the Neighborhood Improvement Area #1 Projects.

(n) Taxes and Assessments. All ad valorem taxes and assessments are current on the property which the Developer or Minority Landowner owns within the District.

7. The Closing. At 10:00 a.m., Central time, on the Closing Date, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the City and the Underwriter, (i) the City will deliver or cause to be delivered to The Depository Trust Company, New York, New York ("DTC") through its "FAST" System, the Bonds in the form of one fully registered Bond for each maturity, registered in the name of Cede & Co., as nominee for DTC, duly executed by the City and authenticated by the Trustee as provided in the Indenture, and (ii) the City will deliver the closing documents hereinafter mentioned to Norton Rose Fulbright US LLP ("Bond Counsel"), or a place to be mutually agreed upon by the City, the Developer and the Underwriter. Settlement will be through the facilities of DTC. The Underwriter will accept delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer in federal funds payable to the order of the City or its designee. These payments and deliveries, together with the delivery of the aforementioned documents, are herein called the "Closing." The Bonds will be made available to the Underwriter for inspection not less than twenty-four (24) hours prior to the Closing.

8. Closing Conditions. The Underwriter has entered into this Agreement in reliance upon the representations and covenants herein and the performance by the City, the Developer and Minority Landowner of their respective obligations under this Agreement both as of the date hereof and as of the date of the Closing. The Underwriter's obligations under this Agreement are and shall be subject to the following additional conditions:

(a) Bring-Down Representations of the City and the Developer and Minority Landowner. The representations and covenants of the City, the Developer and the Minority Landowner contained in this Agreement shall be true and correct in all material respects as of the date hereof and at the time of the Closing, as if made on the Closing Date.

(b) Executed Agreements and Performance Thereunder. At the time of the Closing (i) the City Documents, the Developer Documents and the Minority Landowner Documents shall be in full force and effect, and shall not have been amended, modified, or supplemented except with the written consent of the Underwriter; (ii) the Authorizing Documents shall be in full force and effect; (iii) there shall be in full force and effect such other resolutions or actions of the City as, in the opinion of Bond Counsel and Counsel to the Underwriter, shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the City described in this Agreement and the City Documents; (iv) there shall be in full force and effect such other resolutions or actions of the Developer and Minority Landowner as, in the opinion of Miklos Legal, PLLC, shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the Developer and Minority Landowner described in this Agreement, the Developer Documents and the Minority Landowner Documents; and (v) the City, the Developer and the Minority Landowner shall perform or have performed their respective obligations required or specified in the City Documents, the Developer Documents and the Minority Landowner Documents, respectively, to be performed at or prior to Closing.

(c) No Default. At the time of the Closing, no default shall have occurred or be existing and no circumstances or occurrences that, with the passage of time or giving of notice, shall constitute an event of default under this Agreement, the Indenture, the Developer Documents, the Minority Landowner Documents, the City Documents or other documents relating to the financing and construction of the Neighborhood Improvement Area #1 Projects and the Development, and the Developer and Minority Landowner shall not be in default in the payment of principal or interest on any of their respective indebtedness which default shall materially adversely impact the ability of such Developer and Minority Landowner to pay the Assessments when due.

(d) Closing Documents. At or prior to the Closing, the Underwriter shall have received each of the documents required under Section 9 below.

(e) Termination Events. The Underwriter shall have the right to cancel its obligation to purchase the Bonds and to terminate this Agreement without liability therefor by written notification to the City if, between the date of this Agreement and the Closing, in the Underwriter's sole and reasonable judgment, any of the following shall have occurred:

(i) the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall be materially adversely affected by the occurrence of any of the following:

(1) legislation shall have been introduced in or enacted by the Congress of the United States or adopted by either House thereof, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice, or otherwise) by the President of the United States, the Treasury Department of the United States, or the Internal Revenue Service or legislation shall have been proposed for consideration by either the U.S. Senate Committee on Finance or the U.S. House of Representatives Committee on Ways and Means or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision by a court of the United States or the Tax Court of the United States shall be rendered or a ruling, regulation, or official statement (final, temporary, or proposed) by or on behalf of the Treasury Department of the United States, the Internal Revenue Service, or other federal agency shall be made, which would result in federal taxation of revenues or other income of the general character expected to be derived by the City or upon interest on securities of the general character of the Bonds or which would have the effect of changing, directly or indirectly, the federal income tax consequences of receipt of interest on securities of the general character of the Bonds in the hands of the holders thereof, and which in either case, makes it, in the reasonable judgment of the Underwriter, impracticable or inadvisable to proceed with the offer, sale, or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement; or

(2) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect (the "Securities Act"), or that the Indenture need to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect (the "Trust Indenture Act"); or

(3) a general suspension of trading in securities on the New York Stock Exchange, the establishment of minimum prices on such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental

authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so; or

(4) there shall have occurred any outbreak of hostilities (including, without limitation, an act of terrorism) or other national or international calamity or crisis, including, but not limited to, an escalation of hostilities that existed prior to the date hereof, and the effect of any such event on the financial markets of the United States shall be such as would make it impracticable, in the reasonable judgment of the Underwriter, for it to sell the Bonds on the terms and in the manner contemplated by the Official Statement; or

(5) there shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the City, except as disclosed in or contemplated by the Official Statement; or

(6) any state blue sky or securities commission or other governmental agency or body in any state in which more than 10% of the Bonds have been offered and sold shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto; or

(7) any amendment to the federal or state Constitution or action by any federal or state court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the City, its property, income, securities (or interest thereon), or the validity or enforceability of the Assessments to pay principal of and interest on the Bonds; or

(ii) the New York Stock Exchange or other national securities exchange or any governmental authority shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter; or

(iii) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, which change shall occur subsequent to the date of this Agreement and shall not be due to the malfeasance, misfeasance or nonfeasance of the Underwriter; or

(iv) any fact or event shall exist or have existed that, in the Underwriter's reasonable judgment, requires or has required an amendment of or supplement to Official Statement; or

(v) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or

(vi) a material disruption in securities settlement, payment or clearance services shall have occurred; or

(vii) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws on the date of Closing, including the Securities Act, the Securities Exchange Act of 1934 (the "Securities Exchange Act") and the Trust Indenture Act; or

(viii) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission, which prohibition shall occur subsequent to the date hereof and shall not be due to the malfeasance, misfeasance, or nonfeasance of the Underwriter.

With respect to the conditions described in subparagraphs (ii) and (viii) above, the Underwriter is not aware of any current, pending or proposed law or government inquiry or investigation as of the date of execution of this Agreement which would permit the Underwriter to invoke its termination rights hereunder.

9. Closing Documents. At or prior to the Closing, the Underwriter shall receive the following documents:

(a) Bond Opinion. The approving opinion of Bond Counsel, dated the Closing Date and substantially in the form included as Appendix C to the Official Statement, together with a reliance letter from Bond Counsel, dated the date of the Closing and addressed to the Underwriter, which may be included in the supplemental opinion required by Section 9(b), to the effect that the foregoing opinion may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

(b) Supplemental Opinion. A supplemental opinion of Bond Counsel dated the Closing Date and addressed to the City, the Developer and the Underwriter, in form and substance acceptable to counsel for the Underwriter, to the following effect:

(i) Except to the extent noted therein, Bond Counsel has not verified and is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the statements and information contained in the Official Statement but that Bond Counsel has reviewed the statements and information appearing under the captions and subcaptions "PLAN OF FINANCE — The Bonds" (except for the last paragraph thereof), "DESCRIPTION OF THE BONDS," "SECURITY FOR THE BONDS," "ASSESSMENT PROCEDURES" (except for the subcaptions "Assessment Methodology" and "Assessment Amounts"), "THE DISTRICT," "TAX MATTERS," "LEGAL MATTERS — Legal Proceedings," "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 A" and Bond Counsel is of the opinion that the information relating to the Bonds and legal issues contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Bond Ordinance and Indenture;

(ii) The Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act;

(iii) The City has full power and authority to adopt the Creation Resolution, the Assessment Ordinance and the Bond Ordinance (collectively, the foregoing documents are referred to herein as the "City Actions") and perform its obligations thereunder and the City Actions have been duly adopted, are in full force and effect and have not been modified, amended or rescinded; and

(iv) The Indenture, the Reimbursement Agreement, the Development Agreement, the Finance Agreement, the Continuing Disclosure Agreement of Issuer, and this Agreement have been duly authorized, executed and delivered by the City and, assuming the due authorization, execution and delivery of such instruments, documents, and agreements by the other parties thereto, constitute the legal, valid, and binding agreements of the City, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting enforcement of creditors' rights, or by the application of equitable principles if equitable remedies are sought and to the application of State law relating to governmental immunity applicable to governmental entities.

(c) City Legal Opinion. An opinion of an attorney for the City, dated the Closing Date and addressed to the Underwriter, the Developer, and the Trustee, with respect to matters relating to the City, substantially in the form of Appendix C hereto or in form otherwise agreed upon by the Underwriter.

(d) Opinion of Special Counsel to the Developer. An Opinion of Developer's Special Counsel, substantially in the form of Appendix D hereto, dated the Closing Date and addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the City and the Underwriter.

(e) Developer and Minority Landowner Certificate. A certificate or certificates of the Developer and Minority Landowner, dated the Closing Date, to the effect that:

(i) the representations and warranties of the Developer and Minority Landowner contained herein and in the Developer Documents and Minority Landowner Documents are true and correct in all material respects on and as of the Closing Date as if made on the date thereof;

(ii) the Developer Documents and the Minority Landowner Documents have been properly executed by the Developer or Landlord, respectively, have not been amended or rescinded, and the delivery and due performance thereof by the Developer or Minority Landowner have been authorized by such party;

(iii) to the best of such party's knowledge after due inquiry, there is no action, suit, proceeding or investigation before any court, public board or body pending, with respect to which the Developer or Minority Landowner have been served with process, or, to the knowledge of the Developer or Minority Landowner threatened against the Developer or Minority Landowner wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence, or powers of the Developer or Minority Landowner or such party's officers to their offices; or (b) in any way question or affect this Agreement, the Developer Documents or the Minority Landowner Documents or the transactions contemplated by this Agreement or the Developer Documents and Minority Landowner Documents;

(iv) the Developer and Minority Landowner have complied in all material respects with all of such party's agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer or Minority Landowner hereunder or prior to the Closing;

(v) the information set forth in the Official Statement under the captions "PLAN OF FINANCE — Development Plan" and "— Status of Lot Purchase and Sale Agreements," "THE NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER" and "CONTINUING DISCLOSURE — The Developer," and, to the best of such party's knowledge after due inquiry, under the captions "BONDHOLDERS' RISKS" (only as it pertains to the Developer, Minority Landowner, the Neighborhood Improvement Area #1 Projects, and the Development, as defined in the Official Statement), and "LEGAL MATTERS — Litigation – The Developer" is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, as of the date thereof; and

(vi) although such party has not verified and does not assume any responsibility for the accuracy, completeness, or fairness of the information contained in the Preliminary Official Statement or the Official Statement other than that described in clause (v), such party has participated in the preparation of the Preliminary Official Statement and the Official Statement and without independent verification, no facts came to such party's attention to lead it to believe that the Preliminary Official Statement, as of its date or as of the date of this Agreement, or the Official Statement, as of its date or as of the date of Closing (except for financial, forecast, technical and statistical statements and data therein and the information regarding The Depository Trust Company and its book-entry only system, in each case as to which it is not called upon to comment) contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(f) City Certificate. A certificate of the City, dated the Closing Date, to the effect that, to the best of an authorized City official's knowledge:

(i) the representations and warranties of the City contained herein and in the City Documents are true and correct in all material respects on and as of the Closing Date as if made on the date thereof;

(ii) the City Documents are in full force and effect and have not been amended, modified, or supplemented;

(iii) except as disclosed in the Official Statement, no litigation or proceeding against the City is pending or, to the knowledge of such persons, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the members or officials of the City to hold and exercise their respective positions, (b) contest the due organization and valid existence of the City or the establishment of the District, (c) contest the validity, due authorization and execution of the Bonds or the City Documents, or (d) attempt to limit, enjoin or otherwise restrict or prevent the City from levying and collecting the Assessments pledged to pay the principal of and interest on the Bonds, or the pledge thereof; and

(iv) the City has, to the best of such person's knowledge, complied with all agreements and covenants and satisfied all conditions set forth in the City Documents, on its part to be complied with or satisfied hereunder at or prior to the Closing.

(g) Trustee's Certificate. A certificate of the Trustee, dated the date of Closing, in form and substance acceptable to counsel for the Underwriter to the following effect:

(i) The Trustee is duly organized and validly existing as a national banking association organized under the laws of the United States of America, having the full power and authority, including trust powers, to accept and perform its duties under the Indenture; and

(ii) No consent, approval, authorization or other action by any governmental authority having jurisdiction over the Trustee that has not been obtained is or will be required for the authentication of the Bonds or the consummation by the Trustee of the other transactions contemplated to be performed by the Trustee in connection with the authentication of the Bonds and the acceptance and performance of the obligations created by the Indenture.

(h) Underwriter Counsel's Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, of Andrews Kurth LLP, counsel to the Underwriter, to the effect that:

(i) based on (A) such counsel's review of the Bond Ordinance, the Indenture, and the Official Statement; (B) its discussions with bond counsel and with the Underwriter; (C) its review of the documents, certificates, opinions and other instruments delivered at the closing of the sale of the Bonds on the date hereof; and (D) such other matters as it deems relevant, such counsel is of the opinion that the Bonds are exempt securities under the Securities Act, and the Trust Indenture Act, and it is not necessary, in connection with the offering and sale of the Bonds, to register any securities under the Securities Act and the Indenture is not required to be qualified under the Trust Indenture Act;

(ii) based upon (A) such counsel's review of the Rule and interpretive guidance published by the United States Securities and Exchange Commission relating thereto; (B) its review of the continuing disclosure undertaking of the City contained in the Continuing Disclosure Agreement of Issuer; and (C) the inclusion in the Official Statement of a description of the specifics of such undertaking, and assuming that the Bond Ordinance, the Indenture, and the Continuing Disclosure Agreement of Issuer have been duly adopted by the City and are in full force and effect, such undertaking provides a suitable basis for the Underwriter, to make a reasonable determination that the City has met the qualifications of paragraph (b)(5)(i) of the Rule; and

(iii) although such counsel has not verified and is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the information contained in the Official Statement, it has participated in the preparation of the Official Statement and without independent verification, no facts came to its attention that caused it to believe that the Official Statement (except for the Appendices as well as any other financial, engineering and statistical data contained therein or included therein by reference or any litigation disclosed therein, as to which it expresses no view) as of its date contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(i) Official Statement. The Official Statement and each supplement or amendment, if any, thereto.

(j) Delivery of City Documents, Developer Documents and Minority Landowner Documents. The City Documents, Developer Documents and Minority Landowner Documents shall have been executed and delivered in form and content satisfactory to the Underwriter.

(k) Organizational Documents and Good Standing. The Developer and Minority Landowner shall have delivered to the Underwriter and the City fully executed copies of each of the Developer Organizational Documents and the Minority Landowners Organizational Documents. The Developer and Minority Landowner shall have delivered to the Underwriter and the City a (i) Certificate of Status from the Texas Secretary of State and (ii) verification of franchise tax account status from the Texas Comptroller of Public Accounts for such party.

(l) Form 8038. Evidence that the federal tax information form 8038-G has been prepared by Bond Counsel for filing.

(m) Federal Tax Certificate. A certificate of the City in form and substance satisfactory to Bond Counsel and counsel to the Underwriter setting forth the facts, estimates and circumstances in existence on the date of the Closing, which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and any applicable regulations (whether final, temporary or proposed), issued pursuant to the Code.

(n) Attorney General Opinion and Comptroller Registration. The approving opinion of the Attorney General of the State regarding the Bonds and the Comptroller of the State's Certificate of Registration for the Initial Bond.

(o) Continuing Disclosure Agreement. The Continuing Disclosure Agreement of Issuer and the Continuing Disclosure Agreement of Developer, shall have been executed by the parties in substantially the forms attached to the Preliminary Official Statement as Appendix D-1 and Appendix D-2.

(p) Letter of Representation of the Appraiser. Letter of Representation of the Appraiser, substantially in the form of Appendix E hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter.

(q) Letter of Representation of Special Assessment Consultant. Letter of Representation of Special Assessment Consultant, substantially in the form of Appendix F hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter.

(r) Evidence of Filing of Creation Resolution and Assessment Ordinance. Evidence that (i) the Creation Resolution, including legal description of the District by metes and bounds and (ii) the Assessment Ordinance, including the SAP with assessment rolls, have been filed of record in the real property records of Denton County, Texas.

(s) Lender Consent Certificate. Lender Consent Certificate of each Development Lender, and any other lienholder on land in the District, consenting to and acknowledging the creation of the District, the adoption of the Assessment Ordinance, the levy of the Assessments, and the subordination of their respective liens to the lien created by the Assessments.

(t) Evidence of Ownership of Property. Evidence that on the date that the Assessment Ordinance was adopted all of the Neighborhood Improvement Area #1 Assessed Parcels were owned by the Developer, Minority Landowner or other development or homebuilder entities and that such landowners are not entities that may claim a homestead right under Texas law.

(u) BLOR. A copy of the Blanket Letter of Representation to DTC relating to the Bonds and signed by the City.

(v) Additional Documents. Such additional legal opinions, certificates, instruments, and other documents as the Underwriter or their counsel may reasonably deem necessary.

The obligation of the City hereunder to deliver the Bonds shall be subject to receipt on or before the date of the Closing of the purchase price set forth in Section 1 hereof, the opinion of Bond Counsel described in Section 9(a) hereof and the receipt of all documents required to be delivered by the Developer and the Minority Landowner hereunder.

If either the City or the Developer shall be unable to satisfy the conditions contained in this Agreement or if the obligations of the Underwriter shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Underwriter nor the City shall be under further obligation hereunder, except as further set forth in Sections 11 and 13 hereof.

10. Indemnification.

(a) The Developer will indemnify and hold harmless the City and the Underwriter and each of their officers, directors, employees and agents against any losses, claims, damages or liabilities to which any of them may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained or incorporated by reference in the Official

Statement under the captions "PLAN OF FINANCE — Development Plan" and "— Status of Lot Purchase and Sale Agreements," "THE NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER," "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Minority Landowner, the Neighborhood Improvement Area #1 Projects, and the Development, as defined in the Official Statement), "CONTINUING DISCLOSURE — The Developer," and "LEGAL MATTERS — Litigation – The Developer," or any amendment or supplement to the Official Statement amending or supplementing the information contained under the aforementioned captions (as qualified above), or arise out of or are based upon the omission or alleged untrue statement or omission to state therein a material fact necessary to make the statements under the aforementioned captions (as qualified above) not misleading under the circumstances under which they were made and will reimburse any indemnified party for any reasonable legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred. Notwithstanding any provision in this Agreement to the contrary, the Developer shall have no liability to the Underwriter, the City or any other person for any untrue, inaccurate or misleading statement set forth by another party to this Agreement.

(b) The Underwriter will indemnify and hold harmless the Developer and the City against any losses, claims, damages or liabilities to which the Developer or the City may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Official Statement, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact necessary to make the statements therein not misleading under the circumstances under which they were made, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Official Statement or any such amendment or supplement in reliance upon and in conformity with information under the heading "UNDERWRITING" in the Official Statement, and will reimburse the Developer and the City for any legal or other expenses reasonably incurred by the Developer and the City in connection with investigating or defending any such actions or claims as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve the indemnifying party from any liability which it may have to the indemnified party otherwise than under such subsection, unless such indemnifying party was prejudiced by such delay or lack of notice. In case any such action shall be brought against an indemnified party, it shall promptly notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. The indemnifying party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the indemnifying party or if there is a final judgment for the plaintiff in any such action, the indemnifying party will indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment. The indemnity agreement in this Section 10 shall survive delivery of the Bonds and shall survive any investigation made by or on behalf of the City, the Developer or the Underwriter.

11. Costs and Expenses.

(a) The Underwriter shall be under no obligation to pay, and the City shall cause to be paid from proceeds of the Bonds the following expenses incident to the issuance of the Bonds and performance of the City's obligations hereunder: (i) the costs of the preparation and printing of the Bonds; (ii) the cost of preparation, printing, and mailing of the Preliminary Official Statement, the final Official Statement and any supplements and amendments thereto; (iii) the fees and disbursements of the City's financial advisor, the Trustee's counsel, Bond Counsel, Developer's Counsel, and the Trustee relating to the issuance of the Bonds, (iv) the Attorney General's review fees, (v) the fees and disbursements of accountants, advisers and any other experts or consultants retained by the City or the Developer, including but not limited to the fees and expenses of the Appraiser and the Special Assessment Consultant, and (vi) the expenses incurred by or on behalf of City employees and representatives that are incidental to the issuance of the Bonds and the performance by the City of its obligations under this Agreement.

(b) The Underwriter shall pay the following expenses: (i) all advertising expenses in connection with the limited offering of the Bonds; (ii) fees of Underwriter's Counsel; and (iii) all other expenses, including CUSIP fees (including out-of-pocket expenses and related regulatory expenses), incurred by it in connection with its public offering and distribution of the Bonds, except as noted in Subsection 11(a) above.

(c) The City acknowledges that the Underwriter will pay from the Underwriter's expense allocation of the underwriting discount the applicable per bond assessment charged by the Municipal Advisory Council of Texas, a nonprofit corporation ("Texas MAC") whose purpose is to collect, maintain and distribute information relating to issuing entities of municipal securities. The estimated Texas MAC fee for this financing is $[______].

12. Notice. Any notice or other communication to be given to the City under this Agreement may be given by delivering the same in writing to: City of Celina, Texas, 142 N. Ohio St., Celina, Texas 76201, Attention: City Manager.

Any notice or other communication to be given to the Developer under this Agreement may be given by delivering the same in writing to: CADG Sutton Fields, LLC, c/o Centurion American Custom Homes Inc. d/b/a Centurion American Development Group Inc., 1800 Valley View Lane Ste. 300, Farmers Branch, Texas 75234, Attention: Mehrdad Moayedi.

Any notice or other communication to be given to the Minority Landowner under this Agreement may be given by delivering the same in writing to: CADG Sutton Fields II, LLC, c/o Centurion American Custom Homes Inc. d/b/a Centurion American Development Group Inc., 1800 Valley View Lane Ste. 300, Farmers Branch, Texas 75234, Attention: Mehrdad Moayedi.

Any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to: Jefferies LLC, 300 Crescent Court, Suite 500, Dallas, Texas 75201, Attention: Mark Curran, Managing Director.

13. Entire Agreement. This Agreement is made solely for the benefit of the City, the Developer, the Minority Landowner and the Underwriter (including their respective successors and assigns), and no other person shall acquire or have any right hereunder or by virtue hereof. All of the City, the Developer and Minority Landowner's representations, warranties, and agreements contained in this Agreement shall remain operative and in full force and effect regardless of: (i) any investigations made by or on behalf of the Underwriter, provided the City, the Developer and the Minority Landowner shall have no liability with respect to any matter of which the Underwriter has actual knowledge prior to the purchase of the Bonds; or (ii) delivery of any payment for the Bonds pursuant to this Agreement. The agreements contained in this Section and in Section 14 shall survive any termination of this Agreement.

14. Survival of Representations and Warranties. All representations and warranties of the parties made in, pursuant to or in connection with this Agreement shall survive the execution and delivery of this Agreement, notwithstanding any investigation by the parties. All statements contained in any certificate, instrument, or other writing delivered by a party to this Agreement or in connection with the transactions described in by this Agreement constitute representations and warranties by such party under this Agreement to the extent such statement is set forth as a representation and warranty in the instrument in question.

15. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

16. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

17. State Law Governs. The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State of Texas.

18. No Assignment. The rights and obligations created by this Agreement shall not be subject to assignment by the Underwriter, the Developer, the Minority Landowner or the City without the prior written consent of the other parties hereto.

19. No Personal Liability. None of the members of the City Council, nor any officer, representative, agent, or employee of the City, shall be charged personally by the Underwriter, the Developer or Minority Landowner with any liability, or be held liable to the Underwriter, the Developer or the Minority Landowner under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach of this Agreement.

20. Developer and Minority Landowner. The Developer and the Minority Landowner are parties to and have executed this Agreement for the limited purposes stated herein. Neither the Developer nor the Minority Landowner shall have rights, remedies or claims under or by reason of this Agreement with respect to or against the City or the Underwriter or any other person or entity, except with respect to the Underwriter under Section 10(b) of this Agreement.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first set forth above.

JEFFERIES LLC,
as Underwriter

By: ______________________________
Name: Mark Curran
Title: Managing Director

Accepted at _____ a.m./p.m. central time on the date first stated above.

CITY OF CELINA, TEXAS

By: ______________________________________
Mayor Pro-Tem

CADG Sutton Fields, LLC
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company
Its Sole Member

By: MMM Ventures, LLC
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By:____________________________
Name: Mehrdad Moayedi
Its: Manager

CADG Sutton Fields II, LLC
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company
Its Sole Member

By: MMM Ventures, LLC
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By:____________________________
Name: Mehrdad Moayedi
Its: Manager

APPENDIX A

$___________
CITY OF CELINA, TEXAS
(a municipal corporation of the State of Texas located in Collin and Denton Counties)
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015
(SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT
NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECT)

$________ Serial Bonds

Due (September 1)[e]	Maturity Amount ($)	Interest Rate (%)	Initial Yield (%)

Term Bonds

$_______ _______% Term Bonds, Due September 1, _______, Priced to Yield _____% [a] [b] [c] [f]

$_______ _____% Term Bonds, Due September 1, ________, Priced to Yield ______%[a] [b] [d] [f]

$______ _____% Term Bonds, Due September 1,______, Priced to Yield _____% [a] [b] [e] [f]

(a) The Bonds are subject to redemption, in whole or in part, prior to stated maturity, at the option of the City, on any date on or after September 1, 20__, at the redemption price (expressed as a percentage of principal amount) applicable to the date of redemption as set forth in the following schedule, plus accrued interest to date of redemption:

Redemption Date	Redemption Price
On or after September 1, 20__	103%
On or after September 1, 20__	102%
On or after September 1, 20__	101%
On or after September 1, 20__	100%

(b) The Bonds allocable to the Neighborhood Improvement Area #1 Local Projects, in an amount up to $__________, may be redeemed prior to their scheduled maturity dates, on any Interest Payment Date on or after September 1, 20__, such redemption date or dates to be fixed by the City, at a redemption price equal to 100% of the principal amount of such Bonds.

(c) The Term Bonds maturing September 1, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective principal amounts as set forth in the following schedule.

$_________Term Bonds due September 1, 20__

Redemption Date	**Principal Amount**

(d) The Term Bonds maturing September 1, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective principal amounts as set forth in the following schedule.

$_____ Term Bonds due September 1, 20__

Redemption Date	Principal Amount

(e) The Term Bonds maturing September 1, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective principal amounts as set forth in the following schedule.

$___________ Term Bonds due September 1, 20__

Redemption Date	Principal Amount

(f) The Bonds are also subject to extraordinary optional redemption as described in the Official Statement under "DESCRIPTION OF THE BONDS — Redemption Provisions."

APPENDIX B

ISSUE PRICE CERTIFICATE

The undersigned hereby certifies as follows with respect to the sale of the CITY OF CELINA, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015 (SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECT) (the "Obligations"):

1. The undersigned is the underwriter that purchased the Obligations from the City of Celina, Texas (the "Issuer").

2. The undersigned has made a bona fide offering of all of the Obligations of each maturity to the public at the initial offering prices set forth in the Issuer's Official Statement with respect to the Obligations, dated November 10, 2015 (the "Official Statement").

3. The initial offering price (expressed as a dollar amount, yield percentage, or percentage of principal amount and exclusive of accrued interest) at which a substantial amount (at least 10%) of the Obligations of each maturity was sold to the public (as defined in paragraph 4) is as set forth on page (i) of the Official Statement [,except for the Obligations maturing in the years 20__, 20__ and 20__ (collectively, the "Unsold Maturities")].

[4. In the case of each of the Unsold Maturities, the undersigned reasonably expected, as of the sale date of the Obligations, to sell a substantial amount (at least 10%) of each of the Unsold Maturities to the public at the initial offering price set forth in the Official Statement.]

5. The term "public," as used herein, means persons other than bondhouses, brokers, dealers, and similar persons or organizations acting in the capacity of underwriters or wholesalers.

6. The initial offering prices described above reflect current market prices at the time of such sales.

7. The undersigned understands that the statements made herein will be relied upon by the Issuer in its effort to comply with the conditions imposed by the Internal Revenue Code of 1986, as amended, on the exclusion of interest on the Obligations from the gross income of their owners.

EXECUTED and DELIVERED this ____________________.

JEFFERIES LLC

By: ________________________________

Title: ________________________________

By: ______________________________

Title: ______________________________

APPENDIX C

[LETTERHEAD OF THE ATTORNEY FOR THE CITY]

[CLOSING DATE]

[Include Developer, Trustee, Underwriter,
Developer's Counsel, and Bond Counsel as addressees]

$11,560,000
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015
(SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT
NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECT)

Ladies and Gentlemen:

We are the Attorney for the City of Celina, Texas (the "City") for limited purposes, and are rendering this opinion in connection with the issuance and sale of $11,560,000 "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project)" (the "Bonds"), by the City, a political subdivision of the State of Texas.

The Bonds are authorized pursuant to Ordinance No. 2015-____ and enacted by the City Council of the City (the "City Council") on November 10, 2015 (the "Bond Ordinance") and shall be issued pursuant to the provisions of Subchapter A of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "Act") and the Indenture of Trust dated as of December 1, 2015 (the "Indenture") by and between the City and U.S. Bank National Association, as trustee (the "Trustee"). Capitalized terms not defined herein shall have the same meanings as in the Indenture, unless otherwise stated herein.

In connection with rendering this opinion, we have reviewed the:

(a) The Resolution No. 2015-___ (the "Creation Resolution") enacted by the City Council on October 13, 2015;

(b) The Ordinance No. 2015-__ accepted and approved by City Council on November 10, 2015, and the Service and Assessment Plan attached as an exhibit thereto (the "Assessment Ordinance"), as such Service and Assessment Plan was updated by the Bond Ordinance; and

(c) The Bond Ordinance;

(e) The Indenture;

(f) The Neighborhood Improvement Area #1 Project Reimbursement Agreement effective November 10, 2015, executed and delivered by the City and CADG Sutton Fields, LLC (as an affiliate of Centurion American Custom Homes Inc. d/b/a/ Centurion American Development Group Inc.) (the "Developer") (the "Reimbursement Agreement");

(g) The Development Agreement effective November 10, 2015, executed and delivered by the City, the Developer and CADG Sutton Fields II, LLC, (the "Development Agreement");

(h) The Neighborhood Improvement Area #1 Construction, Funding, and Acquisition Agreement dated as of November 10, 2015 executed and delivered by the City and CADG Sutton Fields, LLC (the "Finance Agreement"); and

(i) The Continuing Disclosure Agreement of Issuer, dated as of December 1, 2015, executed and delivered by the City and FSC Continuing Disclosure Services, a division of First Southwest Company, LLC (the "Dissemination Agent") (the "Continuing Disclosure Agreement of Issuer").

The Creation Resolution, the Assessment Ordinance and Bond Ordinance shall herein after be referred to as the "Authorizing Documents" and the remaining documents shall herein after be collectively referred to as the "City Documents."

In all such examinations, we have assumed that all signatures on documents and instruments executed by the City are genuine and that all documents submitted to me as copies conform to the originals. In addition, for purposes of this opinion, we have assumed the due authorization, execution and delivery of the City Documents by all parties other than the City.

Based upon and subject to the foregoing and the additional qualifications and assumptions set forth herein, we are of the opinion that:

1. The City is a Texas political subdivision and has all necessary power and authority to enter into and perform its obligations under the Authorizing Documents and the City Documents. The City has taken or obtained all actions, approvals, consents and authorizations required of it by applicable laws in connection with the execution of the Authorizing Documents and the City Documents and the performance of its obligations thereunder.

2. To the best of our knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, public board or body, pending, or threatened against the City: (a) affecting the existence of the City or the titles of its officers to their respective offices, (b) in any way questioning the formation or existence of the District, (c) affecting, contesting or seeking to prohibit, restrain or enjoin the delivery of any of the Bonds, or the payment, collection or application of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, including the special assessments in the District pursuant to the provisions of the Assessment Ordinance and the Service and Assessment Plan referenced therein, (d) contesting or affecting the validity or enforceability or the City's performance of the City Documents, (e) contesting the exclusion of the interest on the Bonds from federal income taxation, or (f) which may result in any material adverse change relating to the financial condition of the City.

3. The Authorizing Documents were duly enacted by the City and remain in full force and effect on the date hereof.

4. The City Documents have been duly authorized, executed and delivered by the City and remain legal, valid and binding obligations of the City enforceable against the City in accordance with their terms. However, the enforceability of the obligations of the City under such City Documents may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally, (b) principles of equity, whether considered at law or in equity, and (c) the application of Texas law relating to governmental immunity applicable to governmental entities.

5. The performance by the City of the obligations under the Authorizing Documents and the City Documents will not violate any provision of any Federal or Texas constitutional or statutory provision.

6. No further consent, approval, authorization, or order of any court or governmental agency or body or official is required to be obtained by the City as a condition precedent to the performance by the City of its obligations under the Authorizing Documents and the City Documents.

7. The adoption of the Authorizing Documents and the execution and delivery of the City Documents and the compliance with the provisions of the Authorizing Documents and the City Documents under the circumstances contemplated thereby, to the best of our knowledge: (a) do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement to which the City is a party or by which it is bound, and (b) do not and will not in any material respect conflict with or constitute on the part of the City a violation, breach of or default under any existing law, regulation, court order or consent decree to which the City is subject.

This opinion may not be relied upon by any other person except those specifically addressed in this letter.

Very truly yours,

APPENDIX D

[LETTERHEAD OF SPECIAL COUNSEL TO THE DEVELOPER]

[CLOSING DATE]

[Include City, City's Counsel, Underwriter, Bond Counsel, and Trustee as addressees]

$11,560,000
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015
(SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECT)

Ladies and Gentlemen:

We have acted as special counsel for CADG Sutton Fields, LLC (the "Developer") and CADG Sutton Fields II, LLC (the "Minority Landowner"), in connection with the issuance and sale by the City of Celina, Texas (the "City"), of $11,560,000 City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project) (the "Bonds"), pursuant to Indenture of Trust dated as of December 1, 2015 (the "Indenture"), by and between the City and U.S. Bank National Association, as trustee (the "Trustee"). Proceeds from the sale of the Bonds will be used, in part, to fund certain public infrastructure improvements in the development known as "The Neighborhood Improvement Area #1 Project" (the "Neighborhood Improvement Area #1 Project") located in the City.

The Bonds are being sold to Jefferies LLC (the "Underwriter"), pursuant to that certain Bond Purchase Agreement and Developer and Minority Landowner Representations dated November 10, 2015 (the "Bond Purchase Agreement"), by and among the City, the Developer, the Minority Landowner and the Underwriter. This opinion is being delivered pursuant to Section 9(d) of the Bond Purchase Agreement.

All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Purchase Agreement.

<u>Assumptions and Bases for Opinions and Assurances</u>

In our capacity as special counsel to the Developer and the Minority Landowner, and for purposes of rendering the opinions set forth herein, we have examined originals or copies, certified or otherwise identified to our satisfaction, of:

(a) The following documents being executed, entered into and/or issued, as the case may be, in connection with the issuance of the Bonds (collectively, the "Documents"):

(1) The Indenture;

(2) The Service and Assessment Plan;

(3) The Bond Purchase Agreement;

(4) The Financing Agreement;

(5) The Development Agreement;

(6) The Reimbursement Agreement; and

(7) The Continuing Disclosure Agreement of Developer.

(b) Certificates of the Developer dated as of the closing date certifying as to (i) the Developer's organization documents as such are in effect as of the date hereof (the "Developer Basic Documents"); (ii) the resolution of the Developer adopted as of ______________, 2015, authorizing its execution of the applicable Documents to which it is a party and related matters; and (iii) certain other matters (collectively, the "Developer Certificates");

(c) Certificates of the Minority Landowner dated as of the closing date certifying as to (i) the Minority Landowner's organization documents as such are in effect as of the date hereof (the "Minority Landowner Basic Documents"); (ii) the resolution of the Minority Landowner adopted as of ______________, 2015, authorizing its execution of the applicable Documents to which it is a party and related matters; and (iii) certain other matters (collectively, the "Minority Landowner Certificates");

(d) Evidence that the Developer and Minority Landowner are authorized to do business in the State of Texas and are in good standing;

(e) The Preliminary Official Statement, dated October 23, 2015, relating to the issuance of the Bonds (the "Preliminary Official Statement");

(f) The final Official Statement relating to the issuance of the Bonds, dated November 10, 2015 (the "Official Statement"); and

(f) Such other documents, records, agreements and certificates of the Developer, the Minority Landowner, and their officers and such other parties as we have deemed necessary or appropriate to enable us to render the opinions expressed below.

In basing the opinions and other matters set forth herein on "our knowledge," the words "our knowledge" signify that, in the course of our representation of the Developer and the Minority Landowner, the principal attorneys in this firm involved in the current actual transaction do not have actual knowledge or actual notice that any such opinions or other matters are not accurate or that any of the documents, certificates, reports and information on which we have relied are not accurate and complete. Except as otherwise stated herein, we have undertaken no independent investigation or certification of such matters. The words "our knowledge" and similar language used herein are intended to be limited to the knowledge of the attorneys within our firm who have worked on the matters contemplated by our representation as special counsel.

In rendering the opinions set forth herein, we have assumed, without independent investigation, that (i) all persons other than the Developer and the Minority Landowner have duly and validly executed and delivered each instrument, document, and agreement constituting a Document or executed in connection therewith to which such party is a signatory, and each such party's obligations set forth therein are its legal, valid, and binding obligations, enforceable in accordance with the terms thereof; (ii) each person executing any such instrument, document, or agreement other than the Developer or the Minority Landowner is duly authorized and has the legal power to do so; (iii) each natural person executing any such instrument, document, or agreement is legally competent to do so; (iv) there are no oral or written modifications of, or amendments to, the Documents, and there has been no waiver of any of the provisions thereof, by actions or conduct of the parties or otherwise; (v) all representations of fact set forth in the Documents are complete and accurate, insofar as such facts pertain to the subject matter of the opinions rendered hereby; and (vi) all documents submitted to us as originals are complete and authentic, all documents submitted to us as certified, conformed or photostatic copies conform to the original documents, all signatures on all documents submitted to us for examination are genuine, and all public records and certificates of public officials are accurate and complete.

In addition, we have assumed that the Documents accurately reflect the complete understanding of the parties with respect to the transactions contemplated thereby and the rights and obligations of the parties thereunder. We have also assumed that the terms and conditions of the transaction as reflected in the Documents have not been amended, modified or supplemented, directly or indirectly, by any other agreement or understanding of the parties or waiver of any of the material provisions of the Documents.

We assume that none of the parties to the Documents (other than Developer and the Minority Landowner) is a party to any court or regulatory proceeding relating to or otherwise affecting the Documents or is subject to any order, writ, injunction or decree of any court or federal, state or local governmental agency or commission that would prohibit the execution and delivery of the Documents, or the consummation of the transactions therein contemplated in the manner therein provided, or impair the validity or enforceability thereof. We assume that each of the parties to the Documents (other than Developer and the Minority Landowner) has full authority to close this transaction in accordance with the terms and provisions of the Documents.

We assume that neither the Underwriter nor the City nor their respective counsel has any current actual knowledge of any facts not known to us or any law or judicial decision which would make the opinions set forth herein incorrect, and that no party upon whom we have relied for purposes of this opinion letter has perpetrated a fraud.

We have only been engaged by our clients in connection with the Documents (and the transactions contemplated in the Documents) and do not represent these clients generally.

Opinions and Assurances

Based solely upon the foregoing, and subject to the assumptions and limitations set forth herein, we are of the opinion that:

1. The general partner of the Developer is in good standing and the Developer is qualified to do business in and in good standing under the laws of the State of Texas.

2. The general partner of the Minority Landowner is in good standing and the Minority Landowner is qualified to do business in and in good standing under the laws of the State of Texas.

3. The Developer and the Minority Landowner have the full legal right, power and authority to execute, deliver and perform their obligations, as applicable, under each of the Documents to which they are a party and have taken all necessary actions to authorize the execution, distribution and delivery by the Developer or the Minority Landowner, as applicable, of such Documents and the performance by the Developer and the Minority Landowner, as applicable, of such obligations.

4. The execution, delivery and performance by the Developer and the Minority Landowner of the Documents to which they are a party, and compliance and performance by the Developer and the Minority Landowner, as applicable, with the terms and provisions thereof and obligations thereunder, will not:

(i) to our knowledge, violate or conflict with any provision of any existing law, statute, rule or regulation applicable to the Developer or the Minority Landowner by reason of the general conduct of its business and operation of its assets:

(ii) based solely upon the Developer Certificates and Minority Landowner Certificates and our knowledge, conflict with or result in the breach of any court decree or order of any governmental body binding upon or affecting the Developer or the Minority Landowner, the conflict with which or breach of which would have a material, adverse effect on the ability of the Developer or the Minority Landowner, as applicable, to perform its obligations under the Documents to which it is a party; or

(iii) contravene or conflict with the Developer Basic Documents or the Minority Landowner Basic Documents.

5. To our knowledge, no consent, approval, authorization or other action by, or filing with, any governmental authority is required for the execution and delivery by the Developer and the Minority Landowner of the Documents to which each is a party or the performance of their respective obligations thereunder, other than as are required with respect to the financing transaction evidenced thereby, or if required, and not otherwise obtained, with respect to which the requisite consent, approval or authorization has been obtained, the requisite filing has been accomplished or the requisite action has been taken at or prior to the date required therefor.

6. The Developer and Minority Landowner have duly executed and delivered each of the Documents to which they are a party, and each of such Documents constitutes the legal, valid and binding obligations of the Developer and the Minority Landowner, as applicable, enforceable against the Developer and Minority Landowner, as applicable, in accordance with its terms.

7. To our knowledge after reasonable inquiry, there are no actions, suits or proceedings pending against the Developer or the Minority Landowner in any court of law or equity, or before or by any governmental instrumentality with respect to (i) their organization or existence or qualification to do business in the State of Texas; (ii) their authority to execute or deliver the Documents to which it is a party; (iii) the validity or enforceability against them of such Documents or the transactions contemplated thereby; (iv) the titles of their officers executing the Documents; (v) the execution and delivery of the Documents on behalf of the Developer or the Minority Landowner; or (vi) the operations or financial condition of the Developer or the Minority Landowner that would materially adversely affect those operations or the financial condition of the Developer or the Minority Landowner.

8. To our knowledge, no taxes or other charges, including, without limitation, intangible or documentary stamp taxes, mortgage or recording taxes, transfer taxes or similar charges, are payable to the State of Texas by the Developer or the Minority Landowner on account of their execution or delivery of any of the Documents or the creation of the indebtedness evidenced or secured by any of the Documents or the recording or filing of any of the Documents, except for normal filing or recording fees.

9. In addition, we advise you that no facts have come to our attention that would lead us to believe that the information set forth in the Official Statement under the captions "PLAN OF FINANCE — "Development Plan" and "— Status of Lot Purchase and Sale Agreements," "THE NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER" and "BONDHOLDERS' RISK FACTORS" (only as it pertains to the Developer, the Minority Landowner, the Neighborhood Improvement Area #1 Projects, and the Development, as defined in the Official Statement) and "CONTINUING DISCLOSURE — The Developer" does not fairly and accurately present the information purported to be shown therein, and (except for Appendices A, C, D-1 and E as well as any other financial, engineering and statistical data contained therein or elsewhere in the Official Statement or included therein by reference, as to which we express no view) as of the date hereof, nothing has come to the attention of those individuals working on this matter on behalf of this firm which would lead us to believe that such information contains an untrue statement of a material fact or that such information omits to state a material fact required to be stated therein in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

10. To our knowledge, the execution and delivery of the Developer Basic Documents, the Minority Landowner Basic Documents, and the Documents do not, and the transactions contemplated thereby may be consummated and the terms and conditions thereof may be observed and performed in a manner that does not, conflict with or constitute a breach of or default under any loan agreement, indenture, bond note, resolution, agreement or other instrument to which the Developer or the Minority Landowner is a party or is otherwise subject which violation, breach or default would materially adversely affect the Developer, the Minority Landowner, or the transactions contemplated by the Documents; nor will any such execution, delivery, adoption, fulfillment, or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Developer or the Minority Landowner, as applicable, except as expressly contemplated by the Documents (a) under the terms of any such law, administrative

regulation, judgment or decree or (b) under any such loan agreement, indenture, bond note, resolution, agreement, or other instrument.

Qualifications

In addition to any assumptions, qualifications and other matters set forth elsewhere herein, the opinions set forth above are subject to the following assumptions and qualifications:

(a) We have not examined any court dockets, agency files or other public records regarding the entry of any judgments, writs, decrees or orders or the pendency of any actions, proceedings, investigations or litigation.

(b) We have relied upon the Developer Certificates and Minority Landowner Certificates, as well as the representations of the Developer and the Minority Landowner contained in the Documents, with respect to certain facts material to our opinion. Except as otherwise specifically indicated herein, we have made no independent investigation regarding any of the foregoing documents or the representations contained therein.

(c) Our opinion delivered pursuant to Section 6 above is subject to the effect of any applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other laws affecting creditors' rights generally and to the effect of general principles of equity, including (without limitation) remedies of specific performance and injunctive relief and concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law).

(d) Except for the Documents, we have not reviewed, and express no opinion as to, any other contracts or agreements to which the Developer or the Minority Landowner is a party or by which the Developer or the Minority Landowner is or may be bound.

(e) The opinions expressed herein are based upon and limited to the applicable laws of the State of Texas and the laws of the United States of America, excluding the principles of conflicts of laws thereof, as in effect as of the date hereof, and our knowledge of the facts relevant to such opinions on such date. In this regard, we note that we are members of the Bar of the State of Texas, we do not express any opinion herein as to matters governed by the laws of any other jurisdiction, except the United States of America, we do not purport to be experts in any other laws and we can accept no responsibility for the applicability or effect of any such laws. In addition, we assume no obligation to supplement the opinions expressed herein if any applicable laws change after the date hereof, or if we become aware of any facts or circumstances that affect the opinions expressed herein.

(f) This letter is strictly limited to the matters expressly set forth herein and no statements or opinions should be inferred beyond such matters.

(g) Notwithstanding anything contained herein to the contrary, we express no opinion whatsoever concerning the status of title to any real or personal property.

(h) We express no opinion as to the laws of any jurisdiction other than the laws of the State of Texas and the laws of the United States of America. The opinions expressed above concern only the effect of the laws (excluding the principles of conflict of laws, except as specifically provided herein) of the State of Texas and the United States of America as currently in effect. We assume no obligation to supplement this opinion if any applicable laws change after the date of this opinion, or if we become aware of any facts that might change the opinions expressed above after the date of this opinion.

(i) The opinions expressed herein regarding the enforceability of the Documents is subject to the qualification that certain of the remedial, waiver or other provisions thereof may not be enforceable; but such unenforceability will not, in our judgment, render the Documents invalid as a whole or substantially interfere with the practical realization of the principal legal benefits provided in the Documents, except to the extent of any economic consequences of any procedural delays which may result therefrom.

(j) The opinion expressed herein as to the enforceability of the Documents is specifically subject to the qualification that enforceability of the Documents is limited by the following: (i) the rights of the United States under the Federal Tax Lien Act of 1966, as amended; (ii) principles of equity, public policy and unconscionability which may limit the availability of certain remedies; (iii) bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, liquidation, probate, conservatorship and other laws applicable to creditors' rights or the collection of debtors' obligations generally; and (iv) requirements of due process under the United States Constitution, the Constitution of the State of Texas and other laws or court decisions limiting the rights of creditors to repossess, foreclose or otherwise realize upon the property of a debtor without appropriate notice or hearing or both.

(k) We express no opinion as to whether a court would grant specific performance or any other equitable remedy with respect to the enforcement of the Documents.

(l) We express no opinion as to the validity, binding effect, or enforceability of: (i) provisions which purport to waive rights or notices, including rights to trial by jury, counterclaims or defenses, jurisdiction or venue; (ii) provisions relating to consent judgments, waivers of defenses or the benefits of statutes of limitations, marshaling of assets, the transferability of any assets which by their nature are nontransferable, sales in inverse order of alienation, or severance; (iii) provisions purporting to waive the benefits of present or of future laws relating to exemptions, appraisement, valuation, stay of execution, redemption, extension of time for payment, setoff and similar debtor protection laws; or (iv) provisions requiring a party to pay fees and expenses regardless of the circumstances giving rise to such fees or expenses or the reasonableness thereof.

(m) The opinions expressed herein are subject to the effect of generally applicable rules of law that provide that forum selection clauses in contracts are not necessarily binding on the court(s) in the forum selected.

(n) We express no opinion as to the enforceability of any provisions in the Documents purporting to entitle a party to indemnification in respect of any matters arising in whole or in part by reason of any negligent, illegal or wrongful act or omission of such party.

This opinion is furnished to you solely in connection with the transactions, for the purposes and on the terms described above and may not be relied upon by you for any other purpose or by any other person in any manner or for any purpose.

Very truly yours,

Schedule I

As used herein, "Applicable Law" means the laws, rules and regulations of the State of Texas and the United States of America and the rules and regulations adopted thereunder; for the avoidance of doubt, the foregoing shall not include any local or municipal laws, environmental laws or regulations, development laws or regulations, land ordinances or water management laws or regulations.

As used herein, "Governmental Approval" means any consent, approval, license, authorization or validation of, or filing, recording or registration with, any Governmental Authority of the State of Texas or any governmental authority or instrumentality of the United States of America pursuant to any Applicable Law.

As used herein, "Governmental Authority" means the government of the State of Texas, and any agency, authority, statewide subdivision instrumentality, regulatory body, court or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to such government.

APPENDIX E

[LETTERHEAD OF APPRAISER]

[DATE]

[Include City, City's Counsel, Underwriter, Bond Counsel, and Trustee as addressees]

Re: City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project) (the "Bonds")

Ladies and Gentlemen:

The undersigned, Jackson Claborn, Inc., appraiser of (i) the undeveloped property contained in Sutton Fields II Public Improvement District ("District"), does hereby represent the following:

1. On behalf of Jackson Claborn, Inc., I have supplied certain information contained in the Preliminary Official Statement for the Bonds, dated October 23, 2015, and the Official Statement for the Bonds, dated November 10, 2015 (together, the "Official Statement"), relating to the issuance of the Bonds by the City of Celina, Texas, as described above. The information I have provided is the real estate appraisal of the property in the District, located in Appendix E to the Official Statement.

2. To the best of my professional knowledge and belief, as of the date of my appraisal report, the portion of the Official Statement described above does not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. I agree to the use of the name of my firm in the Official Statement for the Bonds.

4. I agree that, to the best of my ability, I will inform you immediately should I learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about December 9, 2015) which would render any such information in the Official Statement untrue, incomplete, or incorrect, in any material fact or render any statement in the appraisal materially misleading.

5. The undersigned hereby represents that he has been duly authorized to execute this letter of representation.

Sincerely yours,

JACKSON CLABORN, INC.

By: ____________________
Its: ____________________

APPENDIX F

[LETTERHEAD OF SPECIAL ASSESSMENT CONSULTANT]

[DATE]

[Include City, City's Counsel, Underwriter, Bond Counsel, and Trustee as addressees]

Re: City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project) (the "Bonds")

Ladies and Gentlemen:

The undersigned, ________________, of Development Planning & Financing Group, Inc. ("DPFG"), consultant in connection with the creation by the City of Celina, Texas (the "City"), of Sutton Fields II Public Improvement District (the "District"), does hereby represent the following:

1. On behalf of DPFG, I have supplied certain information contained in the Preliminary Official Statement, dated October 23, 2015 (the "Preliminary Official Statement"), and the final Official Statement, dated November 10, 2015 (the "Official Statement"), both in connection with the Bonds, relating to the issuance of the Bonds by the City, as described above. The information I provided for the Preliminary Official Statement and the Official Statement is located (a) under the caption "THE SPECIAL ASSESSMENT CONSULTANT" and (b) in the Service and Assessment Plan (the "SAP") for the City located in Appendix B to the Official Statement.

2. To the best of my professional knowledge and belief, the portions of the Official Statement described above do not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. I agree to the inclusion of the following in the Official Statement for the Bonds: (a) the information under the caption "THE SPECIAL ASSESSMENT CONSULTANT" and (b) the SAP.

4. I agree to the use of the name of my firm in the Official Statement for the Bonds.

5. I agree that, to the best of my ability, I will inform you immediately should I learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about December 9, 2015) which would render any such information in the Official Statement untrue, incomplete, or incorrect, in any material fact or render any such information materially misleading.

6. The undersigned hereby represents that he has been duly authorized to execute this letter of representation.

Sincerely yours,

DEVELOPMENT PLANNING & FINANCING GROUP, INC.

By: ______________________________
Its: ______________________________

EXHIBIT C

CONTINUING DISCLOSURE AGREEMENT

CITY OF CELINA, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015 (SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECT)

CONTINUING DISCLOSURE AGREEMENT OF THE ISSUER

This Continuing Disclosure Agreement dated as of December 1, 2015 (this "Disclosure Agreement") is executed and delivered by and between the City of Celina, Texas (the "Issuer") and FSC Continuing Disclosure Services, a division of First Southwest Company, LLC (the "Dissemination Agent") with respect to the Issuer's "Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project)" (the "Bonds"). The Issuer and the Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer and the Dissemination Agent for the benefit of the Owners (defined below) and beneficial owners of the Bonds. Unless and until a different filing location is designated by the MSRB (defined below) or the SEC (defined below), all filings made by the Dissemination Agent pursuant to this Agreement shall be filed with the MSRB through EMMA (defined below).

SECTION 2. Definitions. In addition to the definitions set forth above and in the Indenture of Trust dated as of December 1, 2015, relating to the Bonds (the "Indenture"), which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Administrator" shall mean the employee or designee of the City, identified in any indenture of trust relating to the Bonds, the District's Service and Assessment Plan, or any other agreement or document approved by the Issuer related to the duties and responsibilities of the administration of the District.

"Annual Collection Costs" shall have the meaning assigned to such term in the Indenture.

"Annual Financial Information" shall mean annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

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

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

"Business Day" shall mean any day other than a Saturday, Sunday or legal holiday in the State of Texas observed as such by the Issuer or the Trustee.

"Developer" shall mean CADG Sutton Fields, LLC, a Texas limited liability company, and its successors and assigns.

"Disclosure Agreement of Developer" shall mean the Continuing Disclosure Agreement of the Developer dated as of December 1, 2015 executed and delivered by the Developer and the Dissemination Agent.

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

"Dissemination Agent" shall mean FSC Continuing Disclosure Services, a division of First Southwest Company, LLC, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee a written acceptance of such designation.

"District" shall mean Sutton Fields II Public Improvement District.

"EMMA" shall mean the Electronic Municipal Market Access System available on the internet at http://emma.msrb.org.

"Fiscal Year" shall mean the calendar year from October 1 through September 30.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

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

"Neighborhood Improvement Area #1" shall mean the first phase of the development within the District.

"Outstanding" shall mean, as of any particular date when used with reference to Bonds, all Bonds authenticated and delivered under this Indenture except (i) any Bond that has been canceled by the Trustee (or has been delivered to the Trustee for cancellation) at or before such date, (ii) any Bond for which the payment of the principal or Redemption Price of and interest on such Bond shall have been made as provided in the Indenture, and (iii) any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered pursuant to the Indenture.

"Owner" shall mean the registered owner of any Bonds.

"Rule" shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" shall mean the United States Securities and Exchange Commission.

"Service and Assessment Plan" shall have the meaning assigned to such term in the Indenture.

"Tax-exempt" shall mean that interest on the Bonds is excluded from gross income for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating any other tax liability, including any alternative minimum tax liability.

"Trustee" shall mean U.S. Bank National Association, Dallas, Texas, or any successor trustee pursuant to the Indenture.

SECTION 3. Provision of Annual Bond Disclosure Reports.

(a) The Issuer shall cause and hereby directs the Dissemination Agent to provide or cause to be provided to the MSRB, in the electronic or other form required by the MSRB, commencing with the Fiscal Year ended September 30, 2015, an Annual Issuer Report provided to the Dissemination Agent which is consistent with the requirements of and within the time periods specified in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Issuer, if prepared and when available, may be submitted separately from the Annual Issuer Report, and later than the date required in this paragraph for the filing of the Annual Issuer Report if audited financial statements are not available by that date; provided further, however, that the Annual Financial Information must be submitted not later than six months after the end of the Issuer's Fiscal Year. In each case, the Annual Issuer Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Agreement. If the Issuer's Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(a). All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(b) The Issuer shall or shall cause the Dissemination Agent to:

(i) determine the filing address or other filing location of the MSRB each year prior to filing the Annual Issuer Report on the date required in subsection (a);

(ii) file the Annual Issuer Report (excluding the audited financial statements of the Issuer, if any, which shall be filed by the Issuer or the Dissemination Agent upon receipt from the Issuer) containing or incorporating by reference the information set forth in Section 4 hereof; and

(iii) if the Issuer has provided the Dissemination Agent with the completed Annual Issuer Report and the Dissemination Agent has filed such Annual Issuer Report with the MSRB, then the Dissemination Agent shall file a report with the Issuer certifying that the Annual Issuer Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided and that it was filed with the MSRB

SECTION 4. Content and Timing of Annual Issuer Reports. The Annual Issuer Report for the Bonds shall contain or incorporate by reference, and the Issuer agrees to provide or cause to be provided to the Dissemination Agent, the following:

(a) Within six months after the end of each Fiscal Year (any or all of which may be unaudited),

(i) Tables setting forth the following information, as of the end of such Fiscal Year:

(A) For the Bonds, the maturity date or dates, the interest rate or rates, the original aggregate principal amount and principal amount remaining Outstanding; and

(B) The amounts in the funds and accounts securing the Bonds.

(ii) Updates to the information in the Service and Assessment Plan as most recently amended or supplemented (a "SAP Update"), including any changes to the methodology for levying the Assessments in Neighborhood Improvement Area #1. Until building permits have been issued for parcels or lots representing, in the aggregate, 95% of the total Assessments levied within Neighborhood Improvement Area #1, such SAP Update shall include, the number of new homes completed in Neighborhood Improvement Area #1 during such Fiscal Year and the aggregate number of new homes completed within Neighborhood Improvement Area #1 since filing the initial Annual Issuer Report for Fiscal Year ended September 30, 2015.

(iii) The individual and aggregate taxable assessed valuation for parcels or lots within Neighborhood Improvement Area #1 based on the most recent certified tax roll available to the Issuer.

(iv) The current or delinquent status of the payment of the Assessment for each parcel or lot in Neighborhood Improvement Area #1 as of February 15 of the calendar year immediately succeeding such Fiscal Year.

(v) The total amount of (A) Annual Installments invoiced, (B) Annual Installments collected (as reported by the County Tax Assessor Collector or the Administrator), (C) delinquent Annual Installments, (D) Foreclosure Proceeds collected, and (E) prepaid Assessments collected, as of the February 15 of the calendar year immediately succeeding such Fiscal Year, in each case with respect to the most recent billing period (generally, October 1 of the preceding calendar year through January 31 of the current calendar year).

(vi) The total amount of Annual Installments assessed and collected during such Fiscal Year, together with the amount of delinquent Assessments collected and Assessments prepaid during such Fiscal Year.

(vii) The principal and interest paid on the Bonds during such Fiscal Year and the minimum scheduled principal and interest required to be paid on the Bonds in the next Fiscal Year.

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

(b) If not provided with the financial information provided under subsection 4(a) above, if prepared and when available, the audited financial statements of the Issuer for the most recently ended Fiscal Year, prepared in accordance with generally accepted accounting principles applicable from time to time to the Issuer.

See Exhibit B hereto for a form for submitting the information set forth in the preceding paragraph. The Issuer has designated MuniCap, Inc. as the initial Administrator. The Administrator, and if no Administrator is designated, Issuer's staff, shall prepare the Annual Financial Information.

Any or all of the items listed above may be included by specific reference to other documents, including disclosure documents of debt issues of the Issuer, which have been submitted to and are publicly accessible from the MSRB. If the document included by reference is a final offering document, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, each of the following is a Listed Event with respect to the Bonds:

1. Principal and interest payment delinquencies.

2. Non-payment related defaults, if material.

3. Unscheduled draws on debt service reserves reflecting financial difficulties.

4. Unscheduled draws on credit enhancements reflecting financial difficulties.

5. Substitution of credit or liquidity providers, or their failure to perform.

6. Adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.

7. Modifications to rights of Owners, if material.

8. Bond calls, if material.

9. Defeasances.

10. Release, substitution, or sale of property securing repayment of the Bonds, if material.

11. Rating changes.

12. Bankruptcy, insolvency, receivership or similar event of the Issuer.

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

14. Appointment of a successor or additional trustee under the Indenture or the change of name of a trustee, if material.

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

Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall promptly notify the Dissemination Agent in writing and the Issuer shall direct the Dissemination Agent to file a notice of such occurrence with the MSRB. The Dissemination Agent shall file such notice no later than the Business Day immediately following the day on which it receives written notice of such occurrence from the Issuer. Any such notice is required to be filed within ten (10) Business Days of the occurrence of such Listed Event.

Additionally, the Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide annual audited financial statements or Annual Financial Information as required under this Disclosure Agreement. See Exhibit A hereto for a form for submitting "Notice To MSRB of Failure To File."

Any notice under the preceding paragraphs shall be accompanied with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Dissemination Agent to disseminate such information as provided herein, and the date the Issuer desires for the Dissemination Agent to disseminate the information (which date shall not be more than ten (10) Business Days after the occurrence of the Listed Event or failure to file).

In all cases, the Issuer shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures. In addition, the Issuer shall have the sole responsibility to ensure that any notice required to be filed under this Section 5 is filed within (10) Business Days of the occurrence of the Listed Event.

(b) The Dissemination Agent shall, within three (3) Business Days of obtaining actual knowledge of the occurrence of any Listed Event with respect to the Bonds, notify the Disclosure Representative of such Listed Event. The Dissemination Agent shall not be required to file a notice of the occurrence of such Listed Event with the MSRB unless and until it receives written instructions from the Disclosure Representative to do so. It is agreed and understood that the duty to make or cause to be made the disclosures herein is that of the Issuer and not that of the Trustee or the Dissemination Agent. It is agreed and understood that the Dissemination Agent has agreed to give the foregoing notice to the Issuer as an accommodation to assist it in monitoring the occurrence of such event, but is under no obligation to investigate whether any such event has occurred. As used above, "actual knowledge" means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent be liable in damages or in tort to the

Issuer or any Owner or beneficial owner of any interests in the Bonds as a result of its failure to give the foregoing notice or to give such notice in a timely fashion.

(c) If in response to a notice from the Dissemination Agent under subsection (b), the Issuer determines that the Listed Event under number 2, 7, 8, 10, 13, or 14 of subparagraph (a) above is not material under applicable federal securities laws, the Issuer shall promptly notify the Dissemination Agent and the Trustee (if the Dissemination Agent is not the Trustee) in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (d).

(d) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall immediately file a notice of such occurrence with the MSRB.

SECTION 6. Termination of Reporting Obligations. The obligations of the Issuer and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required. So long as any of the Bonds remain Outstanding, the Dissemination Agent may assume that the Issuer is an obligated person with respect to the Bonds until it receives written notice from the Disclosure Representative stating that the Issuer is no longer an obligated person with respect to the Bonds, and the Dissemination Agent may conclusively rely upon such written notice with no duty to make investigation or inquiry into any statements contained or matters referred to in such written notice. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event with respect to such series of Bonds under Section 5(a).

SECTION 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent or successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be FSC Continuing Disclosure Services, a division of First Southwest Company, LLC.

SECTION 8. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement (and the Dissemination Agent shall not unreasonably withhold its consent to any amendment so requested by the Issuer), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the delivery of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

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

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next related Annual Issuer Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Annual Issuer Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. No amendment which adversely affects the Dissemination Agent may be made without its prior written consent (which consent will not be unreasonably withheld or delayed).

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Issuer Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Issuer Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Bond Disclosure Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, the Dissemination Agent may (and, at the request of the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, upon being indemnified to its satisfaction as provided in the Indenture), or any Owner or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate to cause the Issuer, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture with respect to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action for mandamus or specific performance. A default under this Disclosure Agreement by the Issuer shall not be deemed a default under the Disclosure Agreement of Developer by the Developer, and a default under the Disclosure Agreement of the Developer by the Developer shall not be deemed a default under this Disclosure Agreement by the Issuer.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Dissemination Agent. To the extent permitted by law, the Issuer agrees to hold harmless the Dissemination Agent, its officers, directors, employees and agents, but only with funds to be provided by the Developer or from Assessments collected from the property owners in Neighborhood Improvement Area #1 of the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Dissemination Agent for losses, expenses or liabilities arising from information provided to the Dissemination Agent by the Developer or the failure of the Developer to provide information to the Dissemination Agent as and when required under the Disclosure Agreement of Developer. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Dissemination Agent is an "obligated person" under the Rule. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The fact that the Dissemination Agent may have a banking or other business relationship with the Issuer or any person with whom the Issuer contracts in connection with the transaction described in the Indenture, apart from the relationship created by the Indenture or this Disclosure Agreement, shall not be construed to mean that the Dissemination Agent has actual knowledge of any event described in Section 5 above, except as may be provided by written notice to the Dissemination Agent pursuant to this Disclosure Agreement.

The Dissemination Agent may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Dissemination Agent shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT OR THE ISSUER BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER OR THE DISSEMINATION AGENT, RESPECTIVELY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS DISCLOSURE AGREEMENT, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE. THE DISSEMINATION AGENT IS UNDER NO OBLIGATION NOR IS IT REQUIRED TO BRING SUCH AN ACTION.

SECTION 12. Assessment Timeline. The basic expected timeline for the collection of Assessments and the anticipated procedures for pursuing the collection of delinquent Assessments is set forth in Exhibit C which is intended to illustrate the general procedures expected to be followed in enforcing the payment of delinquent Assessments.

SECTION 13. No Personal Liability. No covenant, stipulation, obligation or agreement of the Issuer or Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future council members, officer, agent or employee of the Issuer or Dissemination Agent in other than that person's official capacity.

SECTION 14. Severability. In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reasons held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

SECTION 15. Sovereign Immunity. The Dissemination Agent agree that nothing in this Disclosure Agreement shall constitute or be construed as a waiver of the Issuer's sovereign or governmental immunities regarding liability or suit.

SECTION 16. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent and the Owners and the beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity. Nothing in this Disclosure Agreement is intended or shall act to disclaim, waive or otherwise limit the duties of the Issuer under federal and state securities laws.

SECTION 17. Dissemination Agent Compensation. The fees and expenses incurred by the Dissemination Agent for its services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the annual updates to the Service and Assessment Plan. The Issuer shall pay or reimburse the Dissemination Agent, but only with funds to be provided from Assessments collected from the property owners in Neighborhood Improvement Area #1 of the District, for its fees and expenses for the Dissemination Agent's services rendered in accordance with this Disclosure Agreement.

SECTION 18. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas.

SECTION 19. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[remainder of page left blank intentionally]

CITY OF CELINA, TEXAS

By: ______________________________
Mayor Pro Tem

FSC CONTINUING DISCLOSURE SERVICES,
a division of First Southwest Company, LLC
(as Dissemination Agent)

By: ______________________________________
Authorized Officer

EXHIBIT A

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL ISSUER REPORT

Name of Issuer:	City of Celina, Texas
Name of Bond Issue:	Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project)
Date of Delivery:	______________, 20__

NOTICE IS HEREBY GIVEN that the City of Celina, Texas, has not provided [an Annual Issuer Report][annual audited financial statements] with respect to the above-named bonds as required by the Continuing Disclosure Agreement dated December 1, 2015, between the Issuer and FSC Continuing Disclosure Services, a division of First Southwest Company, LLC, as Dissemination Agent. The Issuer anticipates that [the Annual Issuer Report][annual audited financial statements] will be filed by ________________.

Dated: _________________

FSC Continuing Disclosure Services,
a division of First Southwest Company, LLC
on behalf of the City of Celina, Texas
(as Dissemination Agent)

By: ______________________________________

Title: ______________________________________

cc: City of Celina, Texas

EXHIBIT B

CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015
(SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECT)

ANNUAL BOND DISCLOSURE REPORT*

Delivery Date: __________, 20__

DISSEMINATION AGENT

Name: ____________________
Address: ____________________
City: ____________________
Telephone: ____________________
Contact Person: ____________________

BONDS OUTSTANDING

CUSIP Number	Maturity Date	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Outstanding Interest Amount

INVESTMENTS

Fund/ Account Name	Investment Description	Par Value	Book Value	Market Value

*Excluding Audited Financial Statements of the Issuer

ASSETS AND LIABILITIES OF PLEDGED TRUST ESTATE

Bonds (Principal Balance)	____________________
Funds and Accounts [list]	____________________
TOTAL ASSETS	____________________

LIABILITIES

Outstanding Bond Principal	____________________
Outstanding Program Expenses (if any)	____________________
TOTAL LIABILITIES	____________________

EQUITY

Assets Less Liabilities	____________________
Parity Ratio	____________________

Form of Accounting ☐ Cash ☐ Accrual ☐ Modified Accrual

ITEMS REQUIRED BY SECTION 4(a)(ii) - (viii)
[Insert a line item for each applicable listing]

EXHIBIT C

BASIC TIMELINE FOR ASSESSMENT COLLECTIONS AND PURSUIT OF DELINQUENCIES

Date	Delinquency Clock (Days)	Activity
January 31		Assessments are due.
February 1	1	Assessments Delinquent if not received
February 15	15	Issuer forwards payment to Trustee for all collections received as of February 15, along with detailed breakdown. Subsequent payments and relevant details will follow monthly thereafter. Issuer and/or Administrator should be aware of actual and specific delinquencies Issuer and/or Administrator should be aware if Reserve Fund needs to be utilized for debt service payment on March 1. **If there is to be a shortfall, the Trustee and Dissemination Agent should be immediately notified**. Issuer and/or Administrator should also be aware if, based on collections, there will be a shortfall for September payment Issuer and/or Administrator should determine if previously collected surplus funds, if any, plus actual collections will be fully adequate for debt service in March and September. At this point, if total delinquencies are under 5% and if there is adequate funding for March and September payments, no further action is anticipated for collection of Assessments except that the Issuer or Administrator, working with the City Attorney or an appropriate designee, will begin process to cure deficiency. **For properties delinquent by more than one year or if the delinquency exceeds $10,000 the matter will be referred for commencement of foreclosure.** **If there are over 5% delinquencies or if there is inadequate funding in the Pledged Revenue Fund for transfer to the Principal and Interest Account of such amounts as shall be required for the full March and September payments, the collection-foreclosure procedure will**

		proceed against all delinquent properties.
March 1	28/29	Trustee pays bond interest payments to bondholders. Reserve Fund payment to Bond Fund may be required if Assessments are below approximately 50% collection rate. Issuer, or the Trustee on behalf of the Issuer, to notify Dissemination Agent of the occurrence of draw on the Reserve Fund and, following receipt of such notice, Dissemination Agent to notify MSRB of such draw or Fund for debt service. **Use of Reserve Fund for debt service payment should trigger commencement of foreclosure on delinquent properties.** Issuer determines whether or not any Annual Installments are delinquent and, if such delinquencies exist, the Issuer commences as soon as practicable appropriate and legally permissible actions to obtain such delinquent Annual Installments.
March 20	**47/48**	**Issuer and/or Administrator to notify Dissemination Agent for disclosure to MSRB of all delinquencies.** **If any property owner with ownership of property responsible for more than $10,000 of the Assessments is delinquent or if a total of delinquencies is over 5%, or if it is expected that Reserve Fund moneys will need to be utilized for either the March or September bond payments, the Disclosure Representative shall work with City Attorney's office, or the appropriate designee, to satisfy payment of all delinquent Assessments.**
April 15	**74/75**	**Preliminary Foreclosure activity commences, and Issuer to notify Dissemination Agent of the commencement of preliminary foreclosure activity.** If Dissemination Agent has not received Foreclosure Schedule and Plan of Collections, Dissemination Agent to request same from the Issuer.
May 1	89/90	If the Issuer has not provided the Dissemination

		Agent with Foreclosure Schedule and Plan of Collections, and if instructed by the bondholders under Section 11.2 of the Indenture, Dissemination Agent requests that the Issuer commence foreclosure or provide plan for collection.
May 15	103/104	The designated lawyers or law firm will be preparing the formal foreclosure documents and will provide periodic updates to the Dissemination Agent for dissemination to those bondholders who have requested to be notified of collections progress. The goal for the foreclosure actions is a filing by no later than June 1 (day 120/121).
June 1	**120/121**	**Foreclosure action to be filed with the court.**
June 15	**134/135**	**Issuer notifies Trustee and Dissemination Agent of Foreclosure filing status.** Dissemination Agent notifies bondholders.
July 1	150/151	If bondholders and Dissemination Agent have not been notified of a foreclosure action, Dissemination Agent will notify the Issuer that it is appropriate to file action.

EXHIBIT D

CONSTRUCTION FUNDING AGREEMENT

NEIGHBORHOOD IMPROVEMENT AREA #1 CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT

THIS CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT (this “Agreement”), dated as of November 10, 2015, is by and between the **CITY OF CELINA, TEXAS**, a home-rule municipality of the State of Texas (the “City”), and **CADG SUTTON FIELDS, LLC**, a Texas limited liability company, (the “Developer”).

ARTICLE I
DEFINITIONS

The following terms shall have the meanings ascribed to them in this Article I for purposes of this Agreement. Unless otherwise indicated, any other terms, capitalized or not, when used herein shall have the meanings ascribed to them in the Indenture (as hereinafter defined).

"Act" means the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended.

“Actual Costs” means the costs of the Neighborhood Improvement Area #1 Projects actually paid or incurred for construction and installation of the Neighborhood Improvement Area #1 Improvement Projects.

“Administrator” means, initially, MuniCap. Inc., or any other individual or entity designated by the City to administer the District.

“Annual Service Plan Update” means the annual update to the Service and Assessment Plan pursuant to Section IV of the Service and Assessment Plan.

“Authorized Improvement Project” means Neighborhood Improvement Area #1 Projects as listed in Section III of the Service and Assessment Plan.

"Bond Ordinance" means Ordinance No. 2015-__ adopted by the City Council on November 10, 2015 authorizing the issuance of the Bonds pursuant to the Indenture.

"Bonds" mean the City’s bonds designated "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project)".

“Budgeted Costs” means the anticipated, agreed upon costs of the Authorized Improvements as shown in the Service and Assessment Plan attached hereto.

“**Certification for Payment”** means a certificate, substantially in the form of **Exhibit B** hereto or otherwise agreed to by the Developer, Administrator and the City, executed by an engineer, construction manager or other person or entity acceptable to the City, as evidenced by the signature of a City Representative (as defined in the Indenture), provided each month to the City Representative and the Trustee, specifying the amount of work performed and the amount charged for that work, including materials and labor costs, presented to the Trustee to request payment for Actual Costs of Authorized Improvement Projects under the Indenture.

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

"Closing Disbursement Request" means the certificate, substantially in the form of **Exhibit A** hereto or otherwise mutually agreed to by the Developer, Administrator, and City Representative, executed by an engineer, construction manager or other person or entity acceptable to the City, as evidenced by the signature of a City Representative (as defined in the Indenture), specifying the amounts to be disbursed for Rights-of-Way, Open Space Land and costs related to the creation of the District, the issuance of the Bonds, the costs of acquisition and decertification of the CCNs.

"Construction Contracts" means the contracts for the construction of an Authorized Improvement Project. "Construction Contract" means any one of the Construction Contracts.

"Cost" means the Budgeted Costs or the cost of a Neighborhood Improvement Area #1 Project or portion of a Neighborhood Improvement Area #1 Major Improvement Project as reflected in a Construction Contract, if greater.

"Cost Overrun" means, with respect to each Authorized Improvement Project, the Actual Cost, as appropriate, of such Neighborhood Improvement Area #1 Project or Neighborhood Improvement Area #1 Major Improvement Project in excess of the Budgeted Cost.

"**Development Agreement"** means that certain "Sutton Fields Facilities and Development Agreement " executed by and between the Developer and the City.

"**District**" shall mean Sutton Fields II Public Improvement District created by Resolution Number 2015-51R.

"Final Completion" means completion of an Authorized Improvement Project in compliance with existing City standards for dedication under the City's ordinances and the Development Agreement.

"Indenture" means that certain Indenture of Trust between the City and U.S. Bank National Association, as trustee, dated as of December 1, 2015 relating to the Bonds.

"Inspector" means an individual employed by the City whose job is, in part or in whole, to inspect infrastructure for compliance with all rules and regulations applicable to the development and the infrastructure inspected.

“Rights-of-Way and Open Space Land” means the land, easements and rights-of-way described in the Service and Assessment Plan.

“Neighborhood Improvement Area #1 Major Improvement Projects” mean, collectively, the pro rata portion of the Major Improvement Projects allocable to Neighborhood Improvement Area #1 listed in Section III of the Service and Assessment Plan. An individual Neighborhood Improvement Area #1 Major Improvement Project, including a completed segment, section, or part, shall be referred to as a Neighborhood Improvement Area #1 Major Improvement Project.

“Neighborhood Improvement Area #1 Projects” mean, collectively, the Neighborhood Improvement Area #1 Projects listed in Section III of the Service and Assessment Plan to be constructed in compliance with City ordinances. An individual Neighborhood Improvement Area #1 Project, including a completed segment or part, shall be referred to as a Neighborhood Improvement Area #1 Project.

“Plans” means the plans, specifications, schedules and related construction contracts for the Neighborhood Improvement Area #1 Projects and Neighborhood Improvement Area #1 Major Improvement Projects, respectively, approved pursuant to the applicable standards, ordinances, procedures, policies and directives of the City, the Development Agreement, and any other applicable governmental entity.

“**Project Fund”** means the fund, including the accounts created and established under such fund, where monies from the proceeds of the sale of the Bonds, excluding those deposited in other funds in accordance with the Indenture, shall be deposited, and the fund by such name created under the Indenture.

"Reimbursement Agreement" means the Neighborhood Improvement Area #1 Reimbursement Agreement dated as of November 10, 2015, by and between the City and the Developer providing for the construction and financing of certain Neighborhood Improvement Area #1 Projects and Neighborhood Improvement Area #1 Major Improvement Projects by the Developer for which the Developer will later be reimbursed by the City prepared pursuant to the Act.

“Service and Assessment Plan” means the Sutton Fields II Service and Assessment Plan adopted by Ordinance No.2015-___ on November 10, 2015 by the City Council, prepared pursuant to the Act.

“Substantial Completion” means the time at which the construction of a Neighborhood Improvement Area #1 Project (or specified segment, section or part thereof) or a Neighborhood Improvement Area #1 Major Improvement Project (or specified segment, section or part thereof) has progressed to the point where such Project (or a specified segment, section or part thereof) or a Neighborhood Improvement Area #1 Major Improvement Project (or specified segment, section or part thereof) is sufficiently complete in accordance with the Construction Contracts related thereto so that such Neighborhood Improvement Area #1 Project (or a specified segment, section or part thereof) or a Neighborhood Improvement Area #1 Major Improvement Project (or specified segment, section or part thereof) can be utilized for the purposes for which it is intended.

"Supplement" means a written document agreed upon by the parties to this Agreement amending, supplementing or otherwise modifying this Agreement and any exhibit hereto, including any amendments to the list of Authorized Improvement Projects in Section III of the Service and Assessment Plan, the Act, the Bond Ordinance, the Indenture, and this Agreement.

ARTICLE II
RECITALS

Section 2.01. <u>The District, the Neighborhood Improvement Area #1 Projects and Neighborhood Improvement Area #1 Major Improvement Projects</u>.

(a) The City has created the District under the Act for the financing of, among other things, the acquisition, construction and installation of the Authorized Improvement Projects.

(b) The City has authorized the issuance of the Bonds in accordance with the provisions of the Act, the Bond Ordinance and the Indenture, the proceeds of which Bonds shall be used, in part, to finance all or a portion of the Neighborhood Improvement Area #1 Projects and all of the Neighborhood Improvement Area #1 Major Improvement Projects in accordance with the terms and limitations of the Development Agreement and the Service and Assessment Plan.

(c) It is anticipated that there shall be two bond issues, the Bonds currently being issued and a subsequent issuance of bonds that are anticipated to be issued after some or all of the Neighborhood Improvement Area #1 Projects and all or some of the Neighborhood Improvement Area #1 Major Improvement Projects are constructed (the "Neighborhood Improvement Area #1B Bonds"). Concurrently with the issuance of the Bonds, the Developer and the City have entered into the Reimbursement Agreement to provide for the construction and financing of certain Neighborhood Improvement Area #1 Projects and Neighborhood Improvement Area #1 Major Improvement Projects prior to the issuance of the Neighborhood Improvement Area #1B Bonds.

(d) All Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects are eligible to be financed with proceeds of the Bonds, the Reimbursement Agreement, or the Neighborhood Improvement Area #1B Bonds to the extent specified herein.

(e) The proceeds from the issuance and sale of the Bonds shall be deposited in accordance with Section 6.2a of the Indenture.

(f) The Developer will undertake, oversee, or ensure the construction and development of the Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects for dedication to and acceptance by the City.

Section 2.02. Agreements. In consideration of the mutual promises and covenants set forth herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Developer agree that the foregoing recitals, as applicable to each, are true and correct and further make the agreements set forth herein.

ARTICLE III
FUNDING

Section 3.01. Bonds.

(a) The City, in connection with this Agreement, is proceeding with the issuance and delivery of the Bonds.

(b) The projects to be financed with the Bonds include the Neighborhood Improvement Area #1 Major Improvement Projects and the Neighborhood Improvement Area #1 Projects. The payment of costs from the proceeds of the Bonds for such Neighborhood Improvement Area #1 Projects shall be made from the Neighborhood Improvement Area #1 Improvement Account of the Project Fund established under the Indenture. The payment of costs from the proceeds of the Bonds for such Neighborhood Improvement Area #1 Major Improvement Projects shall be made from the Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund established under the Indenture. The costs of all other Neighborhood Improvement Area #1 Projects and Neighborhood Improvement Area #1 Major Improvement Projects shall be paid first from the Developer Improvement Account of the Project Fund and then from the Neighborhood Improvement Area #1 Improvement Account of the Project Fund the Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund, as applicable.

(c) The City's obligation with respect to the payment of the Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects shall be limited to the Budgeted Costs, and shall be payable solely from amounts on deposit for the payment of such costs as provided herein and in the Indenture. The Developer agrees and acknowledges that it is responsible for all Cost Overruns, Actual Costs and all expenses related to the Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects, qualified, however, by the distribution of cost underrun monies, as detailed in Section 4.04.

(d) The City shall have no responsibility whatsoever to the Developer with respect to the investment of any funds held in the Project Fund by the Trustee under the provisions of the Indenture, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment. Any such loss may diminish the amounts available in the Project

Fund to pay the Costs of the Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects in the District, including the Developer to the extent it owns any real property in the District. The Developer's, or any other owners of property in the District, obligation to pay Assessments is not in any way dependent on the availability of amounts in the Project Fund to pay for all or any portion of the Costs of the Neighborhood Improvement Area #1 Projects or the Neighborhood Improvement Area #1 Major Improvement Projects hereunder.

(e) The Developer acknowledges that any lack of availability of amounts in the funds or accounts established in the Indenture to pay the Costs of the Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects shall in no way diminish any obligation of the Developer with respect to the construction of or contributions for the Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects required by this Agreement, the Development Agreement, or any other agreement to which the Developer is a party or any governmental approval to which the Developer or any land within the District is subject.

(f) The Developer acknowledges that as a result of the bonds being issued in two series, some funds may not be immediately available for reimbursement for Actual Costs submitted and approved with an approved Certification for Payment. Both parties acknowledge that these remaining amounts will be disbursed, to the extent of available monies in the Project Fund or Reimbursement Fund, as applicable under the terms of the Indenture and the Reimbursement Agreement, as money is deposited into the Project Fund or Reimbursement Fund for the payment of such costs. Both Parties acknowledge that the availability of funds in the Project Fund does not relieve the Developer from its responsibility to acquire, construct, or ensure the construction of the Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects in accordance with the Development Agreement, the Service and Assessment Plan, the Reimbursement Agreement and this Agreement.

Section 3.02. <u>Disbursements and Transfers at Bond Closing</u>.

a) The City and the Developer agree that from the proceeds of the Bonds and upon the presentation of evidence satisfactory to the Administrator and City, the City will cause the Trustee to pay at closing of the Bonds: (i) up to $____________ from the Cost of Issuance Account of the Project Fund to the persons entitled to the payment for costs of issuance and payment of costs incurred in the establishment, administration, and operation of the District and any other eligible items expended by the Developer as of the time of the delivery of the Bonds, as described in the Service and Assessment Plan and (ii) a payment in the amount of $4,500,000.00 from the Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund to acquire the Rights of Way and Open Space Land subject to the terms and conditions of this Agreement and the Development Agreement, and (iii) a payment in the amount of $ _________ for the acquisition and decertification costs of CCNs.

Section 3.03 Accounts.

a) The Neighborhood Improvement Area #1 Improvement Account of the Project Fund. Proceeds from the issuance and sale of the Bonds shall be deposited into the Neighborhood Improvement Area #1 Improvement Account of the Project Fund in the amount shown in Section 6.2 of the Indenture.

b) The Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund. Proceeds from the issuance and sale of the Bonds shall be deposited into the Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund in the amount shown in Section 6.2 of the Indenture.

c) The Neighborhood Improvement Area #1 Developer Improvement Account of the Project Fund. On the Closing Date and pursuant to the terms of the Neighborhood Improvement Area #1 Reimbursement Agreement, the Developer shall make an initial deposit to the Neighborhood Improvement Area #1 Developer Improvement Account of the Project Fund in the amount shown in Section 6.2 of the Indenture.

d) The Developer Property Tax Account of the Administrative Fund. On the Closing Date and Pursuant to the Indenture, the Developer shall make a deposit to the Developer Property Tax Account of the Administrative Fund in the amount shown in Section 6.2 of the Indenture.

e) The Neighborhood Improvement Area #1 Major Improvement Account of the Tax Increment Fund. This account shall receive the annual tax increment, if collected, generated by properties within Neighborhood Improvement Area #1 (as defined in the Indenture), and the City shall distribute or credit, or shall cause to be distrusted or credited, such amounts in accordance with the Project and Finance Plan for the City of Celina Tax Increment Reinvestment Zone No. Four.

Section 3.04. Security for Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects. Prior to completion and conveyance to the City of a Neighborhood Improvement Area #1 Project and the Neighborhood Improvement Area #1 Major Improvement Projects, the Developer or the Developer's contractor shall provide to the City a two-year Maintenance Bond in the amount of 100% of each Neighborhood Improvement Area #1 Project and the Neighborhood Improvement Area #1 Major Improvement Project, which Maintenance Bond shall be for a term of two years from the date of final acceptance of the Neighborhood Improvement Area #1 Project and/or the Neighborhood Improvement Area #1 Major Improvement Project in accordance with City Ordinance and state law. Any surety company through which a bond is written shall be a Texas-domestic surety company duly authorized to do business in the State of Texas, provided that the City, through the City Attorney, shall retain the right to reject any surety company as a surety for any work hereunder regardless of such company's authorization to do business in Texas. The Developer shall construct or ensure the construction of the Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects in accordance with the City's established ordinances, regulations, policies, procedures, specifications, and the Development Agreement. Prior to City accepting any Neighborhood Improvement Area #1 Project and the Neighborhood Improvement Area #1 Major Improvement Projects and/or approving a final disbursement for a Neighborhood Improvement Area #1 Project and the Neighborhood Improvement Area #1 Major Improvement Projects, the Developer shall provide an "all bills paid/no liens" affidavit, in the form provided by the City and shall also provide such supporting documentation as required by the City, that affirms that all invoices and bills were paid for the Neighborhood Improvement Area #1 Project and the Neighborhood Improvement Area #1 Major Improvement Projects.

ARTICLE IV

DEDICATION, RIGHTS-OF-WAY AND OPEN SPACE LAND; CONSTRUCTION OF NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECTS AND NEIGHBORHOOD IMPROVEMENT AREA #1 MAJOR IMPROVEMENT PROJECTS

Section 4.01. Duty of Developer to Construct.

(a) All Neighborhood Improvement Area #1 Projects and Neighborhood Improvement Area #1 Major Improvement Projects shall be constructed by or at the direction of the Developer in accordance with the Plans and in accordance with this Agreement and the Development Agreement. The Developer shall perform, or cause to be performed, all of its obligations and shall conduct, or cause to be conducted, all operations with respect to the construction of Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall employ at all times adequate staff or consultants with the requisite experience necessary to administer and coordinate all work related to the design, engineering, acquisition, construction and installation of all Neighborhood Improvement Area #1 Projects and Neighborhood Improvement Area #1 Major Improvement Projects, to be acquired and accepted by the City from the Developer as provided in this Agreement.

(b) The Developer shall not be relieved of its obligation to construct or cause to be constructed each Neighborhood Improvement Area #1 Project and Neighborhood Improvement Area #1 Major Improvement Project and, upon completion, inspection, and acceptance, convey each such Neighborhood Improvement Area #1 Project and Neighborhood Improvement Area #1 Major Improvement Project to the City in accordance with the terms hereof, even if there are insufficient funds in the Project Fund to pay the Actual Costs thereof. In any event, this Agreement shall not affect any obligation of the Developer under any other agreement to which the Developer is a party or any governmental approval to which the Developer or any land described in the exhibits hereto is subject, with respect to the Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects required in connection with the development of the land and the Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects.

Section 4.02. No Competitive Bidding. Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects shall not require competitive bidding pursuant to Section 252.022(a)(9) of the Texas Local Government Code, as amended. The City shall have the right to examine and approve the contractor selected by the Developer, as set forth in Section 4.2(b) of the Development Agreement.

Section 4.03. Independent Contractor. In performing this Agreement, the Developer is an independent contractor and not the agent or employee of the City with respect to the Neighborhood Improvement Area #1 Projects or the Neighborhood Improvement Area #1 Major Improvement Projects.

Section 4.04. Remaining Funds After Completion of a Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project. Upon the Final Completion of a Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project and payment of all outstanding invoices for such Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project, if the Actual Cost of such Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project is less than the Budgeted Cost (a "Cost Underrun"), any remaining Budgeted Cost may be made available to pay Cost Overruns on any other Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project. The City shall promptly confirm to the Administrator that such remaining amounts are available to pay such Cost Overruns, and the Developer, the Administrator and the City Representative will agree how to use such moneys to secure the payment and performance of the work for other Neighborhood Improvement Area #1 Project and /or Neighborhood Improvement Area #1 Major Improvement Projects. Any Cost Underrun for any Neighborhood Improvement Area #1 Project or Neighborhood Improvement Area #1 Major Improvement Project is available to pay Cost Overruns on any other Neighborhood Improvement Area #1 Project or Neighborhood Improvement Area #1 Major Improvement Project.

Section 4.05. Contracts and Change Orders. Subject to Section 4.02, the Developer shall be responsible for entering into all contracts and any supplemental agreements (herein referred to as "change orders") required for the construction of the Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects. Developer or its contractors may approve and implement any change orders, even if such change order would increase the Cost of a Neighborhood Improvement Area #1 Project or the Cost of a

Neighborhood Improvement Area #1 Major Improvement Project, but the Developer shall be solely responsible for payment of any Cost Overruns resulting from such change orders except to the extent amounts are available pursuant to Section 4.04. If any change order is for work that requires changes to be made by an engineer to the construction and design documents and plans previously approved under Section 4.02, then such revisions made by an engineer must be submitted to the City for approval by the City's engineer prior to execution of the change order.

ARTICLE V
ACQUISITION, CONSTRUCTION, AND PAYMENT

Section 5.01. Payment Requests for Disbursements at Closing. In order to receive the disbursement from the Costs of Issuance Account of the Project Fund described in Section 3.02, the Developer shall execute a Closing Disbursement Request, substantially in the form of **Exhibit A** hereto or otherwise acceptable and agreed to by the City, to be delivered to the City no less than five (5) business days prior to the scheduled Closing Date for the Bonds for payment in accordance with the provisions of the Indenture. In order to receive the disbursement from the Neighborhood Improvement Area #1 Improvement Account of the Project Fund described in Section 3.02, the Developer shall execute a Certification for Payment, substantially in the form of **Exhibit B** hereto or otherwise agreed to by the City, to be delivered to the City no later than five (5) business days prior to the scheduled Closing Date for the Bonds for payment in accordance with the provisions of the Indenture. Upon approval by the City, the City shall submit a Closing Disbursement Request or a Certification for Payment, as applicable, to the Trustee for disbursement to be made from the Costs of Issuance Account of the Project Fund, the Neighborhood Improvement Area #1 Improvement Account of the Project Fund, or the Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund, as applicable, upon closing of the Bonds.

Section 5.02. Certification for Payment for the Neighborhood Improvement Area #1 Projects or a Neighborhood Improvement Area #1 Major Improvement Project.

(a) No payment hereunder shall be made from the Project Fund to the Developer for work on a Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project until the work with respect to such Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project, until a monthly Certification for Payment is received from the Developer. Upon receipt of a Certification for Payment substantially in the form of **Exhibit B** hereto (and all accompanying documentation executed by the City) from the Developer, the Inspector shall conduct a review in order to confirm that such request is complete, that the work with respect to such Neighborhood Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project identified therein for which payment is requested was completed in accordance with all applicable governmental laws, rules and regulations and applicable Plans therefor and with the terms of this Agreement, the Development Agreement, and to verify and approve the Actual Cost of such work specified in such Certification for Payment (collectively, the "Developer Compliance Requirements"). The Inspector and /or the City Representative shall also conduct such review as is required in his discretion to confirm the matters certified in the Certification for Payment. The Developer agrees to cooperate with the Inspector and/or City Representative in conducting each such review and to provide the Inspector and/or City Representative with such additional information and documentation as is reasonably necessary for the Inspector to conclude each such review.

(b) Within thirty (30) business days of receipt of any Certification for Payment, the Inspector shall either (i) approve and execute the Certification for Payment and forward the same to the Administrator for approval and delivery to the Trustee for payment to the Developer in accordance with Section 5.03(a) hereof or (ii) in the event the Inspector disapproves the Certification for Payment, give written notification to the Developer of the Inspector's disapproval, in whole or in part, of such Certification for Payment, specifying the reasons for such disapproval and the additional requirements to be satisfied for approval of such Certification for Payment. If a Certification for Payment seeking reimbursement is approved only in part, the Inspector shall specify the extent to which the Certification for Payment is approved and shall deliver such partially approved Certification for Payment to the Administrator for approval in accordance with Section 5.03 and delivery to the Developer in accordance with Section 5.02(c) hereof, and any such work shall be processed for payment under Section 5.03 notwithstanding such partial denial.

(c) If the Inspector fails to act with respect to a Certification for Payment within the time period therein provided, the Developer shall submit the Certification for Payment directly to the City Representative for approval. Within five (5) business days of receipt of any Certification for Payment, the City Representative shall approve or deny the Certification for Payment, and provide notice to the Administrator and Developer. Upon approval of a Certification for Payment, the approval shall be forwarded to the Trustee for payment, and delivery to the Developer in accordance with Section 5.03 hereof. The approval of the Certification for Payment by the City Representative shall constitute a representation by the City Representative to the Trustee of the Developer's compliance therein. Pursuant to the terms of Section 5.03 and the Indenture, the Trustee shall make a payment to the Developer, or pursuant to the Developer's directions, of an approved Certification for Payment.

(d) If the City Representative denies the Certification for Payment, the denial must be in writing, stating the reason(s) for denial. The denial may be appealed to the City Council by the Developer in writing within 30 days of being denied by the City Representative. Denial of the Certification for Payment by the City Council shall be attempted to be resolved by half-day mediation between the parties in the event an agreement is not otherwise reached by the parties, with the mediator's fee being paid by Developer.

(e) The Developer shall deliver the approved or partially approved Certification for Payment to the Trustee for payment and the Trustee shall make such payment from the Project Fund in accordance with Section 5.03 below.

Section 5.03. Payment for Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project.

(a) Upon receipt of a reviewed and approved Certification for Payment, the Trustee shall make payment from the following funds: (1) first from the Developer Improvement Account of the Project Fund; then (2) the Neighborhood Improvement Area #1 Improvement Account or the Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund as applicable and designated in the Certification for Payment pursuant to the terms of the Certification for Payment and the Indenture in an amount not to exceed the Budgeted Cost for the particular Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project (or its completed segment), unless a cost overrun amount has been approved for a particular Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project. If a cost overrun amount has been approved, then the amount reimbursed shall not exceed the Budgeted Amount plus the approved cost overrun amount.

(b) Approved Certifications for Payment that await reimbursement shall not accrue interest.

(c) Notwithstanding any other provisions of this Agreement, when payment is made, the Trustee shall make payment directly to the general contractor or supplier of materials or services or jointly to Developer (or any permitted assignee of such Developer) and the general contractor or supplier of materials or services, as indicated in an approved Certification for Payment, out of available funds in the Project Fund. If the request for payment results in ninety percent (90%) or more of the Budgeted Costs for such Neighborhood Improvement Area #1 Project and Neighborhood Improvement Area #1 Major Improvement Project identified in such request for payment being paid, then Trustee shall hold the payment until work with respect to that Neighborhood Improvement Area #1 Project and Neighborhood Improvement Area #1 Major Improvement Project and has been completed AND accepted the Neighborhood Improvement Area #1 Project and Neighborhood Improvement Area #1 Major Improvement Project. If an unconditional lien release related to the items referenced in the Certification for Payment is attached to such Certification for Payment, the Trustee shall make such payment to the Developer or any designated assignee of the Developer. In the event the Developer provides a general contractor's or supplier of materials' unconditional lien release for a portion of the work covered by a Certification for Payment, the Trustee will make such payment directly to the Developer or any permitted assignee of the Developer to the extent of such lien release.

(d) Withholding Payments.

Nothing in this Agreement shall be deemed to prohibit the Developer or the City from contesting in good faith the validity or amount of any mechanics or materialman's lien and/or judgment nor limit the remedies available to the Developer or the City with respect thereto so long as such delay in performance shall not subject the Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project to foreclosure, forfeiture, or sale. In the event that any such lien and/or judgment with respect to a Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Projects contested, the Developer shall be required to post or cause the delivery of a surety bond in an amount determined by the City or the City may decline to accept the Neighborhood Improvement Area #1 Major Improvement Project and/or the Neighborhood Improvement Area #1 Project until the mechanics or materialman's lien and/or judgment is satisfied.

ARTICLE VI
OWNERSHIP AND TRANSFER OF NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECT OR NEIGHBORHOOD IMPROVEMENT AREA #1 MAJOR IMPROVEMENT PROJECT

Section 6.01. Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project to be Owned by the City – Title Evidence. The Developer shall furnish to the City a preliminary title report for land with respect to the Rights-of-Way and Open Space Land and Neighborhood Improvement Area #1 Projects and a Neighborhood Improvement Area #1 Major Improvement Project to be dedicated to and accepted by the City from the Developer and not previously dedicated or otherwise conveyed to the City, for review and approval at least 30 calendar days prior to the transfer of title of a Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project to the City. The City shall approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the City, could materially affect the City's clean title or use and enjoyment of any part of the property or easement covered by the preliminary title report. In the event the City does not approve the preliminary title report, the City shall not be obligated to accept title to the Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project until the Developer has cured such objections to title to the satisfaction of the City.

Section 6.02. Neighborhood Improvement Area #1 Project Constructed or a Neighborhood Improvement Area #1 Major Improvement Project on City Land or Developer Land. If the Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project is on land owned by the City, the City hereby grants to the Developer a license to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project. The provisions for inspection and acceptance of such Neighborhood Improvement Area #1 Project or a Neighborhood Improvement Area #1 Major Improvement Project otherwise provided herein shall apply. If the Neighborhood Improvement Area #1 Project and/or Neighborhood Improvement Area #1 Major Improvement Project is on land owned by the Developer, the Developer hereby grants to the City an easement to enter upon such land for purposes related to inspection and maintenance (pending acquisition and acceptance) of the Neighborhood Improvement Area #1 Project and /or Neighborhood Improvement Area #1 Major Improvement Project. The provisions for inspection and acceptance of such Neighborhood Improvement Area #1 Major Improvement Project otherwise provided herein shall apply.

ARTICLE VII
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 7.01. Representations, Covenants and Warranties of the Developer. The Developer represents and warrants for the benefit of the City as follows:

(a) Organization. The Developer consists of one limited liability company duly formed, organized and validly existing under the laws of the State of Texas, is in compliance with the laws of the State of Texas, and has the power and authority to own its properties and assets and to fulfill its obligations in this Agreement and the Development Agreement and to carry on its business in the State of Texas as now being conducted as hereby contemplated.

(b) Authority. The Developer has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the Developer.

(c) Binding Obligation. This Agreement is a legal, valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms, subject to bankruptcy and other equitable principles.

(d) Compliance with Law. The Developer shall not commit, suffer or permit any act to be done in, upon or to the lands in the District or the Neighborhood Improvement Area #1 Projects or a Neighborhood Improvement Area #1 Major Improvement Project in violation of any law, ordinance, rule, regulation or order of any governmental authority or any covenant, condition or restriction now or hereafter affecting the lands in the District or the Neighborhood Improvement Area #1 Projects or the Neighborhood Improvement Area #1 Major Improvement Projects.

(e) Requests for Payment. The Developer represents and warrants that (i) it will not request payment from the Project Fund for the acquisition construction or installation of any improvements that are not part of the Neighborhood Improvement Area #1 Projects or a

Neighborhood Improvement Area #1 Major Improvement Project, and (ii) it will diligently follow all procedures set forth in this Agreement with respect to the Certification for Payments.

(f) Financial Records. For a period of two years after completion of the Neighborhood Improvement Area #1 Projects and a Neighborhood Improvement Area #1 Major Improvement Project, the Developer covenants to maintain proper books of record and account for the construction of the Neighborhood Improvement Area #1 Projects and a Neighborhood Improvement Area #1 Major Improvement Project and all Costs related thereto. Such accounting books shall be maintained in accordance with generally accepted accounting principles, and shall be available for inspection by the City or its agents at any reasonable time during regular business hours on reasonable notice.

(g) Plans. The Developer represents that it has obtained or will obtain approval of the Plans from all appropriate departments of the City and from any other public entity or public utility from which such approval must be obtained. The Developer further agrees that, subject to the terms hereof, the Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects have been or will be constructed in full compliance with such Plans and any change orders thereto consistent with the Act, this Agreement and the Development Agreement. Developer shall provide as-built plans for all Neighborhood Improvement Area #1 Major Improvement Projects and Neighborhood Improvement Area #1 Projects to the City.

(h) Additional Information. The Developer agrees to cooperate with all reasonable written requests for nonproprietary information by the Purchaser of the Bonds, the Inspector and the City Representative related to the status of construction of Authorized Improvements within the District, the anticipated completion dates for future improvements and any other matter that the Purchaser of the Bonds or City Representative deems material to the investment quality of the Bonds.

(i) Continuing Disclosure Agreement. The Developer agrees to provide the information required pursuant to the Continuing Disclosure Agreement executed by the Developer in connection with the Bonds.

(j) Tax Certificate. The City will deliver a certificate relating to the Bonds (such certificate, as it may be amended and supplemented from time to time, being referred to herein as the "Tax Certificate") containing covenants and agreements designed to satisfy the requirements of 26 U.S. Code Sections 103 and 141 through 150, inclusive, and the federal income tax regulations issued thereunder relating to the use of the proceeds of the Bonds or of any monies, securities or other obligations on deposit to the credit of any of the funds and accounts created by the Indenture or this Agreement or otherwise that may be deemed to be proceeds of the Bonds within the meaning of 26 U.S. Code Section 148 (collectively, "Bond Proceeds").

The Developer covenants to provide, or cause to be provided, such facts and estimates as the City reasonably considers necessary to enable it to execute and deliver its Tax Certificate. The Developer further covenants that (i) such facts and estimates will be based on its reasonable expectations on the date of issuance of the Bonds and will be, to the best of the knowledge of the officers of the Developer providing such facts and estimates, true, correct and complete as of that date, and (ii) the Developer will make reasonable inquires to ensure such truth, correctness and completeness. The Developer covenants that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use or investment of the Bond Proceeds (including, but not limited to, the use of the Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects) that would cause any of the covenants or agreements of the City contained in the Tax Certificate to be violated or that would otherwise have an adverse effect on the tax-exempt status of the interest payable on the Bonds for federal income tax purposes.

(k) Financial Resources. The Developer represents and warrants that it has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Agreement, the Service and Assessment Plan and the Development Agreement.

Section 7.02. Indemnification and Hold Harmless. THE DEVELOPER SHALL INDEMNIFY AND HOLD HARMLESS THE INSPECTOR, THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES AND AGENTS (EACH AN "INDEMNIFIED PARTY"), FROM AND AGAINST ALL ACTIONS, DAMAGES, CLAIMS, LOSSES OR EXPENSE OF EVERY TYPE AND DESCRIPTION TO WHICH THEY MAY BE SUBJECTED OR PUT: (I) BY REASON OF, OR RESULTING FROM THE BREACH OF ANY PROVISION OF THIS AGREEMENT BY THE DEVELOPER; (II) THE NEGLIGENT DESIGN, ENGINEERING, AND/OR CONSTRUCTION BY THE DEVELOPER OR ANY ARCHITECT, ENGINEER OR CONTRACTOR HIRED BY THE DEVELOPER OF ANY OF THE NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECTS AND THE NEIGHBORHOOD IMPROVEMENT AREA #1 MAJOR IMPROVEMENT PROJECTS ACQUIRED FROM THE DEVELOPER HEREUNDER; (III) THE DEVELOPER'S NONPAYMENT UNDER CONTRACTS BETWEEN THE DEVELOPER AND TIS CONSULTANTS, ENGINEERS, ADVISORS, CONTRACTORS, SUBCONTRACTORS AND SUPPLIERS IN THE PROVISION OF THE NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECTS AND THE NEIGHBORHOOD IMPROVEMENT AREA #1 MAJOR IMPROVEMENT PROJECTS: (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE DEVELOPER OR ITS AGENTS TO CONSTRUCT THE NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECTS AND THE NEIGHBORHOOD IMPROVEMENT AREA #1 MAJOR IMPROVEMENT PROJECTS; OR (V) ANY CLAIMS AND SUITS OF THIRD PARTIES, INCLUDING BUT NOT LIMITED TO DEVELOPER'S RESPECTIVE PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEES AND/OR TRUSTEES, REGARDING

OR RELATED TO THE NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECTS AND THE NEIGHBORHOOD IMPROVEMENT AREA #1 MAJOR IMPROVEMENT PROJECTS OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECTS AND THE NEIGHBORHOOD IMPROVEMENT AREA #1 MAJOR IMPROVEMENT PROJECTS, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE SOLE OR PARTIAL NEGLIGENCE OF AN INDEMNIFIED PARTY (THE “CLAIMS”). NOTWITHSTANDING THE FOREGOING, NO INDEMNIFICATION IS GIVEN HEREUNDER FOR ANY ACTION, DAMAGE, CLAIM, LOSS OR EXPENSE DETERMINED BY A COURT OF COMPETENT JURISDICTION TO BE DIRECTLY ATTRIBUTABLE TO THE WILLFUL MISCONDUCT OF ANY INDEMNIFIED PARTY, DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS, AND CITY IS REQUIRED TO REASONABLY COOPERATE AND ASSIST DEVELOPER IN PROVIDING SUCH DEFENSE.

IN ITS REASONABLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY DEVELOPER IN FULFILLING ITS OBLIGATIONS HEREUNDER TO DEFEND AND INDEMNIFY THE INDEMNIFIED PARTIES, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY CITY IN WRITING. THE INDEMNIFIED PARTIES RESERVE THE RIGHT TO PROVIDE A PORTION OR ALL OF THEIR/ITS OWN DEFENSE, AT THEIR/ITS SOLE COST; HOWEVER, INDEMNIFIED PARTIES ARE UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY AN INDEMNIFIED PARTY IS NOT TO BE CONSTRUED AS A WAIVER OF DEVELOPER’S OBLIGATION TO DEFEND INDEMNIFIED PARTIES OR AS A WAIVER OF DEVELOPER’S OBLIGATION TO INDEMNIFY INDEMNIFIED PARTIES, PURSUANT TO THIS AGREEMENT. DEVELOPER SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF WRITTEN NOTICE FROM AN INDEMNIFIED PARTY THAT IT IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF DEVELOPER FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, INDEMNIFIED PARTIES SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND DEVELOPER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES.

THIS SECTION 7.02 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

THE PARTIES AGREE AND STIPULATE THAT THIS INDEMNIFICATION COMPLIES WITH THE CONSPICUOUSNESS REQUIREMENT AND THE EXPRESS NEGLIGENCE TEST, AND IS VALID AND ENFORCEABLE AGAINST THE DEVELOPER.

Section 7.03. Use of Monies by City; Changes to Indenture. The City agrees not to take any action or direct the Trustee to take any action to expend, disburse or encumber the monies held in the Project Fund and any monies to be transferred thereto for any purpose other than the purposes permitted by the Indenture. Prior to the acceptance of all the Neighborhood Improvement Area #1 Projects and the Neighborhood Improvement Area #1 Major Improvement Projects, the City agrees not to modify or supplement the Indenture without the approval of the Developer if as a result or as a consequence of such modification or supplement: (a) the amount of monies that would otherwise have been available under the Indenture for disbursement for the Costs of the Neighborhood Improvement Area #1 Projects and the pro-rata Costs of the Neighborhood Improvement Area #1 Major Improvement Projects is reduced, delayed or deferred, (b) the obligations or liabilities of the Developer is or may be substantially increased or otherwise adversely affected in any manner, or (c) the rights of the Developer is or may be modified, limited, restricted or otherwise substantially adversely affected in any manner.

Section 7.04. No Reduction of Assessments. The Developer agrees not to take any action or actions to reduce the total amount of such Assessments to be levied as of the effective date of this Agreement.

ARTICLE VIII
TERMINATION

Section 8.01. Mutual Consent. This Agreement may be terminated by the mutual, written consent of the City and the Developer, in which event the City may either execute contracts for or perform any remaining work related to the Authorized Improvements not accepted by the City or other appropriate entity and use all or any portion of funds on deposit in the Project Fund or other amounts transferred to the Project Fund under the terms of the Indenture to pay for same, and the Developer shall have no claim or right to any further payments for the Costs of an Authorized Improvement hereunder, except as otherwise may be provided in such written consent.

Section 8.02. City's Election for Cause.

(a) The City, upon notice to Developer and the passage of the cure period identified in subsection (b) below, may terminate this Agreement, without the consent of the Developer if the Developer shall breach any material covenant or default in the performance of any material obligation hereunder.

(b) If any such event described in Section 8.02(a) occurs, the City shall give written notice of its knowledge of such event to the Developer, and the Developer agrees to promptly meet and confer with the Inspector and other appropriate City staff and consultants as to options available to assure timely completion, subject to the terms of this Agreement, of the Authorized

Improvements. Such options may include, but not be limited to, the termination of this Agreement by the City. If the City elects to terminate this Agreement, the City shall first notify the Developer (and any mortgagee or trust deed beneficiary specified in writing by the Developer to the City to receive such notice) of the grounds for such termination and allow the Developer a minimum of 45 days to eliminate or to mitigate to the satisfaction of the City the grounds for such termination. Such period may be extended, at the sole discretion of the City, if the Developer, to the reasonable satisfaction of the City, is proceeding with diligence to eliminate or mitigate such grounds for termination. If at the end of such period (and any extension thereof), as determined reasonably by the City, the Developer has not eliminated or completely mitigated such grounds to the satisfaction of the City, the City may then terminate this Agreement. In the event of the termination of this Agreement, the Developer is entitled to payment for work accepted by the City related to an Authorized Improvement only as provided for under the terms of the Indenture and this Agreement prior to the termination date of this Agreement. Notwithstanding the foregoing, so long as the Developer has breached any material covenant or defaulted in the performance of any material obligation hereunder, notice of which has been given by the City to the Developer, and such event has not been cured or otherwise eliminated by the Developer, the City may in its discretion cause the Trustee to cease making payments for the Actual Costs of Authorized Improvements, provided that the Developer shall receive payment of the Actual Costs of any Authorized Improvements that was accepted by the City at the time of the occurrence of such breach or default by the Developer upon submission of the documents and compliance with the other applicable requirements of this Agreement.

(c) If this Agreement is terminated by the City for cause, the City may either execute contracts for or perform any remaining work related to the Authorized Improvements not accepted by the City and use all or any portion of the funds on deposit in the Project Fund or other amounts transferred to the Project Fund and the Developer shall have no claim or right to any further payments for the Authorized Improvements hereunder, except as otherwise may be provided upon the mutual written consent of the City and the Developer or as provided for in the Reimbursement Agreement. The City shall have no obligation to perform any work related to an Authorized Improvement or to incur any expense or cost in excess of the remaining balance of the Project Fund.

Section 8.03. <u>Termination Upon Redemption or Defeasance of Bonds</u>. This Agreement will terminate automatically and with no further action by the City or the Developer upon the redemption or defeasance of all outstanding Bonds issued under the Indenture.

Section 8.04. <u>Construction of the Authorized Improvements Upon Termination of this Agreement</u>. Notwithstanding anything to the contrary contained herein, upon the termination of this Agreement pursuant to this Article VIII, the Developer shall perform its obligations with respect to the Authorized Improvements.

Section 8.05. Force Majeure. Whenever performance is required of a party hereunder, that party shall use all due diligence and take all necessary measures in good faith to perform, but if completion of performance is delayed by reasons of floods, earthquakes or other acts of God, war, civil commotion, riots, strikes, picketing or other labor disputes, damage to work in progress by casualty or by other cause beyond the reasonable control of the party (financial inability excepted) ("Force Majeure"), then the specified time for performance shall be extended by the amount of the delay actually o caused. The extension of time to perform allowed by this Section 8.05 shall not apply unless, upon the occurrence of an event of Force Majeure, the party needing additional time to perform notifies the other party of the event of Force Majeure and the amount of additional time reasonably required within ten (10) business days of the occurrence of the event of Force Majeure.

ARTICLE IX
MISCELLANEOUS

Section 9.01. Limited Liability of City. The Developer agrees that any and all obligations of the City arising out of or related to this Agreement are special obligations of the City, and the City's obligations to make any payments hereunder are restricted entirely to the moneys, if any, in the Project Fund and from no other source. Neither the City, the Inspector, City Representative nor any other City employee, officer, official or agent shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of their actions hereunder or execution hereof.

Section 9.02. Audit. The Inspector, City Representative or a finance officer of the City shall have the right, during normal business hours and upon the giving of three business days' prior written notice to a Developer, to review all books and records of the Developer pertaining to costs and expenses incurred by the Developer with respect to any of the Authorized Improvements and any bids taken or received for the construction thereof or materials therefor.

Section 9.03. Notices. Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to any party shall be deemed to have been received when personally delivered or transmitted by telecopy or facsimile transmission (which shall be immediately confirmed by telephone and shall be followed by mailing an original of the same within 24 hours after such transmission) or 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

To the City: Attn: City Manager
City of Celina, Texas
142 N. Ohio
Celina, Texas 75009

With a copy to:	Attn: Julie Fort Messer, Rockefeller & Fort, PLLC 6351 Preston Road, Suite 350 Frisco, TX 75034
And to:	Attn: Robert Dransfield Norton Rose Fulbright US LLP 2200 Ross Avenue, Suite 3600 Dallas, Texas 75201
To the Owner:	CADG Sutton Fields LLC 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
With a copy to:	Robert Miklos Miklos Law, PLLC 1800 Valley View Lane, Suite 360 Farmers Branch, Texas 75234

Any party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other party.

The City shall advise the Developer of the name and address of any Inspector who is to receive any notice or other communication pursuant to this Agreement.

Section 9.04. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent possible.

Section 9.05. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Any receivables due under this Agreement may be assigned by the Developer without the consent of, but upon written notice to the City pursuant to Section 9.03 of this Agreement. The obligations, requirements, or covenants of this Agreement shall be able to be assigned to an affiliate or related entity of the Developer, or any lien holder on the Property, without prior written consent of the City. The obligations, requirements, or covenants of this Agreement shall not be assigned by the Developer to a non-affiliate or non-related entity of the Developer without prior written consent of the City Administrator, , except pursuant to a collateral assignment to any Person providing construction financing to the Developer for the Developer for an Authorized Improvement, provided such Person expressly agrees to assume all obligations of the Developer hereunder if there is a default under such financing and such Person elects to complete the Authorized Improvement. In connection with any consent of the City, the City may condition its consent upon the acceptability of the financial condition of the proposed assignee, upon the assignee's express assumption of all obligations of the Developer hereunder and/or upon any other reasonable factor which the City deems relevant in the circumstances. In any event, any such assignment shall be in writing, shall clearly identify the scope of the rights and/or obligations assigned. The City may assign by a separate writing certain rights as described in this Agreement and in the Indenture, to the Trustee and the Developer hereby consents to such assignment.

Section 9.06. Other Agreements. The obligations of the Developer hereunder shall be those of a party hereto and not as an owner of property in the District. Nothing herein shall be construed as affecting the City's or the Developer's rights or duties to perform their respective obligations under other agreements, use regulations, ordinances or subdivision requirements relating to the development of the lands in the District, including the applicable construction contracts the Development Agreement. To the extent there is a conflict between this Agreement and the Development Agreement, this Agreement shall control. To the extent there is a conflict between this Agreement and the Indenture, the Indenture shall control.

Section 9.07. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by any other party, or the failure by a party to exercise its rights upon the default of any other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by such other party with the terms of this Agreement thereafter.

Section 9.08. Merger. No other agreement, statement or promise made by any party or any employee, officer or agent of any party with respect to any matters covered hereby that is not in writing and signed by all the parties to this Agreement shall be binding.

Section 9.09. Parties in Interest. Nothing in this Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and the Developer any rights, remedies or claims under or by reason of this Agreement or any covenants, conditions or stipulations hereof, and all covenants, conditions, promises and agreements in this Agreement contained by or on behalf of the City or the Developer shall be for the sole and exclusive benefit of the City and the Developer.

Section 9.10. Amendment. Except as provided in Section 9.05 upon agreement by the parties, this Agreement may be amended, from time to time in a manner consistent with the Act and the Bond Ordinance by written supplement hereto and executed in counterparts, each of which shall be deemed an original.

Section 9.11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Section 9.12. Effective Date. This Agreement has been dated as of the date first above written solely for the purpose of convenience of reference and shall become effective upon its execution and delivery, on the Closing Date of the Bonds, by the parties hereto. All representations and warranties set forth therein shall be deemed to have been made on the Closing Date of the Bonds.

Section 9.13 No Waiver of Powers or Immunity. The City does not waive or surrender any of its governmental powers, immunities, or rights except as necessary to allow Developer to enforce its remedies under this Agreement.

[Execution pages follow.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of November 10, 2015.

CITY OF CELINA, TEXAS

By: ________________________________
Name: Chad Anderson
Title: Mayor Pro Tem

ATTEST:

____
City Secretary

(City Seal)

DEVELOPER:
CADG Sutton Fields, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company
Its Sole Managing Member

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By:______________________________
Name: Mehrdad Moayedi
Its: Manager

Exhibit A

FORM OF CLOSING DISBURSEMENT REQUEST

The undersigned is a lawfully authorized representative for CADG Sutton Fields, LLC, (the "Developer") and requests payment from the Costs of Issuance Account of the Project Fund (as defined in the Neighborhood Improvement Area #1 Construction, Funding, and Acquisition Agreement) from ________________________________ (the "Trustee") in the amount of _________________________ ($_____________) to be transferred from the Cost of Issuance Account of the Project Fund upon the delivery of the Bonds for costs incurred in the establishment, administration, and operation of the Sutton Fields II Public Improvement District (the "District"), as follows.

In connection to the above referenced payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Closing Disbursement Request on behalf of the Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the below referenced establishment, administration, and operation of the District at the time of the delivery of the Bonds have not been the subject of any prior payment request submitted to the City.

3. The amount listed for the below itemized costs is a true and accurate representation of the Actual Costs incurred by Developer with the establishment of the District at the time of the delivery of the Bonds, and such costs are in compliance with the Service and Assessment Plan. The itemized costs are as follows:

[insert itemized list of costs here]

TOTAL REQUESTED: $__________________________

4. The Developer is in compliance with the terms and provisions of the Neighborhood Improvement Area #1 Construction, Funding, and Acquisition Agreement, the Indenture, the Development Agreement and the Service and Assessment Plan.

5. All conditions set forth in the Indenture (as defined in the Neighborhood Improvement Area #1 Construction, Funding, and Acquisition Agreement), the Neighborhood Improvement Area #1 Construction Funding and Acquisition Agreement, and the Development Agreement for the payment hereby requested have been satisfied.

6. The Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

Payments requested hereunder shall be made as directed below:

[Information regarding Payee, amount, and deposit instructions]

I hereby declare that the above representations and warranties are true and correct.

CADG SUTTON FIELDS, LLC

By:______________________________

Name: ___________________________

Title: ____________________________

Date: ____________________________

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Closing Disbursement Request. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request and shall include said payments in the City Certificate submitted to the Trustee directing payments to be made from Costs of Issuance Account upon delivery of the Bonds. The City's approval of the Closing Disbursement Request shall not have the effect of estopping or preventing the City from asserting claims under the Neighborhood Improvement Area #1 Construction, Funding and Acquisition Agreement, the Indenture, the Service and Assessment Plan, any other agreement between the parties or that there is a defect in the Neighborhood Improvement Area #1 Projects or a Neighborhood Improvement Area #1 Major Improvement Project.

CITY OF CELINA, TEXAS

By: ______________________

Name: ______________________

Title: ______________________

Date: _____________

Exhibit B

CERTIFICATION FOR PAYMENT FORM – NEIGHBORHOOD IMPROVEMENT AREA #1 PROJECTS OR NEIGHBORHOOD IMPROVEMENT AREA #1 MAJOR IMPROVEMENT PROJECT

The undersigned is a lawfully authorized representative for CADG Sutton Fields, LLC, (the "Developer") and requests payment from the applicable account of the Project Fund (as defined in the Neighborhood Improvement Area #1 Construction, Funding, and Acquisition Agreement) from the City of Celina, Texas (the "City") in the amount of __________________ for labor, materials, fees, and/or other general costs related to the construction and installation of the following Neighborhood Improvement Area #1 Projects or Neighborhood Improvement Area #1 Major Improvement Projects related to the Sutton Fields II Public Improvement District (the "Authorized Improvements"):

[insert specific Neighborhood Improvement Area #1 Project or specific Neighborhood Improvement Area #1 Major Improvement Project this request is for here]

Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Phases #1 Construction, Funding, and Acquisition Agreement.

In connection to the above referenced payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Certification for Payment Form on behalf of the Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the below referenced Neighborhood Improvement Area #1 Project(s) or a Neighborhood Improvement Area #1 Major Improvement Project has not been the subject of any prior payment request submitted for the same work to the City or, if previously requested, no disbursement was made with respect thereto.

3. The itemized amounts listed for the Neighborhood Improvement Area #1 Project(s) or a Neighborhood Improvement Area #1 Major Improvement Project below is a true and accurate representation of the Actual Costs incurred by Developer with the construction and installation of said Neighborhood Improvement Area #1 Project(s) or a Neighborhood Improvement Area #1 Major Improvement Project identified above, and such costs (i) are in compliance with the Neighborhood Improvement Area #1 Construction, Funding and Acquisition Agreement, and (ii) are consistent with the Service and Assessment Plan.

4. The Developer is in compliance with the terms and provisions of the Neighborhood Improvement Area #1 Construction, Funding and Acquisition Agreement, the Indenture, and the Service and Assessment Plan.

5. All conditions set forth in the Indenture (as defined in the Neighborhood Improvement Area #1 Construction, Funding and Acquisition Agreement) for the payment hereby requested have been satisfied.

6. The work with respect to the Neighborhood Improvement Area #1 Project(s) or a Neighborhood Improvement Area #1 Major Improvement Project identified above (or its completed segment, portion or segment) has been completed and the City has inspected the Neighborhood Improvement Area #1 Project(s) or a Neighborhood Improvement Area #1 Major Improvement Project. If this request for payment results in ninety percent (90%) or more of the Budgeted Costs for the Neighborhood Improvement Area #1 Project(s) or a Neighborhood Improvement Area #1 Major Improvement Project identified above being paid, then the work with respect to the Neighborhood Improvement Area #1 Project(s) or a Neighborhood Improvement Area #1 Major Improvement Project has been completed and the City has inspected AND accepted the Neighborhood Improvement Area #1 Project(s) or a Neighborhood Improvement Area #1 Major Improvement Project.

7. The Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

Payments requested are as follows:

Payee / Description of Neighborhood Improvement Area #1 Project	**Total Cost of Neighborhood Improvement Area #1 Project**	**Budgeted Cost of Neighborhood Improvement Area #1 Project**	**Amount to be paid from the Project Fund**

[If the "Neighborhood Improvement Area #1 Major Improvement Project" to be paid in part from the Neighborhood Improvement Areas #2-5 Major Improvement Bonds Project Fund (as defined in the Indenture), insert the following:

As required by Section 6.5 of the Indenture, the costs for the Neighborhood Improvement Area #1 Major Improvement Project shall be paid as follows:

Description of the Major Improvement:	Amount to be paid from the Neighborhood Improvement Area #1 Major Improvement Account of the Project Fund	Amount to be paid from the Neighborhood Improvement Areas #2 - 5 Major Improvement Account of the Project Fund	Total Cost of Improvement

]

Attached hereto, are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments.

Pursuant to the Neighborhood Improvement Area #1 Construction, Funding and Acquisition Agreement, after receiving this Payment Request, the City is authorized to inspect the Neighborhood Improvement Area #1 Project or Neighborhood Improvement Area #1 Major Improvement Project (or completed segment, portion or segment) and confirm that said work has been completed in accordance with all applicable governmental laws, rules, and Plans.

I hereby declare that the above representations and warranties are true and correct.

CADG SUTTON FIELDS, LLC

By:______________________________

Name: ___________________________

Title: ____________________________

Date: ____________________________

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Certification for Payment. After reviewing the Certification for Payment, the City approves the Certification for Payment and shall include said payments in the City Certificate submitted to the Trustee directing payments to be made from appropriate Project Fund account. The City's approval of the Closing Disbursement Request shall not have the effect of estopping or preventing the City from asserting claims under the Neighborhood Improvement Area #1 Construction, Funding and Acquisition Agreement, the Indenture, the Service and Assessment Plan, any other agreement between the parties or that there is a defect in the Neighborhood Improvement Area #1 Projects or Neighborhood Improvement Area #1 Major Improvement Projects.

CITY OF CELINA, TEXAS

By: ______________________

Name: ______________________

Title: ______________________

Date: _____________

Planning and Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Brooks Wilson, Senior Planner
CC:	Mike Foreman, City Manager
Date:	November 10, 2015
Re:	Authorize Signature

Action Requested:

Consider and act upon a resolution of the City of Celina, Texas, approving and authorizing the Mayor Pro Tem to execute "Sutton Fields II Public Improvement District Neighborhood Improvement area #1 Reimbursement Agreement" between the City of Celina, Texas, and CADG Sutton Fields, LLC.. (Liebman)

Action Requested:

Consider and act upon an ordinance approving the Reinvestment Zone Number Three, City of Celina, Texas Reimbursement Agreement for Wells South. (Liebman)

Background Information:

At the September 17, 2015 Special Called Meeting, the City Council passed an ordinance creating the Wells South TIRZ, also known as City of Celina TIRZ Number Three. This item presents the plan for the reimbursement of project costs associated with the development of Wells South TIRZ.

Legal Obligations and Review:

The TIRZ Number Three Reimbursement Agreement has been reviewed by the city's land use attorney and bond counsel.

Supporting Documents:

- Resolution adopting the Wells South TIRZ Reimbursement Agreement

Staff Recommendation:

Staff Recommends Approving This Staff Report

RESOLUTION NO. 2015-__R

AN A RESOLUTION OF THE CITY OF CELINA, TEXAS APPROVING AND AUTHORIZING THE MAYOR PRO TEM TO EXECUTE "SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREA #1 REIMBURSEMENT AGREEMENT" BETWEEN THE CITY OF CELINA, TEXAS AND CADG SUTTON FIELDS, LLC

WHEREAS, on October 13, 2015 the City Council (the "City Council") of the City of Celina, Texas (the "City") adopted Resolution No. 2015-51R creating Sutton Fields II Public Improvement District; and

WHEREAS, the City desires to approve the "Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Reimbursement Agreement" between the City and CADG Sutton Fields, LLC ("Reimbursement Agreement"); and

WHEREAS, the Reimbursement Agreement satisfies the requirements of Section 372.023 of the Public Improvement District Assessment Act and is an appropriate method of reimbursement for the costs associated with the construction and development of authorized improvements.

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

SECTION 1. THAT the findings and premises contained in the preamble above are hereby deemed to be true and correct and incorporated herein.

SECTION 2. THAT the "Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Reimbursement Agreement" between the City of Celina, Texas and CADG Sutton Fields, LLC, which is attached hereto as Exhibit A, is approved and the Mayor Pro Tem is authorized to execute such Reimbursement Agreement on behalf of the City of Celina, Texas.

SECTION 3. THAT this Resolution shall become effective from and after its date of passage in accordance with law.

[Remainder of Page Intentionally Left Blank; Signatures to Follow]

PASSED AND ADOPTED, this November 10, 2015.

CITY OF CELINA, TEXAS

____

Chad Anderson, Mayor Pro Tem

ATTEST:

____

City Secretary

(City Seal)

EXHIBIT A

REIMBURSEMENT AGREEMENT

SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREA #1 REIMBURSEMENT AGREEMENT

This Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Reimbursement Agreement (this "Reimbursement Agreement") is executed between the City of Celina, Texas (the "City") and CADG Sutton Fields, LLC, a Texas limited liability company (the "Developer") to be effective November 10, 2015 (the "Effective Date") (individually referred to as a "Party" and collectively as the "Parties").

RECITALS

WHEREAS, capitalized terms used in this Reimbursement Agreement shall have the meanings given to them in this Reimbursement Agreement or in the *Sutton Fields II Public Improvement District Service and Assessment Plan*, dated November 10, 2015, as the same may be amended from time to time (the "SAP") approved by Ordinance No. 2015-____ passed and approved by the City Council on November 10, 2015 ("Ordinance No. 2015-____"); and

WHEREAS, on October 13, 2015 the City Council passed and approved Resolution No. 2015-51R authorizing the creation of the Sutton Fields II Public Improvement District (the "District") covering approximately 622 acres of land described by metes and bounds in said Resolution (the "District Property"); and

WHEREAS, the purpose of the District is to finance public improvements (the "Authorized Improvements") as provided by Chapter 372, Texas Local Government Code, as amended (the "Act") that promote the interests of the City and confer a special benefit on the Assessed Property within the District; and

WHEREAS, the District Property is being developed in phases, and special assessments for each phase have been or will be levied against the Assessed Property within such phase to pay the costs of Authorized Improvements that confer a special benefit on the Assessed Property within such phase; and

WHEREAS, on October 27, 2015, the City Council passed and approved the Sutton Fields Facilities and Development Agreement (the "Development Agreement"); and

WHEREAS, Neighborhood Improvement Area #1 is the initial phase to be developed, as described in the SAP; and

WHEREAS, on October 20, 2015, the City Council passed and approved Resolution No. 2015-54R determining, among other things, the estimated costs of the Neighborhood Improvement Area #1 Improvements to be $11,482,432 (the "Neighborhood Improvement Area #1 Improvements Costs") the estimated costs of the Neighborhood Improvement Area #1 Major

Improvements to be $10,384,535 (the "Neighborhood Improvement Area #1 Major Improvement Costs") ; and

WHEREAS, in addition to approving the SAP, Ordinance No. 2015-____ levied assessments against property within Neighborhood Improvement Area #1 (the "Neighborhood Improvement Area #1 Assessed Property") for the Neighborhood Improvement Area #1 Improvements and the Neighborhood Improvement Area #1 Major Improvements in accordance with the Neighborhood Improvement Area #1 Assessment Roll attached as Appendix A to the SAP; and

WHEREAS, on November 10, 2015, the City adopted Ordinance No. 2015-____ authorizing the issuance and sale of its "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project)" (the "Series 2015 Neighborhood Improvement Area #1 Bond Indenture") to finance a portion of the Neighborhood Improvement Area #1 Improvements Costs and the Neighborhood Improvement Area #1 Major Improvement Costs; and

WHEREAS, the Neighborhood Improvement Area #1 Assessment Revenues are dedicated and pledged to the Series 2015 Neighborhood Improvement Area #1 Bonds as provided in the Neighborhood Improvement Area #1 Assessment Roll and secured under the Indenture of Trust relating to the Series 2015 Neighborhood Improvement Area #1 Bonds, dated December 1, 2015 (the "Series 2015 Neighborhood Improvement Area #1 Bond Indenture") between the City and U.S. Bank National Association, as trustee (the "Trustee"); and

WHEREAS, the Parties have entered into that certain "Neighborhood Improvement Area #1 Construction, Funding, and Acquisition Agreement" dated as of November 10, 2015 (the "Construction Funding Agreement") for the construction of the Neighborhood Improvement Area #1 Improvements and the Neighborhood Improvement Area #1 Major Improvements; and

WHEREAS, the Parties intend for the portion of the Neighborhood Improvement Area #1 Improvements Costs and the Neighborhood Improvement Area #1 Major Improvement Costs that are not financed by the Series 2015 Neighborhood Improvement Area #1 Bonds to be financed under the terms of this Reimbursement Agreement and the Construction Funding Agreement; and

WHEREAS, the City has established a project fund segregated from all other funds of the City (the "Project Fund") for the Neighborhood Improvement Area #1 Improvements and Neighborhood Improvement Area #1 Major Improvement Costs and has established a "Neighborhood Improvement Area #1 Improvement Account," a "Neighborhood Improvement Area #1 Major Improvement Account," and a "Developer Improvement Account" within such Project Fund under the Series 2015 Neighborhood Improvement Area #1 Bond Indenture; and

WHEREAS, the City has established a fund segregated from all other funds of the City for the deposit of the Neighborhood Improvement Area #1 Assessment Revenues (the "Pledged Revenue Fund") and has established a "Bond Pledged Revenue Account" and a "Developer Reimbursement Pledged Revenue Account" within such Pledged Revenue Fund under the Series 2015 Neighborhood Improvement Area #1 Bond Indenture; and

WHEREAS, the City has established a fund segregated from all other funds of the City for the purpose of paying and reimbursing the Developer (the "Reimbursement Fund") for the Costs of the Neighborhood Improvement Area #1 Improvements paid from the Developer Improvement Account of the Project Fund under the Series 2015 Neighborhood Improvement Area #1 Bond Indenture; and

WHEREAS, pursuant to the Series 2015 Neighborhood Improvement Area #1 Bond Indenture, amounts deposited in the Developer Reimbursement Pledged Revenue Account of the Pledged Revenue Fund shall be transferred to the Reimbursement Fund and used solely and exclusively to pay and reimburse the Developer for Costs of Neighborhood Improvement Area #1 Improvements paid from the Developer Improvement Account of the Project Fund, plus interest, as set forth in this Reimbursement Agreement.

NOW THEREFORE, FOR VALUABLE CONSIDERATION THE RECEIPT AND ADEQUACY OF WHICH ARE ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. The recitals in the "WHEREAS" clauses of this Reimbursement Agreement are true and correct, create obligations of the Parties, and are incorporated as part of this Reimbursement Agreement for all purposes.

2. The City shall cause to be deposited into the Pledged Revenue Fund all Neighborhood Improvement Area #1 Assessment Revenues collected (excluding Annual Collection Costs and Delinquent Collection Costs) as provided in the Series 2015 Neighborhood Improvement Area #1 Bond Indenture.

3. Developer shall make, or cause to be made, an initial deposit of $4,350,435 to the Developer Improvement Account of the Project Fund (the "Developer Initial Deposit") on the Closing Date, as defined in the Series 2015 Neighborhood Improvement Area #1 Bond Indenture; and, Costs of the Neighborhood Improvement Area #1 Improvements shall be paid first from the Developer Improvement Account of the Project Fund up to the amount of such initial deposit into the Developer Improvement Account of the Project Fund as provided in the Indenture Developer. After the Developer Initial Deposit has been disbursed from the Developer Improvement Account of the Project Fund in accordance with the terms of the Indenture and the Construction Funding Agreement, the Neighborhood Improvement Area #1 Improvements costs shall be paid from the Neighborhood Improvement Area

#1 Improvement Account of the Project Fund, and the Neighborhood Improvement Area #1 Major Improvements Costs shall be paid from the Neighborhood Improvement Area #1 Major Improvement Account, as provided in the Neighborhood Improvement Area # 1 Indenture and the Construction Funding Agreement.

4. Strictly subject to the terms, conditions, and requirements and solely from the revenues herein provided, the City agrees to pay to the Developer, and the Developer shall be entitled to receive from the City the amount equal to the actual costs incurred by the Developer, but not to exceed the Costs of the Neighborhood Improvement Area #1 Improvements paid from the Developer Improvement Account of the Project Fund and the amount equal to the amount the Developer paid for Neighborhood Improvement Area #1 Major Improvement Costs that were within budgeted costs, or authorized overrun costs, that were not paid to the Developer from the Neighborhood Improvement Area #1 Major Improvement Account (collectively, the "Reimbursement Amount") on the unpaid balance in accordance with the terms of this Reimbursement Agreement until September 1, 2047 (the "Maturity Date"); provided, however, the Reimbursement Amount shall not exceed $6,500,000.00. The Reimbursement Amount shall be payable to the Developer solely from: (i) the Neighborhood Improvement Area #1 Assessment Revenues deposited in the Developer Reimbursement Pledged Revenue Account of the Pledged Revenue Fund and transferred to the Reimbursement Fund as provided in Article 6 of the Series 2015 Neighborhood Improvement Area #1 Bond Indenture; (ii) the net proceeds (after payment of costs of issuance, including the costs paid or incurred by the City) of one or more series of bonds (the "Future Neighborhood Improvement Area #1 Bonds") issued by the City and secured by the Neighborhood Improvement Area #1 Assessment Revenues; or (iii) a combination of items (i) and (ii) immediately above. The Neighborhood Improvement Area #1 Improvements Costs and the Neighborhood Improvement Area #1 Major Improvement Cost are authorized by the Act and approved by the City Council and represent the total costs to be assessed against the Neighborhood Improvement Area #1 Assessed Property for the Neighborhood Improvement Area #1 Improvements and the Neighborhood Improvement Area #1 Major Improvements which are eligible public improvement projects that are being undertaken and financed by the District for the special benefit of the Neighborhood Improvement Area #1 Assessed Property and that upon completion will be dedicated in fee and accepted by the City. The Reimbursement Amount, , as described above (collectively, the "Unpaid Balance") is payable to the Developer and secured under this Reimbursement Agreement solely as described in paragraph 4 above. Interest shall start accruing at the Closing Date of the Bonds, if Bonds are not issued, then on the Effective Date of this Agreement. The Unpaid Balance shall be payable, if funds are available, as set forth in the Construction, Funding Agreement. No other City funds, revenue, taxes, income, or property shall be used even if the Unpaid Balance is

not paid in full at Maturity. Notwithstanding its collection efforts, if the City fails to receive all or any part of the Neighborhood Improvement Area #1 Assessment Revenues and, as a result, is unable to make transfers from the Developer Reimbursement Pledged Revenue Account of the Pledged Revenue Fund to the Reimbursement Fund for payments to the Developer as required under this Reimbursement Agreement, such failure and inability shall not constitute a Failure or Default by the City under this Reimbursement Agreement. This Reimbursement Agreement and/or any Future Neighborhood Improvement Area #1 Bonds shall not and shall never give rise to or create:

a. a charge against the general credit or taxing powers of the City or any other taxing unit; or

b. a debt or other obligation of the City payable from any source of revenue, taxes, income, or properties of the City other than from the Developer Improvement Account of the Project Fund, the Developer Reimbursement Pledged Revenue Account of the Pledged Revenue Fund or the Reimbursement Fund as provided in the Series 2015 Neighborhood Improvement Area #1 Bond Indenture or from the net proceeds of any Future Neighborhood Improvement Area #1 Bonds; or

c. any obligation of the City to issue Future Neighborhood Improvement Area #1 Bonds or other obligations; or

d. any obligation of the City to pay any amount due or to become due under this Reimbursement Agreement other than from (i) the Developer Improvement Account of the Project Fund, the Developer Reimbursement Pledged Revenue Account of the Pledged Revenue Fund or the Reimbursement Fund as provided in the Series 2015 Neighborhood Improvement Area #1 Bond Indenture and this Reimbursement Agreement, or (ii) from the net proceeds of any Future Neighborhood Improvement Area #1 Bonds.

5. If Future Neighborhood Improvement Area #1 Bonds are issued, the net proceeds of such Future Neighborhood Improvement Area #1 Bonds shall be used, from time to time, first to pay the Unpaid Balance due the Developer for Costs of Neighborhood Improvement Area #1 Improvements and Neighborhood Improvement Area #1 Major Improvements paid from the Developer Improvement Account of the Project Fund under this Reimbursement Agreement and then to pay all or any portion of any Neighborhood Improvement Area #1 Improvements Cost or Neighborhood Improvement Area #1 major Improvements. If, after application of the net proceeds of such Future Neighborhood Improvement Area #1 Bonds, any Neighborhood Improvement Area #1 Improvements Cost or Neighborhood Improvement Area #1

Major Improvement cost remains unpaid, then the Developer shall pay such cost. If, after application of the net proceeds of any Future Neighborhood Improvement Area #1 Bonds, the Unpaid Balance due the Developer remains unpaid, all payments toward the Unpaid Balance due the Developer shall be paid from (i) amounts transferred to the Reimbursement Fund from the Developer Reimbursement Pledged Revenue Account of the Pledged Revenue Fund under the Series 2015 Neighborhood Improvement Area #1 Bond Indenture, and (ii) amounts deposited into any funds created for such purpose under any indenture relating to any Future Neighborhood Improvement Area #1 Bonds. Once the principal amount of all Future Neighborhood Improvement Area #1 Bonds plus all payments paid to the Developer under this Reimbursement Agreement equal the Unpaid Balance, this Reimbursement Agreement shall terminate.

6. If on the Maturity Date, after application of the net proceeds of any Future Neighborhood Improvement Area #1 Bonds, any portion of the Unpaid Balance remains unpaid, such Unpaid Balance shall be canceled and for all purposes this Reimbursement Agreement shall be deemed to have been conclusively and irrevocably PAID IN FULL, and such Unpaid Balance shall no longer be deemed to be payable; provided, however, if any Neighborhood Improvement Area #1 Assessment Revenues remain due and payable and are uncollected on the Maturity Date, such Neighborhood Improvement Area #1 Assessment Revenues, when, as, and if collected after the Maturity Date, shall first be applied to any amounts due in connection with outstanding Series 2015 Neighborhood Improvement Area #1 Bonds and outstanding Future Neighborhood Improvement Area #1 Bonds; and, then paid to the Developer and applied to the Unpaid Balance.

7. The Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part without the consent of (but with written notice to) the City, the Developer's right, title, or interest under this Reimbursement Agreement including, but not limited to, any right, title, or interest of the Developer in and to payment of the Unpaid Balance, whether such payment is from (i) amounts transferred to the Reimbursement Fund from the Developer Reimbursement Pledged Revenue Account of the Pledged Revenue Fund under the Series 2015 Neighborhood Improvement Area #1 Bond Indenture, or (ii) net proceeds of any Future Neighborhood Improvement Area #1 Bonds (any of the foregoing, a "Transfer," and the person or entity to whom the Transfer is made, a "Transferee"). Notwithstanding the foregoing, however, no Transfer shall be effective until five days after notice of the Transfer is received by the City, including for each Transferee the information outlined in Section 15. The City may rely on any notice of a Transfer received from the Developer without obligation to investigate or confirm the validity or occurrence of such Transfer. The Developer waives all rights or claims against the City for any

such funds provided to a third party as a result of a Transfer for which the City has received notice, and the Developer's sole remedy shall be to seek the funds directly from the third party.

8. The inability or failure of the City to issue Future Neighborhood Improvement Area #1 Bonds shall not constitute a Failure or Default under this Reimbursement Agreement.

9. The obligations of the City under this Reimbursement Agreement are non-recourse and payable only from (i) amounts transferred to the Reimbursement Fund from the Developer Reimbursement Pledged Revenue Account of the Pledged Revenue Fund under the Series 2015 Neighborhood Improvement Area #1 Bond Indenture, or (ii) net proceeds of any Future Neighborhood Improvement Area #1 Bonds; and such obligations do not create a debt or other obligation payable from any other City Revenues, taxes, income, or property. None of the City or any of its elected or appointed officials or any of its officers or employees shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of this Reimbursement Agreement or their acts or omissions under this Reimbursement Agreement.

10. Following the City's inspection and approval of the Neighborhood Improvement Area #1 Improvements and the Neighborhood Improvement Area #1 Major Improvements in accordance with the provisions of the Construction Funding Agreement and until Future Neighborhood Improvement Area #1 Bonds are issued, if ever, there will be no conditions or defenses to the obligation of the City to use amounts transferred to the Reimbursement Fund from the Developer Reimbursement Pledged Revenue Account of the Pledged Revenue Fund under the Series 2015 Neighborhood Improvement Area #1 Bond Indenture to pay the Unpaid Balance.

11. Following the City's inspection and approval of the Neighborhood Improvement Area #1 Improvements and the Neighborhood Improvement Area #1 Major Improvements, and if Future Neighborhood Improvement Area #1 Bonds are issued, there will be no conditions or defenses to the obligation of the City to use the net proceeds of any Future Neighborhood Improvement Area #1 Bonds to pay the Unpaid Balance and to pledge the Neighborhood Improvement Area #1 Assessment Revenues as security for the Bonds.

12. Nothing in this Reimbursement Agreement is intended to constitute a waiver by the City of any remedy the City may otherwise have outside this Reimbursement Agreement against any person or entity involved in the design, construction, or installation of the Neighborhood Improvement Area #1 Improvements or the Neighborhood Improvement Area #1 Major Improvements.

13. The City will consider issuing one or more series of Future Neighborhood Improvement Area #1 Bonds to pay the Unpaid Balance; however, the Parties covenant and acknowledge that approval of the issuance of any Future Neighborhood Improvement Area #1 Bonds by the City Council is a governmental function within the City's sole discretion.

14. This Reimbursement Agreement is being executed and delivered, and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of Texas shall govern the validity, construction, enforcement, and interpretation of this Reimbursement Agreement. In the event of a dispute involving this Reimbursement Agreement, venue for such dispute shall lie in any court of competent jurisdiction in Denton County, Texas.

15. Any notice required or contemplated by this Reimbursement Agreement shall be deemed given at the addresses shown below: (i) when delivered by a national company such as FedEx or UPS with evidence of delivery signed by any person at the delivery address regardless of whether such person was the named addressee; or (ii) 72 hours after the notice was deposited with the United States Postal Service, Certified Mail, Return Receipt Requested. Any Party may change its address by delivering written notice of such change in accordance with this section.

To the City:	Attn: City Manager City of Celina, Texas 142 North Ohio Celina, Texas 75009
With a copy to:	Attn: Julie Fort Messer, Rockefeller & Fort 6351 Preston Road, Suite 350 Frisco, Texas 75034
And to:	Attn: Bond Counsel Robert Dransfield Norton Rose Fulbright US LLP 2200 Ross Avenue, Suite 3600 Dallas, Texas 75201-7932
To the Owner:	CADG Sutton Fields, LLC 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
With a copy to:	Attn: J. Prabha Cinclair Miklos Law, PLLC 1800 Valley View Lane, Suite 360 Farmers Branch, Texas 75234

16. If any provision of this Reimbursement Agreement is held invalid by any court, such holding shall not affect the validity of the remaining provisions, and the remainder of this Reimbursement Agreement shall remain in full force and effect.

17. Failure; Default; Remedies.

a. If either Party fails to perform an obligation imposed on such Party by this Reimbursement Agreement (a "Failure") and such Failure is not cured after written notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a "Default." Upon the occurrence of a Failure by a non-performing Party, the other Party shall notify the non-performing Party and all Transferees of the non-performing Party in writing specifying in reasonable detail the nature of the Failure. The non-performing Party to whom notice of a Failure is given shall have at least 30 days from receipt of the notice within which to cure the Failure; however, if the Failure cannot reasonably be cured within 30 days and the non-performing Party has diligently pursued a cure within such 30-day period and has provided written notice to the other Party that additional time is needed, then the cure period shall be extended for an additional 30 day period so long as the non-performing Party is diligently pursuing a cure. Any Transferee shall have the right, but not the obligation, to cure any alleged Failure by the Developer within the same time periods that are provided to the Developer. The election by a Transferee to cure a Failure by the Developer shall constitute a cure by the Developer but shall not obligate the Transferee to be bound by this Reimbursement Agreement unless the Transferee agrees to be bound.

b. If the Developer is in Default, the City's sole and exclusive remedy shall be to seek specific enforcement of this Reimbursement Agreement. No Default by the Developer, however, shall: (1) affect the obligations of the City to use the amounts transferred to the Reimbursement Fund from the Developer Reimbursement Pledged Revenue Account of the Pledged Revenue Fund under the Series 2015 Neighborhood Improvement Area #1 Bond Indenture and the net proceeds of Future Neighborhood Improvement Area #1 Bonds as provided in Sections 10 and 11 of this Reimbursement Agreement; or (2) entitle the City to terminate this Reimbursement Agreement.

c. If the City is in Default, the Developer's sole and exclusive remedies shall be to: (1) seek a writ of mandamus to compel performance by the City; (2) seek specific enforcement of this Reimbursement Agreement; or (3) terminate this Reimbursement Agreement.

18. The failure by a Party to insist upon the strict performance of any provision of this Reimbursement Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Reimbursement Agreement.

19. The City does not waive or surrender any of its governmental powers, immunities, or rights except to the extent permitted by law and necessary to allow the Developer to enforce its remedies under this Reimbursement Agreement.

20. Nothing in this Reimbursement Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and the Developer any rights, remedies, or claims under or by reason of this Reimbursement Agreement, and all covenants, conditions, promises, and agreements in this Reimbursement Agreement shall be for the sole and exclusive benefit of the City and the Developer.

21. This Reimbursement Agreement may be amended only by written agreement of the Parties.

22. This Reimbursement Agreement may be executed in counterparts, each of which shall be deemed an original.

[Signature pages to follow]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of November 10, 2015.

CITY OF CELINA, TEXAS

By: ______________________________
Name: Chad Anderson
Title: Mayor Pro Tem

ATTEST:

____
City Secretary

(City Seal)

DEVELOPER:

CADG Sutton Fields, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company,
Its Sole Managing Member

By: MMM Ventures, LLC,
a Texas limited liability company,
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company,
Its Manager

By:______________________________
Name: Mehrdad Moayedi
Its: Manager

Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Brooks Wilson, Senior Planner
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: Sutton Fields II PID NIA #2-5 Major Improvement Project

Action Requested:

Consider and act upon an ordinance of the City Council of the City of Celina, Texas, approving and authorizing the issuance and sale of the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project); and approving and authorizing related agreements. (Liebman)

Background Information:

Board Review/Citizen Input:

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:

Staff Recommendation:

Staff Recommends Approving This Staff Report

ORDINANCE NO. 2015-__

AN ORDINANCE APPROVING AND AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF CELINA, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015 (SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECT); AND APPROVING AND AUTHORIZING RELATED AGREEMENTS.

WHEREAS, the City of Celina, Texas (the "City"), pursuant to and in accordance with the terms, provisions and requirements of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (the "PID Act"), has previously established the "Sutton Fields II Public Improvement District" (the "District"), pursuant to Resolution No. 2015-51R adopted by the City Council of the City (the "City Council") on October 13, 2015; and

WHEREAS, pursuant to the PID Act, the City Council published notice of and held a public hearing on November 5, 2015, regarding the levy of special assessments against benefitted property located in Neighborhood Improvement Areas #2-5 of the District, and, after opening such public hearing then recessed the public hearing to November 10, 2015; and

WHEREAS, after reconvening the public hearing regarding the levy of special assessments against benefitted property located in Neighborhood Improvement Areas #2-5 of the District at the November 10, 2015 meeting of the City Council, and after hearing testimony at such public hearing, the City Council closed the public hearing and adopted Ordinance No. 2015-__ (the "Neighborhood Improvement Areas #2-5 Assessment Ordinance") on November 10, 2015; and

WHEREAS, in the Neighborhood Improvement Areas #2-5 Assessment Ordinance, the City Council approved and accepted Sutton Fields II Public Improvement District Service and Assessment Plan, dated November 10, 2015 (the "Service and Assessment Plan") relating to the District and levied the "Neighborhood Improvement Areas #2-5 Assessments" (as defined in the Neighborhood Improvement Areas #2-5 Assessment Ordinance, the "Neighborhood Improvement Areas #2-5 Assessments") against the "Neighborhood Improvement Areas #2-5 Assessment Roll" (as defined and described in the Service and Assessment Plan, the "Assessment Roll"). Capitalized terms used in this Ordinance and not otherwise defined herein shall have the meanings assigned to them in the Service and Assessment Plan; and

WHEREAS, the City is authorized by the PID Act to issue its revenue bonds payable from the Neighborhood Improvement Areas #2-5 Assessments and other revenues received for the purposes of (i) paying a portion of the Costs of the Neighborhood Improvement Areas #2-5 Projects, as defined in the Indenture (defined herein), (ii) paying a portion of the interest on the Bonds (defined herein) during and after the period of acquisition and construction of the Neighborhood Improvement Areas #2-5 Projects, (iii) funding a reserve fund for payment of principal 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 issuing the Bonds; and

WHEREAS, the City Council hereby finds and determines that it is in the best interests of the City to issue its bonds to be designated "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project)" (the "Bonds"), such series to be payable from and secured by the Pledged Revenues, as defined in the Indenture (defined herein); and

WHEREAS, the City Council hereby finds and determines to (i) approve the issuance of the Bonds to finance a portion of the costs of the Neighborhood Improvement Areas #2-5 Projects (as defined in the Indenture), (ii) approve the form, terms and provisions of an indenture of trust securing the Bonds authorized hereby, (iii) approve the form, terms and provisions of a Bond Purchase Agreement (defined below) between the City and the purchaser of the Bonds, (iv) approve an Official Statement (defined below), (v) approve the form, terms and provisions of a Continuing Disclosure Agreement (defined below), (vi) approve the form, terms and provisions of a Construction Funding Agreement (defined below), and (vii) approve the form, terms and provisions of certain Redemption Agreements (defined below).

WHEREAS, the meeting at which this Ordinance is considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code; now, therefore

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS:

SECTION 1. Approval of Issuance of Bonds and Indenture of Trust.

(a) The issuance of the Bonds in the principal amount of $_____________ for the purpose of providing funds for (i) paying a portion of the Costs of the Neighborhood Improvement Areas #2-5 Projects, as defined in the Indenture (defined herein), (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Neighborhood Improvement Areas #2-5 Projects, (iii) funding a reserve fund for payment of principal 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 issuing the Bonds, is hereby authorized and approved.

(b) The Bonds shall be issued and secured under that certain Indenture of Trust (the "Indenture") dated as of December 1, 2015, between the City and U.S. Bank National Association, as trustee (the "Trustee"), with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the City Manager and the City's land use attorney, such approval to be evidenced by the execution and delivery of the Indenture by the Mayor Pro Tem of the City, which Indenture is hereby approved in substantially the form attached hereto as **Exhibit A** which is incorporated herein as a part hereof for all purposes. The Mayor Pro Tem of the City is hereby authorized and directed to execute the Indenture and the City Secretary is hereby authorized and directed to attest such signature of the Mayor Pro Tem.

(c) The Bonds shall be dated, shall mature on the date or dates and in the principal amounts, shall bear interest, shall be subject to redemption and shall have such other terms and provisions as set forth in the Indenture. The Bonds shall be in substantially the form set forth in the Indenture with such insertions, omissions and modifications as may be required to conform the form of bond to the actual terms of the Bonds. The Bonds shall be payable from and secured by the Pledged Revenues (as defined in the Indenture) and other assets of the "Trust Estate" (as defined in the Indenture) pledged to such series, and shall never be payable from ad valorem taxes.

SECTION 2. Sale of Bonds; Approval of Bond Purchase Agreement. The Bonds shall be sold to Jefferies LLC (the "Underwriter") under that certain Bond Purchase Agreement and Developer [and Minority Landowner] Representations (the "Bond Purchase Agreement"), dated the date hereof, among the City, CADG Sutton Fields, LLC, a Texas limited liability company (the "Developer"), CADG Sutton Fields II, LLC, a Texas limited liability company and the Underwriter, substantially in the form attached hereto as **Exhibit B** which is incorporated herein as a part hereof for all purposes, which terms of sale are declared to be in the best interests of the City at the price and on the terms and provisions set forth in the Bond Purchase Agreement. The form, terms and provisions of the Bond Purchase Agreement are hereby authorized and approved with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the City Manager and the City's land use attorney, such approval to be evidenced by the execution and delivery of the Bond Purchase Agreement by the Mayor Pro Tem of the City. The Mayor Pro Tem of the City is hereby authorized and directed to execute and deliver the Bond Purchase Agreement.

SECTION 3. Official Statement. The form and substance of the Preliminary Official Statement for the Bonds and any addenda, supplement or amendment thereto and the final Official Statement (the "Official Statement") presented to and considered at the meeting at which this Ordinance is considered are hereby in all respects approved and adopted. The Mayor Pro Tem is hereby authorized and directed to execute such Official Statement with such changes and alterations therein as the Mayor Pro Tem may approve, such approval to be conclusively evidenced by such execution thereof. The Official Statement as thus approved, executed and delivered, with such appropriate variations as shall be approved by the Mayor Pro Tem of the City and the Underwriter, may be used by the Underwriter in the offering and sale of the Bonds. The City Secretary is hereby authorized and directed to include and maintain a copy of the Preliminary Official Statement and Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Official Statement in the offering of the Bonds is hereby ratified, approved and confirmed. Notwithstanding the execution, approval and delivery of such Preliminary Official Statement and Official Statement by the Mayor Pro Tem and this City Council are not responsible for and proclaim no specific knowledge of the information contained in the Preliminary Official Statement and Official Statement pertaining to the Development (as defined in the Official Statement), the Developer (as defined therein) or its financial ability, any builders, any landowners, or the appraisal of the property in the District.

SECTION 4. Continuing Disclosure Agreement. That certain Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") between the City and FSC Continuing Disclosure Services, a division of First Southwest Company, LLC (the "Dissemination Agent") is hereby authorized and approved in substantially the form attached hereto as **Exhibit C** which is incorporated herein as a part hereof for all purposes and the City Manager and the Director of Finance of the City is each hereby authorized and directed to execute and deliver such Continuing Disclosure Agreement with such changes as may be required to carry out the purpose of this Ordinance and as approved by the City Manager or the Director of Finance, such approval to be evidenced by the execution thereof.

SECTION 5. Approval of Construction Funding Agreement. That certain Neighborhood Improvement Areas #2-5 Construction, Funding and Acquisition Agreement (the "Construction Funding Agreement"), between the City and the Developer is hereby authorized and approved in substantially the form attached hereto as **Exhibit D** which is incorporated herein as a part hereof for all purposes and the Mayor Pro Tem of the City is hereby authorized and directed to execute and deliver such Construction Funding Agreement with such changes as may be required to carry out the purposes of this Ordinance and approved by the Mayor Pro Tem, such approval to be evidenced by the execution thereof. The Mayor Pro Tem's signature on the Construction Funding Agreement may be attested by the City Secretary.

<u>SECTION 6.</u> **<u>Redemption Agreement</u>**. Those certain agreements titled "CADG Sutton Fields, LLC Agreement Regarding Conveyance of Right of Redemption and Waiver of Agricultural Valuation – Sutton Fields II Public Improvement District" and "CADG Sutton Fields II, LLC Agreement Regarding Conveyance of Right of Redemption and Waiver of Agricultural Valuation – Sutton Fields II Public Improvement District" (each a "Redemption Agreement" and together, the Redemption Agreements) between the City and the entity defined in each Redemption Agreement as the “Developer” or “Minority Landowner,” as applicable, are hereby authorized hereby authorized and approved in substantially the forms attached hereto as **Exhibit E** which are incorporated herein as a part hereof for all purposes and the City Manager and the Director of Finance of the City is each hereby authorized and directed to execute and deliver such Redemption Agreements with such changes as may be required to carry out the purpose of this Ordinance and as approved by the City Manager or the Director of Finance, such approval to be evidenced by the execution thereof.

<u>SECTION 7.</u> **<u>Additional Actions</u>**. The Mayor Pro Tem, the City Manager, the Director of Finance, and the City Secretary are hereby authorized and directed to take any and all actions on behalf of the City necessary or desirable to carry out the intent and purposes of this Ordinance and to issue the Bonds in accordance with the terms of this Ordinance. The Mayor Pro Tem, the City Manager, the Director of Finance, and the City Secretary are hereby authorized and directed to execute and deliver any and all certificates, agreements, notices, instruction letters, requisitions, and other documents which may be necessary or advisable in connection with the sale, issuance and delivery of the Bonds and the carrying out of the purposes and intent of this Ordinance.

<u>SECTION 8.</u> **<u>Governing Law</u>**. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

<u>SECTION 9.</u> **<u>Effect of Headings</u>**. The Section headings herein are for convenience only and shall not affect the construction hereof.

<u>SECTION 10.</u> **<u>Severability</u>**. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance or the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

<u>SECTION 11.</u> **<u>Construction of Terms</u>**. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

<u>SECTION 12.</u> **<u>Incorporation of Findings and Determinations</u>**. The findings and determinations of the City Council contained in the preamble of this Ordinance are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

<u>SECTION 13.</u> **<u>Effective Date</u>**. This Ordinance shall take effect and be in force immediately from and after its adoption on the date shown below in accordance with Texas Government Code, Section 1201.028, as amended.

PASSED AND ADOPTED, this November 10, 2015.

CITY OF CELINA, TEXAS

Chad Anderson, Mayor Pro Tem

ATTEST:

City Secretary

(City Seal)

EXHIBIT A

INDENTURE OF TRUST

INDENTURE OF TRUST

By and Between

CITY OF CELINA, TEXAS

and

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

DATED AS OF DECEMBER 1, 2015

SECURING

$________
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015
(SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT
NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR
IMPROVEMENT PROJECT)

TABLE OF CONTENTS

Page

TABLE OF CONTENTS

TABLE OF CONTENTS

INDENTURE OF TRUST

THIS INDENTURE, dated as of December 1, 2015 is by and between the CITY OF CELINA, TEXAS (the "City"), and U.S. BANK NATIONAL ASSOCIATION, as trustee (together with its successors, the "Trustee"). Capitalized terms used in the preambles, recitals and granting clauses and not otherwise defined shall have the meanings assigned thereto in Article I.

WHEREAS, a petition was submitted by the Petitioner (defined herein) and filed with the City Secretary of the City (the "City Secretary") pursuant to the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "PID Act"), requesting the creation of a public improvement district located in the City and in the extraterritorial jurisdiction of the City to be known as the Sutton Fields II Public Improvement District (the "District"); and

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

WHEREAS, on October 13, 2015, after due notice, the City Council of the City (the "City Council") held the public hearing in the manner required by law on the advisability of the improvement projects and services described in the petition as required by Sec. 372.009 of the PID Act and on October 13, 2015, the City Council made the findings required by Sec. 372.009(b) of the PID Act and, by Resolution No. 2015-51R, adopted by a majority of the members of the City Council, authorized the District in accordance with its finding as to the advisability of the improvement projects and services; and

WHEREAS, on October 15, 2015, the City published notice of its authorization of the District in the *Dallas Morning News*, a newspaper of general circulation in the City and the extraterritorial jurisdiction of the City; and

WHEREAS, no written protests of the District from any owners of record of property within the District were filed with the City Secretary within 20 days after October 15, 2015; and

WHEREAS, on October 20, 2015, the City Council by Resolution 2015-54R made findings and determinations relating to the Costs of certain Authorized Improvements and directed City staff to (i) prepare a proposed assessment roll as required by Section 372.016(a) of the PID Act, (ii) file said proposed assessment roll with the City Secretary and to make it available for public inspection as required by Section 372.016(b), (iii) publish such notice as required by Section 372.016(b) of the PID Act, and (iv) prepare a service and assessment plan in accordance with Sections 372.13 and 372.14 of the PID Act; and

WHEREAS, the City Council, pursuant to Section 372.016(b) of the PID Act, published notice of a public hearing in a newspaper of general circulation in the City and in the extraterritorial jurisdiction of the City to consider the proposed "Assessment Roll" and the "Service and Assessment Plan" and the levy of the "Assessments" on property in the District; and

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

WHEREAS, the City Council convened the hearing on November 5, 2015, and at such public hearing all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the proposed Assessment Roll and the Assessments, and to offer testimony pertinent to any issue presented on the amount of the Assessment, the allocation of Costs, the purposes of the Assessment, the special benefits of the Assessment, and the penalties and interest on annual installments and on delinquent annual installments of the Assessment, and then the City Council recessed such public hearing until November 10, 2015; and

WHEREAS, on November 10, 2015, the City Council reconvened the public hearing first opened on November 10, 2015 as referenced above, and all persons who appeared, or requested to appear, in person or by their attorney, were also given the opportunity to contend for or contest the proposed Assessment Roll and the Assessments, and to offer testimony pertinent to any issue presented on the amount of the Assessment, the allocation of Costs, the purposes of the Assessment, the special benefits of the Assessment, and the penalties and interest on annual installments and on delinquent annual installments of the Assessment, and there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of Costs, the Assessment Roll, and the levy of the Assessments; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, and

WHEREAS, on November 10, 2015, the City approved and accepted the Service and Assessment Plan in conformity with the requirements of the PID Act and adopted the Assessment Ordinance and therein levied the Assessments; and

WHEREAS, the City Council hereby finds and determines that the Assessment Roll and the Service and Assessment Plan should be approved and that the Assessments should be levied as provided in the Service and Assessment Plan and the Assessment Roll; and

WHEREAS, the City Council is authorized by the PID Act to issue its revenue bonds payable from the Assessments for the purpose of (i) paying a portion of the Costs of the Neighborhood Improvement Areas #2-5 Projects, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Neighborhood Improvement Areas #2-5 Projects, (iii) funding a reserve fund for payment of principal and interest on the Bonds, (iv) paying a portion of the costs incidental to the organization of the District, and (v) paying costs of issuance; and

WHEREAS, the City Council now desires to issue revenue bonds, in accordance with the PID Act, such bonds to be entitled "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project)" (the "Bonds"), such Bonds being payable solely from the Assessment Revenue and other funds pledged under this Indenture to the payment of the Bonds and for the purposes set forth in the preamble of this Indenture; and

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

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

FIRST GRANTING CLAUSE

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

SECOND GRANTING CLAUSE

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

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

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

PROVIDED, HOWEVER, that if and to the extent Assessments have been prepaid, the lien on real property associated with such Assessment prepayment shall be released from the Trust Estate and shall no longer constitute a part of the Trust Estate;

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

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

ARTICLE I

DEFINITIONS, FINDINGS AND INTERPRETATION

Section 1.1. Definitions.

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

"Account" means any of the accounts established pursuant to Section 6.1 of this Indenture.

"Additional Bonds" means the additional parity bonds authorized to be issued in accordance with the terms and conditions prescribed in Section 13.2(c) of this Indenture.

"Additional Obligations" means any bonds or obligations, including specifically, any installment contracts, reimbursement agreements, temporary note or time warrant secured in whole or in part by an assessment, other than the Special Assessments securing the Bonds, levied against property within the District in accordance with the PID Act.

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

"Administrator" means an employee or designee of the City who shall have the responsibilities provided in the Service and Assessment Plan, this Indenture, or any other agreement or document approved by the City related to the duties and responsibilities of the administration of the District.

"Annual Collection Costs" mean the following actual or budgeted costs, as applicable, related to the annual collection costs of outstanding Assessments paid in installments, including the costs or anticipated costs of: (i) issuing, refunding or refinancing bonds, (ii) computing, levying, collecting and transmitting the Assessments (whether by the City, the Administrator or otherwise), (iii) remitting the Assessments to the Trustee, (iv) the City, the Administrator and Trustee (including legal counsel) in the discharge of their duties, (v) complying with arbitrage rebate requirements, (vi) complying with securities disclosure requirements, and (vii) the City in any way related to the collection of the Assessments in installments, including, without limitation, the administration of the District, maintaining the record of installments, payments and reallocations and/or cancellations of Assessments, and the repayment of the Bonds, including, without limitation, any associated legal expenses, the reasonable costs of other consultants and advisors and contingencies and reserves for such costs as deemed appropriate by the City Council. Assessments collected to pay Annual Collection Costs that are collected and not expended for actual Annual Collection Costs shall be carried forward and applied to reduce Annual Collection Costs in subsequent years to avoid the over-collection of Annual Collection Costs.

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

"Annual Installment" means, with respect to each Assessed Parcel, each annual payment of the Assessments as shown on the Assessment Roll attached to the Service and Assessment Plan as Appendix G and related to the Bonds and the Neighborhood Improvement Areas #2-5 Projects; which annual payment includes the 0.20% additional interest rate collected on each annual payment of the Assessments for the prepayment reserve and the 0.30% additional interest rate collected on each annual payment of the Assessments for the delinquency reserve as described in Section 6.7 herein and as defined and calculated in the Service and Assessment Plan or in any Annual Service Plan Update.

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

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

“Assessed Parcel” means each respective parcel of land located within Neighborhood Improvement Areas #2-5 of the District against which an Assessment is levied by the Assessment Ordinance in accordance with the Service and Assessment Plan.

“Assessment Ordinance” means Ordinance No. 2015-__ adopted by the City Council on November 10, 2015, that levied the Assessments on the Assessed Parcels.

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

“Assessment Roll” means the Assessment Roll attached as Appendix G to the Service and Assessment Plan or any other Assessment Roll in an amendment or supplement to the Service and Assessment Plan or in an Annual Service Plan Update, showing the total amount of the Assessment against each Assessed Parcel related to the Neighborhood Improvement Areas #2-5 Projects, as updated, modified, or amended from time to time in accordance with the terms of the Service and Assessment Plan and the PID Act.

“Assessments” means the aggregate assessments shown on the Assessment Roll. The singular of such term means the assessment levied against an Assessed Parcel as shown on the Assessment Roll, subject to reallocation upon the subdivision of an Assessed Parcel or reduction according to the provisions of the Service and Assessment Plan and the PID Act.

“Authorized Denomination” means $25,000 and any integral multiple of $5,000 in excess thereof.

"Authorized Improvements" means those public improvements described in Section III of the Service and Assessment Plan and Section 372.003 of the PID Act, constructed and installed in accordance with the Service and Assessment Plan or an Annual Service Plan Update for the benefit of the Assessed Parcels.

“Bond” means any of the Bonds.

“Bond Counsel” means Norton Rose Fulbright US LLP or any other attorney or firm of attorneys designated by the City that are nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

“Bond Date” means the date designated as the initial date of the Bonds by Section 3.2(a) of this Indenture.

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

“Bond Ordinance” means Ordinance No. 2015-__ adopted by the City Council on November 10, 2015 authorizing the issuance of the Bonds pursuant to this Indenture.

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

"Bond Year" means the one-year period beginning on September 1 in each year and ending on August 31 the following year.

"Bonds" means the City's bonds authorized to be issued by Section 3.1(a) of this Indenture entitled "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project)".

"Bonds Similarly Secured" means, collectively, any Outstanding Bonds or Additional Bonds.

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

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

"Certification for Payment" means a certificate executed by an engineer, construction manager or other person or entity acceptable to the City, as evidenced by the signature of a City Representative, specifying the amount of work performed and the cost thereof, presented to the Trustee to request funding for Costs from money on deposit in the Project Fund.

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

"City Order" means written instructions by the City, executed by a City Representative.

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

"Closing Date" means the date of the initial delivery of and payment for the Bonds.

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

"Construction Funding Agreement" means the "Neighborhood Improvement Areas #2-5 Construction, Funding and Acquisition Agreement" between the City and the Developer relating to the Bonds, dated as of November 10, 2015, which provides for the appointment, levying and collection of Assessments, the construction of the Neighborhood Improvement Areas #2-5 Projects, the maintenance of the Neighborhood Improvement Areas #2-5 Projects, the issuance of bonds and other matters related thereto**.**

"Costs" means the costs of the Authorized Improvements, including the Neighborhood Improvement Areas #2-5 Projects.

"Costs of Issuance Account" means the Account established pursuant to Section 6.1.

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

“Delinquency Reserve Account” means the Account established pursuant to Section 6.1.

“Delinquency Reserve Requirement” means an amount equal to 4% of the principal amount of the Outstanding Bonds which will be funded from revenues received from the payment of Assessments deposited to the Pledged Revenue Fund.

“Delinquent Collection Costs” means the costs related to the foreclosure on an Assessed Parcel and the costs of collection of a delinquent Assessment, including penalties and reasonable attorney’s fees actually paid, but excluding amounts representing interest and penalty interest.

"Developer" means CADG Sutton Fields, LLC, a Texas limited liability corporation (including its successors and assigns).

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

"Development Agreement" means the "Sutton Fields Facilities and Development Agreement" between the City and the Developer dated as of ___________, 2015 which provides for the development of property within the District, the creation of the District, the construction and financing of the Authorized Improvements and other matters related thereto.

“Designated Payment/Transfer Office” means (i) with respect to the initial Paying Agent/Registrar named in this Indenture, the transfer/payment office located in St. Paul, Minnesota, or such other location designated by the Paying Agent/Registrar and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

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

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

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

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

“Fund” means any of the funds established pursuant to Section 6.1 of this Indenture.

"Future Neighborhood Improvement Area" shall have the meaning assigned to it in the Service and Assessment Plan.

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

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

"Initial Bonds" means the Initial Bonds as set forth in Exhibit A to this Indenture.

"Interest Payment Date" means the date or dates upon which interest on the Bonds is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being on March 1 and September 1 of each year, commencing March 1, 2016.

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

"Major Improvement Projects" means the Authorized Improvements which will benefit all of the property within the District and are more particularly described in Section III.A and III.B of the Service and Assessment Plan.

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

"Neighborhood Improvement Area #1" means the initial phase to be developed within the District and further identified and described in the Service and Assessment Plan.

"Neighborhood Improvement Area #1 Assessed Parcel" means each respective parcel of land located within Neighborhood Improvement Area #1 of the District against which an Assessment is levied in accordance with the assessment roll relating to Neighborhood Improvement Area #1 attached as Appendix A to the Service and Assessment Plan.

"Neighborhood Improvement Area #1 Improvement Account" means the Account of such name established pursuant to Section 6.1.

"Neighborhood Improvement Area #1 Assessed Parcel" means each respective parcel of land located within Neighborhood Improvement Area #1 of the District against which an Assessment is levied in accordance with the assessment roll relating to Neighborhood Improvement Area #1 attached as Appendix A to the Service and Assessment Plan.

"Neighborhood Improvement Area #1 Assessment" means the assessment levied against a Neighborhood Improvement Area #1 Assessed Parcel as shown on the assessment roll relating to Neighborhood Improvement Area #1, attached as Appendix A to the Service and Assessment Plan or any other assessment roll in an amendment or supplement to the Service and Assessment Plan or in an Annual Service Plan Update, and related to the Neighborhood Improvement Area #1 Bonds and the Neighborhood Improvement Area #1 Projects, as updated, modified, or amended from time to time in accordance with the terms of the Service and Assessment Plan and the PID Act.

"Neighborhood Improvement Area #1 Bond Indenture" means the Indenture of Trust dated as of December 1, 2015 between the City and U.S. Bank National Association, securing the Neighborhood Improvement Area #1 Bonds.

"Neighborhood Improvement Area #1 Bonds" means the City's bonds entitled " City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Area #1 Project)" to be issued concurrently with the Bonds to finance the Neighborhood Improvement Area #1 Projects and secured by assessments levied against property located within Neighborhood Improvement Area #1 only in accordance with the assessment roll of attached as Appendix B to the Service and Assessment Plan.

"Neighborhood Improvement Area #1 Projects" means the Authorized Improvements which will benefit the Neighborhood Improvement Area #1 Assessed Parcels more particularly described in Section III.A of the Service and Assessment Plan which include a proportional share of costs for the Major Improvement Projects allocable to Neighborhood Improvement Area #1.

"Neighborhood Improvement Areas #2-5" means the phases to be developed within the District subsequent to Neighborhood Improvement Area #1 and further identified and depicted in Section II.C of the Service and Assessment Plan or in any Annual Service Plan Update.

"Neighborhood Improvement Areas #2-5 Major Improvement Account" means the Account of such name established pursuant to Section 6.1.

"Neighborhood Improvement Areas #2-5 Projects" means the Authorized Improvements which will benefit Assessed Parcels more particularly described in Section III.B of the Service and Assessment Plan which include a proportional share of costs for the Major Improvement Projects allocable to Neighborhood Improvement Areas #2-5.

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

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

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

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

"Petitioner" means the Developer, the owner of all real property within the District.

"PID Act" means Texas Local Government Code, Chapter 372, Improvement Districts in Municipalities and Counties, Subchapter A, Public Improvement Districts, as amended.

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

"Pledged Revenue Fund" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.3 herein.

"Pledged Revenues" means the sum of (i) Assessment Revenue less (a) the Annual Collection Costs and (b) Foreclosure Proceeds; (ii) the moneys held in any of the Pledged Funds; and (iii) any additional revenues that the City may pledge to the payment of Bonds Similarly Secured.

"Prepayment" means the payment of all or a portion of an Assessment before the due date thereof.

"Prepayment Reserve Account" means the Account of such name established pursuant to Section 6.1.

"Prepayment Reserve Requirement" means an amount equal to 1.5% of the principal amount of the Outstanding Bonds Similarly Secured which will be funded from revenues received from the payment of Assessments deposited to the Pledged Revenue Fund.

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

"Project Fund" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.5 herein.

"Purchaser" means the initial purchaser of the Bonds.

"Rebate Amount" has the meaning set forth in section 1.148-1(b) of the Regulations.

"Rebate Fund" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.8 herein.

"Record Date" means the close of business on the fifteenth calendar day (whether or not a Business Day) of the month next preceding an Interest Payment Date.

"Redemption Fund" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.6 herein.

"Redemption Prices" means, when used with respect to any Bond or portion thereof, the redemption prices shown in Section 4.3 of this Indenture.

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

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

"Reserve Account Requirement" means the least of: (i) Maximum Annual Debt Service on the Bonds Similarly Secured as of the date of issuance, (ii) 125% of average Annual Debt Service on the Bonds Similarly Secured as of the date of issuance, or (iii) 10% of the proceeds of the Bonds Similarly Secured; provided, however, that such amount shall be reduced by the amount of any transfers made pursuant to subsections (c) and (d) of Section 6.7; and provided further that as a result of an optional redemption pursuant to Section 4.3, the Reserve Account Requirement shall be reduced by a percentage equal to the pro rata principal amount of Bonds Similarly Secured redeemed by such optional redemption divided by the total principal amount of the Outstanding Bonds Similarly Secured prior to such redemption. As of the date of delivery of the Bonds, the Reserve Account Requirement is $____________, which is an amount equal to [Maximum Annual Debt Service on the Bonds Similarly Secured as of the date of issuance].

"Reserve Fund" means that fund established pursuant to Section 6.1 and administered in Section 6.7 herein.

"Reserve Fund Obligations" means cash or Investment Securities.

"Service and Assessment Plan" means the document, including the Assessment Roll, as amended, which is attached as Exhibit A to the Assessment Ordinance.

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

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

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

"Tax Certificate" means the Certificate as to Tax Exemption delivered by the City on the Closing Date for the Bonds setting forth the facts, estimates and circumstances in existence on the Closing Date which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the interest on such Bonds to be included in the gross income of the Owners thereof for Federal income tax purposes.

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

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

Section 1.2. Findings.

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

Section 1.3. Table of Contents, Titles and Headings.

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

Section 1.4. Interpretation.

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

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

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

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

ARTICLE II

THE BONDS

Section 2.1. Security for the Bonds.

The Bonds, as to both principal and interest, are and shall be equally and ratably secured by and payable from a first lien on and pledge of the Trust Estate.

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

Section 2.2. Limited Obligations.

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

Section 2.3. Authorization for Indenture.

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

Section 2.4. Contract with Owners and Trustee.

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

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

ARTICLE III

AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.1. Authorization.

The Bonds are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas, including particularly the PID Act, as amended. The Bonds shall be issued in the aggregate principal amount of $_________ for the purpose of (i) paying a portion of the Costs of the Neighborhood Improvement Areas #2-5 Projects, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Neighborhood Improvement Areas #2-5 Projects, (iii) funding a reserve fund for payment of principal 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.

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

(a) The Bonds shall be dated December 1, 2015 (the “Bond Date”) and shall be issued in Authorized Denominations. The Bonds shall be in fully registered form, without coupons, and shall be numbered separately from R-1 upward, except the Initial Bond, which shall be numbered T-1.

(b) Interest shall accrue and be paid on each Bond from the later of the date of initial delivery of the Bonds or the most recent Interest Payment Date to which interest has been paid or provided for, at the rate per annum set forth below until the principal thereof has been paid on the maturity date specified below or otherwise provided for. Such interest shall be payable semiannually on March 1 and September 1 of each year, commencing March 1, 2016 computed on the basis of a 360-day year of twelve 30-day months.

(c) The Bonds shall mature on September 1 in the years and in the principal amounts and shall bear interest as set forth below:

Year	Principal Amount	Interest Rate
**** 20__	**********	******
**** 20__	*********	******
**** 20__	*********	******

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

Section 3.3. Conditions Precedent to Delivery of Bonds.

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

(a) a copy of the executed Assessment Ordinance;

(b) a copy of the executed Bond Ordinance;

(c) a copy of the executed Neighborhood Improvement Area #1 Bond Indenture;

(d) a copy of the executed Development Agreement;

(e) a copy of the executed Construction Funding Agreement;

(f) a copy of this Indenture executed by the Trustee and the City; and

(g) a City Certificate directing the authentication and delivery of the Bonds, describing the Bonds to be authenticated and delivered, designating the purchasers to whom the Bonds are to be delivered, stating the purchase price of the Bonds and stating that all items required by this Section are therewith delivered to the Trustee in form and substance satisfactory to the City.

Section 3.4. Medium, Method and Place of Payment.

(a) Principal of and interest on the Bonds shall be paid in lawful money of the United States of America, as provided in this Section.

(b) Interest on the Bonds shall be payable to the Owners thereof as shown in the Register at the close of business on the relevant Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) Business Days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Bond appearing on the books of the Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

(c) Interest on the Bonds shall be paid by check, dated as of the Interest Payment Date, and sent, first class United States mail, postage prepaid, by the Paying Agent/Registrar to each Owner at the address of each as such appears in the Register or by such other customary banking arrangement acceptable to the Paying Agent/Registrar and the Owner; provided, however, the Owner shall bear all risk and expense of such other banking arrangement.

(d) The principal of each Bond shall be paid to the Owner of such Bond on the due date thereof, whether at the maturity date or the date of prior redemption thereof, upon presentation and surrender of such Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar.

(e) If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day that is not a Saturday, Sunday, legal holiday, or day on which banking institutions are required or authorized to close, and payment on such date shall for all purposes be deemed to have been made on the due date thereof as specified in Section 3.2 of this Indenture.

(f) Unclaimed payments of amounts due hereunder shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Bonds to which such unclaimed payments pertain. Subject to any escheat, abandoned property, or similar law of the State of Texas, any such payments remaining unclaimed by the Owners entitled thereto for two (2) years after the applicable payment or redemption date shall be applied to the next payment or payments on such Bonds thereafter coming due and, to the extent any such money remains after the retirement of all Outstanding Bonds, shall be paid to the City to be used for any lawful purpose. Thereafter, none of the City, the Paying Agent/Registrar, or any other Person shall be liable or responsible to any holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to any applicable escheat law or similar law of the State of Texas, including the provisions of Title 6 of the Texas Property Code, as amended.

Section 3.5. Execution and Registration of Bonds.

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

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

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Indenture unless and until there appears thereon the Certificate of Trustee substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Trustee. It shall not be required that the same officer or authorized signatory of the Trustee sign the Certificate of Trustee on all of the Bonds. In lieu of the executed Certificate of Trustee described above, the Initial Bond delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller of Public Accounts of the State of Texas, or by her duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General of the State of Texas, is a valid and binding obligation of the City, and has been registered by the Comptroller of Public Accounts of the State of Texas, including the provisions of Title 6 of the Texas Property Code, as amended.

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

Section 3.6. <u>Ownership.</u>

(a) The City, the Trustee the Paying Agent/Registrar and any other Person may treat the Person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment as provided herein (except interest shall be paid to the Person in whose name such Bond is registered on the relevant Record Date) and for all other purposes, whether or not such Bond is overdue, and neither the City nor the Trustee, nor the Paying Agent/Registrar, shall be bound by any notice or knowledge to the contrary.

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

Section 3.7. <u>Registration, Transfer and Exchange.</u>

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

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

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

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

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

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

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

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

Section 3.8. Cancellation.

All Bonds paid or redeemed before scheduled maturity in accordance with this Indenture, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Indenture, shall be cancelled, and proper records shall be made regarding such payment, redemption, exchange, or replacement. The Paying Agent/Registrar shall dispose of cancelled Bonds in accordance with the records retention requirements of the Trustee.

Section 3.9. Temporary Bonds.

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

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

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

Section 3.10. Replacement Bonds.

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

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

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

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

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

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

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

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

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

Section 3.11. Book-Entry Only System.

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

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any Person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other Person, other than an Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other Person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Indenture to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the Person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners as shown in the Register, as provided in this Indenture, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No Person other than an Owner, as shown in the Register, shall receive a Bond certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Indenture. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Indenture with respect to interest checks or drafts being mailed to the registered owner at the close of business on the relevant Record Date, the word "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

Section 3.12. Successor Securities Depository: Transfer Outside Book-Entry-Only System.

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

Section 3.13. Payments to Cede & Co.

Notwithstanding any other provision of this Indenture to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the blanket letter of representations from the City to DTC.

ARTICLE IV

REDEMPTION OF BONDS BEFORE MATURITY

Section 4.1. Limitation on Redemption.

The Bonds shall be subject to redemption before their scheduled maturity only as provided in this Article IV.

Section 4.2. Mandatory Sinking Fund Redemption.

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

Term Bonds Maturing September 1, 20__

Redemption Date	Sinking Fund Installment
September 1, 20__	
September 1, 20__	

Term Bonds Maturing September 1, 20__

Redemption Date	Sinking Fund Installment
September 1, 20__	
September 1, 20__	

September 1, 20__	September 1, 20__
September 1, 20__	September 1, 20__
September 1, 20__	September 1, 20__
September 1, 20__	September 1, 20__

Term Bonds Maturing September 1, 20__		Term Bonds Maturing September 1, 20__	
Redemption Date	Sinking Fund Installment	Redemption Date	Sinking Fund Installment
September 1, 20__		September 1, 20__	
September 1, 20__		September 1, 20__	
September 1, 20__		September 1, 20__	
September 1, 20__		September 1, 20__	
September 1, 20__		September 1, 20__	
September 1, 20__		September 1, 20__	

(b) At least forty-five (45) days prior to each sinking fund redemption date, the Trustee shall select 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 redemption date, and shall give notice of such redemption, as provided in Section 4.6.

(c) The principal amount of Bonds of a stated maturity required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced, at the option of the City, by the principal amount of any Bonds of such maturity which, at least 45 days prior to the sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

(d) The principal amount of Bonds required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced on a pro rata basis among Sinking Fund Installments by the principal amount of any Bonds which, at least forty-five (45) days prior to the sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions hereof and not previously credited to a sinking mandatory fund redemption.

Section 4.3. Optional Redemption.

(a) The City reserves the right and option to redeem Bonds before their scheduled maturity dates, in whole or in part, on any Interest Payment Date on or after September 1, 20__, such redemption date or dates to be fixed by the City, at the Redemption Prices shown below, plus accrued interest to the date of redemption.

Redemption Date	Redemption Price
On or after September 1, 20__	103%
On or after September 1, 20__	102%
On or after September 1, 20__	101%
On or after September 1, 20__	100%

Section 4.4. Extraordinary Optional Redemption.

The City reserves the right and option to redeem Bonds before their respective scheduled maturity dates, in whole or in part, on the first day of any month, at 100% of the principal amount of such Bonds, or portions thereof, to be redeemed plus accrued interest to the date of redemption from amounts on deposit in the Redemption Fund as a result of Prepayments (including related transfers to the Redemption Fund as provided in Section 6.7(c)), transfers to the Redemption Fund made pursuant to Section 6.3(e), 6.3(f), 6.7(a), 6.7(c), 6.7(e), 6.7(f), or 6.7(j) hereof or as a result of unexpended amounts transferred from the Project Fund as provided in Section 6.5(f).

Section 4.5. Partial Redemption.

(a) If less than all of the Bonds are to be redeemed pursuant to either Sections 4.2, 4.3 or 4.4, Bonds shall be redeemed in minimum principal amounts of $25,000 or any integral of $5,000 in excess thereof by any method selected by the Trustee that results in a random selection. Each Bond shall be treated as representing the number of Bonds that is obtained by dividing the principal amount of such Bond by the smallest Authorized Denomination for such Bond.

(b) A portion of a single Bond of a denomination greater than an Authorized Denomination may be redeemed, but only in a principal amount equal to $25,000 or any integral of $5,000 in excess thereof. The Trustee shall treat each $5,000 portion of such Bond as though it were a single bond for purposes of selection for redemption. No redemption shall result in a Bond in a denomination of less than the Authorized Denomination in effect at that time.

(c) Upon surrender of any Bond for redemption in part, the Trustee in accordance with Section 3.7 of this Indenture, shall authenticate and deliver and exchange the Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, such exchange being without charge.

Section 4.6. Notice of Redemption to Owners.

(a) The Trustee shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond or portion thereof to be redeemed, at the address shown in the Register.

(b) The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, and subject to Section 4.5 hereof, an identification of the Bonds or portions thereof to be redeemed, any conditions to such redemption and that on the redemption date, if all conditions, if any, to such redemption have been satisfied, such Bond shall become due and payable.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

(d) The City has the right to rescind any optional redemption or extraordinary optional redemption described in Section 4.3 or 4.4 by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. The Trustee shall mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

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

Section 4.7. Payment Upon Redemption.

(a) The Trustee shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust an amount from the Redemption Fund or otherwise received by the Trustee from the City and shall use such funds solely for the purpose of paying the Redemption Price on the Bonds being redeemed.

(b) Upon presentation and surrender of any Bond called for redemption at the designated corporate trust office of the Trustee on or after the date fixed for redemption, the Trustee shall pay the Redemption Price on such Bond to the date of redemption from the moneys set aside for such purpose.

Section 4.8. Effect of Redemption.

Notice of redemption having been given as provided in Section 4.6 of this Indenture, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption provided that funds for the payment of the Redemption Price of such Bonds or the principal of and interest on such Bonds, as applicable, to the date fixed for redemption are on deposit with the Trustee; thereafter, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

ARTICLE V

FORM OF THE BONDS

Section 5.1. Form Generally.

(a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of the Trustee, and the Assignment to appear on each of the Bonds, (i) shall be substantially in the form set forth in Exhibit A to this Indenture with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Indenture, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Bonds, as evidenced by their execution thereof.

(b) Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bonds.

(c) The definitive Bonds shall be typewritten, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof.

(d) The Initial Bond submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

Section 5.2. CUSIP Registration.

The City may secure identification numbers through the CUSIP Service Bureau Division of Standard & Poor's Corporation, New York, New York, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof; and, none of the City, the Trustee, or the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds. The Trustee may include in any redemption notice a statement to the effect that the CUSIP numbers on the Bonds have been assigned by an independent service and are included in such notice solely for the convenience of the Owners of the Bonds and that neither the City nor the Trustee shall be liable for any inaccuracies of such numbers.

Section 5.3. Legal Opinion.

The approving legal opinion of Bond Counsel may be printed on or attached to each Bond over the certification of the City Secretary of the City, which may be executed in facsimile.

ARTICLE VI

FUNDS AND ACCOUNTS

Section 6.1. Establishment of Funds and Accounts.

(a) Creation of Funds. The following Funds are hereby created and established under this Indenture:

(i) Pledged Revenue Fund;

(ii) Bond Fund;

(iii) Project Fund;

(iv) Reserve Fund;

(v) Redemption Fund;

(vi) Rebate Fund; and

(vii) Administrative Fund.

(b) Creation of Accounts.

(i) The following Accounts are hereby created and established under the Bond Fund:

(A) Capitalized Interest Account; and

(B) Principal and Interest Account.

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

(A) Reserve Account;

(B) Prepayment Reserve Account; and

(C) Delinquency Reserve Account.

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

(A) Neighborhood Improvement Areas #2-5 Major Improvement Account;

(B) Costs of Issuance Account; and

(C) Developer Improvement Account.

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

(A) Bond Pledged Revenue Account.

(v) The following Accounts are hereby created and established under the Administrative Fund:

(A) District Administration Account; and

(B) Developer Property Tax Account.

(c) Each Fund and Account created within such Fund shall be maintained by the Trustee separate and apart from all other funds and accounts of the City. The Pledged Funds shall constitute trust funds which shall be held in trust by the Trustee as part of the Trust Estate solely for the benefit of the Owners of the Bonds.

(d) Interest earnings and profit on each respective Fund and Account established by this Indenture shall be applied or withdrawn for the purposes of such Fund or Account as specified below.

Section 6.2. Initial Deposits to Funds and Accounts.

(a) The proceeds from the sale of the Bonds shall be paid to the Trustee and deposited or transferred by the Trustee as follows:

(i) to the Capitalized Interest Account of the Bond Fund: $_________;

(ii) to the Reserve Account of the Reserve Fund: $_________;

(iii) to the District Administration Account of the Administrative Fund: $_________;

(iv) to the Costs of Issuance Account of the Project Fund: $_________;

(v) to the Neighborhood Improvement Areas #2-5 Major Improvement Account of the Project Fund: $_________.

(b) Funds received from the Developer in the amount of $_________ on the Closing Date shall be deposited by the Trustee to the Developer Improvement Account of the Project Fund.

(d) Funds received from the Developer on the Closing Date in the amount of the lesser of either (1) $10,000 or (2) two times the amount of the property tax on the Property that is classified as agricultural in the current tax year shall be deposited to the Developer Property Tax Account of the Administrative Fund.

Section 6.3. Pledged Revenue Fund.

(a) On or before February 1 of each year while the Bonds are Outstanding and beginning in year 2016, the City shall deposit or cause to be deposited the Pledged Revenues into the Pledged Revenue Fund. Specifically, the City shall deposit or cause to be deposited Assessment Revenues as follows: (i) first, to the Bond Pledged Revenue Account of the Pledged Revenue Fund in an amount sufficient to pay debt service on the Bonds next coming due, (ii) second to the Reserve Account of the Reserve Fund in an amount to cause the amount in the Reserve Account to equal the Reserve Account Requirement, (iii) third, to the Prepayment Reserve Account and the Delinquency Reserve Account, respectively, amounts equal the Delinquency Component and the Prepayment Component described in Section 6.7(a) hereof, (iv) fourth, to pay other costs of the Authorized Improvements, and (v) fifth, to pay other costs permitted by the PID Act.

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

(c) If, after the foregoing transfers and any transfer from the Reserve Fund as provided in Section 6.7 herein, there are insufficient funds to make the payments provided in paragraph (b) above, the Trustee shall apply the available funds in the Principal and Interest Account first to the payment of interest, then to the payment of principal (including any Sinking Fund Installments) on the Bonds.

(d) Notwithstanding Section 6.3(a) hereof, the Trustee shall deposit Prepayments to the Pledged Revenue Fund and as soon as practicable after such deposit shall transfer such Prepayments to the Redemption Fund.

(e) Notwithstanding Section 6.3(a) hereof, the Trustee shall deposit Foreclosure Proceeds to the Pledged Revenue Fund and as soon as practicable after such deposit shall transfer Foreclosure Proceeds first to the Reserve Fund to restore any transfers from the Reserve Fund made with respect to the Assessed Parcel or Assessed Parcels to which the Foreclosure Proceeds relate, and second, to the Redemption Fund.

(f) Any Assessments remaining after satisfying the foregoing payments may be used for any lawful purpose for which Assessments may be used under the PID Act.

Section 6.4. Bond Fund.

(a) On each Interest Payment Date, the Trustee shall withdraw from the Principal and Interest Account and transfer to the Paying Agent/Registrar the principal (including any Sinking Fund Installments) and interest then due and payable on the Bonds, less any amount to be used to pay interest on the Bonds on such Interest Payment Date from the Capitalized Interest Account as provided below.

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

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

Date	**Amount**
March 1, 2016	$__________
September 1, 2016	$__________
March 1, 2017	$__________

Any amounts on deposit to the Capitalized Interest Account after the payment of interest on the dates and in the amounts listed above shall be transferred to the Neighborhood Improvement Areas #2-5 Improvement Account of the Project Fund, or if the Project Fund has been closed as provided in Section 6.5(g) herein, such amounts shall be transferred to the Redemption Fund to be used to redeem Bonds and the Capitalized Interest Account shall be closed.

Section 6.5. Project Fund.

(a) Money on deposit in the Project Fund shall be used for the purposes specified in Section 3.1 hereof.

(b) Any funds received at Closing pursuant to the Construction Funding Agreement shall be applied as provided therein. Such provisions and procedures are herein incorporated by reference and deemed set forth herein in full.

(c) Disbursements from the Costs of Issuance Account of the Project Fund shall be made by the Trustee to pay costs of issuance of the Bonds pursuant to one or more City Certificates. Disbursements from all other Accounts of the Project Fund to pay Costs shall be made by the Trustee upon receipt by the Trustee of a properly executed and completed Certification for Payment. The disbursement of funds from the Project Fund pursuant to a Certification for Payment shall be pursuant to and accordance with the disbursement procedures described in the Construction Funding Agreement. Such provisions and procedures related to such disbursement contained in the Construction Funding Agreement, and no other provisions of the Construction Funding Agreement, are herein incorporated by reference and deemed set forth herein in full.

(d) The Neighborhood Improvement Area #1 Bond Indenture has established thereunder the Neighborhood Improvement Area #1 Bond Project Fund for purposes of paying the Costs of the Neighborhood Improvement Area #1 Projects which include paying a portion of the costs of the Major Improvement Projects allocable to Neighborhood Improvement Area #1 pursuant to and as described in the Service and Assessment Plan. Upon receipt of, and pursuant to instructions contained within a Certification for Payment, the Trustee shall disburse amounts from the Major Improvement Account of the Project Fund to pay costs of the Neighborhood Improvement Areas #2-5 Projects in an amount equal to the portion of the Major Improvement Projects allocable to the Assessed Parcels as provided in the Service and Assessment Plan with the remainder of the Costs of the Major Improvement Projects to be paid from the Neighborhood Improvement Area #1 Bond Project Fund. Each Certification for Payment shall set forth the amount of the costs of a Major Improvement Project to be paid from the Neighborhood Improvement Area #1 Bond Project Fund and the amount to be paid from the Major Improvement Account of the Project Fund.

(e) If the City Representative determines in his or her sole discretion that amounts then on deposit in the Major Improvement Account of the Project Fund are not expected to be expended for purposes of the Project Fund due to the abandonment, or constructive abandonment, of the Neighborhood Improvement Areas #2-5 Projects such that, in the opinion of the City Representative, it is unlikely that the amounts in the Major Improvement Account of the Project Fund 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 Major Improvement Account of the Project Fund that are not expected to be used for purposes of the Project Fund. If such City Certificate is so filed, the amounts on deposit in Major Improvement Account of the Project Fund shall be transferred to the Redemption Fund to redeem Bonds on the earliest practicable date after notice of redemption has been provided in accordance with this Indenture.

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

(g) Upon the filing of a City Certificate stating that all Neighborhood Improvement Areas #2-5 Projects have been completed and that all Costs of the Neighborhood Improvement Areas #2-5 Projects have been paid, or that any such Costs are not required to be paid from the Neighborhood Improvement Areas #2-5 Major Improvement Account of the Project Fund pursuant to a Certification for Payment, the Trustee (i) shall transfer the amount, if any, remaining within the Project Fund to the Bond Fund (ii) shall transfer any remaining amount in the Developer Improvement Account of the Project Fund to the Developer and (iii) shall close the Project Fund.

(h) 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 another Account in the Project Fund and used to pay Costs or to the Principal and Interest Account of the Bond Fund and used to pay interest on the Bonds, as directed by the City in a City Certificate filed with the Trustee, and the Costs of Issuance Account shall be closed.

Section 6.6. <u>Redemption Fund.</u>

(a) The Trustee shall cause to be deposited to the Redemption Fund from the Bond Pledged Revenue Account of the Pledged Revenue Fund an amount sufficient to redeem Bonds as provided in Sections 4.3 and 4.4 on the dates specified for redemption as provided in Sections 4.3 and 4.4. Amounts on deposit in the Redemption Fund shall be used and withdrawn by the Trustee to redeem Bonds as provided in Article IV.

Section 6.7. Reserve Fund.

(a) The City agrees with the Owners of the Bonds to accumulate, and when accumulated maintain in the Reserve Account, an amount equal to not less than the Reserve Account Requirement. All amounts deposited in the Reserve Account shall be used and withdrawn by the Trustee for the purpose of making transfers to the Principal and Interest Account of the Bond Fund as provided in this Indenture. The Trustee will transfer from the Bond Pledged Revenue Account of the Pledged Revenue Fund to the Prepayment Reserve Account on March 1 of each year, commencing March 1, 2016, an amount equal to 0.20% of the interest rate component of the Annual Installments (the "Prepayment Component") in the Prepayment Reserve Account until the Prepayment Reserve Requirement has been accumulated in the Prepayment Reserve Account; provided, however, that at any time the amount on deposit in the Prepayment Reserve Account is less than Prepayment Reserve Requirement, the Trustee shall resume depositing the Prepayment Component into the Prepayment Reserve Account until the Prepayment Reserve Requirement has accumulated in the Prepayment Reserve Account. 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 Prepayment Reserve Account exceed the Prepayment Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess (the "Excess Prepayment Reserve Amount"). The Excess Prepayment Reserve Amount shall be transferred, at the direction of the City pursuant to a City Order, to the Administrative Fund for the payment of Administrative Expenses or to the Delinquency Reserve Account. In the event that the Trustee does not receive a City Order directing the transfer of the Excess Prepayment Reserve Amount to the Administrative Fund within 45 days of providing notice to the City of such Excess Prepayment Reserve Amount, the Trustee shall transfer the Excess Prepayment Reserve Amount to the Delinquency Reserve Account or, in the event that the Delinquency Reserve Account contains the Delinquency Reserve Requirement, to the Redemption Fund redeem Bonds pursuant to Section 4.4 hereof. The Trustee shall also deposit from the Bond Pledged Revenue Account of the Pledged Revenue Fund to the Delinquency Reserve Account on March 1 of each year, commencing March 1, 2016, an amount equal to 0.30% of the interest rate component of the Annual Installments (the "Delinquency Component"). Once the Delinquency Reserve Requirement has been accumulated in the Delinquency Reserve Account, any amounts in excess of the Delinquency Reserve Requirement in the Delinquency Reserve Account shall be transferred by the Trustee to the Redemption Fund to redeem Bonds as provided in Article IV; provided, however, that at any time the amount on deposit in the Delinquency Reserve Account is less than Delinquency Reserve Requirement, the Trustee shall resume depositing such Delinquency Component into the Delinquency Reserve Account until the Delinquency Reserve Requirement has accumulated in the Delinquency Reserve Account.

(b) 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.

(c) Whenever Bonds are to be redeemed with the proceeds of Prepayments pursuant to Section 4.4, a proportionate amount in the Reserve Account of the Reserve Fund shall be transferred on the Business Day prior to the redemption date by the Trustee to the Redemption Fund to be applied to the redemption of the Bonds. The amount so transferred from the Reserve Account of the Reserve Fund shall be equal to a percentage of the amount of the Bonds redeemed with such percentage equal to the lesser of: (i) the amount required to be in the Reserve Account of the Reserve Fund, as a percentage of the Outstanding Bonds prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund, as a percentage of the 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 from the Prepayment Reserve Account to the Redemption Fund to be applied to the redemption of the Bonds.

(d) Whenever, on any Interest Payment Date, or on any other date at the written request of a City Representative, the amount in the Reserve Account exceeds the Reserve Account Requirement, the Trustee shall provide written notice to the City Representative of the amount of the excess. Such excess shall be transferred to the Principal and Interest Account to be used for the payment of interest on the Bonds on the next Interest Payment Date in accordance with Section 6.4 hereof, unless within thirty days of such notice to the City Representative, the Trustee receives a City Order instructing the Trustee to apply such excess: (i) to pay amounts due under Section 6.8 hereof, (ii) to the Administrative Fund in an amount not more than the Annual Collection Costs for the Bonds, or (iii) to the Project Fund if such application and the expenditure of funds is expected to occur within three years of the date hereof.

(e) Whenever, on any Interest Payment Date, or on any other date at the written request of the City Representative, the amount in the Prepayment Reserve Account exceeds the Prepayment Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess. The amount of such excess on deposit in the Prepayment Reserve Account shall then be transferred by the Trustee first to the Delinquency Reserve Account in the event such account contains less than the Delinquency Reserve Requirement, or, if the Delinquency Reserve Account contains the Delinquency Reserve Requirement then to the Redemption Fund to redeem Bonds pursuant to Section 4.4 hereof.

(f) Moneys in the Delinquency Reserve Account up to the Delinquency Reserve Requirement may be used as directed by a City Order for the purposes of payment of Annual Collection Costs in the event that amounts on deposit in the Administrative Fund are insufficient for such purpose. The amounts set forth in such City Order shall be transferred to the Administrative Fund to be used for such purposes. Whenever, on any Interest Payment Date, or on any other date at the written request of the City Representative, the value of cash and Value of Investment Securities on deposit in the Delinquency Reserve Account exceeds the Delinquency Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess (the “Excess Delinquency Reserve Amount”). Such excess on deposit in the Delinquency Reserve Account 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 order to effect the redemption of Bonds pursuant to Section 4.4. In the event that the Trustee does not receive a City Order directing the transfer of the Excess Delinquency Reserve Amount to the Administrative Fund within 45 days of providing notice to the City of such Excess Delinquency Reserve Amount, the Trustee shall transfer the Excess Delinquency Reserve Amount to the Redemption Fund and redeem Bonds pursuant to Section 4.4 hereof.

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

(h) At the final maturity of the Bonds Similarly Secured, the amount on deposit in the Reserve Account, the Prepayment Reserve Account and the Delinquency Reserve Account shall be transferred to the Redemption Fund and applied to the payment of the principal of the Bonds Similarly Secured.

(i) If, after a Reserve Account withdrawal, the amount on deposit in the Reserve Account of the Reserve Fund is less than the Reserve Account Requirement, the Trustee shall transfer from the Pledged Revenue Fund to the Reserve Account of the Reserve Fund the amount of such deficiency, in accordance with Section 6.3.

(j) If the amount held in the Reserve Fund together with the amount held in the Bond Fund and Redemption Fund is sufficient to pay the principal amount and of all Outstanding Bonds Similarly Secured on the next Interest Payment Date, together with the unpaid interest accrued on such Bonds Similarly Secured as of such Interest Payment Date, the moneys shall be transferred to the Redemption Fund and thereafter used to redeem all Bonds Similarly Secured as of such Interest Payment Date.

Section 6.8. Rebate Fund: Rebate Amount.

(a) There is hereby established a special fund of the City to be designated "City of Celina, Texas, Rebate Fund" (the "Rebate Fund") to be held by the Trustee in accordance with the terms and provisions of this Indenture. Amounts on deposit in the Rebate Fund shall be used solely for the purpose of paying amounts due the United States Government in accordance with the Code.

(b) In order to assure that Rebate Amount is paid to the United States rather than to a third party, investments of funds on deposit in the Rebate Fund shall be made in accordance with the Code and the Tax Certificate.

(c) The Trustee conclusively shall be deemed to have complied with the provisions of this Section and Section 7.5(h) and shall not be liable or responsible if it follows the instructions of the City and shall not be required to take any action under this Section and Section 7.5(h) in the absence of written instructions from the City.

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

Section 6.9. Administrative Fund.

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

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

(c) Moneys in the Developer Property Tax Account of the Administrative Fund shall be held by the Trustee separate and apart from the other Funds created and administered hereunder and shall be released to the Developer as directed by City Order; provided, however, that the Trustee shall transfer to the Developer any amounts remaining in the Developer Property Tax Account of the Administration Fund after the last Outstanding Bond is discharged regardless of whether a City Order directing such action is received.

Section 6.10. Investment of Funds.

(a) Money in any Fund established pursuant to this Indenture shall be invested by the Trustee as directed by the City pursuant to a City Order filed with the Trustee at least two (2) days in advance of the making of such investment in time deposits or certificates of deposit secured in the manner required by law for public funds, or be invested in direct obligations of, including obligations the principal and interest on which are unconditionally guaranteed by, the United States of America, in obligations of any agencies or instrumentalities thereof, or in such other investments as are permitted under the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended, or any successor law, as in effect from time to time; provided that all such deposits and investments shall be made in such manner (which may include repurchase agreements for such investment with any primary dealer of such agreements) that the money required to be expended from any Fund will be available at the proper time or times. Such investments shall be valued each year in terms of current market value as of September 30. For purposes of maximizing investment returns, to the extent permitted by law, money in such Funds 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 are held by or on behalf of each such Fund. If necessary, such investments shall be promptly sold to prevent any default.

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

(c) The Trustee and its affiliates may act as sponsor, advisor, depository, principal or agent in the acquisition or disposition of any investment. The Trustee shall not incur any liability for losses arising from any investments made pursuant to this Section. The Trustee shall not be required to determine the suitability or legality of any investments.

(d) Investments in any and all Funds and Accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular Funds or Accounts of amounts received or held by the Trustee hereunder, provided that the Trustee shall at all times account for such investments strictly in accordance with the Funds and Accounts to which they are credited and otherwise as provided in this Indenture.

(e) The Trustee will furnish the City monthly cash transaction statements which include detail for all investment transactions made by the Trustee hereunder; and, unless the Trustee receives a written request, the Trustee is not required to provide brokerage confirmations so long as the Trustee is providing such monthly cash transaction statements.

Section 6.11. Security of Funds.

All Funds heretofore created or reaffirmed, to the extent not invested as herein permitted, shall be secured in the manner and to the fullest extent required by law for the security of public funds, and such Funds shall be used only for the purposes and in the manner permitted or required by this Indenture.

ARTICLE VII

COVENANTS

Section 7.1. Confirmation of Assessments.

The City hereby confirms, covenants, and agrees that, in the Assessment Ordinance, it has levied the Assessments against the respective Assessed Parcels from which the Pledged Revenues will be collected and received.

Section 7.2. Collection and Enforcement of Assessments.

(a) For so long as any Bonds are Outstanding and amounts are due the Developer to reimburse it for its funds it has contributed to pay costs of the Neighborhood Improvement Areas #2-5 Projects, the City covenants, agrees and warrants that it will take and pursue all actions permissible under Applicable Laws to cause the Assessments to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and, to the extent permitted by Applicable Laws, to cause no reduction, abatement or exemption in the Assessments.

(b) The City will determine or cause to be determined, no later than 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 Parcel.

Section 7.3. Against Encumbrances.

(a) Other than bonds issued to refund all or a portion of the Bonds Similarly Secured, 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 Pledged Revenues, other than that specified in Section 9.6 of this Indenture, or upon any other property pledged under this Indenture, except the pledge created for the security of the Bonds Similarly Secured, and other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds Similarly Secured.

(b) So long as Bonds Similarly Secured are Outstanding hereunder, the City shall not issue any bonds, notes or other evidences of indebtedness, other than the Bonds, Additional Bonds and bonds issued to refund all or a portion of the Bonds Similarly Secured, secured by any pledge of or other lien or charge on the Pledged Revenues or other property pledged under this Indenture, other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds Similarly Secured.

Section 7.4. Records, Accounts, Accounting Reports.

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

Section 7.5. Covenants to Maintain Tax-Exempt Status.

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

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

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

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

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

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

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

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

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

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

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

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

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

(d) No Private Loan.

(i) Except to the extent permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

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

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

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

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

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

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

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

(iii) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall, pursuant to a City Order, direct the Trustee to transfer to the Rebate Fund from the funds or subaccounts designated in such City Order and direct the Trustee to pay to the United States from the Rebate Fund the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

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

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

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Assistant City Manager, Director of Finance, or City Secretary, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Tax Certificate or similar or other appropriate certificate, form or document.

ARTICLE VIII

LIABILITY OF CITY

The City shall not incur any responsibility in respect of the Bonds or this Indenture other than in connection with the duties or obligations explicitly herein or in the Bonds assigned to or imposed upon it. The City shall not be liable in connection with the performance of its duties hereunder, except for its own willful default or act of bad faith. The City shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions covenants or agreements of the Trustee herein or of any of the documents executed by the Trustee in connection with the Bonds, or as to the existence of a default or event of default thereunder.

In the absence of bad faith, the City may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the City and conforming to the requirements of this Indenture. The City shall not be liable for any error of judgment made in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts.

No provision of this Indenture, the Bonds, the Assessment Ordinance, or any agreement, document, instrument, or certificate executed, delivered or approved in connection with the issuance, sale, delivery, or administration of the Bonds (the "Bond Documents"), shall require the City to expend or risk its own general funds or otherwise incur any financial liability (other than with respect to the Pledged Revenues and the Annual Collection Costs) in the performance of any of its obligations hereunder, or in the exercise of any of its rights or powers, if in the judgment of the City there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it.

Neither the Owners nor any other Person shall have any claim against the City or any of its officers, officials, agents, or employees for damages suffered as a result of the City's failure to perform in any respect any covenant, undertaking, or obligation under any Bond Documents or as a result of the incorrectness of any representation in, or omission from, any of the Bond Documents, except to the extent that any such claim relates to an obligation, undertaking, representation, or covenant of the City, in accordance with the Bond Documents and the PID Act. Any such claim shall be payable only from Pledged Revenues or the amounts collected to pay Annual Collection Costs on deposit in the Administrative Fund. Nothing contained in any of the Bond Documents shall be construed to preclude any action or proceeding in any court or before any governmental body, agency, or instrumentality against the City or any of its officers, officials, agents, or employees to enforce the provisions of any of the Bond Documents or to enforce all rights of the Owners of the Bonds by mandamus or other proceeding at law or in equity.

The City may rely on and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The City may consult with counsel with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Indenture the City shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the City, be deemed to be conclusively proved and established by a certificate of the Trustee, an Independent Financial Consultant, an independent inspector or City Manager or other person designated by the City Council to so act on behalf of the City, and such certificate shall be full warrant to the City for any action taken or suffered under the provisions of this Indenture upon the faith thereof, but in its discretion the City may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

In order to perform its duties and obligations hereunder, the City may employ such persons or entities as it deems necessary or advisable. The City shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith hereunder, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations, and directions of such persons or entities.

ARTICLE IX

THE TRUSTEE

Section 9.1. Trustee as Registrar and Paying Agent

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

Section 9.2. Trustee Entitled to Indemnity

The Trustee shall be under no obligation to institute any suit, or to undertake any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays, and counsel fees and other reasonable disbursements, and against all liability except as a consequence of its own negligence or willful misconduct. Nevertheless, the Trustee may begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as the Trustee, without indemnity, and in such case the Trustee may make transfers from the Pledged Revenue Fund or the District Administration Account of the Administrative Fund to pay all costs and expenses, outlays, and counsel fees and other reasonable disbursements properly incurred in connection therewith and shall be entitled to a preference therefor over any Bonds Outstanding hereunder.

Section 9.3. Responsibilities of the Trustee.

The recitals contained in this Indenture and in the Bonds shall be taken as the statements of the City and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture or the Bonds or with respect to the security afforded by this Indenture, and the Trustee shall incur no liability with respect thereto. Except as otherwise expressly provided in this Indenture, the Trustee shall have no responsibility or duty with respect to: (i) the issuance of Bonds for value; (ii) the application of the proceeds thereof, except to the extent that such proceeds are received by it in its capacity as Trustee; (iii) the application of any moneys paid to the City or others in accordance with this Indenture, except as to the application of any moneys paid to it in its capacity as Trustee; or (iv) any calculation of arbitrage or rebate under the Code.

The duties and obligations of the Trustee shall be determined by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture.

The Trustee shall not be liable for any action taken or omitted by it in the performance of its duties under this Indenture, except for its own gross negligence or willful misconduct. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from this Indenture for the existence, furnishing or use of the Authorized Improvements.

Section 9.4. Property Held in Trust.

All moneys and securities held by the Trustee at any time pursuant to the terms of this Indenture shall be held by the Trustee in trust for the purposes and under the terms and conditions of this Indenture.

Section 9.5. Trustee Protected in Relying on Certain Documents.

The Trustee may rely upon any order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond, or other document provided to the Trustee in accordance with the terms of this Indenture that it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or Person or to have been prepared and furnished pursuant to any of the provisions of this Indenture, or upon the written opinion of any counsel, architect, engineer, insurance consultant, management consultant, or accountant believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry into any statements contained or matters referred to in any such instrument. The Trustee may consult with counsel, who may or may not be Bond Counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered, or omitted to be taken by it in good faith and in accordance therewith.

Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter may be deemed to be conclusively proved and established by a City Certificate, unless other evidence in respect thereof be hereby specifically prescribed. Such City Certificate shall be full warrant for any action taken or suffered in good faith under the provisions hereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice, or other direction required or permitted to be furnished pursuant to any provision hereof by the City to the Trustee shall be sufficiently executed if executed in the name of the City by the City Representative.

The Trustee shall not be under any obligation to see to the recording or filing of this Indenture, or otherwise to the giving to any Person of notice of the provisions hereof except as expressly required in Section 9.13 herein.

Section 9.6. Compensation.

Unless otherwise provided by contract with the Trustee, the Trustee shall transfer from the Administrative Fund, from time to time, reasonable compensation for all services rendered by it hereunder, including its services as Registrar and Paying Agent, together with all its reasonable expenses, charges, and other disbursements and those of its counsel, agents and employees, incurred in and about the administration and execution of the trusts hereby created and the exercise of its powers and the performance of its duties hereunder, subject to any limit on the amount of such compensation or recovery of expenses or other charges as shall be prescribed by specific agreement, and the Trustee shall have a lien therefor on any and all funds at any time held by it hereunder prior to any Bonds Outstanding. None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if in the judgment of the Trustee there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it. If the City shall fail to make any payment required by this Section, the Trustee may make such payment from any moneys in its possession under the provisions of this Indenture and shall be entitled to a preference therefor over any Bonds Outstanding hereunder.

Section 9.7. Permitted Acts.

The Trustee and its directors, officers, employees, or agents may become the owner of or may in good faith buy, sell, own, hold and deal in Bonds and may join in any action that any Owner of Bonds may be entitled to take as fully and with the same rights as if it were not the Trustee. The Trustee may act as depository, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, the City or any committee formed to protect the rights of holders of Bonds or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not such committee shall represent the holders of a majority in aggregate outstanding principal amount of the Bonds.

Section 9.8. Resignation of Trustee.

The Trustee may at any time resign and be discharged of its duties and obligations hereunder by giving not fewer than 30 days' notice, specifying the date when such resignation shall take effect, to the City and each Owner of any Outstanding Bond. Such resignation shall take effect upon the appointment of a successor as provided in Section 9.10 and the acceptance of such appointment by such successor.

Section 9.9. Removal of Trustee.

The Trustee may be removed at any time by (i) the Owners of at least a majority of the aggregate outstanding principal of the Bonds by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or by their attorneys-in-fact, duly authorized and delivered to the City, or (ii) so long as the City is not in default under this Indenture, the City. Copies of each such instrument shall be delivered by the City to the Trustee and any successor thereof. The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the City or the Owners of not less than 10% of the aggregate outstanding principal of the Bonds.

Section 9.10. Successor Trustee.

If the Trustee shall resign, be removed, be dissolved, or become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator, or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the position of the Trustee hereunder shall thereupon become vacant.

If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, a successor Trustee may be appointed within one year after any such vacancy shall have occurred by the Owners of at least twenty-five percent (25%) of the aggregate outstanding principal of the Bonds by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or their attorneys-in-fact, duly authorized and delivered to such successor Trustee, with notification thereof being given to the predecessor Trustee and the City.

Until such successor Trustee shall have been appointed by the Owners of the Bonds, the City shall forthwith appoint a Trustee to act hereunder. Copies of any instrument of the City providing for any such appointment shall be delivered by the City to the Trustee so appointed. The City shall mail notice of any such appointment to each Owner of any Outstanding Bonds within 30 days after such appointment. Any appointment of a successor Trustee made by the City immediately and without further act shall be superseded and revoked by an appointment subsequently made by the Owners of Bonds.

If in a proper case no appointment of a successor Trustee shall be made within 45 days after the giving by any Trustee of any notice of resignation in accordance with Section 9.8 herein or after the occurrence of any other event requiring or authorizing such appointment, the

Trustee or any Owner of Bonds may apply to any court of competent jurisdiction for the appointment of such a successor, and the court may thereupon, after such notice, if any, as the court may deem proper, appoint such successor and the City shall be responsible for the costs of such appointment process.

Any successor Trustee appointed under the provisions of this Section shall be a commercial bank or trust company or national banking association (i) having a capital and surplus and undivided profits aggregating at least $50,000,000, if there be such a commercial bank or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms, and (ii) authorized by law to perform all the duties of the Trustee required by this Indenture.

Each successor Trustee shall mail, in accordance with the provisions of the Bonds, notice of its appointment to the Trustee, any rating agency which, at the time of such appointment, is providing a rating on the Bonds and each of the Owners of the Bonds.

Section 9.11. Transfer of Rights and Property to Successor Trustee.

Any successor Trustee appointed under the provisions of Section 9.10 shall execute, acknowledge, and deliver to its predecessor and the City an instrument in writing accepting such appointment, and thereupon such successor, without any further act, deed, or conveyance, shall become fully vested with all moneys, estates, properties, rights, immunities, powers, duties, obligations, and trusts of its predecessor hereunder, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request of the City or of such successor, execute, acknowledge, and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the rights, immunities, powers, and trusts of such Trustee and all the right, title, and interest of such Trustee in and to the Trust Estate, and shall pay over, assign, and deliver to such successor any moneys or other properties subject to the trusts and conditions herein set forth. Should any deed, conveyance, or instrument in writing from the City be required by such successor for more fully and certainly vesting in and confirming to it any such moneys, estates, properties, rights, powers, duties, or obligations, any and all such deeds, conveyances, and instruments in writing, on request and so far as may be authorized by law, shall be executed, acknowledged, and delivered by the City.

Section 9.12. Merger, Conversion or Consolidation of Trustee.

Any corporation or association into which the Trustee may be merged or with which it may be consolidated or any corporation or association resulting from any merger, conversion or consolidation to which it shall be a party or any corporation or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business shall be the successor to such Trustee hereunder, without any further act, deed or conveyance, provided that such corporation or association shall be a commercial bank or trust company or national banking association qualified to be a successor to such Trustee under the provisions of Section 9.10, or a trust company that is a wholly-owned subsidiary of any of the foregoing.

Section 9.13. Trustee To File Continuation Statements.

If necessary, the Trustee shall file or cause to be filed, such continuation statements as are delivered to the Trustee by the City, or on behalf of the City, and which may be required by the Texas Uniform Commercial Code, as from time to time in effect (the "UCC"), in order to continue perfection of the security interest of the Trustee in such items of tangible or intangible personal property and any fixtures as may have been granted to the Trustee pursuant to this Indenture in the time, place and manner required by the UCC.

Section 9.14. Accounts, Periodic Reports and Certificates.

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

Section 9.15. Construction of Indenture.

The Trustee may construe any of the provisions of this Indenture insofar as the same may appear to be ambiguous or inconsistent with any other provision hereof, and any construction of any such provisions hereof by the Trustee in good faith shall be binding upon the Owners of the Bonds.

ARTICLE X

MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 10.1. Amendments Permitted.

This Indenture and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Indenture, except as provided below, pursuant to the affirmative vote at a meeting of Owners of the Bonds, or with the written consent without a meeting, of the Owners of at least fifty-one percent (51%) of the aggregate principal amount of the Bonds then Outstanding. No such modification or amendment shall (i) extend the maturity of any Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, or (ii) permit the creation by the City of any pledge or lien upon the Pledged Revenues superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as otherwise permitted by Applicable Laws or this Indenture), or reduce the percentage of Bonds required for the amendment hereof. Any such amendment may not modify any of the rights or obligations of the Trustee without its written consent.

This Indenture and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Indenture, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(i) to add to the covenants and agreements of the City in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;

(ii) to make modifications not adversely affecting any Outstanding Bonds in any material respect;

(iii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in regard to questions arising under this Indenture, as the City and the Trustee may deem necessary or desirable and not inconsistent with this Indenture, and that shall not adversely affect the rights of the Owners of the Bonds; and

(iv) to make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds.

Section 10.2. Owners' Meetings.

The City may at any time call a meeting of the Owners of the Bonds. In such event the City is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof, and to fix and adopt rules and regulations for the conduct of said meeting.

Section 10.3. Procedure for Amendment with Written Consent of Owners.

The City and the Trustee may at any time adopt a Supplemental Indenture amending the provisions of the Bonds or of this Indenture, to the extent that such amendment is permitted by Section 10.1 herein, to take effect when and as provided in this Section. A copy of such Supplemental Indenture, together with a request to Owners for their consent thereto, shall be mailed by first class mail, by the Trustee to each Owner of Bonds from whom consent is required under this Indenture, but failure to mail copies of such Supplemental Indenture and request shall not affect the validity of the Supplemental Indenture when assented to as in this Section provided.

Such Supplemental Indenture shall not become effective unless there shall be filed with the Trustee the written consents of the Owners as required by this Indenture and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 11.6 herein. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof), unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Indenture, the City shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Indenture, stating in substance that the Supplemental Indenture has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Indenture or consents thereto). Proof of the mailing of such notice shall be filed with the Trustee. A record, consisting of the papers required by this Section 10.3 to be filed with the Trustee, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Indenture shall become effective upon the filing with the Trustee of the proof of mailing of such notice, and the Supplemental Indenture shall be deemed conclusively binding (except as otherwise hereinabove specifically provided in this Article) upon the City and the Owners of all Bonds at the expiration of ninety (90) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such ninety-day period.

Section 10.4. Effect of Supplemental Indenture.

From and after the time any Supplemental Indenture becomes effective pursuant to this Article X, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties, and obligations under this Indenture of the City, the Trustee and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.5. Endorsement or Replacement of Bonds Issued After Amendments.

The City may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article X shall bear a notation, by endorsement or otherwise, in form approved by the City, as to such action. In that case, upon demand of the Owner of any Bond Outstanding at such effective date and presentation of his Bond for that purpose at the designated office of the Trustee or at such other office as the City may select and designate for that purpose, a suitable notation shall be made on such Bond. The City may determine that new Bonds, so modified as in the opinion of the City is necessary to conform to such Owners' action, shall be prepared, executed, and delivered. In that case, upon demand of the Owner of any Bonds then Outstanding, such new Bonds shall be exchanged at the designated office of the Trustee without cost to any Owner, for Bonds then Outstanding, upon surrender of such Bonds.

Section 10.6. Amendatory Endorsement of Bonds.

The provisions of this Article X shall not prevent any Owner from accepting any amendment as to the particular Bonds held by such Owner, provided that due notation thereof is made on such Bonds.

Section 10.7. Waiver of Default

With the written consent of at least fifty-one percent (51%) in aggregate principal amount of the Bonds then Outstanding, the Owners may waive compliance by the City with certain past defaults under the Indenture and their consequences. Any such consent shall be conclusive and binding upon the Owners and upon all future Owners.

Section 10.8. Execution of Supplemental Indenture.

In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall receive, and shall be fully protected in relying upon, an opinion of counsel addressed and delivered to the Trustee and the City stating that the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's own rights, duties and immunities under this Indenture or otherwise.

ARTICLE XI

DEFAULT AND REMEDIES

Section 11.1. Events of Default.

Each of the following occurrences or events shall be and is hereby declared to be an "Event of Default," to wit:

(i) The failure of the City to deposit the Pledged Revenues to the Bond Pledged Revenue Account of the Pledged Revenue Fund;

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

(iii) The failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable and such failure is not remedied within thirty (30) days; and

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

Section 11.2. Immediate Remedies for Default.

(a) Subject to Article VIII, upon the happening and continuance of any of the Events of Default described in Section 11.1, the Owners of at least 25% of the Bonds then Outstanding, may proceed against the City for the purpose of protecting and enforcing the rights of the Owners under this Indenture, by action seeking mandamus or by other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by Applicable Laws, including, but not limited to, the specific performance of any covenant or agreement contained herein, or injunction; provided, however, that no action for money damages against the City may be sought or shall be permitted.

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

(c) If the assets of the Trust Estate are sufficient to pay all amounts due with respect to all Outstanding Bonds Similarly Secured, in the selection of Trust Estate assets to be used in the payment of Bonds due under this Article, the City shall determine, in its absolute discretion, and shall instruct the Trustee by City Order, which Trust Estate assets shall be applied to such payment and shall not be liable to any Owner or other Person by reason of such selection and application. In the event that the City shall fail to deliver to the Trustee such City Order, the Trustee shall select and liquidate or sell Trust Estate assets as provided in the following paragraph, and shall not be liable to any Owner, or other Person, or the City by reason of such selection, liquidation or sale.

(d) Whenever moneys are to be applied pursuant to this Article XI, irrespective of and whether other remedies authorized under this Indenture shall have been pursued in whole or in part, the Trustee may cause any or all of the assets of the Trust Estate, including

Investment Securities, to be sold. The Trustee may so sell the assets of the Trust Estate and all right, title, interest, claim and demand thereto and the right of redemption thereof, in one or more parts, at any such place or places, and at such time or times and upon such notice and terms as the Trustee may deem appropriate and as may be required by law and apply the proceeds thereof in accordance with the provisions of this Section. Upon such sale, the Trustee may make and deliver to the purchaser or purchasers a good and sufficient assignment or conveyance for the same, which sale shall be a perpetual bar both at law and in equity against the City, and all other Persons claiming such properties. No purchaser at any sale shall be bound to see to the application of the purchase money proceeds thereof or to inquire as to the authorization, necessity, expediency, or regularity of any such sale. Nevertheless, if so requested by the Trustee, the City shall ratify and confirm any sale or sales by executing and delivering to the Trustee or to such purchaser or purchasers all such instruments as may be necessary or, in the judgment of the Trustee, proper for the purpose which may be designated in such request.

Section 11.3. Restriction on Owner's Action.

(a) No Owner shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of this Indenture or for the execution of any trust thereof or any other remedy hereunder, unless (i) a default has occurred and is continuing of which the Trustee has been notified in writing, (ii) such default has become an Event of Default and the Owners of 25% of the aggregate principal amount of the Bonds then Outstanding have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (iii) the Owners have furnished to the Trustee indemnity as provided in Section 9.2 herein, (iv) the Trustee has for ninety (90) days after such notice failed or refused to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its own name, (v) no direction inconsistent with such written request has been given to the Trustee during such 90-day period by the registered owners of a majority of the aggregate principal amount of the Bonds Similarly Secured then Outstanding, and (vi) notice of such action, suit, or proceeding is given to the Trustee; however, no one or more Owners of the Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice this Indenture by its, his or their action or to enforce any right hereunder except in the manner provided herein, and that all proceedings at law or in equity shall be instituted and maintained in the manner provided herein and for the equal benefit of the registered owners of all Bonds Similarly Secured then Outstanding. The notification, request and furnishing of indemnity set forth above shall, at the option of the Trustee, be conditions precedent to the execution of the powers and trusts of this Indenture and to any action or cause of action for the enforcement of this Indenture or for any other remedy hereunder.

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

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

Section 11.4. Application of Revenues and Other Moneys After Default.

(a) All moneys, securities, funds and Pledged Revenues and the income therefrom received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the cost and expenses of the proceedings resulting in the collection of such amounts, the expenses (including its counsel), liabilities, and advances incurred or made by the Trustee and the fees of the Trustee in carrying out this Indenture, during the continuance of an Event of Default, notwithstanding Section 11.2 hereof, shall be applied by the Trustee, on behalf of the City, to the payment of interest and principal or Redemption Price then due on Bonds Similarly Secured, as follows:

FIRST: To the payment to the registered 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 registered owners entitled thereto, without any discrimination or preference; and

SECOND: To the payment to the registered owners entitled thereto of the unpaid principal of Outstanding Bonds Similarly Secured, or Redemption Price of any Bonds Similarly Secured 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 Similarly Secured due on any date, then to the payment thereof ratably, according to the amounts of principal due and to the registered owners entitled thereto, without any discrimination or preference.

Within ten (10) days of receipt of such good and available funds, the Trustee may fix a record and payment date for any payment to be made to Owners pursuant to this Section 11.4.

(b) In the event funds are not adequate to cure any of the Events of Default described in Section 11.1, the available funds shall be allocated to the Bonds Similarly Secured that are Outstanding in proportion to the quantity of Bonds Similarly Secured that are currently due and in default under the terms of this Indenture.

(c) The restoration of the City to its prior position after any and all defaults have been cured, as provided in Section 11.3, shall not extend to or affect any subsequent default under this Indenture or impair any right consequent thereon.

Section 11.5. Effect of Waiver.

(a) No delay or omission of the Trustee, or any Owner, to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Indenture to the Trustee or the Owners, respectively, may be exercised from time to time and as often as may be deemed expedient.

Section 11.6. Evidence of Ownership of Bonds.

(a) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Owners of Bonds may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys duly appointed in writing. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, or the holding by any Person of the Bonds shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner:

(i) The fact and date of the execution of such instruments by any Owner of Bonds or the duly appointed attorney authorized to act on behalf of such Owner may be provided by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the Person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate, or affidavit shall also constitute sufficient proof of his authority.

(ii) The ownership of Bonds and the amount, numbers and other identification and date of holding the same shall be proved by the Register.

(b) Except as otherwise provided in this Indenture with respect to revocation of a consent, any request or consent by an Owner of Bonds shall bind all future Owners of the same Bond Similarly Secured in respect of anything done or suffered to be done by the City or the Trustee in accordance therewith.

Section 11.7. No Acceleration.

In the event of the occurrence of an Event of Default under Section 11.1 hereof, the right of acceleration of any Stated Maturity is not granted as a remedy hereunder and the right of acceleration under this Indenture is expressly denied.

Section 11.8. Mailing of Notice.

Any provision in this Article for the mailing of a notice or other document to Owners shall be fully complied with if it is mailed, first class postage prepaid, only to each Owner at the address appearing upon the Register.

Section 11.9. Exclusion of Bonds.

Bonds owned or held by or for the account of the City will not be deemed Outstanding for the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Indenture, and the City shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Indenture.

ARTICLE XII

GENERAL COVENANTS AND REPRESENTATIONS

Section 12.1. Representations as to Pledged Revenues.

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

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

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

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

Section 12.2. Accounts, Periodic Reports and Certificates.

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

Section 12.3. General.

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

ARTICLE XIII

SPECIAL COVENANTS

Section 13.1. Further Assurances; Due Performance.

(a) At any and all times the City will duly execute, acknowledge and deliver, or will cause to be done, executed and delivered, all and every such further acts, conveyances, transfers, and assurances in a manner as the Trustee shall reasonably require for better conveying, transferring, pledging, and confirming unto the Trustee, all and singular, the revenues, Funds, Accounts and properties constituting the Pledged Revenues, and the Trust Estate hereby transferred and pledged, or intended so to be transferred and pledged.

(b) The City will duly and punctually keep, observe and perform each and every term, covenant and condition on its part to be kept, observed and performed, contained in this Indenture.

Section 13.2. Other Obligations or Other Liens; Additional Bonds; Additional Obligations; Refunding Bonds.

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

(b) Other than bonds issued to refund all or a portion of the Bonds Similarly Secured, the City will not create or voluntarily permit to be created any debt, lien or charge on the Trust Estate, and will not do or omit to do or suffer to be or omitted to be done any matter or things whatsoever whereby the lien of this Indenture or the priority hereof might or could be lost or impaired; and further covenants that it will pay or cause to be paid or will make adequate provisions for the satisfaction and discharge of all lawful claims and demands which if unpaid might by law be given precedence over or any equality with this Indenture as a lien or charge upon the Pledged Revenues or Pledged Funds; provided, however, that nothing in this Section shall require the City to apply, discharge, or make provision for any such lien, charge, claim, or demand so long as the validity thereof shall be contested by it in good faith, unless thereby, in the opinion of Bond Counsel or counsel to the Trustee, the same would endanger the security for the Bonds Similarly Secured.

(c) Although the Additional Obligations will not be secured by the Trust Estate, the City reserves the right to issue Additional Obligations for any purpose permitted by the Act upon the conditions set forth below:

(i) At least seventy five percent (75%) of the residential lots within the particular Future Neighborhood Improvement Area of the District for which improvements are financed by the Additional Obligations must be under contract with merchant builders unaffiliated with the Developer.

(ii) The ratio of the appraised value of all of the land in such Future Neighborhood Improvement Area of the District, based on an independent appraisal and assuming completion of the improvements within such Future Neighborhood Improvement Area to be financed with the proceeds of the Additional Obligations to be issued, to the principal amount of the Additional Obligations to be issued must be at least 3.0:1;

(iii) Construction contracts for at least 50% of the costs of the improvements in Future Neighborhood Improvement Area to be paid with proceeds of the applicable series of Additional Obligations must be executed and ready to proceed; and

(iv) Construction of residences in all previously financed Neighborhood Improvement Areas taken as a whole must be at least twenty five percent (25%) complete or underway.

(d) Notwithstanding any other provision of this Indenture, the City reserves the right to issue Additional Bonds secured pursuant to this Indenture, provided that such Additional Bonds may be issued only for the purpose of refunding all or a portion of the Bonds Similarly Secured. The principal of and interest on the Additional Bonds so issued must be scheduled to be paid or mature on March 1 or September 1, or both, of the years in which each principal or interest are scheduled to be paid or mature.

Section 13.3. Books of Record.

(a) The City shall cause to be kept full and proper books of record and accounts, in which full, true and proper entries will be made of all dealing, business and affairs of the City, which relate to the Pledged Revenues, the Pledged Funds, and the Bonds.

(b) The Trustee shall have no responsibility with respect to the financial and other information received by it pursuant to this Section 13.3 except to receive and retain same, subject to the Trustee's document retention policies, and to distribute the same in accordance with the provisions of this Indenture. Specifically, but without limitation, the Trustee shall have no duty to review such information, is not considered to have notice of the contents of such information or a default based on such contents, and has no duty to verify the accuracy of such information.

ARTICLE XIV

PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE INDENTURE

Section 14.1. Trust Irrevocable.

The trust created by the terms and provisions of this Indenture is irrevocable until the Bonds secured hereby are fully paid or provision is made for their payment as provided in this Article.

Section 14.2. Satisfaction of Indenture.

If the City shall pay or cause to be paid, or there shall otherwise be paid to the Owners, principal of and interest on all of the Bonds, at the times and in the manner stipulated in this Indenture, and all amounts due and owing with respect to the Bonds have been paid or provided for, then the pledge of the Trust Estate and all covenants, agreements, and other obligations of the City to the Owners of such Bonds, shall thereupon cease, terminate, and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the City copies of all such documents as it may have evidencing that principal of and interest on all of the Bonds has been paid so that the City may determine if the Indenture is satisfied; if so, the Trustee shall pay over or deliver all moneys held by it in the in Funds and Accounts held hereunder to the Person entitled to receive such amounts, or, if no Person is entitled to receive such amounts, then to the City.

Section 14.3. Bonds Deemed Paid.

All Outstanding Bonds shall prior to the Stated Maturity or redemption date thereof be deemed to have been paid and to no longer be deemed Outstanding if (i) in case any such Bonds are to be redeemed on any date prior to their Stated Maturity, the Trustee shall have given notice of redemption on said date as provided herein, (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Securities the principal of and the interest on which when due will provide moneys which, together with any moneys deposited with the Trustee at the same time, shall be sufficient to pay when due the principal of and interest on of the Bonds to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (iii) the Trustee shall have received a report by an independent certified public accountant selected by the City verifying the sufficiency of the moneys or Defeasance Securities deposited with the Trustee to pay when due the principal of and interest on of the Bonds to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (iv) if the Bonds are then rated, the Trustee shall have received written confirmation from each rating agency that such deposit will not result in the reduction or withdrawal of the rating on the Bonds. Neither Defeasance Securities nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Bonds. Any cash received from such principal of and interest on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall, be reinvested in Defeasance Securities as directed in writing by the City maturing at times and in amounts sufficient to pay when due the principal of and interest on the Bonds on and prior to such redemption date or maturity date thereof, as the case may be. Any payment for Defeasance Securities purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Defeasance Securities.

ARTICLE XV

MISCELLANEOUS

Section 15.1. Benefits of Indenture Limited to Parties.

Nothing in this Indenture, expressed or implied, is intended to give to any Person other than the City, the Trustee and the Owners, any right, remedy, or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture by and on behalf of the City shall be for the sole and exclusive benefit of the Owners and the Trustee.

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

Whenever in this Indenture or any Supplemental Indenture either the City or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the City or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 15.3. Execution of Documents and Proof of Ownership by Owners.

Any request, declaration, or other instrument which this Indenture may require or permit to be executed by Owners may be in one or more instruments of similar tenor, and shall be executed by Owners in person or by their attorneys duly appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration, or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the Person signing such request, declaration, or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number, and date of holding the same shall be proved by the Register.

Any request, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the City or the Trustee in good faith and in accordance therewith.

Section 15.4. Waiver of Personal Liability.

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

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

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

If to the City:	City of Celina, Texas 142 North Ohio Celina, Texas 75009 Attn: Director of Finance
If to the Trustee or the Paying Agent/Registrar:	U.S. Bank National Association Attention: Bond Operations 111 Fillmore Avenue East St. Paul, Minnesota 55107-1402

Any such notice, demand, or request may also be transmitted to the appropriate party by telegram or telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

Any of such addresses may be changed at any time upon written notice of such change given to the other party by the party effecting the change. Notices and consents given by mail in accordance with this Section shall be deemed to have been given five Business Days after the date of dispatch; notices and consents given by any other means shall be deemed to have been given when received.

(b) The Trustee shall mail to each Owner of a Bond notice of (i) any substitution of the Trustee; or (ii) the redemption or defeasance of all Bonds Outstanding.

(c) The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the City shall provide to the Trustee an incumbency certificate listing designated persons authorized to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The City agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 15.6. Partial Invalidity.

If any Section, paragraph, sentence, clause, or phrase of this Indenture shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The City hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause, or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid, or unenforceable.

Section 15.7. Applicable Laws.

This Indenture shall be governed by and enforced in accordance with the laws of the State of Texas applicable to contracts made and performed in the State of Texas.

Section 15.8. Payment on Business Day.

In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to this Indenture is other than a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding day that is a Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period from and after such date.

Section 15.9. Counterparts.

This Indenture may be executed in counterparts, each of which shall be deemed an original.

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

CITY OF CELINA, TEXAS

By: ________________________________,
Mayor Pro Tem

Attest:

____
VICKI FAULKNER, City Secretary

[CITY SEAL]

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: ________________________________
Authorized Officer

Signature Page to Indenture of Trust

EXHIBIT A

(a) Form of Bond.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, THE CITY, OR ANY OTHER POLITICAL CORPORATION, SUBDIVISION OR AGENCY THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND.

REGISTERED REGISTERED

No. ______ $_____________

United States of America
State of Texas

CITY OF CELINA, TEXAS
SPECIAL ASSESSMENT REVENUE BOND, SERIES 2015
(SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECT)

INTEREST RATE	MATURITY DATE	DATE OF DELIVERY	CUSIP NUMBER
______%	September 1, 20___	____________	___________

The City of Celina, Texas (the "City"), for value received, hereby promises to pay, solely from the Pledged Revenues, to

____

or registered assigns, on the Maturity Date, as specified above, the sum of

_____________________________ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of the Date of Delivery, as specified above, or the most recent Interest Payment Date to which interest has been paid or provided for until such principal amount shall have been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on March 1 and September 1 of each year, commencing March 1, 2016, until maturity or prior redemption.

Capitalized terms appearing herein that are defined terms in the Indenture defined below, have the meanings assigned to them in the Indenture. Reference is made to the Indenture for such definitions and for all other purposes.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the corporate trust office in St. Paul, Minnesota (the "Designated Payment/Transfer Office"), of

U.S. Bank National Association, as trustee and paying agent/registrar (the "Trustee", which term includes any successor trustee under the Indenture), or, with respect to a successor trustee and paying agent/registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Bond is payable by check dated as of the Interest Payment Date, mailed by the Trustee to the registered owner at the address shown on the registration books kept by the Trustee or by such other customary banking arrangements acceptable to the Trustee, requested by, and at the risk and expense of, the Person to whom interest is to be paid. For the purpose of the payment of interest on this Bond, the registered owner shall be the Person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the fifteenth day of the month next preceding such Interest Payment Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Bond appearing on the books of the Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of a duly authorized issue of assessment revenue bonds of the City having the designation specified in its title (herein referred to as the "Bonds"), dated December 1, 2015 and issued in the aggregate principal amount of $________ and issued, with the limitations described herein, pursuant to an Indenture of Trust, dated as of December 1, 2015 (the "Indenture"), by and between the City and the Trustee, to which Indenture reference is hereby made for a description of the amounts thereby pledged and assigned, the nature and extent of the lien and security, the respective rights thereunder to the holders of the Bonds, the Trustee, and the City, and the terms upon which the Bonds are, and are to be, authenticated and delivered and by this reference to the terms of which each holder of this Bond hereby consents. All Bonds issued under the Indenture are equally and ratably secured by the amounts thereby pledged and assigned. The Bonds are being issued for the purpose of (i) paying a portion of the Costs of the Neighborhood Improvement Areas #2-5 Projects, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Neighborhood Improvement Areas #2-5 Projects, (ii) funding a reserve fund for payment of principal 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 issuing the Bonds.

The Bonds are limited obligations of the City payable solely from the Pledged Revenues as defined in the Indenture. Reference is hereby made to the Indenture, copies of which are on file with and available upon request from the Trustee, for the provisions, among others, with respect to the nature and extent of the duties and obligations of the City, the Trustee and the Owners. The Owner of this Bond, by the acceptance hereof, is deemed to have agreed and consented to the terms, conditions and provisions of the Indenture.

Notwithstanding any provision hereof, the Indenture may be released and the obligation of the City to make money available to pay this Bond may be defeased by the deposit of money and/or certain direct or indirect Defeasance Securities sufficient for such purpose as described in the Indenture.

The Bonds are issuable as fully registered bonds only in Authorized Denominations, subject to the provisions of the Indenture authorizing redemption in denominations of $25,000 and any multiple of $5,000 in excess thereof.

The Bonds are subject to sinking fund redemption prior to their respective maturities and will be redeemed by the City in part at a price equal to the principal amount thereof plus accrued and unpaid interest thereon to the date set for redemption from moneys available for such purpose in the Redemption Fund pursuant to Article VI of the Indenture, on the dates and in the Sinking Fund Installment amounts as set forth in the following schedule:

Term Bonds Maturing September 1, 20__

Redemption Date	Sinking Fund Installment
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	

Term Bonds Maturing September 1, 20__

Redemption Date	Sinking Fund Installment
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	

Term Bonds Maturing September 1, 20__

Redemption Date	Sinking Fund Installment
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	

Term Bonds Maturing September 1, 20__

Redemption Date	Sinking Fund Installment
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	
September 1, 20__	

At least forty-five (45) days prior to each sinking fund redemption date, the Trustee shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Bonds of such maturity equal to the Sinking Fund Installments of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in Section 4.6 of the Indenture.

The principal amount of Bonds required to be redeemed on any 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 45 days prior to the sinking fund redemption date (i) shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued and unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption and not previously credited to a sinking fund redemption.

The City reserves the right and option to redeem Bonds before their scheduled maturity dates, in whole or in part, on any Interest Payment Date on or after September 1, 20__, such redemption date or dates to be fixed by the City, at the Redemption Prices shown below, plus accrued interest to the date of redemption.

Redemption Date	Redemption Price
On or after September 1, 20__	103%
On or after September 1, 20__	102%
On or after September 1, 20__	101%
On or after September 1, 20__	100%

Bonds are subject to extraordinary optional redemption prior to maturity in whole or in part, on the first day of any month, at a Redemption Price equal to the principal amount of the Bonds called for redemption, plus accrued and unpaid interest to the date fixed for redemption from amounts on deposit in the Redemption Fund as a result of Prepayments, other transfers to the Redemption Fund pursuant to the Indenture, or as a result of unexpended amounts transferred from the Project Fund as provided in the Indenture.

The Trustee shall give notice of any redemption of Bonds by sending notice by 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 part thereof) to be redeemed, at the address shown on the Register. The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed. Any notice so given shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

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

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the City and the rights of the holders of the Bonds under the Indenture at any time Outstanding affected by such modification. The Indenture also contains provisions permitting the holders of specified percentages in aggregate principal amount of the Bonds at the time Outstanding, on behalf of the holders of all the Bonds, to waive compliance by the City with certain past defaults under the Bond Ordinance or the Indenture and their consequences. Any such consent or waiver by the holder of this Bond or any predecessor Bond evidencing the same debt shall be conclusive and binding upon such holder and upon all future holders thereof and of any Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, whether or not notation of such consent or waiver is made upon this Bond.

As provided in the Indenture, this Bond is transferable upon surrender of this Bond for transfer at the Designated Payment/Transfer Office, with such endorsement or other evidence of transfer as is acceptable to the Trustee, and upon delivery to the Trustee of such certifications and/or opinion of counsel as may be required under the Indenture for the transfer of this Bond. Upon satisfaction of such requirements, one or more new fully registered Bonds of the same Stated Maturity, of Authorized Denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the City nor the Trustee shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 calendar days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

The City, the Trustee, and any other Person may treat the Person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the Person in whose name this Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Bond be overdue, and neither the City nor the Trustee shall be affected by notice to the contrary.

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

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

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form and manner, as required by law; and that the total indebtedness of the City, including the Bonds, does not exceed any Constitutional or statutory limitation.

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

____
Mayor Pro Tem, City of Celina, Texas

____
City Secretary, City of Celina, Texas

[City Seal]

(b) Form of Comptroller's Registration Certificate.

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

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER §

OF PUBLIC ACCOUNTS § REGISTER NO.__________________
§
THE STATE OF TEXAS §

I HEREBY CERTIFY THAT there is on file and of record in my office a certificate to the effect that the Attorney General of the State of Texas has approved this Bond, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____________________

____
Comptroller of Public Accounts
of the State of Texas

[SEAL]

(c) Form of Certificate of Trustee.

CERTIFICATE OF TRUSTEE

It is hereby certified that this is one of the Bonds of the series of Bonds referred to in the within mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION,
Dallas, Texas, as Trustee

DATED: ___________________

By:___________________________
Authorized Signatory

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto (print or typewrite name, address and zip code of transferee):
____
____
____

(Social Security or other identifying number: ______________________) the within Bond and all rights hereunder and hereby irrevocably constitutes and appoints _______________________ attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Date: ________________ _____________________________________

Signature Guaranteed By: NOTICE: The signature on this Assignment

____

____

Authorized Signatory

must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner acceptable to the Trustee.

(e) The Initial Bond shall be in the form set forth in paragraphs (a) through (d) of this Exhibit A, except for the following alterations:

(i) immediately under the name of the Bond the heading "INTEREST RATE" and "MATURITY DATE" shall both be completed with the expression "As Shown Below," and the reference to the "CUSIP NUMBER" shall be deleted;

(ii) in the first paragraph of the Bond, the words "on the Maturity Date specified above, the sum of ________________ DOLLARS" shall be deleted and the following will be inserted: "on September 1 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

Years Principal Installments Interest Rates"

(Information to be inserted from Section 3.2(c) hereof); and

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

EXHIBIT B

BOND PURCHASE AGREEMENT

$16,425,000*
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015
(SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECT)

BOND PURCHASE AGREEMENT
AND
DEVELOPER AND MINORITY LANDOWNER REPRESENTATIONS

November 10, 2015

City of Celina, Texas
142 N. Ohio St.
Celina, Texas 76201

CADG Sutton Fields, LLC
c/o Centurion American Custom Homes Inc.
d/b/a Centurion American Development Group Inc.
1800 Valley View Lane Ste. 300
Farmers Branch, Texas 75234

CADG Sutton Fields II, LLC
c/o Centurion American Custom Homes Inc.
d/b/a Centurion American Development Group Inc.
1800 Valley View Lane Ste. 300
Farmers Branch, Texas 75234

Ladies and Gentlemen:

The undersigned, Jefferies LLC (the "Underwriter"), offers to enter into this Bond Purchase Agreement and Developer and Minority Landowner Representations (this "Agreement") with the City of Celina, Texas (the "City"), CADG Sutton Fields, LLC, a Texas limited liability company (the "Developer") and CADG Sutton Fields II, a Texas limited liability company (the "Minority Landowner"), which will be binding upon the City, the Developer, the Minority Landowner and the Underwriter upon the acceptance of this Agreement by the City, the Developer and the Minority Landowner. This offer is made subject to its acceptance by the City, the Developer and the Minority Landowner by execution of this Agreement and its delivery to

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* Preliminary, subject to change.

the Underwriter on or before 10:00 p.m., Central Time, on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered to the City, the Developer and the Minority Landowner at any time prior to the acceptance hereof by the City, the Developer and the Minority Landowner. The Developer and the Minority Landowner are parties to and have executed this Agreement for the limited purposes stated herein. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Indenture (defined herein) between the City and U.S. Bank National Association, as trustee (the "Trustee"), authorizing the issuance of the Bonds (defined herein), and in the Official Statement (defined herein).

1. Purchase and Sale of Bonds. Upon the terms and conditions and upon the basis of representations, warranties, and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the $16,425,000[*] aggregate principal amount of the "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project)" (the "Bonds"), at a purchase price of $_____________ (representing the aggregate principal amount of the Bonds, plus a premium of $_________, less an Underwriter's discount of $__________, which includes the fees of Underwriter's Counsel in the amount of $________).

Inasmuch as this purchase and sale represents a negotiated transaction, the City, the Developer and the Minority Landowner understand, and hereby confirm, that the Underwriter is not acting as a municipal advisor or fiduciary of the City, the Developer or the Minority Landowner, but rather is acting solely in its capacity as Underwriter for its own account. The City, the Developer and the Minority Landowner acknowledge and agree that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction among the City, the Developer, the Minority Landowner and the Underwriter, (ii) in connection therewith and with the discussions, undertakings, and procedures leading up to the consummation of this transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, municipal advisor, or fiduciary of the City, the Developer or the Minority Landowner, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City, the Developer or the Minority Landowner with respect to the offering described herein or the discussions, undertakings, and procedures leading thereto (regardless of whether the Underwriter has provided other services or is currently providing other services to the City, the Developer or the Minority Landowner on other matters) and the Underwriter has no obligation to the City, the Developer or the Minority Landowner with respect to the offering described herein except the obligations expressly set forth in this Agreement, and (iv) the City, the Developer and the Minority Landowner have consulted their own legal, financial, and other advisors to the extent they have deemed appropriate. The City, the Developer and the Minority Landowner further acknowledge and agree that following the issuance and delivery of the Bonds, the Underwriter has indicated that it may have periodic discussions with the City, the Developer or the Minority Landowner regarding the expenditure of Bond proceeds and the construction of the projects financed with the Bonds and, in connection

[*] Preliminary, subject to change.

with such discussions, the Underwriter shall be acting solely as a principal and will not be acting as the agent or fiduciary of, and will not be assuming an advisory or fiduciary responsibility in favor of, the City, the Developer or the Minority Landowner.

The Bonds shall be dated the date of their issuance and delivery and shall have the maturities and redemption features, if any, and bear interest at the rates per annum shown on Appendix A hereto. Payment for and delivery of the Bonds, and the other actions contemplated hereby, shall take place on December 9, 2015 (or such other date as may be agreed to by the City, the Developer, and the Underwriter) (the "Closing Date").

2. Authorization Instruments and Law. The Bonds were authorized by Ordinance No. 2015-__ enacted by the City Council of the City (the "City Council") on November 10, 2015 (the "Bond Ordinance") and shall be issued pursuant to the provisions of Subchapter A of Chapter 372, Texas Local Government Code, as amended (the "Act"), and the Indenture of Trust, dated as of December 1, 2015, between the City and the Trustee, authorizing the issuance of the Bonds (the "Indenture"). The Bonds shall be substantially in the form described in, and shall be secured under the provisions of, the Indenture.

The Bonds and interest thereon shall be secured by the proceeds of special assessments (the "Assessments") levied on the assessable parcels within Neighborhood Improvement Areas #2-5 of Sutton Fields II Public Improvement District (the "District"). The District was established by Resolution No. 2015-___ (the "Creation Resolution"), enacted by the City Council on October 13, 2015, in accordance with the Act. A Service and Assessment Plan (the "Service and Assessment Plan") which sets forth the costs of the Neighborhood Improvement Areas #2-5 Major Improvement Projects and the method of payment of the Assessments was adopted by the City Council on November 10, 2015, pursuant to Ordinance No. 2015-___ (the "Assessment Ordinance" and, together with the Creation Resolution, the Indenture, and the Bond Ordinance, the "Authorizing Documents"). The Bonds shall be further secured by certain applicable funds and accounts created under the Indenture.

The Bonds shall be as described in Appendix A, the Indenture, and the Official Statement.

The proceeds of the Bonds shall be used for (i) paying a portion of the costs of the Neighborhood Improvement Areas #2-5 Projects which consist of Neighborhood Improvement Areas #2-5's proportionate share of the costs of certain public improvements that will benefit the entire District (the "Major Improvement Projects"); (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Neighborhood Improvement Areas #2-5 Projects; (iii) funding a reserve fund for payment of principal and interest on the Bonds; (iv) paying a portion of the costs incidental to the organization of the District; and (v) paying costs of issuance of the Bonds.

3. Public Offering. The Underwriter agrees to make a bona fide public offering of all of the Bonds at prices not to exceed the public offering prices set forth on the inside cover page of the Official Statement and may subsequently change such offering prices without any requirement of prior notice. The Underwriter may offer and sell Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the

public offering prices (or yields higher than the public offering yields) stated on the inside cover page of the Official Statement. The Underwriter shall disclose to the City and its financial advisor any offering prices different from the initial offering prices stated on the inside cover page of the Official Statement. On or before the third business day prior to Closing, the Underwriter shall execute and deliver to Bond Counsel the Issue Price Certificate, in substantially the form attached hereto as Appendix B.

4. Official Statement.

(a) Delivery of Official Statement. The City previously has delivered, or caused to be delivered, to the Underwriter the Preliminary Official Statement for the Bonds dated October 23, 2015 (the "Preliminary Official Statement"), in a "designated electronic format," as defined in the Municipal Securities Rulemaking Board ("MSRB") Rule G-32 ("Rule G-32"). The City will prepare, or cause to be prepared, a final Official Statement relating to the Bonds (the "Official Statement") which will be (i) dated the date of this Agreement, (ii) complete within the meaning of the United States Securities and Exchange Commission's Rule 15c2-12, as amended (the "Rule"), (iii) in a "designated electronic format," and (iv) substantially in the form of the most recent version of the Preliminary Official Statement provided to the Underwriter before the execution hereof. The Official Statement, including the cover page thereto, all exhibits, schedules, appendices, maps, charts, pictures, diagrams, reports, and statements included or incorporated therein or attached thereto, and all amendments and supplements thereto that may be authorized for use with respect to the Bonds are collectively referred to herein as the "Official Statement." Until the Official Statement has been prepared and is available for distribution, the City shall provide to the Underwriter sufficient quantities (which may be in electronic format) of the Preliminary Official Statement as the Underwriter deems necessary to satisfy the obligation of the Underwriter under the Rule with respect to distribution to each potential customer, upon request, of a copy of the Preliminary Official Statement.

(b) Preliminary Official Statement Deemed Final. The Preliminary Official Statement has been prepared for use by the Underwriter in connection with the public offering, sale, and distribution of the Bonds. The City hereby represents and warrants that the Preliminary Official Statement has been deemed final by the City as of its date, except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of the Rule.

(c) Use of Official Statement in Offering and Sale. The City hereby authorizes the Official Statement and the information therein contained to be used by the Underwriter in connection with the public offering and the sale of the Bonds. The City consents to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Bonds. The City shall provide, or cause to be provided, to the Underwriter as soon as practicable after the date of the City's acceptance of this Agreement (but, in any event, not later than the earlier of the Closing Date or seven (7) business days after the City's acceptance of this Agreement) copies of the Official Statement which is complete as of the date of its delivery to the Underwriter. The City shall provide the Official Statement, or cause the Official Statement to be provided, (i) in a "designated electronic format" consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall request in order for the Underwriter to comply with Section (b)(4) of the Rule and the rules of the MSRB.

(d) Updating of Official Statement. If, after the date of this Agreement, up to and including the date the Underwriter is no longer required to provide an Official Statement to potential customers who request the same pursuant to the Rule (the earlier of (i) ninety (90) days from the "end of the underwriting period" (as defined in the Rule) and (ii) the time when the Official Statement is available to any person from the MSRB, but in no case less than the 25th day after the "end of the underwriting period" for the Bonds), the City, the Developer or the Minority Landowner becomes aware of any fact or event which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Official Statement to comply with law, the City, the Developer or the Minority Landowner, as applicable, will notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as it may from time to time request), and if, in the reasonable judgment of the Underwriter, such fact or event requires preparation and publication of a supplement or amendment to the Official Statement, the City, the Developer or the Minority Landowner, as applicable, will forthwith prepare and furnish, at the Developer's expense (in a form and manner approved by the Underwriter), either an amendment or a supplement to the Official Statement so that the statements therein as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading or so that the Official Statement will comply with law; provided, however, that for all purposes of this Agreement and any certificate delivered by the City, the Developer or the Minority Landowner in accordance herewith, (i) the City, the Developer or the Minority Landowner do not make any representations with respect to the descriptions in the Preliminary Official Statement or the Official Statement of The Depository Trust Company, New York, New York, or its book-entry-only system, (ii) the City makes no representation with respect to the information in the Preliminary Official Statement or the Official Statement under the captions and subcaptions "PLAN OF FINANCE — Development Plan" and " — Status of Lot Purchase and Sale Agreements," "THE NEIGHBORHOOD IMPROVEMENT AREAS #2-5 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER," "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Minority Landowner, the Neighborhood Improvement Areas #2-5 Projects and the Development, as defined in the Official Statement), "THE SPECIAL ASSESSMENT CONSULTANT," "CONTINUING DISCLOSURE — The Developer," "LEGAL MATTERS — Litigation - The Developer" and "INFORMATION RELATING TO THE TRUSTEE" and (iii) the Developer and the Minority Landowner make no representations with respect to the information in the Preliminary Official Statement or the Official Statement under the captions "THE CITY," "THE DISTRICT," "BONDHOLDERS' RISKS" (except as it pertains to the Developer, the Neighborhood Improvement Areas #2-5 Projects and the Development, as defined in the Official Statement), "LEGAL MATTERS — Litigation -

The City," "CONTINUING DISCLOSURE — The City" and "—The City Compliance with Prior Undertakings," and "INFORMATION RELATING TO THE TRUSTEE." If such notification shall be subsequent to the Closing, the City, at the expense of the Developer, shall furnish such legal opinions, certificates, instruments, and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement. The City shall provide any such amendment or supplement, or cause any such amendment or supplement to be provided, (i) in a "designated electronic format" consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall request in order for the Underwriter to comply with Section (b)(4) of the Rule and the rules of the MSRB.

(e) Filing with MSRB. The Underwriter hereby agrees to timely file the Official Statement with the MSRB through its Electronic Municipal Market Access ("EMMA") system within one business day after receipt but no later than the Closing Date. Unless otherwise notified in writing by the Underwriter, the City can assume that the "end of the underwriting period" for purposes of the Rule is the Closing Date.

5. City Representations, Warranties and Covenants. The City represents, warrants and covenants to the Underwriter, the Developer and Minority Landowner that:

(a) Due Organization, Existence and Authority. The City is a political subdivision of the State of Texas (the "State"), and has, and at the Closing Date will have, full legal right, power and authority:

(i) to enter into:

(1) this Agreement;

(2) the Indenture;

(3) the Sutton Fields Facilities and Development Agreement executed by and between the City, Developer [and the Minority Landowner] effective November 10, 2015 (the "Development Agreement");

(4) the Neighborhood Improvement Areas #2-5 Construction, Funding, and Acquisition Agreement dated as of November 10, 2015 executed and delivered by the City and the Developer (the "Finance Agreement");

(5) the Agreement Regarding Conveyance of Right of Redemption and Waiver of Agricultural Valuation as of November 10, 2015 executed by and between the City, the Developer and the Minority Landowner (the "Redemption Waiver Agreement"); and

(6) the Continuing Disclosure Agreement of Issuer with respect to the Bonds, dated as of December 1, 2015 (the "Continuing

Disclosure Agreement of Issuer"), executed and delivered by the City and FSC Continuing Disclosure Services, a division of First Southwest Company, LLC, as Dissemination Agent;

(ii) to issue, sell, and deliver the Bonds to the Underwriter as provided herein; and

(iii) to carry out and consummate the transactions on its part contemplated by the Authorizing Documents, this Agreement, the Redemption Waiver Agreement, the Development Agreement, the Finance Agreement, the Official Statement, the Continuing Disclosure Agreement of Issuer, and any other documents and certificates contemplated by any of the foregoing (collectively, the "City Documents").

(b) Due Authorization and Approval of City. By all necessary official action of the City, the City has duly authorized and approved the adoption or execution and delivery by the City of, and the performance by the City of the obligations on its part contained in, the City Documents and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded, except as may have been approved by the Underwriter. When validly executed and delivered by the other parties thereto, the City Documents will constitute the legally valid and binding obligations of the City enforceable upon the City in accordance with their respective terms, except insofar as enforcement may be limited by principles of sovereign immunity, bankruptcy, insolvency, reorganization, moratorium, or similar laws or equitable principles relating to or affecting creditors' rights generally. The City has complied, and will at the Closing be in compliance, in all material respects, with the obligations on its part to be performed on or prior to the Closing Date under the City Documents.

(c) Due Authorization for Issuance of the Bonds. The City has duly authorized the issuance and sale of the Bonds pursuant to the Bond Ordinance, the Indenture, and the Act. The City has, and at the Closing Date will have, full legal right, power and authority (i) to enter into, execute, deliver, and perform its obligations under this Agreement and the other City Documents, (ii) to issue, sell and, deliver the Bonds to the Underwriter pursuant to the Indenture, the Bond Ordinance, the Act, and as provided herein, and (iii) to carry out, give effect to and consummate the transactions on the part of the City described by the City Documents and the Bond Ordinance.

(d) No Breach or Default. As of the time of acceptance hereof, and to the best of its knowledge, the City is not, and as of the Closing Date the City, in relation to the Bonds, will not be, in breach of or in default in any material respect under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument and to which the City is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument which breach, default or event could have a material adverse effect on the City's ability to perform its obligations under the Bonds or the City Documents; and, as of such times, the authorization, execution and delivery of the Bonds and the City Documents and compliance by the City with obligations on its part to be performed in each of such agreements or instruments does not and will not conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the City (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties are bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be permitted by the City Documents.

(e) No Litigation. At the time of acceptance hereof there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "Action") pending against the City with respect to which the City has been served with process, nor to the knowledge of the City is any Action threatened against the City, in which any such Action (i) in any way questions the existence of the City or the rights of the members of the City Council to hold their respective positions, (ii) in any way questions the formation or existence of the District, (iii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the City Documents or the consummation of the transactions on the part of the City described therein, or contests the exclusion of the interest on the Bonds from federal income taxation, or (iv) which may result in any material adverse change in the financial condition of the City; and, as of the time of acceptance hereof, to the City's knowledge, there is no basis for any action, suit, proceeding, inquiry, or investigation of the nature described in clauses (i) through (iv) of this sentence.

(f) Bonds Issued Pursuant to Indenture. The City represents that the Bonds, when issued, executed, and delivered in accordance with the Indenture and sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the City subject to the terms of the Indenture, entitled to the benefits of the Indenture and the security of the pledge of the proceeds of the levy of the Assessments received by the City, all to the extent provided for in the Indenture. The Indenture creates a valid pledge of the monies in certain funds and accounts established pursuant to the Indenture to the extent provided for in the Indenture, including the investments thereof, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

(g) Assessments. The Assessments constituting the security for the Bonds have been levied by the City in accordance with the Act on those parcels of land identified in the Assessment Roll (as defined in the Service and Assessment Plan).

According to the Act, such Assessments constitute a valid and legally binding first and prior lien against the properties assessed, superior to all other liens and claims, except liens or claims for state, county, school district, or municipality ad valorem taxes.

(h) Consents and Approvals. All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency, or commission having jurisdiction in the matters which are required by the Closing Date for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the City of, its obligations in connection with the City Documents have been duly obtained or made and are in full force and effect, except the approval of the Bonds by the Attorney General of the State, registration of the Bonds by the Comptroller of Public Accounts of the State, and the approvals, consents and orders as may be required under Blue Sky or securities laws of any jurisdiction.

(i) Public Debt. Prior to the Closing, the City will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by a pledge of the Assessments which secure the Bonds without the prior approval of the Underwriter.

(j) Preliminary Official Statement. The information contained in the Preliminary Official Statement with respect to the City under the captions and subcaptions "THE CITY," "THE DISTRICT," "LEGAL MATTERS — Litigation – The City," and "CONTINUING DISCLOSURE — The City" and " — The City Compliance with Prior Undertakings" is true and correct in all material respects, and such information does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) Official Statement. At the time of the City's acceptance hereof and (unless the Official Statement is amended or supplemented pursuant to paragraph (d) of Section 4 of this Agreement) at all times subsequent thereto during the period up to and including the 25th day subsequent to the "end of the underwriting period," the information contained in the Official Statement with respect to the City under the captions and subcaptions "THE CITY," "THE DISTRICT," "LEGAL MATTERS — Litigation – The City," "CONTINUING DISCLOSURE — The City" and " — The City Compliance with Prior Undertakings" does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 4(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Official Statement, then the Official Statement in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

(l) Supplements or Amendments to Official Statement. If the Official Statement is supplemented or amended pursuant to paragraph (d) of Section 4 of this

Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the 25th day subsequent to the "end of the underwriting period," the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 4(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Official Statement, then the Official Statement in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

(m) Compliance with the Rule. During the past five years, the City has complied in all material respects with its previous continuing disclosure undertaking made by it in accordance with the Rule, except as described in the Official Statement.

(n) Use of Bond Proceeds. The City will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Indenture and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

(o) Blue Sky and Securities Laws and Regulations. The City will furnish such information and execute such instruments and take such action in cooperation with the Underwriter as the Underwriter may reasonably request, at no expense to the City, (i) to (y) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriter may designate and (z) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and (ii) to continue such qualifications in effect so long as required for the initial distribution of the Bonds by the Underwriter (provided, however, that the City will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Underwriter immediately of receipt by the City of any notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose.

(p) Certificates of the City. Any certificate signed by any official of the City authorized to do so in connection with the transactions described in this Agreement shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein and can be relied upon by the Underwriter as to the statements made therein.

(q) Intentional Actions Regarding Representations and Warranties. The City covenants that between the date hereof and the Closing it will not intentionally take actions which will cause the representations and warranties made in this Section to be untrue as of the Closing.

(r) Financial Advisor. The City has engaged First Southwest Company, LLC, as its financial advisor in connection with its offering and issuance of the Bonds.

By delivering the Official Statement to the Underwriter, the City shall be deemed to have reaffirmed, with respect to the Official Statement, the representations, warranties and covenants set forth above with respect to the Preliminary Official Statement.

6. Developer and Minority Landowner Representations, Warranties and Covenants. In order to induce the City to enter into this Agreement and as consideration for the execution, delivery and sale of the Bonds by the City and the purchase of the Bonds by the Underwriter, the Developer and the Minority Landowner represent, warrant and covenant to the Underwriter and the City that:

(a) Due Organization, Existence and Authority of Developer. The Developer is duly formed and validly existing as a limited liability company under the laws of the State, with full rights, power and authority to execute, deliver and perform its obligations under

(i) this Agreement;

(ii) the Development Agreement;

(iii) the Finance Agreement;

(iv) the Redemption Waiver Agreement;

(v) Continuing Disclosure Agreement of Developer dated as of December 1, 2015 (the "Continuing Disclosure Agreement of Developer"); and

(vi) any other documents and certificates of the Developer contemplated by any of the foregoing (i) through (v) above (collectively, the "Developer Documents").

(b) Due Organization, Existence and Authority of Minority Landowner. The Minority Landowner is duly formed and validly existing as a limited liability company under the laws of the State, with full rights, power and authority to execute, deliver and perform its obligations under

(i) this Agreement;

(ii) the Development Agreement;

(iii) the Redemption Waiver Agreement; and

(iv) any other documents and certificates of the Minority Landowner contemplated by any of the foregoing (i) through (iv) above (collectively, the "Minority Landowner Documents").

(c) Organizational Documents. The copies of (i) the organizational documents of the Developer delivered on the Closing Date (the "Developer Organizational Documents") and (ii) the copies of the organizational documents of the Minority Landowner delivered on the Closing Date (the "Minority Landowner Organizational Documents") are fully executed, true, correct and complete copies of such documents and such documents have not been amended or supplemented and are in full force and effect as of the date hereof.

(d) Due Authorization and Approval. By all necessary action, the Developer and the Minority Landowner have duly authorized and approved its execution and delivery of the Developer Documents and the Minority Landowner Documents, respectively, and the performance by the Developer and Minority Landowner of their obligations contained in the Developer Documents and the Minority Landowner Documents, as applicable, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded.

(e) No Breach or Default. The execution and delivery of the Developer Documents by the Developer and the Minority Landowner Documents by the Minority Landowner and compliance by such party with the provisions thereof under the circumstances contemplated thereby do not and will not in any material respect conflict with or constitute on the part of the Developer or Minority Landowner a breach or default under (i) any order, writ, judgment, injunction, decree, determination or award of any governmental authority against or with respect to the Developer or Minority Landowner, or (ii) any agreement or instrument to which the Developer or Minority Landowner is a party or by which it is bound, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would, in any material respect, constitute a default or an event of default by the Developer or the Minority Landowner under the Developer Documents or Minority Landowner Documents, as applicable.

(f) No Litigation. Other than as described in the Preliminary Official Statement and the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the knowledge of the Developer or Minority Landowner, threatened by or against the Developer or Minority Landowner; (i) in any way questioning the due formation and valid existence of the Developer or Minority Landowner; (ii) in any way challenging the titles of such party's officers executing the Developer Documents or the Minority Landowner Documents, (iii) in any way contesting or affecting the validity or enforceability or the execution and delivery by such party of the Developer Documents or the Minority Landowner Documents, as applicable, or the consummation of the transactions contemplated thereby; (iv) in any way questioning or contesting the validity of any governmental approval of the District or any aspect thereof; (v) in any way questioning or contesting the construction and development of the Development, or (vi) which would have a material adverse effect upon the financial condition of the Developer or the Minority Landowner or the Minority Landowner's ability to own or the Developer's ability to develop property within the District.

(g) Information. The information prepared and submitted by the Developer and the Minority Landowner to the City or the Underwriter in connection with the preparation of the Preliminary Official Statement and the Official Statement was, and is, as of this date, true and correct in all material respects.

(h) Preliminary Official Statement and Official Statement. The Developer and the Minority Landowner represent and warrant that the information set forth in the Preliminary Official Statement and Official Statement under the captions "PLAN OF FINANCE — Development Plan" and "— Status of Lot Purchase and Sale Agreements," "THE NEIGHBORHOOD IMPROVEMENT AREAS #2-5 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER" and "CONTINUING DISCLOSURE — The Developer," and, to the best of such party's knowledge after due inquiry, under the captions "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Minority Landowner, the Neighborhood Improvement Areas #2-5 Projects, and the Development, as defined in the Official Statement) and "LEGAL MATTERS — Litigation — The Developer" is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Developer and the Minority Landowner agree to provide a certificate dated the Closing Date affirming, as of such date, the representations contained in this subsection (h) with respect to the Preliminary Official Statement and the Official Statement.

(i) Consent to Bond Issuance. The Developer and Minority Landowner hereby consent to the issuance of the Bonds.

(j) Agreement. The Developer and Minority Landowner covenant that, while the Bonds are outstanding, such party will not bring any action, suit, proceeding, inquiry or investigation at law or in equity, before any court, regulatory agency, public board or body which in any way seeks to challenge or overturn the District, the validity of the Developer Documents and the Minority Landowner Documents, the levy or collection of the Assessments or the validity of the Bonds or the proceedings relating to their issuance.

(k) Permits, Licenses, Etc. The Developer and Minority Landowner have obtained and there are currently in force and effect, or the Developer and Minority Landowner are not aware of any fact that will prevent such party from receiving at or prior to the Closing Date or by the date required or necessary therefor, all consents, permits, licenses, certificates and other approvals (governmental or otherwise) required of it that:

(i) are necessary to conduct such party's business as it is currently being conducted;

(ii) (with the exception of the Authorizing Documents) would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance of its obligations under this Agreement, the Developer Documents, the Minority Landowner Documents and any other material agreement or instrument to which they are a party and which is to be used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement relating to the financing and construction of the Neighborhood Improvement Areas #2-5 Projects; or

(iii) are necessary for the acquisition, construction and operation of the Neighborhood Improvement Areas #2-5 Projects.

(l) Events of Default. No "Event of Default" or "event of default" by the Developer under any of the Developer Documents or by the Minority Landowner under any of the Minority Landowner Documents, any documents to which Developer or Minority Landowner is a party described in the Official Statement, or under any material documents relating to the financing and construction of the Neighborhood Improvement Areas #2-5 Projects to which the Developer or the Minority Landowner is a party, or event that, with the passage of time or the giving of notice or both, would constitute such "Event of Default" or "event of default," by the Developer or the Minority Landowner has occurred and is continuing.

(m) Financing. Other than the Assessments and the liens securing the [Acquisition Loan] and the [Development Loan], no debt will be issued nor will any additional liens be placed on the property within Neighborhood Improvement Areas #2-5 of the District in order to complete the construction of the Neighborhood Improvement Areas #2-5 Projects.

(n) Taxes and Assessments. All ad valorem taxes and assessments are current on the property which the Developer or Minority Landowner owns within the District.

7. The Closing. At 10:00 a.m., Central time, on the Closing Date, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the City and the Underwriter, (i) the City will deliver or cause to be delivered to The Depository Trust Company, New York, New York ("DTC") through its "FAST" System, the Bonds in the form of one fully registered Bond for each maturity, registered in the name of Cede & Co., as nominee for DTC, duly executed by the City and authenticated by the Trustee as provided in the Indenture, and (ii) the City will deliver the closing documents hereinafter mentioned to Norton Rose Fulbright US LLP ("Bond Counsel"), or a place to be mutually agreed upon by the City, the Developer and the Underwriter. Settlement will be through the facilities of DTC. The Underwriter will accept delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer in federal funds payable to the order of the City or its designee. These payments and deliveries, together with the delivery of the aforementioned documents, are herein called the "Closing." The Bonds will be made available to the Underwriter for inspection not less than twenty-four (24) hours prior to the Closing.

8. Closing Conditions. The Underwriter has entered into this Agreement in reliance upon the representations and covenants herein and the performance by the City, the Developer and Minority Landowner of their respective obligations under this Agreement both as of the date hereof and as of the date of the Closing. The Underwriter's obligations under this Agreement are and shall be subject to the following additional conditions:

(a) Bring-Down Representations of the City and the Developer and Minority Landowner. The representations and covenants of the City, the Developer and the Minority Landowner contained in this Agreement shall be true and correct in all material respects as of the date hereof and at the time of the Closing, as if made on the Closing Date.

(b) Executed Agreements and Performance Thereunder. At the time of the Closing (i) the City Documents, the Developer Documents and the Minority Landowner Documents shall be in full force and effect, and shall not have been amended, modified, or supplemented except with the written consent of the Underwriter; (ii) the Authorizing Documents shall be in full force and effect; (iii) there shall be in full force and effect such other resolutions or actions of the City as, in the opinion of Bond Counsel and Counsel to the Underwriter, shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the City described in this Agreement and the City Documents; (iv) there shall be in full force and effect such other resolutions or actions of the Developer and Minority Landowner as, in the opinion of Miklos Legal, PLLC, shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the Developer and Minority Landowner described in this Agreement, the Developer Documents and the Minority Landowner Documents; and (v) the City, the Developer and the Minority Landowner shall perform or have performed their respective obligations required or specified in the City Documents, the Developer Documents and the Minority Landowner Documents, respectively, to be performed at or prior to Closing.

(c) No Default. At the time of the Closing, no default shall have occurred or be existing and no circumstances or occurrences that, with the passage of time or giving of notice, shall constitute an event of default under this Agreement, the Indenture, the Developer Documents, the Minority Landowner Documents, the City Documents or other documents relating to the financing and construction of the Neighborhood Improvement Areas #2-5 Projects and the Development, and the Developer and Minority Landowner shall not be in default in the payment of principal or interest on any of their respective indebtedness which default shall materially adversely impact the ability of such Developer and Minority Landowner to pay the Assessments when due.

(d) Closing Documents. At or prior to the Closing, the Underwriter shall have received each of the documents required under Section 9 below.

(e) Termination Events. The Underwriter shall have the right to cancel its obligation to purchase the Bonds and to terminate this Agreement without liability therefor by written notification to the City if, between the date of this Agreement and the Closing, in the Underwriter's sole and reasonable judgment, any of the following shall have occurred:

(i) the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall be materially adversely affected by the occurrence of any of the following:

(1) legislation shall have been introduced in or enacted by the Congress of the United States or adopted by either House thereof, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice, or otherwise) by the President of the United States, the Treasury Department of the United States, or the Internal Revenue Service or legislation shall have been proposed for consideration by either the U.S. Senate Committee on Finance or the U.S. House of Representatives Committee on Ways and Means or legislation shall have been favorably reported for passage to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or a decision by a court of the United States or the Tax Court of the United States shall be rendered or a ruling, regulation, or official statement (final, temporary, or proposed) by or on behalf of the Treasury Department of the United States, the Internal Revenue Service, or other federal agency shall be made, which would result in federal taxation of revenues or other income of the general character expected to be derived by the City or upon interest on securities of the general character of the Bonds or which would have the effect of changing, directly or indirectly, the federal income tax consequences of receipt of interest on securities of the general character of the Bonds in the hands of the holders thereof, and which in either case, makes it, in the reasonable judgment of the Underwriter, impracticable or inadvisable to proceed with the offer, sale, or delivery of the Bonds on the terms and in the manner contemplated in the Official Statement; or

(2) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect (the “Securities Act”), or that the Indenture need to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect (the “Trust Indenture Act”); or

(3) a general suspension of trading in securities on the New York Stock Exchange, the establishment of minimum prices on such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental

authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so; or

(4) there shall have occurred any outbreak of hostilities (including, without limitation, an act of terrorism) or other national or international calamity or crisis, including, but not limited to, an escalation of hostilities that existed prior to the date hereof, and the effect of any such event on the financial markets of the United States shall be such as would make it impracticable, in the reasonable judgment of the Underwriter, for it to sell the Bonds on the terms and in the manner contemplated by the Official Statement; or

(5) there shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the City, except as disclosed in or contemplated by the Official Statement; or

(6) any state blue sky or securities commission or other governmental agency or body in any state in which more than 10% of the Bonds have been offered and sold shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto; or

(7) any amendment to the federal or state Constitution or action by any federal or state court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the City, its property, income, securities (or interest thereon), or the validity or enforceability of the Assessments to pay principal of and interest on the Bonds; or

(ii) the New York Stock Exchange or other national securities exchange or any governmental authority shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter; or

(iii) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, which change shall occur subsequent to the date of this Agreement and shall not be due to the malfeasance, misfeasance or nonfeasance of the Underwriter; or

(iv) any fact or event shall exist or have existed that, in the Underwriter's reasonable judgment, requires or has required an amendment of or supplement to Official Statement; or

(v) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or

(vi) a material disruption in securities settlement, payment or clearance services shall have occurred; or

(vii) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as contemplated by this Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws on the date of Closing, including the Securities Act, the Securities Exchange Act of 1934 (the "Securities Exchange Act") and the Trust Indenture Act; or

(viii) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission, which prohibition shall occur subsequent to the date hereof and shall not be due to the malfeasance, misfeasance, or nonfeasance of the Underwriter.

With respect to the conditions described in subparagraphs (ii) and (viii) above, the Underwriter is not aware of any current, pending or proposed law or government inquiry or investigation as of the date of execution of this Agreement which would permit the Underwriter to invoke its termination rights hereunder.

9. Closing Documents. At or prior to the Closing, the Underwriter shall receive the following documents:

(a) Bond Opinion. The approving opinion of Bond Counsel, dated the Closing Date and substantially in the form included as Appendix C to the Official Statement, together with a reliance letter from Bond Counsel, dated the date of the Closing and addressed to the Underwriter, which may be included in the supplemental opinion required by Section 9(b), to the effect that the foregoing opinion may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

(b) Supplemental Opinion. A supplemental opinion of Bond Counsel dated the Closing Date and addressed to the City, the Developer and the Underwriter, in form and substance acceptable to counsel for the Underwriter, to the following effect:

(i) Except to the extent noted therein, Bond Counsel has not verified and is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the statements and information contained in the Official Statement but that Bond Counsel has reviewed the statements and information appearing under the captions and subcaptions "PLAN OF FINANCE — The Bonds" (except for the last paragraph thereof), "DESCRIPTION OF THE BONDS," "SECURITY FOR THE BONDS," "ASSESSMENT PROCEDURES" (except for the subcaptions "Assessment Methodology" and "Assessment Amounts"), "THE DISTRICT," "TAX MATTERS," "LEGAL MATTERS — Legal Proceedings," "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 A" and Bond Counsel is of the opinion that the information relating to the Bonds and legal issues contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Bond Ordinance and Indenture;

(ii) The Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act;

(iii) The City has full power and authority to adopt the Creation Resolution, the Assessment Ordinance and the Bond Ordinance (collectively, the foregoing documents are referred to herein as the "City Actions") and perform its obligations thereunder and the City Actions have been duly adopted, are in full force and effect and have not been modified, amended or rescinded; and

(iv) The Indenture, the Redemption Waiver Agreement, the Development Agreement, the Finance Agreement, the Continuing Disclosure Agreement of Issuer, and this Agreement have been duly authorized, executed and delivered by the City and, assuming the due authorization, execution and delivery of such instruments, documents, and agreements by the other parties thereto, constitute the legal, valid, and binding agreements of the City, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting enforcement of creditors' rights, or by the application of equitable principles if equitable remedies are sought and to the application of State law relating to governmental immunity applicable to governmental entities.

(c) City Legal Opinion. An opinion of an attorney for the City, dated the Closing Date and addressed to the Underwriter, the Developer, and the Trustee, with respect to matters relating to the City, substantially in the form of Appendix C hereto or in form otherwise agreed upon by the Underwriter.

(d) Opinion of Special Counsel to the Developer. An Opinion of Developer's Special Counsel, substantially in the form of Appendix D hereto, dated the Closing Date and addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the City and the Underwriter.

(e) Developer and Minority Landowner Certificate. A certificate or certificates of the Developer and Minority Landowner, dated the Closing Date, to the effect that:

(i) the representations and warranties of the Developer and Minority Landowner contained herein and in the Developer Documents and Minority Landowner Documents are true and correct in all material respects on and as of the Closing Date as if made on the date thereof;

(ii) the Developer Documents and the Minority Landowner Documents have been properly executed by the Developer or Landlord, respectively, have not been amended or rescinded, and the delivery and due performance thereof by the Developer or Minority Landowner have been authorized by such party;

(iii) to the best of such party's knowledge after due inquiry, there is no action, suit, proceeding or investigation before any court, public board or body pending, with respect to which the Developer or Minority Landowner have been served with process, or, to the knowledge of the Developer or Minority Landowner threatened against the Developer or Minority Landowner wherein an unfavorable decision, ruling or finding would: (a) affect the creation, organization, existence, or powers of the Developer or Minority Landowner or such party's officers to their offices; or (b) in any way question or affect this Agreement, the Developer Documents or the Minority Landowner Documents or the transactions contemplated by this Agreement or the Developer Documents and Minority Landowner Documents;

(iv) the Developer and Minority Landowner have complied in all material respects with all of such party's agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer or Minority Landowner hereunder or prior to the Closing;

(v) the information set forth in the Official Statement under the captions "PLAN OF FINANCE — Development Plan" and "— Status of Lot Purchase and Sale Agreements," "THE NEIGHBORHOOD IMPROVEMENT AREAS #2-5 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER," and "CONTINUING DISCLOSURE — The Developer," and, to the best of such party's knowledge after due inquiry, under the captions "BONDHOLDERS' RISKS" (only as it pertains to the Developer, Minority Landowner, the Neighborhood Improvement Areas #2-5 Projects, and the Development, as defined in the Official Statement), and "LEGAL MATTERS — Litigation – The Developer" is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, as of the date thereof; and

(vi) although such party has not verified and does not assume any responsibility for the accuracy, completeness, or fairness of the information contained in the Preliminary Official Statement or the Official Statement other than that described in clause (v), such party has participated in the preparation of the Preliminary Official Statement and the Official Statement and without independent verification, no facts came to such party's attention to lead it to believe that the Preliminary Official Statement, as of its date or as of the date of this Agreement, or the Official Statement, as of its date or as of the date of Closing (except for financial, forecast, technical and statistical statements and data therein and the information regarding The Depository Trust Company and its book-entry only system, in each case as to which it is not called upon to comment) contained or contains any untrue statement of a material fact, or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(f) City Certificate. A certificate of the City, dated the Closing Date, to the effect that, to the best of an authorized City official's knowledge:

(i) the representations and warranties of the City contained herein and in the City Documents are true and correct in all material respects on and as of the Closing Date as if made on the date thereof;

(ii) the City Documents are in full force and effect and have not been amended, modified, or supplemented;

(iii) except as disclosed in the Official Statement, no litigation or proceeding against the City is pending or, to the knowledge of such persons, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the members or officials of the City to hold and exercise their respective positions, (b) contest the due organization and valid existence of the City or the establishment of the District, (c) contest the validity, due authorization and execution of the Bonds or the City Documents, or (d) attempt to limit, enjoin or otherwise restrict or prevent the City from levying and collecting the Assessments pledged to pay the principal of and interest on the Bonds, or the pledge thereof; and

(iv) the City has, to the best of such person's knowledge, complied with all agreements and covenants and satisfied all conditions set forth in the City Documents, on its part to be complied with or satisfied hereunder at or prior to the Closing.

(g) Trustee's Certificate. A certificate of the Trustee, dated the date of Closing, in form and substance acceptable to counsel for the Underwriter to the following effect:

(i) The Trustee is duly organized and validly existing as a national banking association organized under the laws of the United States of America, having the full power and authority, including trust powers, to accept and perform its duties under the Indenture; and

(ii) No consent, approval, authorization or other action by any governmental authority having jurisdiction over the Trustee that has not been obtained is or will be required for the authentication of the Bonds or the consummation by the Trustee of the other transactions contemplated to be performed by the Trustee in connection with the authentication of the Bonds and the acceptance and performance of the obligations created by the Indenture.

(h) Underwriter Counsel's Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, of Andrews Kurth LLP, counsel to the Underwriter, to the effect that:

(i) based on (A) such counsel's review of the Bond Ordinance, the Indenture, and the Official Statement; (B) its discussions with bond counsel and with the Underwriter; (C) its review of the documents, certificates, opinions and other instruments delivered at the closing of the sale of the Bonds on the date hereof; and (D) such other matters as it deems relevant, such counsel is of the opinion that the Bonds are exempt securities under the Securities Act, and the Trust Indenture Act, and it is not necessary, in connection with the offering and sale of the Bonds, to register any securities under the Securities Act and the Indenture is not required to be qualified under the Trust Indenture Act;

(ii) based upon (A) such counsel's review of the Rule and interpretive guidance published by the United States Securities and Exchange Commission relating thereto; (B) its review of the continuing disclosure undertaking of the City contained in the Continuing Disclosure Agreement of Issuer; and (C) the inclusion in the Official Statement of a description of the specifics of such undertaking, and assuming that the Bond Ordinance, the Indenture, and the Continuing Disclosure Agreement of Issuer have been duly adopted by the City and are in full force and effect, such undertaking provides a suitable basis for the Underwriter, to make a reasonable determination that the City has met the qualifications of paragraph (b)(5)(i) of the Rule; and

(iii) although such counsel has not verified and is not passing upon, and does not assume any responsibility for, the accuracy, completeness or fairness of the information contained in the Official Statement, it has participated in the preparation of the Official Statement and without independent verification, no facts came to its attention that caused it to believe that the Official Statement (except for the Appendices as well as any other financial, engineering and statistical data contained therein or included therein by reference or any litigation disclosed therein, as to which it expresses no view) as of its date contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(i) Official Statement. The Official Statement and each supplement or amendment, if any, thereto.

(j) Delivery of City Documents, Developer Documents and Minority Landowner Documents. The City Documents, Developer Documents and Minority Landowner Documents shall have been executed and delivered in form and content satisfactory to the Underwriter.

(k) Organizational Documents and Good Standing. The Developer and Minority Landowner shall have delivered to the Underwriter and the City fully executed copies of each of the Developer Organizational Documents and the Minority Landowners Organizational Documents. The Developer and Minority Landowner shall have delivered to the Underwriter and the City a (i) Certificate of Status from the Texas Secretary of State and (ii) verification of franchise tax account status from the Texas Comptroller of Public Accounts for such party.

(l) Form 8038. Evidence that the federal tax information form 8038-G has been prepared by Bond Counsel for filing.

(m) Federal Tax Certificate. A certificate of the City in form and substance satisfactory to Bond Counsel and counsel to the Underwriter setting forth the facts, estimates and circumstances in existence on the date of the Closing, which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and any applicable regulations (whether final, temporary or proposed), issued pursuant to the Code.

(n) Attorney General Opinion and Comptroller Registration. The approving opinion of the Attorney General of the State regarding the Bonds and the Comptroller of the State's Certificate of Registration for the Initial Bond.

(o) Continuing Disclosure Agreement. The Continuing Disclosure Agreement of Issuer and the Continuing Disclosure Agreement of Developer, shall have been executed by the parties in substantially the forms attached to the Preliminary Official Statement as Appendix D-1 and Appendix D-2.

(p) Letter of Representation of the Appraiser. Letter of Representation of the Appraiser, substantially in the form of Appendix E hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter.

(q) Letter of Representation of Special Assessment Consultant. Letter of Representation of Special Assessment Consultant, substantially in the form of Appendix F hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter.

(r) Evidence of Filing of Creation Resolution and Assessment Ordinance. Evidence that (i) the Creation Resolution, including legal description of the District by metes and bounds and (ii) the Assessment Ordinance, including the SAP with assessment rolls, have been filed of record in the real property records of Denton County, Texas.

(s) Lender Consent Certificate. Lender Consent Certificate of each Development Lender, and any other lienholder on land in the District, consenting to and acknowledging the creation of the District, the adoption of the Assessment Ordinance, the levy of the Assessments, and the subordination of their respective liens to the lien created by the Assessments.

(t) Evidence of Ownership of Property. Evidence that on the date that the Assessment Ordinance was adopted all of the Neighborhood Improvement Areas #2-5 Assessed Parcels were owned by the Developer, Minority Landowner or other development or homebuilder entities and that such landowners are not entities that may claim a homestead right under Texas law.

(u) BLOR. A copy of the Blanket Letter of Representation to DTC relating to the Bonds and signed by the City.

(v) Additional Documents. Such additional legal opinions, certificates, instruments, and other documents as the Underwriter or their counsel may reasonably deem necessary.

The obligation of the City hereunder to deliver the Bonds shall be subject to receipt on or before the date of the Closing of the purchase price set forth in Section 1 hereof, the opinion of Bond Counsel described in Section 9(a) hereof and the receipt of all documents required to be delivered by the Developer and the Minority Landowner hereunder.

If either the City or the Developer shall be unable to satisfy the conditions contained in this Agreement or if the obligations of the Underwriter shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Underwriter nor the City shall be under further obligation hereunder, except as further set forth in Sections 11 and 13 hereof.

10. Indemnification.

(a) The Developer will indemnify and hold harmless the City and the Underwriter and each of their officers, directors, employees and agents against any losses, claims, damages or liabilities to which any of them may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained or incorporated by reference in the Official

Statement under the captions "PLAN OF FINANCE — Development Plan" and "— Status of Lot Purchase and Sale Agreements," "THE NEIGHBORHOOD IMPROVEMENT AREAS #2-5 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER," "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Minority Landowner, the Neighborhood Improvement Areas #2-5 Projects, and the Development, as defined in the Official Statement), "CONTINUING DISCLOSURE — The Developer," and "LEGAL MATTERS — Litigation – The Developer," or any amendment or supplement to the Official Statement amending or supplementing the information contained under the aforementioned captions (as qualified above), or arise out of or are based upon the omission or alleged untrue statement or omission to state therein a material fact necessary to make the statements under the aforementioned captions (as qualified above) not misleading under the circumstances under which they were made and will reimburse any indemnified party for any reasonable legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred. Notwithstanding any provision in this Agreement to the contrary, the Developer shall have no liability to the Underwriter, the City or any other person for any untrue, inaccurate or misleading statement set forth by another party to this Agreement.

(b) The Underwriter will indemnify and hold harmless the Developer and the City against any losses, claims, damages or liabilities to which the Developer or the City may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Official Statement, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact necessary to make the statements therein not misleading under the circumstances under which they were made, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Official Statement or any such amendment or supplement in reliance upon and in conformity with information under the heading "UNDERWRITING" in the Official Statement, and will reimburse the Developer and the City for any legal or other expenses reasonably incurred by the Developer and the City in connection with investigating or defending any such actions or claims as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve the indemnifying party from any liability which it may have to the indemnified party otherwise than under such subsection, unless such indemnifying party was prejudiced by such delay or lack of notice. In case any such action shall be brought against an indemnified party, it shall promptly notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. The indemnifying party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the indemnifying party or if there is a final judgment for the plaintiff in any such action, the indemnifying party will indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment. The indemnity agreement in this Section 10 shall survive delivery of the Bonds and shall survive any investigation made by or on behalf of the City, the Developer or the Underwriter.

11. Costs and Expenses.

(a) The Underwriter shall be under no obligation to pay, and the City shall cause to be paid from proceeds of the Bonds the following expenses incident to the issuance of the Bonds and performance of the City's obligations hereunder: (i) the costs of the preparation and printing of the Bonds; (ii) the cost of preparation, printing, and mailing of the Preliminary Official Statement, the final Official Statement and any supplements and amendments thereto; (iii) the fees and disbursements of the City's financial advisor, the Trustee's counsel, Bond Counsel, Developer's Counsel, and the Trustee relating to the issuance of the Bonds, (iv) the Attorney General's review fees, (v) the fees and disbursements of accountants, advisers and any other experts or consultants retained by the City or the Developer, including but not limited to the fees and expenses of the Appraiser and the Special Assessment Consultant, and (vi) the expenses incurred by or on behalf of City employees and representatives that are incidental to the issuance of the Bonds and the performance by the City of its obligations under this Agreement.

(b) The Underwriter shall pay the following expenses: (i) all advertising expenses in connection with the limited offering of the Bonds; (ii) fees of Underwriter's Counsel; and (iii) all other expenses, including CUSIP fees (including out-of-pocket expenses and related regulatory expenses), incurred by it in connection with its public offering and distribution of the Bonds, except as noted in Subsection 11(a) above.

(c) The City acknowledges that the Underwriter will pay from the Underwriter's expense allocation of the underwriting discount the applicable per bond assessment charged by the Municipal Advisory Council of Texas, a nonprofit corporation ("Texas MAC") whose purpose is to collect, maintain and distribute information relating to issuing entities of municipal securities. The estimated Texas MAC fee for this financing is $[______].

12. Notice. Any notice or other communication to be given to the City under this Agreement may be given by delivering the same in writing to: City of Celina, Texas, 142 N. Ohio St., Celina, Texas 76201, Attention: City Manager.

Any notice or other communication to be given to the Developer under this Agreement may be given by delivering the same in writing to: CADG Sutton Fields, LLC, c/o Centurion American Custom Homes Inc. d/b/a Centurion American Development Group Inc., 1800 Valley View Lane Ste. 300, Farmers Branch, Texas 75234, Attention: Mehrdad Moayedi.

Any notice or other communication to be given to the Minority Landowner under this Agreement may be given by delivering the same in writing to: CADG Sutton Fields II, LLC, c/o Centurion American Custom Homes Inc. d/b/a Centurion American Development Group Inc., 1800 Valley View Lane Ste. 300, Farmers Branch, Texas 75234, Attention: Mehrdad Moayedi.

Any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to: Jefferies LLC, 300 Crescent Court, Suite 500, Dallas, Texas 75201, Attention: Mark Curran, Managing Director.

13. Entire Agreement. This Agreement is made solely for the benefit of the City, the Developer, the Minority Landowner and the Underwriter (including their respective successors and assigns), and no other person shall acquire or have any right hereunder or by virtue hereof. All of the City, the Developer and Minority Landowner's representations, warranties, and agreements contained in this Agreement shall remain operative and in full force and effect regardless of: (i) any investigations made by or on behalf of the Underwriter, provided the City, the Developer and the Minority Landowner shall have no liability with respect to any matter of which the Underwriter has actual knowledge prior to the purchase of the Bonds; or (ii) delivery of any payment for the Bonds pursuant to this Agreement. The agreements contained in this Section and in Section 14 shall survive any termination of this Agreement.

14. Survival of Representations and Warranties. All representations and warranties of the parties made in, pursuant to or in connection with this Agreement shall survive the execution and delivery of this Agreement, notwithstanding any investigation by the parties. All statements contained in any certificate, instrument, or other writing delivered by a party to this Agreement or in connection with the transactions described in by this Agreement constitute representations and warranties by such party under this Agreement to the extent such statement is set forth as a representation and warranty in the instrument in question.

15. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

16. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

17. State Law Governs. The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State of Texas.

18. No Assignment. The rights and obligations created by this Agreement shall not be subject to assignment by the Underwriter, the Developer, the Minority Landowner or the City without the prior written consent of the other parties hereto.

19. No Personal Liability. None of the members of the City Council, nor any officer, representative, agent, or employee of the City, shall be charged personally by the Underwriter, the Developer or Minority Landowner with any liability, or be held liable to the Underwriter, the Developer or the Minority Landowner under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach of this Agreement.

20. Developer and Minority Landowner. The Developer and the Minority Landowner are parties to and have executed this Agreement for the limited purposes stated herein. Neither the Developer nor the Minority Landowner shall have rights, remedies or claims under or by reason of this Agreement with respect to or against the City or the Underwriter or any other person or entity, except with respect to the Underwriter under Section 10(b) of this Agreement.

[Signature page follows.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first set forth above.

JEFFERIES LLC,
as Underwriter

By: ______________________________
Name: Mark Curran
Title: Managing Director

Accepted at _____ a.m./p.m. central time on the date first stated above.

CITY OF CELINA, TEXAS

By: ______________________________________
Mayor Pro Tem

CADG Sutton Fields, LLC
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company
Its Sole Member

By: MMM Ventures, LLC
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By:_______________________________
Name: Mehrdad Moayedi
Its: Manager

CADG Sutton Fields II, LLC
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company
Its Sole Member

By: MMM Ventures, LLC
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By:_______________________________
Name: Mehrdad Moayedi
Its: Manager

APPENDIX A

$___________
CITY OF CELINA, TEXAS
(a municipal corporation of the State of Texas located in Collin and Denton Counties)
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015
(SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT
NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECT)

$________ Serial Bonds

Due (September 1)[e]	Maturity Amount ($)	Interest Rate (%)	Initial Yield (%)

Term Bonds

$_______ _______% Term Bonds, Due September 1, _______, Priced to Yield _____% [a] [b] [e]

$_______ _____% Term Bonds, Due September 1, ________, Priced to Yield ______%[a] [c] [e]

$______ _____% Term Bonds, Due September 1,______, Priced to Yield _____% [a] [e] [f]

---

[a] The Bonds are subject to redemption, in whole or in part, prior to stated maturity, at the option of the City, on any date on or after September 1, 20__, at the redemption price (expressed as a percentage of principal amount) applicable to the date of redemption as set forth in the following schedule, plus accrued interest to date of redemption:

Redemption Date	Redemption Price
On or after September 1, 20__	103%
On or after September 1, 20__	102%
On or after September 1, 20__	101%
On or after September 1, 20__	100%

[b] The Term Bonds maturing September 1, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective principal amounts as set forth in the following schedule.

$________Term Bonds due September 1, 20__

Redemption Date	**Principal Amount**

[c] The Term Bonds maturing September 1, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective principal amounts as set forth in the following schedule.

$_____ Term Bonds due September 1, 20__

Redemption Date	**Principal Amount**

(d) The Term Bonds maturing September 1, 20__, are also subject to mandatory sinking fund redemption on the dates and in the respective principal amounts as set forth in the following schedule.

$___________ Term Bonds due September 1, 20__

Redemption Date	**Principal Amount**

(e) The Bonds are also subject to extraordinary optional redemption as described in the Official Statement under "DESCRIPTION OF THE BONDS — Redemption Provisions."

APPENDIX B

ISSUE PRICE CERTIFICATE

The undersigned hereby certifies as follows with respect to the sale of the CITY OF CELINA, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015 (SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECT) (the "Obligations"):

1. The undersigned is the underwriter that purchased the Obligations from the City of Celina, Texas (the "Issuer").

2. The undersigned has made a bona fide offering of all of the Obligations of each maturity to the public at the initial offering prices set forth in the Issuer's Official Statement with respect to the Obligations, dated November 10, 2015 (the "Official Statement").

3. The initial offering price (expressed as a dollar amount, yield percentage, or percentage of principal amount and exclusive of accrued interest) at which a substantial amount (at least 10%) of the Obligations of each maturity was sold to the public (as defined in paragraph 4) is as set forth on page (i) of the Official Statement [,except for the Obligations maturing in the years 20__, 20__ and 20__ (collectively, the "Unsold Maturities")].

[4. In the case of each of the Unsold Maturities, the undersigned reasonably expected, as of the sale date of the Obligations, to sell a substantial amount (at least 10%) of each of the Unsold Maturities to the public at the initial offering price set forth in the Official Statement.]

5. The term "public," as used herein, means persons other than bondhouses, brokers, dealers, and similar persons or organizations acting in the capacity of underwriters or wholesalers.

6. The initial offering prices described above reflect current market prices at the time of such sales.

7. The undersigned understands that the statements made herein will be relied upon by the Issuer in its effort to comply with the conditions imposed by the Internal Revenue Code of 1986, as amended, on the exclusion of interest on the Obligations from the gross income of their owners.

EXECUTED and DELIVERED this _____________________.

JEFFERIES LLC

By: ______________________________________

Title: ______________________________________

By: ____

Title: ____

APPENDIX C

[LETTERHEAD OF THE ATTORNEY FOR THE CITY]

[CLOSING DATE]

[Include Developer, Trustee, Underwriter,
Developer's Counsel, and Bond Counsel as addressees]

$16,425,000
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015
(SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT
NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECT)

Ladies and Gentlemen:

We are the Attorney for the City of Celina, Texas (the "City") for limited purposes, and are rendering this opinion in connection with the issuance and sale of $16,425,000 "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project)" (the "Bonds"), by the City, a political subdivision of the State of Texas.

The Bonds are authorized pursuant to Ordinance No. 2015-____ and enacted by the City Council of the City (the "City Council") on November 10, 2015 (the "Bond Ordinance") and shall be issued pursuant to the provisions of Subchapter A of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "Act") and the Indenture of Trust dated as of December 1, 2015 (the "Indenture") by and between the City and U.S. Bank National Association, as trustee (the "Trustee"). Capitalized terms not defined herein shall have the same meanings as in the Indenture, unless otherwise stated herein.

In connection with rendering this opinion, we have reviewed the:

(a) The Resolution No. 2015-___ (the "Creation Resolution") enacted by the City Council on October 13, 2015;

(b) The Ordinance No. 2015-__ accepted and approved by City Council on November 10, 2015, and the Service and Assessment Plan attached as an exhibit thereto (the "Assessment Ordinance"), as such Service and Assessment Plan was updated by the Bond Ordinance; and

(c) The Bond Ordinance;

(e) The Indenture;

(f) The Agreement Regarding Conveyance of Right of Redemption and Waiver of Agricultural Valuation effective November 10, 2015, executed and delivered by and between the

City, CADG Sutton Fields, LLC (as an affiliate of Centurion American Custom Homes Inc. d/b/a Centurion American Development Group Inc.) (the "Developer") and CADG Sutton Fields II, LLC (as an affiliate of Centurion American Custom Homes Inc. d/b/a Centurion American Development Group Inc.) (the "Minority Landowner") and (the "Redemption Waiver Agreement");

(g) The Development Agreement effective November 10, 2015, executed and delivered by the City, the Developer and CADG Sutton Fields II, LLC, (the "Development Agreement");

(h) The Neighborhood Improvement Areas #2-5 Construction, Funding, and Acquisition Agreement dated as of November 10, 2015 executed and delivered by the City and CADG Sutton Fields, LLC (the "Finance Agreement"); and

(i) The Continuing Disclosure Agreement of Issuer, dated as of December 1, 2015, executed and delivered by the City and FSC Continuing Disclosure Services, a division of First Southwest Company, LLC (the "Dissemination Agent") (the "Continuing Disclosure Agreement of Issuer").

The Creation Resolution, the Assessment Ordinance and Bond Ordinance shall herein after be referred to as the "Authorizing Documents" and the remaining documents shall herein after be collectively referred to as the "City Documents."

In all such examinations, we have assumed that all signatures on documents and instruments executed by the City are genuine and that all documents submitted to me as copies conform to the originals. In addition, for purposes of this opinion, we have assumed the due authorization, execution and delivery of the City Documents by all parties other than the City.

Based upon and subject to the foregoing and the additional qualifications and assumptions set forth herein, we are of the opinion that:

1. The City is a Texas political subdivision and has all necessary power and authority to enter into and perform its obligations under the Authorizing Documents and the City Documents. The City has taken or obtained all actions, approvals, consents and authorizations required of it by applicable laws in connection with the execution of the Authorizing Documents and the City Documents and the performance of its obligations thereunder.

2. To the best of our knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, public board or body, pending, or threatened against the City: (a) affecting the existence of the City or the titles of its officers to their respective offices, (b) in any way questioning the formation or existence of the District, (c) affecting, contesting or seeking to prohibit, restrain or enjoin the delivery of any of the Bonds, or the payment, collection or application of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, including the special assessments in the District pursuant to the provisions of the Assessment Ordinance and the Service and Assessment Plan referenced therein, (d) contesting or affecting the validity or enforceability or the City's performance of the City Documents, (e) contesting the exclusion of the interest on the Bonds from federal income

taxation, or (f) which may result in any material adverse change relating to the financial condition of the City.

3. The Authorizing Documents were duly enacted by the City and remain in full force and effect on the date hereof.

4. The City Documents have been duly authorized, executed and delivered by the City and remain legal, valid and binding obligations of the City enforceable against the City in accordance with their terms. However, the enforceability of the obligations of the City under such City Documents may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, moratorium and other laws affecting the rights of creditors generally, (b) principles of equity, whether considered at law or in equity, and (c) the application of Texas law relating to governmental immunity applicable to governmental entities.

5. The performance by the City of the obligations under the Authorizing Documents and the City Documents will not violate any provision of any Federal or Texas constitutional or statutory provision.

6. No further consent, approval, authorization, or order of any court or governmental agency or body or official is required to be obtained by the City as a condition precedent to the performance by the City of its obligations under the Authorizing Documents and the City Documents.

7. The adoption of the Authorizing Documents and the execution and delivery of the City Documents and the compliance with the provisions of the Authorizing Documents and the City Documents under the circumstances contemplated thereby, to the best of our knowledge: (a) do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement to which the City is a party or by which it is bound, and (b) do not and will not in any material respect conflict with or constitute on the part of the City a violation, breach of or default under any existing law, regulation, court order or consent decree to which the City is subject.

This opinion may not be relied upon by any other person except those specifically addressed in this letter.

Very truly yours,

APPENDIX D

[LETTERHEAD OF SPECIAL COUNSEL TO THE DEVELOPER]

[CLOSING DATE]

[Include City, City's Counsel, Underwriter, Bond Counsel, and Trustee as addressees]

$16,425,000
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015
(SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECT)

Ladies and Gentlemen:

We have acted as special counsel for CADG Sutton Fields, LLC (the "Developer") and CADG Sutton Fields II, LLC (the "Minority Landowner"), in connection with the issuance and sale by the City of Celina, Texas (the "City"), of $16,425,000 City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project) (the "Bonds"), pursuant to Indenture of Trust dated as of December 1, 2015 (the "Indenture"), by and between the City and U.S. Bank National Association, as trustee (the "Trustee"). Proceeds from the sale of the Bonds will be used, in part, to fund certain public infrastructure improvements in the development known as "The Neighborhood Improvement Areas #2-5 Project" (the "Neighborhood Improvement Areas #2-5 Project") located in the City.

The Bonds are being sold to Jefferies LLC (the "Underwriter"), pursuant to that certain Bond Purchase Agreement and Developer and Minority Landowner Representations dated November 10, 2015 (the "Bond Purchase Agreement"), by and among the City, the Developer, the Minority Landowner and the Underwriter. This opinion is being delivered pursuant to Section 9(d) of the Bond Purchase Agreement.

All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Purchase Agreement.

Assumptions and Bases for Opinions and Assurances

In our capacity as special counsel to the Developer and the Minority Landowner, and for purposes of rendering the opinions set forth herein, we have examined originals or copies, certified or otherwise identified to our satisfaction, of:

(a) The following documents being executed, entered into and/or issued, as the case may be, in connection with the issuance of the Bonds (collectively, the "Documents"):

(1) The Indenture;

(2) The Service and Assessment Plan;

(3) The Bond Purchase Agreement;

(4) The Financing Agreement;

(5) The Development Agreement;

(6) The Redemption Waiver Agreement; and

(7) The Continuing Disclosure Agreement of Developer.

(b) Certificates of the Developer dated as of the closing date certifying as to (i) the Developer's organization documents as such are in effect as of the date hereof (the "Developer Basic Documents"); (ii) the resolution of the Developer adopted as of _____________, 2015, authorizing its execution of the applicable Documents to which it is a party and related matters; and (iii) certain other matters (collectively, the "Developer Certificates");

(c) Certificates of the Minority Landowner dated as of the closing date certifying as to (i) the Minority Landowner's organization documents as such are in effect as of the date hereof (the "Minority Landowner Basic Documents"); (ii) the resolution of the Minority Landowner adopted as of _____________, 2015, authorizing its execution of the applicable Documents to which it is a party and related matters; and (iii) certain other matters (collectively, the "Minority Landowner Certificates");

(d) Evidence that the Developer and Minority Landowner are authorized to do business in the State of Texas and are in good standing;

(e) The Preliminary Official Statement, dated October 23, 2015, relating to the issuance of the Bonds (the "Preliminary Official Statement");

(f) The final Official Statement relating to the issuance of the Bonds, dated November 10, 2015 (the "Official Statement"); and

(f) Such other documents, records, agreements and certificates of the Developer, the Minority Landowner, and their officers and such other parties as we have deemed necessary or appropriate to enable us to render the opinions expressed below.

In basing the opinions and other matters set forth herein on "our knowledge," the words "our knowledge" signify that, in the course of our representation of the Developer and the Minority Landowner, the principal attorneys in this firm involved in the current actual transaction do not have actual knowledge or actual notice that any such opinions or other matters are not accurate or that any of the documents, certificates, reports and information on which we have relied are not accurate and complete. Except as otherwise stated herein, we have undertaken no independent investigation or certification of such matters. The words "our knowledge" and similar language used herein are intended to be limited to the knowledge of the attorneys within our firm who have worked on the matters contemplated by our representation as special counsel.

In rendering the opinions set forth herein, we have assumed, without independent investigation, that (i) all persons other than the Developer and the Minority Landowner have duly and validly executed and delivered each instrument, document, and agreement constituting a Document or executed in connection therewith to which such party is a signatory, and each such party's obligations set forth therein are its legal, valid, and binding obligations, enforceable in accordance with the terms thereof; (ii) each person executing any such instrument, document, or agreement other than the Developer or the Minority Landowner is duly authorized and has the legal power to do so; (iii) each natural person executing any such instrument, document, or agreement is legally competent to do so; (iv) there are no oral or written modifications of, or amendments to, the Documents, and there has been no waiver of any of the provisions thereof, by actions or conduct of the parties or otherwise; (v) all representations of fact set forth in the Documents are complete and accurate, insofar as such facts pertain to the subject matter of the opinions rendered hereby; and (vi) all documents submitted to us as originals are complete and authentic, all documents submitted to us as certified, conformed or photostatic copies conform to the original documents, all signatures on all documents submitted to us for examination are genuine, and all public records and certificates of public officials are accurate and complete.

In addition, we have assumed that the Documents accurately reflect the complete understanding of the parties with respect to the transactions contemplated thereby and the rights and obligations of the parties thereunder. We have also assumed that the terms and conditions of the transaction as reflected in the Documents have not been amended, modified or supplemented, directly or indirectly, by any other agreement or understanding of the parties or waiver of any of the material provisions of the Documents.

We assume that none of the parties to the Documents (other than Developer and the Minority Landowner) is a party to any court or regulatory proceeding relating to or otherwise affecting the Documents or is subject to any order, writ, injunction or decree of any court or federal, state or local governmental agency or commission that would prohibit the execution and delivery of the Documents, or the consummation of the transactions therein contemplated in the manner therein provided, or impair the validity or enforceability thereof. We assume that each of the parties to the Documents (other than Developer and the Minority Landowner) has full authority to close this transaction in accordance with the terms and provisions of the Documents.

We assume that neither the Underwriter nor the City nor their respective counsel has any current actual knowledge of any facts not known to us or any law or judicial decision which would make the opinions set forth herein incorrect, and that no party upon whom we have relied for purposes of this opinion letter has perpetrated a fraud.

We have only been engaged by our clients in connection with the Documents (and the transactions contemplated in the Documents) and do not represent these clients generally.

Opinions and Assurances

Based solely upon the foregoing, and subject to the assumptions and limitations set forth herein, we are of the opinion that:

1. The general partner of the Developer is in good standing and the Developer is qualified to do business in and in good standing under the laws of the State of Texas.

2. The general partner of the Minority Landowner is in good standing and the Minority Landowner is qualified to do business in and in good standing under the laws of the State of Texas.

3. The Developer and the Minority Landowner have the full legal right, power and authority to execute, deliver and perform their obligations, as applicable, under each of the Documents to which they are a party and have taken all necessary actions to authorize the execution, distribution and delivery by the Developer or the Minority Landowner, as applicable, of such Documents and the performance by the Developer and the Minority Landowner, as applicable, of such obligations.

4. The execution, delivery and performance by the Developer and the Minority Landowner of the Documents to which they are a party, and compliance and performance by the Developer and the Minority Landowner, as applicable, with the terms and provisions thereof and obligations thereunder, will not:

(i) to our knowledge, violate or conflict with any provision of any existing law, statute, rule or regulation applicable to the Developer or the Minority Landowner by reason of the general conduct of its business and operation of its assets:

(ii) based solely upon the Developer Certificates and Minority Landowner Certificates and our knowledge, conflict with or result in the breach of any court decree or order of any governmental body binding upon or affecting the Developer or the Minority Landowner, the conflict with which or breach of which would have a material, adverse effect on the ability of the Developer or the Minority Landowner, as applicable, to perform its obligations under the Documents to which it is a party; or

(iii) contravene or conflict with the Developer Basic Documents or the Minority Landowner Basic Documents.

5. To our knowledge, no consent, approval, authorization or other action by, or filing with, any governmental authority is required for the execution and delivery by the Developer and the Minority Landowner of the Documents to which each is a party or the performance of their respective obligations thereunder, other than as are required with respect to the financing transaction evidenced thereby, or if required, and not otherwise obtained, with respect to which the requisite consent, approval or authorization has been obtained, the requisite filing has been accomplished or the requisite action has been taken at or prior to the date required therefor.

6. The Developer and Minority Landowner have duly executed and delivered each of the Documents to which they are a party, and each of such Documents constitutes the legal, valid and binding obligations of the Developer and the Minority Landowner, as applicable, enforceable against the Developer and Minority Landowner, as applicable, in accordance with its terms.

7. To our knowledge after reasonable inquiry, there are no actions, suits or proceedings pending against the Developer or the Minority Landowner in any court of law or equity, or before or by any governmental instrumentality with respect to (i) their organization or existence or qualification to do business in the State of Texas; (ii) their authority to execute or deliver the Documents to which it is a party; (iii) the validity or enforceability against them of such Documents or the transactions contemplated thereby; (iv) the titles of their officers executing the Documents; (v) the execution and delivery of the Documents on behalf of the Developer or the Minority Landowner; or (vi) the operations or financial condition of the Developer or the Minority Landowner that would materially adversely affect those operations or the financial condition of the Developer or the Minority Landowner.

8. To our knowledge, no taxes or other charges, including, without limitation, intangible or documentary stamp taxes, mortgage or recording taxes, transfer taxes or similar charges, are payable to the State of Texas by the Developer or the Minority Landowner on account of their execution or delivery of any of the Documents or the creation of the indebtedness evidenced or secured by any of the Documents or the recording or filing of any of the Documents, except for normal filing or recording fees.

9. In addition, we advise you that no facts have come to our attention that would lead us to believe that the information set forth in the Official Statement under the captions "PLAN OF FINANCE — "Development Plan" and "— Status of Lot Purchase and Sale Agreements," "THE NEIGHBORHOOD IMPROVEMENT AREAS #2-5 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER," "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Minority Landowner, the Neighborhood Improvement Areas #2-5 Projects, and the Development, as defined in the Official Statement) and "CONTINUING DISCLOSURE — The Developer" does not fairly and accurately present the information purported to be shown therein, and (except for Appendices A, C, D-1 and E as well as any other financial, engineering and statistical data contained therein or elsewhere in the Official Statement or included therein by reference, as to which we express no view) as of the date hereof, nothing has come to the attention of those individuals working on this matter on behalf of this firm which would lead us to believe that such information contains an untrue statement of a material fact or that such information omits to state a material fact required to be stated therein in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

10. To our knowledge, the execution and delivery of the Developer Basic Documents, the Minority Landowner Basic Documents, and the Documents do not, and the transactions contemplated thereby may be consummated and the terms and conditions thereof may be observed and performed in a manner that does not, conflict with or constitute a breach of or default under any loan agreement, indenture, bond note, resolution, agreement or other instrument to which the Developer or the Minority Landowner is a party or is otherwise subject which violation, breach or default would materially adversely affect the Developer, the Minority Landowner, or the transactions contemplated by the Documents; nor will any such execution, delivery, adoption, fulfillment, or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Developer or the Minority Landowner, as applicable, except as expressly contemplated by the Documents (a) under the terms of any such law, administrative

regulation, judgment or decree or (b) under any such loan agreement, indenture, bond note, resolution, agreement, or other instrument.

Qualifications

In addition to any assumptions, qualifications and other matters set forth elsewhere herein, the opinions set forth above are subject to the following assumptions and qualifications:

(a) We have not examined any court dockets, agency files or other public records regarding the entry of any judgments, writs, decrees or orders or the pendency of any actions, proceedings, investigations or litigation.

(b) We have relied upon the Developer Certificates and Minority Landowner Certificates, as well as the representations of the Developer and the Minority Landowner contained in the Documents, with respect to certain facts material to our opinion. Except as otherwise specifically indicated herein, we have made no independent investigation regarding any of the foregoing documents or the representations contained therein.

(c) Our opinion delivered pursuant to Section 6 above is subject to the effect of any applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other laws affecting creditors' rights generally and to the effect of general principles of equity, including (without limitation) remedies of specific performance and injunctive relief and concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law).

(d) Except for the Documents, we have not reviewed, and express no opinion as to, any other contracts or agreements to which the Developer or the Minority Landowner is a party or by which the Developer or the Minority Landowner is or may be bound.

(e) The opinions expressed herein are based upon and limited to the applicable laws of the State of Texas and the laws of the United States of America, excluding the principles of conflicts of laws thereof, as in effect as of the date hereof, and our knowledge of the facts relevant to such opinions on such date. In this regard, we note that we are members of the Bar of the State of Texas, we do not express any opinion herein as to matters governed by the laws of any other jurisdiction, except the United States of America, we do not purport to be experts in any other laws and we can accept no responsibility for the applicability or effect of any such laws. In addition, we assume no obligation to supplement the opinions expressed herein if any applicable laws change after the date hereof, or if we become aware of any facts or circumstances that affect the opinions expressed herein.

(f) This letter is strictly limited to the matters expressly set forth herein and no statements or opinions should be inferred beyond such matters.

(g) Notwithstanding anything contained herein to the contrary, we express no opinion whatsoever concerning the status of title to any real or personal property.

(h) We express no opinion as to the laws of any jurisdiction other than the laws of the State of Texas and the laws of the United States of America. The opinions expressed above concern only the effect of the laws (excluding the principles of conflict of laws, except as specifically provided herein) of the State of Texas and the United States of America as currently in effect. We assume no obligation to supplement this opinion if any applicable laws change after the date of this opinion, or if we become aware of any facts that might change the opinions expressed above after the date of this opinion.

(i) The opinions expressed herein regarding the enforceability of the Documents is subject to the qualification that certain of the remedial, waiver or other provisions thereof may not be enforceable; but such unenforceability will not, in our judgment, render the Documents invalid as a whole or substantially interfere with the practical realization of the principal legal benefits provided in the Documents, except to the extent of any economic consequences of any procedural delays which may result therefrom.

(j) The opinion expressed herein as to the enforceability of the Documents is specifically subject to the qualification that enforceability of the Documents is limited by the following: (i) the rights of the United States under the Federal Tax Lien Act of 1966, as amended; (ii) principles of equity, public policy and unconscionability which may limit the availability of certain remedies; (iii) bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, liquidation, probate, conservatorship and other laws applicable to creditors' rights or the collection of debtors' obligations generally; and (iv) requirements of due process under the United States Constitution, the Constitution of the State of Texas and other laws or court decisions limiting the rights of creditors to repossess, foreclose or otherwise realize upon the property of a debtor without appropriate notice or hearing or both.

(k) We express no opinion as to whether a court would grant specific performance or any other equitable remedy with respect to the enforcement of the Documents.

(l) We express no opinion as to the validity, binding effect, or enforceability of: (i) provisions which purport to waive rights or notices, including rights to trial by jury, counterclaims or defenses, jurisdiction or venue; (ii) provisions relating to consent judgments, waivers of defenses or the benefits of statutes of limitations, marshaling of assets, the transferability of any assets which by their nature are nontransferable, sales in inverse order of alienation, or severance; (iii) provisions purporting to waive the benefits of present or of future laws relating to exemptions, appraisement, valuation, stay of execution, redemption, extension of time for payment, setoff and similar debtor protection laws; or (iv) provisions requiring a party to pay fees and expenses regardless of the circumstances giving rise to such fees or expenses or the reasonableness thereof.

(m) The opinions expressed herein are subject to the effect of generally applicable rules of law that provide that forum selection clauses in contracts are not necessarily binding on the court(s) in the forum selected.

(n) We express no opinion as to the enforceability of any provisions in the Documents purporting to entitle a party to indemnification in respect of any matters arising in whole or in part by reason of any negligent, illegal or wrongful act or omission of such party.

This opinion is furnished to you solely in connection with the transactions, for the purposes and on the terms described above and may not be relied upon by you for any other purpose or by any other person in any manner or for any purpose.

Very truly yours,

Schedule I

As used herein, "Applicable Law" means the laws, rules and regulations of the State of Texas and the United States of America and the rules and regulations adopted thereunder; for the avoidance of doubt, the foregoing shall not include any local or municipal laws, environmental laws or regulations, development laws or regulations, land ordinances or water management laws or regulations.

As used herein, "Governmental Approval" means any consent, approval, license, authorization or validation of, or filing, recording or registration with, any Governmental Authority of the State of Texas or any governmental authority or instrumentality of the United States of America pursuant to any Applicable Law.

As used herein, "Governmental Authority" means the government of the State of Texas, and any agency, authority, statewide subdivision instrumentality, regulatory body, court or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to such government.

APPENDIX E

[LETTERHEAD OF APPRAISER]

[DATE]

[Include City, City's Counsel, Underwriter, Bond Counsel, and Trustee as addressees]

Re: City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project) (the "Bonds")

Ladies and Gentlemen:

The undersigned, Jackson Claborn, Inc., appraiser of (i) the undeveloped property contained in Sutton Fields II Public Improvement District ("District"), does hereby represent the following:

1. On behalf of Jackson Claborn, Inc., I have supplied certain information contained in the Preliminary Official Statement for the Bonds, dated October 23, 2015, and the Official Statement for the Bonds, dated November 10, 2015 (together, the "Official Statement"), relating to the issuance of the Bonds by the City of Celina, Texas, as described above. The information I have provided is the real estate appraisal of the property in the District, located in Appendix E to the Official Statement.

2. To the best of my professional knowledge and belief, as of the date of my appraisal report, the portion of the Official Statement described above does not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. I agree to the use of the name of my firm in the Official Statement for the Bonds.

4. I agree that, to the best of my ability, I will inform you immediately should I learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about December 9, 2015) which would render any such information in the Official Statement untrue, incomplete, or incorrect, in any material fact or render any statement in the appraisal materially misleading.

5. The undersigned hereby represents that he has been duly authorized to execute this letter of representation.

Sincerely yours,

JACKSON CLABORN, INC.

____

By: _____________________________________

Its: _____________________________________

APPENDIX F

[LETTERHEAD OF SPECIAL ASSESSMENT CONSULTANT]

[DATE]

[Include City, City's Counsel, Underwriter, Bond Counsel, and Trustee as addressees]

Re: City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project) (the "Bonds")

Ladies and Gentlemen:

The undersigned, _________________, of Development Planning & Financing Group, Inc. ("DPFG"), consultant in connection with the creation by the City of Celina, Texas (the "City"), of Sutton Fields II Public Improvement District (the "District"), does hereby represent the following:

1. On behalf of DPFG, I have supplied certain information contained in the Preliminary Official Statement, dated October 23, 2015 (the "Preliminary Official Statement"), and the final Official Statement, dated November 10, 2015 (the "Official Statement"), both in connection with the Bonds, relating to the issuance of the Bonds by the City, as described above. The information I provided for the Preliminary Official Statement and the Official Statement is located (a) under the caption "THE SPECIAL ASSESSMENT CONSULTANT" and (b) in the Service and Assessment Plan (the "SAP") for the City located in Appendix B to the Official Statement.

2. To the best of my professional knowledge and belief, the portions of the Official Statement described above do not contain an untrue statement of a material fact as to the information and data set forth therein, and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. I agree to the inclusion of the following in the Official Statement for the Bonds: (a) the information under the caption "THE SPECIAL ASSESSMENT CONSULTANT" and (b) the SAP.

4. I agree to the use of the name of my firm in the Official Statement for the Bonds.

5. I agree that, to the best of my ability, I will inform you immediately should I learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about December 9, 2015) which would render any such information in the Official Statement untrue, incomplete, or incorrect, in any material fact or render any such information materially misleading.

6. The undersigned hereby represents that he has been duly authorized to execute this letter of representation.

Sincerely yours,

DEVELOPMENT PLANNING & FINANCING GROUP, INC.

By: ____
Its: ____

EXHIBIT C

CONTINUING DISCLOSURE AGREEMENT

CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015
(SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECT)

CONTINUING DISCLOSURE AGREEMENT OF THE ISSUER

This Continuing Disclosure Agreement dated as of December 1, 2015 (this "Disclosure Agreement") is executed and delivered by and between the City of Celina, Texas (the "Issuer") and FSC Continuing Disclosure Services, a division of First Southwest Company, LLC (the "Dissemination Agent") with respect to the Issuer's "Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project)" (the "Bonds"). The Issuer and the Dissemination Agent covenant and agree as follows:

SECTION 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer and the Dissemination Agent for the benefit of the Owners (defined below) and beneficial owners of the Bonds. Unless and until a different filing location is designated by the MSRB (defined below) or the SEC (defined below), all filings made by the Dissemination Agent pursuant to this Agreement shall be filed with the MSRB through EMMA (defined below).

SECTION 2. Definitions. In addition to the definitions set forth above and in the Indenture of Trust dated as of December 1, 2015, relating to the Bonds (the "Indenture"), which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Administrator" shall mean the employee or designee of the City, identified in any indenture of trust relating to the Bonds, the District's Service and Assessment Plan, or any other agreement or document approved by the Issuer related to the duties and responsibilities of the administration of the District.

"Annual Collection Costs" shall have the meaning assigned to such term in the Indenture.

"Annual Financial Information" shall mean annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

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

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

"Business Day" shall mean any day other than a Saturday, Sunday or legal holiday in the State of Texas observed as such by the Issuer or the Trustee.

"Developer" shall mean CADG Sutton Fields, LLC, a Texas limited liability company, and its successors and assigns.

"Disclosure Agreement of Developer" shall mean the Continuing Disclosure Agreement of the Developer dated as of December 1, 2015 executed and delivered by the Developer and the Dissemination Agent.

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

"Dissemination Agent" shall mean FSC Continuing Disclosure Services, a division of First Southwest Company, LLC, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee a written acceptance of such designation.

"District" shall mean Sutton Fields II Public Improvement District.

"EMMA" shall mean the Electronic Municipal Market Access System available on the internet at http://emma.msrb.org.

"Fiscal Year" shall mean the calendar year from October 1 through September 30.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

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

"Neighborhood Improvement Area #1" shall mean the first phase of the development within the District.

"Neighborhood Improvement Areas #2-5" shall mean the phases to be developed within the District subsequent to Neighborhood Improvement Area #1.

"Outstanding" shall mean, as of any particular date when used with reference to Bonds, all Bonds authenticated and delivered under this Indenture except (i) any Bond that has been canceled by the Trustee (or has been delivered to the Trustee for cancellation) at or before such date, (ii) any Bond for which the payment of the principal or Redemption Price of and interest on such Bond shall have been made as provided in the Indenture, and (iii) any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered pursuant to the Indenture.

"Owner" shall mean the registered owner of any Bonds.

"Rule" shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" shall mean the United States Securities and Exchange Commission.

"Service and Assessment Plan" shall have the meaning assigned to such term in the Indenture.

"Tax-exempt" shall mean that interest on the Bonds is excluded from gross income for federal income tax purposes, whether or not such interest is includable as an item of tax preference or otherwise includable directly or indirectly for purposes of calculating any other tax liability, including any alternative minimum tax liability.

"Trustee" shall mean U.S. Bank National Association, Dallas, Texas, or any successor trustee pursuant to the Indenture.

SECTION 3. Provision of Annual Bond Disclosure Reports.

(a) The Issuer shall cause and hereby directs the Dissemination Agent to provide or cause to be provided to the MSRB, in the electronic or other form required by the MSRB, commencing with the Fiscal Year ended September 30, 2015, an Annual Issuer Report provided to the Dissemination Agent which is consistent with the requirements of and within the time periods specified in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Issuer, if prepared and when available, may be submitted separately from the Annual Issuer Report, and later than the date required in this paragraph for the filing of the Annual Issuer Report if audited financial statements are not available by that date; provided further, however, that the Annual Financial Information must be submitted not later than six months after the end of the Issuer's Fiscal Year. In each case, the Annual Issuer Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Agreement. If the Issuer's Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(a). All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(b) The Issuer shall or shall cause the Dissemination Agent to:

(i) determine the filing address or other filing location of the MSRB each year prior to filing the Annual Issuer Report on the date required in subsection (a);

(ii) file the Annual Issuer Report (excluding the audited financial statements of the Issuer, if any, which shall be filed by the Issuer or the Dissemination Agent upon receipt from the Issuer) containing or incorporating by reference the information set forth in Section 4 hereof; and

(iii) if the Issuer has provided the Dissemination Agent with the completed Annual Issuer Report and the Dissemination Agent has filed such Annual Issuer Report with the MSRB, then the Dissemination Agent shall file a report with the Issuer certifying that the Annual Issuer Report has been provided pursuant to this Disclosure Agreement, stating the date it was provided and that it was filed with the MSRB

SECTION 4. Content and Timing of Annual Issuer Reports. The Annual Issuer Report for the Bonds shall contain or incorporate by reference, and the Issuer agrees to provide or cause to be provided to the Dissemination Agent, the following:

(a) Within six months after the end of each Fiscal Year (any or all of which may be unaudited),

(i) Tables setting forth the following information, as of the end of such Fiscal Year:

(A) For the Bonds, the maturity date or dates, the interest rate or rates, the original aggregate principal amount and principal amount remaining Outstanding; and

(B) The amounts in the funds and accounts securing the Bonds.

(ii) Updates to the information in the Service and Assessment Plan as most recently amended or supplemented (a "SAP Update"), including any changes to the methodology for levying the Assessments in Neighborhood Improvement Areas #2-5. Until building permits have been issued for parcels or lots representing, in the aggregate, 95% of the total Assessments levied within Neighborhood Improvement Areas #2-5, such SAP Update shall include, the number of new homes completed in Neighborhood Improvement Areas #2-5 during such Fiscal Year and the aggregate number of new homes completed within Neighborhood Improvement Areas #2-5 since filing the initial Annual Issuer Report for Fiscal Year ended September 30, 2015.

(iii) The individual and aggregate taxable assessed valuation for parcels or lots within Neighborhood Improvement Areas #2-5 based on the most recent certified tax roll available to the Issuer.

(iv) The current or delinquent status of the payment of the Assessment for each parcel or lot in Neighborhood Improvement Areas #2-5 as of February 15 of the calendar year immediately succeeding such Fiscal Year.

(v) The total amount of (A) Annual Installments invoiced, (B) Annual Installments collected (as reported by the County Tax Assessor Collector or the Administrator), (C) delinquent Annual Installments, (D) Foreclosure Proceeds collected, and (E) prepaid Assessments collected, as of the February 15 of the calendar year immediately succeeding such Fiscal Year, in each case with respect to the most recent billing period (generally, October 1 of the preceding calendar year through January 31 of the current calendar year).

(vi) The total amount of Annual Installments assessed and collected during such Fiscal Year, together with the amount of delinquent Assessments collected and Assessments prepaid during such Fiscal Year.

(vii) The principal and interest paid on the Bonds during such Fiscal Year and the minimum scheduled principal and interest required to be paid on the Bonds in the next Fiscal Year.

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

(b) If not provided with the financial information provided under subsection 4(a) above, if prepared and when available, the audited financial statements of the Issuer for the most recently ended Fiscal Year, prepared in accordance with generally accepted accounting principles applicable from time to time to the Issuer.

See Exhibit B hereto for a form for submitting the information set forth in the preceding paragraph. The Issuer has designated MuniCap, Inc. as the initial Administrator. The Administrator, and if no Administrator is designated, Issuer's staff, shall prepare the Annual Financial Information.

Any or all of the items listed above may be included by specific reference to other documents, including disclosure documents of debt issues of the Issuer, which have been submitted to and are publicly accessible from the MSRB. If the document included by reference is a final offering document, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, each of the following is a Listed Event with respect to the Bonds:

1. Principal and interest payment delinquencies.

2. Non-payment related defaults, if material.

3. Unscheduled draws on debt service reserves reflecting financial difficulties.

4. Unscheduled draws on credit enhancements reflecting financial difficulties.

5. Substitution of credit or liquidity providers, or their failure to perform.

6. Adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.

7. Modifications to rights of Owners, if material.

8. Bond calls, if material.

9. Defeasances.

10. Release, substitution, or sale of property securing repayment of the Bonds, if material.

11. Rating changes.

12. Bankruptcy, insolvency, receivership or similar event of the Issuer.

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

14. Appointment of a successor or additional trustee under the Indenture or the change of name of a trustee, if material.

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

Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall promptly notify the Dissemination Agent in writing and the Issuer shall direct the Dissemination Agent to file a notice of such occurrence with the MSRB. The Dissemination Agent shall file such notice no later than the Business Day immediately following the day on which it receives written notice of such occurrence from the Issuer. Any such notice is required to be filed within ten (10) Business Days of the occurrence of such Listed Event.

Additionally, the Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide annual audited financial statements or Annual Financial Information as required under this Disclosure Agreement. See Exhibit A hereto for a form for submitting "Notice To MSRB of Failure To File."

Any notice under the preceding paragraphs shall be accompanied with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Dissemination Agent to disseminate such information as provided herein, and the date the Issuer desires for the Dissemination Agent to disseminate the information (which date shall not be more than ten (10) Business Days after the occurrence of the Listed Event or failure to file).

In all cases, the Issuer shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures. In addition, the Issuer shall have the sole responsibility to ensure that any notice required to be filed under this Section 5 is filed within (10) Business Days of the occurrence of the Listed Event.

(b) The Dissemination Agent shall, within three (3) Business Days of obtaining actual knowledge of the occurrence of any Listed Event with respect to the Bonds, notify the Disclosure Representative of such Listed Event. The Dissemination Agent shall not be required to file a notice of the occurrence of such Listed Event with the MSRB unless and until it receives written instructions from the Disclosure Representative to do so. It is agreed and understood that the duty to make or cause to be made the disclosures herein is that of the Issuer and not that of the Trustee or the Dissemination Agent. It is agreed and understood that the Dissemination Agent has agreed to give the foregoing notice to the Issuer as an accommodation to assist it in monitoring the occurrence of such event, but is under no obligation to investigate whether any such event has occurred. As used above, "actual knowledge" means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent be liable in damages or in tort to the Issuer or any Owner or beneficial owner of any interests in the Bonds as a result of its failure to give the foregoing notice or to give such notice in a timely fashion.

(c) If in response to a notice from the Dissemination Agent under subsection (b), the Issuer determines that the Listed Event under number 2, 7, 8, 10, 13, or 14 of subparagraph (a) above is not material under applicable federal securities laws, the Issuer shall promptly notify the Dissemination Agent and the Trustee (if the Dissemination Agent is not the Trustee) in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (d).

(d) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall immediately file a notice of such occurrence with the MSRB.

SECTION 6. Termination of Reporting Obligations. The obligations of the Issuer and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required. So long as any of the Bonds remain Outstanding, the Dissemination Agent may assume that the Issuer is an obligated person with respect to the Bonds until it receives written notice from the Disclosure Representative stating that the Issuer is no longer an obligated person with respect to the Bonds, and the Dissemination Agent may conclusively rely upon such written notice with no duty to make investigation or inquiry into any statements contained or matters referred to in such written notice. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event with respect to such series of Bonds under Section 5(a).

SECTION 7. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent or successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be FSC Continuing Disclosure Services, a division of First Southwest Company, LLC.

SECTION 8. Amendment; Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement (and the Dissemination Agent shall not unreasonably withhold its consent to any amendment so requested by the Issuer), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the delivery of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

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

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next related Annual Issuer Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Annual Issuer Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. No amendment which adversely affects the Dissemination Agent may be made without its prior written consent (which consent will not be unreasonably withheld or delayed).

SECTION 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Issuer Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Issuer Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Bond Disclosure Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, the Dissemination Agent may (and, at the request of the Owners of at least 25% aggregate principal amount of Outstanding Bonds, shall, upon being indemnified to its satisfaction as provided in the Indenture), or any Owner or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate to cause the Issuer, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture with respect to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action for mandamus or specific performance. A default under this

Disclosure Agreement by the Issuer shall not be deemed a default under the Disclosure Agreement of Developer by the Developer, and a default under the Disclosure Agreement of the Developer by the Developer shall not be deemed a default under this Disclosure Agreement by the Issuer.

SECTION 11. Duties, Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Dissemination Agent. To the extent permitted by law, the Issuer agrees to hold harmless the Dissemination Agent, its officers, directors, employees and agents, but only with funds to be provided by the Developer or from Assessments collected from the property owners in Neighborhood Improvement Areas #2-5 of the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Dissemination Agent for losses, expenses or liabilities arising from information provided to the Dissemination Agent by the Developer or the failure of the Developer to provide information to the Dissemination Agent as and when required under the Disclosure Agreement of Developer. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Dissemination Agent is an "obligated person" under the Rule. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The fact that the Dissemination Agent may have a banking or other business relationship with the Issuer or any person with whom the Issuer contracts in connection with the transaction described in the Indenture, apart from the relationship created by the Indenture or this Disclosure Agreement, shall not be construed to mean that the Dissemination Agent has actual knowledge of any event described in Section 5 above, except as may be provided by written notice to the Dissemination Agent pursuant to this Disclosure Agreement.

The Dissemination Agent may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Dissemination Agent shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT OR THE ISSUER BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER OR THE DISSEMINATION AGENT, RESPECTIVELY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS DISCLOSURE AGREEMENT, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE. THE DISSEMINATION AGENT IS UNDER NO OBLIGATION NOR IS IT REQUIRED TO BRING SUCH AN ACTION.

SECTION 12. Assessment Timeline. The basic expected timeline for the collection of Assessments and the anticipated procedures for pursuing the collection of delinquent Assessments is set forth in Exhibit C which is intended to illustrate the general procedures expected to be followed in enforcing the payment of delinquent Assessments.

SECTION 13. No Personal Liability. No covenant, stipulation, obligation or agreement of the Issuer or Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future council members, officer, agent or employee of the Issuer or Dissemination Agent in other than that person's official capacity.

SECTION 14. Severability. In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reasons held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

SECTION 15. Sovereign Immunity. The Dissemination Agent agree that nothing in this Disclosure Agreement shall constitute or be construed as a waiver of the Issuer's sovereign or governmental immunities regarding liability or suit.

SECTION 16. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent and the Owners and the beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity. Nothing in this Disclosure Agreement is intended or shall act to disclaim, waive or otherwise limit the duties of the Issuer under federal and state securities laws.

SECTION 17. Dissemination Agent Compensation. The fees and expenses incurred by the Dissemination Agent for its services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the annual updates to the Service and Assessment Plan. The Issuer shall pay or reimburse the Dissemination Agent, but only with funds to be provided from Assessments collected from the property owners in Neighborhood Improvement Areas #2-5 of the District, for its fees and expenses for the Dissemination Agent's services rendered in accordance with this Disclosure Agreement.

SECTION 18. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas.

SECTION 19. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[remainder of page left blank intentionally]

CITY OF CELINA, TEXAS

By: ____
Mayor Pro Tem

FSC CONTINUING DISCLOSURE SERVICES,
a division of First Southwest Company, LLC
(as Dissemination Agent)

By: ______________________________________
Authorized Officer

EXHIBIT A

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL ISSUER REPORT

Name of Issuer:	City of Celina, Texas
Name of Bond Issue:	Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project)
Date of Delivery:	_______________, 20__

NOTICE IS HEREBY GIVEN that the City of Celina, Texas, has not provided [an Annual Issuer Report][annual audited financial statements] with respect to the above-named bonds as required by the Continuing Disclosure Agreement dated December 1, 2015, between the Issuer and FSC Continuing Disclosure Services, a division of First Southwest Company, LLC, as Dissemination Agent. The Issuer anticipates that [the Annual Issuer Report][annual audited financial statements] will be filed by _________________.

Dated: __________________

FSC Continuing Disclosure Services,
a division of First Southwest Company, LLC
on behalf of the City of Celina, Texas
(as Dissemination Agent)

By: ____

Title: ____

cc: City of Celina, Texas

EXHIBIT B

CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2015
(SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT
NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECT)

ANNUAL BOND DISCLOSURE REPORT*

Delivery Date: ___________, 20__

DISSEMINATION AGENT

Name: ____________________________________
Address: ____________________________________
City: ____________________________________
Telephone: ____________________________________
Contact Person: ____________________________________

BONDS OUTSTANDING

CUSIP Number	Maturity Date	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Outstanding Interest Amount

INVESTMENTS

Fund/ Account Name	Investment Description	Par Value	Book Value	Market Value

*Excluding Audited Financial Statements of the Issuer

ASSETS AND LIABILITIES OF PLEDGED TRUST ESTATE

Bonds (Principal Balance)	____________________
Funds and Accounts [list]	____________________
TOTAL ASSETS	____________________

LIABILITIES

Outstanding Bond Principal	____________________
Outstanding Program Expenses (if any)	____________________
TOTAL LIABILITIES	____________________

EQUITY

Assets Less Liabilities	____________________
Parity Ratio	____________________

Form of Accounting ☐ Cash ☐ Accrual ☐ Modified Accrual

ITEMS REQUIRED BY SECTION 4(a)(ii) - (viii)
[Insert a line item for each applicable listing]

EXHIBIT C

BASIC TIMELINE FOR ASSESSMENT COLLECTIONS AND PURSUIT OF DELINQUENCIES

Date	Delinquency Clock (Days)	Activity
January 31		Assessments are due.
February 1	1	Assessments Delinquent if not received
February 15	15	Issuer forwards payment to Trustee for all collections received as of February 15, along with detailed breakdown. Subsequent payments and relevant details will follow monthly thereafter.
		Issuer and/or Administrator should be aware of actual and specific delinquencies
		Issuer and/or Administrator should be aware if Reserve Fund needs to be utilized for debt service payment on March 1. **If there is to be a shortfall, the Trustee and Dissemination Agent should be immediately notified**.
		Issuer and/or Administrator should also be aware if, based on collections, there will be a shortfall for September payment
		Issuer and/or Administrator should determine if previously collected surplus funds, if any, plus actual collections will be fully adequate for debt service in March and September.
		At this point, if total delinquencies are under 5% and if there is adequate funding for March and September payments, no further action is anticipated for collection of Assessments except that the Issuer or Administrator, working with the City Attorney or an appropriate designee, will begin process to cure deficiency. **For properties delinquent by more than one year or if the delinquency exceeds $10,000 the matter will be referred for commencement of foreclosure.**
		If there are over 5% delinquencies or if there is inadequate funding in the Pledged Revenue Fund for transfer to the Principal and Interest Account of such amounts as shall be required for the full March and September payments, the collection-foreclosure procedure will

		proceed against all delinquent properties.
March 1	28/29	Trustee pays bond interest payments to bondholders. Reserve Fund payment to Bond Fund may be required if Assessments are below approximately 50% collection rate. Issuer, or the Trustee on behalf of the Issuer, to notify Dissemination Agent of the occurrence of draw on the Reserve Fund and, following receipt of such notice, Dissemination Agent to notify MSRB of such draw or Fund for debt service. **Use of Reserve Fund for debt service payment should trigger commencement of foreclosure on delinquent properties.** Issuer determines whether or not any Annual Installments are delinquent and, if such delinquencies exist, the Issuer commences as soon as practicable appropriate and legally permissible actions to obtain such delinquent Annual Installments.
March 20	**47/48**	**Issuer and/or Administrator to notify Dissemination Agent for disclosure to MSRB of all delinquencies.** **If any property owner with ownership of property responsible for more than $10,000 of the Assessments is delinquent or if a total of delinquencies is over 5%, or if it is expected that Reserve Fund moneys will need to be utilized for either the March or September bond payments, the Disclosure Representative shall work with City Attorney's office, or the appropriate designee, to satisfy payment of all delinquent Assessments.**
April 15	**74/75**	**Preliminary Foreclosure activity commences, and Issuer to notify Dissemination Agent of the commencement of preliminary foreclosure activity.** If Dissemination Agent has not received Foreclosure Schedule and Plan of Collections, Dissemination Agent to request same from the Issuer.
May 1	89/90	If the Issuer has not provided the Dissemination

		Agent with Foreclosure Schedule and Plan of Collections, and if instructed by the bondholders under Section 11.2 of the Indenture, Dissemination Agent requests that the Issuer commence foreclosure or provide plan for collection.
May 15	103/104	The designated lawyers or law firm will be preparing the formal foreclosure documents and will provide periodic updates to the Dissemination Agent for dissemination to those bondholders who have requested to be notified of collections progress. The goal for the foreclosure actions is a filing by no later than June 1 (day 120/121).
June 1	**120/121**	**Foreclosure action to be filed with the court.**
June 15	**134/135**	**Issuer notifies Trustee and Dissemination Agent of Foreclosure filing status.** Dissemination Agent notifies bondholders.
July 1	150/151	If bondholders and Dissemination Agent have not been notified of a foreclosure action, Dissemination Agent will notify the Issuer that it is appropriate to file action.

EXHIBIT D

CONSTRUCTION FUNDING AGREEMENT

NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT

THIS CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT (this "Agreement"), dated as of November 10, 2015, is by and between **CITY OF CELINA, TEXAS**, a home-rule municipality of the State of Texas (the "City"), and **CADG SUTTON FIELDS, LLC**, a Texas limited liability company (the "Developer").

ARTICLE I
DEFINITIONS

The following terms shall have the meanings ascribed to them in this Article I for purposes of this Agreement. Unless otherwise indicated, any other terms, capitalized or not, when used herein shall have the meanings ascribed to them in the Indenture (as hereinafter defined).

"Act" means the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended.

"Actual Costs" means the costs of the Neighborhood Improvement Areas #2-5 Major Improvement Projects actually paid or incurred for construction and installation of the Neighborhood Improvement Areas #2-5 Major Improvement Projects.

"Administrator" means, initially, MuniCap, Inc., or any other individual or entity designated by the City to administer the District.

"Annual Service Plan Update" means the annual update to the Service and Assessment Plan conducted by the Administrator pursuant to Section IV of the Service and Assessment Plan.

"Authorized Improvement(s)" means a public improvement project as listed in the Service and Assessment Plan.

"Bond Ordinance" means Ordinance No. 2015-__ adopted by the City Council on November 10, 2015 authorizing the issuance of the Bonds pursuant to the Indenture.

"Bonds" means the City's bonds designated "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas # 2 – 5 Major Improvement Project)".

"Budgeted Costs" means the anticipated, agreed upon costs of the Authorized Improvements as shown in Section III of the Service and Assessment Plan.

"Certification for Payment" means a certificate, substantially in the form of **Exhibit C attached** hereto or otherwise agreed to by the Developer, Administrator and City, executed by an engineer, construction manager or other person or entity acceptable to the City, as evidenced by the signature of a City Representative (as defined in the Indenture), provided each month to the City Representative and the Trustee, specifying the amount of work performed and the amount charged for that work, including materials and labor costs, presented to the Trustee to request payment under the Indenture.

"City Representative" means that official or agent of the City, other than the Inspector as defined below, authorized by the City Council to undertake the action referenced herein.

"**Closing Disbursement Request"** means the certificate, substantially in the form of **Exhibit A attached** hereto or otherwise agreed to by the Developer, Administrator and City Representative, executed by an engineer, construction manager or other person or entity acceptable to the City, as evidenced by the signature of a City Representative (as defined in the Indenture), specifying the amounts to be disbursed for the Rights-of-Way and Open Space Land costs, the costs related to the creation of the District, the costs of issuance of the Bonds, and the costs of acquisition and decertification of the CCNs.

"Construction Contracts" means the contracts for the construction of the Neighborhood Improvement Areas #2-5 Major Improvement Projects. "Construction Contract" means any one of the Construction Contracts.

"Cost" means the Budgeted Costs or the cost of a Neighborhood Improvement Areas #2-5 Major Improvement Project as reflected in a Construction Contract, if greater.

"Cost Overrun" means, with respect to each Authorized Improvement, the Actual Cost as appropriate of such Neighborhood Improvement Areas #2-5 Major Improvement Project in excess the Budgeted Cost.

"**Development Agreement"** means that certain "Sutton Fields Facilities and Development Agreement," executed by and between the Developer and the City.

"**District**" shall mean Sutton Fields II Public Improvement District created by Resolution Number 2015-51R.

"Final Completion" means completion of a Neighborhood Improvement Areas #2-5 Major Improvement Project in compliance with existing City standards for dedication under the City's ordinances and the Development Agreement.

"Indenture" means that certain Indenture of Trust between the City and U.S. Bank National Association, as trustee, dated as of December 1, 2015 relating to the Bonds.

"Inspector" means an individual employed by the City whose job is, in part or in whole, to inspect infrastructure for compliance with all rules and regulations applicable to the development and the infrastructure inspected.

“Rights-of-Way and Open Space Land” means the land, easements and rights-of-way described in the Service and Assessment Plan.

“Neighborhood Improvement Areas #2-5 Major Improvement Projects” mean, collectively, the Neighborhood Improvement Areas #2-5 Major Improvement Projects listed in **Exhibit A**. An individual Neighborhood Improvement Areas #2-5 Major Improvement Project, including a completed segment or part, shall be referred to as a **Neighborhood Improvement Areas #2-5 Major Improvement Project**.

“**Neighborhood Improvement Areas #2-5**” shall have the meaning set forth in the Indenture.

“Plans” mean the plans, specifications, schedules and related construction contracts for the Neighborhood Improvement Areas #2-5 Major Improvement Projects, respectively, approved pursuant to the applicable standards and directives of the City, the Development Agreement, and any other applicable governmental entity.

“**Project Fund”** means the fund, including the accounts created and established under such fund, where monies from the proceeds of the sale of the Bonds, excluding those deposited in other funds in accordance with the Indenture, shall be deposited, and the fund by such name created under the Indenture.

"Reimbursement Agreement" means the Neighborhood Improvement Areas #2-5 Reimbursement Agreement dated as of November 5, 2015 by and between the City and the Developer providing for the construction and financing of certain Neighborhood Improvement Areas #2-5 Major Improvement Projects by the Developer for which the Developer will later be reimbursed by the City pursuant to the Act.

“Service and Assessment Plan” means the Sutton Fields II Service and Assessment Plan adopted by Ordinance No. 2015-___ on November 10, 2015 by the City Council, prepared pursuant to the Act.

“Substantial Completion” means the time at which the construction of a Neighborhood Improvement Areas #2-5 Major Improvement Project (or specified segment, section or part thereof) has progressed to the point where such Neighborhood Improvement Areas #2-5 Major Improvement Project (or a specified segment, section or part thereof) is sufficiently complete in accordance with the Construction Contracts related thereto so that such Neighborhood Improvement Areas #2-5 Major Improvement Project (or a specified segment, section or part thereof) can be utilized for the purposes for which it is intended.

“Supplement” means a written document agreed upon by the parties to this Agreement amending, supplementing or otherwise modifying this Agreement and any exhibit hereto, including any amendments to the list of Authorized Improvements in Section III of the Service and Assessment Plan, the Act, the Bond Ordinance, the Indenture, and this Agreement.

"Tract B" means the approximately 128 acres as identified in the Development Agreement as Tract B, which acreage is to be acquired by CADG Sutton Fields II, LLC on or before November 4, 2015.

ARTICLE II
RECITALS

Section 2.01. <u>The District and the Authorized Improvements</u>.

(a) The City has created the District under the Act for the financing of, among other things, the acquisition, construction and installation of the Neighborhood Improvement Areas #2-5 Major Improvement Projects.

(b) The City has authorized the issuance of the Bonds in accordance with the provisions of the Act, the Bond Ordinance and the Indenture, the proceeds of which Bonds shall be used, in part, to finance a pro-rata portion of the Neighborhood Improvement Areas #2-5 Major Improvement Projects allocable to Neighborhood Improvement Areas #2–5 of the District (as defined in the Indenture) and in accordance with the terms and limitations of the Development Agreement and the Service and Assessment Plan.

(c) All Neighborhood Improvement Areas #2-5 Major Improvement Projects are eligible to be financed with proceeds of the Bonds, the Reimbursement Agreement, additional Bonds or Additional Obligation as defined in the Indenture to the extent specified herein. The Neighborhood Improvement Areas #2-5 Major Improvement Projects for Tract B are restricted by Section 6.1(b) of the Development Agreement.

(d) The proceeds from the issuance and sale of the Bonds shall be deposited in accordance with Section 6.2(a) of the Indenture and Section 6.1(b) of the Development Agreement.

(e) The Developer will undertake, oversee, or ensure the construction and development of the Neighborhood Improvement Areas #2-5 Major Improvement Projects for acquisition and acceptance by the City.

Section 2.02. <u>Agreements</u>. In consideration of the mutual promises and covenants set forth herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Developer agree that the foregoing recitals, as applicable to each, are true and correct and further make the agreements set forth herein.

ARTICLE III
FUNDING

Section 3.01. Bonds.

(a) The City, in connection with this Agreement, is proceeding with the issuance and delivery of the Bonds

(b) The projects to be financed with the Bonds include the Neighborhood Improvement Areas #2-5 Major Improvement Projects. The payment of costs from the proceeds of the Bonds for such Neighborhood Improvement Areas #2-5 Major Improvement Projects shall be made from the Neighborhood Improvement Areas #2-5 Major Improvement Account of the Project Fund established under the Indenture. The costs of all other Neighborhood Improvement Areas #2-5 Major Improvement Projects shall be paid first from the Developer Improvement Account of the Project Fund and then from the Neighborhood Improvement Areas #2-5 Major Improvement Account of the Project Fund.

(c) The City's obligation with respect to the payment of Neighborhood Improvement Areas #2-5 Major Improvement Projects shall be limited to the Budgeted Costs, and shall be payable solely from amounts on deposit for the payment of such costs as provided herein and in the Indenture. The City's obligation with respect to the Neighborhood Improvement Areas #2-5 Major Improvement Projects for Tract B are also governed by Section 6.1(b) of the Development Agreement. The Developer agrees and acknowledges that it is responsible for all Cost Overruns, as qualified, however, by the distribution of cost underrun monies, as detailed in Sections 4.05.

(d) The City shall have no responsibility whatsoever to the Developer with respect to the investment of any funds held in the Project Fund by the Trustee under the provisions of the Indenture, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment. Any such loss may diminish the amounts available in the Project Fund to pay the Costs of the Neighborhood Improvement Areas #2-5 Major Improvement Projects in the District, including the Developer to the extent it owns any real property in the District. The obligation of a property owner to pay Assessments is not in any way dependent on the availability of amounts in the Project Fund to pay for all or any portion of the Costs of the Neighborhood Improvement Areas #2-5 Major Improvement Projects hereunder.

(e) The Developer acknowledges that any lack of availability of amounts in the funds or accounts established in the Indenture to pay the Costs of the Neighborhood Improvement Areas #2-5 Major Improvement Projects shall in no way diminish any obligation of the Developer with respect to the construction of or contributions for the Neighborhood Improvement Areas #2-5 Major Improvement Projects required by this Agreement, the Development Agreement, or any other agreement to which the Developer is a party or any governmental approval to which the Developer or any land within the District is subject.

(f) The City hereby finds and determines that the payments made for the Rights of Way and Open Space Land pursuant to Section 3.02(a) herein are reasonable and fair approximations of the fair market value of the Rights of Way and Open Space Land acquired by the City, based upon the independent appraisal of the value of the property received by the City, the purchase price of surrounding properties and the appreciation of the value of the land.

(g) The Developer acknowledges that as a result of the bonds being issued in two series, some funds may not be immediately available for reimbursement for Actual Costs submitted and approved with an approved Certification for Payment. Both parties acknowledge that these remaining amounts will be disbursed, to the extent of available monies in the Project Fund or Reimbursement Fund, as applicable under the terms of the Indenture and the Reimbursement Agreement, as money is deposited into the Project Fund or Reimbursement Fund for the payment of such costs. Both Parties acknowledge that the availability of funds in the Project Fund does not relieve the Developer from its responsibility to acquire, construct, or ensure the construction of the Neighborhood Improvement Areas #2-5 Major Improvement Projects in accordance with the Development Agreement, the Service and Assessment Plan, the Reimbursement Agreement and this Agreement.

Section 3.02. Disbursements and Transfers at Bond Closing.

a) The City and the Developer agree that from the proceeds of the Bonds and upon the presentation of evidence satisfactory to the Administrator, the City will cause the Trustee to pay at closing of the Bonds: (i) up to $__________.00 from the Costs of Issuance Account of the Project Fund to the persons entitled to the payment for costs of issuance and payment of costs incurred in the establishment, administration, and operation of the District at of the date of delivery of the Bonds, as described in the Service and Assessment Plan, and (ii) a payment in the amount of $4,500,000.00 from the Neighborhood Improvement Areas #2-5 Major Improvement Account of the Project Fund to acquire the Rights of Way and Open Space Land subject to the terms and conditions of this Agreement and the Development Agreement, and (iii) a payment in the amount of $ ________ for the acquisition and decertification costs of CCNs.

Section 3.03 Accounts. There shall be two accounts administered by the Trustee, at the direction of the City Representative:

a) The Neighborhood Improvement Areas #2-5 Major Improvement Account of the Project Fund. The proceeds from the issuance and sale of the Bonds shall be deposited into the Neighborhood Improvement Areas #2-5 Major Improvement Account of the Project Fund in the amount shown in Section 6.2(a)(iv) of the Indenture; and

b) The Neighborhood Improvement Areas #2 – 5 Developer Improvement Account of the Project Fund. On the Closing Date and pursuant to the terms of the Neighborhood Improvement Areas #2-5 Reimbursement Agreement, the Developer shall make an initial deposit to the Neighborhood Improvement Areas #2-5 Developer Improvement Account of the Project

Fund in the amount shown in Section 6.2 of the Indenture, and which will include an additional deposit of $325,000.00 which may be reimbursed to Developer in accordance with the Neighborhood Improvement Areas #2-5 Reimbursement Agreement.

Section 3.04. Security for Neighborhood Improvement Areas #2-5 Major Improvement Projects. Prior to completion and conveyance to the City of a Neighborhood Improvement Areas #2-5 Major Improvement Project, the Developer shall provide to the City a Maintenance Bond in the amount of 100% of each Neighborhood Improvement Areas #2-5 Major Improvement Project, which Maintenance Bond shall be for a term of two years from the date of final acceptance of the Neighborhood Improvement Areas #2-5 Major Improvement Project in accordance with City Ordinance and state law. Any surety company through which a bond is written shall be a surety company duly authorized to do business in the State of Texas, provided that the City, through the City Attorney, shall retain the right to reject any surety company as a surety for any work hereunder regardless of such company's authorization to do business in Texas. Approvals by the City shall not be unreasonably withheld or delayed. The Developer shall construct or cause to construct the Neighborhood Improvement Areas #2-5 Major Improvement Projects in accordance with the City's established ordinances, regulations, specifications, and the Development Agreement. The Developer shall, however, provide an "all bills paid" affidavit, in the standard form, provided by the City, and shall also provide such supporting documentation as required by the City, that affirms that all invoices and bills were paid for the Neighborhood Improvement Areas #2-5 Major Improvement Project.

ARTICLE IV
DEDICATION OF RIGHTS-OF-WAY AND OPEN SPACE LAND; CONSTRUCTION OF NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECTS

Section 4.01. Sale of Rights-Of-Way and Open Space Land. The Developer hereby agrees to obtain and sell to the City in fee the Rights of Way and Open Space Land, as shown in the attached **Exhibit B**.

Section 4.02. Duty of Developer to Construct.

(a) All Neighborhood Improvement Areas #2-5 Major Improvement Projects shall be constructed by or at the direction of the Developer in accordance with the Plans and in accordance with this Agreement and the Development Agreement. The Developer shall perform or cause to be performed, all of its obligations and shall conduct all operations with respect to the construction of Neighborhood Improvement Areas #2-5 Major Improvement Projects in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall employ at all times adequate staff or consultants with the requisite experience necessary to administer and coordinate all work related to the design, engineering, acquisition, construction and installation of the Neighborhood Improvement Areas #2-5 Major Improvement Projects to be acquired and accepted by the City from the Developer as provided in this Agreement.

(b) The Developer shall not be relieved of its obligation to construct or cause to be constructed each Neighborhood Improvement Areas #2-5 Major Improvement Project and, upon completion, inspection, and acceptance, convey each such Neighborhood Improvement Areas #2-5 Major Improvement Project to the City in accordance with the terms hereof, even if there are insufficient funds in the Neighborhood Improvement Areas #2-5 Major Improvement Account of the Project Fund to pay the Actual Costs thereof. In any event, this Agreement shall not affect any obligation of the Developer under any other agreement to which the Developer is a party or any governmental approval to which the Developer or any land within the District is subject, with respect to the Neighborhood Improvement Areas #2-5 Major Improvement Projects required in connection with the development of the land within the District.

Section 4.03. No Competitive Bidding. Neighborhood Improvement Areas #2-5 Major Improvement Projects shall not require competitive bidding pursuant to Section 252.022 of the Texas Local Government Code, as amended. The City shall have the right to examine and approve the contractor selected by the Developer, as set forth in Section 4.2(b) of the Development Agreement.

Section 4.04. Independent Contractor. In performing this Agreement, the Developer is an independent contractor and not the agent or employee of the City with respect to the Neighborhood Improvement Areas #2-5 Major Improvement Projects.

Section 4.05. Remaining Funds After Completion of a Neighborhood Improvement Areas #2-5 Major Improvement Project. Upon the Final Completion of a Neighborhood Improvement Areas #2-5 Major Improvement Project and payment of all outstanding invoices for such Neighborhood Improvement Areas #2-5 Major Improvement Project, if the Actual Cost of such Neighborhood Improvement Areas #2-5 Major Improvement Project is less than the Budgeted Cost (a "Cost Underrun"), any remaining Budgeted Cost will be available to pay Cost Overruns on any other Neighborhood Improvement Areas #2-5 Major Improvement Project. The City shall promptly confirm to the Administrator that such remaining amounts are available to pay such Cost Overruns, and the Developer, the Administrator and the City Representative will agree how to use such moneys to secure the payment and performance of the work for other Neighborhood Improvement Areas #2-5 Major Improvement Projects. Any Cost Underrun for any Neighborhood Improvement Areas #2-5 Major Improvement Project is available to pay Cost Overruns on any other Neighborhood Improvement Areas #2-5 Major Improvement Project.

Section 4.06. Contracts and Change Orders. The Developer shall be responsible for entering into all contracts and any supplemental agreements (herein referred to as "change orders") required for the construction of the Neighborhood Improvement Areas #2-5 Major Improvement Projects. Developer or its contractors may approve and implement any change orders, even if such change order would increase the Cost of a Neighborhood Improvement Areas #2-5 Major Improvement Project, but the Developer shall be solely responsible for payment of any Cost Overruns resulting from such change orders except to the extent amounts are available pursuant to Section 4.05.

ARTICLE V
ACQUISITION, CONSTRUCTION, AND PAYMENT

Section 5.01. Closing Disbursement Request. In order to receive the disbursement described in Section 3.02, the Developer shall cause to be delivered to the Trustee a Closing Disbursement Request, substantially in the form of **Exhibit A** hereto or otherwise agreed to by the Developer, Administrator, and the City Representative for the disbursements described in Section 3.02, to be delivered to the City no less than five (5) business days prior to the scheduled Closing Date for the Bonds for payment in accordance with the provisions of the Indenture. In order to receive the disbursement from the Project Fund described in Section 3.02, the Developer shall execute a Certification for Payment, substantially in the form of **Exhibit C** hereto or otherwise agreed to by the City, to be delivered to the City no later than five (5) business days prior to the scheduled Closing Date for the Bonds for payment in accordance with the provisions of the Indenture. Upon approval by the City, the City shall submit a Closing Disbursement Request or a Certification for Payment, as applicable, to the Trustee for disbursement to be made from the Costs of Issuance Account of the Project Fund or the Neighborhood Improvement Areas #2-5 Major Improvement Account of the Project Fund, as applicable, upon closing of the Bonds.

Section 5.02. Certification for Payment for the Neighborhood Improvement Areas #2-5 Major Improvement Projects.

(a) Except as provided in Section 3.02, no payment hereunder shall be made from the Project Fund to the Developer for work on a Neighborhood Improvement Areas #2-5 Major Improvement Project until the work with respect to such Neighborhood Improvement Areas #2-5 Major Improvement Project, until a monthly Certification for Payment is received from the Developer. Upon receipt of a Certification for Payment substantially in the form of **Exhibit D** hereto (and all accompanying documentation executed by the City) from the Developer, the Inspector shall conduct a review in order to confirm that such request is complete, that the work with respect to such Neighborhood Improvement Areas #2-5 Major Improvement Project identified therein for which payment is requested was completed in accordance with all applicable governmental laws, rules and regulations and applicable Plans therefor and with the terms of this Agreement, the Development Agreement, and to verify and approve the Actual Cost of such work specified in such Certification for Payment (collectively, the "Developer Compliance Requirements"). The Inspector and /or the City Representative shall also conduct such review as is required in his discretion to confirm the matters certified in the Certification for Payment. The Developer agrees to cooperate with the Inspector and/or City Representative in conducting each such review and to provide the Inspector and/or City Representative with such additional information and documentation as is reasonably necessary for the Inspector to conclude each such review.

(b) Within thirty (30) business days of receipt of any Certification for Payment, the Inspector shall either (i) approve and execute the Certification for Payment and forward the same to the Administrator for approval and delivery to the Trustee for payment to the Developer in accordance with Section 5.03(a) hereof or (ii) in the event the Inspector disapproves the Certification for Payment, give written notification to the Developer of the Inspector's disapproval, in whole or in part, of such Certification for Payment, specifying the reasons for such disapproval and the additional requirements to be satisfied for approval of such Certification for Payment. If a Certification for Payment seeking reimbursement is approved only in part, the Inspector shall specify the extent to which the Certification for Payment is approved and shall deliver such partially approved Certification for Payment to the Administrator for approval in accordance with Section 5.03 hereof and delivery to the Developer in accordance with Section 5.02(c) hereof, and any such partial work shall be processed for payment under Section 5.03 notwithstanding such partial denial.

(c) If the Inspector fails to act with respect to a Certification for Payment within the time period therein provided, the Developer shall submit the Certification for Payment directly to the City Representative for approval. Within five (5) business days of receipt of any Certification for Payment, the City Representative shall approve or deny the Certification for Payment, and provide notice to the Administrator and Developer. Upon approval of a Certification for Payment, the approval shall be forwarded to the Trustee for payment, and delivery to the Developer in accordance with Section 5.03 hereof. The approval of the Certification for Payment by the City Representative shall constitute a representation by the City Representative to the Trustee of the Developer's compliance therein. Pursuant to the terms of Section 5.03 and the Indenture, the Trustee shall make a payment to the Developer, or pursuant to the Developer's directions, of an approved Certification for Payment.

(d) If the City Representative denies the Certification for Payment, the denial must be in writing, stating the reason(s) for denial. The denial may be appealed to the City Council by the Developer in writing within 30 days of being denied by the City Representative. Denial of the Certification for Payment by the City Council shall be attempted to be resolved by half-day mediation between the parties in the event an agreement is not otherwise reached by the parties, with the mediator's fee being paid by Developer.

(e) The Developer shall deliver the approved or partially approved Certification for Payment to the Trustee for payment and the Trustee shall make such payment from the Project Fund in accordance with Section 5.03 below.

Section 5.03. Payment for Neighborhood Improvement Areas #2-5 Major Improvement Project.

(a) Upon receipt of a reviewed and approved Certification for Payment, the Trustee shall make payment from (1) first from the Neighborhood Improvement Areas #2-5 Developer Improvement Account of the Project Fund; then (2) second from the Neighborhood Improvement Areas #2-5 Major Improvement Account of the Project Fund of such approved Certification for Payment pursuant to the terms of the Certification for Payment and the Indenture in an amount not to exceed the Budgeted Cost for the particular Neighborhood Improvement Areas #2-5 Major Improvement Project (or its completed segment), unless a cost overrun amount has been approved for a particular Neighborhood Improvement Areas #2-5 Major Improvement Project. If a cost overrun amount has been approved, then the amount reimbursed shall not exceed the Budgeted Amount plus the approved cost overrun amount.

(b) Approved Certifications for Payment that await reimbursement shall not accrue interest.

(c) Notwithstanding any other provisions of this Agreement, the Trustee shall make payment directly to the general contractor or supplier of materials or services or jointly to Developer (or any permitted assignee of such Developer) and the general contractor or supplier of materials or services, as indicated in an approved Certification for Payment out of available funds in the project fund. If the request for payment results in ninety percent (90%) or more of the Budgeted Costs for such Neighborhood Improvement Areas #2-5 Major Improvement Project identified in such request for payment being paid, then Trustee shall hold the payment until work with respect to that Neighborhood Improvement Areas #2-5 Major Improvement Project has been completed AND accepted the Neighborhood Improvement Areas #2-5 Major Improvement Project. If an unconditional lien release related to the items referenced in the Certification for Payment is attached to such Certification for Payment, the Trustee shall make such payment to the Developer or any permitted assignee of the Developer. In the event the Developer provides a general contractor's or supplier of materials unconditional lien release for a portion of the work covered by a Certification for Payment, the Trustee will make such payment directly to the Developer or any permitted assignee of the Developer to the extent of such lien release.

(d) Withholding Payments.

Nothing in this Agreement shall be deemed to prohibit the Developer or the City from contesting in good faith the validity or amount of any mechanics or materialman's lien and/or judgment nor limit the remedies available to the Developer or the City with respect thereto so long as such delay in performance shall not subject the Neighborhood Improvement Areas #2-5 Major Improvement Project to foreclosure, forfeiture, or sale. In the event that any such lien and/or judgment with respect to a Neighborhood Improvement Areas #2-5 Major Improvement Project is contested, the Developer shall be required to post or cause the delivery of a surety bond in an amount determined by the City or the City may decline to accept the Neighborhood Improvement Areas #2-5 Major Improvement Project until the mechanics or materialman's lien and/or judgment is satisfied.

(e) The terms and conditions to payment set forth in the Development Agreement are incorporated by the parties as if fully set forth herein.

ARTICLE VI
OWNERSHIP AND TRANSFER OF NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECT

Section 6.01. Neighborhood Improvement Areas #2-5 Major Improvement Project to be Owned by the City – Title Evidence. The Developer shall furnish to the City a preliminary title report for land with respect to the and Rights-Of-Way and Open Space Land and Neighborhood Improvement Areas #2-5 Major Improvement Projects to be acquired and accepted by the City from the Developer and not previously dedicated or otherwise conveyed to the City, for review and approval at least thirty (30) calendar days prior to the transfer of title of a Neighborhood Improvement Areas #2-5 Major Improvement Project to the City. The City shall approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the City, could materially affect the City's clean title or use and enjoyment of any part of the property or easement covered by the preliminary title report. In the event the City does not approve the preliminary title report, the City shall not be obligated to accept title to the Neighborhood Improvement Areas #2-5 Major Improvement Project until the Developer has cured such objections to title to the satisfaction of the City.

Section 6.02. Neighborhood Improvement Areas #2-5 Major Improvement Project Constructed on City Land or Developer Land. If the Neighborhood Improvement Areas #2-5 Major Improvement Project is on land owned by the City, the City hereby grants to the Developer a license to enter upon such land for purposes related to construction and maintenance (pending acquisition and acceptance) of the Neighborhood Improvement Areas #2-5 Major Improvement Project. The provisions for inspection and acceptance of such Neighborhood Improvement Areas #2-5 Major Improvement Project otherwise provided herein shall apply. If the Neighborhood Improvement Areas #2-5 Major Improvement Project is on land owned by the Developer, the Developer hereby grants to the City an easement to enter upon such land for purposes related to inspection and maintenance (pending acquisition and acceptance) of the Neighborhood Improvement Areas #2-5 Major Improvement Project. The provisions for inspection and acceptance of such Neighborhood Improvement Areas #2-5 Major Improvement Project otherwise provided herein shall apply.

ARTICLE VII
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 7.01. Representations, Covenants and Warranties of the Developer. The Developer represents and warrants for the benefit of the City as follows:

(a) Organization. The Developer consists of one limited liability company duly formed, organized and validly existing under the laws of the State of Texas, is in compliance with the laws of the State of Texas, and has the power and authority to own its properties and assets to fulfill its obligations under this Agreement and the Development Agreement and to carry on its business in the State of Texas as now being conducted as hereby contemplated.

(b) Authority. The Developer has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the Developer.

(c) Binding Obligation. This Agreement is a legal, valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms, subject to bankruptcy and other equitable principles.

(d) Compliance with Law. The Developer shall not commit, suffer or permit any act to be done in, upon or to the lands of the Developer in the District or the Neighborhood Improvement Areas #2-5 Major Improvement Projects in violation of any law, ordinance, rule, regulation or order of any governmental authority or any covenant, condition or restriction now or hereafter affecting the lands in the District or the Neighborhood Improvement Areas #2-5 Major Improvement Projects.

(e) Requests for Payment. The Developer represents and warrants that (i) it will not request payment from the Neighborhood Improvement Areas #2-5 Major Improvement Account of the Project Fund for the acquisition, construction or installation of any improvements that are not part of the Neighborhood Improvement Areas #2-5 Major Improvement Projects, and (ii) it will diligently follow all procedures set forth in this Agreement with respect to the Certification for Payments.

(f) Financial Records. For a period of two years after completion of the Neighborhood Improvement Areas #2-5 Major Improvement Projects, the Developer covenants to maintain proper books of record and account for the construction of the Neighborhood Improvement Areas #2-5 Major Improvement Projects and all Costs related thereto. Such accounting books shall be maintained in accordance with generally accepted accounting principles, and shall be available for inspection by the City or its agents at any reasonable time during regular business hours on reasonable notice.

(g) Plans. The Developer represents that it has obtained or will obtain approval of the Plans from all appropriate departments of the City and from any other public entity or public utility from which such approval must be obtained. The Developer further agrees that, subject to the terms hereof, the Neighborhood Improvement Areas #2-5 Major Improvement Projects have been or will be constructed in full compliance with such Plans and any change orders thereto consistent with the Act, and the Development Agreement. Developer shall provide as-built plans for all Neighborhood Improvement Areas #2-5 Major Improvement Projects to the City.

(h) Additional Information. The Developer agrees to cooperate with all reasonable written requests for nonproprietary information by the Purchaser of the Bonds, the Inspector or the City Representative related to the status of construction of Neighborhood Improvement Areas #2-5 Major Improvement Projects within the District, the anticipated completion dates for future improvements and any other matter that the Purchaser of the Bonds or City Representative deems material to the investment quality of the Bonds.

(i) Continuing Disclosure Agreement. The Developer agrees to provide the information required pursuant to the Continuing Disclosure Agreement executed by the Developer in connection with the Bonds.

(j) Tax Certificate. The City will deliver a certificate relating to the Bonds (such certificate, as it may be amended and supplemented from time to time, being referred to herein as the "Tax Certificate") containing covenants and agreements designed to satisfy the requirements of 26 U.S. Code Sections 103 and 141 through 150, inclusive, and the federal income tax regulations issued thereunder relating to the use of the proceeds of the Bonds or of any monies, securities or other obligations on deposit to the credit of any of the funds and accounts created by the Indenture or this Agreement or otherwise that may be deemed to be proceeds of the Bonds within the meaning of 26 U.S. Code Section 148 (collectively, "Bond Proceeds").

The Developer covenants to provide, or cause to be provided, such facts and estimates as the City reasonably considers necessary to enable it to execute and deliver its Tax Certificate. The Developer further covenants that (i) such facts and estimates will be based on its reasonable expectations on the date of issuance of the Bonds and will be, to the best of the knowledge of the officers of the Developer providing such facts and estimates, true, correct and complete as of that date, and (ii) the Developer will make reasonable inquires to ensure such truth, correctness and completeness. The Developer covenants that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use or investment of the Bond Proceeds (including, but not limited to, the use of the Neighborhood Improvement Areas #2-5 Major Improvement Projects) that would cause any of the covenants or agreements of the City contained in the Tax Certificate to be violated or that would otherwise have an adverse effect on the tax-exempt status of the interest payable on the Bonds for federal income tax purposes.

(k) Financial Resources. The Developer represents and warrants that it has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Agreement, the Service and Assessment Plan, and the Development Agreement.

Section 7.02. Indemnification and Hold Harmless. THE DEVELOPER SHALL INDEMNIFY AND HOLD HARMLESS THE INSPECTOR, THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES AND AGENTS (EACH AN "INDEMNIFIED PARTY"), FROM AND AGAINST ALL ACTIONS, DAMAGES, CLAIMS, LOSSES OR EXPENSE OF EVERY TYPE AND DESCRIPTION TO WHICH THEY MAY BE SUBJECTED OR PUT: (I) BY REASON OF, OR RESULTING FROM THE BREACH OF ANY PROVISION OF THIS AGREEMENT BY THE DEVELOPER; (II) THE NEGLIGENT DESIGN, ENGINEERING, AND/OR CONSTRUCTION BY THE DEVELOPER OR ANY ARCHITECT, ENGINEER OR CONTRACTOR HIRED BY THE DEVELOPER OF ANY OF THE NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECTS ACQUIRED FROM THE DEVELOPER HEREUNDER; (III) THE DEVELOPER'S NONPAYMENT UNDER CONTRACTS BETWEEN THE DEVELOPER AND TIS CONSULTANTS, ENGINEERS, ADVISORS, CONTRACTORS, SUBCONTRACTORS AND SUPPLIERS IN THE PROVISION OF THE NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECTS: (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE DEVELOPER OR ITS AGENTS TO CONSTRUCT THE NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECTS; OR (V) ANY CLAIMS AND SUITS OF THIRD PARTIES, INCLUDING BUT NOT LIMITED TO DEVELOPER'S RESPECTIVE PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEES AND/OR TRUSTEES, REGARDING OR RELATED TO THE NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECTS OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECTS, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE SOLE OR PARTIAL NEGLIGENCE OF AN INDEMNIFIED PARTY (THE "CLAIMS"). NOTWITHSTANDING THE FOREGOING, NO INDEMNIFICATION IS GIVEN HEREUNDER FOR ANY ACTION, DAMAGE, CLAIM, LOSS OR EXPENSE DETERMINED BY A COURT OF COMPETENT JURISDICTION TO BE DIRECTLY ATTRIBUTABLE TO THE WILLFUL MISCONDUCT OF ANY INDEMNIFIED PARTY, DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS, AND CITY IS REQUIRED TO REASONABLY COOPERATE AND ASSIST DEVELOPER IN PROVIDING SUCH DEFENSE.

IN ITS REASONABLE DISCRETION, CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY DEVELOPER IN FULFILLING ITS OBLIGATIONS HEREUNDER TO DEFEND AND INDEMNIFY THE

INDEMNIFIED PARTIES, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY CITY IN WRITING. THE INDEMNIFIED PARTIES RESERVE THE RIGHT TO PROVIDE A PORTION OR ALL OF THEIR/ITS OWN DEFENSE, AT THEIR/ITS SOLE COST; HOWEVER, INDEMNIFIED PARTIES ARE UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY AN INDEMNIFIED PARTY IS NOT TO BE CONSTRUED AS A WAIVER OF DEVELOPER'S OBLIGATION TO DEFEND INDEMNIFIED PARTIES OR AS A WAIVER OF DEVELOPER'S OBLIGATION TO INDEMNIFY INDEMNIFIED PARTIES, PURSUANT TO THIS AGREEMENT. DEVELOPER SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF WRITTEN NOTICE FROM AN INDEMNIFIED PARTY THAT IT IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF DEVELOPER FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, INDEMNIFIED PARTIES SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND DEVELOPER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES.

THIS SECTION 7.02 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

THE PARTIES AGREE AND STIPULATE THAT THIS INDEMNIFICATION COMPLIES WITH THE CONSPICUOUSNESS REQUIREMENT AND THE EXPRESS NEGLIGENCE TEST, AND IS VALID AND ENFORCEABLE AGAINST THE DEVELOPER.

Section 7.03. Use of Monies by City; Changes to Indenture. The City agrees not to take any action or direct the Trustee to take any action to expend, disburse or encumber the monies held in the Project Fund and any monies to be transferred thereto for any purpose other than the purposes permitted by the Indenture. Prior to the acceptance of all the Neighborhood Improvement Areas #2-5 Major Improvement Projects, the City agrees not to modify or supplement the Indenture without the approval of the Developer if as a result or as a consequence of such modification or supplement (a) the amount of monies that would otherwise have been available under the Indenture for disbursement for the Costs of the Neighborhood Improvement Areas #2-5 Major Improvement Projects is reduced, delayed or deferred, (b) the obligations or liabilities of the Developer is or may be substantially increased or otherwise adversely affected in any manner, or (c) the rights of the Developer is or may be modified, limited, restricted or otherwise substantially adversely affected in any manner.

Section 7.04. No Reduction of Assessments. The Developer agrees not to take any action or actions to reduce the total amount of such Assessments to be levied as of the effective date of this Agreement.

ARTICLE VIII

TERMINATION

Section 8.01. Mutual Consent. This Agreement may be terminated by the mutual, written consent of the City and the Developer, in which event the City may either execute contracts for or perform any remaining work related to the Neighborhood Improvement Areas #2-5 Major Improvement Projects not accepted by the City or other appropriate entity and use all or any portion of funds on deposit in the Project Fund or other amounts transferred to the Project Fund under the terms of the Indenture to pay for same, and the Developer shall have no claim or right to any further payments for the Costs of a Neighborhood Improvement Areas #2-5 Major Improvement Project hereunder, except as otherwise may be provided in such written consent.

Section 8.02. City's Election for Cause.

(a) The City, upon notice to Developer and the passage of the cure period identified in subsection (b) below, may terminate this Agreement, without the consent of the Developer if the Developer shall breach any material covenant or default in the performance of any material obligation hereunder.

(b) If any such event described in Section 8.02(a) occurs, the City shall give written notice of its knowledge of such event to the Developer, and the Developer agrees to meet and confer with the Inspector and other appropriate City staff and consultants as to options available to assure timely completion, subject to the terms of this Agreement, of the Neighborhood Improvement Areas #2-5 Major Improvement Project. Such options may include, but not be limited to, the termination of this Agreement by the City. If the City elects to terminate this Agreement, the City shall first notify the Developer (and any mortgagee or trust deed beneficiary specified in writing by the Developer to the City to receive such notice) of the grounds for such termination and allow the Developer a minimum of 45 days to eliminate or mitigate to the satisfaction of the City the grounds for such termination. Such period may be extended, at the sole discretion of the City, if the Developer, to the reasonable satisfaction of the City, is proceeding with diligence to eliminate or mitigate such grounds for termination. If at the end of such period (and any extension thereof), as determined reasonably by the City, the Developer has not eliminated or completely mitigated such grounds to the satisfaction of the City, the City may then terminate this Agreement. In the event of the termination of this Agreement, the Developer is entitled to payment for work accepted by the City related to the Neighborhood Improvement Areas #2-5 Major Improvement Project undertaken prior to the termination date of this Agreement solely from the Neighborhood Improvement Areas #2-5 Major Improvement Account of the Project Fund created and established under the Neighborhood Improvement Area #2-5 Indenture according to the terms and conditions set forth in this Agreement. Notwithstanding the foregoing, so long as the Developer has breached any material covenant or defaulted in the performance of any material obligation hereunder, notice of which has been given by the City to the Developer, and such event has not been cured or otherwise eliminated by the Developer, the City may in its discretion cause the Trustee to cease making payments for the Actual Costs of Neighborhood Improvement Areas #2-5 Major Improvement Projects, provided that the Developer shall receive payment of the Actual Costs of any Neighborhood Improvement Areas #2-5 Major Improvement Project that was accepted by the City at the time of the occurrence of such breach or default by the Developer upon submission of the documents and compliance with the other applicable requirements of this Agreement.

(c) If this Agreement is terminated by the City for cause, the City may either execute contracts for or perform any remaining work related to the Neighborhood Improvement Areas #2-5 Major Improvement Project not accepted by the City and use all or any portion of the funds on deposit in the Project Fund or other amounts transferred to the Project Fund and the Developer shall have no claim or right to any further payments for the Neighborhood Improvement Areas #2-5 Major Improvement Project hereunder, except as otherwise may be provided upon the mutual written consent of the City and the Developer the City shall have no obligation to perform any work related to the Neighborhood Improvement Areas #2-5 Major Improvement Projects or to incur any expense or cost in excess of the remaining balance in the Project Fund.

Section 8.03. Termination Upon Redemption or Defeasance of Bonds. This Agreement will terminate automatically and with no further action by the City or the Developer upon the redemption or defeasance of all Outstanding Bonds issued under the Indenture.

Section 8.04. Construction of Neighborhood Improvement Areas #2-5 Major Improvement Projects Upon Termination of this Agreement. Notwithstanding anything to the contrary contained herein, upon the termination of this Agreement pursuant to this Article VIII, the Developer shall perform its obligations with respect to the Neighborhood Improvement Areas #2-5 Major Improvement Projects in accordance with the terms of this Agreement and the Development Agreement.

Section 8.05. Force Majeure. Whenever performance is required of a party hereunder, that party shall use all due diligence and take all necessary measures in good faith to perform, but if completion of performance is delayed by reasons of floods, earthquakes or other acts of God, war, civil commotion, riots, strikes, picketing or other labor disputes, damage to work in progress by casualty or by other cause beyond the reasonable control of the party (financial inability excepted), then the specified time for performance shall be extended by the amount of the delay actually so caused. The extension of time to perform allowed by this Section 8.05 shall not apply unless, upon the occurrence of an event of Force Majeure, the party needing additional time to perform notifies the other party of the event of Force Majeure and the amount of additional time reasonably required within ten (10) business days of the occurrence of the event of Force Majeure.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Limited Liability of City. The Developer agrees that any and all obligations of the City arising out of or related to this Agreement are special obligations of the City, and the City's obligations to make any payments hereunder are restricted entirely to the moneys, if any, in the Project Fund and from no other source. Neither the City, the Inspector nor any other City employee or agent shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of their actions hereunder or execution hereof.

Section 9.02. Audit. The Inspector, City Representative or a finance officer of the City shall have the right, during normal business hours and upon the giving of three business days' prior written notice to a Developer, to review all books and records of the Developer pertaining to costs and expenses incurred by the Developer with respect to any of the Neighborhood Improvement Areas #2-5 Major Improvement Projects and any bids taken or received for the construction thereof or materials therefor.

Section 9.03. Notices. Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to any party shall be deemed to have been received when personally delivered or transmitted by telecopy or facsimile transmission (which shall be immediately confirmed by telephone and shall be followed by mailing an original of the same within 24 hours after such transmission) or 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

To the City:	Attn: City Manager City of Celina, Texas 142 N. Ohio Celina, Texas 75009
With a copy to:	Attn: Julie Fort Messer, Rockefeller & Fort, PLLC 6351 Preston Road, Suite 350 Frisco, TX 75034
And to:	Attn: Robert Dransfield Norton Rose Fulbright US LLP 2200 Ross Avenue, Suite 3600 Dallas, Texas 75201
To the Owner:	CADG Sutton Fields, LLC 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
With a copy to:	Miklos Law, PLLC Robert Miklos

1800 Valley View Lane, Suite 360
Farmers Branch, Texas 75234

Any party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other party.

The City shall advise the Developer of the name and address of any Inspector who is to receive any notice or other communication pursuant to this Agreement.

Section 9.04. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent possible.

Section 9.05. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Any receivables due under this Agreement may be assigned by the Developer without the consent of, but upon written notice to the City pursuant to Section 9.03 of this Agreement. The obligations, requirements, or covenants of this Agreement shall be able to be assigned to an affiliate or related entity of the Developer, or any lien holder on the Property, without prior written consent of the City. The obligations, requirements, or covenants of this Agreement shall not be assigned by the Developer to a non-affiliate or non-related entity of the Developer without prior written consent of the City Administrator, except pursuant to a collateral assignment to any Person providing construction financing to the Developer for the Developer for an Authorized Improvement, provided such Person expressly agrees to assume all obligations of the Developer hereunder if there is a default under such financing and such Person elects to complete the Authorized Improvement. In connection with any consent of the City, the City may condition its consent upon the acceptability of the financial condition of the proposed assignee, upon the assignee's express assumption of all obligations of the Developer hereunder and/or upon any other reasonable factor which the City deems relevant in the circumstances. In any event, any such assignment shall be in writing, shall clearly identify the scope of the rights and/or obligations assigned. The City may assign by a separate writing certain rights as described in this Agreement and in the Indenture, to the Trustee and the Developer hereby consents to such assignment.

Section 9.06. Other Agreements. The obligations of the Developer hereunder shall be those of a party hereto and not as an owner of property in the District. Nothing herein shall be construed as affecting the City's or the Developer's rights or duties to perform their respective obligations under other agreements, use regulations, ordinances, or subdivision requirements relating to the development of the lands in the District, including the applicable Construction Contracts and the Development Agreement. To the extent there is a conflict between this Agreement and the Development Agreement, the Development Agreement shall control. To the extent of a conflict between this Agreement and the Indenture, the Indenture shall control.

Section 9.07. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by any other party, or the failure by a party to exercise its rights upon the default of any other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by such other party with the terms of this Agreement thereafter.

Section 9.08. Merger. No other agreement, statement or promise made by any party or any employee, officer or agent of any party with respect to any matters covered hereby that is not in writing and signed by all the parties to this Agreement shall be binding.

Section 9.09. Parties in Interest. Nothing in this Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and the Developer any rights, remedies or claims under or by reason of this Agreement or any covenants, conditions or stipulations hereof, and all covenants, conditions, promises and agreements in this Agreement contained by or on behalf of the City or the Developer shall be for the sole and exclusive benefit of the City and the Developer.

Section 9.10. Amendment. Except as otherwise provided in Section 9.05, upon agreement by the parties, this Agreement may be amended, from time to time in a manner consistent with the Act and the Bond Ordinance, by written supplement hereto and executed in counterparts, each of which shall be deemed an original.

Section 9.11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Section 9.12. Effective Date. This Agreement has been dated as of the date first above written solely for the purpose of convenience of reference and shall become effective upon its execution and delivery, on the Closing Date of the Bonds, by the parties hereto. All representations and warranties set forth therein shall be deemed to have been made on the Closing Date of the Bonds.

Section 9.13 No Waiver of Powers or Immunity. The City does not waive or surrender any of its governmental powers, immunities, or rights except as necessary to allow Developer to enforce its remedies under this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of November 10, 2015.

CITY OF CELINA, TEXAS

By: ______________________________
Name: Chad Anderson
Title: Mayor Pro Tem

ATTEST:

____
City Secretary

(City Seal)

DEVELOPER:
CADG Sutton Fields, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company
Its Sole Managing Member

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: ______________________________
Name: Mehrdad Moayedi
Its: Manager

Exhibit A

CLOSING DISBURSEMENT REQUEST

The undersigned is an agent for CADG Sutton Fields, LLC, (the "Developer") and requests payment from the [Cost of Issuance Account] [Neighborhood Improvement Areas #2-5 Major Improvement Account] of the Project Fund (as defined in the Neighborhood Improvement Area #2 – 5 Neighborhood Improvement Areas #2-5 Major Improvement Construction, Funding, and Acquisition Agreement) from U.S. Bank National Association, (the "Trustee") in the amount of __________________DOLLARS ($___________) for the acquisition of the Rights-of-Way and Open Space Land related to the Sutton Fields II Public Improvement District (the "Rights of Way and Open Space Land" as depicted in Exhibit C to the Construction, Funding and Acquisition Agreement) and other costs incurred in the establishment, administration, and operation of the Sutton Fields II Public Improvement District (the "District").

In connection to the above referenced payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Closing Disbursement Request on behalf of the Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the below referenced and Rights-of-Way and Open Space Land have not been the subject of any prior payment request submitted to the City or, if previously requested, no disbursement was made with respect thereto.

3. The amount listed for the Rights-of-Way and Open Space Land below is a true and accurate representation of the costs associated with the acquisition of the Rights-of-Way and Open Space Land, and such costs are in compliance with the Service and Assessment Plan.

Rights-of-Way and Open Space Land	**Acres (Approx.)**	**PID Allocated Cost**
		$
TOTAL		

4. The payment requested for the below referenced establishment, administration, and operation of the District at the time of the delivery of the Bonds have not been the subject of any prior payment request submitted to the City or, if previously requested, no disbursement was made with respect thereto.

5. The amount listed for the below costs is a true and accurate representation of the costs associated with the establishment, administration and operation of the District at the time of the delivery of the Bonds, and such costs are in compliance with the Service and Assessment Plan.

Closing Costs Description	**Cost**	**PID Allocated Cost**
TOTAL		

6. The Developer is in compliance with the terms and provisions of the Neighborhood Improvement Areas #2-5 Major Improvement Construction, Funding, and Acquisition Agreement, the Indenture, and the Service and Assessment Plan.

7. All conditions set forth in the Indenture (as defined in the Neighborhood Improvement Areas #2-5 Major Improvement Construction, Funding, and Acquisition Agreement) for the payment hereby requested have been satisfied.

8. The Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

Payments requested hereunder shall be made as directed below:

a. X amount to Person or Account Y for Z goods or services.

b. Etc.

I hereby declare that the above representations and warranties are true and correct.

CADG SUTTON FIELDS, LLC

By: ______________________________

Name: ___________________________

Title: ____________________________

Date: ____________________________

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Closing Disbursement Request. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request and shall include said payments in the City Certificate submitted to the Trustee directing payments to be made from Costs of Issuance Account upon delivery of the Bonds. The City's approval of the Closing Disbursement Request shall not have the effect of estopping or preventing the City from asserting claims under the Neighborhood Improvement Areas #2-5 Construction, Funding and Acquisition Agreement, the Indenture, the Service and Assessment Plan, any other agreement between the parties or that there is a defect in a Neighborhood Improvement Areas #2-5 Major Improvement Project.

CITY OF CELINA, TEXAS

By: ______________________

Name: ______________________
Title: ______________________
Date: _____________

Exhibit B

Rights of Way and Open Space Land

Exhibit C

CERTIFICATION FOR PAYMENT FORM – NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT PROJECTS

The undersigned is an agent for CADG Sutton Fields, LLC, (the "Developer") and requests payment from the Neighborhood Improvement Areas #2 – 5 Neighborhood Improvement Areas #2-5 Major Improvement Account of the Project Fund (as defined in the Neighborhood Improvement Areas #2-5 Major Improvement Construction, Funding, and Acquisition Agreement) from the City of Celina, Texas (the "City ") in the amount of $__________________ for labor, materials, fees, and/or other general costs related to the creation, acquisition, or construction of certain public improvements related to the Sutton Fields II Public Improvement District (the "Neighborhood Improvement Areas #2-5 Major Improvement Project"). Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Neighborhood Improvement Areas #2-5 Major Improvement Construction, Funding, and Acquisition Agreement (the "CFA Agreement").

In connection to the above referenced payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Payment Request Form on behalf of the Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the below referenced Neighborhood Improvement Areas #2-5 Major Improvement Project has not been the subject of any prior payment request for the same work submitted to the City or, if previously requested, no disbursement was made with respect thereto.

3. The amount listed for the Neighborhood Improvement Areas #2-5 Major Improvement Project below is a true and accurate representation of the costs associated with the creation, acquisition, or construction of said Neighborhood Improvement Areas #2-5 Major Improvement Project; and such costs (i) are in compliance with the CFA Agreement; and (ii) are consistent with the Service and Assessment Plan.

4. The Developer is in compliance with the terms and provisions of the CFA Agreement, the Indenture, and the Service and Assessment Plan.

5. All conditions set forth in the Indenture for the payment hereby requested have been satisfied.

6. The work with respect to the Neighborhood Improvement Areas #2-5 Major Improvement Project referenced below (or its completed segment) has been completed

and the City may begin inspection of the Neighborhood Improvement Areas #2-5 Major Improvement Project.

7. The Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

Payments requested are as follows:

a. X amount to Person or Account Y for Z goods or services.

b. Etc.

As required by Section 6.5(d) of the Indenture, the costs for the Neighborhood Improvement Areas #2-5 Major Improvement Project shall be paid as follows:

Neighborhood Improvement Areas #2-5 Major Improvement:	Amount to be paid from the Neighborhood Improvement Areas #2-5 Major Improvement Account of the Neighborhood Improvement Areas #2-5 Major Improvement Project Fund	Amount to be paid from the Neighborhood Improvement Area #1 Major Improvement Account of the Neighborhood Improvement Areas # 1 Project Fund	Total Cost of Improvement

Attached hereto, are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments.

Pursuant to the CFA Agreement and the Neighborhood Improvement Areas #2-5 Major Improvement Project Construction, Funding, and Acquisition Agreement, after receiving this Payment Request, the City is authorized to inspect the Neighborhood Improvement Areas #2-5 Major Improvement Project (or completed segment) and confirm that said work has been completed in accordance with all applicable governmental laws, rules, and Plans.

I hereby declare that the above representations and warranties are true and correct.

CADG SUTTON FIELDS, LLC

By: ______________________________

Name: ___________________________

Title: ____________________________

Date: ____________________________

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Certification for Payment. After reviewing the Certification for Payment, the City approves the Certification for Payment and shall include said payments in the City Certificate submitted to the Trustee directing payments to be made from appropriate Project Fund account. The City's approval of the Closing Disbursement Request shall not have the effect of estopping or preventing the City from asserting claims under the Neighborhood Improvement Areas #2-5 Construction, Funding and Acquisition Agreement, the Indenture, the Service and Assessment Plan, any other agreement between the parties or that there is a defect in the Neighborhood Improvement Areas #2-5 Major Improvement Projects.

CITY OF CELINA, TEXAS

By: ______________________

Name: ______________________
Title: ______________________
Date: _____________

EXHIBIT E

FORM OF REDEMPTION AGREEMENT

CADG SUTTON FIELDS, LLC AGREEMENT REGARDING CONVEYANCE OF RIGHT OF REDEMPTION AND WAIVER OF AGRICULTURAL VALUATION – SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT

This CADG SUTTON FIELDS, LLC AGREEMENT REGARDING CONVEYANCE OF RIGHT OF REDEMPTION AND WAIVER OF AGRICULTURAL VALUATION – SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT (this "Agreement"), dated November 10, 2015 (the "Effective Date"), by and among CADG SUTTON FIELDS, LLC, a Texas limited liability company, (the "Developer"), the CITY OF CELINA, TEXAS, (the "City"), a municipal corporation, and U.S. BANK NATIONAL ASSOCIATION (the "Trustee"). The City, the Trustee, and the Developer are sometimes referred to herein individually as a "Party," and together as the "Parties."

RECITALS

A. WHEREAS, the Developer owns a total of approximately 421 acres of land located in Denton County, Texas, as described in the attached **Exhibit "A"** (the "Property"), which Property is located within the City's corporate limits;

B. WHEREAS, the Developer desires to develop the Property as a residential development (the "Project");

C. WHEREAS, the Developer proposes to construct certain public improvements and transfer those improvements to the City in accordance with the terms and provisions of (i) the Neighborhood Improvement Areas #2-5 Major Improvement Construction, Funding and Acquisition Agreement (the "the "Financing Agreement") having an effective date of November 10, 2015, between the Developer and the City and (ii) the Sutton Fields Facilities and Development Agreement, (the "Development Agreement"), having an effective date of October 27, 2015, and entered into by and between the Developer and the City;

D. WHEREAS, upon the petition of the Developer, on October 13, 2015, the City authorized the formation of the Sutton Fields II Public Improvement District (the "District") on the Property in accordance with Chapter 372, Texas Local Government Code, as amended;

E. WHEREAS, the Property constitutes a portion of the land within the District;

F. WHEREAS, in combination with the CADG SUTTON FIELDS II, LLC AGREEMENT REGARDING CONVEYANCE OF RIGHT OF REDEMPTION AND WAIVER OF AGRICULTURAL VALUATION – SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT, the assessed property within the Neighborhood Improvement Areas #2-5 of the District is covered by a Redemption and Waiver of Agricultural Valuation Agreement;

G. WHEREAS, the City intends to (upon satisfaction of the conditions and in accordance with the terms set forth in the Financing Agreement), at the request, and with the consent, approval and agreement of the Developer, adopt an ordinance levying special assessments on the Property (the "Assessment Ordinance") and adopting the Service and Assessment Plan (as defined in the Financing Agreement) that provides for the construction and financing of Authorized Improvements (as defined in the Service and Assessment Plan) for the benefit of Assessed Property (as herein defined) within the District pursuant to the Service and Assessment Plan, payable in whole or in part by and from the Assessments (as defined in the Service and Assessment Plan) levied against Assessed Property, as more specifically provided for in the Service and Assessment Plan;

H. WHEREAS, the City intends to (upon satisfaction of the conditions and in accordance with the terms set forth in the Financing Agreement) levy Assessments on all or a portion of the Property (the "Assessed Property") and issue, in multiple series, bonds ("PID Bonds") for payment of costs associated with construction and/or acquisition of the Authorized Improvements included in the Service and Assessment Plan, as such plan may be amended from time to time;

I. WHEREAS, pursuant to the Service and Assessment Plan, the City will maintain the Neighborhood Improvement Areas #2-5 Assessment Rolls (as defined in the Service and Assessment Plan) that identify all parcels within the District that are Assessed Property and all parcels that are not subject to an assessment (the "Non-Benefitted Property");

J. WHEREAS, as the Property is developed, portions of the Assessed Property may be converted into Non-Benefitted Property and the City will update the Neighborhood Improvement Areas #2-5 Assessment Rolls from time to time to identify Assessed Property and Non-Benefitted Property within the Neighborhood Improvement Areas #2-5 within the District;

K. WHEREAS, from the proceeds of the bonds the City issues in connection with the Authorized Improvements, the City will, upon satisfaction of the conditions and in accordance with the terms set forth in the Financing Agreement and Development Agreement, acquire and accept those certain Authorized Improvements provided for in the Financing Agreement and the Developer will be paid or reimbursed for all or a portion of the costs of acquisition, construction, and improvement of the Authorized Improvements; and

L. WHEREAS, as a condition precedent to the City's performance of its obligations under the Financing Agreement, the Developer has agreed to execute this Agreement conveying all rights to redeem any portion of the Property that is subject to an Assessment and has an agricultural use valuation following a tax sale, and to execute and deliver into escrow with the Trustee multiple originals of waivers of agricultural use valuation in the form attached as **Exhibit "B"** hereto; and

M. WHEREAS, U.S. Bank National Association is the trustee under the Indenture (as defined in the Major Improvements Financing Agreement).

NOW, THEREFORE, in consideration of the premises set forth above, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS

(a) "Exempt Property" shall include any portion of the Property that is designated for agricultural use (which shall include, but not be limited to, any of the uses described in Section 23.51 of the Texas Tax Code, as amended) or is otherwise claimed for agricultural use by the owner thereof for ad valorem tax purposes pursuant to Section 23.41 of the Texas Tax Code or any other applicable statute, law or right.

(b) "Assessed Property" shall include any portion of the Property that is subject to an Assessment levied pursuant to the Assessment Ordinance and identified on the Neighborhood Improvement Areas #2-5 Assessment Rolls maintained by the City.

(c) "Lenders" shall mean both ___________________, signing a Lienholder Consent to a Waiver of Special Appraisal (in substantially the form included in **Exhibit "B"**) delivered to Trustee.

(d) "Non-Redeemable Property" shall be those portions of the Property that are Assessed Property and have an Exempt Property status at the time either the applicable ad valorem taxes become past due or at the time that the annual installment of the Assessment levied against such property becomes past due.

(e) "Trustee" means U.S. Bank National Association, and any successor thereto permitted under the Indenture.

SECTION 2. CONVEYANCE OF RIGHT OF REDEMPTION.

The Developer has GRANTED, BARGAINED, SOLD, and CONVEYED, and by these presents does hereby GRANT, BARGAIN, SELL, and CONVEY, unto the Trustee all rights that the Developer and its successors and assigns now have or in the future may have in equity, or under common law, statutory law, the Constitution of the State of Texas or otherwise to redeem, repurchase or reacquire Non-Redeemable Property following a foreclosure of a tax lien or sale, transfer or conveyance in connection with a tax sale, including, without limitation, any and all rights arising under Section 34.21 of the Texas Tax Code, as amended ("Tax Redemption Rights").

TO HAVE AND TO HOLD the Tax Redemption Rights in the Non-Redeemable Property belonging in any way to the Developer, unto the Trustee, its successors and assigns, forever, subject to the Restrictions and Reservations set forth herein; and the Developer does hereby bind itself and its successors and assigns, to WARRANT AND FOREVER DEFEND all and singular, the Tax Redemption Rights in the Non-Redeemable Property unto the Trustee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same, or any part thereof by, through, or under the Developer, but not otherwise, subject to the Restrictions and Reservations set forth in this Agreement.

Restrictions and Reservations

IT IS EXPRESSLY UNDERSTOOD AND AGREED that if all or a portion of the Non-Redeemable Property ceases to be Assessed Property, as shown on the Assessment Rolls maintained by the City, then the owner of such land shall have the right to assume ownership of the Tax Redemption Rights for said portion of the Non-Redeemable Property. Upon request by an owner of land that is Non-Redeemable Property that has ceased to be Assessed Property, the City and the Trustee shall execute a Release from this Agreement in the form attached hereto as **Exhibit "C."**

SECTION 3. RESTRICTION AGAINST REDEMPTION OF NON-REDEEMABLE PROPERTY

In the event that a court of competent jurisdiction enters a final judgment that the foregoing conveyance of Tax Redemption Rights is not effective, the Developer hereby absolutely, unconditionally and irrevocably waives, releases, relinquishes and surrenders forever, on behalf of itself and its successors and assigns, and agrees not to assert or exercise any and all Tax Redemption Rights it now has or in the future may have in equity, pursuant to statute, the Constitution of the State of Texas or otherwise to redeem, repurchase or reacquire any portion of the Property that is Non-Redeemable Property following a foreclosure of a tax lien or sale, transfer or conveyance in connection with a tax sale, including, without limitation, any and all rights arising under Section 34.21 of the Texas Tax Code, as amended.

SECTION 4. DEPOSIT OF FUNDS WITH ESCROW AGENT/WAIVER OF AGRICULTURAL USE VALUATION.

(a) Property Tax Deposit. Concurrently with the closing on the first series of PID Bonds, the Developer will deposit $__________ with the Escrow Agent ("Property Tax Deposit") which is estimated to be two years of ad valorem taxes levied by all taxing units on the Property subject to agricultural valuation for the calendar years 2016 and 2017. Escrow Agent is instructed to hold the Property Tax Deposit in cash until such time it receives further instruction from the City to either (i) return the funds to the Developer; or (ii) deliver the funds to the City; provided, however, that the Escrow Agent shall transfer to the Developer any amounts remaining out of the Property Tax Deposit after the last outstanding Bond is discharged (the "Anniversary Date") regardless of whether an order from the City directing such action is received and this Agreement shall terminate subject to the return of the Agricultural Use Waiver as described in Section 5.

SECTION 5. WAIVER OF AGRICULTURAL USE VALUATION.

(a) Delivery of Agricultural Use Waiver Into Escrow. Concurrently with the execution and delivery of this Agreement, the Developer has executed and has delivered or will promptly deliver to the Trustee to be held in escrow six (6) originals of the form attached hereto as **Exhibit "B"** (the "Agricultural Use Waiver") waiving any agricultural use valuation and any right to special appraisal arising based on agricultural use with respect to Non-Redeemable Property. The Agricultural Use Waiver shall be held in escrow, and shall only be released from escrow in accordance with the provisions of this Section 4.

(b) Authorization to File Agricultural Use Waiver.

(i) Prior to the Trustee taking any action described in subsection 4(b)(ii) below, the Trustee shall pay past due or delinquent taxes using funds in the Developer Property Tax Account of the Administrative Fund held under the applicable Indenture. If the funds in the applicable Developer Property Tax Account of the Administrative Fund are not sufficient to pay all past due ad valorem taxes, including any accrued interest and penalties, then the Trustee shall notify the Developer and the Lenders of such deficiency and provide the Developer and the Lenders thirty (30) days to deliver to the Trustee the requisite amount of funds to pay all past due taxes and restore the applicable Developer Property Tax Account of the Administrative Fund.

(ii) In the event that any taxes secured by a lien against any portion of the Non-Redeemable Property have not been paid by March 1st following the year for which such taxes are levied, the Trustee shall provide the Lenders notice of the deficiency and provide the Lenders ten (10) days to cure said deficiency. If the Lenders fail to cure the deficiency, Trustee shall (unless otherwise instructed by holders of not less than twenty percent (20%) of the Bonds, as defined in the Financing Agreement, secured by the applicable Indenture then outstanding) and the Developer hereby irrevocably authorizes the Trustee to, release the Agricultural Use Waiver from escrow and deliver same to the Denton County Tax Assessor/Collector or its successor. The Trustee shall, and the Developer further authorizes the Trustee to, attach to the Agricultural Use Waiver a description of that portion of the Non-Redeemable Property for which taxes are delinquent; provided, the Trustee shall verify with the City the descriptions of the Non-Redeemable Property to be attached to such waiver. In the event that the Trustee receives notice that delinquent taxes and all penalties and interest have been paid prior to Trustee's transmittal of the Agricultural Use Waiver to the Denton County Tax Assessor/Collector or its successor, then Trustee shall not transmit the Waiver of Agricultural Use to the Denton County Tax Assessor/Collector and such waiver shall be returned to escrow. In the event that the number of Agricultural Use Waivers held by Trustee is less than three (3) and some portion of the Property is Non-Redeemable Property, the Developer agrees to promptly execute and deliver to the Trustee, to be held in and released from escrow as provided herein, another Agricultural Use Waiver for use with any remaining Non-Redeemable Property owned by the Developer; provided, however, the Trustee shall deliver to the Denton County Tax Assessor/Collector or its successor an Agricultural Use Waiver with respect to the remaining Non-Redeemable Property owned by the Developer, if the Developer does not execute and deliver to the Trustee such additional Agricultural Waivers within thirty (30) days of a written request by the Trustee. Notwithstanding anything to the contrary contained herein, the Lenders are under no obligation to cure any deficiency.

(iii) Except as provided in Section 4(b)(iv), in the event that any Assessments levied by the City pursuant to the Assessment Ordinance that are secured by a lien against any portion of the Non-Redeemable Property have not been paid by March 1st following the year for which such Assessments are levied (or ten (10) days before such Assessments become delinquent, if earlier), the Trustee shall provide the Lenders notice of the failure to pay Assessments and provide the Lenders ten (10) days to cure such failure. If the Lenders fail to cure, the Trustee shall (unless otherwise instructed by holders of not less than twenty percent (20%) of the Bonds secured by the Indenture then outstanding) and the Developer hereby irrevocably authorizes the Trustee to, release the Agricultural Use Waiver from escrow and deliver same to the Denton County Tax Assessor/Collector or its successor. The Trustee shall, and the Developer further authorizes the Trustee to, attach to the Agricultural Use Waiver a description of that portion of the Non-Redeemable Property for which Assessments are delinquent. In the event that the number of Agricultural Use Waivers held by Trustee is less than three (3) and some portion of the Property is Non-Redeemable, the Developer agrees to promptly execute and deliver to the Trustee, to be held in and released from escrow as provided herein, another Agricultural Use Waiver for use with any remaining Non-Redeemable Property owned by the Developer; provided, however, the Trustee shall deliver to the Denton County Tax Assessor/Collector or its successor an Agricultural Use Waiver with respect to the remaining Non-Redeemable Property owned by the Developer, if the Developer does not execute and deliver to the Trustee such additional Agricultural Waivers within thirty (30) days of a written request by the Trustee. Notwithstanding anything to the contrary contained herein, the Lenders are under no obligation to cure the failure to pay.

(iv) If, by case law, statute or an opinion of the Attorney General of the State of Texas it is determined that Tax Redemption Rights do not apply to the Assessments levied on behalf of the District, then Section 4(b)(iii) shall immediately become non-operative and non-effective upon Trustee's receipt of written notice of such decision, statute or opinion.

SECTION 6. REPRESENTATIONS AND WARRANTIES.

The Developer each hereby represents and warrants to the City as follows:

(a) The Developer represents and warrants that it is a limited liability company duly organized and validly existing under the laws of the State of Texas, is qualified to do business in and is in good standing under the laws of the State of Texas, is in compliance with the laws of the State of Texas, and has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated.

(b) The Developer represents and warrants that it has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of the Developer.

(c) The Developer represents and warrants that this Agreement is a valid and enforceable obligation of the Developer and is enforceable against the Developer in accordance with its terms, subject to bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles.

SECTION 7. DEFAULT AND REMEDIES.

In the event that the Developer shall violate, or indicate that the Developer intends to violate, any of the terms and provisions set forth in this Agreement, in addition to any other remedies available at law or in equity, the Trustee shall have the right to sue for and obtain a prohibitive or mandatory injunction or any other equitable remedy to prevent the breach of, or to enforce the observance of, the terms of this Agreement. The foregoing remedies shall be cumulative with, in addition to, and non-exclusive of one another, and the exercise of any one remedy shall not bar the exercise of any other remedy. In the event of any legal action commenced by the Trustee to enforce the obligations of the Developer hereunder, the Trustee shall be entitled to recover its reasonable attorney's fees and costs. The Trustee shall provide ten (10) days' notice to the Lenders prior to taking any enforcement action.

SECTION 8. MISCELLANEOUS.

(a) Term of Agreement. This Agreement shall continue in full force and effect so long as any obligations remain outstanding under any Indenture.

(b) Headings Descriptive. The headings of the several Sections and subsections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

(c) Interpretation. The singular number includes the plural and the masculine gender includes the feminine and neuter.

(d) Covenants Run with the Land; Transfers of the Property. This Agreement shall run with the land and the ownership of any Non-Redeemable Property and will act as an appurtenant burden on the Non-Redeemable Property and shall be binding upon the Non-Redeemable Property and all owners, tenants, subtenants, licensees, assignees and occupants thereof and any other party having any interest therein. Upon the acquisition by any party of any interest in the Non-Redeemable Property, such party shall automatically and without further action by such party or any other party be deemed to have assumed and agreed to be bound by this Agreement. Without limiting the foregoing, any person who acquires a fee interest in any portion of the Non-Redeemable Property ("Subsequent Owner") shall, and hereby shall be deemed to have agreed to, (i) execute and record in the Real Property Records of Denton County, Texas, promptly following the recording of the conveyance instrument, an agreement in the form attached hereto as **Exhibit "D"** (the "Acknowledgment and Agreement") to acknowledge that such person is subject to the terms of this Agreement, expressly agreeing to comply with the terms and provisions of this Agreement applicable to the portion of the Non-Redeemable Property acquired by such person, and waiving such person's right to redeem such portion of the Non-Redeemable Property, and (ii) execute and deliver to the Trustee, concurrently with the recording of the Acknowledgment and Agreement, four (4) Waiver of Special Appraisal Agricultural Use Waivers in the form attached hereto as **Exhibit "B"** for that portion of the Non-Redeemable Property acquired by such person. In the event that the number of Agricultural Use Waivers signed by a Subsequent Owner that are held by Trustee is less than two (2) and some portion of the Property owned by the Subsequent Owner is Non-Redeemable Property, such Subsequent Owner agrees to promptly execute and deliver to the Trustee, to be held in and released from escrow as provided herein, another Agricultural Use Waiver for use with any remaining Non-Redeemable Property owned by such Subsequent Owner; provided, however, the Trustee shall deliver to the Denton County Tax Assessor/Collector or its successor an Agricultural Use Waiver with respect to the remaining Non-Redeemable Property owned by a Subsequent Owner that has not paid taxes or Assessments as required by this Agreement, if said Subsequent Owner does not execute and deliver to the Trustee such additional Agricultural Waivers within thirty (30) days of a written request by the Trustee.

(e) Material Agreement. The Developer acknowledges that the agreements and obligations of the Parties set forth herein are a material inducement to the City's entering into the Financing Agreement, that the Developer is represented by counsel of its own choice with respect to this Agreement, and that the Developer is entering into this Agreement freely and voluntarily and not acting under coercion or duress.

(f) Binding Effect. This Agreement shall be binding upon the Developer and the successors, receivers, trustees and assigns of the Developer, including all successors in interest of the Developer in and to all or any part of the Property, and shall inure to the benefit of the City, the Trustee and the successors and assigns of the Trustee.

(g) Amendments. This Agreement may be modified or amended only by a written agreement executed by the Trustee, the City, and each owner of that portion of the Property to be affected by such amendment and recorded in the Real Property Records of Denton County, Texas.

(h) Severability; No Waiver. If any provision of this Agreement is held invalid or unenforceable, no other provision of this Agreement will be affected by such holding and all other provisions of this Agreement will continue in full force and effect. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement will not be deemed a waiver of such requirement or of any other provision, and such Party may at any time thereafter insist upon strict performance of any and all of the provisions of this Agreement.

(i) Notices. Any notice, communication or disbursement required to be given or made hereunder shall be in writing and shall be given or made by facsimile, hand delivery, overnight courier, or by United States mail, certified or registered mail, return receipt requested, postage prepaid, at the addresses set forth below or at such other addresses as any be specified in writing by any Party hereto to the other parties hereto. Each notice which shall be mailed or delivered in the manner described above shall be deemed sufficiently given, served, sent and received for all purpose at such time as it is received by the addressee (with return receipt, the delivery receipt or the affidavit of messenger being deemed conclusive evidence of such receipt) at the following addresses:

If to the Trustee:	U.S. Bank National Association 13737 Noel Road, Suite 800 Dallas, Texas 75240 Attn: Corporate Trust Services
If to the City:	City of Celina Attn: City Manager 142 N. Ohio Street Celina, Texas 75009
With a copy to:	Julie Fort, Messer, Rockefeller and Fort 6351 Preston Road, Suite 350 Frisco, Texas 75034
If to the Developer:	CADG Sutton Fields, LLC c/o Centurion American 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
With a copy to:	Miklos Law, PLLC Attn: Robert Miklos 1800 Valley View Lane, Suite 360 Farmers Branch, Texas 75234

(j) Third Party Beneficiaries. The provisions of this Agreement are and will be for the benefit of the Parties, the Trustee and the holders of the Bonds only and are not for the benefit of any other third party and, accordingly, no other third party shall have the right to enforce the provisions of this Agreement.

(k) Counterparts. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

(l) Further Assurances. The Parties agree to take all further action and execute and deliver to the City such additional documents as may be necessary or as the City may reasonably request to carry out the purposes of this Agreement.

(m) Governing Law. This Agreement and the rights and obligations of the Parties hereunder shall be governed by, and construed in accordance with the laws of the State of Texas (without giving effect to the principles thereof relating to conflicts of law).

(n) Exhibits. The following exhibits are attached to and incorporated into this Agreement for all purposes:

Exhibit "A" – Description of the Property
Exhibit "B" – Form of Agricultural Use Waiver
Exhibit "C" – Form of Release From Agreement
Exhibit "D" – Acknowledgment of Assumption of Waiver of Right of Redemption

[Signature pages follow]

IN WITNESS WHEREOF, the Parties to this Agreement have caused this Agreement to be executed by their duly authorized representatives on the dates set forth in the acknowledgements below, to be effective as of the day and year first above written.

CITY OF CELINA, TEXAS,
a home rule city and Texas municipal corporation

By: ____________________________________
Name: Chad Anderson
Title: Mayor Pro Tem

ATTEST:

____
Vicki Faulkner, City Secretary

THE STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of November, 2015, by Chad Anderson and Vicki Faulkner, the Mayor Pro Tem and City Secretary respectively, of the City of Celina, Texas, a home rule city and Texas municipal corporation, on behalf said city and municipal corporation.

____
Notary Public, State of Texas

CADG Sutton Fields, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company
Its Sole Managing Member

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: ______________________________
Name: Mehrdad Moayedi
Its: Manager

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of November, 2015 by Mehrdad Moayedi, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of CADG Holdings, LLC, as Sole Managing Member of CADG Sutton Fields, LLC, a Texas limited liability company on behalf of said company.

____
Notary Public, State of Texas

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: ____
Authorized Officer

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of November, 2015, by __________________________, the _______________________________ of U.S. Bank National Association, on behalf of said entity.

____
Notary Public, State of Texas

Exhibit "A"

Metes and Bounds Description of Property

Exhibit "B"

WAIVER OF SPECIAL APPRAISAL

THE STATE OF TEXAS	§	
	§	KNOW EVERYONE BY THESE PRESENTS:
COUNTY OF _____________	§	

THAT this Waiver of Special Appraisal (this "Waiver") is made and entered into as of the 10th day of November, 2015, for the benefit of the City of Celina, Texas (the "City") and the Trustee (as defined below), by ("Landowner," whether one or more), owner of the property described on Schedule 1 hereto (the "Property"), which Property is located within the Sutton Fields II Public Improvement District (the "District"), a public improvement district of the City, pursuant to Texas Tax Code Ann. §23.20.

<u>RECITALS</u>

A. The City has the right to levy special assessments on land located within the District pursuant to a separate ordinance enacted by the City Council of the City, which assessments are intended to provide for the financing of certain improvements for the benefit of the District.

B. The purpose of the City in selling its special assessments revenue bonds is to provide, among other things, financing for certain improvements to serve the District.

C. In furtherance of this purpose, the City has agreed to reimburse Landowner (or has reimbursed Landowner's predecessor in interest) for payments made for certain Authorized Improvements, subject to the execution and delivery by Landowner of this Waiver.

D. Landowner acknowledges that the election by Landowner to claim agricultural use exemptions or valuations arising under Section 34.21 of the Texas Tax Code, as amended (collectively, the "Exemptions"), but not including any residential homestead exemption, for the Property would be detrimental to the property valuation base and may significantly impair the ability of the City to meet its debt obligations for its special assessments revenue bonds.

<u>WAIVER</u>

Section 1. <u>Waiver of Exemptions.</u> Landowner, on behalf of itself, its successors and assigns, (i) irrevocably waives its right to claim any of the Exemptions with respect to the Property for a period of thirty (30) years beginning on the date this Waiver is received by the Denton County Tax Assessor/Collector; (ii) authorizes the City and/or the Trustee to file this Waiver with the Chief Appraiser of the Denton County Appraisal District, or its successor, in accordance with the terms of the Agreement Regarding Conveyance of Right of Redemption and Waiver of Agricultural Valuation – Sutton Fields II Public Improvement District having an

effective date of November 10, 2015; and (iii) covenants that it will not make any claim for a special appraisal except on written authorization of the Trustee. Landowner acknowledges that it may have the right under Article 8 of the Texas Constitution to assert some or all of the Exemptions which it is waiving herein, and agrees that it shall be estopped from claiming such Exemptions for so long as this Waiver shall remain in effect; provided, however, it is expressly acknowledged and agreed by Landowner that mechanisms for single family residences now available or to be made available by any change in Texas laws for the reduction of ad valorem tax liability or of valuation for the purposes of ad valorem taxes or other assessments with respect to real property, such as exemptions for homesteads, disabled veterans, and elderly homesteads, are not included in the definition of Exemptions and are expressly allowed, to the extent such exemptions would be otherwise available, with respect to the Property.

Section 2. Disclosures of Lienholders. Landowner represents and warrants that is the only lienholder on the Property.

Section 3. Reliance on Waiver. Landowner or its predecessor in interest has induced the City into issuing special assessment revenue bonds based, in significant part, on the covenants hereunder and the City has agreed to issue such special assessment revenue bonds in reliance upon such covenants.

Section 4. Covenants to Run with Land. The terms and provisions hereof shall be deemed to be restrictive covenants encumbering and running with the Property and shall be binding upon the Landowner and its successors and assigns. In particular, each successive purchaser of the Property shall, upon purchase thereof (or any portion thereof), waive its right to claim any of the Exemptions with respect to the Property (or such portion thereof) for so long as this Waiver shall remain in effect.

Section 5. Enforceability. The covenants and restrictions binding the Property hereunder shall be enforceable only by the City, the Trustee and their respective successors and assigns. This Waiver is for the sole benefit of the parties hereto, and of the Trustee, and no other third party is intended to be a beneficiary of this Waiver.

Section 6. Termination. This Waiver shall continue in full force and effect until the earlier to occur of the following: (i) thirty (30) years; or (ii) such time as the Trustee approves a revocation in writing.

Section 7. Severability. Every provision of this Waiver is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable to the maximum extent permitted by law, it being the intent of the parties hereto to give full force and effect to the agreements made hereunder to the maximum extent permitted by law.

Section 8. Headings. The Section headings are included in this Waiver for convenience and reference only, and shall not be deemed to affect the substantive provisions of this Waiver.

Section 9. Remedies. If Landowner breaches its obligations hereunder, the Trustee or the City (on behalf of the Trustee), in addition to all other remedies set forth herein or otherwise available at law or in equity, shall be entitled to recover from Landowner the amount of assessments that would have been due to the City had Landowner complied with this Waiver. Such payment will be due and payable, and will incur penalties and charges under the same terms as if the payment had been an assessment obligation of Landowner to City.

[EXECUTION PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Waiver in one or more counterparts, each of which shall be of equal dignity, as of the date and year set forth in the acknowledgements below, to be effective for all purposes as of the date first set forth above.

LANDOWNER:
CADG Sutton Fields, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company
Its Sole Managing Member

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By:_______________________________
Name: Mehrdad Moayedi
Its: Manager

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of ________________, 2015 by Mehrdad Moayedi, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of CADG Holdings, LLC, as Sole Managing Member of CADG Sutton Fields, LLC, a Texas limited liability company on behalf of said company.

____
Notary Public, State of Texas

CONSENT OF LIENHOLDER

___________________________ ("Lienholder"), being a lienholder on the Property, hereby consents to this Waiver of Special Appraisal (the "Waiver") and accepts and agrees to the terms and provisions of this Waiver; provided that Lienholder is provided notice and an opportunity to cure pursuant to Section 4 of the Agreement Regarding Conveyance of Right of Redemption and Waiver of Agricultural Valuation.

LIENHOLDER:

By: ____

Name: ____

Title: ____

THE STATE OF __________ §
§
COUNTY OF ____________ §

This instrument was acknowledged before me on this ___ day of ______________, 20__, by________________________, the ____________________ of ________________________, on behalf of said entity.

____
Notary Public, State of Texas

After recording, return to:

______
______
______

* Attached description of the Property as **Schedule 1** prior to executing.

Exhibit "C"

RELEASE OF REDEMPTION AGREEMENT

THE STATE OF TEXAS §
§ KNOW EVERYONE BY THESE PRESENTS:
COUNTY OF COLLIN

WHEREAS, the land described in the attached Exhibit "A" ("Property") is located within the Sutton Fields II Public Improvement District ("District");

WHEREAS, CADG Sutton Fields, LLC is the owner of the Property ("Owner");

WHEREAS, the Property is subject to the terms of the Agreement Regarding Conveyance of Right of Redemption And Waiver of Agricultural Valuation – Sutton Fields II Public Improvement District with an effective date of November 10, 2015, and recorded in Document No. ________, Official Public Records of Denton County, Texas ("Redemption Agreement");

WHEREAS, the City of Celina and the Trustee are parties to the Redemption Agreement;

WHEREAS, pursuant to the Redemption Agreement certain rights to redeem the Property under the Texas Tax Code (as described in the Redemption Agreement) were conveyed to the Trustee (defined below);

WHEREAS, the U.S. Bank National Association is the Trustee, as defined in the Redemption Agreement;

WHEREAS, pursuant to Section 4 of the Redemption Agreement, the Trustee is authorized to deliver a Waiver of Agricultural Use to the appropriate Tax Assessor/Collector office in the event that delinquent taxes or Special Assessments are owed on the Property;

WHEREAS, pursuant to Section 2 of the Redemption Agreement, the City and the Trustee are authorized to release property from the terms of the Redemption Agreement; and

WHEREAS, the City and the Trustee have determined that the Property should be released from the terms of the Redemption Agreement;

NOW, THEREFORE, for and in consideration of the above stated premises, and for other good and valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged by the City of Celina and the Trustee, the City of Celina and the Trustee do hereby forever release and discharge the Property from all terms, restrictions, covenants and conditions of the Redemption Agreement in its entirety, and release any and all rights that the City of Celina and the Trustee had, have or may have by virtue of the Redemption Agreement. In no event shall this release have any impact on land within the District other than the Property described in the attached Exhibit "A".

Trustee has GRANTED, BARGAINED, SOLD, and CONVEYED, and by these presents does hereby GRANT, BARGAIN, SELL, and CONVEY, unto Owner all rights that Trustee and its successors and assigns now have or in the future may have in equity, or under common law, statutory law, the Constitution of the State of Texas or otherwise in the "Tax Redemption Rights," as defined in the Redemption Agreement with respect to the Property described in the attached Exhibit "A".

TO HAVE AND TO HOLD the Tax Redemption Rights in the Property, described in the attached Exhibit "A", belonging in any way to Trustee, unto the Owner, its successors and assigns, forever, and Trustee does hereby bind itself and its respective successors and assigns, to WARRANT AND FOREVER DEFEND all and singular, the Tax Redemption Rights in the Property, described in the attached Exhibit "A", unto the Owner, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same, or any part thereof by, through, or under Trustee, but not otherwise.

[SIGNATURE PAGE FOLLOWS]

WITNESS THE EXECUTION HEREOF this the ___ day of ______________, 20__.

CITY OF CELINA, TEXAS

By:____

THE STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on _________________, 20___, by ______________________________, the ____________ of the City of Celina, Texas, a home rule law city and Texas municipal corporation, on behalf of said city and municipal corporation.

____
Notary Public, State of Texas

WITNESS THE EXECUTION HEREOF this the ___ day of ________, 20___.

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By:____

THE STATE OF ______________ §
§
COUNTY OF ________________ §

This instrument was acknowledged before me on this _____ day of ________________, 20__, by ________________________, the ______________________ of U.S Bank National Association, on behalf of said entity.

____
Notary Public, State of Texas

* Attached description of the Land as **Exhibit A** prior to recording.

After Recording Mail to:

EXHIBIT "D"

ACKNOWLEDGMENT OF ASSUMPTION AND CONVEYANCE OF RIGHT OF REDEMPTION

This Acknowledgment of Assumption and Conveyance of Right of Redemption (this "Acknowledgment and Agreement") is entered into effective ____________________, 20__ by ___________________________, a ____________________ (whether one or more, the "Buyer") in favor of the City of Celina, Texas (the "City") and the Trustee, as such term is defined in the Redemption Agreement (defined below).

R E C I T A L S

A. WHEREAS, Buyer has purchased and acquired certain land described on **Exhibit A** attached hereto (the "Land"); and

B. WHEREAS, the Land is subject to that certain Agreement Regarding Conveyance of Right of Redemption and Wavier of Agricultural Valuation, dated on or about November 10, 2015 (the "Redemption Agreement"); and

C. WHEREAS, pursuant to a the requirements of the Redemption Agreement, it is a condition to the acquisition of the Land that the Buyer execute this Acknowledgment and Agreement and record same in the Real Property Records of Denton County, Texas; and

D. WHEREAS, the purchase price paid by Buyer for the Property was calculated and determined, in part, based upon the benefits and restrictions applicable to the Land and arising in connection with the Redemption Agreement and the other agreements executed in connection therewith and the requirement that Buyer execute this Acknowledgment and Agreement.

NOW, THEREFORE, in consideration of Ten and No/100 Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Buyer hereby represents, warrants and agrees as follows:

1. Buyer acknowledges that the Redemption Agreement continues to affect the Land, and that Buyer has assumed, and Buyer hereby does assume and agree to perform, the obligations of the Developer (as such term is defined in the Redemption Agreement) under the Redemption Agreement with respect to the Land.

2. Buyer hereby grants, sells, conveys and assigns to the Trustee all rights Buyer and its successors and assigns now have or in the future may have in equity, pursuant to statute, the Constitution of the State of Texas or otherwise to redeem, repurchase or reacquire, following any foreclosure of a tax lien or sale, transfer or conveyance in connection with a tax sale, any portion of the Land that constitutes Exempt Property (as defined in the Redemption Agreement), including, without limitation, any and all rights arising under Section 34.21 of the Texas Tax Code, as amended but excluding any redemption rights arising out of the homestead status of the Property. In the event that the foregoing conveyance is not effective, Buyer hereby absolutely,

unconditionally and irrevocably waives, releases, relinquishes and surrenders forever, on behalf of itself and its successors and assigns, and agrees not to assert or exercise any and all rights it now has or in the future may have in equity, pursuant to statute, the Constitution of the State of Texas or otherwise to redeem, repurchase or reacquire, following any foreclosure of a tax lien or sale, transfer or conveyance in connection with a tax sale, any portion of the Land that constitutes Exempt Property, including, without limitation, any and all rights arising under Section 34.21 of the Texas Tax Code, as amended.

3. Concurrently with the execution and delivery of this Acknowledgment and Agreement, Buyer has executed and has delivered (or will promptly deliver) to the Trustee to be held in escrow a Waiver of Special Appraisal in the form attached as **Exhibit B** to the Redemption Agreement waiving any agricultural use valuation and any right to special appraisal arising based on agricultural use with respect to the Land. Such agreement shall be held in, and released from, escrow in accordance with the provisions of Section 4 of the Redemption Agreement.

EXECUTED to be effective as of the date first above written.

[SIGNATURE PAGES FOLLOW]

BUYER:

____

THE STATE OF TEXAS §
§
COUNTY OF _____________ §

This document was acknowledged before me on ___________________, 20__, by ___________________, the __________________ of _____________________, a ______________, on behalf of said entity.

____
Notary Public, State of Texas

* Attached description of the Land as **Exhibit A** prior to recording.

CADG SUTTON FIELDS, LLC AGREEMENT REGARDING CONVEYANCE OF RIGHT OF REDEMPTION AND WAIVER OF AGRICULTURAL VALUATION – SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT

This CADG SUTTON FIELDS, LLC AGREEMENT REGARDING CONVEYANCE OF RIGHT OF REDEMPTION AND WAIVER OF AGRICULTURAL VALUATION – SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT (this "Agreement"), dated November 10, 2015 (the "Effective Date"), by and among CADG SUTTON FIELDS, LLC, a Texas limited liability company, (the "Developer"), the CITY OF CELINA, TEXAS, (the "City"), a municipal corporation, and U.S. BANK NATIONAL ASSOCIATION (the "Trustee"). The City, the Trustee, and the Developer are sometimes referred to herein individually as a "Party," and together as the "Parties."

RECITALS

A. WHEREAS, the Developer owns a total of approximately 421 acres of land located in Denton County, Texas, as described in the attached **Exhibit "A"** (the "Property"), which Property is located within the City's corporate limits;

B. WHEREAS, the Developer desires to develop the Property as a residential development (the "Project");

C. WHEREAS, the Developer proposes to construct certain public improvements and transfer those improvements to the City in accordance with the terms and provisions of (i) the Neighborhood Improvement Areas #2-5 Major Improvement Construction, Funding and Acquisition Agreement (the "the "Financing Agreement") having an effective date of November 10, 2015, between the Developer and the City and (ii) the Sutton Fields Facilities and Development Agreement, (the "Development Agreement"), having an effective date of October 27, 2015, and entered into by and between the Developer and the City;

D. WHEREAS, upon the petition of the Developer, on October 13, 2015, the City authorized the formation of the Sutton Fields II Public Improvement District (the "District") on the Property in accordance with Chapter 372, Texas Local Government Code, as amended;

E. WHEREAS, the Property constitutes a portion of the land within the District;

F. WHEREAS, in combination with the CADG SUTTON FIELDS II, LLC AGREEMENT REGARDING CONVEYANCE OF RIGHT OF REDEMPTION AND WAIVER OF AGRICULTURAL VALUATION – SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT, the assessed property within the Neighborhood Improvement Areas #2-5 of the District is covered by a Redemption and Waiver of Agricultural Valuation Agreement;

G. WHEREAS, the City intends to (upon satisfaction of the conditions and in accordance with the terms set forth in the Financing Agreement), at the request, and with the consent, approval and agreement of the Developer, adopt an ordinance levying special assessments on the Property (the "Assessment Ordinance") and adopting the Service and Assessment Plan (as defined in the Financing Agreement) that provides for the construction and financing of Authorized Improvements (as defined in the Service and Assessment Plan) for the benefit of Assessed Property (as herein defined) within the District pursuant to the Service and Assessment Plan, payable in whole or in part by and from the Assessments (as defined in the Service and Assessment Plan) levied against Assessed Property, as more specifically provided for in the Service and Assessment Plan;

H. WHEREAS, the City intends to (upon satisfaction of the conditions and in accordance with the terms set forth in the Financing Agreement) levy Assessments on all or a portion of the Property (the "Assessed Property") and issue, in multiple series, bonds ("PID Bonds") for payment of costs associated with construction and/or acquisition of the Authorized Improvements included in the Service and Assessment Plan, as such plan may be amended from time to time;

I. WHEREAS, pursuant to the Service and Assessment Plan, the City will maintain the Neighborhood Improvement Areas #2-5 Assessment Rolls (as defined in the Service and Assessment Plan) that identify all parcels within the District that are Assessed Property and all parcels that are not subject to an assessment (the "Non-Benefitted Property");

J. WHEREAS, as the Property is developed, portions of the Assessed Property may be converted into Non-Benefitted Property and the City will update the Neighborhood Improvement Areas #2-5 Assessment Rolls from time to time to identify Assessed Property and Non-Benefitted Property within the Neighborhood Improvement Areas #2-5 within the District;

K. WHEREAS, from the proceeds of the bonds the City issues in connection with the Authorized Improvements, the City will, upon satisfaction of the conditions and in accordance with the terms set forth in the Financing Agreement and Development Agreement, acquire and accept those certain Authorized Improvements provided for in the Financing Agreement and the Developer will be paid or reimbursed for all or a portion of the costs of acquisition, construction, and improvement of the Authorized Improvements; and

L. WHEREAS, as a condition precedent to the City's performance of its obligations under the Financing Agreement, the Developer has agreed to execute this Agreement conveying all rights to redeem any portion of the Property that is subject to an Assessment and has an agricultural use valuation following a tax sale, and to execute and deliver into escrow with the Trustee multiple originals of waivers of agricultural use valuation in the form attached as **Exhibit "B"** hereto; and

M. WHEREAS, U.S. Bank National Association is the trustee under the Indenture (as defined in the Major Improvements Financing Agreement).

NOW, THEREFORE, in consideration of the premises set forth above, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

SECTION 1. DEFINITIONS

(a) "Exempt Property" shall include any portion of the Property that is designated for agricultural use (which shall include, but not be limited to, any of the uses described in Section 23.51 of the Texas Tax Code, as amended) or is otherwise claimed for agricultural use by the owner thereof for ad valorem tax purposes pursuant to Section 23.41 of the Texas Tax Code or any other applicable statute, law or right.

(b) "Assessed Property" shall include any portion of the Property that is subject to an Assessment levied pursuant to the Assessment Ordinance and identified on the Neighborhood Improvement Areas #2-5 Assessment Rolls maintained by the City.

(c) "Lenders" shall mean both ____________________, signing a Lienholder Consent to a Waiver of Special Appraisal (in substantially the form included in **Exhibit "B"**) delivered to Trustee.

(d) "Non-Redeemable Property" shall be those portions of the Property that are Assessed Property and have an Exempt Property status at the time either the applicable ad valorem taxes become past due or at the time that the annual installment of the Assessment levied against such property becomes past due.

(e) "Trustee" means U.S. Bank National Association, and any successor thereto permitted under the Indenture.

SECTION 2. CONVEYANCE OF RIGHT OF REDEMPTION.

The Developer has GRANTED, BARGAINED, SOLD, and CONVEYED, and by these presents does hereby GRANT, BARGAIN, SELL, and CONVEY, unto the Trustee all rights that the Developer and its successors and assigns now have or in the future may have in equity, or under common law, statutory law, the Constitution of the State of Texas or otherwise to redeem, repurchase or reacquire Non-Redeemable Property following a foreclosure of a tax lien or sale, transfer or conveyance in connection with a tax sale, including, without limitation, any and all rights arising under Section 34.21 of the Texas Tax Code, as amended ("Tax Redemption Rights").

TO HAVE AND TO HOLD the Tax Redemption Rights in the Non-Redeemable Property belonging in any way to the Developer, unto the Trustee, its successors and assigns, forever, subject to the Restrictions and Reservations set forth herein; and the Developer does hereby bind itself and its successors and assigns, to WARRANT AND FOREVER DEFEND all and singular, the Tax Redemption Rights in the Non-Redeemable Property unto the Trustee, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same, or any part thereof by, through, or under the Developer, but not otherwise, subject to the Restrictions and Reservations set forth in this Agreement.

Restrictions and Reservations

IT IS EXPRESSLY UNDERSTOOD AND AGREED that if all or a portion of the Non-Redeemable Property ceases to be Assessed Property, as shown on the Assessment Rolls maintained by the City, then the owner of such land shall have the right to assume ownership of the Tax Redemption Rights for said portion of the Non-Redeemable Property. Upon request by an owner of land that is Non-Redeemable Property that has ceased to be Assessed Property, the City and the Trustee shall execute a Release from this Agreement in the form attached hereto as **Exhibit "C."**

SECTION 3. RESTRICTION AGAINST REDEMPTION OF NON-REDEEMABLE PROPERTY

In the event that a court of competent jurisdiction enters a final judgment that the foregoing conveyance of Tax Redemption Rights is not effective, the Developer hereby absolutely, unconditionally and irrevocably waives, releases, relinquishes and surrenders forever, on behalf of itself and its successors and assigns, and agrees not to assert or exercise any and all Tax Redemption Rights it now has or in the future may have in equity, pursuant to statute, the Constitution of the State of Texas or otherwise to redeem, repurchase or reacquire any portion of the Property that is Non-Redeemable Property following a foreclosure of a tax lien or sale, transfer or conveyance in connection with a tax sale, including, without limitation, any and all rights arising under Section 34.21 of the Texas Tax Code, as amended.

SECTION 4. DEPOSIT OF FUNDS WITH ESCROW AGENT/WAIVER OF AGRICULTURAL USE VALUATION.

(a) Property Tax Deposit. Concurrently with the closing on the first series of PID Bonds, the Developer will deposit $__________ with the Escrow Agent ("Property Tax Deposit") which is estimated to be two years of ad valorem taxes levied by all taxing units on the Property subject to agricultural valuation for the calendar years 2016 and 2017. Escrow Agent is instructed to hold the Property Tax Deposit in cash until such time it receives further instruction from the City to either (i) return the funds to the Developer; or (ii) deliver the funds to the City; provided, however, that the Escrow Agent shall transfer to the Developer any amounts remaining out of the Property Tax Deposit after the last outstanding Bond is discharged (the "Anniversary Date") regardless of whether an order from the City directing such action is received and this Agreement shall terminate subject to the return of the Agricultural Use Waiver as described in Section 5.

SECTION 5. WAIVER OF AGRICULTURAL USE VALUATION.

(a) Delivery of Agricultural Use Waiver Into Escrow. Concurrently with the execution and delivery of this Agreement, the Developer has executed and has delivered or will promptly deliver to the Trustee to be held in escrow six (6) originals of the form attached hereto as **Exhibit "B"** (the "Agricultural Use Waiver") waiving any agricultural use valuation and any right to special appraisal arising based on agricultural use with respect to Non-Redeemable Property. The Agricultural Use Waiver shall be held in escrow, and shall only be released from escrow in accordance with the provisions of this Section 4.

(b) Authorization to File Agricultural Use Waiver.

(i) Prior to the Trustee taking any action described in subsection 4(b)(ii) below, the Trustee shall pay past due or delinquent taxes using funds in the Developer Property Tax Account of the Administrative Fund held under the applicable Indenture. If the funds in the applicable Developer Property Tax Account of the Administrative Fund are not sufficient to pay all past due ad valorem taxes, including any accrued interest and penalties, then the Trustee shall notify the Developer and the Lenders of such deficiency and provide the Developer and the Lenders thirty (30) days to deliver to the Trustee the requisite amount of funds to pay all past due taxes and restore the applicable Developer Property Tax Account of the Administrative Fund.

(ii) In the event that any taxes secured by a lien against any portion of the Non-Redeemable Property have not been paid by March 1st following the year for which such taxes are levied, the Trustee shall provide the Lenders notice of the deficiency and provide the Lenders ten (10) days to cure said deficiency. If the Lenders fail to cure the deficiency, Trustee shall (unless otherwise instructed by holders of not less than twenty percent (20%) of the Bonds, as defined in the Financing Agreement, secured by the applicable Indenture then outstanding) and the Developer hereby irrevocably authorizes the Trustee to, release the Agricultural Use Waiver from escrow and deliver same to the Denton County Tax Assessor/Collector or its successor. The Trustee shall, and the Developer further authorizes the Trustee to, attach to the Agricultural Use Waiver a description of that portion of the Non-Redeemable Property for which taxes are delinquent; provided, the Trustee shall verify with the City the descriptions of the Non-Redeemable Property to be attached to such waiver. In the event that the Trustee receives notice that delinquent taxes and all penalties and interest have been paid prior to Trustee's transmittal of the Agricultural Use Waiver to the Denton County Tax Assessor/Collector or its successor, then Trustee shall not transmit the Waiver of Agricultural Use to the Denton County Tax Assessor/Collector and such waiver shall be returned to escrow. In the event that the number of Agricultural Use Waivers held by Trustee is less than three (3) and some portion of the Property is Non-Redeemable Property, the Developer agrees to promptly execute and deliver to the Trustee, to be held in and released from escrow as provided herein, another Agricultural Use Waiver for use with any remaining Non-Redeemable Property owned by the Developer; provided, however, the Trustee shall deliver to the Denton County Tax Assessor/Collector or its successor an Agricultural Use Waiver with respect to the remaining Non-Redeemable Property owned by the Developer, if the Developer does not execute and deliver to the Trustee such additional Agricultural Waivers within thirty (30) days of a written request by the Trustee. Notwithstanding anything to the contrary contained herein, the Lenders are under no obligation to cure any deficiency.

(iii) Except as provided in Section 4(b)(iv), in the event that any Assessments levied by the City pursuant to the Assessment Ordinance that are secured by a lien against any portion of the Non-Redeemable Property have not been paid by March 1st following the year for which such Assessments are levied (or ten (10) days before such Assessments become delinquent, if earlier), the Trustee shall provide the Lenders notice of the failure to pay Assessments and provide the Lenders ten (10) days to cure such failure. If the Lenders fail to cure, the Trustee shall (unless otherwise instructed by holders of not less than twenty percent (20%) of the Bonds secured by the Indenture then outstanding) and the Developer hereby irrevocably authorizes the Trustee to, release the Agricultural Use Waiver from escrow and deliver same to the Denton County Tax Assessor/Collector or its successor. The Trustee shall, and the Developer further authorizes the Trustee to, attach to the Agricultural Use Waiver a description of that portion of the Non-Redeemable Property for which Assessments are delinquent. In the event that the number of Agricultural Use Waivers held by Trustee is less than three (3) and some portion of the Property is Non-Redeemable, the Developer agrees to promptly execute and deliver to the Trustee, to be held in and released from escrow as provided herein, another Agricultural Use Waiver for use with any remaining Non-Redeemable Property owned by the Developer; provided, however, the Trustee shall deliver to the Denton County Tax Assessor/Collector or its successor an Agricultural Use Waiver with respect to the remaining Non-Redeemable Property owned by the Developer, if the Developer does not execute and deliver to the Trustee such additional Agricultural Waivers within thirty (30) days of a written request by the Trustee. Notwithstanding anything to the contrary contained herein, the Lenders are under no obligation to cure the failure to pay.

(iv) If, by case law, statute or an opinion of the Attorney General of the State of Texas it is determined that Tax Redemption Rights do not apply to the Assessments levied on behalf of the District, then Section 4(b)(iii) shall immediately become non-operative and non-effective upon Trustee's receipt of written notice of such decision, statute or opinion.

SECTION 6. REPRESENTATIONS AND WARRANTIES.

The Developer each hereby represents and warrants to the City as follows:

(a) The Developer represents and warrants that it is a limited liability company duly organized and validly existing under the laws of the State of Texas, is qualified to do business in and is in good standing under the laws of the State of Texas, is in compliance with the laws of the State of Texas, and has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated.

(b) The Developer represents and warrants that it has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of the Developer.

(c) The Developer represents and warrants that this Agreement is a valid and enforceable obligation of the Developer and is enforceable against the Developer in accordance with its terms, subject to bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles.

SECTION 7. DEFAULT AND REMEDIES.

In the event that the Developer shall violate, or indicate that the Developer intends to violate, any of the terms and provisions set forth in this Agreement, in addition to any other remedies available at law or in equity, the Trustee shall have the right to sue for and obtain a prohibitive or mandatory injunction or any other equitable remedy to prevent the breach of, or to enforce the observance of, the terms of this Agreement. The foregoing remedies shall be cumulative with, in addition to, and non-exclusive of one another, and the exercise of any one remedy shall not bar the exercise of any other remedy. In the event of any legal action commenced by the Trustee to enforce the obligations of the Developer hereunder, the Trustee shall be entitled to recover its reasonable attorney's fees and costs. The Trustee shall provide ten (10) days' notice to the Lenders prior to taking any enforcement action.

SECTION 8. MISCELLANEOUS.

(a) Term of Agreement. This Agreement shall continue in full force and effect so long as any obligations remain outstanding under any Indenture.

(b) Headings Descriptive. The headings of the several Sections and subsections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

(c) Interpretation. The singular number includes the plural and the masculine gender includes the feminine and neuter.

(d) Covenants Run with the Land; Transfers of the Property. This Agreement shall run with the land and the ownership of any Non-Redeemable Property and will act as an appurtenant burden on the Non-Redeemable Property and shall be binding upon the Non-Redeemable Property and all owners, tenants, subtenants, licensees, assignees and occupants thereof and any other party having any interest therein. Upon the acquisition by any party of any interest in the Non-Redeemable Property, such party shall automatically and without further action by such party or any other party be deemed to have assumed and agreed to be bound by this Agreement. Without limiting the foregoing, any person who acquires a fee interest in any portion of the Non-Redeemable Property ("Subsequent Owner") shall, and hereby shall be deemed to have agreed to, (i) execute and record in the Real Property Records of Denton County, Texas, promptly following the recording of the conveyance instrument, an agreement in the form attached hereto as **Exhibit "D"** (the "Acknowledgment and Agreement") to acknowledge that such person is subject to the terms of this Agreement, expressly agreeing to comply with the terms and provisions of this Agreement applicable to the portion of the Non-Redeemable Property acquired by such person, and waiving such person's right to redeem such portion of the Non-Redeemable Property, and (ii) execute and deliver to the Trustee, concurrently with the recording of the Acknowledgment and Agreement, four (4) Waiver of Special Appraisal Agricultural Use Waivers in the form attached hereto as **Exhibit "B"** for that portion of the Non-Redeemable Property acquired by such person. In the event that the number of Agricultural Use Waivers signed by a Subsequent Owner that are held by Trustee is less than two (2) and some portion of the Property owned by the Subsequent Owner is Non-Redeemable Property, such Subsequent Owner agrees to promptly execute and deliver to the Trustee, to be held in and released from escrow as provided herein, another Agricultural Use Waiver for use with any remaining Non-Redeemable Property owned by such Subsequent Owner; provided, however, the Trustee shall deliver to the Denton County Tax Assessor/Collector or its successor an Agricultural Use Waiver with respect to the remaining Non-Redeemable Property owned by a Subsequent Owner that has not paid taxes or Assessments as required by this Agreement, if said Subsequent Owner does not execute and deliver to the Trustee such additional Agricultural Waivers within thirty (30) days of a written request by the Trustee.

(e) Material Agreement. The Developer acknowledges that the agreements and obligations of the Parties set forth herein are a material inducement to the City's entering into the Financing Agreement, that the Developer is represented by counsel of its own choice with respect to this Agreement, and that the Developer is entering into this Agreement freely and voluntarily and not acting under coercion or duress.

(f) Binding Effect. This Agreement shall be binding upon the Developer and the successors, receivers, trustees and assigns of the Developer, including all successors in interest of the Developer in and to all or any part of the Property, and shall inure to the benefit of the City, the Trustee and the successors and assigns of the Trustee.

(g) Amendments. This Agreement may be modified or amended only by a written agreement executed by the Trustee, the City, and each owner of that portion of the Property to be affected by such amendment and recorded in the Real Property Records of Denton County, Texas.

(h) Severability; No Waiver. If any provision of this Agreement is held invalid or unenforceable, no other provision of this Agreement will be affected by such holding and all other provisions of this Agreement will continue in full force and effect. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement will not be deemed a waiver of such requirement or of any other provision, and such Party may at any time thereafter insist upon strict performance of any and all of the provisions of this Agreement.

(i) Notices. Any notice, communication or disbursement required to be given or made hereunder shall be in writing and shall be given or made by facsimile, hand delivery, overnight courier, or by United States mail, certified or registered mail, return receipt requested, postage prepaid, at the addresses set forth below or at such other addresses as any be specified in writing by any Party hereto to the other parties hereto. Each notice which shall be mailed or delivered in the manner described above shall be deemed sufficiently given, served, sent and received for all purpose at such time as it is received by the addressee (with return receipt, the delivery receipt or the affidavit of messenger being deemed conclusive evidence of such receipt) at the following addresses:

If to the Trustee:	U.S. Bank National Association 13737 Noel Road, Suite 800 Dallas, Texas 75240 Attn: Corporate Trust Services
If to the City:	City of Celina Attn: City Manager 142 N. Ohio Street Celina, Texas 75009
With a copy to:	Julie Fort, Messer, Rockefeller and Fort 6351 Preston Road, Suite 350 Frisco, Texas 75034
If to the Developer:	CADG Sutton Fields, LLC c/o Centurion American 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
With a copy to:	Miklos Law, PLLC Attn: Robert Miklos 1800 Valley View Lane, Suite 360 Farmers Branch, Texas 75234

(j) Third Party Beneficiaries. The provisions of this Agreement are and will be for the benefit of the Parties, the Trustee and the holders of the Bonds only and are not for the benefit of any other third party and, accordingly, no other third party shall have the right to enforce the provisions of this Agreement.

(k) Counterparts. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

(l) Further Assurances. The Parties agree to take all further action and execute and deliver to the City such additional documents as may be necessary or as the City may reasonably request to carry out the purposes of this Agreement.

(m) Governing Law. This Agreement and the rights and obligations of the Parties hereunder shall be governed by, and construed in accordance with the laws of the State of Texas (without giving effect to the principles thereof relating to conflicts of law).

(n) Exhibits. The following exhibits are attached to and incorporated into this Agreement for all purposes:

Exhibit "A" – Description of the Property
Exhibit "B" – Form of Agricultural Use Waiver
Exhibit "C" – Form of Release From Agreement
Exhibit "D" – Acknowledgment of Assumption of Waiver of Right of Redemption

[Signature pages follow]

IN WITNESS WHEREOF, the Parties to this Agreement have caused this Agreement to be executed by their duly authorized representatives on the dates set forth in the acknowledgements below, to be effective as of the day and year first above written.

CITY OF CELINA, TEXAS,
a home rule city and Texas municipal corporation

By: ____
Name: Chad Anderson
Title: Mayor Pro Tem

ATTEST:

____
Vicki Faulkner, City Secretary

THE STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of November, 2015, by Chad Anderson and Vicki Faulkner, the Mayor Pro Tem and City Secretary respectively, of the City of Celina, Texas, a home rule city and Texas municipal corporation, on behalf said city and municipal corporation.

____
Notary Public, State of Texas

CADG Sutton Fields, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company
Its Sole Managing Member

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By: ________________________________
Name: Mehrdad Moayedi
Its: Manager

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of November, 2015 by Mehrdad Moayedi, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of CADG Holdings, LLC, as Sole Managing Member of CADG Sutton Fields, LLC, a Texas limited liability company on behalf of said company.

____
Notary Public, State of Texas

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: ______________________________________
Authorized Officer

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of November, 2015, by _________________________, the _____________________________ of U.S. Bank National Association, on behalf of said entity.

____
Notary Public, State of Texas

Exhibit "A"

Metes and Bounds Description of Property

Exhibit "B"

WAIVER OF SPECIAL APPRAISAL

THE STATE OF TEXAS	§	
	§	KNOW EVERYONE BY THESE PRESENTS:
COUNTY OF _____________	§	

THAT this Waiver of Special Appraisal (this "Waiver") is made and entered into as of the 10th day of November, 2015, for the benefit of the City of Celina, Texas (the "City") and the Trustee (as defined below), by ("Landowner," whether one or more), owner of the property described on Schedule 1 hereto (the "Property"), which Property is located within the Sutton Fields II Public Improvement District (the "District"), a public improvement district of the City, pursuant to Texas Tax Code Ann. §23.20.

RECITALS

A. The City has the right to levy special assessments on land located within the District pursuant to a separate ordinance enacted by the City Council of the City, which assessments are intended to provide for the financing of certain improvements for the benefit of the District.

B. The purpose of the City in selling its special assessments revenue bonds is to provide, among other things, financing for certain improvements to serve the District.

C. In furtherance of this purpose, the City has agreed to reimburse Landowner (or has reimbursed Landowner's predecessor in interest) for payments made for certain Authorized Improvements, subject to the execution and delivery by Landowner of this Waiver.

D. Landowner acknowledges that the election by Landowner to claim agricultural use exemptions or valuations arising under Section 34.21 of the Texas Tax Code, as amended (collectively, the "Exemptions"), but not including any residential homestead exemption, for the Property would be detrimental to the property valuation base and may significantly impair the ability of the City to meet its debt obligations for its special assessments revenue bonds.

WAIVER

Section 1. Waiver of Exemptions. Landowner, on behalf of itself, its successors and assigns, (i) irrevocably waives its right to claim any of the Exemptions with respect to the Property for a period of thirty (30) years beginning on the date this Waiver is received by the Denton County Tax Assessor/Collector; (ii) authorizes the City and/or the Trustee to file this Waiver with the Chief Appraiser of the Denton County Appraisal District, or its successor, in accordance with the terms of the Agreement Regarding Conveyance of Right of Redemption and Waiver of Agricultural Valuation – Sutton Fields II Public Improvement District having an effective date of November 10, 2015; and (iii) covenants that it will not make any claim for a special appraisal except on written authorization of the Trustee. Landowner acknowledges that it may have the right under Article 8 of the Texas Constitution to assert some or all of the Exemptions which it is waiving herein, and agrees that it shall be estopped from claiming such Exemptions for so long as this Waiver shall remain in effect; provided, however, it is expressly acknowledged and agreed by Landowner that mechanisms for single family residences now available or to be made available by any change in Texas laws for the reduction of ad valorem tax liability or of valuation for the purposes of ad valorem taxes or other assessments with respect to real property, such as exemptions for homesteads, disabled veterans, and elderly homesteads, are not included in the definition of Exemptions and are expressly allowed, to the extent such exemptions would be otherwise available, with respect to the Property.

Section 2. <u>Disclosures of Lienholders.</u> Landowner represents and warrants that is the only lienholder on the Property.

Section 3. <u>Reliance on Waiver.</u> Landowner or its predecessor in interest has induced the City into issuing special assessment revenue bonds based, in significant part, on the covenants hereunder and the City has agreed to issue such special assessment revenue bonds in reliance upon such covenants.

Section 4. <u>Covenants to Run with Land.</u> The terms and provisions hereof shall be deemed to be restrictive covenants encumbering and running with the Property and shall be binding upon the Landowner and its successors and assigns. In particular, each successive purchaser of the Property shall, upon purchase thereof (or any portion thereof), waive its right to claim any of the Exemptions with respect to the Property (or such portion thereof) for so long as this Waiver shall remain in effect.

Section 5. <u>Enforceability.</u> The covenants and restrictions binding the Property hereunder shall be enforceable only by the City, the Trustee and their respective successors and assigns. This Waiver is for the sole benefit of the parties hereto, and of the Trustee, and no other third party is intended to be a beneficiary of this Waiver.

Section 6. <u>Termination.</u> This Waiver shall continue in full force and effect until the earlier to occur of the following: (i) thirty (30) years; or (ii) such time as the Trustee approves a revocation in writing.

Section 7. <u>Severability.</u> Every provision of this Waiver is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court of competent jurisdiction, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable to the maximum extent permitted by law, it being the intent of the parties hereto to give full force and effect to the agreements made hereunder to the maximum extent permitted by law.

Section 8. <u>Headings.</u> The Section headings are included in this Waiver for convenience and reference only, and shall not be deemed to affect the substantive provisions of this Waiver.

Section 9. Remedies. If Landowner breaches its obligations hereunder, the Trustee or the City (on behalf of the Trustee), in addition to all other remedies set forth herein or otherwise available at law or in equity, shall be entitled to recover from Landowner the amount of assessments that would have been due to the City had Landowner complied with this Waiver. Such payment will be due and payable, and will incur penalties and charges under the same terms as if the payment had been an assessment obligation of Landowner to City.

[EXECUTION PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Waiver in one or more counterparts, each of which shall be of equal dignity, as of the date and year set forth in the acknowledgements below, to be effective for all purposes as of the date first set forth above.

LANDOWNER:
CADG Sutton Fields, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company
Its Sole Managing Member

By: MMM Ventures, LLC,
a Texas limited liability company
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company
Its Manager

By:_______________________________
Name: Mehrdad Moayedi
Its: Manager

STATE OF TEXAS §
§
COUNTY OF DALLAS §

This instrument was acknowledged before me on the _____ day of ________________, 2015 by Mehrdad Moayedi, Manager of 2M Ventures, LLC, as Manager of MMM Ventures, LLC, as Manager of CADG Holdings, LLC, as Sole Managing Member of CADG Sutton Fields, LLC, a Texas limited liability company on behalf of said company.

____
Notary Public, State of Texas

CONSENT OF LIENHOLDER

_____________________________ ("Lienholder"), being a lienholder on the Property, hereby consents to this Waiver of Special Appraisal (the "Waiver") and accepts and agrees to the terms and provisions of this Waiver; provided that Lienholder is provided notice and an opportunity to cure pursuant to Section 4 of the Agreement Regarding Conveyance of Right of Redemption and Waiver of Agricultural Valuation.

LIENHOLDER:

By: ____

Name: ____

Title: ____

THE STATE OF ___________ §
§
COUNTY OF _____________ §

This instrument was acknowledged before me on this ___ day of _______________, 20__, by________________________, the _____________________ of _________________________, on behalf of said entity.

____
Notary Public, State of Texas

After recording, return to:

____
____
____

* Attached description of the Property as **Schedule 1** prior to executing.

Exhibit "C"

RELEASE OF REDEMPTION AGREEMENT

THE STATE OF TEXAS §
§ KNOW EVERYONE BY THESE PRESENTS:
COUNTY OF COLLIN

WHEREAS, the land described in the attached Exhibit "A" ("Property") is located within the Sutton Fields II Public Improvement District ("District");

WHEREAS, CADG Sutton Fields, LLC is the owner of the Property ("Owner");

WHEREAS, the Property is subject to the terms of the Agreement Regarding Conveyance of Right of Redemption And Waiver of Agricultural Valuation – Sutton Fields II Public Improvement District with an effective date of November 10, 2015, and recorded in Document No. ________, Official Public Records of Denton County, Texas ("Redemption Agreement");

WHEREAS, the City of Celina and the Trustee are parties to the Redemption Agreement;

WHEREAS, pursuant to the Redemption Agreement certain rights to redeem the Property under the Texas Tax Code (as described in the Redemption Agreement) were conveyed to the Trustee (defined below);

WHEREAS, the U.S. Bank National Association is the Trustee, as defined in the Redemption Agreement;

WHEREAS, pursuant to Section 4 of the Redemption Agreement, the Trustee is authorized to deliver a Waiver of Agricultural Use to the appropriate Tax Assessor/Collector office in the event that delinquent taxes or Special Assessments are owed on the Property;

WHEREAS, pursuant to Section 2 of the Redemption Agreement, the City and the Trustee are authorized to release property from the terms of the Redemption Agreement; and

WHEREAS, the City and the Trustee have determined that the Property should be released from the terms of the Redemption Agreement;

NOW, THEREFORE, for and in consideration of the above stated premises, and for other good and valuable consideration, the receipt and sufficiency of all of which are hereby acknowledged by the City of Celina and the Trustee, the City of Celina and the Trustee do hereby forever release and discharge the Property from all terms, restrictions, covenants and conditions of the Redemption Agreement in its entirety, and release any and all rights that the City of Celina and the Trustee had, have or may have by virtue of the Redemption Agreement. In no event shall this release have any impact on land within the District other than the Property described in the attached Exhibit "A".

Trustee has GRANTED, BARGAINED, SOLD, and CONVEYED, and by these presents does hereby GRANT, BARGAIN, SELL, and CONVEY, unto Owner all rights that Trustee and its successors and assigns now have or in the future may have in equity, or under common law, statutory law, the Constitution of the State of Texas or otherwise in the "Tax Redemption Rights," as defined in the Redemption Agreement with respect to the Property described in the attached Exhibit "A".

TO HAVE AND TO HOLD the Tax Redemption Rights in the Property, described in the attached Exhibit "A", belonging in any way to Trustee, unto the Owner, its successors and assigns, forever, and Trustee does hereby bind itself and its respective successors and assigns, to WARRANT AND FOREVER DEFEND all and singular, the Tax Redemption Rights in the Property, described in the attached Exhibit "A", unto the Owner, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same, or any part thereof by, through, or under Trustee, but not otherwise.

[SIGNATURE PAGE FOLLOWS]

WITNESS THE EXECUTION HEREOF this the ___ day of _____________, 20__.

CITY OF CELINA, TEXAS

By:____

THE STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on ________________, 20___, by ____________________________, the ___________ of the City of Celina, Texas, a home rule law city and Texas municipal corporation, on behalf of said city and municipal corporation.

____
Notary Public, State of Texas

WITNESS THE EXECUTION HEREOF this the ___ day of ________, 20___.

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By:____

THE STATE OF ______________ §
§
COUNTY OF ________________ §

This instrument was acknowledged before me on this _____ day of ________________, 20__, by _______________________, the ______________________ of U.S Bank National Association, on behalf of said entity.

____
Notary Public, State of Texas

* Attached description of the Land as **Exhibit A** prior to recording.

After Recording Mail to:

EXHIBIT "D"

ACKNOWLEDGMENT OF ASSUMPTION AND CONVEYANCE OF RIGHT OF REDEMPTION

This Acknowledgment of Assumption and Conveyance of Right of Redemption (this "Acknowledgment and Agreement") is entered into effective ____________________, 20__ by ___________________________, a ____________________ (whether one or more, the "Buyer") in favor of the City of Celina, Texas (the "City") and the Trustee, as such term is defined in the Redemption Agreement (defined below).

R E C I T A L S

A. WHEREAS, Buyer has purchased and acquired certain land described on **Exhibit A** attached hereto (the "Land"); and

B. WHEREAS, the Land is subject to that certain Agreement Regarding Conveyance of Right of Redemption and Wavier of Agricultural Valuation, dated on or about November 10, 2015 (the "Redemption Agreement"); and

C. WHEREAS, pursuant to a the requirements of the Redemption Agreement, it is a condition to the acquisition of the Land that the Buyer execute this Acknowledgment and Agreement and record same in the Real Property Records of Denton County, Texas; and

D. WHEREAS, the purchase price paid by Buyer for the Property was calculated and determined, in part, based upon the benefits and restrictions applicable to the Land and arising in connection with the Redemption Agreement and the other agreements executed in connection therewith and the requirement that Buyer execute this Acknowledgment and Agreement.

NOW, THEREFORE, in consideration of Ten and No/100 Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Buyer hereby represents, warrants and agrees as follows:

1. Buyer acknowledges that the Redemption Agreement continues to affect the Land, and that Buyer has assumed, and Buyer hereby does assume and agree to perform, the obligations of the Developer (as such term is defined in the Redemption Agreement) under the Redemption Agreement with respect to the Land.

2. Buyer hereby grants, sells, conveys and assigns to the Trustee all rights Buyer and its successors and assigns now have or in the future may have in equity, pursuant to statute, the Constitution of the State of Texas or otherwise to redeem, repurchase or reacquire, following any foreclosure of a tax lien or sale, transfer or conveyance in connection with a tax sale, any portion of the Land that constitutes Exempt Property (as defined in the Redemption Agreement), including, without limitation, any and all rights arising under Section 34.21 of the Texas Tax Code, as amended but excluding any redemption rights arising out of the homestead status of the Property. In the event that the foregoing conveyance is not effective, Buyer hereby absolutely,

unconditionally and irrevocably waives, releases, relinquishes and surrenders forever, on behalf of itself and its successors and assigns, and agrees not to assert or exercise any and all rights it now has or in the future may have in equity, pursuant to statute, the Constitution of the State of Texas or otherwise to redeem, repurchase or reacquire, following any foreclosure of a tax lien or sale, transfer or conveyance in connection with a tax sale, any portion of the Land that constitutes Exempt Property, including, without limitation, any and all rights arising under Section 34.21 of the Texas Tax Code, as amended.

3. Concurrently with the execution and delivery of this Acknowledgment and Agreement, Buyer has executed and has delivered (or will promptly deliver) to the Trustee to be held in escrow a Waiver of Special Appraisal in the form attached as **Exhibit B** to the Redemption Agreement waiving any agricultural use valuation and any right to special appraisal arising based on agricultural use with respect to the Land. Such agreement shall be held in, and released from, escrow in accordance with the provisions of Section 4 of the Redemption Agreement.

EXECUTED to be effective as of the date first above written.

[SIGNATURE PAGES FOLLOW]

BUYER:

____

THE STATE OF TEXAS §
§
COUNTY OF _____________ §

This document was acknowledged before me on ___________________, 20__, by ___________________, the __________________ of _____________________, a ______________, on behalf of said entity.

____
Notary Public, State of Texas

* Attached description of the Land as **Exhibit A** prior to recording.

Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Brooks Wilson, Senior Planner
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: Sutton Fields II PID NIA 2-5 Reimbursement Agreement

Action Requested:

Consider and act upon a resolution of the City of Celina, Texas, approving and authorizing the Mayor Pro Tem to execute "Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Reimbursement Agreement" between the City of Celina, Texas, and CADG Sutton Fields, LLC. (Liebman)

Please see attached Memo

Staff Recommendation:

Staff Recommends Approving This Staff Report

Planning & Development Services
City of Celina

Memorandum

To: **The Honorable Mayor Sean Terry and Celina City Council**
CC: Mike Foreman, City Manager
From: Brooks Wilson, AICP, Senior Planner
Date: November 10, 2015
Re: Sutton Fields MIA (NIA #2-5) Reimbursement Agreement Ordinance

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Action Requested:
Consider and act upon an ordinance regarding the Sutton Fields Major Improvement Area (NIA #2-5) Reimbursement Agreement. (Liebman)

Background Information:
At the October 27, 2015 Special Called Meeting, the City Council passed an ordinance creating the Sutton Fields TIRZ, also known as City of Celina TIRZ Number Four. This item presents the plan for the reimbursement of project costs associated with the development of Sutton Fields TIRZ Major Improvement Area (NIA #2-5).

Legal Obligations and Review:
The Sutton Fields Major Improvement Area (NIA #2-5) Reimbursement Agreement Ordinance has been reviewed by the city's land use attorney and bond counsel.

Supporting Documents:
- Ordinance adopting the Sutton Fields TIRZ Reimbursement Agreement for the Major Improvement Area (MIA)

RESOLUTION NO. 2015-__R

AN A RESOLUTION OF THE CITY OF CELINA, TEXAS APPROVING AND AUTHORIZING THE MAYOR PRO TEM TO EXECUTE "SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREAS #2-5 MAJOR IMPROVEMENT REIMBURSEMENT AGREEMENT" BETWEEN THE CITY OF CELINA, TEXAS AND CADG SUTTON FIELDS, LLC

WHEREAS, on October 13, 2015 the City Council (the "City Council") of the City of Celina, Texas (the "City") adopted Resolution No. 2015-51R creating Sutton Fields II Public Improvement District; and

WHEREAS, the City desires to approve the "Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Reimbursement Agreement" between the City and CADG Sutton Fields, LLC ("Reimbursement Agreement"); and

WHEREAS, the Reimbursement Agreement satisfies the requirements of Section 372.023 of the Public Improvement District Assessment Act and is an appropriate method of reimbursement for the costs associated with the construction and development of authorized improvements.

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

SECTION 1. THAT the findings and premises contained in the preamble above are hereby deemed to be true and correct and incorporated herein.

SECTION 2. THAT the "Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Reimbursement Agreement" between the City of Celina, Texas and CADG Sutton Fields, LLC, which is attached hereto as Exhibit A, is approved and the Mayor Pro Tem is authorized to execute such Reimbursement Agreement on behalf of the City of Celina, Texas.

SECTION 3. THAT this Resolution shall become effective from and after its date of passage in accordance with law.

[Remainder of Page Intentionally Left Blank; Signatures to Follow]

PASSED AND ADOPTED, this November 10, 2015.

CITY OF CELINA, TEXAS

Chad Anderson, Mayor Pro Tem

ATTEST:

City Secretary

(City Seal)

EXHIBIT A

REIMBURSEMENT AGREEMENT

SUTTON FIELDS II PUBLIC IMPROVEMENT DISTRICT NEIGHBORHOOD IMPROVEMENT AREAS #2 - 5 MAJOR IMPROVEMENT REIMBURSEMENT AGREEMENT

This Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Reimbursement Agreement (this "Reimbursement Agreement") is executed between the City of Celina, Texas (the "City") and CADG Sutton Fields, LLC, a Texas limited liability company (the "Developer") to be effective November 10, 2015 (the "Effective Date") (individually referred to as a "Party" and collectively as the "Parties").

RECITALS

WHEREAS, capitalized terms used in this Reimbursement Agreement shall have the meanings given to them in this Reimbursement Agreement or in the *Sutton Fields II Public Improvement District Service and Assessment Plan*, dated November 10, 2015, as the same may be amended from time to time (the "SAP") approved by Ordinance No. 2015-__ passed and approved by the City Council on November 10, 2015 ("Ordinance No. 2015-__") ; and

WHEREAS, on October 13, 2015 the City Council passed and approved Resolution No. 2015-51R authorizing the creation of the Sutton Fields II Public Improvement District (the "District") covering approximately 622 acres of land described by metes and bounds in said Resolution (the "District Property"); and

WHEREAS, the purpose of the District is to finance public improvements (the "Authorized Improvements") as provided by Chapter 372, Texas Local Government Code, as amended (the "Act") that promote the interests of the City and confer a special benefit on the Assessed Property within the District; and

WHEREAS, the District Property is being developed in phases, and special assessments for each phase have been or will be levied against the Assessed Property within such phase to pay the costs of Authorized Improvements that confer a special benefit on the Assessed Property within such phase; and

WHEREAS, on October 27, 2015, the City Council passed and approved the Sutton Fields Facilities and Development Agreement (the "Development Agreement"); and

WHEREAS, Neighborhood Improvement Areas #2 - 5 are the remaining portion of the land in the District after Neighborhood Improvement Area #1 is developed, as described in the SAP; and

WHEREAS, on October 20, 2015, the City Council passed and approved Resolution No. 2015-54R determining, among other things, the estimated costs of the Neighborhood

Improvement Areas #2 - 5 Major Improvements to be $11,845,649 (the "Neighborhood Improvement Areas #2 - 5 Major Improvement Costs"); and

WHEREAS, in addition to approving the SAP, Ordinance No. 2015-____ levied assessments against property within Neighborhood Improvement Areas #2 - 5 (the "Neighborhood Improvement Areas #2 - 5 Assessed Property") for the Neighborhood Improvement Areas #2 - 5 Major Improvements in accordance with the Neighborhood Improvement Areas #2 - 5 Major Improvement Assessment Roll attached as Appendix B to the SAP; and

WHEREAS, on November 10, 2015, the City adopted Ordinance No. 2015-____ authorizing the issuance and sale of its "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2015 (Sutton Fields II Public Improvement District Neighborhood Improvement Areas #2-5 Major Improvement Project)" (the "Series 2015 Neighborhood Improvement Areas #2 – 5 Major Improvement Bonds") to finance a portion of the Neighborhood Improvement Areas #2 - 5 Major Improvements Costs; and

WHEREAS, the Neighborhood Improvement Areas #2 - 5 Major Improvement Assessment Revenues are dedicated and pledged to the Series 2015 Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds as provided in the Neighborhood Improvement Areas #2 - 5 Major Improvement Assessment Roll and secured under the Indenture of Trust relating to the Series 2015 Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds, dated December 1, 2015 (the "Series 2015 Neighborhood Improvement Areas #2 - 5 Major Improvement Bond Indenture") between the City and U.S. Bank National Association, as trustee (the "Trustee"); and

WHEREAS, the Parties have entered into that certain "Neighborhood Improvement Areas #2 - 5 Major Improvement Construction, Funding, and Acquisition Agreement" dated as of November 10, 2015 (the "Construction Funding Agreement") for the construction of the Neighborhood Improvement Areas #2 - 5 Major Improvements; and

WHEREAS, the Parties intend for the portion of the Neighborhood Improvement Areas #2 - 5 Major Improvements Costs that are not financed by the Series 2015 Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds to be financed under the terms of this Reimbursement Agreement and the Construction Funding Agreement; and

WHEREAS, the City has established a project fund segregated from all other funds of the City (the "Project Fund") for the Neighborhood Improvement Areas #2 - 5 Major Improvements and has established subaccounts of which two are the "Neighborhood Improvement Areas #2 - 5 Major Improvement Account" and the "Neighborhood Improvement Areas #2 - 5 Major Improvement Developer Improvement Account" within such Project Fund under the Series 2015 Neighborhood Improvement Areas #2 - 5 Major Improvement Bond Indenture; and

WHEREAS, the City has established a fund segregated from all other funds of the City for the deposit of the Neighborhood Improvement Areas #2 - 5 Assessment Revenues (the "Pledged Revenue Fund"), as defined in the SAP, and has established a "Bond Pledged Revenue Account" within such Pledged Revenue Fund under the Series 2015 Neighborhood Improvement Areas #2 - 5 Major Improvement Bond Indenture.

NOW THEREFORE, FOR VALUABLE CONSIDERATION THE RECEIPT AND ADEQUACY OF WHICH ARE ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. The recitals in the "WHEREAS" clauses of this Reimbursement Agreement are true and correct, create obligations of the Parties, and are incorporated as part of this Reimbursement Agreement for all purposes.

2. The City shall cause to be deposited into the Pledged Revenue Fund all Pledged Revenues (as defined in the Series 2015 Neighborhood Improvement Areas #2 - 5 Major Improvement Bond Indenture) as provided in the Series 2015 Neighborhood Improvement Areas #2 - 5 Major Improvement Bond Indenture.

3. Developer shall make, or cause to be made, an initial deposit of [$300,000.00] to the Neighborhood Improvement Areas #2 - 5 Major Improvement Developer Improvement Account of the Project Fund (the "Neighborhood Improvement Areas #2 - 5 Major Improvement Developer Initial Deposit") on the Closing Date as defined in the Series 2015 Neighborhood Improvement Areas #2 - 5 Major Improvement Bond Indenture; and, the Neighborhood Improvement Areas #2 - 5 Major Improvements costs shall be paid first from the Neighborhood Improvement Areas #2 - 5 Major Improvement Developer Improvement Account of the Project Fund up to the Neighborhood Improvement Areas #2 - 5 Major Improvement Developer Initial Deposit. After the Neighborhood Improvement Areas #2 - 5 Major Improvement Developer Initial Deposit has been disbursed from the Neighborhood Improvement Areas #2 - 5 Major Improvement Developer Improvement Account of the Project Fund in accordance with the terms of the Series 2015 Neighborhood Improvement Areas #2 - 5 Major Improvement Bond Indenture and the Construction Funding Agreement, the Neighborhood Improvement Areas #2 - 5 Major Improvements Costs shall be paid from the Neighborhood Improvement Areas #2 – 5 Major Improvement Account of the Project Fund as provided in the Neighborhood Improvement Areas #2 - 5 Major Improvement Indenture and the Construction Funding Agreement.

4. Strictly subject to the terms, conditions, and requirements and solely from the revenues herein provided, the City agrees to pay to the Developer, and the Developer shall be entitled to receive from the City the amount equal to the actual costs incurred by Developer but not to exceed the Neighborhood Improvement Areas #2 - 5 Major

Improvements costs paid from the Neighborhood Improvement Areas #2 - 5 Major Improvement Developer Improvement Account of the Project Fund (the "Reimbursement Amount") on the unpaid balance in accordance with the terms of this Reimbursement Agreement until September 1, 2047 (the "Maturity Date"); provided, however, the Reimbursement Amount shall not exceed [$300,000.00]. The Reimbursement Amount shall be payable to the Developer solely from: (i) the net proceeds (after payment of costs of issuance, including the costs paid or incurred by the City) of one or more series of bonds (the "Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds") issued by the City and secured by a Future Levy (as defined herein); (ii) future assessments that may be levied on the Neighborhood Improvement Areas #2 - 5 assessable property ("Future Levy") or (iii) a combination of items (i) and (ii) immediately above. The Neighborhood Improvement Areas #2 - 5 Major Improvements Costs are authorized by the Act and approved by the City Council and represent the total costs to be assessed against the Neighborhood Improvement Areas #2 - 5 Assessed Property for the Neighborhood Improvement Areas #2 - 5 Major Improvements which are eligible public improvement projects that are being undertaken and financed by the District for the special benefit of the Neighborhood Improvement Areas #2 - 5 Assessed Property and that upon completion will be dedicated in fee and accepted by the City.

5. The Reimbursement Amount, as described above (collectively, the "Unpaid Balance") is payable to the Developer and secured under this Reimbursement Agreement solely as described in paragraph 4 above. The Unpaid Balance shall be payable, if funds are available, as set forth in the Construction Funding Agreement. No other City funds, revenue, taxes, income, or property shall be used even if the Unpaid Balance is not paid in full at Maturity. Notwithstanding its collection efforts, if the City fails to receive all or any part of the Future Levy and, as a result, is unable to make transfers for payments to the Developer as required under this Reimbursement Agreement, such failure and inability shall not constitute a Failure or Default by the City under this Reimbursement Agreement. This Reimbursement Agreement and/or any Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds shall not and shall never give rise to or create:

a. a charge against the general credit or taxing powers of the City or any other taxing unit; or

b. a debt or other obligation of the City payable from any source of revenue, taxes, income, or properties of the City other than from the Neighborhood Improvement Areas #2 – 5 Major Improvement Developer Improvement Account of the Project Fund or from the net proceeds of any Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds; or

c. any obligation of the City to issue Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds or other obligations; or

d. any obligation of the City to pay any amount due or to become due under this Reimbursement Agreement other than from (i) the Neighborhood Improvement Areas #2 - 5 Major Improvement Developer Improvement Account of the Project Fund or (ii) from the net proceeds of any Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds.

6. If Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds are issued, the net proceeds of such Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds shall be used, from time to time, first to pay the Unpaid Balance due the Developer for Neighborhood Improvement Areas #2 - 5 Major Improvements Costs paid from the Neighborhood Improvement Areas #2 - 5 Major Improvement Developer Improvement Account of the Project Fund under this Reimbursement Agreement and then to pay all or any portion of any Neighborhood Improvement Areas #2 - 5 Major Improvements Cost. If, after application of the net proceeds of such Future Neighborhood Improvement Areas #2 – 5 Major Improvement Bonds, any Neighborhood Improvement Areas #2 - 5 Major Improvements Cost remains unpaid, then the Developer shall pay such cost. If, after application of the net proceeds of any Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds, the Unpaid Balance due the Developer remains unpaid, all payments toward the Unpaid Balance due the Developer shall be paid from amounts deposited into any funds created for such purpose under any indenture relating to any Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds, if any. Once the principal amount of all Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds plus all payments paid to the Developer under this Reimbursement Agreement equal the Unpaid Balance, this Reimbursement Agreement shall terminate.

7. If on the Maturity Date, after application of the net proceeds of any Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds, any portion of the Unpaid Balance remains unpaid, such Unpaid Balance shall be canceled and for all purposes this Reimbursement Agreement shall be deemed to have been conclusively and irrevocably PAID IN FULL, and such Unpaid Balance shall no longer be deemed to be payable; provided, however, if any monies from a Future Levy remain due and payable and are uncollected on the Maturity Date, such collections from the Future Levy, when, as, and if collected after the Maturity Date, shall first be applied to any amounts due in connection with outstanding Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds, if any, and, then paid to the Developer and applied to the Unpaid Balance.

8. The Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part without the consent of (but with written notice to) the City, the Developer's right, title, or interest under this Reimbursement Agreement including, but not limited to, any right, title, or interest of the Developer in and to payment of the Unpaid Balance, net proceeds of any Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds (any of the foregoing, a "Transfer," and the person or entity to whom the Transfer is made, a "Transferee"). Notwithstanding the foregoing, however, no Transfer shall be effective until five days after notice of the Transfer is received by the City, including for each Transferee the information outlined in Section 16. The City may rely on any notice of a Transfer received from the Developer without obligation to investigate or confirm the validity or occurrence of such Transfer. The Developer waives all rights or claims against the City for any such funds provided to a third party as a result of a Transfer for which the City has received notice, and the Developer's sole remedy shall be to seek the funds directly from the third party.

9. The inability or failure of the City to issue Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds shall not constitute a Failure or Default under this Reimbursement Agreement or to assess a Future Levy.

10. The obligations of the City under this Reimbursement Agreement are non-recourse and payable only from net proceeds of any Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds; and such obligations do not create a debt or other obligation payable from any other city revenues, taxes, income, or property. None of the City or any of its elected or appointed officials or any of its officers or employees shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of this Reimbursement Agreement or their acts or omissions under this Reimbursement Agreement.

11. Following the City's inspection and approval of the Neighborhood Improvement Areas #2 - 5 Major Improvements and if Future #2 - 5 Major Improvement Bonds are issued, there will be no conditions or defenses to the obligation of the City to use the net proceeds of any Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds to pay the Unpaid Balance and to pledge the Future Levy as security for such Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds.

12. Nothing in this Reimbursement Agreement is intended to constitute a waiver by the City of any remedy the City may otherwise have outside this Reimbursement Agreement against any person or entity involved in the design, construction, or installation of the Neighborhood Improvement Areas #2 - 5 Major Improvements.

13. The City will consider issuing one or more series of Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds to pay the Unpaid Balance; however, the Parties covenant and acknowledge that approval of the issuance of any Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds by the City Council is a governmental function within the City's sole discretion.

14. This Reimbursement Agreement is being executed and delivered, and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of Texas shall govern the validity, construction, enforcement, and interpretation of this Reimbursement Agreement. In the event of a dispute involving this Reimbursement Agreement, venue for such dispute shall lie in any court of competent jurisdiction in Denton County, Texas.

15. Any notice required or contemplated by this Reimbursement Agreement shall be deemed given at the addresses shown below: (i) when delivered by a national company such as FedEx or UPS with evidence of delivery signed by any person at the delivery address regardless of whether such person was the named addressee; or (ii) 72 hours after the notice was deposited with the United States Postal Service, Certified Mail, Return Receipt Requested. Any Party may change its address by delivering written notice of such change in accordance with this section.

To the City:	Attn: City Manager City of Celina, Texas 142 North Ohio Celina, Texas 75009
With a copy to:	Attn: Julie Fort Messer, Rockefeller & Fort 6351 Preston Road, Suite 350 Frisco, Texas 75034
And to:	Attn: Bond Counsel Robert Dransfield Norton Rose Fulbright US LLP 2200 Ross Avenue, Suite 3600 Dallas, Texas 75201-7932
To the Owner:	CADG Sutton Fields, LLC 1800 Valley View Lane, Suite 300 Farmers Branch, Texas 75234
With a copy to:	Attn: J. Prabha Cinclair Miklos Law, PLLC 1800 Valley View Lane, Suite 360 Farmers Branch, Texas 75234

16. If any provision of this Reimbursement Agreement is held invalid by any court, such holding shall not affect the validity of the remaining provisions, and the remainder of this Reimbursement Agreement shall remain in full force and effect.

17. Failure; Default; Remedies.

a. If either Party fails to perform an obligation imposed on such Party by this Reimbursement Agreement (a "Failure") and such Failure is not cured after written notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a "Default." Upon the occurrence of a Failure by a non-performing Party, the other Party shall notify the non-performing Party and all Transferees of the non-performing Party in writing specifying in reasonable detail the nature of the Failure. The non-performing Party to whom notice of a Failure is given shall have at least 30 days from receipt of the notice within which to cure the Failure; however, if the Failure cannot reasonably be cured within 30 days and the non-performing Party has diligently pursued a cure within such 30-day period and has provided written notice to the other Party that additional time is needed, then the cure period shall be extended for an additional 30 day period so long as the non-performing Party is diligently pursuing a cure. Any Transferee shall have the right, but not the obligation, to cure any alleged Failure by the Developer within the same time periods that are provided to the Developer. The election by a Transferee to cure a Failure by the Developer shall constitute a cure by the Developer but shall not obligate the Transferee to be bound by this Reimbursement Agreement unless the Transferee agrees to be bound.

b. If the Developer is in Default, the City's sole and exclusive remedy shall be to seek specific enforcement of this Reimbursement Agreement. No Default by the Developer, however, shall: (1) affect the obligations of the City to use the net proceeds of Future Neighborhood Improvement Areas #2 - 5 Major Improvement Bonds as provided in this Reimbursement Agreement; or (2) entitle the City to terminate this Reimbursement Agreement.

c. If the City is in Default, the Developer's sole and exclusive remedies shall be to: (1) seek a writ of mandamus to compel performance by the City; (2) seek specific enforcement of this Reimbursement Agreement; or (3) terminate this Reimbursement Agreement.

18. The failure by a Party to insist upon the strict performance of any provision of this Reimbursement Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Reimbursement Agreement.

19. The City does not waive or surrender any of its governmental powers, immunities, or rights except to the extent permitted by law and necessary to allow the Developer to enforce its remedies under this Reimbursement Agreement.

20. Nothing in this Reimbursement Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and the Developer any rights, remedies, or claims under or by reason of this Reimbursement Agreement, and all covenants, conditions, promises, and agreements in this Reimbursement Agreement shall be for the sole and exclusive benefit of the City and the Developer.

21. This Reimbursement Agreement may be amended only by written agreement of the Parties.

22. This Reimbursement Agreement may be executed in counterparts, each of which shall be deemed an original.

[Signature pages to follow]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of November 10, 2015.

CITY OF CELINA, TEXAS

By: ________________________________
Name: Chad Anderson
Title: Mayor Pro Tem

ATTEST:

____
City Secretary

(City Seal)

DEVELOPER:

CADG Sutton Fields, LLC,
a Texas limited liability company

By: CADG Holdings, LLC,
a Texas limited liability company,
Its Sole Managing Member

By: MMM Ventures, LLC,
a Texas limited liability company,
Its Manager

By: 2M Ventures, LLC,
a Delaware limited liability company,
Its Manager

By:______________________________
Name: Mehrdad Moayedi
Its: Manager

Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Ben Rodriguez, Planner
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: Al-Raza Annexation Decision

Action Requested:

Consider and act upon an ordinance of the City of Celina, Texas, adopting the annexation of certain territory contiguous to and adjoining the City of Celina, Texas, to wit: being an approximately 3.50 acre tract of land located in the Collin County School land #14 survey, abstract number 167, Collin County, Texas, being all of an approximately 3.50 acre tract of land conveyed to Al-Raza Enterprises Inc. in Instrument Number 20080312000296050 of the real property records of Collin County, Texas, and being more particularly described by metes and bounds in exhibit "A" and graphically depicted in exhibit "B" attached hereto and incorporated herein, such tract is generally located east of SH 289, north and west of County Road 89 and south of East Sunset Blvd. (Liebman)

Background Information:

Below is the anticipated annexation schedule for the property. The property has no current residents or utility meters on site.

Additionally, The property does not currently have an agricultural exemption, and no pre-annexation offer is required.

- ~~September 8, 2015 - City Council acts on Resolution to set the public hearing dates.~~
- ~~October 13, 2015 - Two separate public hearings are held on the same night (6:00pm & 6:05pm @ 112 N. Colorado Dr. Celina, Texas.)~~
- November 10, 2015 - City Council acts on Ordinance annexing the properties.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

The property is within the Marilee Special Utility District, $1,250 per acre will be due to Marilee SUD upon the establishment of City water service to the property.

Legal Review:

The City Attorney has reviewed the proposed ordinance and has found it to be acceptable.

Supporting Documents:

- Proposed Ordinance

Staff Recommendation:

Staff recommends approval of this item.

CITY OF CELINA, TEXAS

ORDINANCE NO. 2015-
AL-RAZA ANNEXATON

AN ORDINANCE OF THE CITY OF CELINA, TEXAS, ADOPTING THE ANNEXATION OF CERTAIN TERRITORY CONTIGUOUS TO AND ADJOINING THE CITY OF CELINA, TEXAS, TO WIT: BEING AN APPROXIMATELY 3.50 ACRE TRACT OF LAND LOCATED IN THE COLLIN COUNTY SCHOOL LAND #14 SURVEY, ABSTRACT NUMBER 167, COLLIN COUNTY, TEXAS, BEING ALL OF AN APPROXIMATELY 3.50 ACRE TRACT OF LAND CONVEYED TO AL-RAZA ENTERPRISES INC IN INSTRUMENT NUMBER 20080312000296050 OF THE REAL PROPERTY RECORDS OF COLLIN COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS IN EXHIBIT "A" AND GRAPHICALLY DEPICTED IN EXHIBIT "B" ATTACHED HERETO AND INCORPORATED HEREIN, SUCH TRACT IS GENERALLY LOCATED EAST OF SH 289, NORTH AND WEST OF COUNTY ROAD 89. AND SOUTH OF EAST SUNSET BLVD; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FOR AMENDING OF THE OFFICIAL CITY MAP; PROVIDING FOR A SERVICE PLAN; REQUIRING THE FILING OF THIS ORDINANCE WITH THE COUNTY CLERK; PRESCRIBING FOR EFFECT ON TERRITORY, GRANTING AS APPROPRIATE TO ALL THE INHABITANTS OF SAID PROPERTY ALL THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING SAID INHABITANTS BY ALL OF THE ACTS, ORDINANCES, RESOLUTIONS, AND REGULATIONS OF THE CITY OF CELINA, TEXAS; PROVIDING A CUMULATIVE REPEALER CLAUSE; PROVIDING FOR SEVERABILITY; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is a Home Rule Municipality located in Collin and Denton County, Texas, created in accordance with the provisions of the Texas Local Government Code and operating pursuant to the enabling legislation of the State of Texas and the Celina City Charter; and

WHEREAS, two separate public hearings were conducted in accordance with Section 43.052 of the Texas Local Government Code, the first hearing being held on the 13th day of October, 2015 and the second hearing being held on the 13th day of October, 2015 in the Council Chambers located in the First United Methodist Church, 112 N. Colorado in the City of Celina to consider the annexation of the properties being more particularly described in Exhibit "A", attached hereto and incorporated herein; and

WHEREAS, any and all required written notices and offers were timely sent to all property owners and others entitled to same; and

WHEREAS, the public hearings were conducted and held no more than forty (40) days nor less than twenty (20) days prior to the institution of annexation proceedings; and

WHEREAS, the notice of the public hearings were published in the Celina Record, a newspaper of general circulation within the City of Celina, Texas, on the 25th day of September, 2015, such date being not more than twenty (20) days nor less than ten (10) days prior to each public hearing; and

WHEREAS, all required statutory notices pursuant to Chapter 43 of the Texas Local Government Code have been accomplished; and

WHEREAS, the City Council of the City of Celina, Texas has determined that such territory is contiguous to and adjoins the City of Celina, Texas; and

WHEREAS, the City Council of the City of Celina, Texas has investigated into, has determined and officially finds that no part of such territory is within the extraterritorial jurisdiction of any other incorporated city or town; and

WHEREAS, to the extent that this Ordinance would cause an unincorporated area to be entirely surrounded by the City of Celina's limits, the City Council has found - and incorporates herein its finding that surrounding the area is in the public interest; and

WHEREAS, metes and bounds descriptions of the property to be annexed is attached hereto as Exhibit "A" and incorporated herein for all purposes; and

WHEREAS, the service plan for such territory is attached hereto as Exhibit "C" and incorporated herein for all purposes.

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

SECTION 1
INCORPORATION OF PREMISES

The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

SECTION 2
OFFICIAL CITY MAP AMENDED

1. The official map and boundaries of the City are hereby amended so as to include the property being more particularly described in Exhibit "A", which is incorporated herein as if written word for word, and that such territory shall be and is hereby annexed into the corporate limits of the City.

2. The Mayor is hereby directed and authorized to perform or cause to be performed all acts necessary to correct the official map of the City to add the territory hereby annexed as required by law.

SECTION 3
SERVICE PLAN

The municipal service plan for the herein annexed territory, attached hereto as Exhibit "C", was submitted in accordance with Chapter 43 of the Texas Local Government Code and is hereby approved as part of this ordinance, and is made a part hereof.

SECTION 4
FILING OF ORDINANCE REQUIRED

The Mayor shall file or cause to be filed a certified copy of this Ordinance in the office of the County Clerk of Collin County, Texas, and any other necessary agencies.

SECTION 5
EFFECT ON TERRITORY

From and after the passage of this Ordinance, the territory referenced in Exhibit "A", attached hereto and incorporated herein for all purposes, shall be a part of the City of Celina, Texas, and subject to the municipal service plan referenced in Section 3 of this Ordinance. The inhabitants thereof shall be entitled to all of the rights, privileges and immunities as all other citizens of the City of Celina, Texas, and shall be bound by all of the Ordinances and regulations enacted pursuant to and in conformity with the general laws of the State of Texas.

SECTION 6
CUMULATIVE REPEALER

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance.

SECTION 7
SEVERABILITY

If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any person or circumstance, is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of the Ordinance, and the City Council hereby declares it would have passed such remaining portions of the Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

SECTION 8
ENGROSSMENT AND ENROLLMENT

The City Secretary of the City of Celina is hereby directed to engross and enroll this Ordinance by copying the Caption in the minutes of the City Council of the City of Celina and by filing this Ordinance in the Ordinance records of the City.

SECTION 9
EFFECTIVE DATE

This Ordinance shall be in full force and effect from and after its date of passage.

AND IT IS SO ORDAINED .

PASSED AND APPROVED by the City Council of the City of Celina, Texas, on this ____ day of ________________, 2015.

____
Sean Terry, Mayor
City of Celina, Texas

ATTEST: APPROVED AS TO FORM:

____
Vicki Faulkner, City Secretary
City of Celina, Texas

____
City Attorney
City of Celina, Texas

Exhibit "A"

EXHIBIT A

Being a 3.50 acre tract of land situated in the Collin County School Land Survey, Abstract No. 167, Collin County, Texas, and being that same tract of land conveyed to Merrill Lynch Pierce Fenner & Smith, Inc., as Custodian for the Lynne S. Brady Wolf Individual Retirement Account by Special Warranty Deed recorded in Clerk's File No. 94-0007963, Deed Records, Collin County, Texas, also conveyed to Patrick R. Brady and Ellen S. Brady Revocable Trust by Special Warranty Deed recorded in Volume 4049, Page 253, Deed Records, Collin County, Texas, and recorded in Clerk's File No. 97-0100994, Deed Records, Collin County, Texas, and being more particularly described as follows:

Beginning at a 1/2 inch iron rod found in the East line of S. Preston Road AKA State Highway 289 (variable width R.O.W.), same being the common West corner of said 3.50 acre tract and that certain tract of land conveyed to Gurley LTD by Deed recorded in Clerk's File No. 20060616000829520, Official Public Records, Collin County, Texas;

Thence North 16 degrees 45 minutes 00 seconds East along the East line of said S. Preston Road, a distance of 81.72 feet to a 1/2 inch iron rod found for corner;

Thence North 11 degrees 44 minutes 21 seconds East continuing along the East line of S. Preston Road, a distance of 220.69 feet to a 1/2 inch iron rod found for corner at the common West corner of said 3.50 acre tract and that certain tract of land conveyed to Enrique Pinkusiewicz Sr. by Clerk's File No. 93-0018472, Deed Records, Collin County, Texas;

Thence North 88 degrees 35 minutes 44 seconds East along the common line of said 3.50 acre tract and said Pinkusiewicz tract, a distance of 485.41 feet to a 1/2 inch iron rod with yellow plastic cap marked "SHIELDS & LEE" set for corner at the Northeast corner of 3.50 acre tract and being the Northwest corner of that certain tract of land conveyed to C.M. Roberts Operations, Inc. by Deed recorded in Volume 5146, Page 1799, Deed Records, Collin County, Texas;

Thence South 01 degrees 10 minutes 00 seconds East along the common line of 3.50 acre tract and said C.M. Roberts Operations tract, a distance of 294.14 feet to a 1/2 inch iron rod found for corner at the common East corner of 3.50 acre tract and said Gurley tract;

Thence South 88 degrees 45 minutes 28 seconds West along the common line of 3.50 acre tract and said Gurley tract, a distance of 559.84 feet to the PLACE OF BEGINNING and containing 152,555 square feet or 3.50 acres of land.

Exhibit "B"

Property Exhibit

Exhibit "C"
Service Plan

A) SERVICE PLAN GENERALLY

1) This service plan has been prepared in accordance with the Texas Local Government Code ("LGC"), Sections 43.021; 43.065 and 43.056(b)-(o). Municipal facilities and services to the annexed area will be provided or made available on behalf of the City of Celina in accordance with the following plan. The City of Celina shall provide the annexed tract the levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of service, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density. The provisions of the service plan were made available for public inspection and explained at the two public hearings held by the City Council in accordance with LGC Section 43.056(j).

2) For purposes of this service plan, to "provide" services includes having services provided by any method or means by which the City provides municipal services to any other areas of the City, and may include causing or allowing private utilities, governmental entities and other public service organizations to provide such services by contract or right, in whole or in part, and may include duties on part of the private landowner with regard to such services.

B) EMERGENCY SERVICES

1) Police Protection

   a) Police protection from the City of Celina Police Department shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas on the effective date of the annexation ordinance. Some of these services include:

      i) Normal patrol and responses;

      ii) Handling of complaints and incident reports;

      iii) Special units, such as traffic enforcement and investigations; and

      iv) Coordination with other public safety support agencies.

   b) As development commences in these areas, sufficient police protection, including personnel and equipment will be provided to furnish these areas with the level of police services consistent with the characteristics of topography, land utilization and population density of the areas.

   c) Upon ultimate development, police protection will be provided at a level consistent with other similarly situated areas within the city limits.

2) Fire Protection

   a) The Celina Fire Department will provide emergency and fire prevention services to the annexed area. These services include:

      i) Fire suppression and rescue;

      ii) Pre-hospital medical services including triage, treatment and transport by Advanced Life Support (ALS) fire engines, trucks and ambulances;

      iii) Hazardous materials response and mitigation;

      iv) Emergency prevention and public education efforts;

      v) Technical rescue response; and

vi) Constriction Plan Review and required inspections.

b) Fire protection from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.

c) As development commences in these areas, sufficient, fire protection, including personnel and equipment will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization and population density of the areas. It is anticipated that fire stations planned to service areas currently with the City of Celina will be sufficient to serve the annexed area.

d) Upon ultimate development, fire protection will be provided at a level consistent with similarly situated areas within the city limits.

3) Emergency Medical Services

a) The Celina Fire Department will provide emergency and safety services to the annexed area. These services include:

i) Emergency medical dispatch and pre-arrival First Aid instructions;

ii) Pre-hospital emergency Advanced Life Support (ALS) response; and transport; and

iii) Medical rescue services.

b) Emergency Medical Services (EMS) from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.

c) As development commences in these areas, sufficient EMS, including personnel and equipment, will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization and population density of the areas.

d) Upon ultimate development, EMS will be provided at a level consistent with similarly situated areas within the city limits.

C) SOLID WASTE

1) Solid Waste and Recycling Collection Services will be provided to the annexed area immediately upon the effective date of the annexation at a level consistent with current methods and procedures presently provided to similar areas within the City. Private solid waste collection service providers operating in the affected area immediately prior to annexation and currently providing customers with service may continue to provide their existing service for up to two (2) years in accordance with Texas Local Government Code Section 43.056(n).

D) WASTEWATER FACILITIES

1) As development commences in these areas, sanitary sewer mains as defined by the Certificate of Convenience and Necessity (CCN) Number 20764, as issued by the Texas Commission on Environmental Quality (TCEQ) will be extended in accordance with the provisions of the City's codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with applicable City codes, ordinances, regulations and policies. Capacity and extensions shall be provided consistent with the characteristics of topography, land utilization and population density of the areas. If the annexed area is in the CCN of another provider, wastewater service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new wastewater provider, in time.

2) Sanitary sewer mains and lift stations installed or improved to City standards, and accepted by the City, within the annexed area which are located within dedicated easement, rights-of-way, or any other acceptable location approved by the City Manager or his designee, shall be maintained by

the City on the effective date of this ordinance.

3) Operation and maintenance of wastewater facilities in the annexed area that are within the certificated service area of another wastewater utility will be the responsibility of that utility. Operation and maintenance of private wastewater facilities in the annexed area will be the responsibility of the owner.

E) WATER FACILITIES

1) Connections to existing City of Celina water distribution mains for water service as defined by Certificate of Convenience and Necessity (CCN) Number 12667, as issued by the Texas Commission on Environmental Quality (TCEQ) will be provided in accordance with existing City codes, ordinances, regulations and policies. Upon connection to existing distribution mains, water service will be provided at rates established by city ordinance. If the annexed area is in the CCN of another provider, water service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new water provider, in time.

2) As development commences in these areas, water distribution mains will be extended in accordance with City of Celina codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with the City of Celina's codes, ordinances, regulations and policies. Water service extensions and capacity shall be provided consistent with the characteristics of topography, land utilization and population density of the area.

3) Operation and maintenance of existing water facilities in the annexed area that are within the service area of another water utility will be the responsibility of that utility. Operation and maintenance of private water facilities in the annexed area will be the responsibility of the owner.

F) ROAD AND STREETS

1) Emergency street maintenance shall be provided within the annexed area on the effective date of the applicable ordinance of acceptance. Routine maintenance will be provided within the annexed area and will be scheduled as part of the City's annual program and in accordance with the City's current codes, ordinances, regulations, policies and procedures defined therein and/or as established by the City Council.

2) Any construction or reconstruction will be considered within the annexed area on a City-wide basis and within the context of the City's Capital Improvement Plan and/or yearly fiscal budgetary allotments by the City Council. As development, improvement or construction of streets to City standards commences within this property, the policies of the City of Celina with regard to participation in the costs thereof, acceptance upon completion and maintenance after completion shall apply.

3) Roadway signage and associated posts will be replaced in priority of importance starting with regulatory signs, then warning signs, then informational signs and in conformance with fiscal allotments by the City Council. If a sign remains, it will be reviewed and placed on the City's inventory listed for routine re-placement. All existing signs will be reviewed for applicability and based upon an engineering study. New signs will be installed when necessary and based upon an engineering study.

4) Routine maintenance of road/street markings will be placed on a priority listing and scheduled within the yearly budgetary allotments by the City Council.

5) The City will coordinate any request for improved road and street lighting with the local electric provider. Any and all road and street lighting will be pursuant to the rules, regulations and fees of such electric utility and shall be maintained by the applicable utility company.

G) ENVIRONMENTAL HEALTH, INSPECTIONS AND CODE ENFORCEMENT SERVICES

1) Enforcement of the City's environmental health ordinances and regulations, including but not limited to, weed and brush ordinances, junked and abandoned vehicle ordinances and animal control ordinances, shall be provided within this area sixty (60) days of the effective date of the annexation ordinance. These ordinances and regulations will be enforced through the use of existing personnel.
2) Inspection services including the review of building plans, the issuance of permits and the inspection of all buildings, plumbing, mechanical and electrical work to ensure compliance with City codes and ordinances will be continue to be provided after the effective date of the annexation ordinance. Existing personnel will be used to provide these services.
3) The City's zoning, subdivision, sign and other ordinances shall be enforced in this area beginning upon the effective date of the annexation.
4) All inspection services furnished by the City of Celina, but not mentioned above, will be provided to this area beginning within sixty (60) days of the effective date of the annexed ordinance.
5) As development and construction commence in this area, sufficient personnel will be provided to furnish this area the same level of environmental health, inspection and code enforcement services as are furnished throughout the City.

H) PLANNING AND ZONING SERVICES

1) The Planning and zoning jurisdiction of the City will extend to this area upon the effective date of the annexation ordinance. City planning will thereafter encompass this property, and it shall be entitled to consideration for zoning in accordance with the City's Zoning Ordinance and Comprehensive Plan.

I) PARKS, PLAYGROUNDS, LIBRARIES, SWIMMING POOLS

1) Residents within the annexed area may utilize all existing park and recreation facilities, on the effective date of this ordinance. Fees for such usage shall be in accordance with current fees established by ordinance.
2) As development commences in the area, additional park and recreation facilities shall be constructed based on park policies defined in the Park Master Plan and as specified in the Park Dedication Ordinance. The general planned locations and classifications of parks will ultimately serve residents from the current City limits and residents from areas being considered for annexation.

J) PUBLICLY OWNED FACILITIES

1) Any publicly owned facility, building, or service located within the annexed area, and not otherwise owned or maintained by another governmental entity, shall be maintained by the City of Celina on the effective date of the annexation ordinance.

K) OTHER SERVICES

1) Other services that may be provided by the City of Celina, such as municipal and general administration will be made available on the effective date of the annexation. The City of Celina shall provide levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of services, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density similar to those reasonably contemplated or projected in the area.

L) UNIFORM LEVEL OF SERVICES IS NOT REQUIRED

1) Nothing in this Service Plan shall require the City of Celina to provide a uniform level of full

municipal services to each area of the City, including the annexed areas, if different characteristics of topography, land use, and population density are considered a sufficient basis for provided different levels of service. The City Council finds and determines that this Service Plan will not provide any fewer services, and it will not provide a lower level of services, than were in existence in the annexed area at the time immediately preceding the annexation process.

2) The City of Celina's codes, ordinances, regulations and policies that apply throughout the City may be reviewed at City Hall and at http://www.franklinlegal.net/codes.html.

M) TERM

1) This Service Plan shall be valid for a term of ten (10) years. Renewal of the Service Plan shall be at the discretion of the City Council and must be approved by ordinance.

N) AMENDMENTS

1) This Service Plan may be amended if the City Council determines at a public hearing that changed conditions or subsequent occurrences make this Service Plan unworkable or obsolete. The City Council may amend the Service Plan to conform to the changed conditions, subsequent occurrences or any other legally sufficient circumstances exist pursuant to the LGC or other Texas or Federal laws that make this service plan unworkable, obsolete or unlawful.

Planning and Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Ben Rodriguez, Planner
CC:	Mike Foreman, City Manager
Date:	November 10, 2015
Re:	Herrin Annexation Ordinance

Action Requested:

Consider and act upon an Ordinance Of The City of Celina, Texas, adopting the annexation of certain territories contiguous to and adjoining the City of Celina, Texas, to wit: Being a .589 acre tract of land situated in the Thomas Strayton survey, abstract no. 0805, tract #3, Collin County, Texas, and being part of a 5.346 acre tract of land described in a deed to Billy J. and Cyndee V. Herrin as recorded in instrument number 19960514000392680 of the real property records of Collin County, Texas; and being a 1.07 acre tract of land situated in the Collin County School Land Survey #15, Abstract No. 0170, block 2, tract #1, Collin County, Texas, and being part of a 5.346 acre tract of land described in a deed to Billy J and Cyndee V. Herrin as recorded in instrument number 19960514000392680 of the real property records of Collin County, Texas, such tracts are generally located north of E. Malone Street, east of Business 289, west of the BNSF railroad, and south of County Road 95. (Liebman)

Background Information:

Below is the anticipated annexation schedule for the property. The property has no current residents or utility meters on site.

Additionally, The property does not currently have an agricultural exemption, and no pre-annexation offer is required.

- ~~September 8, 2015 - City Council acts on Resolution to set the public hearing dates.~~
- ~~October 13, 2015 - Two separate public hearings are held on the same night (6:00pm & 6:05pm @ 112 N. Colorado Dr. Celina, Texas.)~~
- November 10, 2015 - City Council acts on Ordinance annexing the properties.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

The properties are within the Marilee Special Utility District, $1,250 per acre will be due to Marilee SUD upon the establishment of City water service to the property.

Legal Review:

The City Attorney has reviewed the proposed ordinance and has found it to be acceptable.

Supporting Documents:

- Proposed Ordinance

Staff Recommendation:

Staff recommends approval of this item as presented.

CITY OF CELINA, TEXAS

ORDINANCE NO. 2015-

AN ORDINANCE OF THE CITY OF CELINA, TEXAS, ADOPTING THE ANNEXATION OF CERTAIN TERRITORIES CONTIGUOUS TO AND ADJOINING THE CITY OF CELINA, TEXAS, TO WIT:

- **BEING A .589 ACRE TRACT OF LAND SITUATED IN THE THOMAS STRAYTON SURVEY, ABSTRACT NO. 0805, TRACT #3, COLLIN COUNTY, TEXAS, AND BEING PART OF A 5.346 ACRE TRACT OF LAND DESCRIBED IN A DEED TO BILLY J AND CYNDEE V HERRIN AS RECORDED IN INSTRUMENT NUMBER 19960514000392680 OF THE REAL PROPERTY RECORDS OF COLLIN COUNTY, TEXAS; AND**
- **BEING A 1.07 ACRE TRACT OF LAND SITUATED IN THE COLLING COUNTY SCHOOL LAND SURVEY #15, ABSTRACT NO. 0170, BLOCK 2, TRACT #1, COLLIN COUNTY, TEXAS, AND BEING PART OF A 5.346 ACRE TRACT OF LAND DESCRIBED IN A DEED TO BILLY J AND CYNDEE V HERRIN AS RECORDED IN INSTRUMENT NUMBER 19960514000392680 OF THE REAL PROPERTY RECORDS OF COLLIN COUNTY, TEXAS; AND**

AND BEING MORE PARTICULARLY DESCRIBED BY LEGAL DESCRIPTION IN EXHIBIT "A" AND GRAPHICALLY DEPICTED IN EXHIBIT "B" ATTACHED HERETO AND INCORPORATED HEREIN, SUCH TRACTS ARE GENERALLY LOCATED NORTH OF E. MALONE STREET, EAST OF BUSINESS 289, WEST OF THE BNSF RAILROAD, AND SOUTH OF COUNTY ROAD 95; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FOR AMENDING OF THE OFFICIAL CITY MAP; PROVIDING FOR A SERVICE PLAN; REQUIRING THE FILING OF THIS ORDINANCE WITH THE COUNTY CLERK; PRESCRIBING FOR EFFECT ON TERRITORY, GRANTING AS APPROPRIATE TO ALL THE INHABITANTS OF SAID PROPERTY ALL THE RIGHTS AND PRIVILEGES OF OTHER CITIZENS AND BINDING SAID INHABITANTS BY ALL OF THE ACTS, ORDINANCES, RESOLUTIONS, AND REGULATIONS OF THE CITY OF CELINA, TEXAS; PROVIDING A CUMULATIVE REPEALER CLAUSE; PROVIDING FOR SEVERABILITY; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Celina is a Home Rule Municipality located in Collin and Denton County, Texas, created in accordance with the provisions of the Texas Local Government Code and operating pursuant to the enabling legislation of the State of Texas and the Celina City Charter; and

WHEREAS, two separate public hearings were conducted in accordance with Section 43.052 of the Texas Local Government Code, the first hearing being held on the 13th day of October, 2015 and the second hearing being held on the 13th day of October, 2015 in the Council Chambers located in the First United Methodist Church, 112 N. Colorado in the City of Celina to consider the annexation of the properties being more particularly described in Exhibit "A", attached hereto and incorporated herein; and

WHEREAS, any and all required written notices and offers were timely sent to all property owners and others entitled to same; and

WHEREAS, the public hearings were conducted and held no more than forty (40) days nor less than twenty (20) days prior to the institution of annexation proceedings; and

WHEREAS, the notice of the public hearings were published in the Celina Record, a newspaper of general circulation within the City of Celina, Texas, on the 25th day of September, 2015, such date being not more than twenty (20) days nor less than ten (10) days prior to each public hearing; and

WHEREAS, all required statutory notices pursuant to Chapter 43 of the Texas Local Government Code have been accomplished; and

WHEREAS, the City Council of the City of Celina, Texas has determined that such territory is contiguous to and adjoins the City of Celina, Texas; and

WHEREAS, the City Council of the City of Celina, Texas has investigated into, has determined and officially finds that no part of such territory is within the extraterritorial jurisdiction of any other incorporated city or town; and

WHEREAS, to the extent that this Ordinance would cause an unincorporated area to be entirely surrounded by the City of Celina's limits, the City Council has found **-** and incorporates herein its finding - that surrounding the area is in the public interest; and

WHEREAS, metes and bounds descriptions of the property to be annexed is attached hereto as Exhibit "A" and incorporated herein for all purposes; and

WHEREAS, the service plan for such territory is attached hereto as Exhibit "C" and incorporated herein for all purposes.

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

<u>SECTION 1</u>
INCORPORATION OF PREMISES

The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

<u>SECTION 2</u>
OFFICIAL CITY MAP AMENDED

1. The official map and boundaries of the City are hereby amended so as to include the property being more particularly described in Exhibit "A", which is incorporated herein as if written word for word, and that such territory shall be and is hereby annexed into the corporate limits of the City.

2. The Mayor is hereby directed and authorized to perform or cause to be performed all acts necessary to correct the official map of the City to add the territory hereby annexed as required by law.

<u>SECTION 3</u>
SERVICE PLAN

The municipal service plan for the herein annexed territory, attached hereto as Exhibit "C", was submitted in accordance with Chapter 43 of the Texas Local Government Code and is hereby approved as part of this ordinance, and is made a part hereof.

<u>SECTION 4</u>
FILING OF ORDINANCE REQUIRED

The Mayor shall file or cause to be filed a certified copy of this Ordinance in the office of the County Clerk of Collin County, Texas, and any other necessary agencies.

<u>SECTION 5</u>
EFFECT ON TERRITORY

From and after the passage of this Ordinance, the territory referenced in Exhibit "A", attached hereto and incorporated herein for all purposes, shall be a part of the City of Celina, Texas, and subject to the municipal service plan referenced in Section 3 of this Ordinance. The inhabitants thereof shall be entitled to all of the rights, privileges and immunities as all other citizens of the City of Celina, Texas, and shall be bound by all of the Ordinances and regulations enacted pursuant to and in conformity with the general laws of the State of Texas.

SECTION 6
CUMULATIVE REPEALER

This Ordinance shall be cumulative of all other Ordinances and shall not repeal any of the provisions of such Ordinances except for those instances where there are direct conflicts with the provisions of this Ordinance. Ordinances, or parts thereof, in force at the time this Ordinance shall take effect and that are inconsistent with this Ordinance are hereby repealed to the extent that they are inconsistent with this Ordinance.

SECTION 7
SEVERABILITY

If any section, article, paragraph, sentence, clause, phrase or word in this Ordinance, or application thereof to any person or circumstance, is held invalid or unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of the Ordinance, and the City Council hereby declares it would have passed such remaining portions of the Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

SECTION 8
ENGROSSMENT AND ENROLLMENT

The City Secretary of the City of Celina is hereby directed to engross and enroll this Ordinance by copying the Caption in the minutes of the City Council of the City of Celina and by filing this Ordinance in the Ordinance records of the City.

SECTION 8
EFFECTIVE DATE

This Ordinance shall be in full force and effect from and after its date of passage.

AND IT IS SO ORDAINED .

PASSED AND APPROVED by the City Council of the City of Celina, Texas, on this ____ day of ________________, 2015.

____
Sean Terry, Mayor
City of Celina, Texas

ATTEST: APPROVED AS TO FORM:

____
Vicki Faulkner, City Secretary
City of Celina, Texas

____
City Attorney
City of Celina, Texas

EXHIBIT "A"
Property Description

Tract A:

Abs A0170 Collin County School Land #15 Survey, Blk 2, Tract 1, 1.07 Acres

CCAD Property ID: 991920

Tract B:

Abs A0805 Thomas Stayton Survey, Tract 3, .589 Acres

CCAD Property ID: 986348

EXHIBIT “B”

Property Exhibit

Exhibit "B"

Exhibit "C"
Service Plan

A) SERVICE PLAN GENERALLY

1) This service plan has been prepared in accordance with the Texas Local Government Code ("LGC"), Sections 43.021; 43.065 and 43.056(b)-(o). Municipal facilities and services to the annexed area will be provided or made available on behalf of the City of Celina in accordance with the following plan. The City of Celina shall provide the annexed tract the levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of service, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density. The provisions of the service plan were made available for public inspection and explained at the two public hearings held by the City Council in accordance with LGC Section 43.056(j).

2) For purposes of this service plan, to "provide" services includes having services provided by any method or means by which the City provides municipal services to any other areas of the City, and may include causing or allowing private utilities, governmental entities and other public service organizations to provide such services by contract or right, in whole or in part, and may include duties on part of the private landowner with regard to such services.

B) EMERGENCY SERVICES

1) Police Protection

   a) Police protection from the City of Celina Police Department shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas on the effective date of the annexation ordinance. Some of these services include:

      i) Normal patrol and responses;

      ii) Handling of complaints and incident reports;

      iii) Special units, such as traffic enforcement and investigations; and

      iv) Coordination with other public safety support agencies.

   b) As development commences in these areas, sufficient police protection, including personnel and equipment will be provided to furnish these areas with the level of police services consistent with the characteristics of topography, land utilization and population density of the areas.

   c) Upon ultimate development, police protection will be provided at a level consistent with other similarly situated areas within the city limits.

2) Fire Protection

   a) The Celina Fire Department will provide emergency and fire prevention services to the annexed area. These services include:

      i) Fire suppression and rescue;

      ii) Pre-hospital medical services including triage, treatment and transport by Advanced Life Support (ALS) fire engines, trucks and ambulances;

      iii) Hazardous materials response and mitigation;

      iv) Emergency prevention and public education efforts;

      v) Technical rescue response; and

      vi) Constriction Plan Review and required inspections.

   b) Fire protection from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.

c) As development commences in these areas, sufficient, fire protection, including personnel and equipment will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization and population density of the areas. It is anticipated that fire stations planned to service areas currently with the City of Celina will be sufficient to serve the annexed area.

d) Upon ultimate development, fire protection will be provided at a level consistent with similarly situated areas within the city limits.

3) Emergency Medical Services

a) The Celina Fire Department will provide emergency and safety services to the annexed area. These services include:

i) Emergency medical dispatch and pre-arrival First Aid instructions;

ii) Pre-hospital emergency Advanced Life Support (ALS) response; and transport; and

iii) Medical rescue services.

b) Emergency Medical Services (EMS) from the City of Celina shall be provided to the annexed area at a level consistent with current methods and procedures presently provided to similar areas of the City of Celina on the effective date of the annexation ordinance.

c) As development commences in these areas, sufficient EMS, including personnel and equipment, will be provided to furnish these areas with the level of services consistent with the characteristics of topography, land utilization and population density of the areas.

d) Upon ultimate development, EMS will be provided at a level consistent with similarly situated areas within the city limits.

C) SOLID WASTE

1) Solid Waste and Recycling Collection Services will be provided to the annexed area immediately upon the effective date of the annexation at a level consistent with current methods and procedures presently provided to similar areas within the City. Private solid waste collection service providers operating in the affected area immediately prior to annexation and currently providing customers with service may continue to provide their existing service for up to two (2) years in accordance with Texas Local Government Code Section 43.056(n).

D) WASTEWATER FACILITIES

1) As development commences in these areas, sanitary sewer mains as defined by the Certificate of Convenience and Necessity (CCN) Number 20764, as issued by the Texas Commission on Environmental Quality (TCEQ) will be extended in accordance with the provisions of the City's codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with applicable City codes, ordinances, regulations and policies. Capacity and extensions shall be provided consistent with the characteristics of topography, land utilization and population density of the areas. If the annexed area is in the CCN of another provider, wastewater service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new wastewater provider, in time.

2) Sanitary sewer mains and lift stations installed or improved to City standards, and accepted by the City, within the annexed area which are located within dedicated easement, rights-of-way, or any other acceptable location approved by the City Manager or his designee, shall be maintained by the City on the effective date of this ordinance.

3) Operation and maintenance of wastewater facilities in the annexed area that are within the

certificated service area of another wastewater utility will be the responsibility of that utility. Operation and maintenance of private wastewater facilities in the annexed area will be the responsibility of the owner.

E) <u>WATER FACILITIES</u>

1) Connections to existing City of Celina water distribution mains for water service as defined by Certificate of Convenience and Necessity (CCN) Number 12667, as issued by the Texas Commission on Environmental Quality (TCEQ) will be provided in accordance with existing City codes, ordinances, regulations and policies. Upon connection to existing distribution mains, water service will be provided at rates established by city ordinance. If the annexed area is in the CCN of another provider, water service shall be provided in accordance with the policies of the CCN holder. In some instances, the City might acquire the CCN rights and become the new water provider, in time.

2) As development commences in these areas, water distribution mains will be extended in accordance with City of Celina codes, ordinances, regulations and policies. City participation in the costs of these extensions shall be in accordance with the City of Celina's codes, ordinances, regulations and policies. Water service extensions and capacity shall be provided consistent with the characteristics of topography, land utilization and population density of the area.

3) Operation and maintenance of existing water facilities in the annexed area that are within the service area of another water utility will be the responsibility of that utility. Operation and maintenance of private water facilities in the annexed area will be the responsibility of the owner.

F) <u>ROAD AND STREETS</u>

1) Emergency street maintenance shall be provided within the annexed area on the effective date of the applicable ordinance of acceptance. Routine maintenance will be provided within the annexed area and will be scheduled as part of the City's annual program and in accordance with the City's current codes, ordinances, regulations, policies and procedures defined therein and/or as established by the City Council.

2) Any construction or reconstruction will be considered within the annexed area on a City-wide basis and within the context of the City's Capital Improvement Plan and/or yearly fiscal budgetary allotments by the City Council. As development, improvement or construction of streets to City standards commences within this property, the policies of the City of Celina with regard to participation in the costs thereof, acceptance upon completion and maintenance after completion shall apply.

3) Roadway signage and associated posts will be replaced in priority of importance starting with regulatory signs, then warning signs, then informational signs and in conformance with fiscal allotments by the City Council. If a sign remains, it will be reviewed and placed on the City's inventory listed for routine re-placement. All existing signs will be reviewed for applicability and based upon an engineering study. New signs will be installed when necessary and based upon an engineering study.

4) Routine maintenance of road/street markings will be placed on a priority listing and scheduled within the yearly budgetary allotments by the City Council.

5) The City will coordinate any request for improved road and street lighting with the local electric provider. Any and all road and street lighting will be pursuant to the rules, regulations and fees of such electric utility and shall be maintained by the applicable utility company.

G) <u>ENVIRONMENTAL HEALTH, INSPECTIONS AND CODE ENFORCEMENT SERVICES</u>

1) Enforcement of the City's environmental health ordinances and regulations, including but not limited to, weed and brush ordinances, junked and abandoned vehicle ordinances and animal control ordinances, shall be provided within this area sixty (60) days of the effective date of the

annexation ordinance. These ordinances and regulations will be enforced through the use of existing personnel.

2) Inspection services including the review of building plans, the issuance of permits and the inspection of all buildings, plumbing, mechanical and electrical work to ensure compliance with City codes and ordinances will be continue to be provided after the effective date of the annexation ordinance. Existing personnel will be used to provide these services.

3) The City's zoning, subdivision, sign and other ordinances shall be enforced in this area beginning upon the effective date of the annexation.

4) All inspection services furnished by the City of Celina, but not mentioned above, will be provided to this area beginning within sixty (60) days of the effective date of the annexed ordinance.

5) As development and construction commence in this area, sufficient personnel will be provided to furnish this area the same level of environmental health, inspection and code enforcement services as are furnished throughout the City.

H) PLANNING AND ZONING SERVICES

1) The Planning and zoning jurisdiction of the City will extend to this area upon the effective date of the annexation ordinance. City planning will thereafter encompass this property, and it shall be entitled to consideration for zoning in accordance with the City's Zoning Ordinance and Comprehensive Plan.

I) PARKS, PLAYGROUNDS, LIBRARIES, SWIMMING POOLS

1) Residents within the annexed area may utilize all existing park and recreation facilities, on the effective date of this ordinance. Fees for such usage shall be in accordance with current fees established by ordinance.

2) As development commences in the area, additional park and recreation facilities shall be constructed based on park policies defined in the Park Master Plan and as specified in the Park Dedication Ordinance. The general planned locations and classifications of parks will ultimately serve residents from the current City limits and residents from areas being considered for annexation.

J) PUBLICLY OWNED FACILITIES

1) Any publicly owned facility, building, or service located within the annexed area, and not otherwise owned or maintained by another governmental entity, shall be maintained by the City of Celina on the effective date of the annexation ordinance.

K) OTHER SERVICES

1) Other services that may be provided by the City of Celina, such as municipal and general administration will be made available on the effective date of the annexation. The City of Celina shall provide levels of service, infrastructure, and infrastructure maintenance that are comparable to the levels of services, infrastructure, and infrastructure maintenance available in other parts of the City of Celina with similar topography, land use, and population density similar to those reasonably contemplated or projected in the area.

L) UNIFORM LEVEL OF SERVICES IS NOT REQUIRED

1) Nothing in this Service Plan shall require the City of Celina to provide a uniform level of full municipal services to each area of the City, including the annexed areas, if different characteristics of topography, land use, and population density are considered a sufficient basis for provided different levels of service. The City Council finds and determines that this Service Plan will not provide any fewer services, and it will not provide a lower level of services, than were in existence in the annexed area at the time immediately preceding the annexation process.

2) The City of Celina's codes, ordinances, regulations and policies that apply throughout the City may be reviewed at City Hall and at http://www.franklinlegal.net/codes.html.

M) TERM

1) This Service Plan shall be valid for a term of ten (10) years. Renewal of the Service Plan shall be at the discretion of the City Council and must be approved by ordinance.

N) AMENDMENTS

1) This Service Plan may be amended if the City Council determines at a public hearing that changed conditions or subsequent occurrences make this Service Plan unworkable or obsolete. The City Council may amend the Service Plan to conform to the changed conditions, subsequent occurrences or any other legally sufficient circumstances exist pursuant to the LGC or other Texas or Federal laws that make this service plan unworkable, obsolete or unlawful.

Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Helen-Eve Liebman, Director of Planning and Development Services
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: Consider and act on appointment of three directors to the Old Celina MMD No. 1 Board of Directors

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Action Requested:

Consider and act upon appointment of three directors to the Old Celina MMD No. 1 Board of Directors as follows: (1) one member to serve until May 31, 2016, and (2) two members to serve until May 31, 2018. (Old Celina MMD Board Appointment) (Liebman)

Background Information:

House Bill 3914 passed on May 23, 2013 approving the Old Celina Municipal Management District No. 1 and outlined provisions for appointing the initial Board of Directors. Mike Foreman, City Manager and Jay Toutounchian, Chief Financial Officer are standing board members. The appointed members will have terms of four years.

Old Celina Limited MMD No. 1 Proposed Initial Board of Directors:

Mayor Sean Terry, City of Celina (term expiration 2018)

Mayor Pro Tem Chad Anderson, City of Celina (term expiration 2018)

Wayne Nabors (term expiration 2016)

Mike Foreman, City Manager (standing member)

Jay Toutounchian, Chief Financial Officer (standing member)

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The city's land use attorney has reviewed and recommended the procedure for establishing the initial Board of Directors.

Supporting Documents:

N/A

Staff Recommendation:

Staff recommends a motion be made specifying the 2016 (Wayne Nabors) and 2018 (Sean Terry and Chad Anderson) term expirations.

Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Ben Rodriguez, Planner
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: Light Farms Sex Offender Ordinance Extension

Action Requested:

Consider and act upon a seventh amendment to the Amended and Restated Development Agreement with Light Farms regarding sex offender residency restrictions. (Liebman)

Background Information:

In August, 2015 the City passed the sixth amendment to the development agreement with Light Farms to extend the City's sex offender ordinance to cover the development. The amendment to the agreement expires on November 12, 2015.

This seventh amendment to the City's agreement with Light Farms is to extend the sex offender ordinance to Light Farms until January 13, 2016, during which time the City and Developer will work to formulate a permanent solution.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City's legal counsel has reviewed the proposed agreement and found it acceptable.

Supporting Documents:

- Proposed amendment

Staff Recommendation:

Staff recommends approval of the item as presented.

SEVENTH AMENDMENT TO AMENDED AND RESTATED DEVELOPMENT AGREEMENT

This Seventh Amendment to Amended and Restated Development Agreement (this "Seventh Amendment") is made and entered into effective as of the Effective Date described in Section 4 (the "Effective Date") by and among the City of Celina, Texas (the "City") and the following owners of land in the City's extraterritorial jurisdiction who execute this Seventh Amendment: LFC Land Company, LLC ("LFC"), LFC Land Company II, LLC ("LFC II"), LFC Development Company I, LLC ("LFC Development I"), LFC Devco Maydelle, LLC ("LFC Maydelle"), LFC Devco BIG II, LLC ("LFC BIG "), Collin County Municipal Utility District No. 1 ("MUD 1"), LFC Devco Cypress, LLC ("LFC Cypress"), LFC Graham, LLC ("LFC Graham"), LFC HLH, LLC ("LFC HLH"), LFC GM, LLC ("LFC GM"), LFC Sage, LLC ("LFC Sage"), and Highland Homes, Ltd., American Legend Homes, Darling Homes of Texas, Ltd., Drees Custom Homes, LP, RH of Texas Limited Partnership, Shaddock Homes, Ltd., Horizon Homes, Ltd., and K. Hovanian DFW Light Farms, LLC (the last eight parties are collectively referred to herein as the "Homebuilders"). LFC, LFC II, LFC Development I, LFC Maydelle, LFC BIG, LFC Cypress, LFC Graham, LFC HLH, LFC GM, and LFC Sage are collectively referred to herein as the "LFC Parties." The parties hereto are sometimes individually referred to as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, LFC owns the property described by metes and bounds and depicted on the attached **Exhibit A** (the "LFC Property"); and

WHEREAS, LFC II owns the property described by metes and bounds and depicted on the attached **Exhibit B** (the "LFC II Property"); and

WHEREAS, LFC Development I owns the property described by metes and bounds and depicted on the attached **Exhibit C** ("LFC Development I Property"); and

WHEREAS, LFC Maydelle owns the property described by metes and bounds and depicted on the attached **Exhibit D** (the "LFC Maydelle Property"); and

WHEREAS, LFC BIG owns the property described by metes and bounds and depicted on the attached **Exhibit E** (the "LFC BIG Property"); and

WHEREAS, MUD 1 owns the property described by metes and bounds and depicted on the attached **Exhibit F** (the "MUD-Owned Property"); and

WHEREAS, LFC Cypress owns the property described by metes and bounds and depicted on the attached **Exhibit G** (the "LFC Cypress Property"); and

WHEREAS, LFC Graham owns the property described by metes and bounds and depicted on the attached **Exhibit H** (the "LFC Graham Property"); and

WHEREAS, LFC HLH owns the property described by metes and bounds and depicted on the attached **Exhibit I** (the "LFC HLH Property"); and

WHEREAS, LFC GM owns the property described by metes and bounds and depicted on the attached **Exhibit J** (the "LFC GM Property"); and

WHEREAS, LFC Sage owns the property described by metes and bounds and depicted on the attached **Exhibit K** (the "LFC Sage Property"); and

WHEREAS, the property described by metes and bounds and depicted on the attached **Exhibit A** through **Exhibit K** includes certain platted lots owned by the Homebuilders (the "Homebuilder Lots"); and

WHEREAS, the LFC Property, the LFC II Property, the LFC Development I Property, the LFC Maydelle Property, the LFC BIG Property, the MUD-Owned Property, the LFC Cypress Property, the LFC Graham Property, the LFC HLH Property, the LFC GM Property, the LFC Sage Property, and the Homebuilder Lots are collectively referred to herein as the "Property"; and

WHEREAS, for purposes of this Seventh Amendment, the defined term "Property" excludes platted lots that are within the metes and bounds description and depiction on the attached **Exhibit A** through **Exhibit K** to the extent such lots are not owned by any of the LFC Parties, MUD 1, or the Homebuilders on the Effective Date; and

WHEREAS, the City, Forestar/RPG Land Company, LLC ("RPG"), Lucas Celina 209, Ltd., Central Frisco, Ltd. executed that certain Amended and Restated Development Agreement approved by the City Council on March 12, 2007 and dated effective as of March 12, 2007 and filed in the deed records of Collin County, Texas as Instrument No. 20071101001489980 (the "Original Development Agreement"), as modified by the following: (a) that certain Addendum to Amended and Restated Development Agreement approved by the City Council on May 14, 2007 and dated effective as of March 12, 2007 and filed in the deed records of Collin County, Texas as Instrument No. 200711010011489990 (the "Addendum"); (b) that certain First Amendment to Amended and Restated Development Agreement approved by the City Council on August 13, 2007 and dated effective as of March 12, 2007 and filed in the deed records of Collin County, Texas as Instrument No. 20071114001544520 (the "First Amendment"); (c) that certain Second Amendment to Amended and Restated Development Agreement approved by the City Council on December 14, 2009 and dated effective as of March 12, 2007 and filed in the deed records of Collin County, Texas as Instrument No. 20100105000007540 (the "Second Amendment"); (d) that certain Third Amendment to Amended and Restated Development Agreement approved by the City Council on, and dated effective as of, May 9, 2011 and filed in the deed records of Collin County, Texas as Instrument No. 20120423000464760 (the "Third Amendment"); (e) that certain Fourth Amendment to Amended and Restated Development Agreement approved by the City Council on October 8, 2012 and dated effective as of October 12, 2012 and filed in the deed records of Collin County, Texas as Instrument No. 20121114001454530 (the "Fourth Amendment"); (f) that certain Fifth Amendment to Amended and Restated Development Agreement approved by the City Council on May 13, 2014 and filed in the deed records of Collin County, Texas as Instrument No. 20140711000715400 (the "Fifth

Amendment"); (g) that certain Memorandum of Amendment to Development Agreement executed September 16, 2014 and filed in the deed records of Collin County, Texas as Instrument No.20140916001001050 (the "Memorandum"); and (h) that certain Sixth Amendment to Amended and Restated Development Agreement approved by the City Council on September 8, 2015 and filed in the deed records of Collin County, Texas as Instrument No. 20151022001338070 (the "Sixth Amendment") (the Original Development Agreement, the Addendum, the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment, the Memorandum, and the Sixth Amendment are hereafter collectively referred to as “the Development Agreement”); and

WHEREAS, this Seventh Amendment further amends the Development Agreement, as such agreement relates to the portions of the Property governed by such agreement; and

WHEREAS, (a) RPG, by Instrument No. 20120423000464800 filed of record in the deed records of Collin County, Texas, assigned to LFC all of its rights, title, and interest in and to the LFC Property, the LFC Development I Property, the LFC Maydelle Property, the LFC BIG Property, and the MUD-Owned Property; (b) that LFC assigned to LFC Cypress, LFC Graham, LFC HLH, and LFC GM all of its rights, title, and interest in and to the portions of the LFC Property acquired by each of those four entities; (c) that LFC II assigned to LFC Sage all of its rights, title, and interest in and to the portion of the LFC II Property acquired by LFC Sage; and (d) without making RPG a party to this Seventh Amendment or otherwise requiring RPG's approval, the LFC Parties and MUD 1 are authorized to amend the Development Agreement, as they relate to the Property, save and except the Homebuilder Lots; and

WHEREAS, the Property is located within the extraterritorial jurisdiction ("ETJ") of the City and not within the ETJ or corporate limits of any other city or town; and

WHEREAS, the sole purpose of this Seventh Amendment is to extend the requirements of Section 1 of this Seventh Amendment to the entire Property, and it is not intended to alter any of the other rights or obligations of the parties to the Development Agreement; and

NOW THEREFORE, for and in consideration of these premises and of the mutual promises, obligations, covenants and benefits herein contained, the Parties contract and agree as follows:

1. **Amendment to Article 2**: Article 2 of the Development Agreement is hereby amended by adding a new Section 2.11 titled “Enforcement of Sex Offender Regulations” to read as follows:

2.11 **Enforcement of Sex Offender Regulations**. To the extent allowed by law, including, but not limited to, the authority granted pursuant to Texas Local Government Code § 212.172(b)(3) and (4), as amended, the City is authorized to enforce on and within the boundaries of the Property the provisions of Article 8.07 “Sex Offender Residency and Public Safety Zone” of the Code of Ordinances of the City of Celina, Texas, in the same manner the City enforces land use and development regulations within the City’s corporate limits. For the purposes of this Section 2.11 and the definitions within said Article 8.07, planted street medians are not parks, and the phrase "open space area that is accessible by residents within the Property or by the general public" means the areas labeled as "open space" on **Appendix 1** to this Agreement. In addition, the offenses set forth in Section 8.07.003, as enforced on the Property, shall include "open space" as defined in this Agreement

2. **Amendment to Section 12.1**. Section 12.1 of the Development Agreement shall be amended by labeling the existing language a subsection (a) and adding a new subsection (b) to read as follows:

    (b) Section 12.1(a) applies to all provisions of this Agreement other than Section 2.11. No notice or cure provisions shall apply to a default of the terms of Section 2.11 of this Agreement, and the City shall be entitled to all remedies available at law and equity in the event of a default of the terms of Section 2.11, provided such remedies shall not affect any portion of the Property other than the lot or lots that are the subject of the default. Such remedies shall include, but not be limited to, the right to refuse water or wastewater service to a lot that is in violation of Section 2.11 of this Agreement.

3. **Addition of Appendix 1**. The Development Agreement is amended by adding a new **Appendix 1** which shall be as set forth in **Exhibit L** of this Seventh Amendment.

4. **Effective Date of Applicability of Seventh Amendment**. After the City approves and signs this Seventh Amendment, this Seventh Amendment shall be deemed effective as to each tract of land within the Property upon the date the owner of such tract signs this Seventh Amendment. The lack of a signature by one or more of the owners of a portion of the Property shall not affect the validity of this Seventh Amendment as to the Parties who have signed this Seventh Amendment and the portion of the Property owned by such Parties. Unless otherwise extended by agreement of one or more of the Parties with respect to their portion of the Property, this Seventh Amendment shall expire on January 13, 2016.

5. **Captions**. The captions of each section of this Seventh Amendment are inserted solely for convenience and shall never be given effect in construing the duties, obligations or liabilities of the Parties or any provisions hereof, or in ascertaining the intent of any Party with respect to the provisions hereof.

6. **Severability**. If any provision of this Seventh Amendment is determined by a court of competent jurisdiction to be unenforceable for any reason, then (a) such unenforceable provision shall be deleted from the Development Agreement; (b) the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this the Development Agreement, as amended by this Seventh Amendment, shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties. Without limiting the generality of the foregoing, (x) if it is determined that, as of the Effective Date, any Party other than the City does not own any portion of the Property, this Seventh Amendment shall remain

in full force and effect with respect to all of the Property that is then owned by a Party to this Seventh Amendment or a successor or assign of one of the Parties, and (y) if it is determined, as of the Effective Date, that any portion of the Property is not within the City's ETJ, this Seventh Amendment shall remain in full force and effect with respect to all of the Property that is then within the City's ETJ. If at any time after the Effective Date it is determined that any portion of the Property is no longer within the City's ETJ, this Seventh Amendment shall remain in full force and effect with respect to all of the Property that remains within the City's ETJ.

7. **Binding Obligation; Releases; Estoppel**. This Seventh Amendment shall bind and inure to the benefit of the Parties, their successors, and their permitted Assignees. This Seventh Amendment shall be recorded in the Real Property Records of Collin County, Texas, and, upon recordation, shall bind and constitute a covenant running with the Property. This Seventh Amendment is binding on the Parties and their respective successors and assigns for the term of this Seventh Amendment. The provisions in Section 2.11 of the Development Agreement as amended by this Seventh Amendment are land use and development regulations that are binding on an end-buyer of a fully developed and improved lot pursuant to Section 212.172(f) of the Texas Local Government Code. For purposes of this Amendment, the Parties agree as follows: (1) that the term "end-buyer" means any owner, lessee, or occupant; and (2) that term "fully developed and improved lot" means any lot, regardless of proposed use, for which the City has approved a final plat.

8. **Authority**. By signing this Seventh Amendment, the Parties agree that they have all necessary authority to enter into this Seventh Amendment, including any necessary approval by partners, directors or council members.

9. **Interlocal Agreement**. This Seventh Amendment, as an amendment to the Development Agreement, shall constitute an Interlocal Cooperation Agreement entered into between MUD 1 and the City pursuant to Chapter 791, Texas Government Code, as amended.

10. **Exhibits**. The exhibits attached to this Seventh Amendment are incorporated as part of this Seventh Amendment for all purposes as if set forth in full in the body of this Amendment.

11. **Effect on Only the Property**. The Parties acknowledge that this Seventh Amendment governs only the Property and has no effect on the rights or obligations of the "East Commercial Property Owner" or the "West Commercial Property Owner" as described in the Development Agreement.

12. **Development Agreement in Effect**. Except to the extent amended by this Seventh Amendment, the Parties acknowledges and agrees the Development Agreement remains in full force and effect without further amendment.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties hereto have signed and agreed to this Seventh Amendment in multiple copies, each of equal dignity, as of the dates set forth in the respective acknowledgments below.

Approved by:

City of Celina, Texas

By:___________________________________
Name: ________________________________
Date: _________________________________
Title: Mayor

STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on this ______ day of ________________, 2015, by __________________________, Mayor, City of Celina, Texas, a Texas home rule municipality on behalf of said municipality.

____
Notary Public, State of Texas

Approved by:

LFC LAND COMPANY LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

____
Name: ______________________________
Title: ______________________________

STATE OF TEXAS §
§
COUNTY OF ___________ §

This instrument was acknowledged before me on _______________ ______, 2015, by ________________________, ______________________ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Land Company, LLC, a Texas limited liability company on behalf of said limited liability company.

____
Notary Public, State of Texas

1920.011\51429.v1

Approved by:

LFC LAND COMPANY I, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

____
Name: ______________________________
Title: _______________________________

STATE OF TEXAS §
§
COUNTY OF ___________ §

This instrument was acknowledged before me on _______________ ______, 2015, by ________________________, ______________________ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Land Company I, LLC, a Texas limited liability company on behalf of said limited liability company.

____
Notary Public, State of Texas

Approved by:

LFC DEVELOPMENT COMPANY II, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

____
Name: ____________________________
Title: _____________________________

STATE OF TEXAS §
§
COUNTY OF __________ §

This instrument was acknowledged before me on ______________ ______, 2015, by ______________________, _____________________ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Development Company II, LLC, a Texas limited liability company on behalf of said limited liability company.

____
Notary Public, State of Texas

Approved by:

LFC DEVCO MAYDELLE, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

____
Name: ____________________________
Title: _____________________________

STATE OF TEXAS §
§
COUNTY OF __________ §

This instrument was acknowledged before me on ______________ ______, 2015, by ______________________, ____________________ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco Maydelle, LLC, a Texas limited liability company on behalf of said limited liability company.

____
Notary Public, State of Texas

Approved by:

LFC DEVCO BIG II, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

____
Name: ______________________________
Title: ______________________________

STATE OF TEXAS §
§
COUNTY OF __________ §

This instrument was acknowledged before me on _______________ ______, 2015, by _______________________, ______________________ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco BIG II, LLC, a Texas limited liability company on behalf of said limited liability company.

____
Notary Public, State of Texas

Approved by:

LFC DEVCO CYPRESS, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

____
Name: ______________________________
Title: ______________________________

STATE OF TEXAS §
§
COUNTY OF __________ §

This instrument was acknowledged before me on _______________ ______, 2015, by _______________________, ______________________ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Devco Cypress, LLC, a Texas limited liability company on behalf of said limited liability company.

____
Notary Public, State of Texas

Approved by:

LFC GRAHAM, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

____
Name: ______________________________
Title: ______________________________

STATE OF TEXAS §
§
COUNTY OF __________ §

This instrument was acknowledged before me on _____________ _____, 2015, by ____________________, ____________________ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Graham, LLC, a Texas limited liability company on behalf of said limited liability company.

____
Notary Public, State of Texas

Approved by:

LFC HLH, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

____
Name: ___________________________
Title: ____________________________

STATE OF TEXAS §
§
COUNTY OF __________ §

This instrument was acknowledged before me on ______________ _____, 2015, by ______________________, ____________________ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC HLH, LLC, a Texas limited liability company on behalf of said limited liability company.

____
Notary Public, State of Texas

Approved by:

LFC GM, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

____
Name: ______________________________
Title: ______________________________

STATE OF TEXAS §
§
COUNTY OF __________ §

This instrument was acknowledged before me on ______________ _____, 2015, by ____________________, ____________________ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC GM, LLC, a Texas limited liability company on behalf of said limited liability company.

____
Notary Public, State of Texas

Approved by:

LFC SAGE, LLC
a Texas limited liability company

By: RJM/Celina III, L.P.
a Texas limited partnership
its manager

By: RJM/Celina III GP, Inc.,
a Texas corporation
its general partner

____
Name: ____________________________
Title: _____________________________

STATE OF TEXAS §
§
COUNTY OF __________ §

This instrument was acknowledged before me on ______________ _____, 2015, by ______________________, _____________________ of RJM/Celina III GP, Inc., a Texas corporation and general partner of RJM/Celina III, L.P., a Texas limited partnership and manager of LFC Sage, LLC, a Texas limited liability company on behalf of said limited liability company.

____
Notary Public, State of Texas

1920.011\51429.v1

Approved by:

COLLIN COUNTY MUNICIPAL UTILITY DISTRICT NO. 1
By:

____
Name:
Title:

ATTEST:

By: _______________________________
Name: ______________________________
Title :______________________________

STATE OF TEXAS §
§
COUNTY OF __________ §

This instrument was acknowledged before me on _______________ _____, 2015, by ________________________________, ________________________________ of the Collin County Municipal Utility District No. 1 on behalf of said district.

____
Notary Public, State of Texas

Approved by:

HIGHLAND HOMES, LTD.
a Texas limited partnership

By: Highland Homes Management, Inc.

By:____
Name:____________________________________
Title:______________________________________

STATE OF TEXAS §
§
COUNTY OF ___________ §

This instrument was acknowledged before me on _______________ ______, 2015, by _______________________, ______________________ of Highland Homes Management, Inc., a ________________ and ______________________ of Highland Homes, Ltd., a Texas limited partnership, on behalf of said limited partnership.

____
Notary Public, State of Texas

AMERICAN LEGEND HOMES, LLC

a Texas limited liability company

By:_______________________________________
Name:____________________________________
Title:_____________________________________

STATE OF TEXAS §
§
COUNTY OF __________ §

This instrument was acknowledged before me on ______________ _____, 2015, by _____________________, _________________________ of American Legend Homes, LLC, a Texas limited liability company, on behalf of said limited liability company.

____
Notary Public, State of Texas

Approved by:

DARLING HOMES OF TEXAS, LTD.
a Texas limited partnership

By: Darling Homes, LLC, a Texas limited liability company, its general partner

By:____
Name:_____________________________________
Title:_______________________________________

STATE OF TEXAS §
§
COUNTY OF ___________ §

This instrument was acknowledged before me on _______________ ______, 2015, by ______________________, _____________________ of Darling Homes, LLC, a Texas limited liability company and general partner of Darling Homes of Texas, Ltd., a Texas limited partnership, on behalf of said limited partnership.

____
Notary Public, State of Texas

Approved by:

DREES CUSTOM HOMES, LP.
a Texas limited partnership

By: Drees Builders, Inc., an Ohio corporation, its general partner

By:_______________________________________
Name: ___________________________________
Title:_____________________________________

STATE OF TEXAS §
§
COUNTY OF __________ §

This instrument was acknowledged before me on ______________ _____, 2015, by _____________________, ____________________ of Drees Builders, Inc., an Ohio corporation and general partner of Drees Custom Homes, LP, a Texas limited partnership, on behalf of said limited partnership.

____
Notary Public, State of Texas

Approved by:

RH OF TEXAS LIMITED PARTNERSHIP
a Maryland limited partnership, d/b/a LIONSGATE HOMES

By: Ryland Homes of Texas, Inc., a Texas Corporation, its general partner

By:____
Name: ________________________________
Title:_______________________________________

STATE OF TEXAS §
§
COUNTY OF __________ §

This instrument was acknowledged before me on ______________ _____, 2015, by _____________________, ____________________ of Ryland Homes of Texas, Inc., a Texas corporation and general partner of RH of Texas Limited Partnership, a Maryland limited partnership, d/b/a LIONSGATE HOMES, on behalf of said limited partnership.

____
Notary Public, State of Texas

Approved by:

SHADDOCK HOMES, LTD.
a Texas limited partnership

By: Shaddock H GP, LLC, a Texas limited liability company, its general partner

By:______________________________________
Name: __________________________________
Title:_____________________________________

STATE OF TEXAS §
§
COUNTY OF __________ §

This instrument was acknowledged before me on ______________ ______, 2015, by _____________________, ____________________ of Shaddock H GP, LLC, a Texas limited liability company and general partner of Shaddock Homes, Ltd., a Texas limited partnership, on behalf of said limited partnership.

____
Notary Public, State of Texas

Approved by:

K. HOVNANIAN DFW LIGHT FARMS, LLC,
a Texas limited liability company

By:______________________________________
Name: ___________________________________
Title:_____________________________________

STATE OF TEXAS §
§
COUNTY OF __________ §

This instrument was acknowledged before me on ______________ _____, 2015, by _____________________, ____________________ of Horizon Homes Management Inc., a Texas corporation and _________________ of Horizon Homes, Ltd., a Texas limited partnership, on behalf of said limited partnership.

____
Notary Public, State of Texas

Approved by:

HORIZON HOMES, LTD.
a Texas limited partnership

By: Horizon Homes Management, Inc.

By:____
Name: ____________________________________
Title:______________________________________

STATE OF TEXAS §
§
COUNTY OF __________ §

This instrument was acknowledged before me on ______________ _____, 2015, by _____________________, ____________________ of Horizon Homes Management Inc., a Texas corporation and _________________ of Horizon Homes, Ltd., a Texas limited partnership, on behalf of said limited partnership.

____
Notary Public, State of Texas

<u>After recording, return to</u>:
Republic Property Group
Attn: Tim McKnight
8401 N. Central Expressway, Suite 350
Dallas, Texas 75225

<u>Exhibits</u>:

Exhibit A	Legal Description and Depiction of the LFC Property
Exhibit B	Legal Description and Depiction of the LFC II Property
Exhibit C	Legal Description and Depiction of the LFC Development I Property
Exhibit D	Legal Description and Depiction of the LFC Maydelle Property
Exhibit E	Legal Description and Depiction of the LFC BIG Property
Exhibit F	Legal Description and Depiction of the MUD-Owned Property
Exhibit G	Legal Description of the LFC Cypress Property
Exhibit H	Legal Description of the LFC Graham Property
Exhibit I	Legal Description of the LFC HLH Property
Exhibit J	Legal Description of the LFC GM Property
Exhibit K	Legal Description of the LFC Sage Property
Exhibit L	New Appendix 1

Exhibit A
Legal Description and Depiction of the LFC Property

TRACT A

Being a 597.17 acre tract of land situated in the John Ragsdale Survey, Abstract No. 734, and the Collin County School Land Survey No. 14, Abstract No. 167, and being all of Tract A, a 597.17 acre tract of land as described in instrument to LFC Land Company, LLC, as recorded in Document Number 20120423000464780, Land Records, Collin County, Texas, all of a 1.00 acre tract of land as described in instrument to Frederick L Albrecht, as recorded in Document Number 20070510000634680, Land Records, Collin County, Texas, all of a 1.00 acre tract of land as described in instrument to Keller Webster, as recorded in Document Number 20070510000634710, Land Records, Collin County, Texas, all of a 1.00 acre tract of land as described in instrument to Andy Harvey, as recorded in Document Number 20070510000724440, Land Records, Collin County, Texas, all of a 1.00 acre tract of land as described in instrument to Gordon Greeson, as recorded in Document Number 2007051000634740, Land Records, Collin County, Texas, all of a tract of 1.00 acre tract of land as described in instrument to Kenneth Prater, as recorded in Document Number 20070510000634770, Land Records, Collin County, Texas, and a portion of Collin County Road 51. Said 597.17 acre tract, with reference bearing of grid north, Texas State Plane Coordinates, North Central Zone, HARN NAD 83 (93) datum, being more particularly described by metes and bounds as follows:

Commencing at ½ inch iron rod found for the northwest corner of a called 161.4193 acre tract of land conveyed by deed to the Board of Regents of the Texas A&M University System recorded in Volume 2513, Page 274, Land Records, Collin County, Texas, and being on the west line of aforesaid John Ragsdale Survey, and being on the east line of the F.D. Gary Survey, Abstract No. 361;

THENCE, North 89 degrees 56 minutes 06 seconds East, along the North line of aforesaid 161.4193 acre tract of land, a distance of 950.04 feet to the POINT OF BEGINNING and being the most southerly southwest corner of said Lucas Celina tract;

THENCE, North 00 degrees 36 minutes 37 seconds West, along a west line of said Lucas Celina tract a distance of 1,513.85 feet to a 5/8 inch iron rod found;

THENCE, North 30 degrees 59 minutes 39 seconds East, continuing along a northwesterly line of said Lucas Celina tract a distance of 867.40 feet to a 1/2 inch iron rod found at an inner ell corner of said Lucas Celina tract;

THENCE, South 59 degrees 00 minutes 21 seconds East, departing the northwesterly line of said Lucas Celina tract a distance of 50.00 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars” on a northwesterly line of said 408.510 acre tract;

THENCE, North 30 degrees 59 minutes 39 seconds East, along a northwesterly line of said 408.510 acre tract a distance of 575.60 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars”;

THENCE, North 59 degrees 00 minutes 21 seconds West, departing the northwesterly line of said 408.510 acre tract a distance of 260.21 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars” and being the beginning of a non-tangent curve to the left having a radius of 3,644.79 feet;

THENCE, in a northerly direction along said curve to the left through a central angle of 36 degrees 57 minutes 20 seconds, an arc distance of 2,350.88 feet and being subtended by a chord bearing North 09 degrees 52 minutes 14 seconds East, a distance of 2,310.34 feet;

THENCE, North 08 degrees 36 minutes 26 seconds West, a distance of 1,585.77 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars”;

THENCE, North 89 degrees 27 minutes 32 seconds East, passing at 322.72 feet a 5/8 inch iron rod found at the most northerly southwest corner of said 408.510 acre tract, passing at 1,521.70 feet a 5/8 inch iron rod found at an inner ell corner of said 408.510 acre tract, continuing for a total distance of 1,571.93 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars”;

THENCE, North 04 degrees 53 minutes 56 seconds East, a distance of 1,990.49 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars”;

THENCE, North 03 degrees 20 minutes 56 seconds East, a distance of 52.00 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars” on the north line of said 408.510 acre tract;

THENCE, North 89 degrees 32 minutes 06 seconds East, along the north line of said 408.510 acre tract a distance of 657.83 feet to a 5/8 inch iron rod with a yellow plastic cap stamped “Carter Burgess” found for corner at the northeast corner of said 408.51 acre tract and the common northeast corner of said John Ragsdale Survey and the southwest corner of the M.D. Bullion Survey, Abstract No. 137 and being on the west line of Collin County School Land Survey No. 14, Abstract No. 167 and the west line of a tract of land conveyed to Richard C. Smith and wife, Janet L. Smith by deed recorded in County Clerk’s File No. 97-0086916, Land Records, Collin County, Texas.

THENCE, South 01 degrees 06 minutes 02 seconds East, along the east line of said 408.510 acre tract and the west line of said Collin County School Land Survey No. 14, Abstract No. 167 and the common west line of said Smith Tract, and the common west line of a 100.593 acre tract conveyed by deed to the Walton Bradford Family Partnerships, L.P. recorded in Volume 5050, Page 00784, Land Records, Collin County, Texas, and the west line of tract of land conveyed by deed to Albert Mokhtar, trustee, recorded in Volume 2722, Page 333, Land Records, Collin County, Texas, a distance of 3,004.05 feet to a point for corner;

THENCE, North 89 degrees 28 minutes 05 seconds East, passing at a distance of 35.43 feet a 1” iron pipe found for the northwest corner of aforesaid 151.289 acre tract and continuing along the north line of said 151.289 acre tract and the common south line of aforesaid Albert Mokhtar Tract, a total distance of 1,948.01 feet to a ½ inch iron rod found for the northeast corner of said 151.289 acre tract and the southeast corner of said Albert Mokhtar Tract and being on the west right-of-way of the Red River Texas & Southern Railway Company, Tract No. 54, by deed recorded in Volume 121, Page 20, Land Records, Collin County, Texas.

THENCE, South 11 degrees 20 minutes 28 seconds West, along the east line of aforesaid 151.289 acre tract and the common west line of aforesaid Red River Texas & Southern Railway Company Tract No. 54, a distance of 4,816.17 feet to a ½ inch iron rod found for the southeast corner of said 151.289 acre tract and point on the north line of a called 81.68 acre tract of land, conveyed to Graham S. Stelzer and wife, Doris Stelzer by deed recorded in Volume 587, Page 146, Land Records, Collin County, Texas;

THENCE, South 89 degrees 32 minutes 42 seconds West, along the south line of aforesaid 151.289 acre tract and the common north line of aforesaid 81.68 acre tract, passing at a distance of 884.15 feet a 3/8 inch iron rod found for the southeast corner of said 151.289 acre tract and continuing a total distance of 910.34 feet to a point for corner on the east line of aforesaid 408.510 acre tract;

THENCE, South 01 degrees 06 minutes 02 seconds East, along the east line of said 408.510 acre tract, a distance of 1,090.95 feet to a 5/8 inch iron rod with a yellow plastic cap stamped “Carter Burgess” set for corner at the southeast corner of said 408.510 acre tract and the northeast corner of aforesaid 161.4193 acre tract;

THENCE, along the south line of said 408.510 acre tract and the common north line of said 161.4193 acre tract, the following courses and distances:

NORTH 89 degrees 44 minutes 17 seconds West, a distance of 138.60 feet to a point for corner;

NORTH 82 degrees 40 minutes 54 seconds West, a distance of 632.77 feet to a point for corner;

SOUTH 89 degrees 19 minutes 08 seconds West, a distance of 1,314.05 feet to a point for corner;

SOUTH 87 degrees 52 minutes 29 seconds West, a distance of 475.03 feet to a point for corner;

SOUTH 89 degrees 56 minutes 06 seconds West, a distance of 722.47 feet to the POINT OF BEGINNING and containing 597.17 acres of land, more or less.

Save and except the (a) property described on Exhibit C, Exhibit D, Exhibit E, Exhibit F, Exhibit H, Exhibit I, and Exhibit J of this Amendment (including the lots that are saved and excepted from the legal description on Exhibit C); and (b) the following 5.00-acre MUD Director Lots tract:

MUD Director Lots

BEING a 5.00 acre tract of land situated in the John Ragsdale Survey, Abstract No. 734, Collin County, Texas, and being all of five 1.000 acre tracts as described in instrument to Rett Corson, as recorded in Volume 5438, Page 6055 of the Land Records of Collin County, Texas (L.R.C.C.T.), in instrument to Jay Kirby, as recorded in Volume 5438, Page 6058 (L.R.C.C.T.), in instrument to Michael Blase, as recorded in Volume 5438, Page 6061 (L.R.C.C.T.), in instrument to 14875 Partners, Ltd., as recorded in County Clerk’s File No. 20061027001545080 (L.R.C.C.T.), in instrument to Josh J. Kahn, as recorded in Volume 5438, Page 6021 (L.R.C.C.T.), Said 5.00 acre tract, with reference bearing of grid north, Texas State Plane Coordinates, North Central Zone, HARN NAD 83 (93) datum, being more particularly described by metes and bounds as follows:

COMMENCING at a 5/8 inch iron rod found with yellow plastic cap stamped “Carter Burgess” at the north east corner of Tract 1 as described in instrument to Forestar/RPG Land Company, LLC, as recorded in Document No. 20070221000239380 (L.R.C.C.T.);

THENCE, South 89 degrees 32 minutes 06 seconds West, along the north line of said Tract 1, a distance of 657.83 feet to a point for corner in the east line of a 50.0 foot easement to Lone Star Gas Company, as recorded in Volume 507, Page 383 (L.R.C.C.T.);

THENCE, South 03 degrees 20 minutes 56 seconds West, along the easterly line of said Lone Star Gas easement, a distance of 52.00 feet to a point for corner;

THENCE, South 04 degrees 53 minutes 56 seconds West, continuing along the easterly line of said Lone Star Gas easement, a distance of 2,933.00 feet to the POINT OF BEGINNING of said Five 1.000 acres tracts;

THENCE, South 85 degrees 06 minutes 04 seconds East, departing the easterly line of said Lone Star Gas easement, a distance of 348.48 feet to a point for corner;

THENCE, South 04 degrees 53 minutes 56 seconds West, a distance of 625.00 feet to a point for corner;

THENCE, North 85 degrees 06 minutes 04 seconds West, a distance of 348.48 feet to a point for corner on the easterly line of said Lone Star Gas easement;

THENCE, North 04 degrees 53 minutes 56 seconds East, along the easterly line of said Lone Star Gas easement, a distance of 625.00 feet to the POINT OF BEGINNING and CONTAINING 5.000 acres of land, more or less.

TRACT B

Being a 209.022 acre tract of land situated in the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, and being all of Tract B, a 209.022 acre tract of land as described in instrument to LFC Land Company, LLC, recorded in Document No. 20120423000464780, Land Records, Collin County, Texas, said 209.022 acre tract, with bearing basis of grid north, Texas State Plane Coordinates, north central zone, harn nad 83 (93) datum, being more particularly described by metes and bounds as follows:

Beginning at ½ inch iron rod found for the northeast corner of aforesaid 209.022 acre tract and being the southeast corner of a called Tract 4, conveyed to Ownsby 1880 Farms. LTD. by deed recorded in County Clerk’s File No. 99-0005737, Land Records, Collin County, Texas and being on the west line of a called Tract 1, conveyed to Ownsby 1880 Farms, LTD. by deed recorded in County Clerk’s File No. 99-0005737, Land Records, Collin County, Texas;

THENCE, South 00 degrees 28 minutes 05 seconds east, along the east line of aforesaid 209.022 acre tract, and the west line of aforesaid Tract 1 and a called Tract 2 & Tract 3, conveyed to Ownsby 1880 Farms, LTD. by deed recorded in County Clerk’s File No. 99-0005737, Land Records, Collin County, Texas, a distance of 4058.21 feet to a 60D Nail found for the southwest corner of aforesaid Tract 3;

THENCE, continuing along the east line of aforesaid 209.022 acre tract and the west line of a called 139.708 acre tract of land, conveyed to Keeran Family Partnership, LTD., recorded in County Clerk’s File No. 2001-0083876, Land Records, Collin County, Texas, the following courses and distances:

> SOUTH 00 degrees 28 minutes 43 seconds East, a distance of 658.85 feet to a ½ inch iron rod found for corner;
>
> SOUTH 00 degrees 26 minutes 50 seconds East, a distance of 2675.40 feet to a 3/8 inch iron rod found for corner in the approximate centerline of Business Highway No. 289 (A variable prescriptive width right-of-way) and being the southeast corner of aforesaid 209.022 acre tract and the southwest corner of aforesaid 139.708 acre tract, from said corner a 60D nail bears north 00 degrees 52 minutes 30 seconds West, a distance of 33.68 feet found for witness;

THENCE, South 89 degrees 29 minutes 44 seconds West, along the south line of aforesaid 209.022 acre tract and with the approximate centerline of aforesaid Business Highway No. 289, a distance of 1322.70 feet to a 3/8 inch iron rod found for the southwest corner of said 209.022 acre tract and the southeast corner of a called 7.438 acre tract of land, conveyed to Lotti Loraine Couch by deed recorded in County Clerk's File No. 97-0002825, Land Records, Collin County, Texas, from said corner a 60D nail bears north 01 degrees 13 minutes 49 seconds west, a distance of 37.84 feet found for witness;

THENCE, North 00 degrees 42 minutes 12 seconds West, along a west line of aforesaid 209.022 acre tract and the common east line of aforesaid 7.438 acre tract, a distance of 605.95 feet to a ½ inch iron rod found for the northeast corner of said 7.438 acre tract;

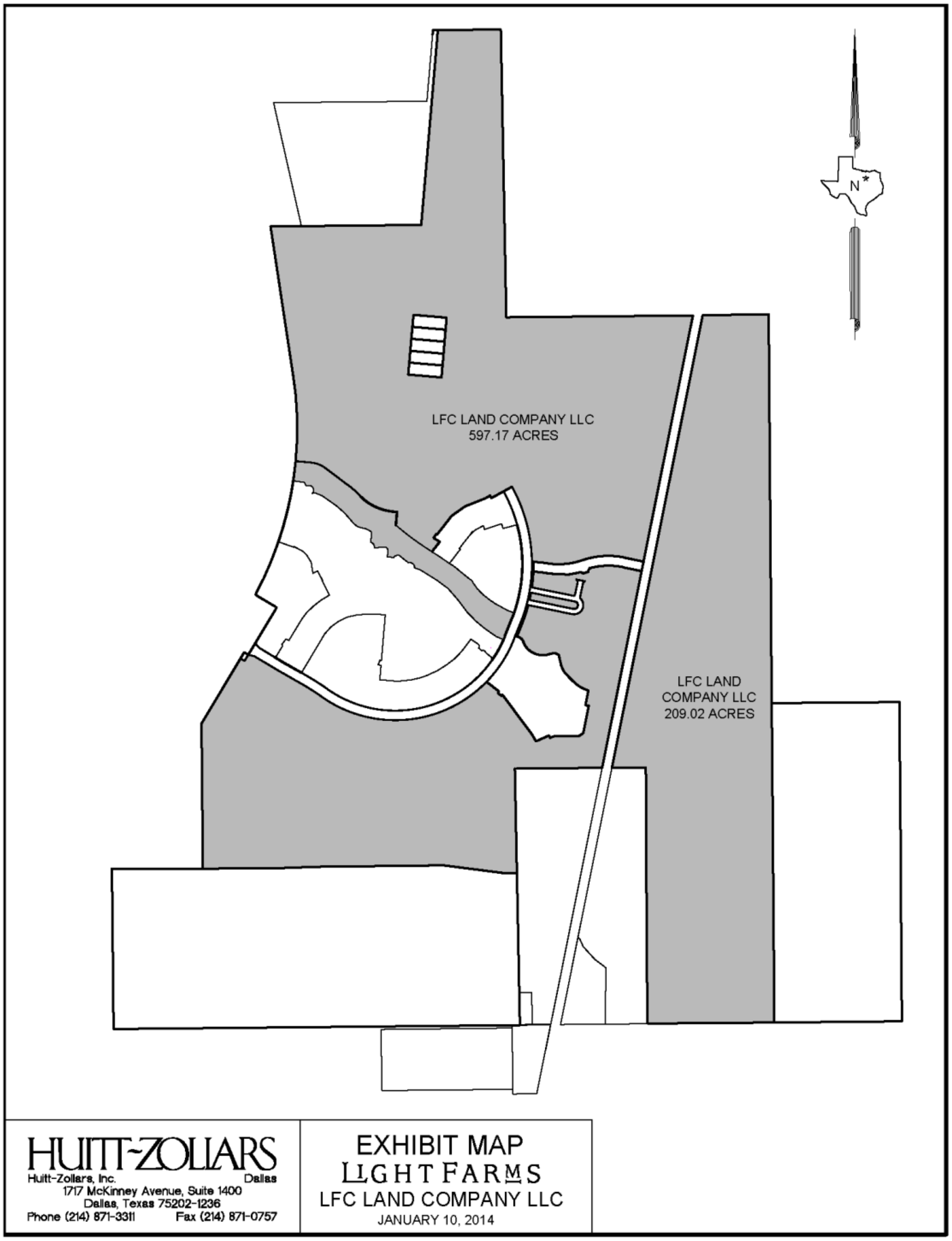
THENCE, North 00 degrees 18 minutes 06 seconds West, continuing along a west line of aforesaid 209.022 acre tract and the common east line of a called 81.68 acre tract of land, conveyed to Graham S. Stelzer and wife, Doris Stelzer by deed recorded in Volume 587, Page 146, Land Records. Collin County, Texas, a distance of 2067.07 feet to a ½ inch iron rod found for the insider ell corner of said 209.022 acre tract and the northeast corner of said 81.68 acre tract;

THENCE, South 89 degrees 31 minutes 56 seconds West, along a south line of aforesaid 209.022 acre tract and the common north line of aforesaid 81.68 acre tract, a distance of 353.59 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for corner on the east right-of-way of the Red River Texas & Southern Railway Company Tract No. 54 by deed recorded in Volume 121, Page 20, Land Records, Collin County, Texas;

THENCE, North 11 degrees 20 minutes 28 seconds East, along the west line of aforesaid 209.022 acre tract and the west line of aforesaid 69.81 acre tract and the common east line of aforesaid Red River Texas & Southern Railway Company Tract No. 54, a distance of 4816.78 feet to a 5/8 inch iron rod with a yellow plastic cap stamped "Carter Burgess" set for the northwest corner of said 209.022 acre tract and the southwest corner of aforesaid Tract 4;

THENCE, North 89 degrees 04 minutes 39 seconds East, along the north line of aforesaid 209.022 acre tract and the common south line of aforesaid Tract 4, a distance of 687.89 feet to the POINT OF BEGINNING and containing 209.022 acres of land, more or less.

Save and except the property described on Exhibit G.



LFC LAND COMPANY LLC
597.17 ACRES
LFC LAND
COMPANY LLC
209.02 ACRES
N
HUITT-ZOLLARS
Huitt-Zollars, Inc. Dallas
1717 McKinney Avenue, Suite 1400
Dallas, Texas 75202-1236
Phone (214) 871-3311 Fax (214) 871-0757
EXHIBIT MAP
LIGHT FARMS
LFC LAND COMPANY LLC
JANUARY 10, 2014

Exhibit B
Legal Description and Depiction of the LFC II Property

Keeran Tract

BEING all that certain lot, tract or parcel of land situated in the City of Celina, Collin County, Texas, out of the Collin County School Land No. 14 Survey, Abstract 167, and being a part of the 134.88 acres of Land described in Deeds to Keeran Family Partnership, Ltd., as recorded in County Clerk's file Number 2001-0083874 and 2001-0083876 of the Real Property Records of Collin County, Texas, and being more particular described by metes and bounds as follows:

BEGINGING AT A ½" IRON ROD FOUND FOR THE Northwest corner of said 134.88 acre tract, said point also being in the East line of a 209.022 acre tract of land conveyed to LFC Land Company as recorded in County Clerk's file No. 2012-0423000464780 of the Real Property Records of Collin County, Texas, said point also being the Southwest corner of tract of land conveyed to Ownsby Farms, Ltd., as recorded in Volume 4332, Page 1047, Deed Records, Collin County, Texas;

THENCE North 89 degrees 35 minutes 26 seconds East (North 89 degrees 58 minutes West Deed), (Basis of Bearings per North Central Texas Zone 4203 State Plane Coordinates) South line of said Ownsby Farms Ltd. Tract for distance of 1334.62 feet (1335.30 feet Deed) to a 1/2" iron rod found for the Northeast corner of said 134.88 acre tract , said point also being the Northwest corner of a called 15.211 acre tract of land conveyed to J. Altus Inc. Profit Sharing Trust & Metroplex Properties LLC & Dall Developments, Inc. as recorded in Volume 5870 at Page 5025 of the Deed Records of Collin County, Texas;

THENCE South 00 degrees 15 minutes 00 seconds East (South 00 degrees 00 minutes 38 seconds West Deed), and following along the East line of said 134.88 acre tract, and the West line of said 15.211 acre J. Altus tract and also along the West line of a 15.28 acre tract of land conveyed to John Feizy by Deed and recorded in County Clerk's file No. 93-0056727, for a distance of 1045.61 feet to a 1/2" iron rod found for corner, said point being the Southwest corner of a 3.99 acre tract of land conveyed to Terry Barnes by Deed as recorded in Volume 2006, Page 93180, of the Deed Records of Collin County, Texas;

THENCE South 00 degrees 54 minutes 17 seconds East and continuing along the East line of the Keeran Family 134.88 acre tract and the West line of said 3.99 acre Terry Barnes Tract, for a distance of 527.61 feet to a point for the Southwest corner of said 3.99 acre Terry Barnes Tract, same being the Northwest corner of 12.0734 acre tract of land conveyed to J. Altus Inc. Profit Sharing by Deed and Recorded in Volume 5826 at Page 5441 of the Deed Records of Dallas County, Texas;

THENCE South 00 degrees 03 minutes 36 seconds West and following along the West line of said 12.0734 acre J. Altus Inc. Profit Sharing Tract, for a distance of 417.19 feet to a ½" iron rod found for the Southwest corner of said 12.0734 acre J. Altus Inc. Profit Sharing Tract;

THENCE South 00 degrees 30 minutes 27 seconds East across said 134.88 acre tract for a distance of 1341.14 feet to a railroad spike set in asphalt for corner in the center of Business Highway No. 289 Also known as County Road No. 5 and also known as North Coleman Street (an undedicated variable width prescriptive right of way);

THENCE South 89 degrees 29 minutes 33 seconds West and following along the center of said roadway and the South line of said 134.88 acre tract, for a distance of 1332.51 feet to a 3/8" iron rod found for the Southwest corner of said 134.88 acre tract, same being the Southeast corner of the aforementioned 209.022 acre tract;

THENCE North 00 degrees 26 minutes 47 seconds West (North 00 degrees 05 minutes West Deed), and following along the West line of said 134.88 acre tract and the East line of said 209.22 acre tract for a distance of 2674.96 feet (2675.16 feet Deed) to a ½" iron rod found for corner;

THENCE North 00 degrees 29 minutes 23 seconds West (North 0 degrees 12 minutes West Deed) , and continuing along the West line of said 134.88 acre tract and the East line of said 209.022 acre tract for a distance of 658.83 feet (659.2 feet Deed) to the point of Beginning and Containing 101.9292 acres of Land, more or less of which 0.9177 acres of land lies within the aforesaid Business Highway No. 289, leaving 101.0115 acres of land net of right of way.

Save and except the LFC Sage Property described on Exhibit K of this Seventh Amendment.

Texas A&M Tract

BEING a tract of land situated in the John Ragsdale Survey, Abstract No. 734, Collin County, Texas and being all of a tract of land described in instrument to the Board of Regents of the Texas A & M University System as recorded in Volume 2513, Page 274 of the Deed Records, Collin County, Texas and being more particularly described as follows;

BEGINNING at a P.K. Nail found at the southeast corner of said Texas A & M University System tract, said point being at the approximate intersection of CR 5 and CR 51;

THENCE along the approximate centerline of CR 5, South 89 degrees 26 minutes 49 seconds West a distance of 4,240.33 feet (Deed 4,239.94 feet) to a 1/2 inch iron rod found at the southwest corner of said Texas A & M University System tract and being at the approximate intersection of CR 5 and CR 50;

THENCE departing the approximate centerline of CR 5, North 00 degrees 36 minutes 39 seconds West a distance of 1,674.54 feet (Deed 1,673.98 feet) to a ½ inch iron rod found at the northwest corner of the aforementioned Texas A & M University System tract;

THENCE along the northerly line of said Texas A & M University System tract and the approximate centerline of a drainage ditch the following;

North 89 degrees 56 minutes 00 seconds East a distance of 1,672.59 feet (Deed 1,669.51 feet) to a point for corner;

North 87 degrees 52 minutes 29 seconds East a distance of 475.03 feet to a point for corner;

North 89 degrees 19 minutes 08 seconds East a distance of 1,314.05 feet to a point for corner;

South 82 degrees 40 minutes 54 seconds East a distance of 632.77 feet to a point for corner;

South 89 degrees 44 minutes 17 seconds East a distance of 138.60 feet (Deed 138.11 feet) to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" in the approximate centerline of the aforementioned CR51;

THENCE along the approximate centerline of the aforementioned CR51, South 01 degrees 06 minutes 06 seconds East a distance of 1,587.75 feet to the POINT OF BEGINNING and containing 161.51 Acres of land, more or less.

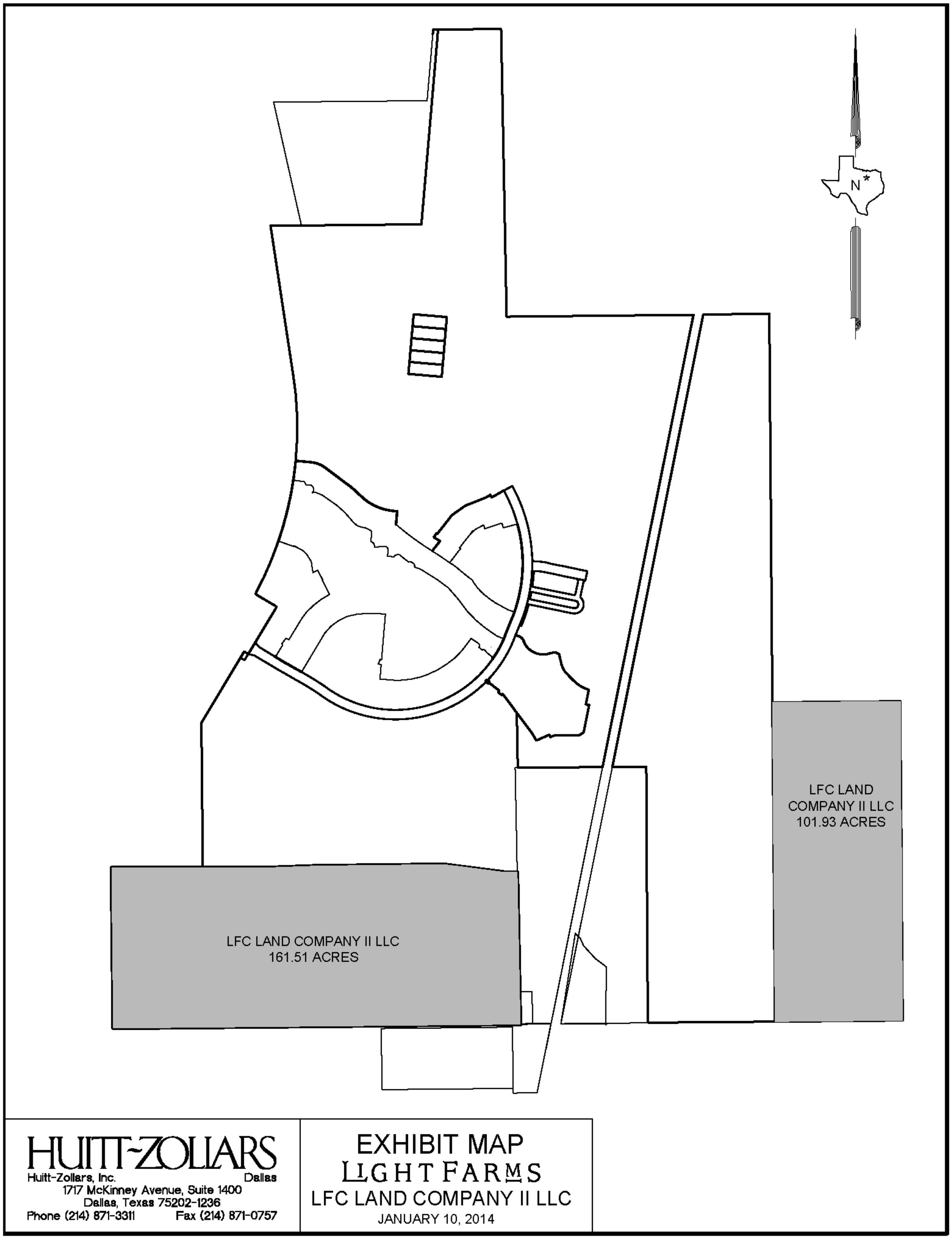

LFC LAND COMPANY II LLC
161.51 ACRES
LFC LAND
COMPANY II LLC
101.93 ACRES
N
HUITT-ZOLLARS
Huitt-Zollars, Inc.
Dallas
1717 McKinney Avenue, Suite 1400
Dallas, Texas 75202-1236
Phone (214) 871-3311
Fax (214) 871-0757
EXHIBIT MAP
LIGHT FARMS
LFC LAND COMPANY II LLC
JANUARY 10, 2014

Exhibit C
Legal Description and Depiction of the LFC Development I Property

BLUESTEM TRACT 1

BEING a tract of land situated in the John Ragsdale Survey, Abstract No. 734, Collin County, Texas and being a portion of a tract of land described in instrument to LFC Land Company, LLC as recorded in Document No. 20120423000464780 of the Land Records, Collin County Texas and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the southeasterly corner of the Water Tower Addition at Light Farms, an addition to Collin County as recorded in Document No. 2009-424 of the Land Records, Collin County, Texas (L.R.C.C.T.), said point being on the northeasterly right-of-way line of Light Farms Way (a variable width right-of-way as recorded in Document No. 2009-422 (L.R.C.C.T.);

THENCE along the northeasterly right-of-way line of said Light Farms Way, South 41 degrees 03 minutes 20 seconds East a distance of 64.89 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE continuing along the northeasterly right-of-way line of said Light Farms Way, South 59 degrees 00 minutes 21 seconds East a distance of 177.84 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the POINT OF BEGINNING;

THENCE departing the northeasterly right-of-way line of said Light Farms Way, North 75 degrees 59 minutes 39 seconds East a distance of 28.28 feet to a point for corner;

THENCE North 30 degrees 59 minutes 39 seconds East a distance of 122.20 feet to a point for corner;

THENCE North 17 degrees 04 minutes 17 seconds West a distance of 16.13 feet to a point for corner at the beginning of a non-tangent curve to the right having a delta angle of 00 degrees 19 minutes 51 seconds, a radius of 375.00 feet and being subtended by a chord which bears North 54 degrees 12 minutes 10 seconds West a distance of 2.17 feet;

THENCE along said curve to the right an arc distance of 2.17 feet to a point at the end of said curve;

THENCE North 35 degrees 57 minutes 46 seconds East a distance of 71.29 feet to a point for corner;

THENCE South 59 degrees 00 minutes 21 seconds East a distance of 34.41 feet to a point for corner;

THENCE North 30 degrees 59 minutes 39 seconds East a distance of 205.00 feet to a point for corner;

THENCE North 32 degrees 30 minutes 14 seconds East a distance of 64.26 feet to a point for corner;

THENCE North 38 degrees 07 minutes 30 seconds East a distance of 84.25 feet to a point for corner;

THENCE North 45 degrees 33 minutes 45 seconds East a distance of 98.42 feet to a point for corner;

THENCE North 52 degrees 30 minutes 56 seconds East a distance of 98.38 feet to a point for corner;

THENCE North 59 degrees 28 minutes 14 seconds East a distance of 98.41 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE North 26 degrees 39 minutes 08 seconds West a distance of 164.81 feet to a point for corner at the beginning of a non-tangent curve to the right having a delta angle of 00 degrees 10 minutes 09 seconds, a radius of 945.00 feet and being subtended by a chord which bears North 63 degrees 25 minutes 56 seconds East a distance of 2.79 feet;

THENCE along said curve to the right an arc length of 2.79 feet to a point at the end of said curve;

THENCE North 26 degrees 28 minutes 59 seconds West a distance of 116.03 feet to a point for corner;

THENCE South 63 degrees 30 minutes 01 seconds West a distance of 55.53 feet to a point for corner;

THENCE North 09 degrees 39 minutes 51 seconds West a distance of 117.46 feet to a point for corner;

THENCE North 31 degrees 32 minutes 08 seconds West a distance of 94.89 feet to a point for corner;

THENCE North 47 degrees 32 minutes 46 seconds West a distance of 47.67 feet to a point for corner;

THENCE North 61 degrees 02 minutes 49 seconds West a distance of 105.94 feet to a point for corner at the beginning of a non-tangent curve to the right having a delta angle of 00 degrees 06 minutes 50 seconds, a radius of 3,814.79 feet and being subtended by a chord which bears South 18 degrees 49 minutes 42 seconds West a distance of 7.58 feet;

THENCE along said curve to the right an arc length of 7.58 feet to a point at the end of said curve;

THENCE North 71 degrees 06 minutes 53 seconds West a distance of 50.00 feet to a point for corner;

THENCE North 71 degrees 03 minutes 42 seconds West a distance of 120.00 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" on the westerly line of the aforementioned LFC Land Company, LLC tract and being the beginning of a non-tangent curve to the left having a delta angle of 10 degrees 19 minutes 33 seconds, a radius of 3,644.79 feet and being subtended by a chord which bears North 13 degrees 43 minutes 14 seconds East a distance of 655.97 feet;

THENCE along said curve to the left an arc length of 656.86 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

THENCE departing the westerly line of said LFC Land Company, LLC tract, South 81 degrees 23 minutes 06 seconds East a distance of 116.37 feet to a point for corner;

THENCE South 29 degrees 15 minutes 21 seconds East a distance of 42.79 feet to a point for corner at the beginning of a non-tangent curve to the right having a delta angle of 143 degrees 06 minutes 25 seconds, a radius of 50.00 feet and being subtended by a chord which bears South 47 degrees 42 minutes 09 seconds East a distance of 94.86 feet;

THENCE along said curve to the right an arc length of 124.88 feet to a point at the end of said curve;

THENCE South 67 degrees 39 minutes 58 seconds East a distance of 101.32 feet to a point for corner;

THENCE South 56 degrees 30 minutes 30 seconds East a distance of 60.10 feet to a point for corner;

THENCE South 55 degrees 00 minutes 25 seconds East a distance of 117.58 feet to a point for corner;

THENCE South 48 degrees 17 minutes 44 seconds East a distance of 116.56 feet to a point for corner;

THENCE South 41 degrees 36 minutes 59 seconds East a distance of 116.46 feet to a point for corner;

THENCE South 40 degrees 10 minutes 06 seconds East a distance of 55.03 feet to a point for corner;

THENCE South 62 degrees 14 minutes 09 seconds East a distance of 43.36 feet to a point for corner;

THENCE South 75 degrees 31 minutes 39 seconds East a distance of 73.94 feet to a point for corner;

THENCE South 66 degrees 03 minutes 20 seconds East a distance of 47.22 feet to a point for corner;

THENCE South 49 degrees 55 minutes 04 seconds East a distance of 25.14 feet to a point for corner;

THENCE South 06 degrees 42 minutes 22 seconds West a distance of 103.27 feet to a point for corner at the beginning of a non-tangent curve to the right having a delta angle of 70 degrees 11 minutes 25 seconds, a radius of 50.00 feet and being subtended by a chord which bears South 41 degrees 37 minutes 17 seconds East a distance of 57.49 feet;

THENCE along said curve to the right an arc length of 61.25 feet to a point at the end of said curve;

THENCE South 05 degrees 57 minutes 02 seconds East a distance of 16.58 feet a point for corner;

THENCE North 84 degrees 37 minutes 31 seconds East a distance of 112.31 feet to a point for corner;

THENCE South 55 degrees 06 minutes 34 seconds East a distance of 37.80 feet to a point for corner;

THENCE South 04 degrees 54 minutes 25 seconds West a distance of 83.18 feet to a point for corner;

THENCE South 85 degrees 05 minutes 35 seconds East a distance of 30.00 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

THENCE South 04 degrees 54 minutes 25 seconds West a distance of 604.27 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

THENCE North 86 degrees 04 minutes 59 seconds West a distance of 79.87 feet to a point for corner;

THENCE South 89 degrees 14 minutes 24 seconds West a distance of 200.97 feet to a point for corner;

THENCE South 77 degrees 30 minutes 52 seconds West a distance of 126.41 feet to a point for corner;

THENCE South 61 degrees 50 minutes 18 seconds West a distance of 96.87 feet to a point for corner;

THENCE South 54 degrees 46 minutes 28 seconds West a distance of 96.73 feet to a point for corner;

THENCE South 41 degrees 05 minutes 29 seconds West a distance of 96.87 feet to a point for corner;

THENCE South 30 degrees 59 minutes 39 seconds West a distance of 473.30 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" on the northeasterly right-of-way line of the aforementioned Light Farms Way and being the beginning of a non-tangent curve to the left having a delta angle of 00 degrees 35 minutes 50 seconds, a radius of 3,050.00 feet and being subtended by a chord which bears North 61 degrees 15 minutes 36 seconds West a distance of 31.79 feet;

THENCE along the northeasterly right-of-way line of said Light Farms Way the following;

> Along said curve to the left an arc length of 31.79 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" the beginning of a reverse curve to the right having a delta angle of 02 degrees 33 minutes 10 seconds, a radius of 2,950.00 feet and being subtended by a chord which bears North 60 degrees 16 minutes 56 seconds West a distance of 131.42 feet;
>
> Along said curve to the right an arc length of 131.43 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";
>
> North 59 degrees 00 minutes 21 seconds West a distance of 169.27 feet to the POINT OF BEGINNING and CONTAINING 1,136,817 square feet or 26.098 acres of land, more or less.

INDIGO TRACT 1

BEING a tract of land situated in the John Ragsdale Survey, Abstract No. 734, Collin County, Texas and being a portion of a tract of land described in instrument to LFC Land Company, LLC as recorded in Document No. 20120423000464780 of the Land Records, Collin County Texas and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the southeasterly corner of the Water Tower Addition at Light Farms, an addition to Collin County as recorded in Document No. 2009-424 of the Land Records, Collin County, Texas (L.R.C.C.T.), said point being on the northeasterly right-of-way line of Light Farms Way (a variable width right-of-way) as recorded in Document No. 2009-422 (L.R.C.C.T.);

THENCE along the northeasterly right-of-way line of Light Farms Way the following;

South 41 degrees 03 minutes 20 seconds East a distance of 64.89 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

South 59 degrees 00 minutes 21 seconds East a distance of 347.10 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a curve to the left having a delta angle of 02 degrees 33 minutes 10 seconds, a radius of 2,950.00 feet and being subtended by a chord which bears South 60 degrees 16 minutes 56 seconds East a distance of 131.42 feet;

Along said curve to the left an arc length of 131.43 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a reverse curve to the right having a delta angle of 00 degrees 35 minutes 50 seconds, a radius of 3,050.00 feet and being subtended by a chord which bears South 61 degrees 15 minutes 36 seconds East a distance of 31.79 feet;

Along said curve to the right an arc length of 31.79 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the end of said curve;

THENCE departing the northerly right-of-way line of said Light Farms Way, North 30 degrees 59 minutes 39 seconds East a distance of 473.30 feet to a point for corner;

THENCE North 41 degrees 05 minutes 29 seconds East a distance of 96.87 feet to a point for corner;

THENCE North 54 degrees 46 minutes 28 seconds East a distance of 96.73 feet to a point for corner;

THENCE North 61 degrees 50 minutes 18 seconds East a distance of 96.87 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

THENCE North 77 degrees 30 minutes 52 seconds East a distance of 126.41 feet to a point for corner;

THENCE North 89 degrees 14 minutes 24 seconds East a distance of 200.97 feet to a point for corner;

THENCE South 86 degrees 04 minutes 59 seconds East a distance of 79.87 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the POINT OF BEGINNING;

THENCE North 04 degrees 54 minutes 25 seconds East a distance of 604.27 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE South 85 degrees 05 minutes 35 seconds East a distance of 30.00 feet to a point for corner;

THENCE North 57 degrees 21 minutes 10 seconds East a distance of 59.46 feet to a point for corner;

THENCE South 50 degrees 57 minutes 35 seconds East a distance of 139.86 feet to a point for corner at the beginning of a non-tangent curve to the right having a delta angle of 112 degrees 38 minutes 06 seconds, a radius of 50.00 feet and being subtended by a chord which bears South 49 degrees 30 minutes 56 seconds East a distance of 83.21 feet;

THENCE along said curve to the right an arc length of 98.29 feet to a point at the end of said curve;

THENCE South 72 degrees 17 minutes 36 seconds East a distance of 64.12 feet to a point for corner;

THENCE South 57 degrees 53 minutes 14 seconds East a distance of 216.20 feet to a point for corner;

THENCE South 52 degrees 44 minutes 20 seconds East a distance of 133.44 feet to a point for corner;

THENCE South 41 degrees 10 minutes 43 seconds East a distance of 144.43 feet to a point for corner;

THENCE South 37 degrees 40 minutes 41 seconds East a distance of 178.53 feet to a point for corner;

THENCE South 44 degrees 27 minutes 55 seconds East a distance of 124.02 feet to a point for corner;

THENCE South 49 degrees 58 minutes 18 seconds East a distance of 118.82 feet to point for corner;

THENCE South 54 degrees 40 minutes 22 seconds East a distance of 146.99 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE South 35 degrees 38 minutes 52 seconds West a distance of 132.57 feet to a point for corner at the beginning of a non-tangent curve to the left having a delta angle of 06 degrees 47 minutes 50 seconds, a radius of 200.00 feet and being subtended by a chord which bears South 65 degrees 22 minutes 15 seconds East a distance of 23.71 feet;

THENCE along said curve to the left an arc length of 23.73 feet to a point at the beginning of a reverse curve to the right having a delta angle of 10 degrees 40 minutes 03 seconds, a radius of 200.00 feet and being subtended by a chord which bears South 63 degrees 26 minutes 08 seconds East a distance of 37.18 feet;

THENCE along said curve to the right an arc distance of 37.24 feet to a point at the end of said curve;

THENCE South 58 degrees 06 minutes 07 seconds East a distance of 23.48 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

THENCE North 75 degrees 40 minutes 30 seconds East a distance of 27.67 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" on the northwesterly right-of-way line of the aforementioned Light Farms Way and being the beginning of a non-tangent curve to the right having a delta angle of 05 degrees 49 minutes 25 seconds, a radius of 1,230.00 feet and being subtended by a chord which bears South 31 degrees 53 minutes 53 seconds West a distance of 124.96 feet;

THENCE along the along northerly right-of-way line of said Light Farms Way and said curve to the right an arc distance of 125.02 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the end of said curve;

THENCE departing the northwesterly right-of-way line of said Light Farms Way, North 11 degrees 52 minutes 04 seconds West a distance of 27.68 feet to a point for corner at the beginning of a non-tangent curve to the right having a delta angle of 20 degrees 13 minutes 54 seconds, a radius of 300.00 feet and being subtended by a chord which bears North 47 degrees 34 minutes 18 seconds West a distance of 105.38 feet;

THENCE along said curve to the right an arc length of 105.93 feet to a point at the end of said curve;

THENCE North 77 degrees 14 minutes 25 seconds West a distance of 15.28 feet to a point for corner;

THENCE South 41 degrees 13 minutes 35 seconds West a distance of 9.15 feet to a point for corner;

THENCE North 49 degrees 43 minutes 37 seconds West a distance of 50.00 feet to a point for corner;

THENCE North 41 degrees 34 minutes 24 seconds East a distance of 14.75 feet to a point for corner;

THENCE North 01 degrees 44 minutes 58 seconds West a distance of 14.02 feet to a point for corner at the beginning of a non-tangent curve to the left having a delta angle of 06 degrees 22 minutes 54 seconds, a radius of 400.00 feet and being subtended by a chord which bears North 51 degrees 09 minutes 40 seconds West a distance of 44.53feet;

THENCE along said curve to the left an arc length of 44.55 feet to a point at the end of said curve;

THENCE North 54 degrees 21 minutes 08 seconds West a distance of 64.12 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE South 36 degrees 54 minutes 38 seconds West a distance of 129.56 feet to a point for corner;

THENCE South 41 degrees 46 minutes 12 seconds West a distance of 59.05 feet to a point for corner;

THENCE South 45 degrees 23 minutes 09 seconds West a distance of 86.87 feet to a point for corner;

THENCE South 51 degrees 20 minutes 24 seconds West a distance of 90.33 feet to a point for corner;

THENCE South 57 degrees 53 minutes 01 seconds West a distance of 118.14 feet to a point for corner;

THENCE South 65 degrees 18 minutes 59 seconds West a distance of 118.12 feet to a point for corner;

THENCE South 70 degrees 57 minutes 25 seconds West a distance of 76.20 feet to a point for corner;

THENCE South 77 degrees 11 minutes 21 seconds West a distance of 101.04 feet to a point for corner;

THENCE South 83 degrees 53 minutes 44 seconds West a distance of 126.18 feet to a point for corner;

THENCE South 04 degrees 54 minutes 25 seconds West a distance of 2.29 feet to a point for corner;

THENCE North 85 degrees 05 minutes 35 seconds West a distance of 200.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE North 04 degrees 54 minutes 25 seconds East a distance of 147.56 feet to a point for corner at the beginning of a non-tangent curve to the right having a delta angle of 02 degrees 50 minutes 53 seconds, a radius of 625.00 feet and being subtended by a chord which bears North 70 degrees 03 minutes 21 seconds West a distance of 31.06 feet;

THENCE along said curve to the right an arc length of 31.07 feet to a point at the end of said curve;

THENCE North 21 degrees 22 minutes 05 seconds East a distance of 50.00 feet to a point for corner at the beginning of a non-tangent curve to the left having a delta angle of 01 degrees 38 minutes 18 seconds, a radius of 575.00 feet and being subtended by a chord which bears South 69 degrees 27 minutes 04 seconds East a distance of 16.44 feet;

THENCE along said curve to the left an arc length of 16.44 feet to a point at the end of said curve;

THENCE North 04 degrees 54 minutes 25 seconds East a distance of 480.68 feet to the POINT OF BEGINNING and containing 926,572 Square Feet or 21.271 Acres of land, more or less.

GRANGE TRACT 1

BEING a tract of land situated in the John Ragsdale Survey, Abstract No. 734, Collin County, Texas and being a portion of a tract of land described in instrument to LFC Land Company, LLC as recorded in Document No. 20120423000464780 of the Land Records, Collin County Texas (L.R.C.C.T.) and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" on the westerly right-of-way line of Light Farms Way (a variable width right-of-way) as recorded in Document No. 2009-422 (L.R.C.C.T.) and being the beginning of a curve to the left having a delta angle of 02 degrees 25 minutes 43 seconds, a radius of 1,560.00 feet and being subtended by a chord which bears North 20 degrees 16 minutes 54 seconds East a distance of 66.12 feet;

THENCE along the westerly right-of-way line of Light Farms Way and said curve to the left an arc length of 66.13 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the POINT OF BEGINNING;

THENCE departing the westerly right-of-way line of Light Farms Way, North 70 degrees 55 minutes 58 seconds West a distance of 63.85 feet to a point for corner;

THENCE North 60 degrees 59 minutes 29 seconds West a distance of 182.96 feet to a point for corner;

THENCE North 52 degrees 12 minutes 55 seconds West a distance of 172.88 feet to a point for corner;

THENCE North 34 degrees 49 minutes 17 seconds West a distance of 146.11 feet to a point for corner;

THENCE North 51 degrees 27 minutes 14 seconds West a distance of 225.00 feet to a point for corner;

THENCE North 55 degrees 08 minutes 37 seconds West a distance of 69.81 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE North 37 degrees 31 minutes 54 seconds East a distance of 184.33 feet to a point for corner at the beginning of a non-tangent curve to the left having a delta angle of 00 degrees 35 minutes 56 seconds, a radius of 1,225.00 feet and being subtended by a chord which bears North 52 degrees 46 minutes 03 seconds West, a distance of 12.80 feet;

THENCE along said curve to the left an arc length of 12.80 feet to a point at the end of said curve;

THENCE North 38 degrees 13 minutes 15 seconds East a distance of 150.49 feet to a point for corner;

THENCE North 40 degrees 01 minutes 33 seconds East a distance of 67.34 feet to a point for corner;

THENCE North 52 degrees 51 minutes 00 seconds East a distance of 50.91 feet to a point for corner;

THENCE North 62 degrees 57 minutes 40 seconds East a distance of 84.60 feet to a point for corner;

THENCE South 18 degrees 50 minutes 52 seconds East a distance of 41.62 feet to a point for corner;

THENCE North 71 degrees 09 minutes 08 seconds East a distance of 136.39 feet to a point for corner;

THENCE North 72 degrees 43 minutes 35 seconds East a distance of 50.00 feet to a point at the beginning of a non-tangent curve to the right having a delta angle of 02 degrees 05 minutes 06 seconds, a radius of 1,409.00 feet and being subtended by a chord which bears South 16 degrees 13 minutes 52 seconds East, a distance of 51.27 feet;

THENCE along said curve to the right an arc length of 51.27 feet to a point at the end of said curve;

THENCE North 74 degrees 48 minutes 41 seconds East a distance of 151.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" on the westerly right-of-way line of the aforementioned Light Farms Way and being the beginning a non-tangent curve to the right having a delta angle of 34 degrees 15 minutes 21 seconds, a radius of 1,560.00 feet and being subtended by a chord which bears South 01 degrees 56 minutes 21 seconds West a distance of 918.86 feet;

THENCE along the westerly right-of-way line said Light Farms Way and said curve to the right an arc length of 932.69 feet to the POINT OF BEGINNING and containing 451,171 Square Feet or 10.357 Acres of land, more or less.

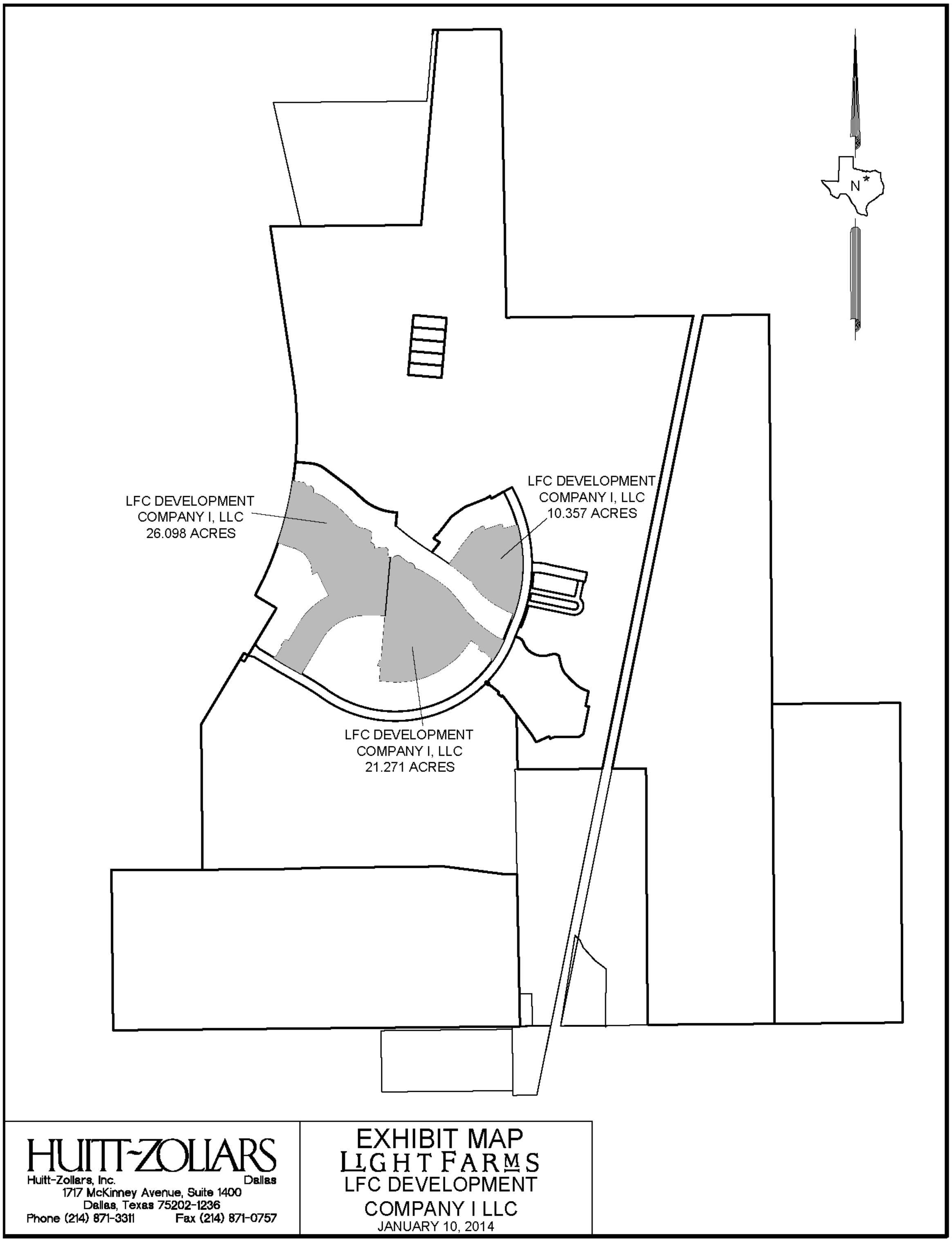

LFC DEVELOPMENT
COMPANY I, LLC
26.098 ACRES
LFC DEVELOPMENT
COMPANY I, LLC
10.357 ACRES
LFC DEVELOPMENT
COMPANY I, LLC
21.271 ACRES
N
HUITT-ZOLLARS
Huitt-Zollars, Inc. Dallas
1717 McKinney Avenue, Suite 1400
Dallas, Texas 75202-1236
Phone (214) 871-3311 Fax (214) 871-0757
EXHIBIT MAP
LIGHT FARMS
LFC DEVELOPMENT
COMPANY I LLC
JANUARY 10, 2014

Exhibit D
Legal Description and Depiction of the LFC Maydelle Property

MAYDELLE AT LIGHT FARMS

BEING a tract of land situated in the John Ragsdale Survey, Abstract No. 734 and in the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, and being a portion of the 597.17 acre tract of land described as Tract A in instrument to LFC LAND COMPANY, LLC as recorded under Document No. 20120423000464780 of the Land Records of Collin County, Texas, and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” on the southeasterly right-of-way line of Light Farms Way (a 100 foot wide right-of-way at this point as recorded in Volume 2009, Page 422 of the Plat Records of Collin County, Texas) at the southwest corner of Lot 1X, Block A of Homestead Court Addition, an addition to Collin County, Texas within the extra-territorial jurisdiction of the City of Celina, Texas, as recorded in Volume 2009, Page 282 of the Plat Records of Collin County, Texas;

THENCE South 21 degrees 29 minutes 45 seconds West, along the southeasterly right-of-way line of said Light Farms Way, a distance of 107.54 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the POINT OF BEGINNING of the herein described tract;

THENCE South 68 degrees 30 minutes 15 seconds East, departing the southeasterly right-of-way line of said Light Farms Way, a distance of 31.10 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the beginning of a curve to the right having a central angle of 46 degrees 04 minutes 54 seconds, a radius of 100.00 feet and being subtended by a 78.28 foot chord which bears South 45 degrees 27 minutes 48 seconds East;

THENCE along said curve to the right, an arc distance of 80.43 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for the point of reverse curvature of a curve to the left having a central angle of 80 degrees 03 minutes 46 seconds, a radius of 218.32 feet and being subtended by a 280.86 foot chord which bears South 62 degrees 27 minutes 14 seconds East;

THENCE along said curve to the left, an arc distance of 305.08 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the end of said curve;

THENCE North 77 degrees 30 minutes 53 seconds East, a distance of 79.32 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars”;

THENCE South 65 degrees 31 minutes 25 seconds East, a distance of 46.49 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars”;

THENCE South 13 degrees 25 minutes 55 seconds East, a distance of 112.14 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the beginning of a curve to the left

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having a central angle of 30 degrees 59 minutes 13 seconds, a radius of 200.00 feet and being subtended by a 106.85 foot chord which bears South 28 degrees 55 minutes 32 seconds East;

THENCE along said curve to the left, an arc distance of 108.16 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the end of said curve;

THENCE South 44 degrees 25 minutes 08 seconds East, a distance of 109.46 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the beginning of a curve to the left having a central angle of 29 degrees 54 minutes 38 seconds, a radius of 350.00 feet and being subtended by a 180.64 foot chord which bears South 59 degrees 22 minutes 27 seconds East;

THENCE along said curve to the left, an arc distance of 182.71 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the end of said curve;

THENCE South 11 degrees 20 minutes 28 seconds West a distance of 154.50 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE South 78 degrees 39 minutes 32 seconds East a distance of 34.21 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE South 11 degrees 20 minutes 28 seconds West a distance of 291.91 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE South 56 degrees 35 minutes 03 seconds West a distance of 53.30 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE South 89 degrees 32 minutes 42 seconds West a distance of 257.81 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE South 68 degrees 56 minutes 23 seconds West a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner, said point being the beginning of a non-tangent curve to the left having a central angle of 6 degrees 33 minutes 20 seconds, a radius of 225.00 feet and being subtended by a 25.73 foot chord which bears North 24 degrees 20 minutes 17 seconds West;

THENCE northwesterly along said curve to the left, an arc distance of 25.74 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner at the end of said curve;

THENCE South 66 degrees 32 minutes 18 seconds West a distance of 145.89 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE North 30 degrees 08 minutes 17 seconds West a distance of 83.95 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for an angle point;

THENCE North 36 degrees 52 minutes 24 seconds West a distance of 513.86 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE South 37 degrees 22 minutes 55 seconds West a distance of 14.14 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE North 52 degrees 37 minutes 05 seconds West a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE North 37 degrees 22 minutes 55 seconds East a distance of 22.17 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE North 52 degrees 37 minutes 05 seconds West a distance of 144.58 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for an angle point;

THENCE North 45 degrees 47 minutes 16 seconds West a distance of 20.00 feet to 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner on the aforementioned southeasterly right-of-way line of Light Farms Way, said point also being the beginning of a non-tangent curve to the left having a central angle of 22 degrees 42 minutes 58 seconds, a radius of 1,330.00 feet and being subtended by a 523.86 foot chord which bears North 32 degrees 51 minutes 15 seconds East;

THENCE northeasterly along said curve to the left, an arc distance of 527.31 feet to 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the end of said curve;

THENCE North 21 degrees 29 minutes 45 seconds East continuing along the southeasterly right-of-way line of said Light Farms Way, a distance of 40.11 feet to the POINT OF BEGINNING and containing 15.178 acres of land, more or less.

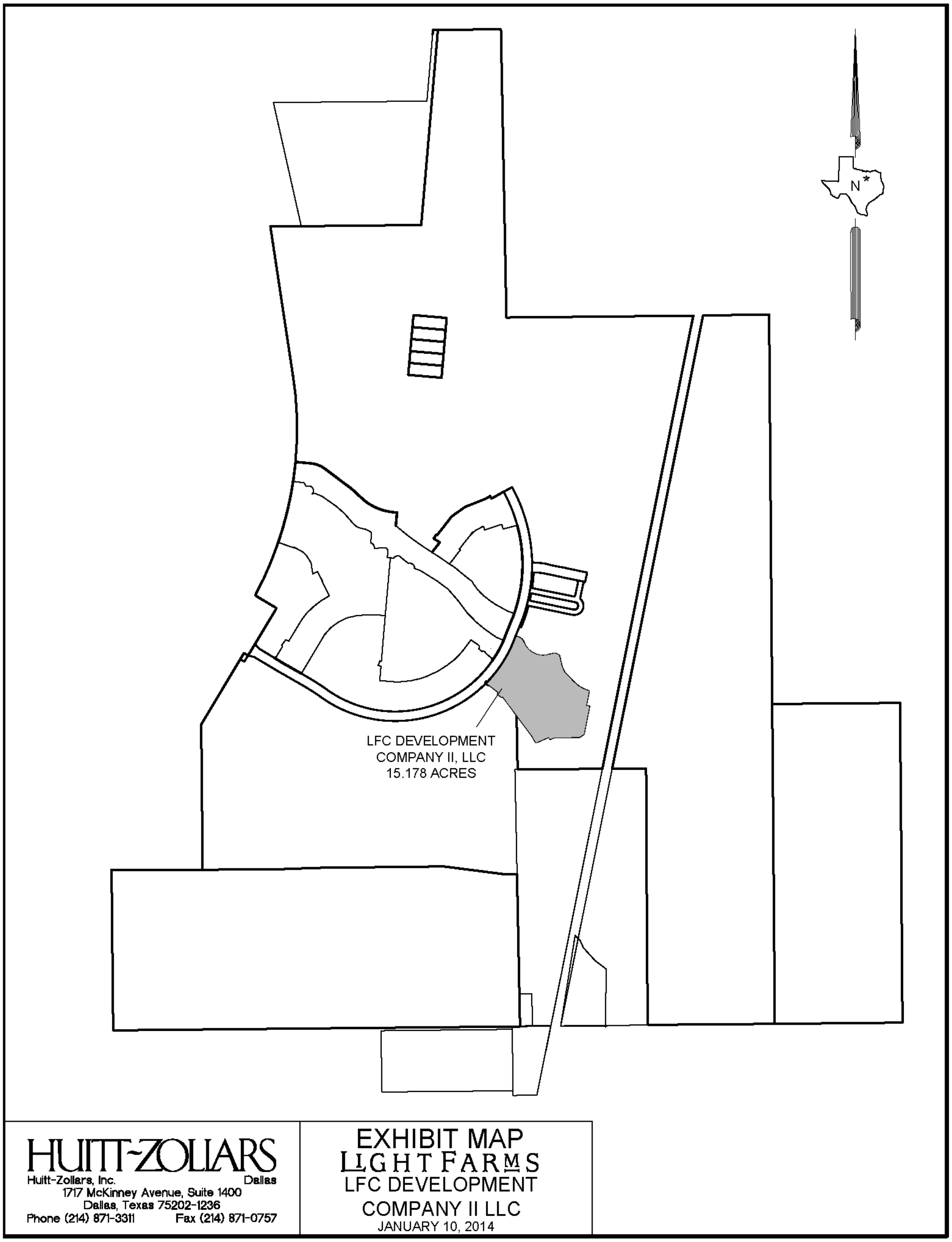

LFC DEVELOPMENT
COMPANY II, LLC
15.178 ACRES
N
HUITT-ZOLLARS
Huitt-Zollars, Inc.
Dallas
1717 McKinney Avenue, Suite 1400
Dallas, Texas 75202-1236
Phone (214) 871-3311
Fax (214) 871-0757
EXHIBIT MAP
LIGHT FARMS
LFC DEVELOPMENT
COMPANY II LLC
JANUARY 10, 2014

Exhibit E
Legal Description and Depiction of the LFC BIG Property

Indigo Addition Phase 2

Being a tract of land situated in the John Ragsdale Survey, Abstract No. 734, Collin County, Texas, and being a portion of a 597.17 acre tract described as Tract 'A' in instrument to LFC Land Company, LLC as recorded under Document No. 20120423000464780 of the Official Public Records of Collin County, Texas and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the southerly corner of Lot 1, Block A of Water Tower Addition at Light Farms, an addition to Collin County within the extra-territorial jurisdiction of the City of Celina, Texas, said point also being on the northeasterly right-of-way line of Light Farms Way (a variable width right-of-way as established by plat recorded in Volume 2009, Page 422 of the Plat Records of Collin County, Texas);

THENCE South 41 degrees 03 minutes 20 seconds East along the northeasterly right-of-way line of said Light Farms Way, a distance of 64.90 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" for an angle point;

THENCE South 59 degrees 00 minutes 20 seconds East along the northeasterly right-of-way line of said Light Farms Way, a distance of 347.10 to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the beginning of a curve to the left having a central angle of 2 degrees 33 minutes 10 seconds, a radius of 2,950.00 feet and being subtended by a 131.42 foot chord which bears South 60 degrees 16 minutes 56 seconds East;

THENCE southeasterly along the northeasterly right-of-way line of said Light Farms Way and curve to the left, an arc distance of 131.43 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the point of reverse curvature of a curve to the right having a central angle of 0 degrees 35 minutes 51 seconds, a radius of 3,050.00 feet and being subtended by a 31.80 foot chord which bears South 61 degrees 15 minutes 36 seconds East;

THENCE southeasterly along the northeasterly right-of-way line of said Light Farms Way and curve to the right, an arc distance of 31.81 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the southeast corner of Lot 2-X, Block B of Light Farms Phase One, an addition to Collin County within the extra-territorial jurisdiction of the City of Celina, Texas, as recorded in Volume 2013, Page 278 of the Plat Records of Collin County, Texas (P.R.C.C.T.) and the POINT OF BEGINNING;

THENCE along the southeasterly and southerly lines of said Light Farms Phase One the following courses:

North 30 degrees 59 minutes 39 seconds East departing the northeasterly right-of-way line of said Light Farms Way, a distance of 473.30 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the common easterly corner of Lots 9 and 10, Block B of said Light Farms Phase One;

North 41 degrees 05 minutes 29 seconds East a distance of 96.87 feet to a “MAG” nail found at the common easterly corner of Lots 11 and 12, of said Block B;

North 54 degrees 46 minutes 28 seconds East a distance of 96.73 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the common southerly corner of Lots 13 and 14, of said Block B;

North 61 degrees 50 minutes 18 seconds East a distance of 96.87 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the common southerly corner of Lots 15 and 16, of said Block B;

North 77 degrees 30 minutes 52 seconds East a distance of 126.41 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at an angle point in the southerly line of Lot 18 of said Block B;

North 89 degrees 14 minutes 24 seconds East a distance of 200.97 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at an angle point in the southerly line of Lot 20 of said Block B;

South 86 degrees 04 minutes 59 seconds East a distance of 79.87 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at an inner corner of Lot 6-X of said Block B;

THENCE along the westerly lines of said Light Farms Phase One the following courses:

South 4 degrees 54 minutes 25 seconds West a distance of 480.68 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” on the northerly right-of-way line of Cottonwood Drive (a 50 foot wide right-of-way as established by plat recorded in Volume 2013, Page 278, P.R.C.C.T.), said point being the beginning of a non-tangent curve to the right having a central angle of 1 degree 38 minutes 18 seconds, a radius of 575.00 feet and being subtended by a 16.44 foot chord which bears North 69 degrees 27 minutes 04 seconds West;

Northwesterly along the northerly right-of-way line of said Cottonwood Drive and curve to the right, an arc distance of 16.44 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” for a corner;

South 21 degrees 22 minutes 05 seconds West a distance of 50.00 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” on the southerly right-of-way line of said Cottonwood Drive, said being the beginning of a curve to the left having a central angle of 2 degrees 50 minutes 53 seconds, a radius of 625.00 feet and being subtended by a 31.06 foot chord which bears South 70 degrees 03 minutes 21 seconds East;

Southeasterly along the southerly right-of-way line of said Cottonwood Drive and curve to the left, an arc distance of 31.07 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-

Zollars" at the northwest corner of Lot 3-X, Block H of said Light Farms Phase One and end of said curve;

South 4 degrees 54 minutes 25 seconds West departing the southerly right-of-way line of said Cottonwood Drive, a distance of 147.56 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the southwest corner of Lot 3-X of said Block H;

THENCE along the southerly and southeasterly lines of said Light Farms Phase One the following courses:

South 85 degrees 05 minutes 35 seconds East a distance of 200.00 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" on the easterly right-of-way line of Clearlight Road (a 50 foot wide right-of-way as established by plat recorded in Volume 2013, Page 278, P.R.C.C.T.);

North 4 degrees 54 minutes 25 seconds East along the easterly right-of-way line of said Clearlight Road, a distance of 2.29 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the southwest corner of Lot 1, Block J of said Light Farms Phase One;

North 83 degrees 53 minutes 44 seconds East a distance of 126.18 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point in the southerly line of Lot 2 of said Block J;

North 77 degrees 11 minutes 21 seconds East a distance of 101.04 feet to a "MAG" nail found at the common southerly corner of Lots 3 and 4 of said Block J;

North 70 degrees 57 minutes 25 seconds East a distance of 76.20 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at an angle point in the southerly line of Lot 5 of said Block J;

North 65 degrees 18 minutes 59 seconds East a distance of 118.12 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at an angle point in the southeasterly line of Lot 6 of said Block J;

North 57 degrees 53 minutes 01 second East a distance of 118.14 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at an angle point in the southeasterly line of Lot 8 of said Block J;

North 51 degrees 20 minutes 24 seconds East a distance of 90.33 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the common southerly corner of Lots 9 and 10 of said Block J;

North 45 degrees 23 minutes 09 seconds East a distance of 86.87 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point in the southeasterly line of Lot 11 of said Block J;

North 41 degrees 46 minutes 12 seconds East a distance of 59.05 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at an angle point in the southeasterly line of Lot 12 of said Block J;

North 36 degrees 54 minutes 38 seconds East a distance of 129.56 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" on the southwesterly right-of-way line of Wildrye Ridge (a variable width right-of-way as established by plat recorded in Volume 2013, Page 278, P.R.C.C.T.), said point also being the east corner of Lot 13, Block J of said Light Farms Phase One;

THENCE southeasterly along the southwesterly right-of-way line of said Wildrye Ridge the following courses:

South 54 degrees 21 minutes 01 seconds East a distance of 65.37 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 6 degrees 12 minutes 10 seconds, a radius of 400.00 feet and being subtended by a 43.28 foot chord which bears South 51 degrees 04 minutes 18 seconds East;

Southeasterly along said curve to the right, an arc distance of 43.30 feet to an "X" cut found in concrete at the end of said curve;

South 1 degrees 44 minutes 58 seconds East a distance of 14.02 feet to an "X" cut found in concrete at the beginning of a non-tangent curve to the left having a central angle of 2 degrees 36 minutes 02 seconds, a radius of 325.00 feet and being subtended by a 14.75 foot chord which bears South 41 degrees 34 minutes 24 seconds West;

Southwesterly along said curve to the left, an arc distance of 14.75 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the end of said curve;

South 49 degrees 43 minutes 37 seconds East a distance of 50.00 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the beginning of a non-tangent curve to the right having a central angle of 1 degree 54 minutes 25 seconds, a radius of 275.00 feet and being subtended by a 9.15 foot chord which bears North 41 degrees 13 minutes 35 seconds East;

Northeasterly along said curve to the right, an arc distance of 9.15 feet to an "X" cut found in concrete at the end of said curve;

South 77 degrees 14 minutes 25 seconds East a distance of 15.28 feet to an "X" cut found in concrete at the beginning of a non-tangent curve to the left having a central angle of 20 degrees 13 minutes 54 seconds, a radius of 300.00 feet and being subtended by a 105.38 foot chord which bears South 47 degrees 34 minutes 18 seconds East;

Southeasterly along said curve to the left, an arc distance of 105.93 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the end of said curve;

South 11 degrees 52 minutes 04 seconds East a distance of 27.68 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” on the northerly right-of-way line of aforementioned Light Farms Way (a 100 foot wide right-of-way at this point), said point being the beginning of a non-tangent curve to the right having a central angle of 90 degrees 17 minutes 04 seconds, a radius of 1,230.00 feet and being subtended by a 1,743.80 foot chord which bears South 79 degrees 57 minutes 07 seconds West;

THENCE westerly along the northerly right-of-way line of said Light Farms Way and curve to the right, an arc distance of 1,938.19 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the point of reverse curvature of a curve to the left having a central angle of 6 degrees 03 minutes 20 seconds, a radius of 3,050.00 feet and being subtended by a 322.20 foot chord which bears North 57 degrees 56 minutes 01 seconds West;

THENCE northwesterly along the northeasterly right-of-way line of said Light Farms Way, an arc distance of 322.35 feet to the POINT OF BEGINNING and containing 22.014 acres of land, more or less.

The Grange Addition Phase 2

Being a tract of land situated in the John Ragsdale Survey, Abstract No. 734, and the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, and being a portion of a 597.17 acre tract described as Tract ‘A’ in instrument to LFC Land Company, LLC as recorded under Document No. 20120423000464780 of the Official Public Records of Collin County, Texas and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the westerly corner of Lot 14, Block M of Light Farms Phase One, an addition to Collin County within the extra-territorial jurisdiction of the City of Celina, Texas, as recorded in Volume 2013, Page 278 of the Plat Records of Collin County, Texas (P.R.C.C.T.), said point also being on the northeasterly line of Lot 13-X, Drainage Easement and Open Space of said Light Farms Phase One;

THENCE North 55 degrees 08 minutes 38 seconds West along the northeasterly line of said Lot 13-X, a distance of 137.73 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE North 58 degrees 11 minutes 01 second West continuing along the northeasterly line of said Lot 13-X, a distance of 80.28 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the beginning of a curve to the right having a central angle of 1 degree 08 minutes 27 seconds, a radius of 3,000.00 feet and being subtended by a 59.74 foot chord which bears North 57 degrees 36 minutes 49 seconds West;

THENCE northwesterly along the northeasterly line of said Lot 13-X and curve to the right, an arc distance of 59.74 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE North 31 degrees 56 minutes 57 seconds East departing the northeasterly line of said Lot 13-X, a distance of 129.83 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for an angle point;

THENCE North 32 degrees 46 minutes 49 seconds East a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner, said point being the beginning of a non-tangent curve to the left having a central angle of 0 degrees 20 minutes 27 seconds, a radius of 2,619.00 feet and being subtended by a 15.58 foot chord which bears South 57 degrees 30 minutes 48 seconds East;

THENCE southeasterly along said curve to the left, an arc distance of 15.58 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE North 31 degrees 56 minutes 57 seconds East a distance of 147.40 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE North 51 degrees 27 minutes 14 seconds West a distance of 70.47 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE North 54 degrees 50 minutes 59 seconds East a distance of 246.13 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for an angle point;

THENCE North 58 degrees 58 minutes 35 seconds East a distance of 67.99 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for an angle point;

THENCE North 65 degrees 18 minutes 10 seconds East a distance of 67.97 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for an angle point;

THENCE North 70 degrees 49 minutes 45 seconds East a distance of 119.72 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner, said point being the beginning of a non-tangent curve to the right having a central angle of 3 degrees 31 minutes 39 seconds, a radius of 275.00 feet and being subtended by a 16.93 foot chord which bears South 48 degrees 26 minutes 29 seconds East;

THENCE southeasterly along said curve to the right, an arc distance of 16.93 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE North 43 degrees 19 minutes 21 seconds East a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE North 60 degrees 46 minutes 56 seconds East a distance of 144.73 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for an angle point;

THENCE North 58 degrees 10 minutes 37 seconds East a distance of 20.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner, said point being the beginning of a non-tangent curve to the right having a central angle of 16 degrees 38 minutes 04 seconds, a radius of 1,560.00 feet and being subtended by a 451.32 foot chord which bears South 23 degrees 30 minutes 21 seconds East;

THENCE southeasterly along said curve to the right, passing a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the most northerly northwest corner of Light Farms Way (a 100 foot wide right-of-way as established by plat recorded in Volume 2009, Page 422, P.R.C.C.T.) at an arc distance of 75.95 feet and continuing southeasterly along said curve to the right and westerly right-of-way line of said Light Farms Way for a total arc distance of 452.91 feet to an “X” cut found in concrete at the northeast corner of Lot 5, Block P of said Light Farms Phase One;

THENCE along the northerly and northwesterly lines of said Light Farms Phase One the following courses:

South 74 degrees 48 minutes 41 seconds West departing the westerly right-of-way line of said Light Farms Way, a distance of 151.00 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the northwest corner of Lot 5, Block P of said Light Farms Phase One, said point being on the easterly right-of-way line of Springhouse Way (a 50 foot wide right-of-way as established by plat recorded in Volume 2013, Page 278, P.R.C.C.T.) and the beginning of a non-tangent curve to the left having a central angle of 2 degrees 05 minutes 06 seconds, a radius of 1,409.00 feet and being subtended by a 51.27 foot chord which bears North 16 degrees 13 minutes 52 seconds West;

Northwesterly along the easterly right-of-way line of said Springhouse Way and curve to the left, an arc distance of 51.27 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” for a corner;

South 72 degrees 43 minutes 35 seconds West a distance of 50.00 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” on the westerly right-of-way line of said Springhouse Way, said point also being the northeast corner of Lot 5, Block O of said Light Farms Phase One;

South 71 degrees 09 minutes 08 seconds West a distance of 136.39 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the northwest corner of said Lot 5, Block O;

North 18 degrees 50 minutes 52 seconds West a distance of 41.62 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the northeast corner of Lot 4 of said Block O;

South 62 degrees 57 minutes 40 seconds West a distance of 84.60 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at an angle point in the northerly line of said Lot 4, Block O;

South 52 degrees 51 minutes 00 seconds West a distance of 50.91 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at an angle point in the northwesterly line of Lot 3 of said Block O;

South 40 degrees 01 minute 33 seconds West a distance of 67.34 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the common westerly corner of Lots 2 and 3 of said Block O;

South 38 degrees 13 minutes 15 seconds West a distance of 150.49 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the west corner of Lot 1 of said Block O, said point being on the northeasterly right-of-way line of Cypress Creek (a 50 foot wide right-of-way as established by plat recorded in Volume 2013, Page 278, P.R.C.C.T.) and the beginning of a non-tangent curve to the right having a central angle of 0 degrees 35 minutes 56 seconds, a radius of 1,225.00 feet and being subtended by a 12.80 foot chord which bears South 52 degrees 46 minutes 04 seconds East;

Southeasterly along the northeasterly right-of-way line of said Cypress Creek and curve to the right, an arc distance of 12.80 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" for a corner at the end of said curve;

South 37 degrees 31 minutes 54 seconds West departing the northeasterly right-of-way line of said Cypress Creek, a distance of 184.33 feet to the POINT OF BEGINNING and containing 7.306 acres of land, more or less.

Bluestem Addition Phase 2

Being a tract of land situated in the John Ragsdale Survey, Abstract No. 734, Collin County, Texas, and being a portion of a 597.17 acre tract described as Tract 'A' in instrument to LFC Land Company, LLC as recorded under Document No. 20120423000464780 of the Official Public Records of Collin County, Texas and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the southerly corner of Lot 1, Block A of Water Tower Addition at Light Farms, an addition to Collin County within the extra-territorial jurisdiction of the City of Celina, Texas, said point also being on the northerly right-of-way line of Light Farms Way (a variable width right-of-way as established by plat recorded in Volume 2009, Page 422 of the Plat Records of Collin County, Texas);

THENCE North 30 degrees 59 minutes 39 seconds East along the southeasterly line of said Lot 1, Block A, a distance of 435.60 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" for the east corner of said Lot 1, Block A;

THENCE North 59 degrees 00 minutes 20 seconds West along the northeasterly line of said Lot 1, Block A, a distance of 260.21 to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" on the northwesterly line of the aforementioned 597.17 acre tract, said point being the beginning of a non-tangent curve to the left having a central angle of 9 degrees 27 minutes 47 seconds, a radius of 3,644.79 feet and being subtended by a 601.30 foot chord which bears North 23 degrees 37 minutes 01 seconds East;

THENCE departing the northeasterly line of said Lot 1, Block A and continuing northeasterly along the northwesterly line of said 597.17 acre tract and curve to the left, an arc distance of 601.98 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the southwest corner of Lot 25, Block A of Light Farms Phase One, an addition to Collin County within the extra-territorial jurisdiction of the City of Celina, Texas, as recorded in Volume 2013, Page 278 of the Plat Records of Collin County, Texas (P.R.C.C.T.);

THENCE along the southerly and southwesterly lines of said Light Farms Phase One the following courses:

South 71 degrees 06 minutes 53 seconds East a distance of 170.00 feet 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” on the easterly right-of-way line of Fieldview Court (a 50 foot wide right-of-way as established by plat recorded in Volume 2013, Page 278, P.R.C.C.T.) said point being the beginning of a non-tangent curve to the left having a central angle of 0 degrees 06 minutes 50 seconds, a radius of 3,814.79 feet and being subtended by a 7.58 foot chord which bears North 18 degrees 49 minutes 42 seconds East;

Northeasterly along the easterly right-of-way line of said Fieldview Court and curve to the left, an arc distance of 7.58 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the southwest corner of Lot 9, Block D of said Light Farms Phase One;

South 61 degrees 02 minutes 49 seconds East a distance of 105.94 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the common southerly corner of Lots 10 and 11, Block D of said Light Farms Phase One;

South 47 degrees 32 minutes 46 seconds East a distance of 47.67 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the common southerly corner of Lots 11 and 12, Block D of said Light Farms Phase One;

South 31 degrees 32 minutes 08 seconds East a distance of 94.89 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the common westerly corner of Lots 13 and 14, Block D of said Light Farms Phase One;

South 09 degrees 39 minutes 51 seconds East a distance of 117.46 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the southwest corner of Lot 15, Block D of said Light Farms Phase One;

North 63 degrees 30 minutes 01 seconds East a distance of 55.53 feet to a “MAG” nail found at the northwest corner of Lot 16, Block D of said Light Farms Phase One;

South 26 degrees 28 minutes 59 seconds East a distance of 116.03 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the southwest corner of said Lot 16, Block D, said point being on the northerly right-of-way line of Wagon Wheel Way (a 50 foot wide right-of-way as established by plat recorded in Volume 2013, Page 278, P.R.C.C.T.) and being the beginning of a non-tangent curve to the left having a central angle of 0 degrees 10 minutes 09 seconds, a radius of 945.00 feet and being subtended by a 2.79 foot chord which bears South 63 degrees 25 minutes 56 seconds West;

Southwesterly along the northerly right-of-way line of said Wagon Wheel Way and curve to the left, an arc distance of 2.79 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" for a corner;

South 26 degrees 39 minutes 08 seconds East a distance of 164.81 feet to a "MAG" nail found at the southwest corner of Lot 14, Block C of said Light Farms Phase One;

THENCE along the northwesterly lines of said Light Farms Phase One the following courses:

South 59 degrees 28 minutes 14 seconds West a distance of 98.41 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at angle point in the northwesterly line of Lot 30, Block C of said Light Farms Phase One;

South 52 degrees 30 minutes 56 seconds West a distance of 98.38 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at an angle point in the northwesterly line of Lot 31, Block C of said Light Farms Phase One;

South 45 degrees 33 minutes 45 seconds West a distance of 98.42 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at an angle point in the northwesterly line of Lot 33, Bock C of said Light Farms Phase One;

South 38 degrees 07 minutes 30 seconds West a distance of 84.25 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at a common westerly corner of Lots 34 and 35, Block C of said Light Farms Phase One;

South 32 degrees 30 minutes 14 seconds West a distance of 64.26 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at an point in the northwesterly line of Lot 36, Block C of said Light Farms Phase One;

South 30 degrees 59 minutes 39 seconds West a distance of 205.00 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the most westerly corner of Lot 39, Block C of said Light Farms Phase One, said point also being on the northeasterly line of Lot 4-X of said Block C;

North 59 degrees 00 minutes 21 seconds West along the northeasterly line of said Lot 4-X, Block C, a distance of 34.41 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the northwesterly corner of said Lot 4-X, Block C;

South 35 degrees 57 minutes 46 seconds West a distance of 71.29 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" on the southwesterly right-of-way line of Partridge Drive (a 50 foot wide right-of-way as established by plat recorded in Volume 2013, Page 278, P.R.C.C.T.), said point being the beginning of a non-tangent curve to the left having a central angle of 0 degrees 19 minutes 51 seconds, a radius of 375.00 feet and being subtended by a 2.17 foot chord which bears South 54 degrees 12 minutes 10 seconds East;

Southeasterly along the southwesterly right-of-way line of said Partridge Drive and curve to the left, an arc distance of 2.17 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the northerly end of a westerly right-of-way corner clip with Sage Way (an 80 foot wide right-of-way as established by plat recorded in Volume 2013, Page 278, P.R.C.C.T.);

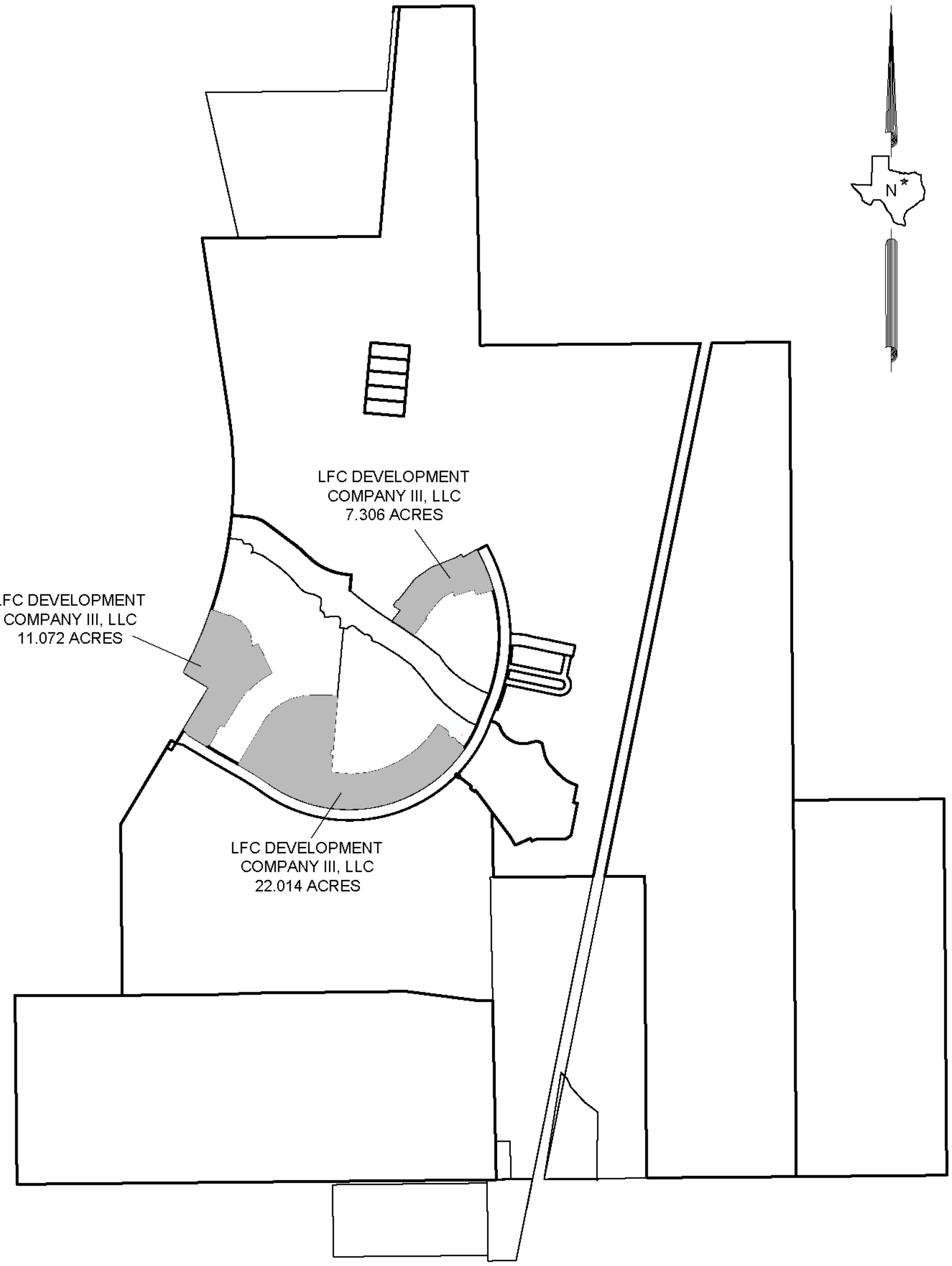
South 17 degrees 04 minutes 17 seconds East along said westerly right-of-way corner clip with Sage Way, a distance of 16.13 feet to an “X” cut found in concrete at the southerly end of said westerly right-of-way corner clip of Sage Way;

South 30 degrees 59 minutes 39 seconds West along the northwesterly right-of-way line of Sage Way, a distance of 122.20 feet to an “X” cut found in concrete at the easterly corner of a westerly right-of-way corner clip of Sage Way at the aforementioned Light Farms Way;

South 75 degrees 59 minutes 39 seconds West along the westerly right-of-way corner clip of Sage Way at Light Farms Way, a distance of 28.28 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the westerly corner of said right-of-way corner clip, said point being on the northeasterly right-of-way line of said Light Farms Way;

THENCE North 59 degrees 00 minutes 21 seconds West along the northeasterly right-of-way line of said Light Farms Way, a distance of 177.84 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE North 41 degrees 03 minutes 20 seconds West along the northeasterly right-of-way line of said Light Farms Way, a distance of 64.90 feet to the POINT OF BEGINNING and containing 11.072 acres of land, more or less.



HUITT-ZOLLARS
Huitt-Zollars, Inc. Dallas
1717 McKinney Avenue, Suite 1400
Dallas, Texas 75202-1236
Phone (214) 871-3311 Fax (214) 871-0757

EXHIBIT MAP
LIGHT FARMS
LFC DEVELOPMENT
COMPANY III LLC
JANUARY 10, 2014

Attachment: 7th amendment to LF agreement (Jan 2016 expiration) (1340 : Light Farms Sex Offender Extension II)

Exhibit F
Legal Description and Depiction of the MUD-Owned Property

LAND DESCRIPTION HOMESTEAD COURT and COMMONS DRIVE RIGHT-OF-WAY

BEING, a tract of land situated in the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, and being a portion of a tract of land as described in instrument to Forestar/RPG Land Company, LLC as recorded under Document No. 20070221000239380 Land Records of Collin County, Texas (L.R.C.C.T.), and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod found with cap stamped "Huitt-Zollars" at an inner corner of a tract of land as described in instrument to Collin County Municipal Utility District No. 1, as recorded in Document No. 20080225000217970 (L.R.C.C.T.), said corner being the southeast corner of the intersection of Light Farms Way (a 100' ROW) with Cypress Creek (a 100' ROW) as shown on Exhibit "B" of said Collin County Municipal Utility District No. 1 tract;

THENCE, North 47 degrees 10 minutes 14 seconds East, along the southeasterly line of said Collin County Municipal Utility District No. 1 tract, a distance of 28.77 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars" and being the beginning of non-tangent curve to the right;

THENCE, continuing along a southerly line of said Collin County Municipal Utility District No. 1 tract along said curve to the right having a central angle of 10 degrees 31 minutes 16 seconds, a radius of 710.00 feet and an arc distance of 130.38 feet, being subtended by a chord which bears South 83 degrees 38 minutes 52 seconds East, a distance of 130.19 feet to a 5/8 inch iron rod found with cap stamped "Huitt-Zollars" at the end of said curve;

THENCE, South 78 degrees 23 minutes 14 seconds East, continuing along the southerly line of said Collin County Municipal Utility District No. 1 tract, a distance of 324.77 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the **POINT OF BEGININNG**;

THENCE, South 78 degrees 23 minutes 14 seconds East, continuing along the southerly line of said Collin County Municipal Utility District No. 1 tract a distance of 92.00 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

THENCE, departing the southerly line of said Collin County Municipal Utility District No. 1 tract South 50 degrees 16 minutes 22 seconds West a distance of 25.61 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

THENCE, South 11 degrees 36 minutes 46 seconds West a distance of 154.52 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

THENCE, South 17 degrees 55 minutes 28 seconds East a distance of 17.40 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” and being the beginning of non-tangent curve to the right;

THENCE, along a curve to the right having a central angle of 146 degrees 03 minutes 29 seconds, a radius of 95.00 feet and an arc length of 242.17 feet, being subtended by a chord of South 28 degrees 35 minutes 02 seconds West a distance of 181.73 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the end of said curve;

THENCE, North 78 degrees 23 minutes 14 seconds West a distance of 468.75 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars”;

THENCE, South 58 degrees 27 minutes 13 seconds West a distance of 29.18 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” on the easterly line of said Collin County Municipal Utility District No. 1 tract and being the beginning of non-tangent curve to the left;

THENCE, along the easterly line of said Collin County Municipal Utility District No. 1 tract and along a curve to the left having a central angle of 3 degrees 18 minutes 54 seconds, a radius of 1,660.00 feet and an arc length of 96.04 feet, being subtended by a chord of North 13 degrees 53 minutes 47 seconds East a distance of 96.03 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the end of said curve;

THENCE, departing the easterly line of said Collin County Municipal Utility District No. 1 tract, South 32 degrees 54 minutes 33 seconds East a distance of 28.05 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars”;

THENCE, South 78 degrees 23 minutes 14 seconds East a distance of 466.54 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” and being the beginning of non-tangent curve to the left;

THENCE, along a curve to the left having a central angle of 180 degrees 00 minutes 00 seconds, a radius of 39.00 feet and an arc length of 122.52 feet, being subtended by a chord of North 11 degrees 36 minutes 46 seconds East a distance of 78.00 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the end of said curve;

THENCE, North 78 degrees 23 minutes 14 seconds West a distance of 466.58 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars”;

THENCE, South 56 degrees 06 minutes 21 seconds West a distance of 28.03 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” on the easterly line of said Collin County Municipal Utility District No. 1 tract and being the beginning of non-tangent curve to the left ;

THENCE, along the easterly line of said Collin County Municipal Utility District No. 1 tract and along a curve to the left having a central angle of 3 degrees 18 minutes 55 seconds, a radius of 1,660.00 feet and an arc length of 96.05 feet, being subtended by a chord of North 09 degrees

16 minutes 10 seconds East a distance of 96.04 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

THENCE, departing the easterly line of said Collin County Municipal Utility District No. 1 tract, South 35 degrees 15 minutes 34 seconds East a distance of 29.20 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

THENCE, South 78 degrees 23 minutes 14 seconds East a distance of 447.31 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

THENCE, North 56 degrees 36 minutes 46 seconds East a distance of 14.14 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

THENCE, North 11 degrees 36 minutes 46 seconds East a distance of 143.47 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

THENCE, North 33 degrees 23 minutes 14 seconds West a distance of 28.28 feet to the **POINT OF BEGINNING** and containing 1.780 acres of land, more or less.

LAND DESCRIPTION LOT 1X, BLOCK A

BEING, a tract of land situated in the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, and being a portion of a tract of land as described in instrument to Forestar/RPG Land Company, LLC as recorded under Document No. 20070221000239380 Land Records of Collin County, Texas (L.R.C.C.T.), and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod found with cap stamped "Huitt-Zollars" at an inner corner of a tract of land as described in instrument to Collin County Municipal Utility District No. 1, as recorded in Document No. 20080225000217970 (L.R.C.C.T.), said corner being the southeast corner of the intersection of Light Farms Way (a 100' ROW) with Cypress Creek (a 100' ROW) as shown on Exhibit "B" of said Collin County Municipal Utility District No. 1 tract and being the beginning of non-tangent curve to the right;

THENCE, along an easterly line of said Collin County Municipal Utility District No. 1 tract along said curve to the right having a central angle of 12 degrees 02 minutes 41 seconds, a radius of 1,660.00 feet and an arc distance of 348.96 feet, being subtended by a chord which bears South 09 degrees 31 minutes 54 seconds West, a distance of 348.32 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the **POINT OF BEGININNG**;

THENCE, departing the easterly line of said Collin County Municipal Utility District No. 1 tract, North 58 degrees 27 minutes 13 seconds East a distance of 29.18 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" and being the beginning of a non-tangent curve to the right;

THENCE, along a curve to the right having a central angle of 6 degrees 38 minutes 58 seconds a radius of 1,680.00 feet and an arc length of 194.97 feet, being subtended by a chord of South 18 degrees 08 minutes 59 seconds West a distance of 194.86 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

THENCE, South 21 degrees 29 minutes 45 seconds West a distance of 46.17 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

THENCE, North 68 degrees 30 minutes 15 seconds West a distance of 20.00 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

THENCE, North 21 degrees 29 minutes 45 seconds East a distance of 46.16 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" and being the beginning of a curve to the left;

THENCE, along a curve to the left having a central angle of 5 degrees 55 minutes 13 seconds a radius of 1,660.00 feet and an arc length of 171.53 feet, being subtended by a chord of North 18 degrees 30 minutes 51 seconds East a distance of 171.45 feet to the **POINT OF BEGININNG** and containing 0.1053 acres of land, more or less.

LAND DESCRIPTION LOT 1X, BLOCK B

BEING, a tract of land situated in the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, and being a portion of a tract of land as described in instrument to Forestar/RPG Land Company, LLC as recorded under Document No. 20070221000239380 Land Records of Collin County, Texas (L.R.C.C.T.), and being more particularly described as follows:

COMMENCING at a 5/8 inch iron rod found with cap stamped "Huitt-Zollars" at an inner corner of a tract of land as described in instrument to Collin County Municipal Utility District No. 1, as recorded in Document No. 20080225000217970 (L.R.C.C.T.), said corner being the southeast corner of the intersection of Light Farms Way (a 100' ROW) with Cypress Creek (a 100' ROW) as shown on Exhibit "B" of said Collin County Municipal Utility District No. 1 tract and being the beginning of non-tangent curve to the right;

THENCE, along an easterly line of said Collin County Municipal Utility District No. 1 tract along said curve to the right having a central angle of 7 degrees 25 minutes 04 seconds, a radius of 1,660.00 feet and an arc distance of 214.91 feet, being subtended by a chord which bears South 07 degrees 13 minutes 06 seconds West, a distance of 214.76 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the **POINT OF BEGININNG**;

THENCE, departing the easterly line of said Collin County Municipal Utility District No. 1 tract, North 56 degrees 06 minutes 21 seconds East a distance of 28.03 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" and being the beginning of non-tangent curve to the right;

THENCE, along said curve to the right having a central angle of 2 degrees 39 minutes 37 seconds having a radius of 1,680.00 feet and an arc length of 78.00 feet, being subtended by a chord of South 11 degrees 35 minutes 00 seconds West a distance of 78.00 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

THENCE, North 32 degrees 54 minutes 33 seconds West a distance of 28.05 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” on the easterly line of said Collin County Municipal Utility District No. 1 tract and being the beginning of a non-tangent curve to the left;

THENCE, along the easterly line of said Collin County Municipal Utility District No. 1 tract and along said curve to the left having a central angle of 1 degrees 18 minutes 43 seconds having a radius of 1,660.00 feet and an arc length of 38.01 feet, being subtended by a chord of North 11 degrees 34 minutes 59 seconds East a distance of 38.01 feet to the **POINT OF BEGININNG** and containing 0.0267 acres of land, more or less.

LAND DESCRIPTION LOT 1X, BLOCK C

BEING, a tract of land situated in the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, and being a portion of a tract of land as described in instrument to Forestar/RPG Land Company, LLC as recorded under Document No. 20070221000239380 Land Records of Collin County, Texas (L.R.C.C.T.), and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found with cap stamped “Huitt-Zollars” at an inner corner of a tract of land as described in instrument to Collin County Municipal Utility District No. 1, as recorded in Document No. 20080225000217970 (L.R.C.C.T.), said corner being the southeast corner of the intersection of Light Farms Way (a 100’ ROW) with Cypress Creek (a 100’ ROW) as shown on Exhibit "B" of said Collin County Municipal Utility District No. 1 tract;

THENCE, North 47 degrees 10 minutes 14 seconds East, along the southeasterly line of said Collin County Municipal Utility District No. 1 tract, a distance of 28.77 feet to a 5/8 inch iron rod found with cap stamped “Huitt-Zollars” and being the beginning of non-tangent curve to the right;

THENCE, departing the southerly line of said Collin County Municipal Utility District No. 1 tract along said curve to the right having a central angle of 5 degrees 32 minutes 31 seconds, a radius of 1,680.00 feet and an arc length of 162.50 feet, being subtended by a chord of South 05 degrees 34 minutes 04 seconds West a distance of 162.43 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars”;

THENCE, North 35 degrees 15 minutes 34 seconds West a distance of 29.20 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” and being the beginning of non-tangent curve to the left;

THENCE, along a curve to the left having a central angle of 4 degrees 06 minutes 09 seconds having a radius of 1,660.00 feet and an arc length of 118.86 feet, being subtended by a chord of North 05 degrees 33 minutes 38 seconds East a distance of 118.83 feet to the **POINT OF BEGININNG** and containing 0.0646 acres of land, more or less.

LIGHT FARMS WAY

BEING a tract of land situated in the John Ragsdale Survey, Abstract No. 734 and the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, and being a portion of that tract of land as described in instrument to Collin County Municipal Utility District No. 1 as recorded under Document No.20080225000217970 of the Deed Records, Collin County, Texas (D.R.C.C.T.) and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the southeasterly corner of that tract of land as described in instrument to the City of Celina, Texas as recorded under Document No.20071115001546420 (D.R.C.C.T.) and being on the northerly line of said Collin County Municipal Utility District No. 1 tract;

THENCE along the northerly and westerly lines of said Collin County Municipal Utility District No. 1 tract, the following;

South 41 degrees 03 minutes 20 seconds East a distance of 64.89 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars”;

South 59 degrees 00 minutes 21 seconds East a distance of 347.10 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the beginning of a curve to the left having a central angle of 02 degrees 33 minutes 10 seconds, a radius of 2,950.00 feet and being subtended by a chord which bears South 60 degrees 16 minutes 56 seconds East a distance of 131.42 feet;

along said curve to the left an arc distance of 131.43 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the beginning of a reverse curve to the right having a central angle of 06 degrees 39 minutes 10 seconds, a radius of 3,050.00 feet and being subtended by a chord which bears South 58 degrees 13 minutes 56 seconds East a distance of 353.95 feet;

along said curve to the right an arc distance of 354.15 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the beginning of a reverse curve to the left having a central angle of 103 degrees 35 minutes 54 seconds, a radius of 1,230.00 feet and being subtended by a chord which bears North 73 degrees 17 minutes 42 seconds East a distance of 1,933.19 feet;

along said curve to the left an arc distance of 2,224.00 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the end of said curve;

North 21 degrees 29 minutes 45 seconds East a distance of 193.19 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the beginning of a curve to the left having a central angle of 50 degrees 31 minutes 46 seconds, a radius of 1,560.00 feet and being subtended by a chord which bears North 03 degrees 46 minutes 08 seconds West a distance of 1,331.62 feet;

along said curve to the left an arc distance of 1,375.78 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the end of said curve and being the northwest corner of said Collin County Municipal Utility District No. 1 tract

THENCE North 60 degrees 57 minutes 59 seconds East, along the northerly line of said Collin County Municipal Utility District No. 1 tract, a distance of 100.00 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the northeast corner of said tract, at the beginning of a non-tangent curve to the right having a central angle of 27 degrees 42 minutes 37 seconds, a radius of 1,660.00 feet and being subtended by a chord which bears South 15 degrees 10 minutes 43 seconds East a distance of 795.03 feet;

THENCE along the easterly line of said Collin County Municipal Utility District No. 1 tract and along said curve to the right an arc distance of 802.83 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the end of said curve;

THENCE South 44 degrees 54 minutes 42 seconds East, continuing along the easterly line of said Collin County Municipal Utility District No. 1 tract, a distance of 28.81 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars”;

THENCE South 01 degrees 05 minutes 16 seconds West, crossing said Collin County Municipal Utility District No. 1 tract a distance of 100.00 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” on a southerly line of said Collin County Municipal Utility District No. 1 tract;

THENCE along the easterly and southerly lines of said Collin County Municipal Utility District No. 1 tract, the following;

South 47 degrees 10 minutes 14 seconds West a distance of 28.77 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the beginning of a non-tangent curve to the right having a central angle of 17 degrees 59 minutes 11 seconds, a radius of 1,660.00 feet and being subtended by a chord which bears South 12 degrees 30 minutes 10 seconds West a distance of 518.97 feet;

along said curve to the right an arc distance of 521.11 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the end of said curve;

South 21 degrees 29 minutes 45 seconds West a distance of 193.19 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the beginning of a curve to the right having a central angle of 103 degrees 35 minutes 54 seconds, a radius of 1,330.00 feet and being subtended by a chord which bears South 73 degrees 17 minutes 42 seconds West a distance of 2,090.36 feet;

along said curve to the right an arc distance of 2,404.82 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the beginning of a reverse curve to the left having a central angle of 06 degrees 39 minutes 10 seconds, a radius of 2,950.00 feet and being subtended by a chord which bears North 58 degrees 13 minutes 56 seconds West a distance of 342.34 feet;

along said curve to the left an arc distance of 342.54 feet to a 5/8 inch iron rod set with cap stamped “Huitt-Zollars” at the beginning of a reverse curve to the right having a central angle of 02 degrees 33 minutes 10 seconds, a radius of 3,050.00 feet and being subtended by a chord which bears North 60 degrees 16 minutes 56 seconds West a distance of 135.88 feet;

along said curve to the right an arc distance of 135.89 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars" at the end of said curve;

North 59 degrees 00 minutes 21 seconds West a distance of 347.10 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

North 76 degrees 57 minutes 21 seconds West a distance of 64.90 feet to a 5/8 inch iron rod set with cap stamped "Huitt-Zollars";

North 30 degrees 59 minutes 39 seconds East a distance of 140.00 feet to the POINT OF BEGINNING and containing 11.143 acres of land, more or less.

CYPRESS CREEK WAY

Being a tract of land situated in the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, and being all of that 1.837 acre tract of land described in instrument to Collin County Municipal Utility District No. 1 as recorded under Document No. 20131226001678350 of the Official Public Records of Collin County, Texas, and part of the 12.507 acres of land described in instrument to Collin County Municipal Utility District No. 1 as recorded under Document No. 20080225000217970 of the Official Public Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" on the easterly right-of-way line of Light Farms Way (a variable width right-of-way at this point as recorded in Volume 2009, Page 422 of the Plat Records of Collin County, Texas) at the northeast corner of Lot 1X, Block C of Homestead Court Addition, an addition to Collin County, Texas within the extra-territorial jurisdiction of the City of Celina, Texas, as recorded in Volume 2009, Page 282 of the Plat Records of Collin County, Texas, said point also being common with the northwest corner of Lot 1, Block C of said addition;

THENCE North 01 degree 05 minutes 16 seconds East along the easterly right-of-way line of said Light Farms Way, a distance of 100.00 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" for a corner, said point being on a northerly line of the aforementioned 12.507 acre tract and the beginning of a non-tangent curve to the right having a central angle of 8 degrees 59 minutes 43 seconds, a radius of 810.00 feet and being subtended by a 127.04 foot chord which bears South 84 degrees 24 minutes 35 seconds East;

THENCE departing the easterly right-of-way line of said Light Farms Way and continuing easterly along said northerly line of the 12.507 acre tract and curve to the right, an arc distance of 127.17 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the point of reverse curvature of a curve to the left having a central angle of 29 degrees 08 minutes 34 seconds, a radius of 750.00 feet and being subtended by a 377.38 foot chord which bears North 85 degrees 30 minutes 54 seconds East;

THENCE departing the said northerly line of the 12.507 acre tract and continuing easterly along said curve to the left, an arc distance of 381.48 feet to a 5/8 inch iron rod set with plastic cap

Attachment: 7th amendment to LF agreement (Jan 2016 expiration) (1340 : Light Farms Sex Offender Extension II) stamped “Huitt-Zollars” at the point of reverse curvature of a curve to the right having a central angle of 30 degrees 40 minutes 09 seconds, a radius of 850.00 feet and being subtended by a 449.57 foot chord which bears North 86 degrees 16 minutes 41 seconds East;

THENCE easterly along said curve to the right, an arc distance of 454.99 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the end of said curve;

THENCE South 78 degrees 23 minutes 14 seconds East a distance of 199.76 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner on west right-of-way line of Red River Texas & Southern Railway Company, Tract 54, by deed recorded in Volume 121, Page 20 of the Land Records of Collin County, Texas;

THENCE South 11 degrees 20 minutes 28 seconds West along the east line of aforementioned 597.17 acre tract and common west line of said Red River Texas & Southern Railway Company Tract 54, a distance of 100.00 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” from which a 1/2 inch iron rod found for the southeast corner of said 597.17 acre tract and a point on the north line of a 81.68 acre tract of land described in instrument to Graham S. Stelzer and wife, Doris Stelzer as recorded in Volume 587, Page 146 of Land Records of Collin County, Texas bears South 11 degrees 20 minutes 28 seconds West at a distance of 2,095.57 feet;

THENCE North 78 degrees 23 minutes 14 seconds West departing the west line of said Red River Texas & Southern Railway Company Tract 54, a distance of 200.23 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the beginning of a curve to the left having a central angle of 30 degrees 40 minutes 09 seconds, a radius of 750.00 feet and being subtended by 396.68 foot chord which bears South 86 degrees 16 minutes 41 seconds West;

THENCE westerly along said curve to the left, an arc distance of 401.46 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the point of reverse curvature of a curve to the right having a central angle of 0 degrees 49 minutes 47 seconds, a radius of 850.00 feet and being subtended by a 12.31 foot chord which bears South 71 degrees 21 minutes 31 seconds West;

THENCE westerly along said curve to the right, an arc distance of 12.31 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the end of said curve;

THENCE South 29 degrees 02 minutes 45 seconds West a distance of 29.06 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE South 14 degrees 21 minutes 21 seconds East a distance of 28.42 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the beginning of a curve to the right having a central angle of 22 degrees 37 minutes 59 seconds, a radius of 155.00 feet and being subtended by a 60.83 foot chord which bears South 03 degrees 02 minutes 21 seconds East;

THENCE southerly along said curve to the right, an arc distance of 61.23 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner on the northerly line of the aforementioned Homestead Court Addition and common line with the 12.507 acre tract from which a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at a common easterly corner of said Homestead Court Addition and 12.507 acre tract bears South 78 degrees 23 minutes 14 seconds East at a distance of 16.26 feet;

THENCE North 78 degrees 23 minutes 14 seconds West along the northerly line of said Homestead Court Addition and common line with the 12.507 acre tract a distance of 75.74 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the most northerly northeast corner of Lot 1, Block C of said Homestead Court Addition and westerly right-of-way line of Commons Drive (a variable width right-of-way as recorded in Volume 2009, Page 282 of the Plat Records, Collin County, Texas), said point being the beginning of a non-tangent curve to the left having a central angle of 21 degrees 36 minutes 42 seconds, a radius of 141.41 feet and being subtended by a 53.02 foot chord which bears North 03 degrees 33 minutes 00 seconds West;

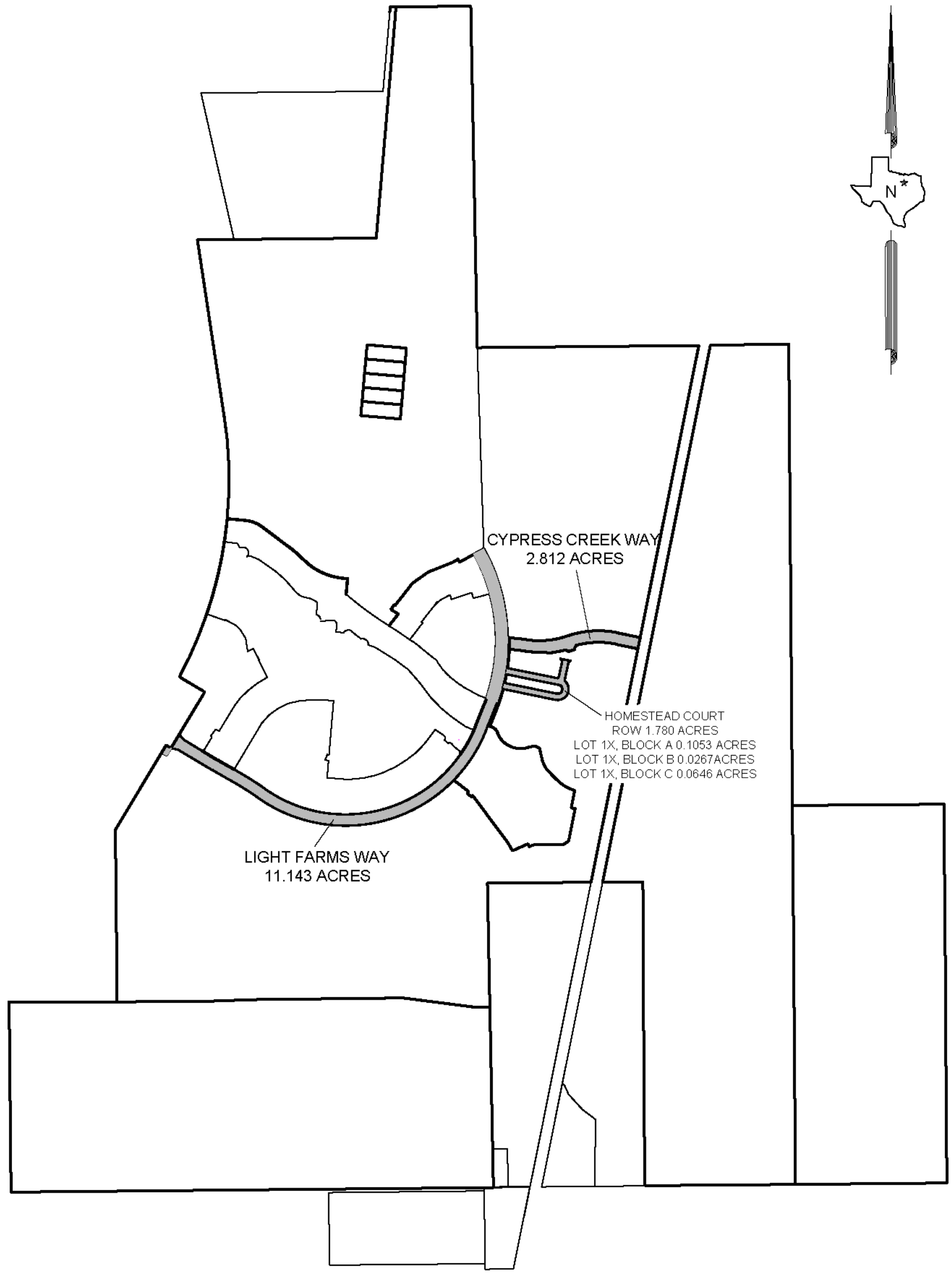
THENCE departing the northerly line of said Homestead Court Addition and common line with the 12.507 acre tract and continuing northerly along said curve to the left, an arc distance of 53.34 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the end of said curve;

THENCE North 14 degrees 21 minutes 21 seconds West a distance of 2.63 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE North 57 degrees 55 minutes 02 seconds West a distance of 28.99 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner, said point being the beginning of a non-tangent curve to the right having a central angle of 20 degrees 53 minutes 27 seconds, a radius of 850.00 feet and being subtended by a 308.21 foot chord which bears South 89 degrees 38 minutes 27 seconds West;

THENCE westerly along said curve to the right, an arc distance of 309.92 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” on the northerly line of said Lot 1, Block C of Homestead Court Addition and common line with the 12.507 acre tract from which a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” bears South 79 degrees 09 minutes 33 seconds East at a distance of 18.91 feet, said set iron rod being the beginning of a curve to the left having a central angle of 8 degrees 59 minutes 41 seconds, a radius of 710.00 feet and being subtended by a 111.35 foot chord which bears North 84 degrees 24 minutes 34 seconds West;

THENCE westerly along said curve to the left and continuing along the northerly line of said Lot 1, Block C, an arc distance of 111.46 feet to the POINT OF BEGINNING and containing 2.812 acres of land, more or less.



HUITT-ZOLLARS
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EXHIBIT MAP
LIGHT FARMS
COLLIN COUNTY MUNICIPAL
UTILITY DISTRICT NO 1
JANUARY 10, 2014

Attachment: 7th amendment to LF agreement (Jan 2016 expiration) (1340 : Light Farms Sex Offender Extension II)

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Exhibit G
Legal Description of the LFC Cypress Property

Being a tract of land situated in the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas and being a portion of the 209.022 acres of land described as ‘Tract B’ in instrument to LFC Land Company, LLC as recorded under Document No. 20120423000464780 of the Official Public Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at a 3/8 inch iron rod found at the southeast corner of said 209.022 acre tract, said point being the center of State Highway No. 289 Business Route (also known as County Road No. 5 or formerly known as North Coleman Street and now known as Frontier Parkway) said point also being the southwest corner of a 101.9292 acres of land described in instrument to LFC Land Company II, LLC as recorded under Document No. 20121113001449460 of the Official Public Records of Collin County, Texas;

THENCE South 89 degrees 29 minutes 45 seconds West along the south line of said 209.022 acre tract and the center of State Highway No. 289 Business Route now known as Frontier Parkway, a distance of 625.15 feet to a ‘MAG’ nail set in asphalt pavement for a corner;

THENCE North 00 degrees 30 minutes 15 seconds West departing the south line of said 209.022 acre tract and center of Frontier Parkway, a distance of 123.97 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE North 78 degrees 15 minutes 33 seconds West a distance of 70.52 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE North 67 degrees 45 minutes 18 seconds West a distance of 141.04 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE North 56 degrees 05 minutes 39 seconds West a distance of 141.28 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE North 42 degrees 26 minutes 37 seconds West a distance of 430.90 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE North 28 degrees 15 minutes 40 seconds West a distance of 74.21 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE North 24 degrees 27 minutes 26 seconds West a distance of 149.98 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner on the west line of said 209.022 acre tract from which a 1/2 inch iron rod found at the northeast corner 7.438 acre tract of land described in instrument to Lottie Loraine Couch as recorded under County Clerk’s No. 97-0002825 of the Official Public Records of Collin County, Texas bears South 00 degrees 18 minutes 06 seconds East at a distance of 190.62 feet;

THENCE North 00 degrees 18 minutes 06 seconds West along the west line of said 209.022 acre tract a distance of 682.07 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE North 89 degrees 41 minutes 54 seconds East departing the west line of said 209.022 acre tract a distance of 234.47 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE South 78 degrees 33 minutes 40 seconds East a distance of 141.41 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE South 71 degrees 31 minutes 11 seconds East a distance of 245.84 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE South 75 degrees 01 minute 15 seconds East a distance of 41.59 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE North 14 degrees 41 minutes 29 seconds East a distance of 5.98 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE South 74 degrees 44 minutes 08 seconds East a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE South 79 degrees 02 minutes 39 seconds East a distance of 54.61 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE South 84 degrees 18 minutes 59 seconds East a distance of 280.94 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE North 83 degrees 57 minutes 29 seconds East a distance of 148.72 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE South 00 degrees 39 minutes 56 seconds East a distance of 134.44 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner, said point being the beginning of a non-tangent curve to the right having a central angle of 5 degrees 39 minutes 03 seconds, a radius of 159.50 feet and being subtended by a 15.72 foot chord which bears North 84 degrees 16 minutes 16 seconds East;

THENCE easterly along said curve to the right, an arc distance of 15.73 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the point of reverse curvature of a curve to the left having a central angle of 0 degrees 24 minutes 18 seconds, a radius of 1,937.50 feet and being subtended by a 13.69 foot chord which bears North 86 degrees 53 minutes 38 seconds East;

THENCE easterly along said curve to the left, an arc distance of 13.69 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE North 37 degrees 10 minutes 56 seconds East a distance of 21.51 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE North 83 degrees 03 minutes 25 seconds East a distance of 91.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE South 06 degrees 56 minutes 35 seconds East a distance of 7.01 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE South 49 degrees 21 minutes 03 seconds East a distance of 17.20 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" on the east line of the aforementioned 209.022 acre tract, same being the west line of the aforementioned 101.9292 acre tract;

THENCE South 00 degrees 26 minutes 50 seconds East along the east line of said 209.022 acre tract and west line of said 101.9292 acre tract, a distance of 1,199.42 feet to the POINT OF BEGINNING and containing 35.94 acres of land, more or less.

The basis of bearings described hereon are N.A.D. 1983 tied to Texas State Plane Coordinate System of 1983, North Central Zone (4202).

Exhibit H
Legal Description of the LFC Graham Property

WHEREAS, LFC LAND COMPANY, LLC is the owner of a tract of land situated in the John Ragsdale Survey, Abstract No. 734 and in the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, and being a portion of the 597.17 acres of land described as Tract A in instrument recorded under Document No. 20120423000464780 of Official Public Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" on the easterly right-of-way line of Light Farms Way (a 100 foot wide right-of-way at this point as recorded in Volume 2009, Page 422 of the Plat Records of Collin County, Texas) at the northerly corner of corner clip of future Cypress Creek Way (a 100 foot wide right-of-way) as established by instruments to Collin County Municipal District No.1 recorded under Document No. 20080225000217970 and No. 20131226001678350 of the Official Public Records of Collin County, Texas, and being the beginning of a non-tangent curve to the left having a central angle of 31 degrees 52 minutes 51 seconds, a radius of 1,660.00 feet and being subtended by a 911.80 foot chord which bears North 17 degrees 15 minutes 50 seconds West;

THENCE continuing along the easterly right-of-way line of said Light Farms Way, passing a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at an arc distance of 802.83 feet and continuing along said arc for a total distance of 923.67 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the end of said curve;

THENCE North 55 degrees 39 minutes 24 seconds East a distance of 129.54 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE North 52 degrees 40 minutes 12 seconds East a distance of 275.49 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE North 71 degrees 33 minutes 04 seconds East a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner, said point being the beginning of a non-tangent curve to the left having a central angle of 11 degrees 27 minutes 28 seconds, a radius of 225.00 feet and being subtended by a 44.92 foot chord which bears South 24 degrees 10 minutes 40 seconds East;

THENCE southeasterly along said curve to the left, an arc distance of 44.99 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the end of said curve;

THENCE South 29 degrees 54 minutes 24 seconds East a distance of 57.72 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE South 77 degrees 24 minutes 24 seconds East a distance of 20.27 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE North 55 degrees 05 minutes 36 seconds East a distance of 6.92 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE South 34 degrees 54 minutes 24 seconds East a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE South 55 degrees 05 minutes 36 seconds West a distance of 9.20 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE South 10 degrees 05 minutes 36 seconds West a distance of 21.21 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE South 34 degrees 54 minutes 24 seconds East a distance of 106.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE North 55 degrees 06 minutes 30 seconds East a distance of 319.61 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE North 62 degrees 30 minutes 38 seconds East a distance of 214.73 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE South 28 degrees 57 minutes 30 seconds East a distance of 133.82 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE South 26 degrees 31 minutes 09 seconds East a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner, said point being the beginning of a non-tangent curve to the right having a central angle of 0 degrees 47 minutes 24 seconds, a radius of 275.00 feet and being subtended by a 3.79 foot chord which bears South 63 degrees 52 minutes 33 seconds West;

THENCE southwesterly along said curve to right, an arc distance of 3.79 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE South 12 degrees 13 minutes 33 seconds West a distance of 18.70 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE South 19 degrees 58 minutes 57 seconds East a distance of 75.47 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE South 70 degrees 01 minute 03 seconds West a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner, said point being the beginning of a non-tangent curve to the right having a central angle of 31 degrees 19 minutes 23 seconds, a radius of 125.00 feet and being subtended by a 67.49 foot chord which bears South 04 degrees 19 minutes 16 seconds East;

THENCE southerly along said curve to the right, an arc distance of 68.34 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the end of said curve;

THENCE South 72 degrees 56 minutes 08 seconds West a distance of 131.88 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE South 11 degrees 20 minutes 28 seconds West a distance of 375.83 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE South 06 degrees 55 minutes 54 seconds West a distance of 47.57 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE South 00 degrees 50 minutes 17 seconds East a distance of 96.08 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE South 12 degrees 30 minutes 00 seconds East a distance of 60.85 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner, said point being the beginning of a non-tangent curve to the left having a central angle of 0 degrees 42 minutes 05 seconds, a radius of 925.00 feet and being subtended by a 11.32 foot chord which bears South 77 degrees 08 minutes 57 seconds West;

THENCE southwesterly along said curve to the left, an arc distance of 11.32 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the end of said curve;

THENCE South 13 degrees 12 minutes 05 seconds East a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner, said point being the beginning of a non-tangent curve to the left having a central angle of 4 degrees 58 minutes 47 seconds, a radius of 875.00 feet and being subtended by a 76.02 foot chord which bears South 74 degrees 18 minutes 31 seconds West;

THENCE southwesterly along said curve to the left, an arc distance of 76.05 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the end of said curve;

THENCE South 24 degrees 08 minutes 09 seconds West a distance of 20.39 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE South 23 degrees 03 minutes 22 seconds East a distance of 8.88 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the beginning of a curve to the left having a central angle of 14 degrees 36 minutes 16 seconds, a radius of 150.00 feet and being subtended by a 38.13 foot chord which bears South 30 degrees 21 minutes 30 seconds East;

THENCE southerly along said curve to the left, an arc distance of 38.23 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the point of reverse curvature of a curve to the right having a central angle of 14 degrees 36 minutes 16 seconds, a radius of 159.50 feet and being subtended by a 40.55 foot chord which bears South 30 degrees 21 minutes 30 seconds East;

THENCE southerly along said curve to the right an arc distance of 40.66 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the end of said curve;

THENCE South 23 degrees 03 minutes 22 seconds East a distance of 25.19 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at an angle point;

THENCE South 64 degrees 10 minutes 08 seconds East a distance of 29.82 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” on the northerly line of a 1.837 acre tract of the aforementioned instrument to Collin County Municipal Utility District No. 1 as recorded under Document No. 20131226001678350 of the Official Public Records of Collin County, Texas, said point being the beginning of a non-tangent curve to the left having a central angle of 3 degrees 48 minutes 07 seconds, a radius of 850.00 feet and being subtended by a 56.39 foot chord which bears South 72 degrees 53 minutes 04 seconds West;
THENCE westerly along said curve to the left and northerly line of said 1.837 acre tract, an arc distance of 56.40 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the point of reverse curvature of a curve to the right having a central angle of 29 degrees 02 minutes 09 seconds, a radius of 750.00 feet and being subtended by a 376.03 foot chord which bears South 85 degrees 30 minutes 02 seconds West;

THENCE westerly along said curve to the right and northerly line of said 1.837 acre tract, an arc distance of 380.08 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” at the end of said curve and west corner of said 1.837 acre tract, said point being on the northerly line of the aforementioned tract described in instrument recorded under 20080225000217970 of the Official Public Records of Collin County, Texas and the beginning of a curve to the left having a central angle of 8 degrees 55 minutes 39 seconds, a radius of 810.00 feet and being subtended by a 126.08 foot chord which bears North 84 degrees 26 minutes 42 seconds West;

THENCE westerly along said curve to the left, an arc distance of 126.21 feet to the end of said curve;

THENCE North 88 degrees 54 minutes 32 seconds West a distance of 2.84 feet to a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” on the easterly right-of-way line of said Light Farms Way;

THENCE North 44 degrees 59 minutes 07 seconds West continuing along the easterly right-of-way line of said Light Farms Way, a distance of 28.76 feet to the POINT OF BEGINNING and containing 17.75 acres of land, more or less.

Exhibit I
Legal Description of the LFC HLH Property

LAND DESCRIPTION
(Hawthorne, Hazel, Parkview)

BEING a tract of land situated in the John Ragsdale Survey, Abstract No. 734, Collin County, Texas, and being described in instrument to LFC DEVCO HLH, LLC as recorded under Document No. 20150528000625930 of the Official Public Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the intersection of the southerly right-of-way line of Light Farms Way (100 foot wide right-of-way), as established by the Final Plat of Light Farms Way at Light Farms, an addition to the City of Celina, Texas, as recorded in Document Number 2009-422 of the Plat Records of Collin County, Texas, and the proposed westerly right-of-way line of Prairie Crossing (plat unrecorded as of this date);

THENCE, departing the southerly right of way line of said Light Farms Way, and along the proposed westerly right-of-way line of said Prairie Crossing the following:

South 76 degrees 11 minutes 34 seconds East a distance of 28.76 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

South 32 degrees 09 minutes 43 seconds East a distance of 95.88 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a curve to the left having a central angle of 04 degrees 42 minutes 40 seconds, with a radius of 635.00 feet, a chord bearing of South 34 degrees 31 minutes 03 seconds East, a chord length of 52.20 feet;

Along said curve an arc length of 52.21 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars";

South 36 degrees 52 minutes 24 seconds East a distance of 533.54 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 35 degrees 46 minutes 21 seconds, with a radius of 565.00 feet, a chord bearing of South 18 degrees 59 minutes 12 seconds East, a chord length of 347.06 feet;

Along said curve an arc length of 352.76 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars";

South 01 degrees 06 minutes 07 seconds East a distance of 650.60 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, departing the proposed westerly right-of-way line of said Prairie Crossing, North 46 degrees 06 minutes 07 seconds West a distance of 28.28 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 88 degrees 53 minutes 53 seconds West a distance of 80.84 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 12 degrees 10 minutes 16 seconds, with a radius of 375.00 feet, a chord bearing of North 85 degrees 00 minutes 59 seconds West, a chord length of 79.51 feet;

THENCE, along said curve an arc length of 79.66 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 78 degrees 55 minutes 51 seconds West a distance of 195.01 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a curve to the left having a central angle of 03 degrees 28 minutes 52 seconds, with a radius of 725.00 feet, a chord bearing of North 80 degrees 40 minutes 17 seconds West, a chord length of 44.04 feet;

THENCE, along said curve an arc length of 44.05 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 07 degrees 35 minutes 17 seconds West a distance of 105.18 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars"

THENCE, South 50 degrees 58 minutes 14 seconds West a distance of 20.61 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 85 degrees 38 minutes 49 seconds West a distance of 44.40 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 89 degrees 43 minutes 55 seconds West a distance of 48.80 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 85 degrees 06 minutes 38 seconds West a distance of 48.80 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 80 degrees 27 minutes 50 seconds West a distance of 48.80 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 76 degrees 22 minutes 05 seconds West a distance of 49.37 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 76 degrees 31 minutes 45 seconds West a distance of 54.84 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 81 degrees 36 minutes 23 seconds West a distance of 57.24 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 85 degrees 19 minutes 00 seconds West a distance of 57.23 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 89 degrees 26 minutes 21 seconds West a distance of 57.23 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 86 degrees 26 minutes 45 seconds West a distance of 55.95 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 84 degrees 36 minutes 35 seconds West a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 85 degrees 06 minutes 04 seconds West a distance of 45.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 40 degrees 06 minutes 04 seconds West a distance of 21.21 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 04 degrees 53 minutes 56 seconds East a distance of 104.82 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars at the beginning of a non-tangent curve to the left having a central angle of 10 degrees 45 minutes 16 seconds, with a radius of 275.00 feet, a chord bearing of South 87 degrees 26 minutes 16 seconds West, a chord length of 51.54 feet;

THENCE, along said curve an arc length of 51.62 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a reverse curve to the right having a central angle of 12 degrees 50 minutes 19 seconds, with a radius of 325.00 feet, a chord bearing of South 88 degrees 28 minutes 47 seconds West, a chord length of 72.67 feet;

THENCE, along said curve an arc length of 72.82 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 85 degrees 06 minutes 04 seconds West a distance of 156.68 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 89 degrees 11 minutes 18 seconds West a distance of 100.50 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 85 degrees 06 minutes 04 seconds West a distance of 154.18 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a curve to the left having a central angle of 51 degrees 40 minutes 32 seconds, with a radius of 220.00 feet, a chord bearing of South 69 degrees 03 minutes 40 seconds West, a chord length of 191.76 feet;

THENCE, along said curve an arc length of 198.42 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 46 degrees 46 minutes 35 seconds West a distance of 60.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 00 degrees 12 minutes 06 seconds East a distance of 21.36 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a non-tangent curve to the left having a central angle of 21 degrees 47 minutes 35 seconds, with a radius of 125.00 feet, a chord bearing of North 58 degrees 42 minutes 59 seconds West, a chord length of 47.26 feet;

THENCE, along said curve an arc length of 47.54 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 17 degrees 28 minutes 41 seconds West a distance of 110.84 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 62 degrees 28 minutes 41 seconds West a distance of 14.14 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 72 degrees 31 minutes 19 seconds West a distance of 306.29 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 20 degrees 39 minutes 04 seconds West a distance of 74.21 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a curve to the left having a central angle of 38 degrees 12 minutes 48 seconds, with a radius of 20.00 feet, a chord bearing of South 01 degree 32 minutes 40 seconds West, a chord length of 13.09 feet;

THENCE, along said curve an arc length of 13.34 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a reverse curve to the right having a central angle of 128 degrees 25 minutes 46 seconds, with a radius of 50.00 feet, a chord bearing of South 46 degrees 39 minutes 09 seconds West, a chord length of 90.04 feet;

THENCE, along said curve an arc length of 112.08 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a compound curve to the right having a central angle of 05 degrees 02 minutes 03 seconds, with a radius of 2,685.00 feet, a chord bearing of North 66 degrees 36 minutes 56 seconds West, a chord length of 235.84 feet;

THENCE, along said curve an arc length of 235.91 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 25 degrees 54 minutes 05 seconds West a distance of 105.31 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 71 degrees 19 minutes 30 seconds West a distance of 21.06 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 63 degrees 15 minutes 04 seconds West a distance of 57.59 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 61 degrees 58 minutes 49 seconds West a distance of 62.22 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 60 degrees 42 minutes 34 seconds West a distance of 57.59 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 15 degrees 17 minutes 09 seconds West a distance of 21.06 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 30 degrees 08 minutes 16 seconds East a distance of 105.31 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a non-tangent curve to the right having a central angle of 00 degrees 21 minutes 36 seconds, with a radius of 2,685.00 feet, a chord bearing of North 59 degrees 40 minutes 56 seconds West, a chord length of 16.87 feet;

THENCE, along said curve an arc length of 16.87 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a compound curve to the right having a central angle of 127 degrees 43 minutes 56 seconds, with a radius of 50.00 feet, a chord bearing of North 04 degrees 21 minutes 50 seconds East, a chord length of 89.78 feet;

THENCE, along said curve an arc length of 111.47 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a reverse curve to the left having a central angle of 38 degrees 12 minutes 48 seconds, with a radius of 20.00 feet, a chord bearing of North 49 degrees 07 minutes 24 seconds East, a chord length of 13.09 feet;

THENCE, along said curve an arc length of 13.34 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 30 degrees 01 minutes 00 seconds East a distance of 187.61 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 16 degrees 32 minutes 24 seconds West a distance of 14.54 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 59 degrees 59 minutes 00 seconds West a distance of 3.07 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a non-tangent curve to the right having a central angle of 00 degrees 39 minutes 49 seconds, with a radius of 1,055.00

feet, a chord bearing of North 59 degrees 39 minutes 05 seconds West, a chord length of 12.22 feet;

THENCE, along said curve an arc length of 12.22 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 30 degrees 40 minutes 49 seconds East a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a non-tangent curve to the left having a central angle of 00 degrees 39 minutes 49 seconds, with a radius of 1,005.00 feet, a chord bearing of South 59 degrees 39 minutes 05 seconds East, a chord length of 11.64 feet;

THENCE, along said curve an arc length of 11.64 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 59 degrees 59 minutes 00 seconds East a distance of 3.07 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 76 degrees 34 minutes 25 seconds East a distance of 14.54 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 30 degrees 01 minutes 00 seconds East a distance of 109.70 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 57 degrees 29 minutes 40 seconds West a distance of 83.14 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 53 degrees 10 minutes 18 seconds West a distance of 67.56 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 48 degrees 50 minutes 56 seconds West a distance of 67.56 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 44 degrees 31 minutes 35 seconds West a distance of 67.56 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 40 degrees 12 minutes 13 seconds West a distance of 67.56 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 51 degrees 57 minutes 28 seconds East a distance of 120.64 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a non-tangent curve to the right having a central angle of 04 degrees 53 minutes 44 seconds, with a radius of 775.00 feet, a chord bearing of North 35 degrees 35 minutes 40 seconds West, a chord length of 66.20 feet;

THENCE, along said curve an arc length of 66.22 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 56 degrees 51 minutes 12 seconds East a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a non-tangent curve to the left having a central angle of 02 degrees 29 minutes 50 seconds, with a radius of 725.00 feet, a chord bearing of South 34 degrees 23 minutes 43 seconds East, a chord length of 31.60 feet;

THENCE, along said curve an arc length of 31.60 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 54 degrees 56 minutes 06 seconds East a distance of 15.58 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 50 degrees 57 minutes 55 seconds East a distance of 264.39 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 17 degrees 20 minutes 00 seconds West a distance of 16.11 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 35 degrees 22 minutes 30 seconds West a distance of 14.14 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 54 degrees 37 minutes 30 seconds East a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 35 degrees 22 minutes 30 seconds East a distance of 55.70 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 54 degrees 37 minutes 30 seconds East a distance of 58.10 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 30 degrees 59 minutes 39 seconds East a distance of 425.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 59 degrees 00 minutes 21 seconds West a distance of 16.53 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 30 degrees 59 minutes 39 seconds East a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 59 degrees 00 minutes 21 seconds East a distance of 60.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 30 degrees 59 minutes 39 seconds East a distance of 142.99 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" in the southerly right-of-way line of said

Light Farms Way, and the beginning of a non-tangent curve to the left having a central angle of 64 degrees 05 minutes 24 seconds, with a radius of 1,330.00 feet, a chord bearing of South 87 degrees 44 minutes 53 seconds East, a chord length of 1,411.36 feet;

THENCE, continuing along the southerly right-of-way line of Light Farms Way and along said curve an arc length of 1,487.71 feet to the **POINT OF BEGINNING** and **CONTAINING** 80.10 acres of land, more or less.

Exhibit J
Legal Description of the LFC GM Property

Tract A:

WHEREAS, LFC Land Company, LLC is the owner of a tract of land situated in the Collin County School Land Survey No. 14, Survey, Abstract No. 167 and the John Ragsdale Survey, Abstract No. 734, Collin County, Texas and being a portion of a tract of land described in instrument to LFC Land Company, LLC as recorded under Document Number 20120423000464780 of the Official Property Records of Collin County, Texas, and being more particularly described as follows;

BEGINNING at a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the north corner of Lot 11, Block P of Light Farms Phase 2C, The Grange Neighborhood, an addition to Collin County as recorded in Volume 2014, Page 398 of the Plat Records, Collin County, Texas;

THENCE along the northwesterly line of said Light Farms Phase 2C the following;

> South 58 degrees 10 minutes 37 seconds West a distance of 20.00 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";
>
> South 60 degrees 46 minutes 56 seconds West a distance of 144.73 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";
>
> South 43 degrees 19 minutes 21 seconds West a distance of 50.00 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the beginning of a non-tangent curve to the left having a delta angle of 03 degrees 31 minutes 39 seconds, a radius of 275.00 feet and being subtended by a chord which bears North 48 degrees 26 minutes 29 seconds West a distance of 16.93 feet;
>
> Along said curve an arc length of 16.93 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the end of said curve;
>
> South 70 degrees 49 minutes 45 seconds West a distance of 119.72 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";
>
> South 65 degrees 18 minutes 10 seconds West a distance of 67.97 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";
>
> South 58 degrees 58 minutes 35 seconds West a distance of 67.99 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

South 54 degrees 50 minutes 59 seconds West a distance of 246.13 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

South 51 degrees 27 minutes 14 seconds East a distance of 70.47 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

South 31 degrees 56 minutes 57 seconds West a distance of 147.44 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the beginning of a non-tangent curve to the right having a delta angle of 00 degrees 20 minutes 27 seconds, a radius of 2619.00 feet and being subtended by a chord which bears North 57 degrees 23 minutes 24 seconds West a distance of 15.58 feet;

Along said curve to the right an arc length of 15.58 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the end of said curve;

South 32 degrees 46 minutes 49 seconds West a distance of 50.00 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

South 31 degrees 56 minutes 57 seconds West a distance of 129.83 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the west corner of Lot 18, Block M of said Light Farms Phase 2C and being the beginning of a non-tangent curve to the right having a delta angle of 07 degrees 48 minutes 22 seconds, a radius of 3000.00 feet and being subtended by a chord which bears North 53 degrees 08 minutes 16 seconds West a distance of 408.41 feet;

THENCE departing the northwesterly line of said Light Farms Phase 2C and along said curve to the right an arc length of 408.72 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the end of said curve;

THENCE North 04 degrees 47 minutes 46 seconds East a distance of 138.14 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE North 85 degrees 06 minutes 04 seconds West a distance of 5.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE North 04 degrees 53 minutes 56 seconds East a distance of 762.84 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE South 85 degrees 03 minutes 08 seconds East a distance of 135.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE North 05 degrees 02 minutes 15 seconds East a distance of 92.32 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE South 85 degrees 06 minutes 04 seconds East a distance of 49.78 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE South 04 degrees 53 minutes 56 seconds West a distance of 130.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE South 85 degrees 06 minutes 04 seconds East a distance of 146.13 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE North 61 degrees 41 minutes 06 seconds East a distance of 221.33 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a non-tangent curve to the left having a delta angle of 07 degrees 41 minutes 39 seconds, a radius of 1250.00 feet and being subtended by a chord which bears South 48 degrees 08 minutes 58 seconds East a distance of 167.73 feet;

THENCE along said curve to the left an arc length of 167.86 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a reverse curve to the right having a delta angle of 11 degrees 00 minutes 32 seconds, a radius of 1560.00 feet and being subtended by a chord which bears South 46 degrees 29 minutes 31 seconds East a distance of 299.28 feet;

THENCE along said curve to the right an arc length of 299.74 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the end of said curve;

THENCE North 49 degrees 00 minutes 44 seconds East a distance of 100.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a non-tangent curve to the right having a delta angle of 11 degrees 57 minutes 14 seconds, a radius of 1660.00 feet and being subtended by a chord which bears South 35 degrees 00 minutes 38 seconds East a distance of 345.71 feet;

THENCE along said curve to the right an arc length of 346.34 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the end of said curve, said point being at the north corner of Light Farms Way (a 100’ right-of-way) as recorded in Volume 2009, Page 422 of the Plat Records, Collin County, Texas;

THENCE along the north line of said Light Farms Way, South 60 degrees 57 minutes 59 seconds West a distance of 100.00 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the beginning of a non-tangent curve to the left having a delta angle of 02 degrees 47 minutes 22 seconds, a radius of 1560.00 feet and being subtended by a chord which bears North 30 degrees 25 minutes 42 seconds West a distance of 75.94 feet;

THENCE departing the north line of said Light Farms Way and along said curve to the left an arc length of 75.95 feet to and containing 17.886 acres of land, more or less.

Tract B:

WHEREAS, LFC LAND COMPANY, LLC is the owner of a tract of land situated in the John Ragsdale Survey, Abstract No. 734 and in the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, and being a portion of the 597.17 acres of land described as Tract A in instrument recorded under Document No. 20120423000464780 of Land Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at a 5/8 inch iron rod found with plastic cap stamped “Huitt-Zollars” on the southeasterly right-of-way line of Light Farms Way (a 100 foot wide right-of-way at this point as recorded in Volume 2009, Page 422 of the Plat Records of Collin County, Texas) at the southwest corner of Lot 1X, Block A of Maydelle – Phase 1, at Light Farms, an addition to Collin County, Texas within the extra-territorial jurisdiction of the City of Celina, Texas, as recorded in Document Number 2014-115 of the Plat Records of Collin County, Texas;

THENCE, departing the southeasterly right-of-way line of said Light Farms Way along the southerly line of said Maydelle – Phase 1 addition the following courses and distances:

South 45 degrees 47 minutes 16 seconds East a distance of 20.00 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

South 52 degrees 37 minutes 05 seconds East a distance of 144.58 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

South 37 degrees 23 minutes 36 seconds West a distance of 22.17 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

South 52 degrees 37 minutes 05 seconds East a distance of 50.00 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

North 37 degrees 22 minutes 55 seconds East a distance of 14.14 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

South 36 degrees 52 minutes 24 seconds East a distance of 513.86 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

South 30 degrees 08 minutes 17 seconds East a distance of 83.95 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

North 66 degrees 32 minutes 18 seconds East a distance of 145.89 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the beginning of a non-tangent curve to the right having a central angle of 06 degrees 33 minutes 20 seconds, with a radius of 225.00 feet, a chord bearing of South 24 degrees 20 minutes 17 seconds East, a chord length of 25.73 feet;

Along said curve to the right an arc length of 25.74 feet to a 5/8" iron rod found with plastic cap stamped "Huitt-Zollars";

North 68 degrees 56 minutes 23 seconds East a distance of 50.00 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

North 89 degrees 32 minutes 42 seconds East a distance of 257.81 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

North 56 degrees 35 minutes 03 seconds East a distance of 53.30 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

North 11 degrees 20 minutes 28 seconds East a distance of 241.91 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

North 11 degrees 20 minutes 28 seconds East a distance of 50.00 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

North 78 degrees 39 minutes 32 seconds West a distance of 34.21 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars";

North 11 degrees 20 minutes 28 seconds East a distance of 154.50 feet to a 5/8 inch iron rod found with plastic cap stamped "Huitt-Zollars" at the northeasterly corner of Maydelle – Phase 1 addition and being the beginning of a non-tangent curve to the left having a central angle of 13 degrees 27 minutes 20 seconds, with a radius of 350.00 feet, a chord bearing of South 81 degrees 03 minutes 26 seconds East, a chord length of 82.01 feet;

THENCE, departing the Maydelle – Phase 1 addition along said curve to the left an arc length of 82.20 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 87 degrees 47 minutes 06 seconds East a distance of 47.64 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 68 degrees 43 minutes 12 seconds East a distance of 109.75 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 78 degrees 39 minutes 32 seconds East a distance of 62.13 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" on the westerly right-of-way line of the Red River Texas & Southern Railway Company Railroad (currently Burlington Northern Santa Fe Railroad), a 100.0 foot wide right-of-way, by deed recorded in Volume 121, Page 20, L.R.C.C.T;

THENCE, South 11 degrees 20 minutes 28 seconds West along the westerly right-of-way line of said Red River Texas & Southern Railway Company Railroad, a distance of 754.96 feet to a 1/2 inch iron rod found at a southeast corner of the LFC Land Company tract;

THENCE, South 89 degrees 32 minutes 42 seconds West departing the westerly right-of-way line of said Red River Texas & Southern Railway Company Railroad and along the a south line of the LFC Land Company tract, a distance of 910.34 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" on the proposed easterly right-of-way line of Prairie Crossing, a 75.0 foot wide right-of-way, and being the beginning of a non-tangent curve to the left having a central angle of 13 degrees 45 minutes 59 seconds, with a radius of 385.00 feet, a chord bearing of North 26 degrees 48 minutes 19 seconds West, a chord length of 92.28 feet;

THENCE, along the proposed northeasterly right-of-way line of Prairie Crossing the following courses and distances:

Along said curve to the left an arc length of 92.50 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars";

North 11 degrees 06 minutes 03 seconds East a distance of 14.10 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

North 32 degrees 40 minutes 06 seconds West a distance of 88.35 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

North 79 degrees 49 minutes 25 seconds West a distance of 24.01 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

North 36 degrees 52 minutes 24 seconds West a distance of 521.48 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a curve to the right having a central angle of 04 degrees 42 minutes 40 seconds, with a radius of 565.00 feet, a chord bearing of North 34 degrees 31 minutes 03 seconds West, a chord length of 46.44 feet;

Along said curve to the right an arc length of 46.46 feet to a 5/8" iron rod set with plastic cap stamped "Huitt-Zollars";

North 32 degrees 09 minutes 43 seconds West a distance of 95.88 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

North 11 degrees 52 minutes 05 seconds East a distance of 28.76 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" in the said southeasterly right-of-way line of Light Farms Way and being the beginning of a non-tangent curve to the left having a central angle of 11 degrees 15 minutes 20 seconds, with a radius of 1,330.00 feet, a chord bearing of North 49 degrees 50 minutes 24 seconds East, a chord length of 260.86 feet;

THENCE, along the southeasterly right-of-way line of Light Farms Way along the southeasterly right-of-way line of Light Farms Way and curve an arc length of 261.28 feet to the POINT OF BEGINNING and CONTAINING 15.457 acres of land, more or less.

Exhibit K
Legal Description of the LFC Sage Property

BEING a tract of land situated in the Collin County School Land Survey No. 14, Abstract No. 167, Collin County, Texas, said tract being a portion of a 101.9292 acre tract of land described in instrument to LFC Land Company II, LLC as recorded under Document No. 20121113001449460 of the Official Public Records of Collin County, Texas and being more particularly described as follows:

COMMENCING at a 3/8 inch iron rod found at the southwest corner of said 101.9292 acre tract, said point being in the center of State Highway No. 289 Business Route (also known as County Road No. 5, or formerly known as North Coleman Street and now known as Frontier Parkway), said point also being the southeast corner of a 209.022 acres of land described as 'Tract B' in instrument to LFC Land Company, LLC as recorded under Document No. 20120423000464780 of the Official Public Records of Collin County, Texas;

THENCE North 00 degrees 26 minutes 50 seconds West departing said Frontier Parkway and along the west line of said 101.9092 acre tract and east line of said 209.022 acre tract, a distance of 412.31 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for the POINT OF BEGINNING;

THENCE continuing North 00 degrees 26 minutes 50 seconds West, continuing along the west line of said 101.9292 acre tract and east line of said 209.022 acre tract, a distance of 1,169.15 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE South 82 degrees 01 minute 52 seconds East departing the west line of said 101.9292 acre tract and east line of said 209.022 acre tract, a distance of 22.46 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for an angle point;

THENCE North 61 degrees 36 minutes 01 seconds East a distance of 95.07 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE South 28 degrees 23 minutes 56 seconds East a distance of 49.79 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE South 86 degrees 33 minutes 58 seconds East a distance of 105.33 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE South 83 degrees 40 minutes 32 seconds East a distance of 99.58 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE South 81 degrees 31 minutes 49 seconds East a distance of 59.68 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE South 79 degrees 14 minutes 51 seconds East a distance of 89.69 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE South 77 degrees 12 minutes 02 seconds East a distance of 75.14 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE South 86 degrees 49 minutes 58 seconds East a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE South 03 degrees 10 minutes 02 seconds West a distance of 20.09 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE South 86 degrees 49 minutes 58 seconds East a distance of 46.78 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE South 74 degrees 55 minutes 03 seconds East a distance of 59.78 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE South 77 degrees 57 minutes 11 seconds East a distance of 67.72 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE South 80 degrees 20 minutes 39 seconds East a distance of 81.57 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE South 83 degrees 33 minutes 52 seconds East a distance of 99.53 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE South 87 degrees 42 minutes 17 seconds East a distance of 87.62 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at an angle point;

THENCE North 89 degrees 29 minutes 45 seconds East a distance of 121.80 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE North 00 degrees 30 minutes 15 seconds West a distance of 32.30 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the beginning of a curve to the left having a central angle of 7 degrees 55 minutes 23 seconds, a radius of 275.00 feet and being subtended by a 38.00 foot chord which bears North 04 degrees 27 minutes 56 seconds West;

THENCE northerly along said curve to the left, an arc distance of 38.03 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner;

THENCE North 81 degrees 34 minutes 22 seconds East a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" for a corner, said being the beginning of a non-tangent curve to the right having a central angle of 7 degrees 55 minutes 23 seconds, a radius of 325.00 feet and being subtended by a 44.91 foot chord which bears South 04 degrees 27 minutes 56 seconds East;

THENCE southerly along said curve to the right, an arc distance of 44.94 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the end of said curve;

THENCE South 00 degrees 30 minutes 15 seconds East a distance of 9.59 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner;

THENCE North 89 degrees 29 minutes 45 seconds East a distance of 121.20 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner on the east line of the aforementioned 101.9292 acre tract;

THENCE South 00 degrees 05 minutes 21 seconds West along the east line of said 101.9292 acre tract, a distance of 108.92 feet to a 1/2 inch iron rod found at an angle point;

THENCE South 00 degrees 30 minutes 15 seconds East continuing along the east line of said 101.9292 acre tract, a distance of 1,042.80 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” for a corner, from which a found P-K nail for the southeast corner of said 101.9292 acre tract in the center of State Highway No. 289 Business Route now known as Frontier Parkway bears South 00 degrees 30 minutes 15 seconds East at a distance of 289.77 feet;

THENCE South 89 degrees 29 minutes 45 seconds West departing the east line of said 101.9292 acre tract, a distance of 250.08 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the beginning of a curve to the right having a central angle of 16 degrees 36 minutes 53 seconds, a radius of 2,665.00 feet and being subtended by a 770.10 foot chord which bears North 82 degrees 11 minutes 48 seconds West;

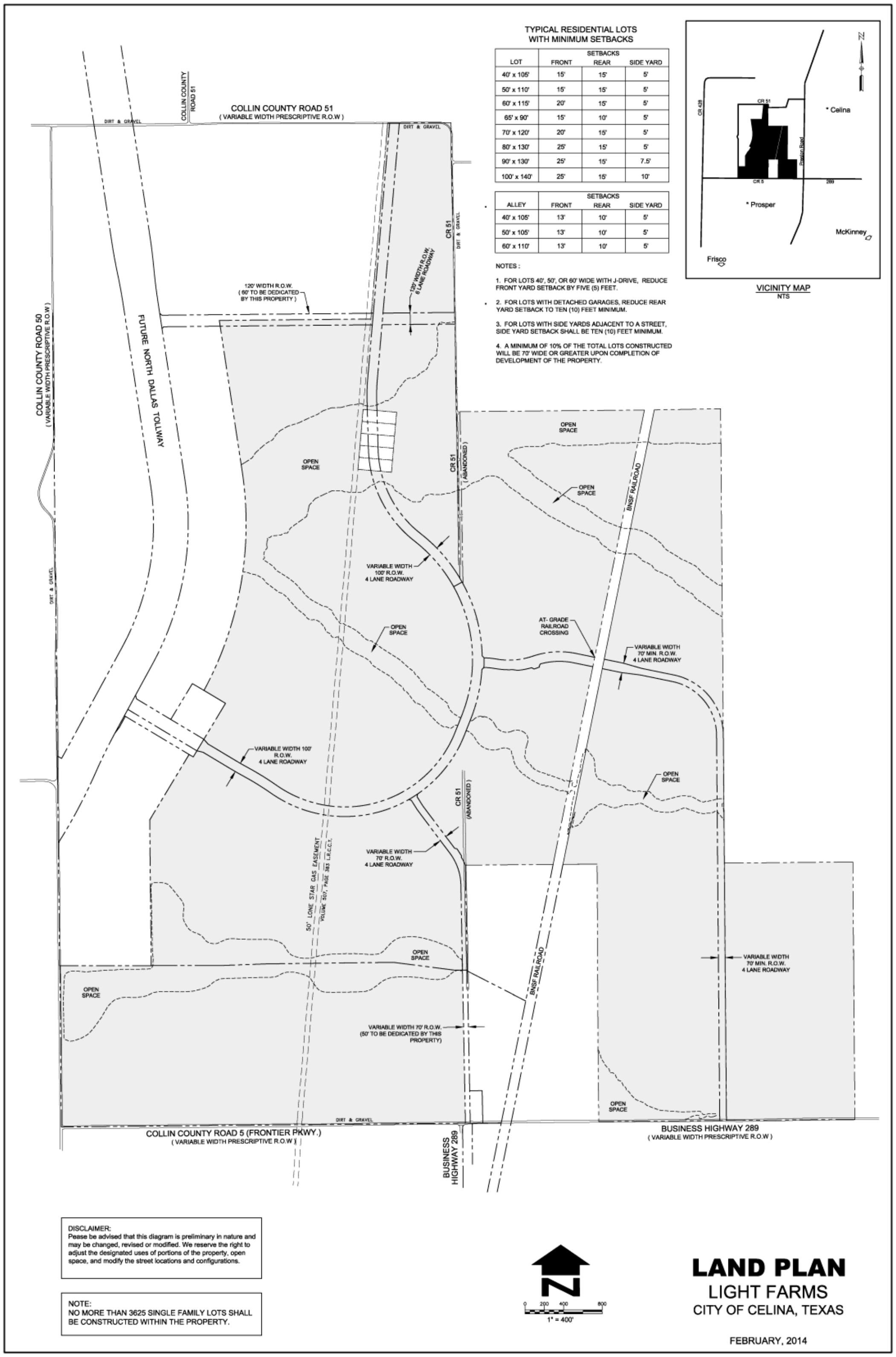
THENCE westerly along said curve to the right, an arc distance of 772.80 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the point of reverse curvature of a curve to the left having a central angle of 28 degrees 09 minutes 19 seconds, a radius of 455.00 feet and being subtended by a 221.34 foot chord which bears North 87 degrees 58 minutes 01 second West;

THENCE westerly along said curve to the left, an arc distance of 223.59 feet to a 5/8 inch iron rod set with plastic cap stamped “Huitt-Zollars” at the point of reverse curvature of a curve to the right having a central angle of 14 degrees 25 minutes 49 seconds, a radius of 395.00 feet and being subtended by a 99.22 foot chord which bears South 85 degrees 10 minutes 14 seconds West;

THENCE westerly along said curve to the right, an arc distance of 99.48 feet to the POINT OF BEGINNING and containing 35.22 acres of land, more or less.

The basis of bearings described hereon are N.A.D. 1983 tied to Texas State Plane Coordinate System of 1983, North Central Zone (4202).

Exhibit L
New Appendix 1



TYPICAL RESIDENTIAL LOTS WITH MINIMUM SETBACKS

LOT	SETBACKS FRONT	REAR	SIDE YARD
40' x 105'	15'	15'	5'
50' x 110'	15'	15'	5'
60' x 115'	20'	15'	5'
65' x 90'	15'	10'	5'
70' x 120'	20'	15'	5'
80' x 130'	25'	15'	5'
90' x 130'	25'	15'	7.5'
100' x 140'	25'	15'	10'

ALLEY	SETBACKS FRONT	REAR	SIDE YARD
40' x 105'	13'	10'	5'
50' x 105'	13'	10'	5'
60' x 110'	13'	10'	5'

NOTES :

1. FOR LOTS 40', 50', OR 60' WIDE WITH J-DRIVE, REDUCE FRONT YARD SETBACK BY FIVE (5) FEET.
2. FOR LOTS WITH DETACHED GARAGES, REDUCE REAR YARD SETBACK TO TEN (10) FEET MINIMUM.
3. FOR LOTS WITH SIDE YARDS ADJACENT TO A STREET, SIDE YARD SETBACK SHALL BE TEN (10) FEET MINIMUM.
4. A MINIMUM OF 10% OF THE TOTAL LOTS CONSTRUCTED WILL BE 70' WIDE OR GREATER UPON COMPLETION OF DEVELOPMENT OF THE PROPERTY.

Planning and Development Services
City of Celina, Texas

Memorandum

To:	**Honorable Mayor Terry and the Celina City Council**
From:	Brooks Wilson, Senior Planner
CC:	Mike Foreman, City Manager
Date:	November 10, 2015
Re:	CR 84 Annexation Ordinance

Action Requested:

Consider and act to institute the annexation of certain territory contiguous to and adjoining the City of Celina, Texas, to wit: being an approximately 4.203 acre tract of land located in the Jonathan Westover Survey, Abstract No. 1030 and the McKinzie Wilhite Survey, Abstract No. 1008 Collin County, Texas, such tract is generally CR 84. (Liebman)

Background Information:

The property will be contiguous to current city limits following the annexation of Wells South.

Notification:

- ~~September 8, 2015 Council passed resolution setting date and time of the two public hearings.~~
- ~~September 25, 2015 Notice of public hearing published~~
- ~~September 25, 2015 Notice of annexation sent to school districts and utilities~~
- ~~September 25, 2015 Notice of public hearing posted on City website~~
- ~~October 13, 2015 Council held two (2) public hearings~~
- November 10, 2015 Council to consider annexation ordinance

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Legal Review:

The City Attorney has reviewed the annexation ordinance and found it acceptable.

Supporting Documents:

- Annexation Ordinance

Staff Recommendation:

Staff recommends approval.

Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Brooks Wilson, Senior Planner
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: CR 83 Annexation Ordinance

Action Requested:

Consider and act to institute the the annexation of certain territory contiguous to and adjoining the City of Celina, Texas, to wit: being a +-11.05 acre strip of CR83 right of way adjacent to Wells South, situated in the William Wilhite Survey, Abstract No. 1002, the Lindsey Lewis Survey, Abstract No. 532, and the Jonathan Westover Survey, Abstract No. 1030, Collin County, Texas; such tract is generally a portion of CR 83. (Liebman)

Background Information:

The property will be contiguous to current city limits following the annexation of Wells South.

Notification:

- ~~September 8, 2015 Council passed resolution setting date and time of the two public hearings.~~
- ~~September 25, 2015 Notice of public hearing published~~
- ~~September 25, 2015 Notice of annexation sent to school districts and utilities~~
- ~~September 25, 2015 Notice of public hearing posted on City website~~
- ~~October 13, 2015 Council held two (2) public hearings~~
- November 10, 2015 Council to consider annexation ordinance

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Legal Review:

The City Attorney has reviewed the annexation ordinance and found it acceptable.

Supporting Documents:

- Annexation Ordinance

Staff Recommendation:

Staff recommends approval.

Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Ben Rodriguez, Planner
CC: Mike Foreman, City Manager
Date: November 10, 2015
Re: May Tract Annexation Resolution

Action Requested:

Consider and act upon a resolution of the City Council of the City of Celina, Texas, setting a date, time and place (Monday December 7, 2015 at 6:00 PM & Monday December 7, 2015 at 6:05 PM) for public hearings on the proposed annexation of 45.311 Acres situated in the Thomas Stayton Survey, Abstract 0806, Tract 2. (Liebman)

Background Information:

Below is the anticipated annexation schedule for the properties listed in Exhibit "A"

The properties have an agricultural exemption. A pre-annexation agreement was offered to the owner and has been declined.

- November 10, 2015 - City Council acts on Resolution to set the public hearing dates.
- December 7, 2015 - Two separate public hearings are held on the same night (6:00pm &6:05pm @ 112 N. Colorado Dr. Celina, Texas.)
- January, 12 2015 - City Council acts on Ordinance annexing the properties listed in Exhibit "A"

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City's land use attorney assisted during the pre-annexation process.

Supporting Documents:

- Proposed resolution

Staff Recommendation:

Staff recommends that the item be approved as presented

CITY OF CELINA
RESOLUTION NO. 2015-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, SETTING A DATE, TIME, AND PLACE FOR PUBLIC HEARINGS ON A PROPOSED ANNEXATION OF CERTAIN PROPERTIES BY THE CITY AND AUTHORIZING AND DIRECTING THE CITY SECRETARY TO PUBLISH NOTICE OF SUCH PUBLIC HEARINGS AND AUTHORIZING CITY STAFF TO TAKE ALL NECESSARY ACTION TO FULFILL THE REQUIREMENTS OF THE MUNICIPAL ANNEXATION ACT.

WHEREAS, the City of Celina, Texas (the "City") is a Home Rule municipality located in Collin County, Texas, and Denton County, Texas created in accordance with the provisions of the Texas Local Government Code and operating pursuant to the Celina Home Rule Charter; and

WHEREAS, the City of Celina is provided the power to annex land under its Home Rule Charter and Section 43.021 of the Texas Local Government Code pursuant to the requirements and limitations set forth in state law; and

WHEREAS, the City of Celina has determined that it is in the best interest of the City and its citizens to consider the potential annexation of certain properties that are located within the City's extraterritorial jurisdiction; and

WHEREAS, the City of Celina desires to start the process that will enable the City, should it so desire, to annex the properties referenced in Exhibit "A" into the City of Celina, call two public hearings, and set a proposed annexation proceedings schedule.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS;

I. That on Monday, the 7^{h} day of December, 2015 at 6:00 p.m. and on Monday, the 7th day December, 2015 at 6:05 p.m., at 112 N. Colorado, Celina, Texas 75009. The City Council will hold public hearings giving all interested persons the right to appear and be heard on the proposed annexations by the City of Celina of the properties more particularly described on the attached Exhibit "A"

II. That the City Secretary is hereby authorized and directed to cause notice of each public hearing to be published once in a newspaper having general circulation in the City and in the territories described in Exhibit "A" not more than twenty (20) days, nor less than ten (10) days prior to the date of such public hearing, in accordance with the Municipal Annexation Act.

PASSED AND APPROVED by the City Council of the City of Celina, Texas, this the 10th day November, 2015.

____
SEAN TERRY, MAYOR

____
VICKI FAULKNER, CITY SECRETARY

EXHIBIT "A"
Property Description

Abs A0806 Thomas Stayton Survey, Tract 2, 45.311 Acres