



**NOTICE OF
CITY COUNCIL REGULAR MEETING
CITY COUNCIL CHAMBERS 112 N. COLORADO ST, CELINA, TX 75009
TUESDAY, JUNE 14, 2016 AT 5:00 PM**

AGENDA

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

II. WORKSESSION/COMMITTEE REPORTS/STAFF REPORTS:

- A. Police Department update (Griggs)
- B. Farmer's Market update (Bise)

III. EXECUTIVE SESSION:

The Celina City Council will convene into Executive Session pursuant to Texas Government Code 551.074, Personnel Matters, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

- A. City Manager

Reconvene into Open Session

- B. Consider and act upon any items discussed in executive session.

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

V. PROCLAMATIONS/PRESENTATIONS/OATHS OF OFFICE:

- A. Recognitions

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 - May 10, 2016 5:00 PM
 - 2. City Council - Canvass - May 18, 2016 4:00 PM
 - 3. City Council - Special Meeting - May 31, 2016 5:30 PM
 - 4. City Council - Special Meeting - Jun 6, 2016 5:30 PM
- B. Consider and act upon a contract by and between the City of Celina and Specialty Land Services, LLC for Professional Services related to Easement and Right-of-Way . (Johnson)
- C. Consider and act upon a contract change order by and between the City of Celina and Freese and Nichols, Inc for a time extension of the current on-call engineering services contract. (Johnson)
- D. Consider and act to authorize the City Manager to execute a contract Change Order No. 4 with Wilson Contractor Services in the amount of \$330,214.18 for construction of the Sewer Siphon for Hillwood South Subdivision. (Johnson)
- E. Consider and act upon a Financial Advisory Agreement by and between the City of Celina and First Southwest. (Toutouchian)
- F. Consider and act upon a Resolution of the City Council of the City of Celina, Texas, setting a date time and place (July 12, 2016 at 6:00 p.m. and July 19, 2016 at 5:30 p.m. for Public Hearings on the proposed voluntary 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. The properties are described as follows: a ±76.551 acre tract of land situated in the B.B.B. & C.R.R. Survey, Abstract No. 130, Tract 14 and generally located north of CR 130, and east of CR 132; and the proposed annexation of portions of right-of-way adjacent to the O'Donnell Equestrian Tract: being a 1.31 acre strip of land in the William Stapp Survey, Abstract No. 834 (CR 128) and being a 1.14 acre strip of land in the Benjamin Haile Survey, Abstract No. 397 (CR 130), within the extraterritorial jurisdiction of the City of Celina, Collin County, Texas. (O'Donnell Equestrian Tract and ROW Annexation) (Liebman)
- G. Consider and act to set Public Hearing dates on July 12, 2016 at 6:00 p.m. and July 12, 2016 at 6:05 p.m. for two tracts of city land within the extraterritorial jurisdiction of the City of Celina, Collin County, Texas and described as follows: being a 4.006 acre tract of land situated in the Henry Bentley Survey, Abstract No. 124, Collin County, Texas, and generally located at the southwest corner of FM 455 and FM 428; and being a 14.974 acre tract of land situated in the Henry Bentley Survey, Abstract No. 124, Collin County, Texas and generally located on the south side of FM 455 and west of FM 428. (City Land Annexations) (Liebman)
- H. Consider and act upon a Chapter 43 Pre-Annexation Agreement between the City of Celina, Texas and A.J. McKnight for approximately 62.72 acres situated in the C. P. Rice Survey, Abstract No. 771, Tract 8. (McKnight Pre-Annexation Agreement) (Liebman)

- I. The Celina City Council will conduct a public hearing to consider testimony and act upon a Construction Replat for Lot 1R, Block 11 of the Old Donation Addition, being a replat of Lot 1, Block 11 of the Old Donation Addition, approximately 1.855 acres situated in the JK Rice Survey, Abstract No. 767. The property is generally located at the southwest corner of Malone Street, and Oklahoma Drive. (BGREA Replat) (Liebman)
- J. Consider and act upon a resolution renaming G-Bar 7 Public Improvement District as Glen Crossing Public Improvement District. (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, 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 approximately 51.418 acres situated in the Coleman Watson Survey, Abstract No. 945, Collin County, Texas and the approximately 30 foot wide strip of right-of-way of FM 2478 (Custer Road) adjacent to Rolling Meadows; as described in Exhibit "A" and depicted in Exhibit "B" attached hereto and incorporated herein to be zoned "SF-E" Single Family Estate Zoning District. (Rolling Meadows) (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, 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 165 acres situated in the Joab H. Biggs Survey, Abstract No. 52, the George Jay Survey, Abstract No. 488, the Larkin M. Boyd Survey, Abstract No. 48, and the Samuel Queen Survey, Abstract No. 732, Collin County, Texas and the approximately 30 foot wide strip of right-of-way of adjacent to DC Ranch along CR 134 and CR 97, Collin County, Texas; as described in Exhibit "A" and depicted in Exhibit "B" attached hereto and incorporated herein to be zoned "SF-E" Single Family Estate Zoning District. (DC Ranch rezoning) (Liebman)
- C. The Celina City Council will conduct a public hearing to consider testimony and take action regarding a Development Agreement for Ownsby Farms, being a ±113.548 acre tract of land located in the Collin County School Land Survey #14, Abstract No. 167 Celina, Texas. The property is generally located west of SH 289 (Preston Road), north of Frontier Parkway (FM 1461), and south of CR 53. (Ownsby Farms) Liebman
- D. The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance amending the City's Code of Ordinances, Chapter 14: Zoning, Article 14.03.015: OT-R, Old Town Residential District, to amend the development standards for front yard setbacks. (Old Town Residential)
- E. The Celina City Council will conduct a public hearing to consider testimony and take action regarding an Amended and Restated Development Agreement for Glen Crossing, being an approximately 119.138 acre tract of land located in the Collin County School Land Survey, Abstract No. 167 Celina, Texas and generally located south of CR 55, north of CR 53, east of CR 52 and west of CR 1117, on a tract of land situated in the Collin County School Land Survey, Abstract No. 167 Collin County, Texas. (G-Bar 7/ Glen Crossing Development Agreement) Liebman

- F. The Celina City Council will conduct a public hearing to provide reasonable opportunity for any owner of property within the proposed Glen Crossing Tax Increment Reinvestment Zone Number Six to protest the inclusion of their property within the proposed reinvestment zone, which consists of an approximately 41.499 acre tract of land. The property is generally located south of CR 55, north of CR 53, east of CR 52 and west of CR 1117, on a tract of land situated in the Collin County School Land Survey, Abstract No. 167 Collin County, Texas. (G-Bar 7/Glen Crossing TIRZ Public Hearing) (Liebman)

IX. ACTION ITEM:

- A. Consider and act upon an ordinance of the City Council of the City of Celina, Texas, designating a contiguous geographic area within the City as a Tax Increment Reinvestment Zone pursuant to Chapter 311 of the Texas Tax Code, to be known as Reinvestment Zone Number Six, City of Celina, (the “Zone”) describing the boundaries of the zone; creating a Board of Directors for the Zone; establishing a Tax Increment Fund of the Zone; containing findings related to the creation of the Zone; providing a date for the termination of the Zone; providing that the Zone take effect immediately upon passage of the Ordinance. The zone is comprised of an approximately 41.499-acre tract of land located in the Collin County School Land Survey, Abstract No. 167 (Glen Crossing TIRZ) (Liebman)
- B. Consider and act upon a resolution determining the costs of authorized improvements for the Glen Crossing Public Improvement District, calling for a public hearing for July 12, 2016 on the PID Levy and Assessment, approving the preliminary Service and Assessment Plan and proposed assessment roll, and directing notice of the July 12, 2016 public hearing, for property generally located south of CR 55, north of CR 53, east of CR 52 and west of CR 1117, on a tract of land situated in the Collin County School Land Survey, Abstract No. 167 Collin County, Texas; consisting of a ±109.090 acre tract of land, setting a levy and assessment date for July 12, 2016. (G-Bar 7/Glen Crossing) (Liebman)
- C. 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 2016 (Glen Crossing Public Improvement District Phase #1 Project); and resolving other matters incident and related thereto. (Toutounchian)
- D. Consider and act upon a resolution setting a public hearing to revise the percentage of Tax Increment contributed by taxing units to Reinvestment Zone Number Six, City of Celina; and directing notice of the July 12, 2016 public hearing.(G-Bar 7/Glen Crossing) (Liebman)
- E. Consider and act upon an ordinance annexing an approximately 10 acre tract of land situated in the McKinzie Wilhite Survey, Abstract No. 1008, Collin County, Texas and generally located north of CR 84, south of CR 88, and west of CR 86. (Farmers Bank Tract) (Liebman)
- F. Consider and act upon a Final Plat for Light Farms, Hawthorne Phase II Neighborhood Final Plat, being approximately 7.16 acres situated in the John Ragsdale Survey, Abstract No. 734, and comprising thirty two (32) residential lots and one (1) open space lot. The property is generally located north of Frontier Parkway, south of Light Farms Way and west of the BNSF Railroad. (Light Farms)

- G. Consider and act upon a Final Plat for Light Farms, Hazel Neighborhood Phase II Final Plat, being approximately 3.69 acres situated in the John Ragsdale Survey, Abstract No. 734, and comprising fourteen (14) residential lots. The property is generally located north of Frontier Parkway, south of Light Farms Way and west of the BNSF Railroad. (Light Farms)
- H. Consider and act upon a Final Plat for Mustang Lakes Phase 1, approximately 172.521 acres situated in the Coleman Watson Survey, Abstract No. 945, containing 335 residential lots and twenty (20) common area lots, and generally located north of FM 1461 (Frontier Parkway) and west of FM 2478 (Custer Road). (Mustang Lakes Phase 1 Final Plat) (Liebman)
- I. Consider and act upon a Final Plat for Celina Village, being approximately 3.596 acres situated in the John Willock Survey, Abstract No. 1055, and comprising eighteen (18) residential lots and one (1) HOA lot, the property is generally located north of FM 455, south of CR 994, east of North Florida Dr., and west of Business 289. (Celina Village)
- J. Consider and act upon a resolution setting a date, time and place (Tuesday, July 12, 2016 at 6:00 PM & Tuesday, July 12, 2016 at 6:05 PM @ 112 N. Colorado Dr., Celina, TX 75009) for public hearings on the proposed involuntary annexation of a ± 119.244 acre tract of land situated in the Levin Routh Survey, Tract 2, Collin County Texas The property is contiguous to and adjoining the City and are generally located on the approximate Southeast corner of CR 87 & CR 90 (Celina/Coit Road, LLC. Annexation) Liebman
- K. Consider and act upon a resolution setting a date, time and place (Tuesday, July 12, 2016 at 6:00 PM & Tuesday, July 19, 2015 at 5:30 PM at 112 N. Colorado Dr., Celina, Tx 75009) for public hearings on the proposed involuntary annexations of a ± 1.39 acre tract of land situated in the Swanner Addition, Block A, Lot 1, Collin County, Texas; a ± 4.563 acre tract of land situated in the Edgemon Addition Block A, Lots 1 & 2, Collin County, Texas; a ± 2.5 acre tract of land situated in the Coleman Watson Survey, Abstract No. 945, Collin County, Texas; and a ± 2.5 acre tract of land situated in the Coleman Watson Survey, Abstract No. 945, Collin County, Texas. The property is contiguous to and adjoining the City and are generally located on the Northwest corner of FM 1461 (Frontier Parkway) & FM 2478 (Custer Road) (Custer Road Annexations) Liebman
- L. Consider and act upon an ordinance amending the City's Code of Ordinances,; Chapter 1, Article 1.11, Parks and Recreation, Division 2, Park Rules, Section 1.11.035, Unlawful Acts; Chapter 4, Business Regulations, Article 4.02, Alcoholic Beverages; and Chapter 8, Offenses and Nuisances, to amend and consolidate the City's alcohol regulations (Liebman).
- M. Consider and act upon offers from Gene Grimes to purchase the following delinquent tax properties: 1) 601 W. Elm Street for \$5,000.00 and, 2) 204 S. Arkansas for \$15,000.00. (Toutouchian)

X. ADJOURNMENT:

City Council Chambers is wheelchair accessible. Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf, or hearing impaired, or readers of large print, are requested to contact the City Secretary's Office at 972-382-2682, or fax 972-382-3736 at least two (2) working days prior to the meeting so that appropriate arrangements can be made.

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
City Secretary, City of Celina, TX

Date Notice Removed



**NOTICE OF
CITY COUNCIL REGULAR MEETING
CITY COUNCIL CHAMBERS 112 N. COLORADO ST, CELINA, TX 75009
TUESDAY, MAY 10, 2016 AT 5:00 PM**

MINUTES

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

Mayor Sean Terry called the meeting to order at 5:05 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	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. Employee recognitions (Foreman)

City Manager Mike Foreman recognized the following employees: Haley Norris-Texas Municipal Human Resource Association Rising Star Award, Helen-Eve Liebman-Director of the Year and Michael Montgomery-Employee of the Year.

B. Budget update (Toutounchian)

Director of Finance Jay Toutounchian presented a six month budget update.

C. Engineering update (Johnson)

Director of Public Works Gabe Johnson updated the city council on current road work and the southeast sector water and sewer line project.

D. Discussion regarding any and/or all agenda items

No other items were discussed. Mayor Terry called a recess at 5:19 PM.

III. EXECUTIVE SESSION:

No executive session was held.

A. Reconvene into open session to consider and act upon any items discussed in executive session.

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

Minutes Acceptance: Minutes of May 10, 2016 5:00 PM (Minutes Approval)

The City Council reconvened at 6:00 PM. Mayor Terry led the pledges of allegiance. Corbett Howard gave the invocation.

V. PROCLAMATIONS/PRESENTATIONS/OATHS OF OFFICE:

A. Punk Carter Parkway sign presentation

Mayor Terry presented Mr. and Mrs. Carter with a Punk Carter Parkway city road sign and thanked them for their service to the community.

B. Building Safety Month Proclamation

Mayor Terry read the proclamation and recognized employees involved with building safety: Joel Huff, Carlos Franzen, Mark Metdker, Ben Rodriguez and Keith Brumfield.

C. Veterans and Military Appreciation Month Proclamation

Mayor Terry read the proclamation and recognized Celina Police Officer Tim Hale for his service to our country.

D. Public Works Week Proclamation

Mayor Terry read the proclamation and recognized public works employees present: Gabe Johnson, Alan Fourmentin, Andrew Moore, Ector Arguello, David Stone and Nathan Morales.

E. Recognize Cajun Fest sponsors

Sponsors will be recognized next month.

VI. OPEN FORUM:

No public comment was received.

VII. CONSENT AGENDA:

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

A. Minutes Approval:

1. City Council - Regular Meeting - Apr 12, 2016 5:00 PM
2. City Council - Public Hearing and Special Meeting - Apr 19, 2016 5:30 PM

B. Consider and act upon a resolution of the City of Celina, Texas, authorizing the creation of the North Central Texas Region 9-1-1 Emergency Communications District. (Metdker)

(2016-27R)

C. Consider and act to authorize the City Manager to execute a settlement and release agreement between the City of Celina, Texas, and Sensus USA Inc., upon final approval of terms. (Montgomery)

Minutes Acceptance: Minutes of May 10, 2016 5:00 PM (Minutes Approval)

- D. Consider and act upon an ordinance of the City Council of the City of Celina, Texas, approving a negotiated settlement between the Atmos Cities Steering Committee (“ACSC”) and Atmos Energy Corp., Mid-Tex Division regarding the company’s 2016 rate review mechanism filings; declaring existing rates to be unreasonable; adopting tariffs that reflect rate adjustments consistent with the negotiated settlement; finding the rates to be set by the settlement tariffs to be just and reasonable and in the public interest; requiring the company to reimburse ACSC’s reasonable ratemaking expenses; determining that this ordinance was passed in accordance with the requirements of the Texas Open Meetings Act; adopting a savings clause; declaring an effective date; and requiring delivery of this ordinance to the company and the ACSC’s legal counsel. (Foreman)

(2016-34)

- E. Consider and act upon a contract amendment by and between the City of Celina and Upper Trinity River Water District to the Northeast Regional Water Reclamation System Contract. (Johnson)

VIII. PUBLIC HEARING/ACTION:

- A. The Celina City Council will conduct two public hearings on the proposed involuntary annexation of a ±10 acre tract of land situated in the McKinzie Wilhite Survey, Abstract No. 1008 in Collin County, Texas and generally located north of CR 84, south of CR 88, and west of CR 86. (Farmers Bank Tract) (Liebman)

Mayor Terry opened the first hearing at 6:20 PM. No public comment was received. Mayor Terry closed the hearing at 6:21 PM. Mayor Terry opened the second hearing at 6:21 PM. No public comment was received. Mayor Terry closed the hearing at 6:21 PM.

- B. The Celina City Council will conduct a public hearing to consider testimony and take action upon an ordinance amending the City’s Code of Ordinances Chapter 14: Zoning, Article 14.03.010: SF-E, Single-family Estate Residential District, to reinstate this zoning district with modifications. (Single-family Estate Residential District) (Liebman)

Mayor Terry opened the hearing at 6:21 PM. No public comment was received. Mayor Terry closed the hearing at 6:22 PM. (2016-35)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Erik Geiger, Place 1
SECONDER:	Chad Anderson, Place 6
AYES:	Nabors, Roberts, Vaden, Anderson, Hopkins, Geiger

- C. The Celina City Council will conduct a public hearing to consider testimony and take action regarding a Development Agreement for Ownsby Farms, being a ±113.548 acre tract of land located in the Collin County School Land Survey #14, Abstract No. 167 Celina, Texas. The property is generally located west of SH 289 (Preston Road), north of Frontier Parkway (FM 1461), south and east of CR 53. (Ownsby Farms) Liebman

RESULT:	NO ACTION
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IX. ACTION ITEM:

Minutes Acceptance: Minutes of May 10, 2016 5:00 PM (Minutes Approval)

- A. Consider and act upon a Construction Plat for Lot 1, Block 1, of the Tractor Supply Addition, approximately 4.029 acres. The property is situated in the Collin County School Land Survey #14, Abstract No. 167 and is generally located east of Business 289, south of Ash Street, and west of Preston Road. (Tractor Supply) (Liebman)

Councilwoman Roberts moved to approve item A as presented (with staff recommendations).

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

- B. 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 phase one and phase two of DC Ranch a residential subdivision situated in Collin County, Texas, being a 165.927 acre tract of land situated in the Joab h. Biggs Survey, Abstract No. 52, The George Jay Survey, Abstract No. 488, The Larkin M. Boyd Survey, Abstract No. 48 and The Samuel Queen Survey, Abstract No. 732 within the Extraterritorial Jurisdiction of The City of Celina, Texas. The property is generally located at the southeast corner of CR 97 (Future Coit Road) and CR 134. (DC Ranch) (Liebman)

(2016-36)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Wayne Nabors, Place 2
SECONDER:	Carmen Roberts, Place 4
AYES:	Nabors, Roberts, Vaden, Anderson, Hopkins, Geiger

- C. Consider and act upon an agreement to extend the deadline for closing on property contained in the "Development Agreement" between Wynne Jackson, Inc., and the City of Celina dated April 12, 2016 for the G Bar 7 development. (G-Bar 7) (Liebman)

Councilman Geiger moved to approve item C and extend the agreement an additional 45 days.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Erik Geiger, Place 1
SECONDER:	Chad Anderson, Place 6
AYES:	Nabors, Roberts, Vaden, Anderson, Hopkins, Geiger

- D. Consider and act upon a resolution cancelling the previously called public hearing and 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 generally located at the southwest corner of County Road 55 and County Road 1117 and consisting of approximately ±41.499 acres of land located in the Collin County School Land Survey #14, Abstract No. 167; 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. (G Bar 7 TIRZ) (Liebman)

(2016-28R)

Minutes Acceptance: Minutes of May 10, 2016 5:00 PM (Minutes Approval)

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

- E. Consider and act upon the institution of annexation for portions of right-of-way adjacent to the annexation for the O'Donnell Tract: being a 1.315 acre strip of land in the William Stapp Survey, Abstract No. 834 (CR 128); being a 1.231 acre strip of land in the Benjamin Haile Survey, Abstract No. 397 (CR 130 – west portion); being a 1.147 acre strip of land in the Benjamin Haile Survey, Abstract No. 397 and the William Stapp Survey, Abstract No. 834 (CR 130 – east portion); being a 0.491 acre strip of land in the B.B.B. and C.R.R. Company Survey, Abstract No. 130 (CR 131); being a 1.314 acre strip of land in the Benjamin Haile Survey, Abstract No. 397 and the B.B.B. and C.R.R. Company Survey, Abstract No. 130 (CR 132); and being a 0.843 acre strip of land in the John Culwell Survey, Abstract No. 208 (CR 133). (O'Donnell ROW Institution) (Liebman)

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

- F. Consider and act upon a resolution of the City Council of the City of Celina, Texas finding that a public necessity exists to acquire sanitary sewer easements in real property generally described as being part of lot 26b, Preston Hills Addition replat, Jonathan Westover survey, abstract no. 1030 as recorded in the real property records of Collin County, generally located north of Frontier Parkway (FM 1461) and east of Preston Hills Circle; providing notice of an official determination to acquire real property for sanitary sewer easements; authorizing the City Manager to obtain the necessary appraisal reports and make bona fide offers of just compensation for the easements; authorizing legal counsel to institute eminent domain proceedings on behalf of the City for the acquisition of easements on said tracts if negotiations are unsuccessful; appropriating funds from a lawful source; and providing for an effective date. (Johnson)

(2016-29R) Councilwoman Roberts moved that the City of Celina authorize the use of the power of eminent domain to acquire a sanitary sewer easement and a temporary construction easement on real property generally described as being part of Lot 26B, Preston Hills Addition Replat, Jonathan Westover Survey, Abstract No. 1030 for installation, use and maintenance of a pipeline with such appurtenant facilities as may be necessary, facilitating sewage collection, drainage, treatment, disposal, and/or emptying and other public uses. Mayor Terry called the roll for a vote.

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

- G. Consider and act to sponsor Celina Bobcat Project Graduation event for high school seniors. (Vaden)

Councilman Nabors moved to approve item G for \$500.00.

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

X. ADJOURNMENT:

There being no further comment Mayor Terry adjourned the meeting at 6:38 PM.

Sean Terry, Mayor

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

Date Minutes Approved

Minutes Acceptance: Minutes of May 10, 2016 5:00 PM (Minutes Approval)



**NOTICE OF
CITY COUNCIL CANVASS
CITY HALL LOBBY CONFERENCE ROOM 142 N. OHIO DRIVE, CELINA, TX 75009
WEDNESDAY, MAY 18, 2016 AT 4:00 PM**

MINUTES

I. CALL TO ORDER:

Mayor Terry called the canvass to order at 4:00 PM.

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

II. CANVASS:

1. Consider and act upon approval of canvass documents for the May 7, 2016, General Election results and an ordinance of the City Council of the City of Celina, Texas canvassing the results of the Special Election held on May 7, 2016; and adopting the amendments to the City of Celina Charter. Faulkner

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Chad Anderson, Place 6
SECONDER:	Sean Terry, Mayor
AYES:	Anderson, Terry
ABSENT:	Nabors, Roberts, Vaden, Hopkins, Geiger

III. ADJOURN:

There being no further comment. Mayor Terry adjourned the canvass at 4:01 PM.

Sean Terry, Mayor

Minutes Acceptance: Minutes of May 18, 2016 4:00 PM (Minutes Approval)

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

Date Minutes Approved

Minutes Acceptance: Minutes of May 18, 2016 4:00 PM (Minutes Approval)



**NOTICE OF
CITY COUNCIL SPECIAL MEETING
CELINA COUNCIL CHAMBERS 112 N. COLORADO ST., CELINA, TX 75009
TUESDAY, MAY 31, 2016 AT 5:30 PM**

MINUTES

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

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	Present	
Chad Anderson	City of Celina	Place 6	Present	
Andy Hopkins	City of Celina	Place 3	Present	
Bill Webber	City of Celina	Place 1	Present	
Sean Terry	City of Celina	Mayor	Present	

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

II. EXECUTIVE SESSION:

City Council convened into closed session at 5:31 PM with City Attorney Lance Vanzant

The Celina City Council will convene into Executive Session pursuant to Texas Government Code 551.074, Personnel Matters, to deliberate the the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee and 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. City Manager
- B. Marketing Director
- C. Consider and act upon matters discussed in executive session

City Council reconvened into open session at 6:20 PM. No action was taken out of executive session.

III. PUBLIC HEARING AND ACTION ITEMS::

Minutes Acceptance: Minutes of May 31, 2016 5:30 PM (Minutes Approval)

1. 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 (the “City”) and the Celina Partners, LTD, a Texas limited partnership Legacy Equestrian Center, LLC, a Texas limited liability company, and Patricia Deason (collectively known as the “Owner”). The property is a ±642 acre tract of land located within the extraterritorial jurisdiction of the City of Celina, Collin County, Texas. The property is generally located north of CR 130, south of CR 134, and east of CR 101, within the extraterritorial jurisdiction of the City of Celina, Collin County, Texas. (O’Donnell Development Agreement) (Liebman)

Mayor Terry opened the public hearing at 6:20 PM. Phil Jones of 1038 CR 106 spoke in support of the project. Mayor Terry closed the hearing at 6:24 PM.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Bill Webber, Place 1
SECONDER:	Carmen Roberts, Place 4
AYES:	Nabors, Roberts, Vaden, Anderson, Hopkins, Webber

2. Consider and act upon an ordinance annexing certain territory contiguous to and adjoining the City of Celina, Texas, to wit: being a ±641.3 acre tract of land situated in the John Culwell Survey, Abstract No. 208, the Hezekiah Culwell Survey, Abstract No. 186, the B.B.B. & C.R.R. Survey, Abstract Nos. 129 and 130, and the George Jay Survey, Abstract No. 488, 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, and generally located north of CR 130, south of CR 134, and east of CR 101, within the extraterritorial jurisdiction of the City of Celina, Collin County, Texas. (O’Donnell Annexation) (Liebman)

(2016-38)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Bill Webber, Place 1
SECONDER:	Chad Anderson, Place 6
AYES:	Nabors, Roberts, Vaden, Anderson, Hopkins, Webber

3. Consider and act upon an ordinance annexing certain territory contiguous to and adjoining the City of Celina, Texas, to wit: being a 1.31 acre strip of land in the William Stapp Survey, Abstract No. 834 (CR 128), being a 1.23 acre strip of land in the Benjamin Haile Survey, Abstract No. 397 (CR 130 – west portion), being a 1.14 acre strip of land in the Benjamin Haile Survey, Abstract No. 397 (CR 130 – east portion), being a 0.491 acre strip of land in the B.B.B. and C.R.R. Co. Survey, Abstract No. 130 (CR 131), being a 1.314 acre strip of land in the Benjamin Haile Survey, Abstract No. 397 and the B.B.B. and C.Ry. Co. Survey, Abstract No. 130 (CR 132), and being a 0.843 acre strip of land in the John Culwell Survey, Abstract No. 208 (CR 133). (O’Donnell Rights-of-Way Annexation) (Liebman)

(2016-39)

Minutes Acceptance: Minutes of May 31, 2016 5:30 PM (Minutes Approval)

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

4. The Celina City Council will conduct a public hearing to consider testimony and take action regarding a Development Agreement for Ownsby Farms, being a ±113.548 acre tract of land located in the Collin County School Land Survey #14, Abstract No. 167 Celina, Texas. The property is generally located west of SH 289 (Preston Road), north of Frontier Parkway (FM 1461), south and east of CR 53. (Ownsby Farms) Liebman

Councilman Nabors moved to continue this item to the June meeting.

RESULT: TABLED [UNANIMOUS] **Next: 6/14/2016 5:00 PM**
MOVER: Wayne Nabors, Place 2
SECONDER: Bill Webber, Place 1
AYES: Nabors, Roberts, Vaden, Anderson, Hopkins, Webber

5. Consider and act on a Memorandum of Understanding (MOU) by and between The Parks at Wilson Creek, LP and the City of Celina regarding the financing of infrastructure in support of the development. The Parks at Wilson Creek is an approximately 669.95 acre tract of land situated in the Mary Howell Survey, Abstract No. 395, the Charles Rice Survey, Abstract No. 771, the J.B. Wilmeth Surveys, Abstracts No. 983 and No. 985, the Levin Routh Survey, Abstract No. 779 and the Samuel Queen Survey, Abstract No. 731, Collin County, Texas and generally located east of Preston Road, on the north and south sides of Sunset Boulevard, north of the future alignment of the Collin County Outer Loop, and west of FM 2478 (Custer Road). (Parks at Wilson Creek MOU) (Liebman)

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

6. Presentation of 2016 CIP Plan of Finance. (Sabonis)

Jim Sabonis with First Southwest explained the items to be financed would be general Ad Valorem items, general utility system items and the East Basin water and sewer system.

7. Consider and act upon all matters incident and related to issuing certificates of obligation including a resolution authorizing the publication of a Notice of Intent to issue Certificates of Obligation, Series 2016. (Sabonis)

(2016-30R)

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

IV. ADJOURNMENT:

Minutes Acceptance: Minutes of May 31, 2016 5:30 PM (Minutes Approval)

There being no further comment Mayor Terry adjourned the meeting at 6:50 PM.

Sean Terry, Mayor

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

Date Minutes Approved

Minutes Acceptance: Minutes of May 31, 2016 5:30 PM (Minutes Approval)



**NOTICE OF
CITY COUNCIL SPECIAL MEETING
CITY COUNCIL CHAMBERS 112 N. COLORADO ST, CELINA, TX 75009
MONDAY, JUNE 6, 2016 AT 5:30 PM**

MINUTES

I. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT:

Mayor Terry called the meeting to order at 5:32 PM.

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

II. EXECUTIVE SESSION:

The City Council convened into executive session at 5:33 PM with City Attorney Lance Vanzant.

The Celina City Council will convene into Executive Session pursuant to Texas Government Code 551.074, Personnel Matters, to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee and 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. City Manager

Reconvene into Open Session

The City Council reconvened into open session at 5:51 PM.

B. Consider and act upon items discussed in Executive Session.

Mayor Pro Tem Anderson moved to accept a letter of resignation from Mike Foreman effective 06/10/2016 under the terms discussed in executive session. If not tendered by 06/09/2016, his termination will be effective 06/10/2016.

Minutes Acceptance: Minutes of Jun 6, 2016 5:30 PM (Minutes Approval)

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

III. ADJOURNMENT:

There being no further comment Mayor Terry adjourned the meeting at 5:52 PM.

Sean Terry, Mayor

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

Date Minutes Approved

Minutes Acceptance: Minutes of Jun 6, 2016 5:30 PM (Minutes Approval)



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: June 14, 2016
Re:

Action Requested:

Consider and act upon a contract by and between the City of Celina and Specialty Land Services, LLC for Professional Services related to Easement and Right-of-Way . (Johnson)

Background Information:

This contract will provide for on-call easement and ROW acquisition services. We will start with the offsite Hillwood North easements then move into the remaining water line easements for SE Sector which includes the purchase of a water tower site. Once the easements have been negotiated they payment for the easements will come from different projects.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

Staff is requesting authorization to spend up to \$20,000 with Specialty Land Services for easement and ROW acquisition. Exhibit A of the contract stipulates the fee structure based on a parcel by parcel basis.

Legal Review:

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

Supporting Documents:

Contract

Staff Recommendation:

Approve



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: June 14, 2016
Re:

Action Requested:

Consider and act upon a contract change order by and between the City of Celina and Freese and Nichols, Inc for a time extension of the current on-call engineering services contract. (Johnson)

Background Information:

We have an existing contract with Freese and Nichols for engineering plan reviews. This will extend the contract another 12 months. Costs incurred for by Freese and Nichols for engineering plan reviews are passed onto the developers.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

This is for a time extension only.

Legal Review:

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

Supporting Documents:

1. Change order

Staff Recommendation:

Approve



May 13, 2016

Mr. Jeff Payne, PE
Freese and Nichols, Inc
6136 Frisco Square Blvd.
Suite 200
Frisco, Texas 75034

**AMENDMENT #1 - TIME EXTENSION ONLY
On-Call Professional Services (ENG PLN 2014-10)**

Dear Mr. Payne:

On March 24, 2015 the above-referenced contract was executed which has a current expiration date of May 1, 2016. The City of Celina, in accordance with the terms of the original contract and any subsequent amendments, wishes to extend this contract through May 1, 2017.

This agreement is for an extension of time only and shall result in no increase to the monetary value of the contract. All other provisions not specifically amended remain in full force and effect. If this extension, without increase in monetary value of the contract, is acceptable, indicate your acceptance and acknowledgment by signing below and returning a copy of this document to this office via email, fax, in person or via mail to the appropriate address listed under the signature below, no later than May 20, 2016 in order that this extension may be made effective. Please include a current certificate of liability insurance also.

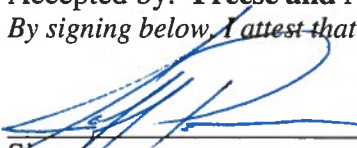
If you have any questions, please call Gabe Johnson, Director of Engineering and Public Works at (972) 382-7659, or via email at gjohnson@celina-tx.gov.

Respectfully,

Mike Foreman, City Manager
City of Celina

Accepted by: **Freese and Nichols, Inc.**

By signing below, I attest that I am acting in an authorized capacity to amend this contract.


Signature

Jeff Payne
Printed Name

jp@freese.com
E-mail address

Principal/Vice President
Title

May 13, 2016
Date

972-624-9216
Phone



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: June 14, 2016
Re:

Action Requested:

Consider and act to authorize the City Manager to execute a contract Change Order No. 4 with Wilson Contractor Services in the amount of \$330,214.18 for construction of the Sewer Siphon for Hillwood South Subdivision. (Johnson)

Background Information:

Change order No. 4 will allow us to bore Wilson Creek to connect a later phase of Hillwood South to the sewer main in the Mustang Lakes subdivision.

Board Review/Citizen Input:

N/A

Alternatives:

If council chooses to not approve the contract change order staff can proceed with the original contract and address the outstanding items at a later date.

Financial Considerations:

The change order will initially be paid by the city and Hillwood will reimburse the cost once they connect to the sewer in a future phase as per the development agreement.

Legal Review:

The City Attorney has reviewed and approved the contract as presented.

Supporting Documents:

-Change Order #4

Staff Recommendation:

Approval



Wilson Contractor Services, LLC
3985 Mingo Rd.
Denton, Texas 76208

940-243-1174 Office
940-898-1175 Fax

WWW.WilsonContractorServices.Com

DATE: 3/5/2016

REV #

Water & Waste Water System Installation

Project Name: Wilson Creek Crossing (Sewer)

Address: 0
Celina, TX

Bid Date/Time:

Quoted To: City of Celina

Drawings By: Pochecho Koch Eng.

Att: Mr. Gabe Johnson

Dated: 12/1/2015

Phone: (972) 382-2682

Addendum Acknowledged:

Fax:

Email:

WCS, LLC Proposes to Furnish and Install Complete in Place per Scope of Work below for the Following Price:

\$330,214.86

Item	Description	Unit	Qty	Unit Item Bid Total	Line Item Total
3	Gravity Sewer System Sta 0+00 to 9+00				
3.1	General Items (Bonding & Insurance Fees, Surveying Fees, Tree Clearing, etc)	L.S.	1.00	\$12,200.00	\$12,200.00
3.2	8" SDR26 PVC Sewer Main	L.F.	1,272.00	\$48.25	\$61,374.00
3.3	6" SDR26 PVC Sewer Main (Double)	L.F.	261.00	\$109.48	\$28,574.28
3.4	27" F679 PVC Sewer Stub Out	L.F.	14.00	\$80.00	\$1,120.00
3.5	Sewer Fittings. 8" & 27" Gasketed Caps, & Siphon fittings	L.S.	1.00	\$850.00	\$850.00
3.6	26" Steel Encasement BOTO	L.F.	179.00	\$430.20	\$77,005.80
3.7	4' Diameter Manholes to 6 VF	Ea.	6.00	\$2,900.00	\$17,400.00
3.8	4' Diameter Manhole Extra Vertical Feet	V.F.	21.00	\$260.00	\$5,460.00
3.9	5' Diameter Manholes to 6VF (Includes Ring and Cover, Vacuum Testing	Ea.	2.00	\$3,400.00	\$6,800.00
3.10.	5' Diameter Manhole Extra Vertical Feet	V.F.	17.00	\$360.00	\$6,120.00
3.11	Pipeline Testing, (TV, Mandrel drag, and Pressure Test	L.F.	1,285.00	\$1.70	\$2,184.50
3.12	Creek Crossing embankment treatment. Includes CI G Concrete Pipe Embedment, Flowable Backfill, and Wall Anchors per plan	L.F.	164.00	\$549.77	\$90,162.28
3.13	Type A Rip Rap, per plan (7' wide, 2vf Depth)	L.S.	1.00	\$5,700.00	\$5,700.00
3.14	Trench Safety	LS	1,272.00	\$12.00	\$15,264.00

Total Quote: \$330,214.86

General Notes:

Project Inclusions:

- a. Installation
- b. WL Hydro-Static Testing
- c. WL Dis-infection
- d.
- e. Compaction as required
- f.

Project Exclusions:

- a.
- b.
- c.
- d.
- e.
- f.
- g.
- h.
- i.

Attachment: Celina RFCO4 swr (1613 : Construction Change Order - SE Sector Water Line CO4)

Prepared By:

A.A. Martinez

4/5/2016

Quote Valid for 60 days

Date



Finance Department
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Vicki Faulkner, City Secretary
Date: June 14, 2016
Re: Financial Advisory Agreement

Action Requested:

Consider and act upon a Financial Advisory Agreement by and between the City of Celina and First Southwest. (Toutounchian)

Background Information:

The difference between this agreement and the previous agreement is in Exhibit A-2, Development Services and Development Debt Instruments. Previously there was a requirement for the developer to pay a \$25,000.00 fee up front while the new agreement allows for a choice to pay it up front or roll it into closing costs of the bond issuance.

Board Review/Citizen Input:

N/A

Alternatives:

Financial Considerations:

Legal Review:

Supporting Documents:

Agreement

Staff Recommendation:

FINANCIAL ADVISORY AGREEMENT

This Financial Advisory Agreement (the "Agreement") is made and entered into by and between City of Celina, Texas (the "Issuer") and FirstSouthwest, a Division of Hilltop Securities Inc. ("FirstSouthwest") effective as of the date executed by the Issuer as set forth on the signature page hereof.

WITNESSETH:

WHEREAS, the Issuer will have under consideration from time to time the authorization and issuance of indebtedness in amounts and forms which cannot presently be determined and, in connection with the authorization, sale, issuance and delivery of such indebtedness, Issuer desires to retain an independent financial advisor; and

WHEREAS, the Issuer desires to obtain the professional services of FirstSouthwest to advise the Issuer regarding the issuance and sale of certain evidences of indebtedness or debt obligations that may be authorized and issued or otherwise created or assumed by the Issuer (hereinafter referred to collectively as the "Debt Instruments") from time to time during the period in which this Agreement shall be effective; and

WHEREAS, FirstSouthwest is willing to provide its professional services and its facilities as financial advisor in connection with all programs of financing as may be considered and authorized by Issuer during the period in which this Agreement shall be effective.

NOW, THEREFORE, the Issuer and FirstSouthwest, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, do hereby agree as follows:

SECTION I DESCRIPTION OF SERVICES

Upon the request of an authorized representative of the Issuer, FirstSouthwest agrees to perform the financial advisory services stated in the following provisions of this Section I; and for having rendered such services, the Issuer agrees to pay to FirstSouthwest the compensation as provided in Section V hereof.

- A. Financial Planning. At the direction of Issuer, FirstSouthwest shall:

Attachment: agreement (1619 : Financial Advisor)

1. Survey and Analysis. Conduct a survey of the financial resources of the Issuer to determine the extent of its capacity to authorize, issue and service any Debt Instruments contemplated. This survey will include an analysis of any existing debt structure as compared with the existing and projected sources of revenues which may be pledged to secure payment of debt service and, where appropriate, will include a study of the trend of the assessed valuation, taxing power and present and future taxing requirements of the Issuer. In the event revenues of existing or projected facilities operated by the Issuer are to be pledged to repayment of the Debt Instruments then under consideration, the survey will take into account any outstanding indebtedness payable from the revenues thereof, additional revenues to be available from any proposed rate increases and additional revenues, as projected by consulting engineers employed by the Issuer, resulting from improvements to be financed by the Debt Instruments under consideration.
 2. Future Financings. Consider and analyze future financing needs as projected by the Issuer's staff and consulting engineers or other experts, if any, employed by the Issuer.
 3. Recommendations for Debt Instruments. On the basis of the information developed by the survey described above, and other information and experience available, submit to the Issuer recommendations regarding the Debt Instruments under consideration, including such elements as the date of issue, interest payment dates, schedule of principal maturities, options of prior payment, security provisions, and such other provisions as may be appropriate in order to make the issue attractive to investors while achieving the objectives of the Issuer. All recommendations will be consistent with the goal of designing the Debt Instruments to be sold on terms which are advantageous to the Issuer, including the lowest interest cost consistent with all other considerations.
 4. Market Information. Advise the Issuer of our interpretation of current bond market conditions, other related forthcoming bond issues and general information, with economic data, which might normally be expected to influence interest rates or bidding conditions so that the date of sale of the Debt Instruments may be set at a favorable time.
 5. Elections. In the event it is necessary to hold an election to authorize the Debt Instruments then under consideration, FirstSouthwest will assist in coordinating the assembly of such data as may be required for the preparation of necessary petitions, orders, resolutions, ordinances, notices and certificates in connection with the election, including assistance in the transmission of such data to a firm of municipal bond attorneys ("Bond Counsel") retained by the Issuer.
- B. Debt Management and Financial Implementation. At the direction of Issuer, FirstSouthwest shall:

1. Method of Sale. Evaluate the particular financing being contemplated, giving consideration to the complexity, market acceptance, rating, size and structure in order to make a recommendation as to an appropriate method of sale, and:

a. If the Debt Instruments are to be sold by an advertised competitive sale, FirstSouthwest will:

- (1) Supervise the sale of the Debt Instruments;
- (2) Disseminate information to prospective bidders, organize such informational meetings as may be necessary, and facilitate prospective bidders' efforts in making timely submission of proper bids;
- (3) Assist the staff of the Issuer in coordinating the receipt of bids, the safekeeping of good faith checks and the tabulation and comparison of submitted bids; and
- (4) Advise the Issuer regarding the best bid and provide advice regarding acceptance or rejection of the bids.

b. If the Debt Instruments are to be sold by negotiated sale, FirstSouthwest will:

- (1) Recommend for Issuer's final approval and acceptance one or more investment banking firms as managers of an underwriting syndicate for the purpose of negotiating the purchase of the Debt Instruments.
- (2) Cooperate with and assist any selected managing underwriter and their counsel in connection with their efforts to prepare any Official Statement or Offering Memorandum. FirstSouthwest will cooperate with and assist the underwriters in the preparation of a bond purchase contract, an underwriters agreement and other related documents. The costs incurred in such efforts, including the printing of the documents, will be paid in accordance with the terms of the Issuer's agreement with the underwriters, but shall not be or become an obligation of FirstSouthwest, except to the extent specifically provided otherwise in this Agreement or assumed in writing by FirstSouthwest.
- (3) Assist the staff of the Issuer in the safekeeping of any good faith checks, to the extent there are any such, and provide a cost comparison, for both expenses and interest which are suggested by the underwriters, to the then current market.

- (4) Advise the Issuer as to the fairness of the price offered by the underwriters.
2. Offering Documents. Coordinate the preparation of the notice of sale and bidding instructions, official statement, official bid form and such other documents as may be required and submit all such documents to the Issuer for examination, approval and certification. After such examination, approval and certification, FirstSouthwest shall provide the Issuer with a supply of all such documents sufficient to its needs and distribute by mail or, where appropriate, by electronic delivery, sets of the same to prospective purchasers of the Debt Instruments. Also, FirstSouthwest shall provide copies of the final Official Statement to the purchaser of the Debt Instruments in accordance with the Notice of Sale and Bidding Instructions.
3. Credit Ratings. Make recommendations to the Issuer as to the advisability of obtaining a credit rating, or ratings, for the Debt Instruments and, when directed by the Issuer, coordinate the preparation of such information as may be appropriate for submission to the rating agency, or agencies. In those cases where the advisability of personal presentation of information to the rating agency, or agencies, may be indicated, FirstSouthwest will arrange for such personal presentations, utilizing such composition of representatives from the Issuer as may be finally approved or directed by the Issuer.
4. Trustee, Paying Agent, Registrar. Upon request, counsel with the Issuer in the selection of a Trustee and/or Paying Agent/Registrar for the Debt Instruments, and assist in the negotiation of agreements pertinent to these services and the fees incident thereto.
5. Financial Publications. When appropriate, advise financial publications of the forthcoming sale of the Debt Instruments and provide them with all pertinent information.
6. Consultants. After consulting with and receiving directions from the Issuer, arrange for such reports and opinions of recognized independent consultants as may be appropriate for the successful marketing of the Debt Instruments.
7. Auditors. In the event formal verification by an independent auditor of any calculations incident to the Debt Instruments is required, make arrangements for such services.
8. Issuer Meetings. Attend meetings of the governing body of the Issuer, its staff, representatives or committees as requested at all times when FirstSouthwest may be of assistance or service and the subject of financing is to be discussed.
9. Printing. To the extent authorized by the Issuer, coordinate all work incident to printing

of the offering documents and the Debt Instruments.

10. Bond Counsel. Maintain liaison with Bond Counsel in the preparation of all legal documents pertaining to the authorization, sale and issuance of the Debt Instruments.

11. Changes in Laws. Provide to the Issuer copies of proposed or enacted changes in federal and state laws, rules and regulations having, or expected to have, a significant effect on the municipal bond market of which FirstSouthwest becomes aware in the ordinary course of its business, it being understood that FirstSouthwest does not and may not act as an attorney for, or provide legal advice or services to, the Issuer.

12. Delivery of Debt Instruments. As soon as a bid for the Debt Instruments is accepted by the Issuer, coordinate the efforts of all concerned to the end that the Debt Instruments may be delivered and paid for as expeditiously as possible and assist the Issuer in the preparation or verification of final closing figures incident to the delivery of the Debt Instruments.

13. Debt Service Schedule; Authorizing Resolution. After the closing of the sale and delivery of the Debt Instruments, deliver to the Issuer a schedule of annual debt service requirements for the Debt Instruments and, in coordination with Bond Counsel, assure that the paying agent/registrar and/or trustee has been provided with a copy of the authorizing ordinance, order or resolution.

SECTION II OTHER AVAILABLE SERVICES

In addition to the services set forth and described in Section I herein above, FirstSouthwest agrees to make available to Issuer the following services, when so requested by the Issuer and subject to the agreement by Issuer and FirstSouthwest regarding the compensation, if any, to be paid for such services, it being understood and agreed that the services set forth in this Section II shall require further agreement as to the compensation to be received by FirstSouthwest for such services:

1. Investment of Funds. From time to time, as an incident to the other services provided hereunder as financial advisor, FirstSouthwest may purchase such investments as may be directed and authorized by Issuer to be purchased, it being understood that FirstSouthwest will be compensated in the normal and customary manner for each such transaction. In any instance wherein FirstSouthwest may become entitled to receive fees or other compensation in any form from a third party with respect to these investment activities on behalf of Issuer, we will disclose to Issuer the nature and, to the extent such is known, the amount of any such compensation so that Issuer may consider the information in making its investment

decision. It is understood and agreed that FirstSouthwest is a duly licensed broker/dealer and is affiliated with First Southwest Asset Management, LLC ("FirstSouthwest Asset Management"), a duly registered investment advisor. Issuer may, from time to time, utilize the broker/dealer services of FirstSouthwest and/or the investment advisory services of FirstSouthwest Asset Management with respect to matters which do not involve or affect the financial advisory services referenced in this Agreement. The terms and conditions of the engagement of FirstSouthwest and/or FirstSouthwest Asset Management to provide such services shall be determined by mutual agreement at the time such services are requested.

2. Exercising Calls and Refunding. Provide advice and assistance with regard to exercising any call and/or refunding of any outstanding Debt Instruments.
3. Capital Improvements Programs. Provide advice and assistance in the development of any capital improvements programs of the Issuer.
4. Long-Range Planning. Provide advice and assistance in the development of other long-range financing plans of the Issuer.
5. Post-Sale Services. Subsequent to the sale and delivery of Debt Instruments, review the transaction and transaction documentation with legal counsel for the Issuer, Bond Counsel, auditors and other experts and consultants retained by the Issuer and assist in developing appropriate responses to legal processes, audit procedures, inquiries, internal reviews and similar matters.

SECTION III TERMINATION

This Agreement may be terminated with or without cause by the Issuer or FirstSouthwest upon the giving of at least thirty (30) days' prior written notice to the other party of its intention to terminate, specifying in such notice the effective date of such termination. In the event of such termination, it is understood and agreed that only the amounts due FirstSouthwest for services provided and expenses incurred to the date of termination will be due and payable. No penalty will be assessed for termination of this Agreement.

SECTION IV COMPENSATION AND EXPENSE REIMBURSEMENT

The fees due to FirstSouthwest for the services set forth and described in Section I of this Agreement with respect to each issuance of Debt Instruments during the term of this Agreement shall be calculated in

accordance with the schedule set forth on Appendix A attached hereto. Unless specifically provided otherwise on Appendix A or in a separate written agreement between Issuer and FirstSouthwest, such fees, together with any other fees as may have been mutually agreed upon and all expenses for which FirstSouthwest is entitled to reimbursement, shall become due and payable concurrently with the delivery of the Debt Instruments to the purchaser.

SECTION V MISCELLANEOUS

1. Choice of Law. This Agreement shall be construed and given effect in accordance with the laws of the State of Texas.
2. Binding Effect; Assignment. This Agreement shall be binding upon and inure to the benefit of the Issuer and FirstSouthwest, their respective successors and assigns; provided however, neither party hereto may assign or transfer any of its rights or obligations hereunder without the prior written consent of the other party.
3. Entire Agreement. This instrument contains the entire agreement between the parties relating to the rights herein granted and obligations herein assumed. Any oral or written representations or modifications concerning this Agreement shall be of no force or effect except for a subsequent modification in writing signed by all parties hereto.

Attachment: agreement (1619 : Financial Advisor)

**FIRSTSOUTHWEST, A DIVISION OF
HILLTOP SECURITIES INC.**

By: _____
Hill A. Feinberg, Chairman and
Chief Executive Officer

By: _____
Jim Sabonis
Managing Director

By: _____
Andre Ayala
Vice President

CITY OF CELINA, TEXAS

By: _____

Title: _____

Date: _____

ATTEST:

Secretary

Attachment: agreement (1619 : Financial Advisor)

APPENDIX A**Traditional Municipal Finance Debt Instruments**

The fees due FirstSouthwest will not exceed those contained in the fee schedule as listed below.

Base Fee – Any Issue	\$ 4,000.00
Plus \$10.00 per \$1,000 up to	\$ 250,000.00
Plus \$9.00 per \$1,000 next	\$ 250,000.00
Plus \$6.00 per \$1,000 next	\$ 500,000.00
Plus \$4.00 per \$1,000 next	\$ 1,500,000.00
Plus \$2.50 per \$1,000 next	\$ 2,500,000.00
Plus \$1.75 per \$1,000 next	\$ 5,000,000.00
Plus \$1.25 per \$1,000 next	\$10,000,000.00
Plus \$1.00 per \$1,000 next	\$10,000,000.00

The above charges shall be multiplied by 1.25 times for the completion of an application to a federal or state government agency or for the issuance of revenue bonds or refunding bonds, reflecting the additional services required.

The charges for ancillary services, including computer structuring and official statement printing, shall be levied only for those services which are reasonably necessary in completing the transaction and which are reasonable in amount, unless such charges were incurred at the specific direction of the Issuer.

The payment of charges for financial advisory services described in Section I of the foregoing Agreement shall be contingent upon the delivery of bonds and shall be due at the time that bonds are delivered. The payment of charges for services described in Section II of the foregoing Agreement shall be due and payable in accordance with the mutual agreement therefor between FirstSouthwest and Issuer.

The Issuer shall be responsible for the following expenses, if and when applicable, whether they are charged to the Issuer directly as expenses or charged to the Issuer by FirstSouthwest as reimbursable expenses:

- Bond counsel
- Bond printing
- Bond ratings
- Computer structuring
- Credit enhancement
- CPA fees for refunding
- Official statement preparation and printing
- Paying agent/registrar/trustee
- Travel expenses
- Underwriter and underwriters counsel
- Miscellaneous, including copy, delivery, and phone charges

The payment of reimbursable expenses that FirstSouthwest has assumed on behalf of the Issuer shall NOT be contingent upon the delivery of bonds and shall be due at the time that services are rendered and payable upon receipt of an invoice therefor submitted by FirstSouthwest.

Development Services and Development Debt Instruments

Upon request, FirstSouthwest will assist the City in structuring and securing for any development of real property within the City (the "Development") one or more economic incentive program(s) as described in a development agreement for the Development ("Development Agreement") entered into between the City and a property owner, developer, and/or development district (a "Program").

Compensation for Services Rendered:

Recognizing the expertise that FirstSouthwest possesses with municipalities in Texas regarding economic incentive programs, the fee for assisting the City with reviewing, analyzing and structuring land developments and land development agreements shall be:

- (i) a nonrefundable upfront cash payment of \$25,000, payable prior to commencement of the work outlined in the Scope of Services and not credited against any other fees due to FirstSouthwest which if not paid upfront will be due and payable simultaneously with the issuance of the bonds; plus
- (ii) a fee of 2.0% of the par of any bonds or debt issued by the City or by an entity under the City's control for the benefit of the development (this Development related financial advisory fee will apply to any General Obligation Bonds, Certificates of Obligation, Tax Notes, Waterworks and Sewer System Revenue Bonds, or Special Revenue Bonds that are issued, including any refunding bonds, as long as such Debt Instruments are related to a Program as defined above; provided, however, this fee will not apply to any "Traditional Municipal Finance Debt Instruments" for which FirstSouthwest receives fees as described on the first page of this Appendix).

Notwithstanding any provision in this Agreement or in this Appendix A, the City's obligations with respect the fee of 2.0% of the par of any bonds or debt issued by the City or by an entity under the City's control for the benefit of the development as described in the immediately preceding paragraph (ii) shall terminate if no such bond or debt is issued by the City or by an entity under the City's control for the benefit of the development within three years after the effective date of the Development Agreement related to a Program. Said termination shall occur immediately upon the third anniversary date of the effective date of such Development Agreement unless the City and FirstSouthwest enter into a duly authorized written agreement extending such obligation.

It is expected that the City will be reimbursed for the above-referenced fees by the developer as an expense of negotiating the economic incentive agreement(s).

FirstSouthwest shall be entitled to reimbursement for reasonable expenses in connection with providing the above-referenced Development consulting services to the City. Expenses shall be reimbursed within thirty (30) days after receipt of a detailed invoice therefor submitted by FirstSouthwest. Expenses related to Development Services are not contingent upon a Program being agreed to or a transaction being completed.



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Brooks Wilson, Senior Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: O'Donnell Equestrian Center and County Roads Annexation Petition

Action Requested:

Consider and act upon a Resolution of the City Council of the City of Celina, Texas, setting a date time and place (July 12, 2016 at 6:00 p.m. and July 19, 2016 at 5:30 p.m. for Public Hearings on the proposed voluntary 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. The properties are described as follows: a ±76.551 acre tract of land situated in the B.B.B. & C.R.R. Survey, Abstract No. 130, Tract 14 and generally located north of CR 130, and east of CR 132; and the proposed annexation of portions of right-of-way adjacent to the O'Donnell Equestrian Tract: being a 1.31 acre strip of land in the William Stapp Survey, Abstract No. 834 (CR 128) and being a 1.14 acre strip of land in the Benjamin Haile Survey, Abstract No. 397 (CR 130), within the extraterritorial jurisdiction of the City of Celina, Collin County, Texas. (O'Donnell Equestrian Tract and ROW Annexation) (Liebman)

Background Information:

A petition for annexation was received from Kimley Horn, representing the owners, on May 24, 2016. The property is contiguous to current city limits.

June 14, 2016	Council option to accept voluntary petition to annex
June 24, 2016	Notice of public hearing to be published in The Celina Record
June 24, 2016	Notice of public hearing to be published on City website
July 12, 2016	Council to hold public hearings (2)
August 9, 2016	Council to consider annexation ordinance

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Legal Review:

N/A

Supporting Documents:

Annexation Petition
Property Exhibits

Staff Recommendation:

Staff recommends acceptance of this petition.

Staff Recommendation:

Staff recommends approval.

**CITY OF CELINA
RESOLUTION NO. 2016-__**

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 Exhibits “A,” “B,” and “C,” and more fully depicted in the attached Exhibits “D,” “E,” and “F” 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 Tuesday, the 12th day of July, 2016 at 6:00 p.m. and on Tuesday, the 19th day of July, 2016 at 5:30 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 in the attached Exhibits “A,” “B,” and “C,” and more fully depicted in the attached Exhibits “D,” “E,” and “F.”
- 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 attached Exhibits “A,” “B,” and “C,” and more fully depicted in the attached Exhibits “D,” “E,” and “F” 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 14th day June, 2016.

SEAN TERRY, MAYOR

VICKI FAULKNER, CITY SECRETARY

EXHIBIT "A"
Property Description
Legacy Equestrian Center

All that certain track or parcel of land situated in the B.B.B. & C.R.R. Survey, Abstract Number 130, and the Hezekiah Culwell Survey, Abstract Number 186, County of Collin, State of Texas; said tract being all of a track as described in Deed to Bobby Thomas Davis, filed 20 February 1992, and recorded at 92-0088726 of the Deed Records, of the County of Collins, State of Texas, and being more fully described as follows:

BEGINNING for the Southwest corner of the tract being described herein at a found ½ inch steel rebar, said rebar being the Southwest corner of said Davis tract, and in the center of Collin County road Number 130 (a gravel surfaced public road), and near the West line of Collin County Road Number 128 (a gravel surfaced public road);

THENCE North 89 deg. 26 min. 32 sec. West, with the South line of said Davis tract, and with said road, a distance of 1650.06 feet to a set railroad spike for the Southwest corner of said Davis tract, said spike being in said road #130, and the center line of Long Branch;

THENCE with the center line of said Long Branch the following four (4) calls:

1. North 09 deg. 26 min. 30 sec. East, a distance of 123.07 feet;
2. North 40 deg. 22 min. 18 sec. East, a distance of 364.43 feet;
3. North 03 deg. 29 min. 25 sec. West, a distance of 282.14 feet;
4. North 14 deg. 02 min. 45 sec. East, a distance of 87.53 feet;

THENCE South 55 deg. 50 min. 00 sec. East, a distance of 80.32 feet to a found ½ inch steel square tubing for a corner;

THENCE North 10 deg. 00 min. 00 sec. West, a distance of 293.00 feet to a found ½ inch steel square tubing for a corner;

THENCE North 41 deg. 30 min. 00 sec. West, a distance of 948.00 feet to a wood fence corner post for a corner;

THENCE North 15 deg. 13 min. 43 sec. West, a distance of 168.12 feet to a wood fence corner post for a West corner of said Davis tract;

THENCE North 89 deg. 33 min. 06 sec. East, with the North line of said Davis tract, a distance of 1093.10 feet to the center line of said Long Branch for a corner;

THENCE with the center line said Long Branch the following nine (9) calls:

1. North 07 deg. 59 min. 51 sec. East, a distance of 75.27 feet;
2. North 18 deg. 53 min. 39 sec. West, a distance of 99.40 feet;
3. North 38 deg. 15 min. 29 sec. West, a distance of 195.00 feet;
4. North 81 deg. 20 min. 23 sec. East, a distance of 285.00 feet;
5. South 60 deg. 46 min. 11 sec. East, a distance of 198.86 feet;
6. North 59 deg. 35 min. 25 sec. East, a distance of 293.75 feet;
7. South 68 deg. 18 min. 54 sec. East, a distance of 106.63 feet;
8. South 83 deg. 35 min. 16 sec. East, a distance of 122.08 feet;
9. North 35 deg. 20 min. 42 sec. East, a distance of 256.39 feet to the Northeast corner of said Davis tract;

THENCE South 00 deg. 25 min. 48 sec. East, with the East line of said Davis tract, a distance of 2461.13 feet to the POINT OF BEGINNING and containing 76.551 acres of land, more or less.

EXHIBIT “B”
Property Description
CR 128

BEING a tract of land situated in the William Stapp Survey, Abstract No. 834, Collin County, Texas, and being a portion of a called 5.061 acre tract of land conveyed to Home Place Living Trust, as evidence in a Deed, recorded in Instrument No. 20140808000847090, Official Public Records, Collin County, Texas (O.P.R.C.C.T.), a portion of a called 24.291 acre tract of land conveyed to Jesse and Claudia Miller, as evidence in a Deed, recorded in Volume 1025, Page 499 Land Records, Collin County, Texas (L.R.C.C.T.), a portion of a called 45.401 acre tract of land conveyed to Glyn C. Miller and Betty Ann Miller, as evidence in a Deed, recorded Volume 1025, Page 502, L.R.C.C.T., a portion of a called 8.98 acre tract of land conveyed to Mark A. Martin & Carol Martin, as evidence in a Deed, recorded in instrument No. 20090122000067340, O.P.R.C.C.T., and being more particularly described as follows;

BEGINNING at the southwest corner of a said 5.061 acre tract, on the easterly line of a called 76.551 acre tract of land conveyed to Legacy Stables LLC, as evidenced in a Deed, recorded in Volume 5045, Page 190, L.R.C.C.T., same being in the approximate centerline of a gravel road, known as County Road 128;

THENCE North 1°48’30” West, along the westerly line of said 5.061 acre tract, along the easterly line of said 76.551 acre tract, and generally along the centerline of said County Road 128, a distance of 17.06 feet to a corner;

THENCE departing the easterly line of said 76.551 acre tract, across said 5.061 acre tract, said 24.291 acre tract, said 45.401 acre tract, said 8.98 acre tract, said Paulino tract, and said 62.434 acre tract, the following courses;

North 89°46’39” East, a distance of 30.01 feet to a corner;

South 1°48’30” East, 30.00 feet from and parallel with said County Road 128 a distance of 1924.81 feet to a corner;

North 46°18’52” West, a distance of 42.80 feet to a corner at the intersection of said County Road 128 and a gravel road, known as County Road 130, same being the southeast corner of said 76.551;

THENCE North 1°48’30” West, along the easterly line of said 76.551 acre tract and the westerly lines of aforesaid 45.401 acre tract, aforesaid 24.291 acre tract, aforesaid 5.061 acre tract, and generally along the centerline of said County Road 128, a distance of 1878.06 feet to the **POINT OF BEGINNING**, and containing 1.315 acres (57,299 sq. ft.) of land, more or less.

EXHIBIT "C"
Property Description
CR 130

BEING a tract of land situated in the Benjamin Haile Survey, Abstract No. 397, and the William Stapp Survey, Abstract No. 834, Collin County, Texas, being a portion of a called 8.98 acre tract of land conveyed to Mark A. Martin & Carol Martin, as evidence in a Deed, recorded in instrument No. 20090122000067340, a portion of a tract of land conveyed to Porfirio Paulino and wife, Ojilvia Paulino, as evidence if a Deed, recorded in Volume 5674, Page 3250, L.R.C.C.T., and a portion of a called 62.434 acre tract of land conveyed to John U. Bound and Danna Bound, as evidence on a Deed, recorded in Instrument No. 20051206001715620 O.P.R.C.C.T., and being more particularly described as follows;

BEGINNING at the southwest corner of a called 76.551 acre tract of land conveyed to Legacy Stables LLC, as evidenced in a Deed, recorded in Volume 5045, Page 190, L.R.C.C.T., and the southeast corner of a called 23.874 acre tract of land conveyed to GSR Collin County L.P., as evidence in a Deed, recorded in Instrument No. 20070214000207970, O.P.R.C.C.T., and along the northerly line of said 62.434 acre tract, same being in the approximate centerline of a gravel road, known as County Road 130;

THENCE North 89°10'46" East, along the southerly line of said 76.551 acre tract and along the northerly line of aforesaid 62.434 acre tract and along the northerly line of aforesaid Paulino tract, and generally along the centerline of said County Road 130, a distance of 1650.07 feet to a corner at the intersection of said County Road 130 and said County Road 128;

THENCE departing the southerly line of said 76.551 acre tract, across said 8.98 acre tract, said Paulino tract, and said 62.434 acre tract, the following courses;

South 46°18'52" East, a distance of 42.80 feet to a corner;

South 89°10'46" West, 30.00 feet from and parallel with the centerline of said County Road 130, a distance of 1680.59 feet to a corner,

North 0°49'14" West, a distance of 30.00 feet to the **POINT OF BEGINNING**, and containing 1.147 acres (49,960 sq. ft.) of land, more or less.

EXHIBIT "D"
Property Description
Legacy Equestrian Center

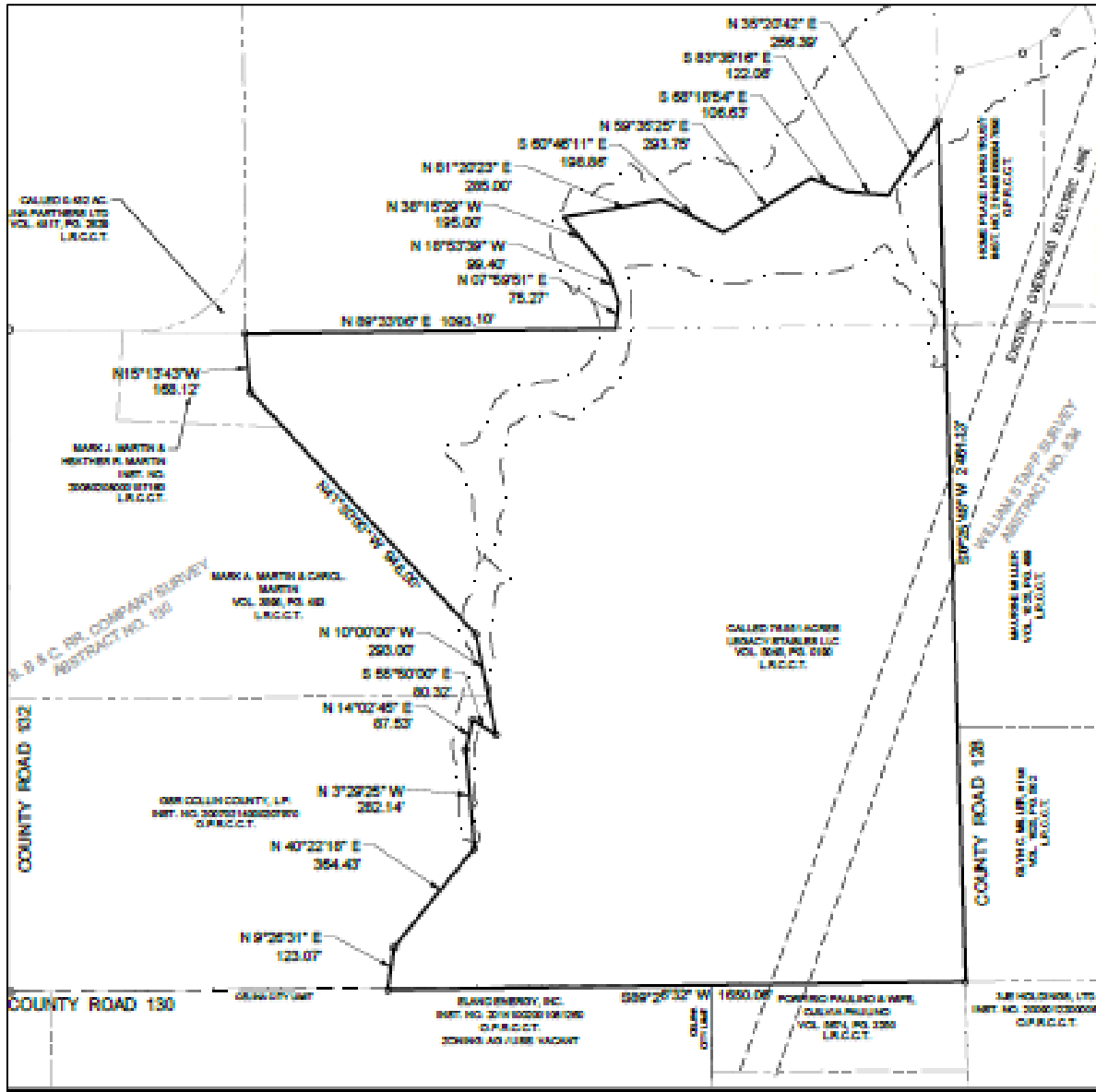
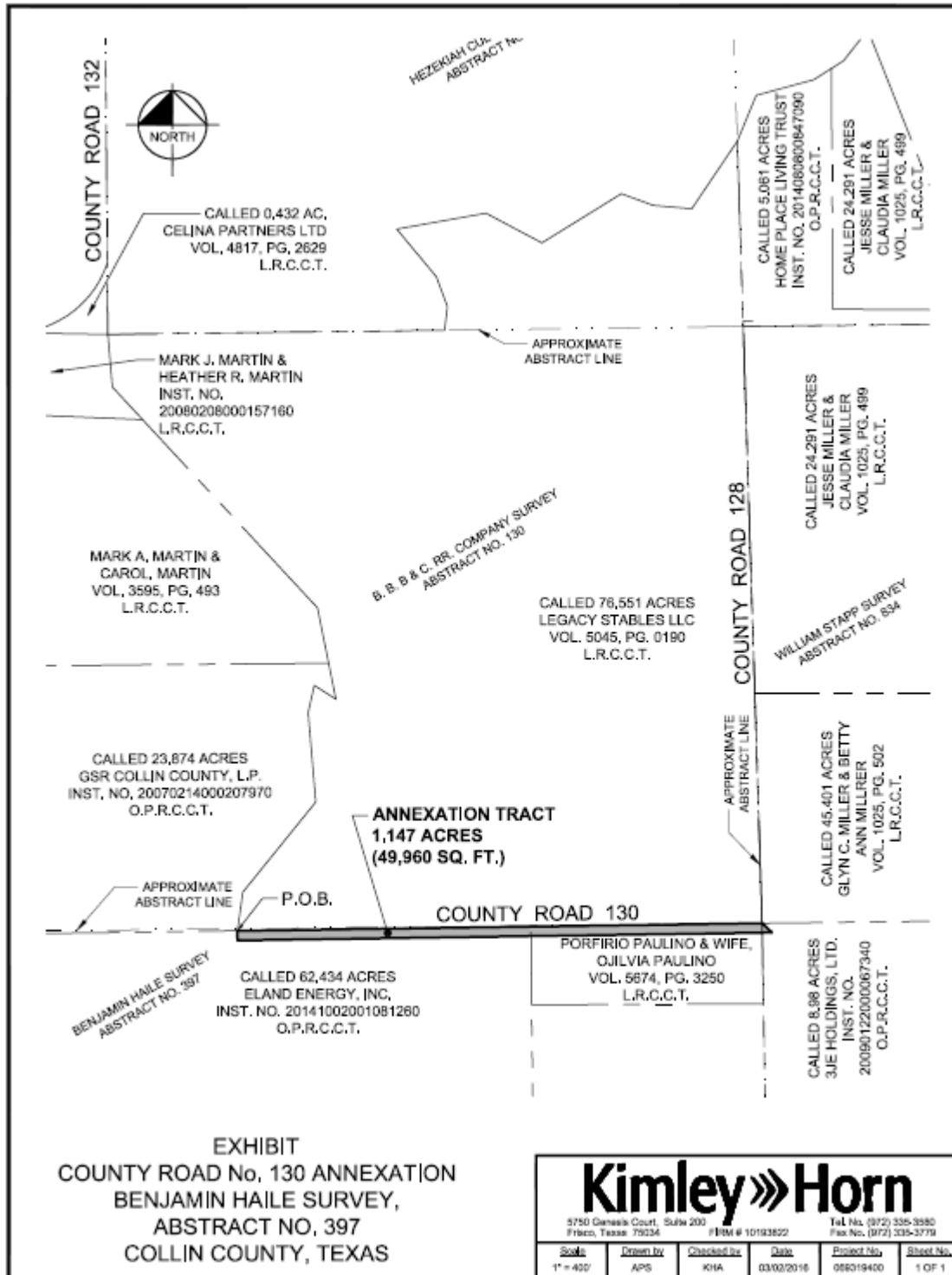


EXHIBIT "F"
Property Description
CR 130



CR 128
Legal Description

BEING a tract of land situated in the William Stapp Survey, Abstract No. 834, Collin County, Texas, and being a portion of a called 5.061 acre tract of land conveyed to Home Place Living Trust, as evidence in a Deed, recorded in Instrument No. 20140808000847090, Official Public Records, Collin County, Texas (O.P.R.C.C.T.), a portion of a called 24.291 acre tract of land conveyed to Jesse and Claudia Miller, as evidence in a Deed, recorded in Volume 1025, Page 499 Land Records, Collin County, Texas (L.R.C.C.T.), a portion of a called 45.401 acre tract of land conveyed to Glyn C. Miller and Betty Ann Miller, as evidence in a Deed, recorded Volume 1025, Page 502, L.R.C.C.T., a portion of a called 8.98 acre tract of land conveyed to Mark A. Martin & Carol Martin, as evidence in a Deed, recorded in instrument No. 20090122000067340, O.P.R.C.C.T., and being more particularly described as follows;

BEGINNING at the southwest corner of a said 5.061 acre tract, on the easterly line of a called 76.551 acre tract of land conveyed to Legacy Stables LLC, as evidenced in a Deed, recorded in Volume 5045, Page 190, L.R.C.C.T., same being in the approximate centerline of a gravel road, known as County Road 128;

THENCE North 1°48'30" West, along the westerly line of said 5.061 acre tract, along the easterly line of said 76.551 acre tract, and generally along the centerline of said County Road 128, a distance of 17.06 feet to a corner;

THENCE departing the easterly line of said 76.551 acre tract, across said 5.061 acre tract, said 24.291 acre tract, said 45.401 acre tract, said 8.98 acre tract, said Paulino tract, and said 62.434 acre tract, the following courses;

North 89°46'39" East, a distance of 30.01 feet to a corner;

South 1°48'30" East, 30.00 feet from and parallel with said County Road 128 a distance of 1924.81 feet to a corner;

North 46°18'52" West, a distance of 42.80 feet to a corner at the intersection of said County Road 128 and a gravel road, known as County Road 130, same being the southeast corner of said 76.551;

THENCE North 1°48'30" West, along the easterly line of said 76.551 acre tract and the westerly lines of aforesaid 45.401 acre tract, aforesaid 24.291 acre tract, aforesaid 5.061 acre tract, and generally along the centerline of said County Road 128, a distance of 1878.06 feet to the **POINT OF BEGINNING**, and containing 1.315 acres (57,299 sq. ft.) of land, more or less.

CR 130 (east portion)
Legal Description

BEING a tract of land situated in the Benjamin Haile Survey, Abstract No. 397, and the William Stapp Survey, Abstract No. 834, Collin County, Texas, being a portion of a called 8.98 acre tract of land conveyed to Mark A. Martin & Carol Martin, as evidence in a Deed, recorded in instrument No. 20090122000067340, a portion of a tract of land conveyed to Porfirio Paulino and wife, Ojilvia Paulino, as evidence if a Deed, recorded in Volume 5674, Page 3250, L.R.C.C.T., and a portion of a called 62.434 acre tract of land conveyed to John U. Bound and Danna Bound, as evidence on a Deed, recorded in Instrument No. 20051206001715620 O.P.R.C.C.T., and being more particularly described as follows;

BEGINNING at the southwest corner of a called 76.551 acre tract of land conveyed to Legacy Stables LLC, as evidenced in a Deed, recorded in Volume 5045, Page 190, L.R.C.C.T., and the southeast corner of a called 23.874 acre tract of land conveyed to GSR Collin County L.P., as evidence in a Deed, recorded in Instrument No. 20070214000207970, O.P.R.C.C.T., and along the northerly line of said 62.434 acre tract, same being in the approximate centerline of a gravel road, known as County Road 130;

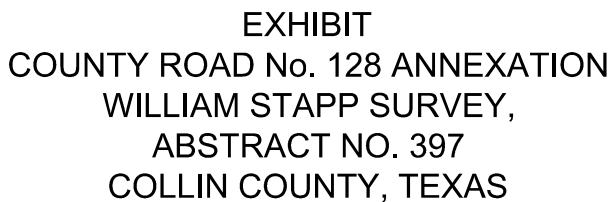
THENCE North 89°10'46" East, along the southerly line of said 76.551 acre tract and along the northerly line of aforesaid 62.434 acre tract and along the northerly line of aforesaid Paulino tract, and generally along the centerline of said County Road 130, a distance of 1650.07 feet to a corner at the intersection of said County Road 130 and said County Road 128;

THENCE departing the southerly line of said 76.551 acre tract, across said 8.98 acre tract, said Paulino tract, and said 62.434 acre tract, the following courses;

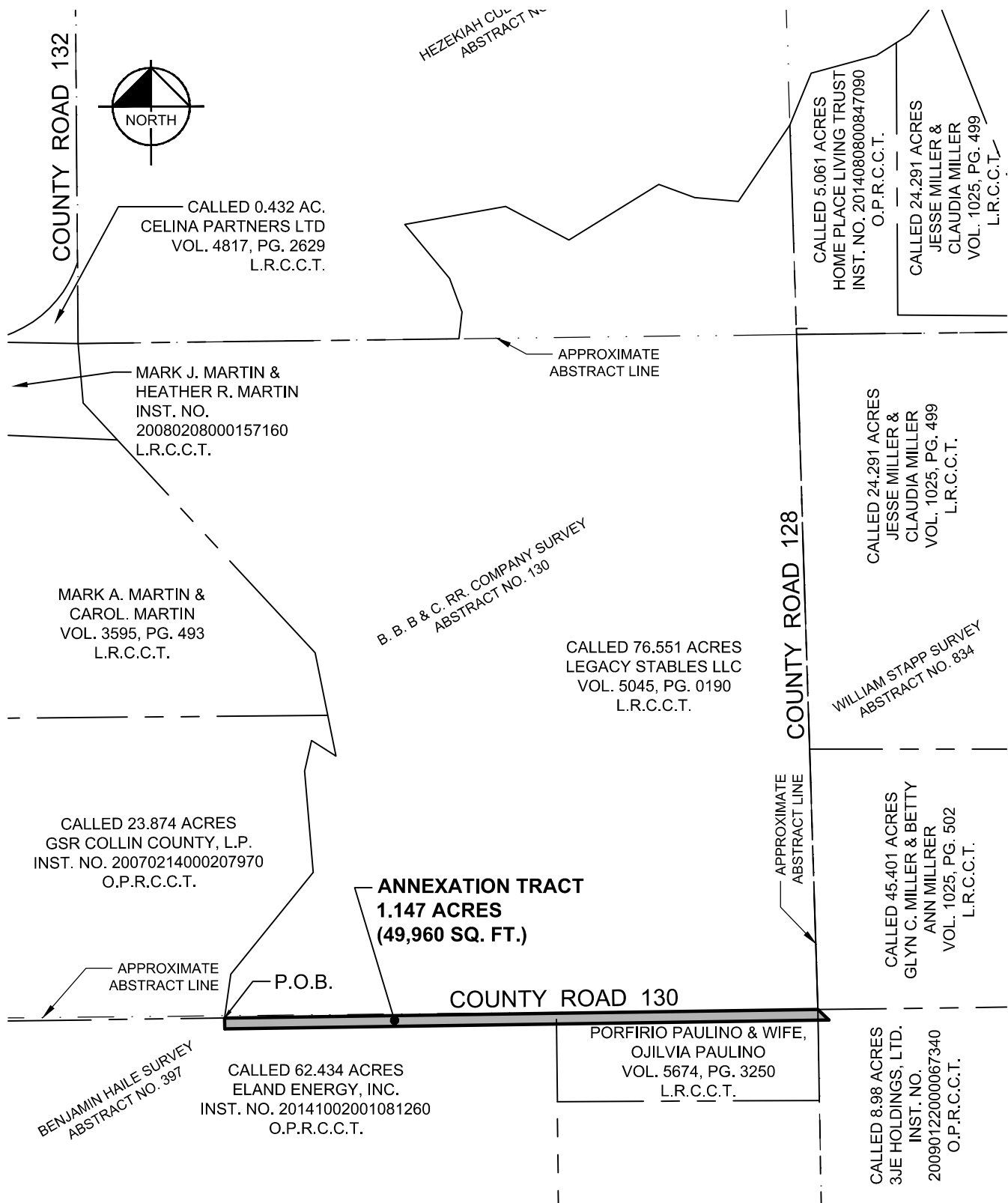
South 46°18'52" East, a distance of 42.80 feet to a corner;

South 89°10'46" West, 30.00 feet from and parallel with the centerline of said County Road 130, a distance of 1680.59 feet to a corner,

North 0°49'14" West, a distance of 30.00 feet to the **POINT OF BEGINNING**, and containing 1.147 acres (49,960 sq. ft.) of land, more or less.



<u>Scale</u>	<u>Drawn by</u>	<u>Checked by</u>	<u>Date</u>	<u>Project No.</u>	<u>Sheet No.</u>
1" = 400'	APS	KHA	03/02/2016	069319400	1 OF 1



Attachment: Exhibit F - CR 130E Exhibit 3-2-16 (1618 : O'Donnell Equestrian Center and County Roads Annexation Petition)

EXHIBIT
COUNTY ROAD No. 130 ANNEXATION
BENJAMIN HAILE SURVEY,
ABSTRACT NO. 397
COLLIN COUNTY, TEXAS

Kimley»Horn

5750 Genesis Court, Suite 200
Frisco, Texas 75034

FIRM # 10193822

Tel. No. (972) 335-3580
Fax No. (972) 335-3779

Scale	Drawn by	Checked by	Date	Project No.	Sheet No.
1" = 400'	APS	KHA	03/02/2016	069319400	1 OF 1

Exhibit "A"

TRACT ONE:

All that certain track or parcel of land situated in the B.B.B. & C.R.R. Survey, Abstract Number 130, and the Hezekiah Culwell Survey, Abstract Number 186, County of Collin, State of Texas; said tract being all of a track as described in Deed to Bobby Thomas Davis, filed 20 February 1992, and recorded at 92-0088726 of the Deed Records, of the County of Collins, State of Texas, and being more fully described as follows:

BEGINNING for the Southwest corner of the tract being described herein at a found ½ inch steel rebar, said rebar being the Southwest corner of said Davis tract, and in the center of Collin County road Number 130 (a gravel surfaced public road), and near the West line of Collin County Road Number 128 (a gravel surfaced public road);

THENCE North 89 deg. 26 min. 32 sec. West, with the South line of said Davis tract, and with said road, a distance of 1650.06 feet to a set railroad spike for the Southwest corner of said Davis tract, said spike being in said road #130, and the center line of Long Branch;

THENCE with the center line of said Long Branch the following four (4) calls:

1. North 09 deg. 26 min. 30 sec. East, a distance of 123.07 feet;
2. North 40 deg. 22 min. 18 sec. East, a distance of 364.43 feet;
3. North 03 deg. 29 min. 25 sec. West, a distance of 282.14 feet;
4. North 14 deg. 02 min. 45 sec. East, a distance of 87.53 feet;

THENCE South 55 deg. 50 min. 00 sec. East, a distance of 80.32 feet to a found ½ inch steel square tubing for a corner;

THENCE North 10 deg. 00 min. 00 sec. West, a distance of 293.00 feet to a found ½ inch steel square tubing for a corner;

THENCE North 41 deg. 30 min. 00 sec. West, a distance of 948.00 feet to a wood fence corner post for a corner;

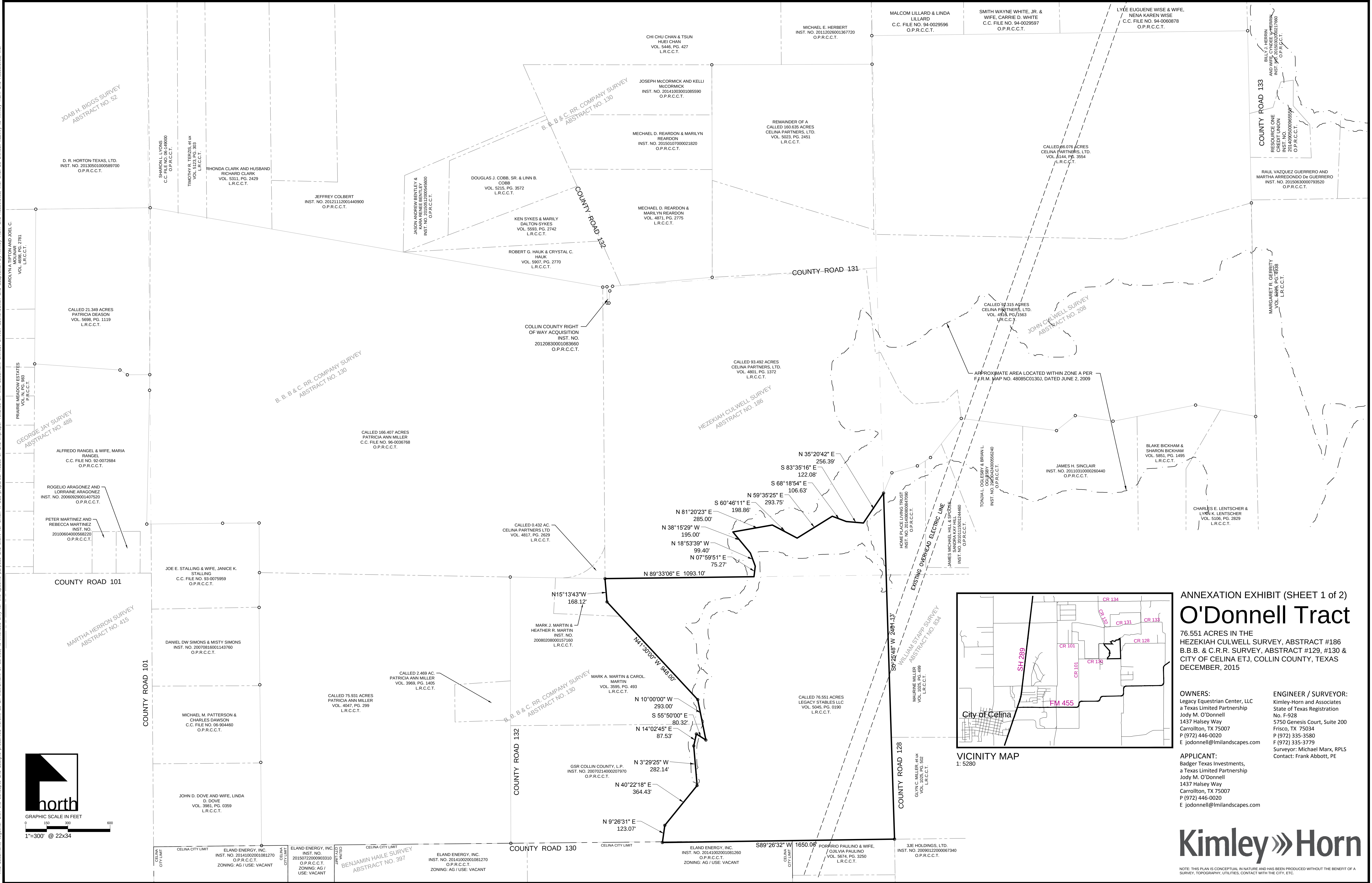
THENCE North 15 deg. 13 min. 43 sec. West, a distance of 168.12 feet to a wood fence corner post for a West corner of said Davis tract;

THENCE North 89 deg. 33 min. 06 sec. East, with the North line of said Davis tract, a distance of 1093.10 feet to the center line of said Long Branch for a corner;

THENCE with the center line said Long Branch the following nine (9) calls:

1. North 07 deg. 59 min. 51 sec. East, a distance of 75.27 feet;
2. North 18 deg. 53 min. 39 sec. West, a distance of 99.40 feet;
3. North 38 deg. 15 min. 29 sec. West, a distance of 195.00 feet;
4. North 81 deg. 20 min. 23 sec. East, a distance of 285.00 feet;
5. South 60 deg. 46 min. 11 sec. East, a distance of 198.86 feet;
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7. South 68 deg. 18 min. 54 sec. East, a distance of 106.63 feet;
8. South 83 deg. 35 min. 16 sec. East, a distance of 122.08 feet;
9. North 35 deg. 20 min. 42 sec. East, a distance of 256.39 feet to the Northeast corner of said Davis tract;

THENCE South 00 deg. 25 min. 48 sec. East, with the East line of said Davis tract, a distance of 2461.13 feet to the POINT OF BEGINNING and containing 76.551 acres of land, more or less.



Plotted By:BusseII, Allen Date:June 09, 2016 04:23:21pm File Path:K:\TRI_Civil\069319400--O'Donnell Tract Zoning\Draw\Exhibits\Exhibit--Zoning Plans.dwg

This document, together with the concepts and designs presented herein, as an instrument of service, is intended only for the specific purpose and client for which it was prepared. Reuse of and improper reliance on this document without written authorization and adaptation by Kimley-Horn and Associates, Inc. shall be without liability to Kimley-Horn and Associates, Inc.

LEGAL DESCRIPTION

TRACT ONE:
All that certain track or parcel of land situated in the B.B.B. & C.R.R. Survey, Abstract Number 130, and the Hezekiah Culwell Survey, Abstract Number 186, County of Collin, State of Texas; said tract being all of a track as described in Deed to Bobby Thomas Davis, filed 20 February 1992, and recorded at 92-0088726 of the Deed Records, of the County of Collins, State of Texas, and being more fully described as follows:
BEGINNING for the Southwest corner of the tract being described herein at a found ½ inch steel rebar, said rebar being the Southwest corner of said Davis tract, and in the center of Collin County road Number 130 (a gravel surfaced public road), and near the West line of Collin County Road Number 128 (a gravel surfaced public road);
THENCE North 89 deg. 26 min. 32 sec. West, with the South line of said Davis tract, and with said road, a distance of 1650.06 feet to a set railroad spike for the Southwest corner of said Davis tract, said spike being in said road #130, and the center line of Long Branch;
THENCE with the center line of said Long Branch the following 4 (four) calls:
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3. North 03 deg. 29 min. 25 sec. West, a distance of 282.14 feet;
4. North 14 deg. 02 min. 45 sec. East, a distance of 87.53 feet;
THENCE South 55 deg. 50 min. 00 sec. East, a distance of 80.32 feet to a found ½ inch steel square tubing for a corner;
THENCE North 10 deg. 00 min. 00 sec. West, a distance of 293.00 feet to a found ½ inch steel square tubing for a corner;
THENCE North 41 deg. 30 min. 00 sec. West, a distance of 948.00 feet to a wood fence corner post for a corner;
THENCE North 15 deg. 13 min. 43 sec. West, a distance of 168.12 feet to a wood fence corner post for a West corner of said Davis tract;
THENCE North 89 deg. 33 min. 06 sec. East, with the North line of said Davis tract, a distance of 1093.10 feet to the center line of said Long Branch for a corner;
THENCE with the center line said Long Branch the following 9 (nine) callas:
1. North 07 deg. 59 min. 51 sec. East, a distance of 75.27 feet;
2. North 18 deg. 53 min. 39 sec. West, a distance of 99.40 feet;
3. North 38 deg. 15 min. 29 sec. West, a distance of 195.00 feet;
4. North 81 deg. 20 min. 23 sec. East, a distance of 285.00 feet;
5. South 60 deg. 46 min. 11 sec. East, a distance of 198.86 feet;
6. North 59 deg. 35 min. 25 sec. East, a distance of 293.75 feet;
7. South 68 deg. 18 min. 54 sec. East, a distance of 106.63 feet;
8. South 83 deg. 35 min. 16 sec. East, a distance of 122.08 feet;
9. North 35 deg. 20 min. 42 sec. East, a distance of 256.39 feet to the Northeast corner of said Davis tract;
THENCE South 00 deg. 25 min. 48 sec. East, with the East line of said Davis tract, a distance of 2461.13 feet to the POINT OF BEGINNING and containing 76.551 acres of land, more or less.

ANNEXATION EXHIBIT (SHEET 2 of 2)

O'Donnell Tract

76.551 ACRES IN THE
HEZEKIAH CULWELL SURVEY, ABSTRACT #186
B.B.B. & C.R.R. SURVEY, ABSTRACT #129, #130 &
CITY OF CELINA ETJ, COLLIN COUNTY, TEXAS
DECEMBER, 2015

OWNERS: Legacy Equestrian Center, LLC a Texas Limited Partnership Jody M. O'Donnell 1437 Halsey Way Carrollton, TX 75007 P (972) 446-0020 E jodonnell@lmlandscapes.com	ENGINEER / SURVEYOR: Kimley-Horn and Associates State of Texas Registration No. F-928 5750 Genesis Court, Suite 200 Frisco, TX 75034 P (972) 335-3580 F (972) 335-3779 Surveyor: Michael Marx, RPLS Contact: Frank Abbott, PE
APPLICANT: Badger Texas Investments, a Texas Limited Partnership Jody M. O'Donnell 1437 Halsey Way Carrollton, TX 75007 P (972) 446-0020 E jodonnell@lmlandscapes.com	



NOTE: THIS PLAN IS CONCEPTUAL IN NATURE AND HAS BEEN PRODUCED WITHOUT THE BENEFIT OF A SURVEY, TOPOGRAPHY, UTILITIES, CONTACT WITH THE CITY, ETC.



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Brooks Wilson, Senior Planner
 Date: June 14, 2016
 Re: City Park Land Annexation Petition

Action Requested:

Consider and act to set Public Hearing dates on July 12, 2016 at 6:00 p.m. and July 12, 2016 at 6:05 p.m. for two tracts of city land within the extraterritorial jurisdiction of the City of Celina, Collin County, Texas and described as follows: being a 4.006 acre tract of land situated in the Henry Bentley Survey, Abstract No. 124, Collin County, Texas, and generally located at the southwest corner of FM 455 and FM 428; and being a 14.974 acre tract of land situated in the Henry Bentley Survey, Abstract No. 124, Collin County, Texas and generally located on the south side of FM 455 and west of FM 428. (City Land Annexations) (Liebman)

Background Information:

The City of Celina has purchased property for parkland and wishes to annex these properties into the city limits. Both properties are contiguous to current city limits.

June 14, 2016	Council option to accept voluntary petition to annex
June 24, 2016	Notice of public hearing to be published in <i>The Celina Record</i>
June 24, 2016	Notice of public hearing to be published on City website
July 12, 2016	Council to hold public hearings (2)
August 9, 2016	Council to consider annexation ordinance

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Legal Review:

N/A

Supporting Documents:

Annexation Petition
 Legal Descriptions
 Property Exhibits

Staff Recommendation:

Staff recommends approval.

EXHIBIT A
Legal Description
4.006 acre Park

BEING all of a certain acre lot tract or parcel of land situated in the Henry Bentley Survey, Abstract No. 124, Collin County, Texas on the west side of FM 428, being all of the (called) 4.00 acre tract conveyed to Hardorstejud Property, LLC, February 17, 2016, by deed recorded in Clerk's File Number 20160218000185870, Official Public Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at the northwest corner of said Hardorstejud tract an iron rod found at the southwest corner of a (called) 14.974 acre tract conveyed to Sarmad Badii, Samieh Badii Garza, Kylee Badii, and Faris Badii, April 13, 2010 by deed recorded in Clerk's File Number 20100416000372720, Official Public Records of Collin County, Texas, said point of beginning also being on the east line of a (called) 43.545 acre tract conveyed to Old Celina LTD, November 25, 2003, by deed recorded in Volume 5554, Page 1019 of said Official Public Records;

THENCE North 89°, 21', 55" east with the south line of said Badii tract and the north line of said Hardorstejud tract, across a wheat field, a distance of 637.53 feet to an iron rod found on the west line of FM 428 (90 feet wide right-of-way);

THENCE South 00°, 38', 15" east, with said west right-of-way, a distance of 274.33 feet to an iron rod found at the Southeast corner of said Hardorstejud tract and the northeast corner of Lot 1, Block 1, Celina City Park Addition, per plat filed in Volume 2013, Page 100, Map Records, Collin County, Texas;

THENCE South 89°, 26', 24" west, with the south line of said Hardorstejud tract, the north line of said Celina City Park Addition a distance of 636.76 feet to an iron rod found at a T-post, at the Southwest corner of said Hardorstejud tract and the northwest corner of said City Park Lot on the east line of said Old Celina LTD (called) 43.545 acre tract;

THENCE North 00°, 48', 00" west with the east line of said Old Celina LTD tract and the west line of said Hardorstejud tract, a distance of 273.50 feet to the POINT OF BEGINNING and containing in all 4.006 acres of land, more or less.

EXHIBIT B
Legal Description
14.960 acre park site

All that certain tract or parcel of land lying and being situated in the Henry Bentley Survey, Abstract No. 124, Collin County, Texas, at the southwest intersection of FM 455 and FM 428, being all of the (called) 14.974 acre tract conveyed to Sarmad Badii, Samieh Badii Garza, Kylee Badii, and Faris Badii, April 13, 2010, by deed recorded in Clerk's File Number 20100416000372720, Official Public Property Records Collin County, Texas and being more particularly described as follows:

BEGINNING on the south line of FM 455, (90 feet wide right-of-way), at the northwest corner of said Badii Tract and the northeast corner of a (called) 43.545 acre tract conveyed to Old Celina LTD, November 23, 2003, by deed recorded in Volume 5554, Page 1019, of said official Public Records, said point-of-beginning monumented by a T-post, painted pink, found northeast 0.58 feet from a three inch pipe fence corner;

THENCE 88°19'00" east, with the south right-of-way line of FM 455, along and near an overhead utility line, a distance of 246.60 feet to an iron rod set at the beginning of a curve to the left of said right-of-way;

THENCE with said right-of-way curve, having a radius of 2909.79 feet, a delta angle of 06°07'00", a chord of north 85°15'30" east, 310.49 feet, and an arch distance of 310.64 feet to an iron rod set at the point of tangency of said curve;

THENCE north 82°12'00" east, with said right-of-way, a distance of 56.23 feet to an iron rod set at an angle in said right-of-way;

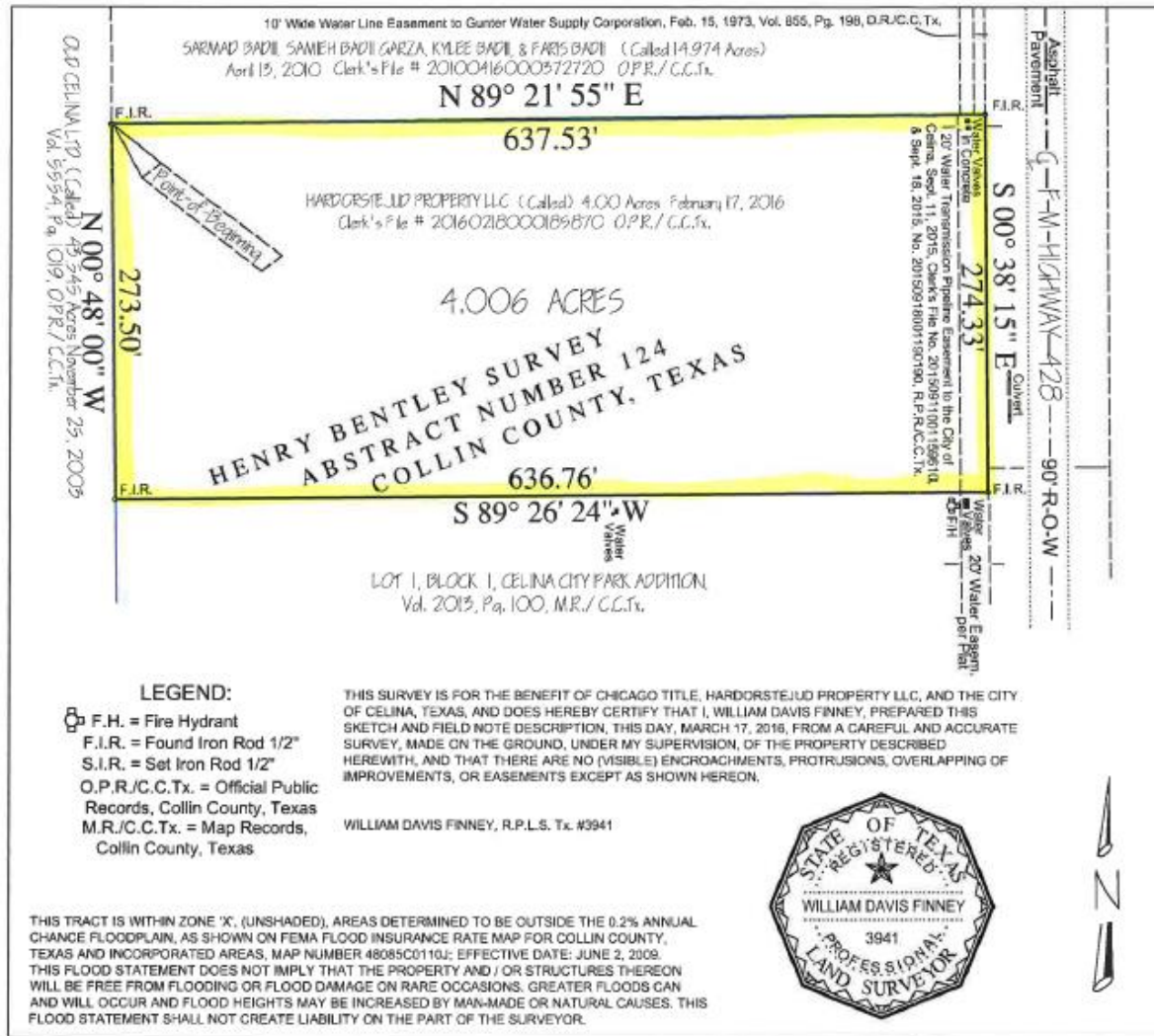
THENCE south 46°52'38" east, with said right-of-way, a distance of 39.70 feet to an iron rod set on the northeast side of a wood right-of-way marker, being the west line of FM 428 (90 feet wide right-of-way);

THENCE south 00°37'00" east, with said west right-of-way, a distance of 1015.35 feet to an iron rod found at the southeast corner of said Badii Tract and the northeast corner of a (called) 4.00 acre tract, conveyed to Stephen Harold Mills, on August 22, 2001, by deed recorded in Clerk's File Number 20010822001047390, of said Official Public Records;

THENCE south 89°21'55" west, with the north line of said Mills Tract and the south line of said Badii Tract, across a wheat field, a distance of 637.49 feet to an iron pin found at a T-post, at the southwest corner of said Badii Tract and the northwest corner of said Mills Tract on the east line of said Old Celina LTD (called) 43.545 acre tract;

THENCE north 00°48'00" west, with the east line of said Old Celina LTD tract and the west line of said Badii Tract, a distance of 1009.05 feet to the point-of-beginning and containing in all 14.9606 acres of land, more or less.

EXHIBIT C 4.006 Acre Park Land



Attachment: EXHIBIT C - 4 acre park exhibit (1608 : City Park Land Annexation Petition)



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Ben Rodriguez, Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: A.J. McKnight Ch. 43 Pre-annexation Agreement

Action Requested:

Consider and act upon a Chapter 43 Pre-Annexation Agreement between the City of Celina, Texas and A.J. McKnight for approximately 62.72 acres situated in the C. P. Rice Survey, Abstract No. 771, Tract 8. (McKnight Pre-Annexation Agreement) (Liebman)

Background Information:

Texas local government code requires that municipalities offer land owners a pre-annexation agreement for tracts of land which contain an agriculture, wildlife management or timber exemption from ad valorem taxes. The agreement states that the property may remain outside of the City's corporate limits so long as the owner agrees not to develop the property. The agreement is to last for a period of 15 years after which the City may annex the property. Approval of this agreement will allow the city to utilize this tract as a point of contiguity in future annexations.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City's land use attorney has reviewed the agreement and found it to be acceptable.

Supporting Documents:

- Proposed Agreement
- Property Exhibit

Staff Recommendation:

Staff recommends approval of the agreement as presented.



MESSER ★ ROCKEFELLER ★ FORT
THE MUNICIPAL LAW FIRM

April 29, 2016

Via CMRRR#7012 3460 0000 0452 0071
and via First Class Mail

AJ McKnight
PO Box 461
Celina, TX 75009-0461

RE: Consideration of a Development Agreement – Collin County CAD Property ID 1011602.

Dear Mr. McKnight,

The City of Celina, Texas (the “City”), is currently reviewing its future growth and planning needs and has identified your real property described in the attached development agreement as being subject to annexation in the near future. One part of this planning process is to consider the preservation of rural farms and ranches that surround the City as an alternative to development and annexation into the City limits. One of the goals of the City is to maintain open space, farms and ranches where possible.

Section 43.035 of the Texas Local Government Code provides that, before a city annexes property that is subject to an agricultural use, wildlife management use, or timber land ad valorem tax exemption, the city shall offer to enter into a “development agreement” with the property owner in lieu of annexation for those owners who desire to maintain the current status of their land. During the term of the development agreement, the City will agree not to annex your property as long as you, your heirs, successors or assigns continue to maintain your property in this status.

The development agreement provides that the property will retain its extraterritorial status and not be annexed into the City for at least fifteen (15) years, or longer, or until any type of subdivision plat or related development document is filed for the property, whichever occurs first. The agreement provides that the City may enforce all regulations and planning authority that do not interfere with the use of the property for agricultural, wildlife management, or timber purposes.

While the property remains outside the city limits, it will not be subject to city property taxes, but it also will not receive tax-supported services from the City such as police, fire, EMS and other important services. The development agreement provides terms for the future annexation of the property. If an owner of property eligible for a development agreement declines such an agreement, then the property may be annexed by the City.

DALLAS

6351 Preston Rd. • Suite 350
Frisco, TX 75034
P: 972.668.6400 • F: 972.668.6414
Toll Free: 1.855.668.6400

MESSER, ROCKEFELLER & FORT, PLLC
www.txmunicipallaw.com

ABILEN

4400 Buffalo Gap Rd. • Suite 28C
Abilene, TX 79606
P: 325.701.7960 • F: 325.701.7961

We have enclosed the development agreement for your consideration. You have three options regarding the development agreement: (1) all owners may accept it as printed, and sign it with the notary acknowledgments provided; (2) you may negotiate new language acceptable to the City by indicating the words that you wish to change, add, or delete in the agreement; or (3) you or any owner may decline the offer of a development agreement.

Please feel free to contact me with any questions you may have; or, if you are represented by an attorney, feel free to have your attorney contact me with any questions. You may contact my assistant at the number below or via email at heather@txmunicipallaw.com.

If you desire to accept and execute the development agreement as presented, you must execute it and return it to our office at 6351 Preston Road, Suite 350, Frisco, Texas 75034, on or before May 30, 2016. Once received, the City will execute and file the document and return a file-stamped copy to you for your records.

If you have questions or are unable to return the agreement by that date, please contact me. Please note that if you desire to negotiate any changes to the Development Agreement as presented, they must be acceptable to the City and executed by you (and any additional owners of the property) by May 30, 2016. If we do not receive your response by May 30, 2016 then we will take it that you do not wish to enter into a development agreement and your property will be subject to annexation to guide future development.

We appreciate your time and consideration of this request.

Very truly yours,
MESSER, ROCKEFELLER & FORT, P.L.L.C.



JULIE FORT
ATTORNEY FOR THE CITY

JF/HS

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

STATE OF TEXAS)
)
COUNTY OF COLLIN)

CHAPTER 43 TEXAS LOCAL GOVERNMENT CODE DEVELOPMENT AGREEMENT

This Agreement is entered into pursuant to Sections 43.035 and 212.172 of the Texas Local Government Code by and between the City of Celina, Texas (the "City") and the undersigned property owner(s) (the "Owner"). The term "Owner" includes all owners of the Property.

WHEREAS, the Owner owns a parcel of real property (the "Property") in Collin County, Texas, legally described as Abs A0771 C P Rice Survey, Tract 8, 67.72 acres, Celina, Texas and more particularly and separately described in the attached Exhibit "A"; and

WHEREAS, the Property is designated as one segment by Collin County Central Appraisal District, with "Land Segment 1" being 67.72 acres; and

WHEREAS, the City intends to begin the process to institute annexation proceedings on all or portions of Owner's Property in the near future; and

WHEREAS, the Owner desires to have the Property remain in the City's extraterritorial jurisdiction, in consideration for which the Owner agrees to enter into this Agreement; and

WHEREAS, this Agreement is entered into pursuant to Sections 43.035 and 212.172 of the Texas Local Government Code, in order to address the desires of the Owner and the procedures of the City; and

WHEREAS, the Owner and the City acknowledge that this Agreement is binding upon the City and the Owner and their respective successors and assigns for the term (defined below) of this Agreement; and

WHEREAS, this Development Agreement is to be recorded in the Real Property Records of Collin County.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

Section 1. The City guarantees the continuation of the extraterritorial status of the Owner's Property, its immunity from annexation by the City, and its immunity from City property taxes, for the term of this Agreement, subject to the provisions of this Agreement. Except as provided in this Agreement, the City agrees not to annex the

Property, agrees not to involuntarily institute proceedings to annex the Property, and further agrees not to include the Property in a statutory annexation plan for the Term of this Agreement. However, if the Property is annexed pursuant to the terms of this Agreement, then the City shall provide services to the Property pursuant to Chapter 43 of Texas Local Government Code.

Section 2. The Owner covenants and agrees not to use the Property for any use other than for agriculture, wildlife management, and/or timber land consistent with Chapter 23 of the Texas Tax Code without the prior written authority of the City Council.

The Owner covenants and agrees that the Owner will not file any type of subdivision plat or related development document for the Property, which includes but is not limited to seeking to create any special district (including but not limited to a Municipal Utility District, Fresh Water Supply District, Water Control and Improvement District, Municipal Management District, Public Improvement District, or any similar special district) within any part of the Property within the City's extraterritorial jurisdiction ("ETJ") including by seeking to file, or filing, any legislation or any application with the Texas Commission on Environmental Quality ("TCEQ") to create any such special district (a "Development Document"), until the Property has been annexed into, and zoned by, the City.

The Owner covenants and agrees not to construct, or allow to be constructed, any improvements or buildings on the Property that would require a permit or building permit if the Property were in the city limits, until the Property has been annexed into, and zoned by, the City. The Owner also covenants and agrees that the City's AG—Agricultural District zoning requirements apply to the Property, and that the Property shall be used only for AG—Agricultural District zoning uses that exist on that Property at the time of the execution of this Agreement, unless otherwise provided in this Agreement.

The Owner acknowledges that each and every owner of the Property must sign this Agreement in order for the Agreement to take full effect, and the Owner who signs this Agreement covenants and agrees, jointly and severably, to indemnify, hold harmless, and defend the City against any and all legal claims, by any person claiming an ownership interest in the Property who has not signed the Agreement, arising in any way from the City's reliance on this Agreement.

Section 3. The Owner acknowledges and stipulates that if any plat or Development Document is filed in violation of this Agreement, or if the Owner commences construction on or development of the Property in violation of this Agreement, then in addition to the City's other remedies, such act will constitute an irrevocable petition for voluntary annexation by the Owner, and the Property will be subject to annexation at the discretion of the City Council. The Owner agrees and stipulates that such annexation shall be voluntary and the Owner hereby consents to such annexation as though a petition for such annexation had been tendered by the Owner to the City. If annexation proceedings begin pursuant to this Section, the Owner acknowledges that this Agreement serves as an exception to Local Government Code Section 43.052, requiring a municipality to use certain statutory procedures under an annexation plan. Furthermore, the Owner hereby waives any and all vested rights and claims that they may have under Section 43.002(a)(2) and Chapter 245 of the Texas Local Government Code that would otherwise exist by virtue of any actions Owner has taken in violation of Section 2 herein.

Owner acknowledges and stipulates that this Development Agreement is not a permit, as defined in Texas Local Government Code, Section 245.001(1), required by the City.

Section 4. Pursuant to Sections 43.035(b)(1)(B) of the Texas Local Government Code, Owner agrees that the City is authorized to enforce all of the City's regulations, permit requirements and planning authority that do not materially interfere with the use of the Property for agriculture, wildlife management, or timber, in the same manner the regulations are enforced within the City's boundaries. The City states and specifically reserves its authority pursuant to Chapter 251 of the Texas Local Government Code to exercise eminent domain over property that is subject to a Chapter 43 and/or Chapter 212 development agreement.

Section 5. The term of this Agreement (the "Term") is fifteen (15) years from the date that the City Manager's signature to this Agreement is acknowledged by a public notary. The Owner, and all of the Owner's heirs, successors and assigns shall be deemed to have filed a petition for voluntary annexation before the end of the Term, for annexation of the Property to be completed on or after the end of the Term. Prior to the end of the Term, the City may commence the voluntary annexation of the Property. In connection with annexation pursuant to this section, the Owners hereby waives any vested rights they may have under Section 43.002(a)(2) and Chapter 245 of the Texas Local Government Code that would otherwise exist by virtue of any plat or construction any of the Owners may initiate during the time between the expiration of this Agreement and the institution of annexation proceedings by the City.

Section 6. Property annexed pursuant to this Agreement will initially be zoned AG – Agricultural pursuant to the City's Code of Ordinances, pending determination of the property's permanent zoning in accordance with the provisions of applicable law and the City's Code of Ordinances.

Section 7. Any person who sells or conveys any portion of the Property shall, no later than 14 days prior to such sale or conveyance, give written notice of this Agreement to the prospective purchaser or grantee, and shall give written notice of the sale or conveyance to the City. Furthermore, the Owner and the Owner's heirs, successor, and assigns shall give the City written notice within 14 days of any change in the agricultural exemption status of the Property. A copy of either notice required by this section shall be forwarded to the City at the following address:

City of Celina
Attn: City Manager
142 N. Ohio
Celina, Texas 75009

Section 8. A certified copy of this Agreement shall be recorded in the real property records of Collin County, Texas, and this Agreement shall constitute a covenant that runs with the Property.

Section 9. If a court of competent jurisdiction determines that any covenant of this Agreement is void or unenforceable, including the covenants regarding involuntary annexation, then the remainder of this Agreement shall remain in full force and effect.

Section 10. This Agreement may be enforced by any Owner or the City by any proceeding at law or in equity. Failure to do so shall not be deemed a waiver to enforce the provisions of this Agreement thereafter. Notwithstanding the preceding terms of this section, the City does not waive immunity from suit or liability.

Section 11. No subsequent change in the law regarding annexation shall affect the enforceability of this Agreement or the City's ability to annex the properties covered herein pursuant to the terms of this Agreement.

Section 12. The validity of this Agreement and any of its terms and provisions, as well as the rights and duties of the parties, shall be governed by the laws of the State of Texas; and venue for any action concerning this Agreement shall be only in Collin County, Texas.

Section 13. This Agreement may be separately executed in individual counterparts and, upon execution, shall constitute one and same instrument.

Section 14. This Agreement shall survive its termination to the extent necessary for the implementation of the provisions of Sections 2, 3, and 4 herein.

Section 15. This Agreement embodies the complete agreement of the parties hereto, superseding all oral or written, previous and contemporary agreements between the parties and relating to the matters in this Agreement and except as otherwise provided herein, cannot be modified without written agreement of the parties to be attached to and made a part of this Agreement.

Section 16. The determinations recited and declared in the preambles to this Agreement are hereby incorporated herein as part of this Agreement.

Section 17. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

Entered into this ____ day of _____, 2016.

SIGNATURES ON NEXT PAGE

CITY OF CELINA

By: _____
 Name: Mike Foreman
 Title: City Manager
 Date: _____

THE STATE OF TEXAS §
 §
 COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2016, by Mike Foreman, City Manager of the City of Celina, Texas on behalf of said City.

 Notary Public in and for the State of TEXAS

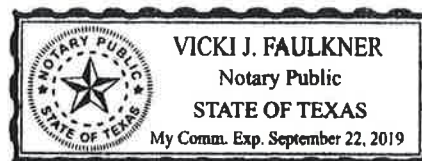
OWNER: A J MCKNIGHT

By: A J McKnight
 Name: A J McKnight
 Title: Owner
 Date: 05/25/16

THE STATE OF TEXAS §
 §
 COUNTY OF Collin §

This instrument was acknowledged before me on May 25, 2016, by A J McKnight owner of said Property.

Vicki J. Faulkner
 Notary Public in and for the State of TEXAS





Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Ben Rodriguez, Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: BGREA Construction Plat

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and act upon a Construction Replat for Lot 1R, Block 11 of the Old Donation Addition, being a replat of Lot 1, Block 11 of the Old Donation Addition, approximately 1.855 acres situated in the JK Rice Survey, Abstract No. 767. The property is generally located at the southwest corner of Malone Street, and Oklahoma Drive. (BGREA Replat) (Liebman)

Background Information:

Staff has reviewed the proposed Construction Plat for BGREA and has deemed it acceptable. The site will be developed to accommodate office/warehouse spaces for lease.

Board Review/Citizen Input:

The Planning and Zoning Commission recommended their approval of the plat at their regularly scheduled meeting on May 17, 2016.

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

N/A

Supporting Documents:

- Proposed Construction Plat

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: Helen-Eve Liebman, Director of Planning and Development Services
Date: June 14, 2016
Re: G-Bar 7 Renaming Resolution to Glen Crossing

Action Requested:

Consider and act upon a resolution renaming G-Bar 7 Public Improvement District as Glen Crossing Public Improvement District. (Liebman)

Background Information:

The original Public Improvement District for the G-Bar 7 tract named the tract based on its then current ownership entity. This resolution renames the PID from G-Bar 7, to Glen Crossing.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City's Land Use Attorney reserves the right to fine tune the document prior to execution.

Supporting Documents:

- Proposed Resolution

Staff Recommendation:

Staff recommends approval on the condition that the City's Land Use Attorney reserves the right to fine tune the document prior to execution.

CITY OF CELINA, TEXAS

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY OF CELINA, TEXAS RENAMING THE
G BAR 7 PUBLIC IMPROVEMENT DISTRICT TO THE GLEN
CROSSING PUBLIC IMPROVEMENT DISTRICT; AND PROVIDING AN
EFFECTIVE DATE**

WHEREAS, on April 12, 2016, pursuant to Chapter 372 of the Texas Local Government Code and Resolution No. 2016-24R, the City of Celina, Texas (“City”), created the G Bar 7 Public Improvement District (the “District”); and

WHEREAS, the party who petitioned the City to create the District has requested that the City change the name of the District to “Glen Crossing Public Improvement District.”

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

Section 1. The findings set forth in the recitals of this Resolution are found to be true and correct.

Section 2. The name of the District shall be changed and the District shall now be known as the Glen Crossing Public Improvement District. All documents and instruments of service, including but not limited to Resolution No. 2016-24R, bearing the name “G Bar 7 Public Improvement District” shall now be read to apply to Glen Crossing Public Improvement District.

Section 3. This Resolution shall take effect immediately from and after its passage and publication as required by law.

PASSED, APPROVED AND ADOPTED on the 14th day of June, 2016.

ATTEST:

SEAN TERRY, MAYOR

VICKI FAULKNER, CITY SECRETARY

Resolution Renaming G Bar 7 PID
To Glen Crossing PID

Attachment: Resolution Name Change G Bar 7 vF (1620 : G-Bar 7 Renaming Resolution to Glen Crossing)



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Brooks Wilson, Senior Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: Rolling Meadows Rezoning following Annexation

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, 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 approximately 51.418 acres situated in the Coleman Watson Survey, Abstract No. 945, Collin County, Texas and the approximately 30 foot wide strip of right-of-way of FM 2478 (Custer Road) adjacent to Rolling Meadows; as described in Exhibit "A" and depicted in Exhibit "B" attached hereto and incorporated herein to be zoned "SF-E" Single Family Estate Zoning District. (Rolling Meadows) (Liebman)

Background Information:

The annexation of Rolling Meadows was completed at the December 7, 2015 City Council meeting (Ordinance No. 2015-86). Following annexation, the tract of land was automatically designated with a "holding zone" of AG-Agricultural. The development regulations for the AG-Agricultural zoning district do not lend themselves well to the existing development in Rolling Meadows. Two examples are the minimum lot size being ten acres and the minimum front yard setback of 50 feet. Without rezoning, all the homes within Rolling Meadows would have "legally non-conforming" status.

The proposed zoning designation of "SF-E - Single Family Estate" more closely reflects the development standards already utilized in Rolling Meadows and would bring the existing homes into compliance with the Zoning Ordinance. By rezoning from AG to SF-E, it will be possible for the residents of Rolling Meadows to remodel, add accessory structures, or rebuild their homes, as desired or necessary.

Public Notice:

The City Council public hearing notice was published in *The Celina Record* on Friday, May 27, 2016. Courtesy letters were sent to forty-four (44) property owners within Rolling Hills explaining the need for the zoning change and informing them of the public hearings. Notices of the public hearing were sent to three (3) owners of property, as indicated by the most recently approved city tax roll, who are located within 200 feet of any property affected and to the Prosper ISD. As of the printing of this packet staff has received one letter in support and none in opposition to the proposal.

Supporting Document:

Ordinance

Legal Review:

The City Attorney has reviewed the ordinance and deemed it acceptable.

Planning & Zoning Commission Recommendation:

At the meeting on May 17, 2016, the Planning and Zoning Commission voted unanimously to recommend approval of the rezoning request as presented by staff.

Staff Recommendation:

Staff recommends approval as presented.

Staff Recommendation:

Staff recommends approval.

CITY OF CELINA, TEXAS

ORDINANCE 2016-____
 ROLLING MEADOWS – SINGLE FAMILY ESTATE

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 51.418 ACRES SITUATED IN THE COLEMAN WATSON SURVEY, ABSTRACT NO. 945, COLLIN COUNTY, TEXAS AND THE APPROXIMATELY 30 FOOT WIDE STRIP OF RIGHT-OF-WAY OF FM 2478 (CUSTER ROAD) ADJACENT TO ROLLING MEADOWS; AS DESCRIBED IN EXHIBIT “A” AND DEPICTED IN EXHIBIT “B” ATTACHED HERETO AND INCORPORATED HEREIN TO BE ZONED “SF-E” SINGLE FAMILY ESTATE ZONING DISTRICT; 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 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 “SF-E” Single Family Estate 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 “SF-E” Single Family Estate.

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 regulation 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 whole or 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, and Effective Date of this Ordinance as required by Section 52.013 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 descriptive Caption 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 14th day of June, 2016.

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

Attachment: Zoning Ordinance - Rolling Meadows (1610 : Rolling Meadows Rezoning following Annexation)

EXHIBIT "A"
Rolling Meadows
Legal Description

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.

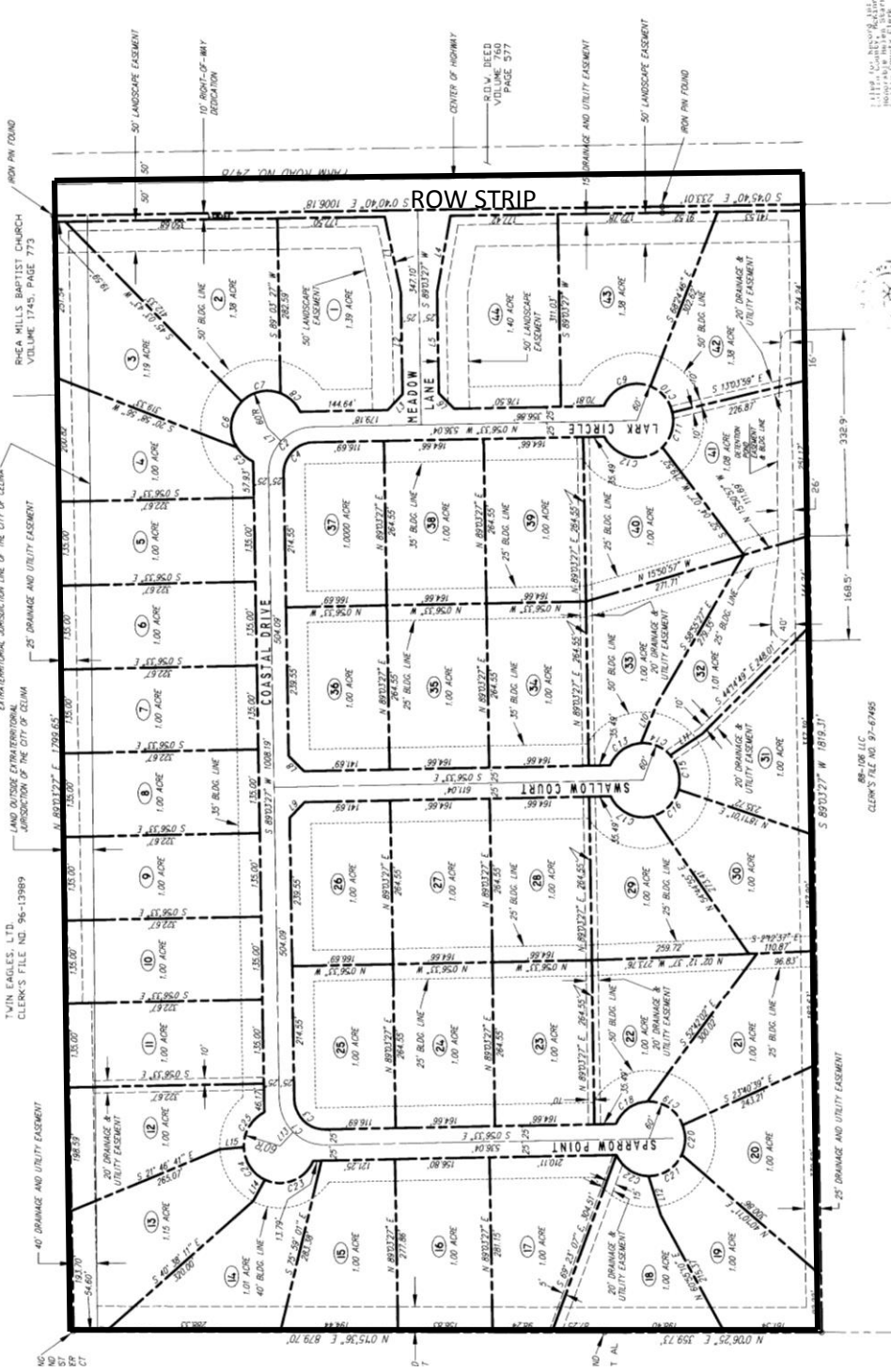
Plus the 30 foot strip of existing FM 2478 (Custer Road) right-of-way along the east side of Rolling Meadows to bring the zoning district to the centerline of Custer Road.

Attachment: Zoning Ordinance - Rolling Meadows (1610 : Rolling Meadows Rezoning following Annexation)

EXHIBIT "B"

Rolling Meadows

Zoning Exhibit





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: June 14, 2016
 Re: DC Ranch Zoning following Annexation

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, 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 165 acres situated in the Joab H. Biggs Survey, Abstract No. 52, the George Jay Survey, Abstract No. 488, the Larkin M. Boyd Survey, Abstract No. 48, and the Samuel Queen Survey, Abstract No. 732, Collin County, Texas and the approximately 30 foot wide strip of right-of-way of adjacent to DC Ranch along CR 134 and CR 97, Collin County, Texas; as described in Exhibit "A" and depicted in Exhibit "B" attached hereto and incorporated herein to be zoned "SF-E" Single Family Estate Zoning District. (DC Ranch rezoning) (Liebman)

Background Information:

The annexation of DC Ranch was completed at the May 10, 2016 City Council meeting (Ordinance No. 2016-36). Following annexation, the tract of land was automatically designated with a "holding zone" of AG-Agricultural. The development regulations for the AG-Agricultural zoning district do not lend themselves well to the existing and future development in DC Ranch. Two examples are the minimum lot size being ten acres and the minimum front yard setback of 50 feet. Without rezoning, all the homes within DC Ranch would have "legally non-conforming" status. No new homes could be constructed as a permit cannot be issued if the setbacks and other development regulations are not in compliance with the Zoning Ordinance.

The proposed zoning designation of "SF-E - Single Family Estate" more closely reflects the development standards already utilized in DC Ranch and would bring the existing homes into compliance with the Zoning Ordinance. By rezoning from AG to SF-E, it will be possible for the residents of DC Ranch to remodel, add accessory structures, or rebuild their homes, as desired or necessary, and for new homes to be designed and constructed.

Public Notice:

The City Council public hearing notice was published in *The Celina Record* on Friday, May 27, 2016. Courtesy letters were sent to sixty-one (61) property owners within DC Ranch explaining the need for the zoning change and informing them of the public hearings. Notices of the public hearing were sent to four (4) owners of property, as indicated by the most recently approved city tax roll, who are located within 200 feet of any property affected and to the Celina ISD. As of the printing of this packet, staff has received no letters either in support or in opposition to the proposed zoning change.

Supporting Document:

Ordinance

Legal Review:

The City Attorney has reviewed the ordinance and deemed it acceptable.

Planning & Zoning Commission Recommendation:

At the meeting on May 17, 2016, the Planning and Zoning Commission voted unanimously to recommend approval of the rezoning request as presented by staff.

Staff Recommendation:

Staff recommends approval as presented.

Staff Recommendation:

Staff recommends approval.

CITY OF CELINA, TEXAS

ORDINANCE 2016-____

DC RANCH – SINGLE FAMILY ESTATE

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 165 ACRES SITUATED IN THE JOAB H. BIGGS SURVEY, ABSTRACT NO. 52, THE GEORGE JAY SURVEY, ABSTRACT NO. 488, THE LARKIN M. BOYD SURVEY, ABSTRACT NO. 48, AND THE SAMUEL QUEEN SURVEY, ABSTRACT NO. 732, AND THE 30 FOOT RIGHT-OF-WAY STRIP ADJACENT TO DC RANCH ALONG CR 134 AND CR 97, COLLIN COUNTY, TEXAS; AS DESCRIBED IN EXHIBIT “A” AND DEPICTED IN EXHIBIT “B” ATTACHED HERETO AND INCORPORATED HEREIN TO BE ZONED “SF-E” SINGLE FAMILY ESTATE ZONING DISTRICT; 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 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 “SF-E” Single Family Estate 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 “SF-E” Single Family Estate.

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 regulation 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 whole or 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, and Effective Date of this Ordinance as required by Section 52.013 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 descriptive Caption 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 14th day of June, 2016.

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

Attachment: Zoning Ordinance - DC Ranch (1609 : DC Ranch Zoning following Annexation)

EXHIBIT "A"
DC Ranch
Legal Description

DESCRIPTION, of a 165.927 acre tract of land situated in the Joab H. Biggs Survey, Abstract No. 52, the George Jay Survey, Abstract No. 488, the Larkin M. Boyd Survey, Abstract No. 48 and the Samuel Queen Survey, Abstract No. 732, Collin County, Texas; said tract being all of DC Ranch, Phase 1, an addition to the City of Celina, Texas according to the Plat recorded in Instrument No. 20070409010001240 of the Official Public Records of Collin County, Texas; said tract also being all of proposed DC Ranch, Phase 2, an addition to the City of Celina, Texas; said tract also being all of that tract of land described in Special Warranty Deed to DC Ranch Owners Association recorded in Instrument No. 20120823001053010 of said Official Records; said tract also being all of that tract of land described in Special Warranty Deed to D.R. Horton – Texas, Ltd. recorded in Instrument No. 20130501000589700 of said Official Records; said tract also being part of those tracts of land described in Warranty Deed with Vendor's Lien to Phillip M. Littell recorded in Volume 2869, Page. 526 and Volume 2869, Page 535 of said Deed Records; said tract also being a part of those tracts of land described in General Warranty Deed to Four Winds Enterprises, Ltd. recorded in Volume 5476, Page 8080 of said Deed Records and in Warranty Deed to Four Winds Enterprises, Ltd. recorded in Volume 5593, Page 3200 of said Deed Records; said 165.927 tract being more particularly described as follows (Bearing system is based on the State Plane Coordinate System, North American Datum of 1983 (2011), Texas North Central Zone 4202. Distances shown have been adjusted to surface by applying the Collin County TxDOT combination factor of 1.000152710):

BEGINNING, at a 2-inch iron pipe found for the southeast corner of said proposed DC Ranch, Phase 2 and the northeast corner of a tract of land described in General Warranty Deed to Patricia Deason recorded in Volume 5698, Page 1119 of the Deed Records of Collin County Texas and the northwest corner of a tract of land described in Warranty Deed to Patricia Deason recorded in Document No. 96-0036768 of said Official Records and the southwest corner of a tract of land described in Assignment of Contract of Veteran's Land Board to Sharon Lyons recorded in Volume 1497, Page 138 of said Deed Records;

THENCE, South 89 degrees, 20 minutes, 27 seconds West, along the south line of said DC Ranch, Phase 2 and along the north line of the said Patricia Deason tract, a distance of 1,111.75 feet to a 1/2-inch iron rod found for an angle point in said line; said corner being the northeast corner of a tract of land described in Warranty Deed with Vendor's Lien to Carolyn A. Tipton and Joel C. Molinar recorded in Volume 4698, Page 2781 of said Deed Records;

THENCE, South 89 degrees, 08 minutes, 55 seconds West, along the said south line of proposed DC Ranch, Phase 2 and along the said north line of the Carolyn Tipton and Joel Molinar tract, at a distance of 134.31 feet passing a 1/2-inch iron rod with "METROPLEX 1849" cap found for the southwest corner of said proposed DC Ranch, Phase 2 and the southeast corner of said DC Ranch, Phase 1, continuing in all a total distance of 1,550.00 feet to a Mag-Nail with plastic washer found for corner in the centerline of County Road 97; said point being the northwest corner of a tract of land described in Warranty Deed with Vendor's Lien to Steven D. Sharrock and Cynthia L. Sharrock recorded in Document No. 93-0082123 of said Official Records; said point also being in the east line of a tract of land described in Special Warranty Deed with Vendor's Lien to Central Frisco, Ltd. recorded Instrument No. 20080306000268700 of said Official Records;

Attachment: Zoning Ordinance - DC Ranch (1609 : DC Ranch Zoning following Annexation)

THENCE, North 00 degrees, 43 minutes, 23 seconds West, along the centerline of County Road 97, the west line of said DC Ranch Phase 1 and the east line of the said Central Frisco tract, a distance of 73.27 feet to a point for corner; said point being the northeast corner of the said Central Frisco tract and the southeast corner of the first referenced Philip Littell tract;

THENCE, South 88 degrees, 40 minutes, 42 seconds West, departing the centerline of County Road 97 and along the north line of the said Central Frisco tract and the south line of the first referenced Philip Littell tract, a distance of 30.00 feet to a point for corner;

THENCE, North 00 degrees, 43 minutes, 23 seconds West, across the said Philip Littell tracts, 30-foot west and parallel to the centerline of County Road 97, the east line of the said Philip Littell tracts and the west line of said DC Ranch Phase 1, a distance of 2,615.58 feet to a point for corner; said point being in the said Four Winds Enterprises tracts first reference;

THENCE, over and across said Four Winds Enterprises tract, 30-foot north and parallel to the centerline of County Road 134, the south line of the said Four Winds Enterprises tract and the north line of said DC Ranch Phase 1 and proposed DC Ranch Phase 2, the following three (3) calls:

North 89 degrees, 00 minutes, 45 seconds East, a distance of 797.34 feet to a point for corner;

North 89 degrees, 28 minutes, 16 seconds East, a distance of 1,447.71 feet to a point for corner;

North 89 degrees, 28 minutes, 38 seconds East, a distance of 444.23 feet to a point for corner;

THENCE, South 00 degrees, 46 minutes, 34 seconds East, at a distance of 30.00 feet passing a Mag-Nail Found for the northeast corner of said proposed DC Ranch, Phase 2 and the northwest corner of the said Sharon Lyons tract, continuing in an all a total distance of 2,683.51 feet to the POINT OF BEGINNING;

CONTAINING, 7,227,796 square feet or 165.927 acres of land, more or less.

(A survey plat of even survey date herewith accompanies this description.)

The undersigned, Registered Professional Land Surveyor, hereby certifies that the foregoing description accurately sets out the metes and bounds of the tract described.

 10/12/15
Justin W. Waldrip Date
Registered Professional Land Surveyor No. 6179
Pacheco Koch, Inc.
7557 Rambler Road, Suite 1400, Dallas TX 75231
(972) 235-3031
TX Reg. Surveying Firm LS-10008000

3736-15.318BS.doc
3736-15.318BS.dwg CTP



And the 30 foot rights-of-way strips adjacent to DC Ranch along CR 134 and CR 97.

EXHIBIT "B"
DC Ranch
Zoning Exhibit



Attachment: Zoning Ordinance - DC Ranch (1609 : DC Ranch Zoning following Annexation)



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: June 14, 2016
Re: Ownsby Development Agreement

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and take action regarding a Development Agreement for Ownsby Farms, being a ±113.548 acre tract of land located in the Collin County School Land Survey #14, Abstract No. 167 Celina, Texas. The property is generally located west of SH 289 (Preston Road), north of Frontier Parkway (FM 1461), and south of CR 53. (Ownsby Farms) Liebman

Background Information:

N/A

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City's Land Use Attorney has assisted staff throughout the development agreement negotiations.

Supporting Documents:

N/A

Staff Recommendation:

Staff recommends that the public hearing be continued to the July 12, 2016 City Council meeting.



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Ben Rodriguez, Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: Old Town Residential Revision (Porches)

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and act upon an ordinance amending the City's Code of Ordinances, Chapter 14: Zoning, Article 14.03.015: OT-R, Old Town Residential District, to amend the development standards for front yard setbacks. (Old Town Residential)

Background Information:

Staff is proposing an ordinance amendment which provides additional flexibility for the encroachment of architectural projections off of the front façade of a home into the front setback for homes within the OT-R, Old Town Residential Zoning District.

Many of the recent planned development proposals and other zoning regulation decisions approved by the City have provided for an encroachment of the front porch or other architectural elements into the front setback. Staff is proposing these regulations in order to allow owners to make renovations to their home that may not meet the current setback requirements within the OT-R district but still match and resemble the character of the adjacent homes within the Old Town Residential District area.

This will ensure that residents living within the OT-R district are given the same renovation options as other areas of the City.

Board Review/Citizen Input:

At the Planning and Zoning Commission meeting on May 17, 2016 the Planning and Zoning Commission Unanimously recommended their approval of the item.

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City Attorney has reviewed the proposed ordinance

Supporting Documents:

- Proposed Ordinance

Staff Recommendation:

Staff recommends approval as presented.

CITY OF CELINA, TEXAS

ORDINANCE 2016-____

OTR SETBACK REVISIONS

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING THE CITY'S CODE OF ORDINANCES, CHAPTER 14: ZONING, ARTICLE 14.03: ZONING DISTRICTS, DIVISION 1. GENERALLY, SECTION 14.03.015 OT-R, OLD TOWN RESIDENTIAL DISTRICT; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FINDINGS; PROVIDING FOR AMENDMENT TO THE CODE OF ORDINANCES; PROVIDING A CUMULATIVE REPEALER CLAUSE; PROVIDING FOR SAVINGS; PROVIDING FOR SEVERABILITY; PROVIDING FOR A PENALTY, 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 County 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 City Council has considered, among other things, the character of the amendment with a view of encouraging the most appropriate use of land in the City, 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 citizens; and

WHEREAS, the City Council, has determined that adjusting its land use regulations regarding setbacks for residential structures is necessary to promote responsible land and economic development, and to protect the public health and safety.

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

Attachment: OTR- Setback ordinance (1631 : OTR Revision (Porches))

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 **AMENDMENTS**

3.01 That the Celina Code of Ordinances, Chapter 14: Zoning; Article 14.03: Zoning Districts; Division 1. Generally; Section 14.03.015, OTR, old town residential district; subsection (d) (2) Size of yards. shall be amended to read as follows:

“(2) Size of yards.

(A) Minimum front yard. Minimum 25 feet. Porches, eaves and awnings may encroach up to six feet into the front yard.

(B) Minimum side yard. Minimum five feet; 15 feet from a street right-of-way for a corner lot.

(C) Minimum rear yard. Minimum 25 feet for the main building.”

3.02 All other articles, chapters, sections, paragraphs, sentences, phrases, charts, definitions and words are not amended but are hereby ratified and affirmed.

SECTION 4 **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 5 **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 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 6 **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 whole or 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 7 **PENALTY**

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) for each offense, and a separate offense shall be deemed committed upon each day during or on which a violation occurs and continues.

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 **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, and Effective Date Clause of this Ordinance as required by Section 52.013 of the Local Government Code.

SECTION 9 **ENGROSSMENT AND ENROLLMENT**

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

SECTION 10 **EFFECTIVE DATE**

This Ordinance shall become effective from and after its date of passage in accordance with law.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this ____ day of _____, 2016.

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

Attachment: OTR- Setback ordinance (1631 : OTR Revision (Porches))



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Ben Rodriguez, Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: Glen Crossing / G-Bar 7 Amended and Restated Development Agreement

Action Requested:

The Celina City Council will conduct a public hearing to consider testimony and take action regarding an Amended and Restated Development Agreement for Glen Crossing, being an approximately 119.138 acre tract of land located in the Collin County School Land Survey, Abstract No. 167 Celina, Texas and generally located south of CR 55, north of CR 53, east of CR 52 and west of CR 1117, on a tract of land situated in the Collin County School Land Survey, Abstract No. 167 Collin County, Texas. (G-Bar 7/ Glen Crossing Development Agreement) Liebman

Background Information:

The proposed development agreement for Glenn Crossing establishes the responsibilities and obligations of both the developer and City. In addition the agreement determines the level of city participation on various aspects of the development.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

The agreement lays the framework for the construction, financing, and reimbursements for costs associated with onsite and offsite improvements related to the project.

Legal Review:

The City's Land Use Attorney reserves the right to fine tune the document prior to execution.

Supporting Documents:

- Proposed agreement

Staff Recommendation:

Staff recommends approval on the condition that the City's Land Use Attorney reserves the right to fine tune the document prior to execution.

AMENDED DEVELOPMENT AGREEMENT (Glen Crossing)

This Amended Development Agreement (this "Agreement") is made and entered into by and between THE CITY OF CELINA, TEXAS (the "City"), a home rule municipality located within Collin County, Texas, and Wynne Jackson, Inc. (the "Developer") (the City and the Developer each individually, a "Party" and collectively, the "Parties") to be effective on the 14th day of June, 2016 (the "Effective Date"). This Agreement amends and restates in its entirety that certain Development Agreement between the City and the Developer effective April 12, 2016, which Development Agreement shall be of no further force or effect as of the Effective Date of this Agreement.

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; and

WHEREAS, the Developer is a Texas corporation whose principal office is located within Dallas County, Texas; and

WHEREAS, Wynne Jackson, Inc. intends to assign this Agreement to W/J CR55 LP, a Texas limited partnership and upon such assignment W/J CR55 LP shall become the Developer; and

WHEREAS, the Developer plans to develop in phases an approximately 119.138-acre tract of land more particularly described by metes and bounds in Exhibit A and depicted on Exhibit B attached hereto (the "Property"); and

WHEREAS, the Developer plans to develop the first phase of the Property containing an approximately 41.499-acre tract of land more particularly described by metes and bounds in Exhibit A-1 (the "Phase I Property") and depicted on Exhibit B-1 attached hereto; and

WHEREAS, as of the Effective Date, G Bar 7, Ltd. owns the Property; and

WHEREAS, the Developer is under contract to purchase the Property; and

WHEREAS, the Property is located wholly within the City's corporate limits; and

WHEREAS, the City holds a water certificate of convenience and necessity (a "CCN") for the Property; and

WHEREAS, the City holds a sewer CCN for the Property;

WHEREAS, the Parties intend for the City to be the retail provider of water service and sewer service to the Property;

WHEREAS, the Developer desires to proceed with development of the Property pursuant to the zoning regulations of Planned Development District No. 23 (the "PD"); and

WHEREAS, development of the Property will require the following improvements to CR 1117, which improvements are further described in Article IV and on Exhibit C: (a) CR 1117 improvements adjacent to the perimeter of the Property not including water lines (the "Adjacent 1117 Improvements"); (b) CR 1117 improvements from the northern end of the Adjacent 1117 Improvements to CR 55 not including water lines (the "Outparcel 1117 Improvements"); (c) CR 1117 improvements from the southern end of the Adjacent 1117 Improvements south to CR 53 not including water and sewer lines (the "CR 53 Improvements"); and (d) 15-inch sewer line along part of the eastern perimeter of the Property and continuing up to and across to the northern side of CR 55 (the "CR 1117 Sewer Line" and together with the Adjacent 1117 Improvements, the Outparcel 1117 Improvements, and the CR 53 Improvements, the "CR 1117 Improvements"), and (e) temporary improvements from an entryway into the Property on CR 1117 to CR 55 (the "Flexbase 1117 Improvements"); and

WHEREAS, the CR 1117 Improvements will be made within existing and to be acquired City right-of-way within and outside of the City's existing corporate limits, except that the CR 53 Improvements will be limited to the prescriptive right-of-way existing on the Effective Date; and

WHEREAS, the Parties intend to cooperate on the City's acquisition of additional right-of-way from the southern end of the Adjacent 1117 Improvements south to CR 53; and

WHEREAS, development of the Property will require the following improvements to CR 55 within existing City right-of-way and future easements to be acquired within the City's existing corporate limits, which improvements are further described in Article IV and on Exhibit D: (a) CR 55 improvements adjacent to the perimeter of the Property (the "Adjacent 55 Improvements"); (b) CR 55 waterline improvements between the northeastern corner of the Property and the west line of the railroad right of way located east of the Property; (the "Outparcel 55 Improvements"); and (c) a 12-inch waterline along the Adjacent 55 Improvements ("CR 55 Waterline" and together with the Adjacent 55 Improvements and the Outparcel 55 Improvements, the "CR 55 Improvements"); and

WHEREAS, development of the Property will require certain on-site 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 on-site public improvements, a portion of which is further described on Exhibit E (collectively, the "On-Site Public Improvements"); and

WHEREAS, certain off-site public infrastructure necessary to bring water and sanitary sewer service to the Property, as further described in Subsections 4.05(e), (f), and (g) and shown on Exhibit F (collectively, the "Off-Site Public Improvements") is needed to serve the development of the Property; and

WHEREAS, the Off-Site Public Improvements will be constructed within existing right-of-way or will be constructed in easements; and

WHEREAS, the costs of the CR 1117 Improvements, the Flexbase 1117 Improvements, the CR 55 Improvements, the On-Site Public Improvements, and the Off-Site Public Improvements (collectively, the "Public Improvements") reflected on Exhibit C, Exhibit D,

Exhibit E, and Exhibit F are estimates, and shall not be construed as caps on the costs of the Public Improvements; and

WHEREAS, the Public Improvements are not currently available to serve development of the Property; and

WHEREAS, the cost of the Public Improvements does not allow for the Developer's intended development of the Property in a cost-effective and market-competitive manner without participation by the City; and

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

WHEREAS, the Parties have determined that the 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"); and

WHEREAS, on April 12, 2016, the City passed and approved Resolution No. 2016-24R approving and authorizing the creation of the G Bar 7 Public Improvement District encompassing 109.090 acres of the Property for the purpose of financing the Public Improvements that confer a special benefit on the Property (the "PID"); and

WHEREAS, on June 14, 2016, the City passed and approved Resolution No. 2016-___R changing the PID name from the G Bar 7 Public Improvement District to the Glen Crossing Public Improvement District; and

WHEREAS, the City intends to create a tax increment reinvestment zone encompassing all or a portion the Property (the "TIRZ") pursuant to Chapter 311, Texas Tax Code, as amended, entitled the Tax Increment Financing Act ("TIF Act") for the purpose of funding the costs of the Public Improvements constructed by the Developer that are not attributable to the development of the Property; and

WHEREAS, the Parties have determined that they have the authority to enter into this Agreement; and

WHEREAS, it is the intent of this Agreement to establish certain legally binding restrictions and commitments to be imposed upon such Property; and the Parties are proceeding in reliance on the enforceability of this Agreement; and

WHEREAS, the Parties intend for this Agreement to terminate if the Developer 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.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained herein, and other good and valuable consideration, the Parties 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 Developer represents and warrants that this Agreement has been approved by appropriate action of the Developer, and that the individual executing this Agreement on behalf of the Developer has been authorized to do so.

ARTICLE II PURPOSES, CONSIDERATION, AND TERM

2.01 Purposes. The Parties desire to enter into this Agreement to provide for infrastructure for the Property, including the Public Improvements, including establishing the means of and terms for financing the Public Improvements by the City and the Developer.

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. If the City issues PID bonds, this Agreement shall have a term starting on the Effective Date and expiring the later of expiration of the TIRZ or payment in full of the PID bonds (the "Term") and if the City fails to issue PID bonds or levy PID assessments then this Agreement shall have a term starting on the Effective Date and expiring on June 15, 2017; provided, however, this Agreement shall be void ab initio and shall have no force or effect if, and only if, the Developer does not purchase the Property by July 13, 2016. Nothing herein shall obligate the Developer to purchase the Property.

ARTICLE III FEES

3.01 Fees, Capital Recovery Fees and Park Fees.

(a) The Developer 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, storm water 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) Development of the Property shall be subject to payment of park fees in the amount established in the City's Code of Ordinances. Other than what is required in the PD, no parkland dedication or construction of park improvements shall be required, and no fee related to maintenance of park improvements shall be required.

(d) Development of the Property shall be subject to water, sewer/wastewater, and roadway impact fees adopted, assessed and collected in compliance with Chapter 395 of the Texas Local Government Code.

(e) In addition to the fees described above, the Developer will make a one-time escrow deposit with the City in an amount equal to \$226,850.00 (the "PID Issuance Fee"). The PID Issuance Fee will be paid to the City by the Developer at the closing of the first series of PID bonds and will be deposited by the City upon receipt into a segregated account restricted to use for regional park improvements.

(f) Developer shall also pay a PID Bond Fee, as defined and described in Section 6.02 below.

ARTICLE IV INFRASTRUCTURE IMPROVEMENTS

4.01 Phasing of Improvements.

(a) Prior to the issuance of the first building permit for the first residential home to be constructed on the Phase I Property and following the City's approval of the construction drawings and issuance of all required permits:

(i) the Developer will construct the Flexbase 1117 Improvements consisting of a 24-foot flexbase all weather surface for support of up to a 75,000 pound vehicle from CR 55 to the entrance into the Property from CR 1117 into the Phase I Property (approximately 1,175 linear feet); and

(ii) the Developer shall construct all water lines and sewer lines reflected in the "Summary" chart on **Exhibit G** in the column labeled Phase 1.

(b) Prior to the issuance of the first building permit for the first residential home to be constructed on the Phase II Property depicted on Exhibit B-1 and following the City's approval of the construction drawings and issuance of all required permits:

(i) the Developer will construct the CR 1117 Improvements consisting of the full 36-foot wide road section including sewer lines where required, except for the CR 53 Improvements, which are limited to paving the width of the prescriptive right-of-way as it exists on the Effective Date; and

(ii) the Developer shall construct all sewer lines reflected in the "Summary" chart on **Exhibit G** in the column labeled Phase 2.

4.02 CR 1117 Improvements.

(a) If the Developer constructs the CR 1117 Improvements as provided in this section, the Developer shall be compensated for (i) 50 percent (18 feet of the 36 feet) of the cost to design and construct the Adjacent 1117 Improvements other than water and sewer lines, as well as 50 percent of the cost of any payment and maintenance bond for the Adjacent 1117 Improvements, other than water and sewer lines required by this section, and (ii) 100 percent of the cost to design and construct the Outparcel 1117 Improvements, the CR 53 Improvements, and the CR 1117 Sewer Line as well as 100 percent of the cost of any payment and maintenance bond for the Outparcel 1117 Improvements, the CR 53 Improvements, and the CR 1117 Sewer Line (collectively, the "CR 1117 Reimbursable Costs"). The remaining amounts of such costs represent the Developer's proportionate share of the CR 1117 Improvements based on traffic generated by the development of the Property, which shall not be reimbursed.

(b) Prior to commencement of construction of the CR 1117 Improvements, the Developer shall submit to the City for review the proposed construction contracts and bids. The City may object to such contracts and bid amounts within thirty (30) days of receiving them from the Developer if the City provides a bid from a qualified contractor willing to complete the work for at least 10 percent less than the proposed Developer bid for the same work. The Developer and the City shall work together to construct the CR 1117 Improvements at a competitive cost; however, competitive bidding and performance bonds shall not be required. In addition, no security, such as a bond or letter of credit, shall be required from the Developer to secure completion of the CR 1117 Improvements, but a payment and maintenance bond shall be provided to the City by the Developer as required by the City's subdivision regulations. The City shall be responsible for the percent of the cost of such bonds attributable to the CR 1117 Reimbursable Costs, and the Developer shall be responsible for the remaining amount of the cost.

4.03 CR 55 Improvements

(a) Prior to the issuance of the first building permit for the first residential home to be constructed on the Phase I Property, the Developer shall dedicate the 45-foot wide right-of-way needed for the Adjacent 55 Improvements and escrow with the City the estimated costs of the Adjacent 55 Improvements for paving, grading, and drainage consisting of two lanes of the ultimate 90-foot wide road with 2-25 foot sections adjacent to the perimeter of the Property. The escrow amount shall be 100 percent of the total amount shown on Exhibit D to construct the Adjacent 55 Improvements for paving, grading, and drainage. Such costs shall not be reimbursed to the Developer even if there are cost savings during actual construction and the Developer shall not be asked to contribute additional funds even if there are cost overruns during actual construction.

(b) Prior to the issuance of the first building permit for the first residential home to be constructed on the Phase I Property and following the City's approval of the construction drawings and issuance of all required permits, the Developer will construct approximately 715 linear feet of the CR 55 Water Line. If the Developer constructs the CR 55 Water Line as provided in this paragraph, the Developer shall not be reimbursed for any of the cost to design and construct the CR 55 Water Line or the cost of any payment and maintenance bond for the CR 55 Water Line.

(c) Prior to the issuance of the first building permit for the first residential home to be constructed on the Phase I Property and following the City's approval of the construction drawings and issuance of all required permits, the Developer will construct the Outparcel 55 Improvements consisting of approximately 1,560 linear feet of 12-inch water line. If the Developer constructs the Outparcel 55 Improvements as provided in this paragraph, the Developer shall be compensated for (i) 100 percent of the cost to design and construct the Outparcel 55 Improvements, and for (ii) 100 percent of the cost of any payment and maintenance bond for the Outparcel 55 Improvements, (collectively, the "CR 55 Reimbursable Costs").

(d) Prior to commencement of construction of the Outparcel 55 Improvements, the Developer shall submit to the City for review the proposed construction contracts and bids. The City may object to such contracts and bid amounts within thirty (30) days of receiving them from the Developer if the City provides a bid from a qualified contractor willing to complete the work for at least 10 percent less than the proposed Developer bid for the same work. The Developer and the City shall work together to construct the Outparcel 55 Improvements at a competitive cost; however, competitive bidding and performance bonds shall not be required. In addition, no security, such as a bond or letter of credit, shall be required from the Developer to secure completion of the Outparcel 55 Improvements, but a payment and maintenance bond shall be provided to the City by the Developer, as required by the City's subdivision regulations. The City shall be responsible for 100 percent of the cost of such bonds attributable to the Outparcel 55 Improvements.

4.04 On-Site Public Improvements.

(a) The On-Site Public Improvements shall include but not be limited to the master improvements for on-site sewer, as further described on **Exhibit E** (the "Master On-Site Sewer Improvements").

(b) The Developer agrees to complete construction of the portions of the Master On-Site Sewer Improvements as may be necessary to serve the respective phases of development of the Property following the City's approval of the construction drawings and issuance of all required permits and before City issuance of the first building permit in the respective phase developed on the Property.

(c) Prior to commencement of construction of the Master On-Site Sewer Improvements, the Developer shall submit to the City for review the proposed construction contracts and bids. The City may object to such contracts and bid amounts within thirty (30) days of receiving them from the Developer if the City provides a bid from a qualified contractor willing to complete the work for at least 10 percent less than the proposed Developer bid for the same work. The Developer and the City shall work together to construct the Master On-Site Sewer Improvements at a competitive cost; however, competitive bidding and performance bonds shall not be required. In addition, no security, such as a bond or letter of credit, shall be required from the Developer to secure completion of the Master On-Site Sewer Improvements, but a payment and maintenance bond shall be provided to the City by the Developer, as required by the City's subdivision regulations. The City shall be responsible for the percent of the cost of such bonds attributable to the City's share of the Master On-Site Sewer Improvements, and the Developer shall be responsible for the remaining amount of the cost.

(d) The Developer's share of the costs of the Master On-Site Sewer Improvements for the 510 linear feet of 24-inch sewer line B, as shown on Exhibit E, is 41.81 percent of the total design and construction cost, and the City's share of the costs of the Master On-Site Sewer Improvements for the 510 linear feet of 24-foot sewer line B is the remaining 58.19 percent of the total design and construction cost.

(e) The Developer's share of the costs of the Master On-Site Sewer Improvements for the 2,000 linear feet of 18-inch sewer line A, as shown on Exhibit E, is 48.14 percent of the total design and construction cost, and the City's share of the costs of the Master On-Site Sewer Improvements for the 2,000 linear feet of 18-inch sewer line A is the remaining 51.86 percent of the total design and construction cost.

4.05 Off-Site Public Improvements.

(a) The Off-Site Public Improvements shall consist of off-site water and sewer improvements necessary to serve the Property, as further described on Exhibit F.

(b) The Developer agrees to complete construction of the portions of the Off-Site Public Improvements as may be necessary to serve the respective phases of development of the Property following the City's approval of the construction drawings and issuance of all required permits and before City issuance of the first building permit in the respective phase developed on the Property.

(c) Prior to commencement of construction of the Off-Site Public Improvements, the Developer shall submit to the City for review the proposed construction contracts and bids. The City may object to such contracts and bid amounts within thirty (30) days of receiving them from the Developer if the City provides a bid from a qualified contractor willing to complete the work for at least 10 percent less than the proposed Developer bid for the same work. The Developer and the City shall work together to construct the Off-Site Public Improvements at a competitive cost; however, competitive bidding and performance bonds shall not be required. In addition, no security, such as a bond or letter of credit, shall be required from the Developer to secure completion of the Off-Site Public Improvements, but a payment and maintenance bond shall be provided to the City by the Developer as required by the City's subdivision regulations. The City shall be responsible for the percent of the cost of such bonds attributable to the City's share of the Off-Site Public Improvements, and the Developer shall be responsible for the remaining amount of the cost.

(d) The Developer agrees to use commercially reasonable efforts to obtain all third-party rights-of-way, consents, or easements, required for the Off-Site Public Improvements, excluding the CR 53 Improvements, which easements are depicted and described on Exhibit H (collectively, the "Off-Site Easements"). If, however, the Developer is unable to obtain one or more of the Off-Site Easements within sixty (60) days of commencing efforts to obtain the needed easements and right of way, the City agrees to take reasonable steps to secure same (subject to City Council authorization after a finding of public necessity) through the use of the City's power of eminent domain. The Developer shall be responsible for funding all reasonable and necessary legal proceeding/litigation costs, compensation awards or negotiated amounts for the condemned property interest, attorney's fees and related expenses, and appraiser and expert

witness fees (collectively, "Eminent Domain Fees") paid or incurred by the City in the exercise of its eminent domain powers and shall escrow with a mutually agreed upon escrow agent the City's reasonably estimated Eminent Domain Fees both in advance of the initiations of each eminent domain proceeding and as funds are needed by the City. Provided that the escrow fund remains appropriately funded in accordance with this Agreement, the City will use all reasonable efforts to expedite such condemnation procedures so that the Off-Site Easements can be acquired as soon as reasonably practicable. Before paying any negotiated amount to avoid legal proceedings and/or litigation, the City shall present the negotiated amount in writing to the Developer. The Developer shall have two (2) business days (or longer if indicated in writing by the City) to approve the negotiated amount or direct the City to proceed with legal proceedings and litigation. If the City's Eminent Domain Fees exceed the amount of funds escrowed in accordance with this paragraph, the Developer shall deposit additional funds as requested by the City into the escrow account within ten (10) days after written notice from the City. Any unused escrow funds will be refunded to the Developer with thirty (30) days after any condemnation award or settlement becomes final and non-appealable. Nothing in this subsection is intended to constitute a delegation of the police powers or governmental authority of the City, and the City reserves the right, at all times, to control its proceedings in eminent domain. The City's share of the Off-Site Easements costs (which costs include, but are not limited to, the costs of easement acquisition, legal fees, fence repairs and replacements, and other costs required by the third party owner as consideration for the granting of the easements, other than any easement costs for the CR 53 Improvements) is \$160,000 (the "City Easement Cost").

(e) The Developer's share of the costs of the water line A of the Off-Site Public Improvements, as shown on **Exhibit F**, is 41.00 percent of the total design and construction cost, and the City's share of the costs of the water line A of the Off-Site Public Improvements is the remaining 59.00 percent of the total design and construction cost.

(f) The Developer's share of the costs of the approximate 5,212 LF of 24-inch sewer line Off-Site Public Improvements (the "24-Inch Offsite Sewer") as shown on **Exhibit F** is 25.37 percent of the total design and construction cost, and the City's share of the costs of the 24-Inch Offsite Sewer is the remaining 74.63 percent of the total design and construction cost.

(g) The Developer's share of the costs of the approximate 400 LF of 15-inch sewer line Off-Site Public Improvements (the "15-Inch Offsite Sewer") as shown on **Exhibit F** is 0.00 percent of the total design and construction cost, and the City's share of the costs of the 15-Inch Offsite Sewer is the remaining 100.00 percent of the total design and construction cost.

4.06 Cost Sharing.

(a) The City agrees that the Developer may fund its share of the costs of the Public Improvements from the proceeds of PID bonds to the extent the improvements provide a special benefit to the Property.

(b) As described in Section 6.03 below, the City shall participate in the cost of the CR 1117 Reimbursable Costs, the CR 55 Reimbursable Costs, the City's Easement Cost, and the City's share of the costs associated with designing and constructing the On-Site Public

Improvements and Off-Site Public Improvements (the "City/TIRZ Project Costs"). The City/TIRZ Project Costs shall be initially funded by the Developer.

(c) The Developer shall have no obligation to fund or construct any public improvements or dedicate any right-of-way other than as described in this Agreement.

4.07 Construction Standards. All ordinances of the City establishing construction, engineering and building standards, as they presently exist or may in the future be adopted, shall apply to the Public Improvements and all other construction

ARTICLE V UTILITY SERVICE PLAN

5.01 General. It is anticipated that the Property will develop in two 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 development of the Property and other areas of the City as they develop.

5.02 Water Service. The Parties acknowledge that the City has a CCN to provide retail water service to all of the Property. The Parties acknowledge and agree that water capacity will be needed in phases as development of the Property 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 Property, including, without limitation, for the Developer's anticipated first phase of single family lots upon Developer's completion of the Off-Site Public Improvements. Based upon the foregoing, the Developer 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 Developer, the City will provide to the Developer a "will serve" letter confirming sufficient water capacity to serve the next phase of development of the Property.

5.03 Wastewater Service. The Parties acknowledge that the City has a CCN to provide retail sewer service to all of the Property. 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 Property, including, without limitation, for the Developer's anticipated first phase of single-family lots upon Developer's completion of the Off-Site Public Improvements. Based upon the foregoing, the Developer 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 ten business days after receiving a written request from the Developer, the City will provide to the Developer a "will serve" letter confirming sufficient sewer discharge capacity to serve the next phase of development of the Property.

ARTICLE VI INFRASTRUCTURE FINANCING

6.01 PID Financing.

(a) On December 31, 2015, the City received from the Developer a petition for creation of the PID over 109.090 acres of the Property that is in compliance with the PID Act. Following approval of this Agreement, the City shall create the PID over the portion of the Property described in the petition to fund the Public Improvements that will confer a special benefit upon the Property within the PID, a portion of which Public Improvements are further described on Exhibit G. The costs shown on Exhibit G are estimates, and shall not be construed as caps on the cost of the Public Improvements.

(b) Concurrently with the Developer's submittal of the petition seeking creation of the PID, the Developer delivered 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 the Developer does not purchase the Property on or before July 13, 2016. Both the PID creation petition and the PID dissolution petition were executed by the owner of the Property in compliance with the requirements of the PID Act.

(c) As soon as reasonably practicable following a request by the Developer, provided the City confirms (I) the Developer is in compliance with this Agreement and the Developer's continuing disclosure obligations and (II) the bonds will not negatively impact the City's (i) credit rating, (ii) access to capital, or (iii) cost of capital, the City, in its sole discretion, may adopt an ordinance authorizing the issuance of the PID bonds. The Developer's purchase of the Property is a prerequisite to the City's marketing of the first series of PID bonds. The City may, in the City's sole discretion, elect to defer the levy of any PID assessments against the Property until the City confirms that the Developer has purchased the Property and that this Agreement will not be void ab initio as provided in Section 2.03. Subject to the satisfaction of conditions set forth in this Section, the City may issue bonds or other obligations ("PID Bonds") secured by and payable from special assessments levied against all or any portion of the Development Property within the Glen Crossing Public Improvement District (the "PID") and the owners thereof solely for the purposes of acquiring or constructing Public Improvements (as defined in this Development Agreement), and to pay costs related to the issuance, sale and delivery of such PID Bonds (including but not limited to, amounts necessary to fund a reserve fund for the PID Bonds and capitalized interest). Owner may request issuance of PID Bonds by filing with the City a list of the public improvements to be funded with the PID Bonds, the estimated costs of such Public Improvements and a detailed buildout proforma. Owner acknowledges that the City will require at that time a professional services agreement that obligates Owner to fund the costs of the City's professionals relating to the preparation for and issuance of PID Bonds, which shall be considered a cost payable from such PID Bonds. The issuance of PID Bonds is subject to the following conditions:

- 1) The City's evaluation and determination that there will be no negative impact on the City's creditworthiness, bond rating, access to or cost of capital, or potential for liability.
- 2) The City has determined that the amount of proposed PID assessments and the structure, terms, conditions and timing of the issuance of the PID Bonds are reasonable for the project costs to be financed and the degree of development activity within the PID, and that there is sufficient security for the PID Bonds to be creditworthy.

- 3) No information regarding the City, including without limitation financial information, shall be included in any offering document relating to PID Bonds without the consent of the City. approval by the Texas Attorney General of the PID Bonds and registration of the PID Bonds by the Comptroller of Public Accounts of the State of Texas.
- 4) The PID Bonds include the City's required continuing disclosure requirements.
- 5) The Developer is current on all assessments, taxes, fees and obligations to the City.
- 6) The Developer is not in default under this Agreement, the Development Agreement or any other agreement with the City.
- 7) No outstanding PID Bonds are in default, no reserve funds have been drawn upon that have not been replenished, and are compliant with continuing disclosure requirements.
- 8) The aggregate principal amount of PID Bonds issued and to be issued shall not exceed amounts sufficient to fund the Public Improvements.
- 9) Each series of PID Bonds shall be in an amount estimated to be sufficient to fund the Public Improvements or portions thereof for which such PID Bonds are being issued.
- 10) Delivery by Owner to the City of a certification or other evidence from an independent appraiser or other professional confirming that the special benefits conferred on the properties being assessed for the Public Improvements increase the value of the property by an amount at least equal to the amount assessed against such property.
- 11) The PID bonds for the Phase I Property and for the Phase II Property may each have a "Series A", followed by a "Series B" for additional funding or refunding, if approved by the City, to accomplish the financial structure reflected in Exhibit I which financial structure is intended to represent the methodology used but not the actual amounts as such actual amounts will be established at the closing of the first series of PID bonds.
- 12) Based on the financing structure reflected in Exhibit I, the maximum maturity for the Series A PID Bonds shall not exceed 30 years from the date of delivery thereof.
- 13) The final maturity for Phase 2 PID Bonds shall be not later than 31 years from the date of this Agreement.
- 14) The Series B PID bonds may not extend the maturity of the Series A PID bonds being refunded, or, if for additional funding, extend beyond the maturity of the Series A PID bonds. Further, any Series B PID bonds cannot cause an increase in annual cost of PID assessments in the phase for which the Series B PID bonds are issued.
- 15) The maximum gross tax equivalent assessment based on the projected average home price for each lot size at the time the assessment is levied is \$0.7400 per \$100 of assessed value and the estimated maximum net tax equivalent assessment based on the projected average home price for each lot size at the time the assessment is levied is \$0.4581 per

\$100 of assessed value. Such estimates will be finalized in the PID Service and Assessment Plan.

- 16) The City will not levy PID assessments on the Phase II Property unless and until the Developer completes construction of the pool, fencing, landscaping and related facilities contemplated by the PD (collectively, the "Amenity Center"). A City issued certificate of occupancy is evidence of completion of the Amenity Center.
- 17) The aggregate principal amount of PID Bonds issued and to be issued shall not exceed amounts sufficient to fund the Public Improvements.
- 18) Delivery by Owner to the City of a certification or other evidence from an independent appraiser or other professional confirming that the special benefits conferred on the properties being assessed for the Public Improvements increase the value of the property by an amount at least equal to the amount assessed against such property.
- 19) Review and approval by the City of the plats and construction plans for the Public Improvements.
- 20) The Public Improvements to be financed by the PID Bonds have been or will be constructed according to the approved design specifications and construction standards imposed by the Development Agreement.

(d) 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.

(e) 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").

(f) 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. The total of all PID bonds shall not exceed \$15 million.

(g) The City and the Developer 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 City Secretary for public inspection, the City will levy special assessments against the Property. The levy of assessments will be completed on a phased basis with all of the assessments for each phase levied before the issuance of PID bonds for that phase. 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 long as the amount of assessment does not increase and the number of years to pay the assessment is not extended. As needed to implement the Service and Assessment Plan, the City and the Developer will enter into a PID reimbursement agreement that provides for the Developer's construction of certain PID Projects and the City's reimbursement to the Developer of certain PID Project Costs from PID Bond proceeds or from the annual collection of installment payments on PID assessments.

(h) As set forth in subsection (c) above, the City may 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., 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 Developer to pay the amount, if any, by which PID Project Costs exceed the net proceeds from the sale of PID bonds and the amount, if any, of cost overruns. The City will require the Developer to secure its obligation to pay such deficit and cost overruns by depositing cash with the City, to be placed in the appropriate fund, 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.

6.02 Costs for Non-Bank Qualified Debt. If in any calendar year (including 2016) 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 Developer 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 City shall calculate the PID Bond Fee for all series of PID bonds and notify Developer of the total amount due at least ten (10) business days prior to pricing the first series of PID bonds. The Developer agrees to pay the estimate of the PID Bond Fee to the City on the later of (i) five (5) business days prior to pricing of any series of PID bonds or other City debt, or (ii) five (5) business days after receiving notice from the City of the estimated amount of PID Bond Fee due to the City. The City shall not be required to price or sell any series of PID bonds until the Developer has paid the PID Bond Fee.

To the extent any developer(s) or owner(s) (including the Developer, as applicable) has (have) paid all or a part of a PID Bond Fee estimate for any particular calendar year, any such PID Bond Fee estimate paid subsequently by a developer or owner (including the Developer, 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 Developer, 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 estimated PID Bond Fee. The City will deposit all

payments of a PID Bond Fee estimate received from a developer or owner (including the Developer, as applicable) into a segregated account until such time as (1) the City transfers the funds to a capital improvement project fund in conjunction with issuing City debt; and/or (2) the City refunds a portion of the PID Bond Fee estimate consistent with the pro rata formula above within 10 days of issuing PID bonds. On or before January 15th of the following calendar year, the final PID Bond Fee shall be calculated. By January 31st of such year, any funds in excess of the final PID Bond Fee that remain in such segregated account on December 31st of the preceding calendar year shall be refunded to the developers or owners (including the Developer, as applicable) and any deficiencies in the estimated PID Bond Fee paid to the City by any developer or owner (including the Developer, as applicable) shall be remitted to the City by the respective developer or owner (including the Developer, as applicable).

6.03 TIF Financing.

(a) The City will, on its own initiative and in compliance with the TIF Act, and as a condition to Developer's obligations to construct the CR 1117 Improvements, the Outparcel 55 Improvements, the portion of the On-Site Public Improvements and the Off-Site Public Improvements benefitting development of phase one of the Property, do the following by June 30, 2016: (i) create the TIRZ over the Phase I Property with a maximum term of 29 years or until the City terminates the TIRZ in accordance with the TIF Act; (ii) approve a project and finance plan that dedicates to the tax increment fund 43.71 percent of all collected City real property ad valorem taxes from the TIRZ during the Term (the "TIF Fund") which amount may increase or decrease with the final pricing of the PID bonds consistent with the methodology included in the project financing summary attached as Exhibit I; and (iii) approve an agreement granting all TIF Fund revenue remaining after administrative expenses are paid as a credit against PID assessments for the term of each series of PID bonds. The agreement will provide for an offset or credit against the PID assessments levied against the Property (on a parcel-by-parcel basis as described in the PID service and assessment plan) in an annual amount equal to the cash balance of the TIF Fund attributable to each parcel during each calendar year (individually, an "Annual Credit Amount"). More details of the financial structure of the TIRZ are set forth in Exhibit I, attached hereto and incorporated as if fully set forth herein. The City will prepare each year an updated PID assessment roll confirming the amount of the annual installment owed on PID assessments and the reduced assessment amount burdening the Property after the City applies against the annual installment for the Annual Credit Amount. Such Annual Credit Amount shall not be reduced by the City without the City making a corresponding reduction in the PID assessments (i.e., each PID assessment shall be permanently reduced by the same amount the Annual Credit Amount is reduced). If the debt service on issued and outstanding PID bonds is reduced as the result of an economic refunding of those PID bonds, then there would be a corresponding reduction in both the Annual Credit Amount and the annual installment owed on the PID assessments which will result in a permanent reduction in the PID assessment.

(b) The City will, on its own initiative and in compliance with the TIF Act, and as a condition to Developer's obligations to construct the CR 1117 Improvements, the Outparcel 55 Improvements, the portion of the On-Site Public Improvements and the Off-Site Public Improvements benefitting development of phase two of the Property, do the following: (i) amend

the TIRZ to include the Phase II Property or create a new TIRZ over the Phase II Property; (ii) include in the TIF Fund those amounts contemplated by the financing model attached as **Exhibit I** for the Phase II Property; (iii) provide for an Annual Credit Amount for each parcel in the Phase II Property such that the PID assessments on the Phase II Property (on a parcel-by-parcel basis) are as contemplated by the financing model attached as **Exhibit I** for the Phase II Property; and (iv) extend the term of the TIRZ, if needed. The term of the expanded TIRZ or second TIRZ shall be the shorter of the term of the PID bonds issued by the City or twenty-nine (29) years from the date of expansion or creation.

ARTICLE VII EVENTS OF DEFAULT; REMEDIES; PID NOTICES

7.01 **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 (5) 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 thirty (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 7.01 cannot cure an alleged failure to perform within thirty (30) days after receipt of written notice, such Party shall give written notice to the other Party within such thirty (30) day period (a) stating that the Party cannot cure the alleged failure within thirty (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 thirty (30) days after the initial written notice of the alleged failure has been given.

7.02 **Remedies.** If a Party is in default, the aggrieved Party may, at its option and without prejudice to any other right or remedy under this Agreement, seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act, 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; or
- (c) entitle the aggrieved Party to seek or recover monetary damages of any kind; or
- (d) limit the term.

7.03 **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 Developer 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 DEVELOPER.

7.04 PID Notices. When selling any of the Property, the Developer 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 Developer 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 IX, this Section 7.04 applies to all owners of all or any portion of the Property.

ARTICLE VIII ASSIGNMENT AND ENCUMBRANCE

8.01 Assignment by Developer to Successor Developers.

(a) The Developer 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 Developer under this Agreement to any person or entity (an "Assignee") that is or will become an owner of any portion of the Property (a) without City consent, but with notice to the City, if the Assignee is an entity that is controlled by or under common control by the Developer; or (b) with the City's prior written consent, if to any other person or entity, provided that the Developer is not in breach of this Agreement at the time of such assignment. An Assignee is considered the "Developer" and a "Party," and 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 Developer and the Assignee and shall obligate the Assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned, 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 Developer 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 Developer shall not be released until the City receives such copy of the assignment.

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

(e) The Developer shall maintain written records of all assignments made by the Developer 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.

8.02 Assignment by the City. The City shall not assign this Agreement.

8.03 Encumbrance by Developer and Assignees. The Developer 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 written notice to the City within ten (10) days of the execution of such document. 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.

8.04 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.

8.05. DEVELOPER'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/DEVELOPERS' WAIVER AND RELEASE OF CLAIMS FOR OBLIGATIONS IMPOSED BY THIS AGREEMENT.

(a) THE DEVELOPER 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 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 DEVELOPER'S FINANCIAL AND INFRASTRUCTURE CONTRIBUTION FOR THE PUBLIC IMPROVEMENTS IS ROUGHLY PROPORTIONAL TO THE DEMAND THAT THE DEVELOPER'S ANTICIPATED IMPROVEMENTS AND DEVELOPER'S DEVELOPMENT OF THE PROPERTY PLACES ON THE CITY'S INFRASTRUCTURE.

(iii) ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE DEVELOPER 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 THIS AGREEMENT IS ROUGHLY PROPORTIONAL TO THE BENEFIT RECEIVED BY THE DEVELOPER FOR SUCH LAND, AND THE DEVELOPER 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. ASSUMING NO DEFAULTS UNDER THIS AGREEMENT, THE DEVELOPER 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 8.05 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

ARTICLE IX ESTOPPEL CERTIFICATES

From time to time upon written request of the Developer, 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 Developer under this Agreement that are in default. The Developer shall pay the City \$1,000 at the time of the Developer's requests for an estoppel certificate for each request in excess of one per calendar year.

ARTICLE X ADDITIONAL PROVISIONS

10.01 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.

10.02 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: City Manager City of Celina 302 W. Walnut St. Celina, Texas 75009 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@hbwvllaw.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 Developer: W/J CR55 LP
 Attn: Frank Murphy
 Wynne/Jackson, Inc.
 600 N. Pearl, Suite 650, LB 149
 Dallas, Texas 75201
 E-mail: fmurphy@wynnejackson.com
 TEL: (214) 880-8792
 FAX: (214) 880-8709

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

10.03 Reservation of Rights. This Agreement constitutes a "permit" within the meaning of Chapter 245, Texas Local Government Code, as amended. 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 Developer 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.

10.04 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.

10.05 Outer Loop Buffer. When the Developer makes application to the City for a general development plan for all or any portion of the Property, if any lot (collectively, the "Affected Lots") shown on the general development plan is within 100-feet of the then current or proposed Collin County Outer Loop right-of-way (the "Outer Loop ROW"), that portion of the lot within such 100-foot buffer zone or the area between such lot and the Outer Loop ROW shall include the following landscaping:

(a) A minimum 20-foot wide landscape buffer will be required between the Affected Lots and the Outer Loop ROW with the eastern end beginning at CR 1117 (the "Landscape Buffer").

(b) In the event that the Affected Lots are separated from the Outer Loop ROW by a street, then the Landscape Buffer shall be placed between the street and the Outer Loop ROW for the length of the Affected Lots.

(c) Evergreen trees similar in type to cedar trees or other vegetation as approved by the City will be planted within the Landscape Buffer with spacing of 20 foot on center with minimum size at time of planting of 3" caliper.

(d) The Landscape Buffer shall be irrigated and the Landscape Buffer shall be dedicated to and maintained by the homeowners association to be created for the Property.

10.06 Interpretation. The Parties 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.

10.07 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.

10.08 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.

10.09 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.

10.10 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.

10.11 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.

10.12 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.

10.13 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.

10.14 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 Phase I Property
Exhibit B	Depiction of Property
Exhibit B-1	Depiction of Phase I Property and Phase II Property
Exhibit C	Description of CR 1117 Improvements and the Flexbase 1117 Improvements
Exhibit D	Description of CR 55 Improvements
Exhibit E	Description of the On-Site Public Improvements
Exhibit F	Description of Off-Site Public Improvements
Exhibit G	Description of a Portion of the PID Projects
Exhibit H	Depiction and Description of Off-Site Easements
Exhibit I	Description of Series A and B PID Bond Structure and TIRZ Financial Model

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement to be effective as of the Effective Date.

CITY OF CELINA, TEXAS
"The City"

By: _____
Sean Terry, Mayor

ATTEST:

By: _____
Vicki Faulkner, City Secretary

DEVELOPER:

Wynne Jackson, Inc.

By: _____

Name: _____

Title: _____

DRAFT

Exhibit A

Metes and Bounds Description of Property

METES AND BOUNDS DESCRIPTION

BEING a tract of land situated in the Collin County School Land Survey, Abstract No. 167, City of Celina, Collin County, Texas, the subject tract being all of a tract conveyed as Tract 1, and all of a tract conveyed as Tract 2, to G Bar 7, Ltd. according to the deed recorded in Volume 5850, Page 990 of the Deed Records, Collin County, Texas (DRCCT), the subject tract being more particularly described as follows:

BEGINNING at a 1/2" iron rod found in County Road 1117, a prescriptive right-of-way, for the easterly northwest corner of a tract conveyed to Old Celina, Ltd., recorded in Volume 5398, Page 693 DRCCT;

THENCE S 00°22'51" E, along said road, passing at 2331.03 feet a 1/2" iron rod found for the lower southwest corner of said Old Celina tract, and continuing a total distance of 2973.39 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set on the north line of a tract conveyed to Mitch Goldmiz, recorded in Volume 4250, Page 2347 DRCCT, and from which a 1/2" iron rod found for the northeast corner of said Goldmiz tract bears N 89°42'07" E, 53.87 feet;

THENCE S 89°42'07" W, along the north line of said Goldmiz tract, passing at 1619.88 feet the northwest corner thereof and for the northeast corner of a tract conveyed to Celina Tark, Ltd., recorded in Document No. 20070214000210230 of the Official Public Records, Collin County, Texas (OPRCCT), and continuing along the north line thereof a total distance of 2728.83 feet to a 1/2" iron rod found on the east line of a tract conveyed to Martha Ann King and Peggy Sue Earthman, recorded in Document No. 92-0091304 OPRCCT;

THENCE N 01°04'23" W, 161.49 feet along the east line thereof to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

THENCE S 89°26'34" W, 66.50 feet continuing along the east line thereof to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

THENCE N 00°33'26" W, 480.39 feet continuing along the east line thereof to a 1/2" iron rod found for the southwest corner of a tract conveyed to Jack Semones and Betty Semones, recorded in Document No. 93-0052600 OPRCCT;

THENCE along the common line thereof, the following:

N 89°42'02" E, 353.43 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

S 89°45'29" E, 502.33 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

N 89°41'42" E, 300.00 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

N 89°09'42" E, 96.60 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

S 89°46'18" E, 216.40 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set, from which a 1" iron pipe found (bent) bears S 68°51'06" W, 1.66 feet;

N 00°05'42" E, 142.00 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

N 00°47'16" W, 500.20 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

N 00°30'18" W, 73.00 feet to a 1/2" iron rod found;

And N 00°45'18" W, 427.87 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set for the southeast corner of a tract conveyed to the Hallingsworth Irrevocable Trust, recorded in Document No. 20130411000490940 OPRCCT;

THENCE N 00°51'41" W, 590.35 feet along the east line thereof to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set for the southeast corner of a tract conveyed to United Realtors, LLC, recorded in Document No. 20120314000298850 OPRCCT;

THENCE along the east line thereof, the following:

N 00°40'44" W, 318.30 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

N 00°21'29" W, 90.50 feet to a 1/2" iron rod with plastic cap found;

N 00°26'26" W, 300.00 feet to a 1/2" iron rod with plastic cap found;

N 00°59'29" W, 213.00 feet to a 1/2" iron rod with plastic cap found;

And N 01°20'29" W, passing at 67.90 feet a 1/2" iron rod with plastic cap found for the northeast corner of said United Realtors tract, and continuing a total distance of 91.37 feet to a point in County Road 55, a prescriptive right-of-way, and being on the south line of another tract conveyed to Old Celina, Ltd., recorded in Volume 5208, Page 3403 DRCCT;

THENCE N 89°18'21" E, 722.80 feet along County Road 55 and said second Old Celina tract, to a point for the upper northwest corner of the first mentioned Old Celina tract;

THENCE S 00°23'50" E, along the upper west line of the first mentioned Old Celina tract, passing at 45.08 feet a 1/2" iron rod found for witness, and passing at 59.76 feet a 1/2" iron rod with plastic cap found for witness, continuing along the common line thereof a total distance of 419.77 feet to a 1/2" iron rod with plastic cap found for the inset northwest corner of the first mentioned Old Celina tract;

THENCE N 89°09'44" E, continuing along the common line thereof, passing at 604.25 feet a 1/2" iron rod with plastic cap found for witness, continuing along the common line thereof a total distance of 623.17 feet to the POINT OF BEGINNING with the subject tract containing 5,189,656 square feet or 119.138 acres of land.

Exhibit A-1
Metes and Bounds Description of Phase I Property

41.499 Acre Tract Description

BEING a 41.499 acre tract of land situated in the Collin County School Land Survey, Abstract Number 167, Collin County, Texas, being a portion of that tract of land described by deed to G BAR 7 LTD. as recorded in Volume 5850, Page 990, of the Official Public Records of Collin County, Texas (O.P.R.C.C.T.), and being more particularly described as follows:

BEGINNING at a ½ inch iron rod found within a gravel road posted and under apparent public use as County Road 1117 for the most easterly northeast corner of the herein described tract, same being an inner ell corner of a tract of land described by deed to Old Celina, Ltd. as recorded in Volume 5398, Page 693, O.P.R.C.C.T.;

THENCE South 00 degrees 22 minutes 38 seconds East, with the most southerly west line of said Old Celina Ltd. tract and within said County Road 1117, a distance of 1178.05 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 887.24 feet to a point for corner;

THENCE North 00 degrees 00 minutes 00 seconds East, a distance of 140.02 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 300.05 feet to a point for corner;

THENCE South 00 degrees 33 minutes 39 seconds West, a distance of 15.66 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 150.02 feet to a point for corner, said point being in the east line of a tract of land described by deed to Chris Hollingsworth, Trustee of the Hollingsworth Irrevocable Trust, as recorded under Instrument Number 20130411000490940, O.P.R.C.C.T.;

THENCE North 00 degrees 51 minutes 28 seconds West, with the east line of said Hollingsworth tract, a distance of 442.61 feet to a point for the northeast corner thereof, same being the southeast corner of a tract of land described by deed to United Realtors, LLC, as recorded under Instrument Number 20120314000298850, O.P.R.C.C.T.;

Exhibit A-1
Metes and Bounds Description of Phase I Property

THENCE North 00 degrees 40 minutes 31 seconds West, with the east line of said United Realtors tract, a distance of 318.30 feet to a point for corner.

THENCE North 00 degrees 21 minutes 16 seconds West, with the east line of said United Realtors tract, a distance of 90.50 feet to a point for corner;

THENCE North 00 degrees 26 minutes 16 seconds West, with the east line of said United Realtors tract, a distance of 300.00 feet to a point for corner;

THENCE North 00 degrees 59 minutes 16 seconds West, with the east line of said United Realtors tract, a distance of 213.00 feet to a ½ inch iron rod with cap stamped "Alliance" found for corner;

THENCE North 01 degree 20 minutes 16 seconds West, partially with the east line of said United Realtors tract, a distance of 91.37 feet to a point for corner within County Road 55;

THENCE North 89 degrees 18 minutes 34 seconds East, within said County Road 55, a distance of 722.80 feet to a point for corner, same being the northwest corner of said Old Celina Ltd. tract;

THENCE South 00 degrees 23 minutes 37 seconds East with the most northerly west line of said Old Celina Ltd. tract, passing at a distance of 59.67 feet a ½ inch iron rod with cap stamped "#3258" found, continuing on said course for a total distance of 419.77 feet to a point for corner, same being the most westerly southwest corner of said Old Celina Ltd. tract;

THENCE North 89 degrees 09 minutes 57 seconds East, with the most westerly south line of said Old Celina Ltd. tract, passing at a distance of 604.10 feet a ½ inch iron rod found, continuing on said course for a total distance of 623.17 feet to the **POINT OF BEGINNING** and containing 41.499 acres of land, more or less, and being subject to any and all easements that may affect.

Exhibit B
Depiction of Property

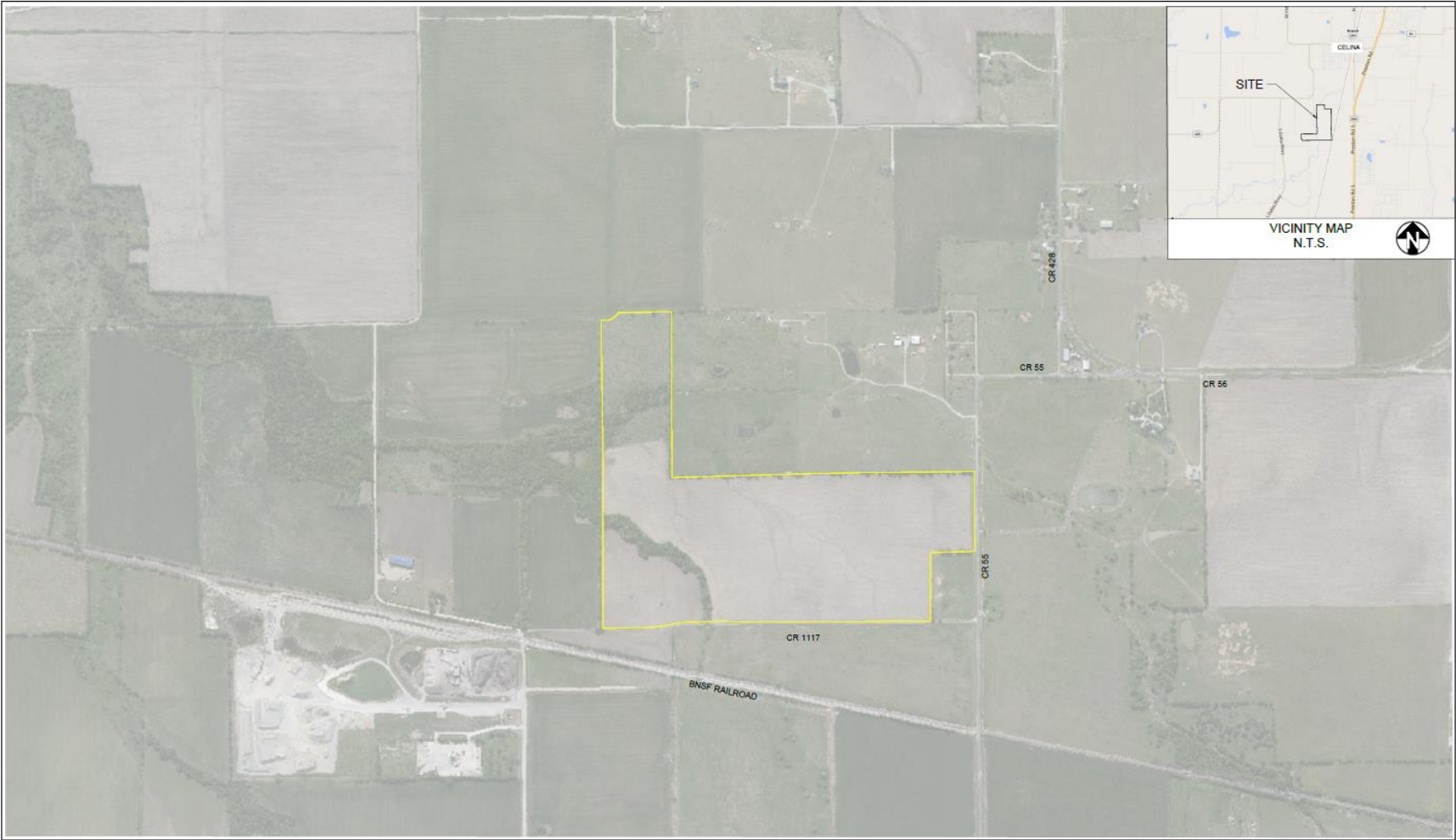


Exhibit B-1
Depiction of Phase I and Phase II Property



Exhibit C
Description of CR 1117 Improvements and the Flexbase 1117 Improvements

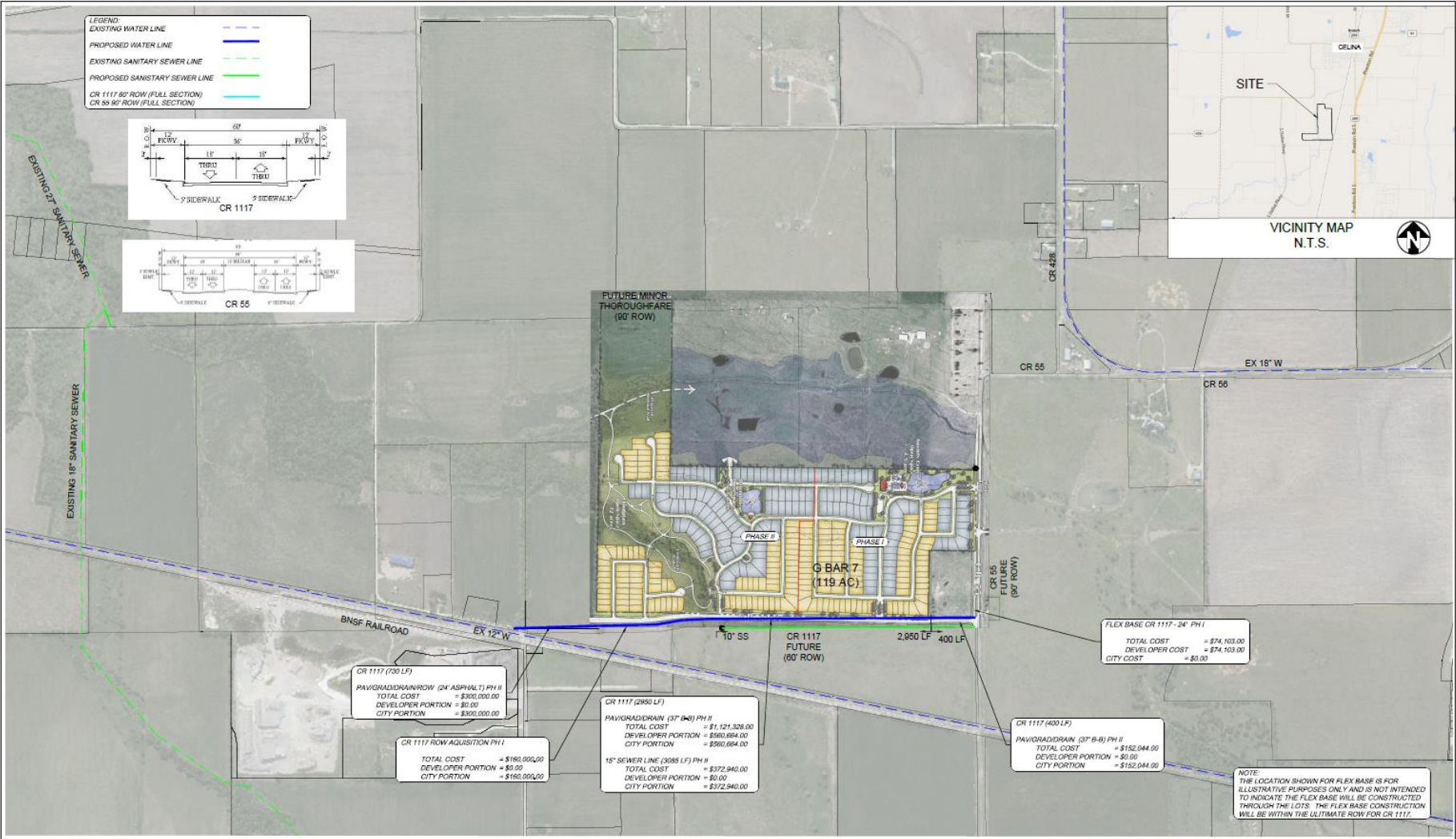


Exhibit E

Description of the On-Site Public Improvements

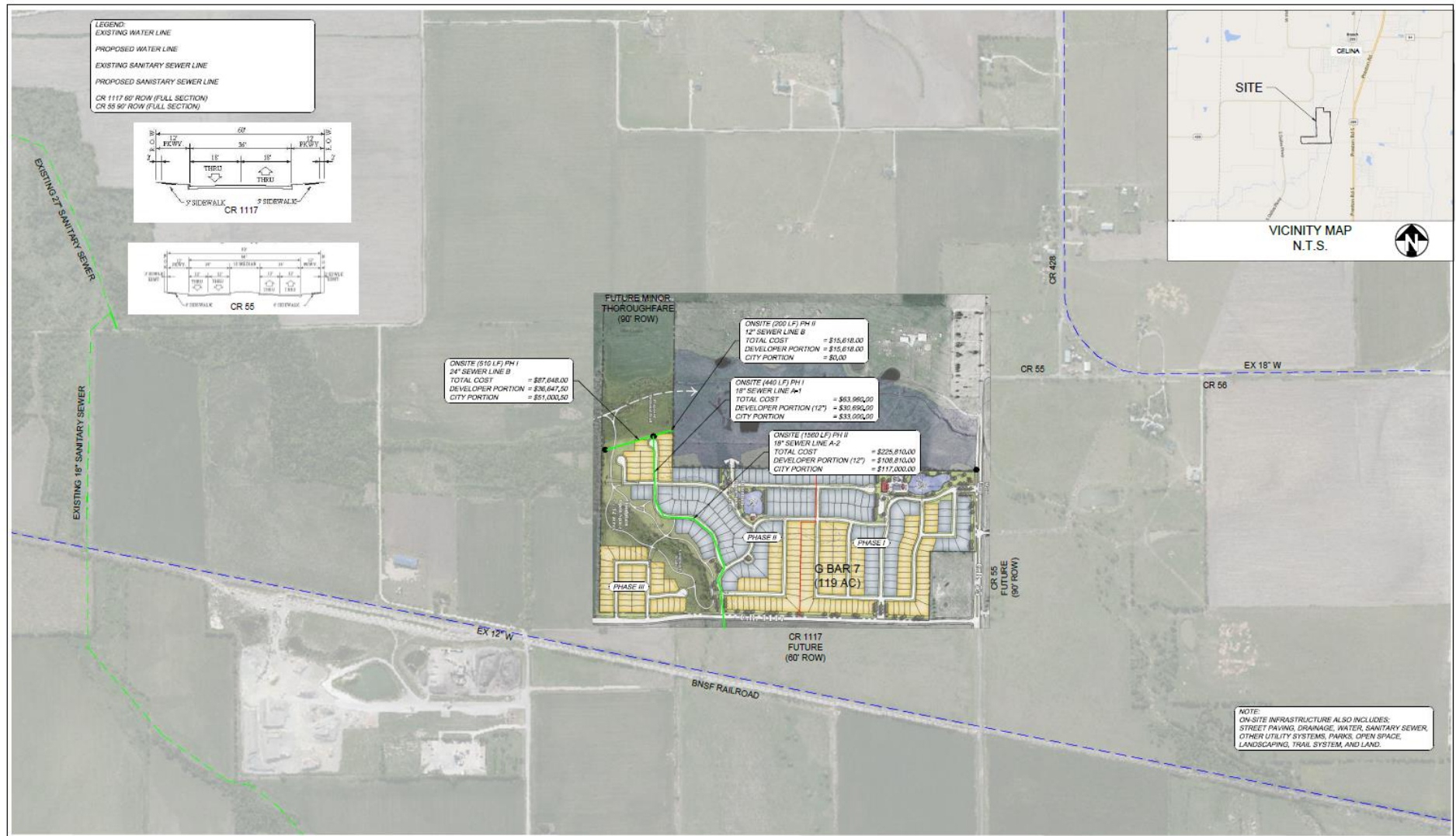


Exhibit F
Description of Off-Site Public Improvements

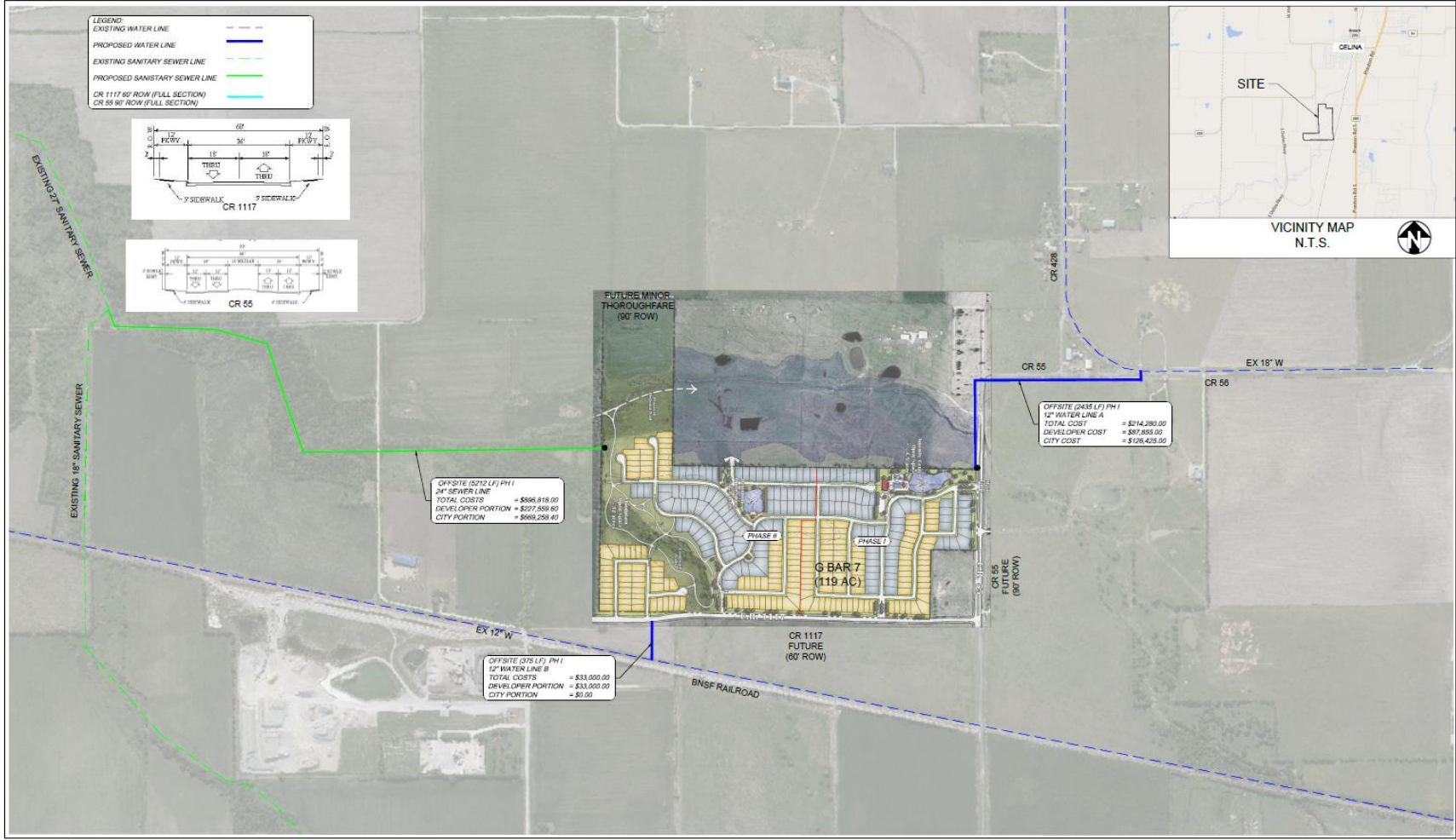


Exhibit G Description of a Portion of the PID Projects

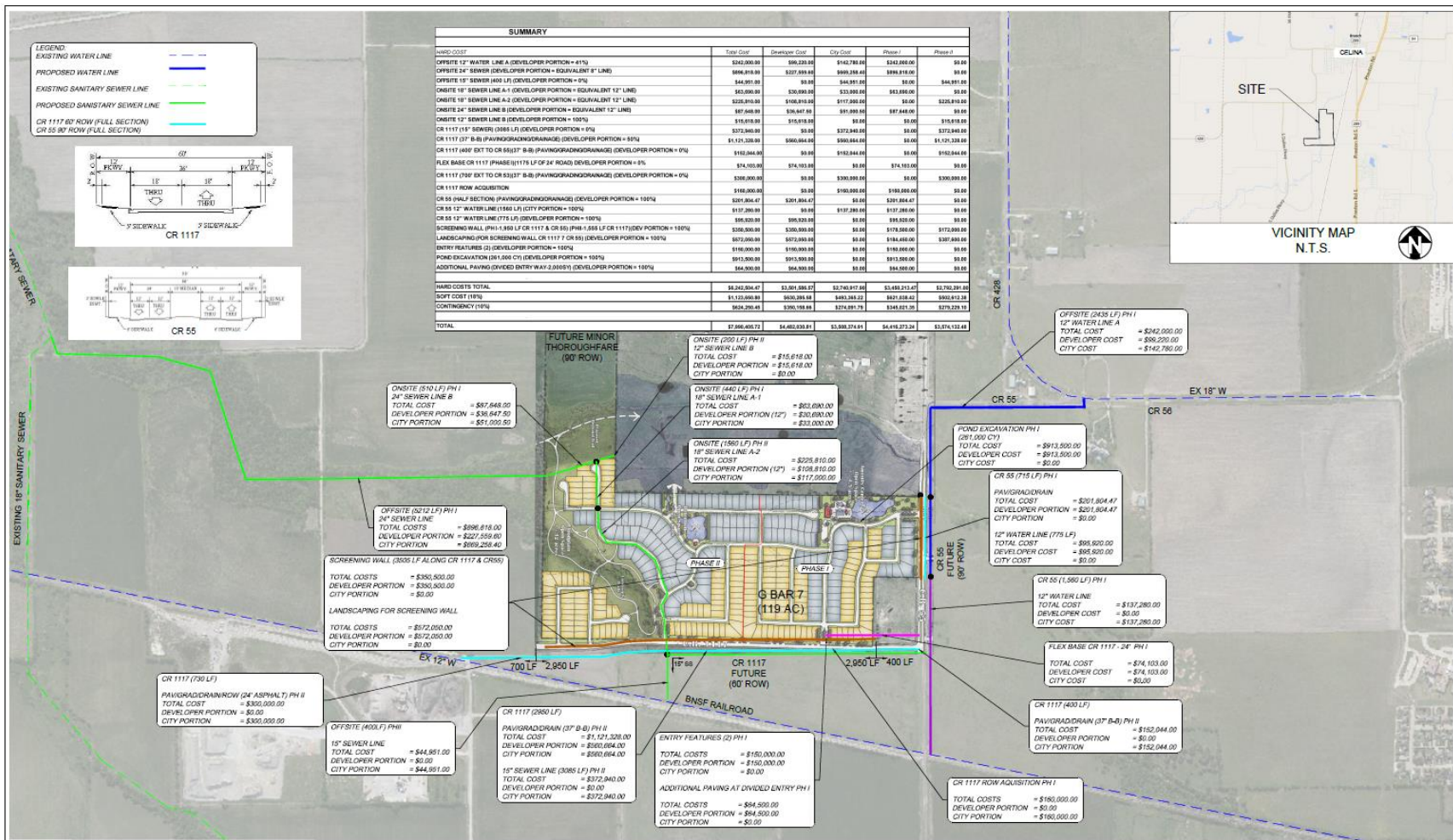


Exhibit H
Depiction and Description of Off-Site Easements

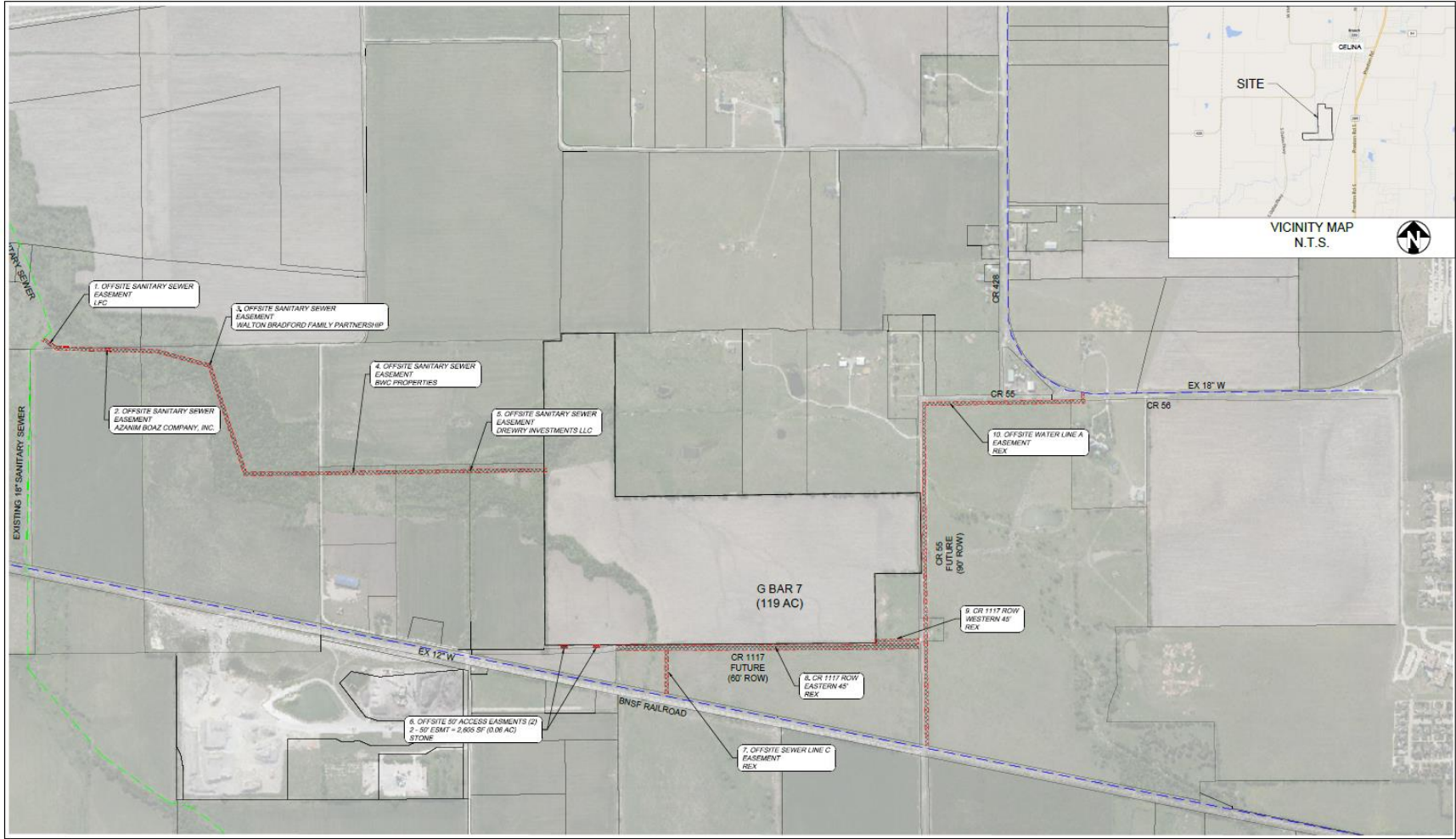


Exhibit H – Page 1

Exhibit I

Description of Series A and B PID Bond Structure and TIRZ Financial Model

G Bar 7 Public Improvement District

Preliminary subject to change

City of Celina, Texas

PROJECT FINANCING SUMMARY - THIRD UPDATE to Final Base Case for Service and Assessment Plan and Legal Documentation

	PHASE 1A Series 2016	PHASE 2A Series 2017	PHASE 1B Series 2019	PHASE 2B Series 2020	TOTAL
Par Amount of Bonds	\$ 3,550,000	\$ 4,430,000	\$ 2,040,000	\$ 3,040,000	\$ 13,060,000
Developer Cash Contribution PID Infrastructure	3,172,090	2,707,764	(1,795,956)	(2,675,613)	1,408,286
Developer Cash Contribution Other Costs	2,481,700	3,170,175	-	-	5,651,875
Developer Cash Payment PID/NonBQ Fees	269,848 ⁽²⁾	- ⁽³⁾	- ⁽³⁾	- ⁽³⁾	269,848
Total Sources of Funds	\$ 9,473,638	\$ 10,307,939	\$ 244,044	\$ 364,388	\$ 20,390,008
PID Projects (Bond Proceeds)	\$ 2,786,878	\$ 3,494,825	\$ 1,795,956	\$ 2,675,613	\$ 10,753,272
PID Projects (Developer Cash)	3,172,090	2,707,764	(1,795,956)	(2,675,613)	1,408,286
Non PID Eligible Projects (Developer Cash)	2,481,700	3,170,175	-	-	5,651,875
Celina PID Fee	226,850 ⁽¹⁾	-	-	-	226,850
NonBQ Cost Adjustment Fee	42,998 ⁽²⁾	- ⁽³⁾	- ⁽³⁾	- ⁽³⁾	42,998
Capitalized Interest	197,247	232,575	-	-	429,822
Debt Service Reserve Fund	246,375	303,900	60,444	90,788	701,506
Costs of Issuance	213,000	265,800	122,400	182,400	783,600
Underwriter's Discount	106,500	132,900	61,200	91,200	391,800
Total Uses of Funds	\$ 9,473,638	\$ 10,307,939	\$ 244,044	\$ 364,388	\$ 20,390,008
Assumed PID Bonds Interest Rate	5.25%	5.25%	3.25%	3.25%	4.47%
Number of benefited lots	159	190	159	190	349
PID funds per lot	\$17,528	\$18,394	\$11,295	\$14,082	\$30,812
Assumed Appraised Value at Time of Financing	\$10,650,000	\$13,283,700	\$43,154,151	\$30,174,403	
Estimated Value to Lien	3.00	3.00	7.72	4.04	
Internal PID Eligible Infrastructure	\$ 4,978,559	\$ 5,325,672	\$ -	\$ -	\$ 10,304,230
PID Eligible Major Infrastructure	980,410	876,918	-	-	1,857,327
TOTAL PID Eligible Projects	\$ 5,958,968	\$ 6,202,589	\$ -	\$ -	\$ 12,161,558
Major Infrastructure City Share (TIRZ)	\$ 1,482,647	\$ 1,980,927	\$ -	\$ -	\$ 3,463,574
Internal Non-PID Eligible Costs	999,053	1,189,248	-	-	2,188,301
TOTAL Non-PID Eligible Projects	\$ 2,481,700	\$ 3,170,175	\$ -	\$ -	\$ 5,651,875
Total Project Costs	\$ 8,440,668	\$ 9,372,764	\$ -	\$ -	\$ 17,813,432
PID Bond Funds for Project	\$ 2,786,878	\$ 3,494,825	\$ 1,795,956	\$ 2,675,613	\$ 10,753,272
Developer Cash Funds for Project	5,653,790	5,877,939	(1,795,956)	(2,675,613)	7,060,160
Total Funds for Project	\$ 8,440,668	\$ 9,372,764	\$ -	\$ -	\$ 17,813,432
Bond Proceeds Developer Reimbursements	\$ -	\$ -	\$ 1,795,956	\$ 2,675,613	\$ 4,471,569
Total Capital Assessment as Tax Rate Equivalent	\$0.7400	\$0.7400	\$0.7400	\$0.7400	\$0.7400
Less: City TIRZ Credit (\$0.2819)	(\$0.2819)	(\$0.2819)	(\$0.2819)	(\$0.2819)	(\$0.2819)
Net PID Capital Assessment	\$0.4581	\$0.4581	\$0.4581	\$0.4581	\$0.4581

(1) Calculated at \$650 per lot. Fee to be paid in full in the first issuance.

(2) The 2016 total NonBQ fee in Celina is currently estimated at \$160,000. Assuming no more PID bonds in Celina after G Bar 7, the NonBQ fee share is estimated as shown above.

(3) NonBQ fee may apply in the future if the City determines that it will undertake issuance of BQ bonds in any given year. NonBQ fee will be calculated at the time of additional PID financing if and as necessary.

Exhibit I continued
Description of Series A and B PID Bond Structure and TIRZ Financial Model

G Bar 7 Public Improvement District
City of Celina, Texas
BOND FINANCING CASH FLOWS - PHASE #1 PROJECT

Preliminary subject to change

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Tax Year	Fiscal Year	PID Capital Assessment and TIRZ Revenue ⁽¹⁾	SERIES 2016 BONDS - August 2016				SERIES 2019 BONDS - September 2019				Net				
			Series 2016 Bonds	Less:	Less:	Series 2016 Supplemental	Series 2019 Bonds	Less:	Less:	Series 2019 Supplemental	Admin Levy	TIRZ Admin	Debt Service, Supplemental Levy and Admin Costs	Surplus Cash Flow	Debt Service Coverage
				Series 2016 Capitalized Interest	Series 2016 Reserve Fund			Series 2019 Capitalized Interest	Series 2019 Reserve Fund						
			Debt Service	Interest	Fund	Levy	Debt Service	Interest	Fund	Levy					
2016	2017	\$ 47,750	\$ 197,247	\$ (197,247)	\$ -	\$ 17,750	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ 47,750	\$ -	n/a
2017	2018	429,570	246,375	-	-	17,750	-	-	-	-	30,600	-	294,725	134,845	1.74x
2018	2019	429,570	243,225	-	-	17,450	-	-	-	-	31,212	-	291,887	137,683	1.77x
2019	2020	429,570	245,075	-	-	17,150	111,300	-	-	10,200	31,836	13,668	429,229	341	1.21x
2020	2021	429,570	241,663	-	-	16,825	114,838	-	-	9,975	32,473	13,668	429,441	129	1.20x
2021	2022	429,570	243,250	-	-	16,500	108,213	-	-	9,725	33,122	13,668	424,478	5,092	1.22x
2022	2023	429,570	244,575	-	-	16,150	111,750	-	-	9,500	33,785	13,668	429,427	143	1.21x
2023	2024	429,570	240,638	-	-	15,775	115,125	-	-	9,250	34,461	13,668	428,916	654	1.21x
2024	2025	429,570	241,700	-	-	15,400	113,338	-	-	8,975	35,150	13,668	428,230	1,340	1.21x
2025	2026	429,570	242,500	-	-	15,000	111,550	-	-	8,700	35,853	13,668	427,270	2,300	1.21x
2026	2027	429,570	243,038	-	-	14,575	109,763	-	-	8,425	36,570	13,668	426,037	3,533	1.22x
2027	2028	429,570	238,313	-	-	14,125	117,975	-	-	8,150	37,301	13,668	429,531	39	1.21x
2028	2029	429,570	238,588	-	-	13,675	115,863	-	-	7,825	38,047	13,668	427,665	1,905	1.21x
2029	2030	429,570	238,600	-	-	13,200	113,750	-	-	7,500	38,808	13,668	425,526	4,044	1.22x
2030	2031	429,570	238,350	-	-	12,700	116,638	-	-	7,175	39,584	13,668	428,114	1,456	1.21x
2031	2032	429,570	237,838	-	-	12,175	114,363	-	-	6,825	40,376	13,668	425,244	4,326	1.22x
2032	2033	429,570	237,063	-	-	11,625	117,088	-	-	6,475	41,184	13,668	427,101	2,469	1.21x
2033	2034	429,570	241,025	-	-	11,050	114,650	-	-	6,100	42,007	13,668	428,500	1,070	1.21x
2034	2035	429,570	239,463	-	-	10,425	117,213	-	-	5,725	42,847	13,668	429,340	230	1.20x
2035	2036	429,570	237,638	-	-	9,775	114,613	-	-	5,325	43,704	13,668	424,722	4,848	1.22x
2036	2037	429,570	240,550	-	-	9,100	112,013	-	-	4,925	44,578	13,668	424,834	4,736	1.22x
2037	2038	429,570	237,938	-	-	8,375	114,413	-	-	4,525	45,470	13,668	424,388	5,182	1.22x
2038	2039	429,570	240,063	-	-	7,625	116,650	-	-	4,100	46,379	13,668	428,485	1,085	1.20x
2039	2040	429,570	236,663	-	-	6,825	118,725	-	-	3,650	47,307	13,668	426,837	2,733	1.21x
2040	2041	429,570	238,000	-	-	6,000	115,638	-	-	3,175	48,253	13,668	424,733	4,837	1.21x
2041	2042	429,570	238,813	-	-	5,125	117,550	-	-	2,700	49,218	13,668	427,073	2,497	1.21x
2042	2043	429,570	239,100	-	-	4,200	119,300	-	-	2,200	50,203	13,668	428,670	900	1.20x
2043	2044	429,570	238,863	-	-	3,225	120,888	-	-	1,675	51,207	13,668	429,524	46	1.19x
2044	2045	429,570	238,100	-	-	2,200	117,313	-	-	1,125	52,231	13,668	424,636	4,934	1.21x
2045	2046	429,570	236,813	-	(246,375)	1,125	118,738	-	(60,444)	575	53,275	13,668	117,374	312,196	8.82x
2046	2047	-	-	-	-	-	-	-	-	-	-	-	-	-	n/a
		\$ 12,505,280	\$ 7,161,059	\$ (197,247)	\$ (246,375)	\$ 342,875	\$ 3,109,250	\$ -	\$ (60,444)	\$ 164,500	\$ 1,217,042	\$ 369,026	\$ 11,859,687		

(1) Calculated as \$0.74 tax rate equivalent on a full build out value of \$58,050,000.

Exhibit I continued
Description of Series A and B PID Bond Structure and TIRZ Financial Model

G Bar 7 Public Improvement District
City of Celina, Texas
BOND FINANCING CASH FLOWS - PHASE #2 PROJECT

Preliminary subject to change

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Tax Year	Fiscal Year	PID Capital Assessment and TIRZ Revenue ⁽¹⁾	SERIES 2017 BONDS - September 2017				SERIES 2020 BONDS - September 2020				Admin Levy	TIRZ Admin	Net Debt Service, Supplemental Levy and Admin Costs	Surplus Cash Flow	Debt Service Coverage Ratio
			Series 2017 Bonds Debt Service	Series 2017 Capitalized Interest	Series 2017 Reserve Fund	Series 2017 Supplemental Levy	Series 2020 Bonds Debt Service	Series 2020 Capitalized Interest	Series 2020 Reserve Fund	Series 2020 Supplemental Levy					
2016	2017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
2017	2018	52,750	232,575	(232,575)	-	22,150	-	-	-	-	30,600	-	52,750	-	n/a
2018	2019	555,304	302,575	-	-	22,150	-	-	-	-	31,212	-	355,937	199,367	1.84x
2019	2020	555,304	303,900	-	-	21,800	-	-	-	-	31,836	-	357,536	197,768	1.83x
2020	2021	555,304	299,963	-	-	21,425	168,800	-	-	15,200	32,473	16,332	554,193	1,111	1.18x
2021	2022	555,304	301,025	-	-	21,050	166,525	-	-	14,850	33,122	16,332	552,905	2,399	1.19x
2022	2023	555,304	301,825	-	-	20,650	164,250	-	-	14,500	33,785	16,332	551,342	3,962	1.19x
2023	2024	555,304	302,363	-	-	20,225	166,975	-	-	14,150	34,461	16,332	554,505	798	1.18x
2024	2025	555,304	302,638	-	-	19,775	164,538	-	-	13,775	35,110	16,332	552,207	3,097	1.19x
2025	2026	555,304	302,650	-	-	19,300	167,100	-	-	13,400	35,853	16,332	554,635	669	1.18x
2026	2027	555,304	302,400	-	-	18,800	164,500	-	-	13,000	36,570	16,332	551,602	3,702	1.19x
2027	2028	555,304	301,888	-	-	18,275	166,900	-	-	12,600	37,301	16,332	553,296	2,008	1.18x
2028	2029	555,304	301,113	-	-	17,725	169,138	-	-	12,175	38,047	16,332	554,530	774	1.18x
2029	2030	555,304	300,075	-	-	17,150	171,213	-	-	11,725	38,808	16,332	555,303	1	1.18x
2030	2031	555,304	298,775	-	-	16,550	168,125	-	-	11,250	39,584	16,332	550,617	4,687	1.19x
2031	2032	555,304	297,213	-	-	15,925	170,038	-	-	10,775	40,376	16,332	550,658	4,645	1.19x
2032	2033	555,304	300,388	-	-	15,275	171,788	-	-	10,275	41,184	16,332	555,241	63	1.18x
2033	2034	555,304	298,038	-	-	14,575	173,375	-	-	9,750	42,007	16,332	554,077	1,227	1.18x
2034	2035	555,304	300,425	-	-	13,850	169,800	-	-	9,200	42,847	16,332	552,455	2,849	1.18x
2035	2036	555,304	297,288	-	-	13,075	176,225	-	-	8,650	43,704	16,332	555,274	30	1.17x
2036	2037	555,304	298,888	-	-	12,275	172,325	-	-	8,050	44,578	16,332	552,448	2,856	1.18x
2037	2038	555,304	299,963	-	-	11,425	173,425	-	-	7,450	45,470	16,332	554,065	1,239	1.17x
2038	2039	555,304	300,513	-	-	10,525	174,363	-	-	6,825	46,379	16,332	554,937	367	1.17x
2039	2040	555,304	300,538	-	-	9,575	175,138	-	-	6,175	47,307	16,332	555,064	239	1.17x
2040	2041	555,304	300,038	-	-	8,575	175,750	-	-	5,500	48,253	16,332	554,448	826	1.17x
2041	2042	555,304	299,013	-	-	7,525	176,200	-	-	4,800	49,218	16,332	553,088	2,216	1.17x
2042	2043	555,304	297,463	-	-	6,425	176,488	-	-	4,075	50,203	16,332	550,985	4,319	1.17x
2043	2044	555,304	300,388	-	-	5,275	176,613	-	-	3,325	51,207	16,332	553,139	2,165	1.16x
2044	2045	555,304	297,525	-	-	4,050	181,575	-	-	2,550	52,231	16,332	554,263	1,041	1.16x
2045	2046	555,304	299,138	-	-	2,775	181,213	-	-	1,725	53,275	16,332	554,458	846	1.16x
2046	2047	555,304	299,963	-	(303,900)	1,425	180,688	-	(90,788)	875	54,341	16,332	158,936	396,368	6.46x
		\$ 16,156,560	\$ 8,940,538	\$ (232,575)	\$ (303,900)	\$ 429,575	\$ 4,643,063	\$ -	\$ (90,788)	\$ 246,625	\$ 1,241,383	\$ 440,974	\$ 15,314,895		

(1) Calculated as \$0.74 tax rate equivalent on a full build out value of \$75,041,055.

Exhibit I continued
Description of Series A and B PID Bond Structure and TIRZ Financial Model

G Bar 7 Public Improvement District
City of Celina, Texas
SAMPLE TAX STATEMENT

Preliminary subject to change

SAMPLE TAX STATEMENT			
Jurisdiction	Tax Rate	\$337,500 50' Homes 2016 Dollars	\$405,000 60' Homes 2016 Dollars
Collin County	\$0.2250	\$ 759.38	\$ 911.25
Collin County Community College District	\$0.0820	276.62	331.94
Celina ISD	\$1.6400	5,535.00	6,642.00
City of Celina	\$0.6450	2,176.88	2,612.25
Existing Tax Rate	\$2.5920	\$ 8,747.87	\$ 10,497.44
G Bar 7 PID			
Capital Assessment	\$0.7400	\$ 2,497.50	\$ 2,997.00
Maintenance Assessment	\$0.0000	-	-
Subtotal PID Assessment	\$0.7400	\$ 2,497.50	\$ 2,997.00
Less: City TIRZ Credit	(\$0.2819) 43.71%	\$ (951.57)	\$ (1,141.88)
NET PID Assessment	\$0.4581	\$ 1,545.93	\$ 1,855.12
NET TOTAL Tax Equivalent	\$3.0500	\$ 10,293.80	\$ 12,352.55

Notes:

Tax Rates for the County, Community College, Independent School District and the City are as of Tax Year 2015.
G Bar 7 PID assessments shown as a tax rate equivalent for illustration and discussion purposes only.

Exhibit I continued
Description of Series A and B PID Bond Structure and TIRZ Financial Model

G Bar 7 Public Improvement District
City of Celina, Texas

Preliminary subject to change

TAX INCREMENT REINVESTMENT ZONE CONTRIBUTION ANALYSIS

A	B	C	D	E	F	G	H	I	J	K	L		
Tax Year	Fiscal Year	Estimated Taxable Value ⁽¹⁾	\$4,750,000 Series 2016 PID Bonds ⁽²⁾ Assumed Interest Rate = 3.25%			Other Funds, Levies and Expenses				Net Debt Service Supplemental Levy and Admin Costs	Net D/S as Tax Rate Equivalent		
			Principal	Interest	Total D/S	Supplemental			TIRZ	Admin Costs			
						Cap-I	Reserve Fund	Levy	Admin				
2016	2017	\$ -	\$ -	\$ 263,922	\$ 263,922	\$ (263,922)	\$ -	\$ -	\$ -	\$ -	\$ -	Par Amount of Bonds	\$ 4,750,000
2017	2018	-	-	249,375	249,375	(249,375)	-	-	-	-	-		
2018	2019	15,114,906	75,000	249,375	324,375	-	-	23,750	30,000	378,125	2.5017	Uses of Funds	
2019	2020	58,162,362	75,000	245,438	320,438	-	-	23,375	30,000	373,813	0.6427	Project Fund	\$ 3,463,574
2020	2021	88,224,403	80,000	241,500	321,500	-	-	23,000	30,000	374,500	0.4245	Debt Service Reserve Fund	343,338
2021	2022	103,390,595	85,000	237,300	322,300	-	-	22,600	30,000	374,900	0.3626	Capitalized Interest Fund	513,297
2022	2023	133,091,055	90,000	232,838	322,838	-	-	22,175	30,000	375,013	0.2818	Other Cost of Issuance	285,000
2023	2024	133,091,055	95,000	228,113	323,113	-	-	21,725	30,000	374,838	0.2816	Underwriter's Discount	142,500
2024	2025	133,091,055	100,000	223,125	323,125	-	-	21,250	30,000	374,375	0.2813	Additional Proceeds	2,292
2025	2026	133,091,055	105,000	217,875	322,875	-	-	20,750	30,000	373,625	0.2807	Total Uses of Funds	\$ 4,750,000
2026	2027	133,091,055	115,000	212,363	327,363	-	-	20,225	30,000	377,588	0.2837		
2027	2028	133,091,055	120,000	206,325	326,325	-	-	19,650	30,000	375,975	0.2825	Assumed Delivery Date	8/10/2016
2028	2029	133,091,055	125,000	200,025	325,025	-	-	19,050	30,000	374,075	0.2811		
2029	2030	133,091,055	135,000	193,463	328,463	-	-	18,425	30,000	376,888	0.2832	City TIRZ Contribution as Tax Rate	\$0.2819
2030	2031	133,091,055	140,000	186,375	326,375	-	-	17,750	30,000	374,125	0.2811		
2031	2032	133,091,055	150,000	179,025	329,025	-	-	17,050	30,000	376,075	0.2826		
2032	2033	133,091,055	160,000	171,150	331,150	-	-	16,300	30,000	377,450	0.2836		
2033	2034	133,091,055	170,000	162,750	332,750	-	-	15,500	30,000	378,250	0.2842		
2034	2035	133,091,055	175,000	153,825	328,825	-	-	14,650	30,000	373,475	0.2806		
2035	2036	133,091,055	185,000	144,638	329,638	-	-	13,775	30,000	373,413	0.2806		
2036	2037	133,091,055	200,000	134,925	334,925	-	-	12,850	30,000	377,775	0.2838		
2037	2038	133,091,055	210,000	124,425	334,425	-	-	11,850	30,000	376,275	0.2827		
2038	2039	133,091,055	220,000	113,400	333,400	-	-	10,800	30,000	374,200	0.2812		
2039	2040	133,091,055	235,000	101,850	336,850	-	-	9,700	30,000	376,550	0.2829		
2040	2041	133,091,055	245,000	89,513	334,513	-	-	8,525	30,000	373,038	0.2803		
2041	2042	133,091,055	260,000	76,650	336,650	-	-	7,300	30,000	373,950	0.2810		
2042	2043	133,091,055	275,000	63,000	338,000	-	-	6,000	30,000	374,000	0.2810		
2043	2044	133,091,055	290,000	48,563	338,563	-	-	4,625	30,000	373,188	0.2804		
2044	2045	133,091,055	310,000	33,338	343,338	-	-	3,175	30,000	376,513	0.2829		
2045	2046	133,091,055	325,000	17,063	342,063	-	(343,338)	1,625	30,000	30,350	0.0228		
			\$ 4,750,000	\$ 5,001,522	\$ 9,751,522	\$ (513,297)	\$ (343,338)	\$ 427,450	\$ 840,000	\$ 10,162,338			

(1) Excluding Paper Lots Value.

(2) Preliminary, subject to change.

Exhibit I continued
Description of Series A and B PID Bond Structure and TIRZ Financial Model

G Bar 7 Public Improvement District
City of Celina, Texas
TAX INCREMENT REINVESTMENT ZONE CASH FLOW

Preliminary subject to change

A	B	C	D	E	F	G	H	I	J	K
Tax Year	Fiscal Year	PHASE 1 Estimated Taxable Value ⁽¹⁾	City TIRZ Tax Rate Participation	Projected PHASE 1 TIRZ Cash Flow ⁽²⁾	PHASE 1 TIRZ Cash Flow Applied to Expenses & Bonds D/S	PHASE 2 Estimated Taxable Value ⁽¹⁾	City TIRZ Tax Rate Participation	Projected PHASE 2 TIRZ Cash Flow ⁽²⁾	PHASE 2 TIRZ Cash Flow Applied to Expenses & Bonds D/S	TOTAL Projected TIRZ Cash Flow Contribution
2016	2017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	2018	-	-	-	-	-	-	-	-	-
2018	2019	15,114,906	0.2819	42,616	-	-	-	-	-	-
2019	2020	43,154,151	0.2819	121,672	42,616	15,008,211	0.2819	42,315	-	42,616
2020	2021	58,050,000	0.2819	163,670	121,672	30,174,403	0.2819	85,076	42,315	163,987
2021	2022	58,050,000	0.2819	163,670	163,670	45,340,595	0.2819	127,836	85,076	248,746
2022	2023	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	127,836	291,506
2023	2024	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2024	2025	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2025	2026	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2026	2027	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2027	2028	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2028	2029	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2029	2030	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2030	2031	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2031	2032	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2032	2033	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2033	2034	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2034	2035	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2035	2036	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2036	2037	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2037	2038	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2038	2039	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2039	2040	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2040	2041	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2041	2042	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2042	2043	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2043	2044	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2044	2045	58,050,000	0.2819	163,670	163,670	75,041,055	0.2819	211,576	211,576	375,246
2045	2046	-	-	-	163,670	75,041,055	0.2819	211,576	211,576	375,246
2046	2047	-	-	-	-	-	-	-	211,576	211,576
				\$ 4,256,037	\$ 4,256,037					\$ 9,589,080

(1) Excluding Paper Lots Value.

(2) Preliminary, subject to change.

Exhibit I continued
Description of Series A and B PID Bond Structure and TIRZ Financial Model

G Bar 7 Public Improvement District
City of Celina, Texas
DEVELOPMENT ASSUMPTIONS

Preliminary subject to change

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>	<u>I</u>	<u>J</u>
PROJECT COMPONENTS	Phase 1	Phase 2	TOTAL PROJECT	Land Value per Lot	Price per Lot	Price per Home	Total Land Value	Total Lot Value	Total Completed Homes Value
50' Lots	94	105	199	\$25,000	\$67,500	\$337,500	\$4,975,000	\$13,432,500	\$67,162,500
60' Lots	65	85	150	\$30,000	\$81,000	\$405,000	\$4,500,000	\$12,150,000	\$60,750,000
Total	159	190	349				\$9,475,000	\$25,582,500	\$127,912,500

	50' Lots	60' Lots	Total No. of Lots	Avg. Land Value per Lot	Avg. Price per Lot	Avg. Price per Home	Total Land Value	Total Lot Value	Total Completed Homes Value
PHASE 1	94	65	159	\$27,044	\$73,019	\$365,094	\$4,300,000	\$11,610,000	\$58,050,000

	50' Lots	60' Lots	Total No. of Lots	Avg. Land Value per Lot	Avg. Price per Lot	Avg. Price per Home	Total Land Value	Total Lot Value	Total Completed Homes Value
PHASE 2	105	85	190	\$27,237	\$73,539	\$367,697	\$5,175,000	\$13,972,500	\$69,862,500

Notes:

Values are in 2016 dollars.

Values and prices are as provided by the Developer; subject to change.

Exhibit I continued
Description of Series A and B PID Bond Structure and TIRZ Financial Model

G Bar 7 Public Improvement District
City of Celina, Texas
FULL BUILD OUT MODEL

Preliminary subject to change

A	B	C	D	E	F	G	H	I
Tax Year	Fiscal Year	Paper Lots	Finished Lots	Completed Homes	TOTAL Paper Lots Value	TOTAL Finished Lots Value	TOTAL Completed Homes Value	TOTAL Development Value
2016	2017	349	0	0	\$ 9,475,000	\$ -	\$ -	\$ 9,475,000
2017	2018	349	0	0	9,663,370	-	-	9,663,370
2018	2019	190	147	12	5,558,597	10,733,774	4,381,132	20,673,502
2019	2020	0	241	108	-	18,732,173	39,430,189	58,162,362
2020	2021	0	142	207	-	11,216,663	77,007,740	88,224,403
2021	2022	0	94	255	-	7,425,115	95,965,480	103,390,595
2022	2023	0	0	349	-	-	133,091,055	133,091,055
2023	2024	0	0	349	-	-	133,091,055	133,091,055
2024	2025	0	0	349	-	-	133,091,055	133,091,055
2025	2026	0	0	349	-	-	133,091,055	133,091,055
2026	2027	0	0	349	-	-	133,091,055	133,091,055
2027	2028	0	0	349	-	-	133,091,055	133,091,055
2028	2029	0	0	349	-	-	133,091,055	133,091,055
2029	2030	0	0	349	-	-	133,091,055	133,091,055
2030	2031	0	0	349	-	-	133,091,055	133,091,055
2031	2032	0	0	349	-	-	133,091,055	133,091,055
2032	2033	0	0	349	-	-	133,091,055	133,091,055
2033	2034	0	0	349	-	-	133,091,055	133,091,055
2034	2035	0	0	349	-	-	133,091,055	133,091,055
2035	2036	0	0	349	-	-	133,091,055	133,091,055
2036	2037	0	0	349	-	-	133,091,055	133,091,055
2037	2038	0	0	349	-	-	133,091,055	133,091,055
2038	2039	0	0	349	-	-	133,091,055	133,091,055
2039	2040	0	0	349	-	-	133,091,055	133,091,055
2040	2041	0	0	349	-	-	133,091,055	133,091,055
2041	2042	0	0	349	-	-	133,091,055	133,091,055
2042	2043	0	0	349	-	-	133,091,055	133,091,055
2043	2044	0	0	349	-	-	133,091,055	133,091,055
2044	2045	0	0	349	-	-	133,091,055	133,091,055
2045	2046	0	0	349	-	-	133,091,055	133,091,055

Exhibit I continued
Description of Series A and B PID Bond Structure and TIRZ Financial Model

G Bar 7 Public Improvement District
City of Celina, Texas
PHASE 1 BUILD OUT MODEL

Preliminary subject to change

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>	<u>I</u>	<u>J</u>	<u>K</u>	<u>L</u>
Tax Year	Fiscal Year	Paper Lots	Finished Lots	Completed Homes	Paper Lot Value	Finished Lot Value	Completed Home Value	TOTAL Paper Lots Value	TOTAL Finished Lots Value	TOTAL Completed Homes Value	TOTAL Development Value
2016	2017	159	0	0	\$ 27,044	\$ 73,019	\$ 365,094	\$ 4,300,000	\$ -	\$ -	\$ 4,300,000
2017	2018	159	0	0	27,044	73,019	365,094	4,300,000	-	-	4,300,000
2018	2019	0	147	12	27,044	73,019	365,094	-	10,733,774	4,381,132	15,114,906
2019	2020	0	51	108	27,044	73,019	365,094	-	3,723,962	39,430,189	43,154,151
2020	2021	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2021	2022	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2022	2023	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2023	2024	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2024	2025	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2025	2026	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2026	2027	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2027	2028	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2028	2029	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2029	2030	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2030	2031	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2031	2032	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2032	2033	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2033	2034	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2034	2035	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2035	2036	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2036	2037	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2037	2038	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2038	2039	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2039	2040	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2040	2041	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2041	2042	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2042	2043	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2043	2044	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2044	2045	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2045	2046	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000
2046	2047	0	0	159	27,044	73,019	365,094	-	-	58,050,000	58,050,000

Land Price Inflation Factor.....	0.00%	through Tax Year.....	2016
Lot Price Inflation Factor.....	0.00%	through Tax Year.....	2016
Home Price Inflation Factor.....	0.00%	through Tax Year.....	2016

Exhibit I continued
Description of Series A and B PID Bond Structure and TIRZ Financial Model

G Bar 7 Public Improvement District
City of Celina, Texas
PHASE 2 BUILD OUT MODEL

Preliminary subject to change

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>	<u>I</u>	<u>J</u>	<u>K</u>	<u>L</u>
Tax Year	Fiscal Year	Paper Lots	Finished Lots	Completed Homes	Paper Lot Value	Finished Lot Value	Completed Home Value	TOTAL Paper Lots Value	TOTAL Finished Lots Value	TOTAL Completed Homes Value	TOTAL Development Value
2016	2017	190	0	0	\$ 27,237	\$ 73,539	\$ 367,697	\$ 5,175,000	\$ -	\$ -	\$ 5,175,000
2017	2018	190	0	0	28,228	76,216	381,082	5,363,370	-	-	5,363,370
2018	2019	190	0	0	29,256	78,991	394,953	5,558,597	-	-	5,558,597
2019	2020	0	190	0	29,256	78,991	394,953	-	15,008,211	-	15,008,211
2020	2021	0	142	48	29,256	78,991	394,953	-	11,216,663	18,957,740	30,174,403
2021	2022	0	94	96	29,256	78,991	394,953	-	7,425,115	37,915,480	45,340,595
2022	2023	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2023	2024	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2024	2025	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2025	2026	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2026	2027	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2027	2028	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2028	2029	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2029	2030	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2030	2031	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2031	2032	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2032	2033	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2033	2034	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2034	2035	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2035	2036	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2036	2037	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2037	2038	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2038	2039	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2039	2040	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2040	2041	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2041	2042	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2042	2043	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2043	2044	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2044	2045	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2045	2046	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055
2046	2047	0	0	190	29,256	78,991	394,953	-	-	75,041,055	75,041,055

Land Price Inflation Factor.....	3.64%	through Tax Year.....	2018
Lot Price Inflation Factor.....	3.64%	through Tax Year.....	2018
Home Price Inflation Factor.....	3.64%	through Tax Year.....	2018



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Ben Rodriguez, Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: G-Bar 7 TIRZ Public Hearing

Action Requested:

The Celina City Council will conduct a public hearing to provide reasonable opportunity for any owner of property within the proposed Glen Crossing Tax Increment Reinvestment Zone Number Six to protest the inclusion of their property within the proposed reinvestment zone, which consists of an approximately 41.499 acre tract of land. The property is generally located south of CR 55, north of CR 53, east of CR 52 and west of CR 1117, on a tract of land situated in the Collin County School Land Survey, Abstract No. 167 Collin County, Texas. (G-Bar 7/Glen Crossing TIRZ Public Hearing) (Liebman)

Background Information:

This public hearing is for the creation of a Tax Increment Reinvestment Zone for Phase one of the Glenn Crossing development formerly know as G-Bar 7.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

Portions of the City's ad valorem taxes will be used to pay for off site improvements related to the development.

Legal Review:

N/A

Supporting Documents:

N/A

Staff Recommendation:



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Ben Rodriguez, Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: Glenn Crossing "G-Bar 7" TIRZ Ordinance

Action Requested:

Consider and act upon an ordinance of the City Council of the City of Celina, Texas, designating a contiguous geographic area within the City as a Tax Increment Reinvestment Zone pursuant to Chapter 311 of the Texas Tax Code, to be known as Reinvestment Zone Number Six, City of Celina, (the "Zone") describing the boundaries of the zone; creating a Board of Directors for the Zone; establishing a Tax Increment Fund of the Zone; containing findings related to the creation of the Zone; providing a date for the termination of the Zone; providing that the Zone take effect immediately upon passage of the Ordinance. The zone is comprised of an approximately 41.499-acre tract of land located in the Collin County School Land Survey, Abstract No. 167 (Glen Crossing TIRZ) (Liebman)

Background Information:

This ordinance creates a Tax Incremental Reinvestment Zone for 41.499 acres of the Glen Crossing development. This TIRZ will encompass phase one of the development.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

Portions of the City's ad valorem taxes will be used to pay for off site improvements related to the development.

Legal Review:

Staff recommends approval on the condition that the City's Land Use Attorney reserves the right to fine tune the document prior to execution.

Supporting Documents:

- Proposed Ordinance

Staff Recommendation:

Staff recommends approval on the condition that the City's Land Use Attorney reserves the right to fine tune the document prior to execution.

CITY OF CELINA, TEXAS

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, DESIGNATING A CONTIGUOUS GEOGRAPHIC AREA WITHIN THE CITY AS A REINVESTMENT ZONE PURSUANT TO CHAPTER 311 OF THE TEXAS TAX CODE, TO BE KNOWN AS REINVESTMENT ZONE NUMBER SIX, CITY OF CELINA (GLEN CROSSING); DESCRIBING THE BOUNDARIES OF THE ZONE; CREATING A BOARD OF DIRECTORS FOR THE ZONE; ESTABLISHING A TAX INCREMENT FUND FOR THE ZONE; CONTAINING FINDINGS RELATED TO THE CREATION OF THE ZONE; PROVIDING A DATE FOR THE TERMINATION OF THE ZONE; PROVIDING THAT THE ZONE TAKE EFFECT IMMEDIATELY UPON PASSAGE OF THE ORDINANCE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City of Celina, Texas (the “City”), pursuant to Chapter 311 of the Texas Tax Code, as amended (the “Act”), may designate a geographic area within the City as a tax increment reinvestment zone if the area satisfies the requirements of the Act; and

WHEREAS, the Act provides that the governing body of a municipality by ordinance may designate a contiguous geographic area that is in the City limits of the municipality to be a reinvestment zone if the governing body determines that development or redevelopment would not occur solely through private investment in the reasonably foreseeable future; and

WHEREAS, the City Council desires for the City to consider the creation of a tax increment reinvestment zone with the boundaries described in the metes and bounds attached hereto as **Exhibit A** and the general locator map attached hereto as **Exhibit B** (the “Zone”); and

WHEREAS, pursuant to and as required by the Act, the City has prepared a *Reinvestment Zone Number Six, City of Celina, Preliminary Project and Financing Plan*, dated June 2, 2016, attached as **Exhibit C** (hereinafter referred to as the “Preliminary Project and Finance Plan”) for a proposed tax increment reinvestment zone containing the real property within the Zone; and

WHEREAS, notice of the public hearing on the creation of the proposed zone was published in the official newspaper of the City on or before June 3, 2016, which date is before the seventh (7th) day before the public hearing held on June 14, 2016; and

WHEREAS, at the public hearing on June 14, 2016, interested persons were allowed to speak for or against the creation of the Zone, the boundaries of the Zone, and the concept of tax increment financing, and owners of property in the proposed Zone were given a reasonable opportunity to protest the inclusion of their property in the Zone; and

WHEREAS, evidence was received and presented at the public hearing on June 14, 2016 in favor of the creation of the Zone; and

WHEREAS, after all comments and evidence, both written and oral, were received by the City Council, the public hearing was closed on June 14, 2016; and

WHEREAS, the public hearing was held in full accordance with Section 311.003(c) of the Act; and

WHEREAS, the City has taken all actions required to create the Zone including, but not limited to, all actions required by the home-rule Charter of the City, the Act, the Texas Open Meetings Act (defined herein), and all other laws applicable to the creation of the Zone; and

WHEREAS, the percentage of the property in the proposed zone, excluding property that is publicly owned, that is used for residential purposes is less than thirty percent; and

WHEREAS, a Preliminary Project and Finance plan has been prepared for the proposed reinvestment zone.

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

SECTION 1. RECITALS INCORPORATED.

The facts and recitations contained in the preamble of this Ordinance are hereby found and declared to be true and correct and are incorporated and adopted as part of this Ordinance for all purposes.

SECTION 2. FINDINGS.

That the City Council, after conducting the above described hearing and having heard the evidence and testimony presented at the hearing, has made the following findings and determined based on the evidence and testimony presented to it:

- (a) That the public hearing on the creation of the proposed reinvestment zone has been properly called, held and conducted and that notice of such hearing has been published as required by applicable law, including the Act; and
- (b) That creation of the proposed reinvestment zone with boundaries as described and depicted in **Exhibits A** and **B** will result in benefits to the City, its residents and property owners, in general, and to the property, residents and property owners in the reinvestment zone; and
- (c) That the proposed reinvestment zone, as described and depicted in **Exhibits A** and **B**, meets the criteria for the creation of a reinvestment zone set forth in the Act in that:

- 1. It is a geographic area located wholly within the City limits; and

2. The area is predominately open, undeveloped or underdeveloped, and the lack of necessary public improvements impairs sound growth of the City; and
- (d) That 30 percent or less of the property in the proposed reinvestment zone, excluding property dedicated to public use, is currently used for residential purposes; and
- (e) That the total appraised value of all taxable real property in the proposed reinvestment zone according to the most recent appraisal rolls of the City, together with the total appraised value of taxable real property in all other existing reinvestment zones within the City, according to the most recent appraisal rolls of the City, does not exceed 50 percent of the current total appraised value of taxable real property in the City and in the industrial districts created by the City, if any; and
- (f) That the improvements in the proposed reinvestment zone will significantly enhance the value of all taxable real property in the proposed reinvestment zone and will be of general benefit to the City; and
- (g) That the development or redevelopment of the property in the proposed reinvestment zone will not occur solely through private investment in the reasonably foreseeable future.

SECTION 3. DESIGNATION AND NAME OF THE ZONE.

Pursuant to the authority of, and in accordance with the requirements of the Act, the City Council hereby designates the area described and depicted in ***Exhibits A*** and ***B*** hereto as a tax increment reinvestment zone. The name assigned to the zone for identification is **Reinvestment Zone Number Six, City of Celina** (hereinafter referred to as the “Zone”).

SECTION 4. BOARD OF DIRECTORS.

- (a) The City Council hereby creates a board of directors for the Zone (hereinafter referred to as the “Board”) consisting of seven (7) members all appointed by the City Council. Council member may serve as Board members.
- (b) The Board members appointed to the Board shall be eligible to serve on the Board if that person is at least 18 years of age, and is a resident of the county in which the Zone is located or a county adjacent to that county.
- (c) The Board shall make recommendations to the City Council concerning the administration, management, and operation of the Zone. The Board shall prepare and adopt a final project plan and reinvestment zone financing plan for the Zone and submit such plans to the City Council for its approval. The Board shall consider amendments to the final project and reinvestments financing plans on its own initiative or upon submission by the City Council, but amendments recommended by the Board shall not take effect unless and until adopted by the City Council.

- (d) Directors shall not receive any salary or other compensation for their services as directors.
- (e) Members of the Board shall be appointed for terms of two years. The terms of the Board members may be staggered. The City Council may remove and replace Board members at any time during a term.
- (f) The initial Board shall be seven members and the following shall be members:
 - 1. Sean Terry
 - 2. Bill Webber
 - 3. Wayne Nabors
 - 4. Andy Hopkins
 - 5. Carmen Roberts
 - 6. Lori Vaden
 - 7. Chad Anderson

The City Council hereby appoints Sean Terry to serve as chairman of the Board during the time the initial Board is serving. The Board shall then elect a chair person each year. The Board may elect a vice-chair to preside in the absence of the chair or when there is a vacancy in the office of chair person. The Board may elect other officers as it considers appropriate.

SECTION 5. DURATION OF THE ZONE.

That the Zone shall take effect immediately upon the passage and approval of this Ordinance, consistent with Section 311.004(a)(3) of the Act, and termination of the Zone shall occur upon any of the following: (i) on December 31, 2045; (ii) at an earlier time designated by subsequent ordinance; (iii) at such time, subsequent to the issuance of tax increment bonds, if any, that all project costs, tax increment bonds, notes and other obligations of the Zone, and the interest thereon, have been paid in full, in accordance with Section 311.017 of the Act; or (iv) at such time that the obligation, if any, to support any indebtedness of the Glen Crossing Public Improvement District has been satisfied.

SECTION 6. TAX INCREMENT BASE AND TAX INCREMENT.

Pursuant to Section 311.012(c) of the Act, the tax increment base of the City, or any other taxing unit participating in the Zone, is the total taxable value of all real property taxable by the City or other taxing unit participating in the Zone, and located in the Zone determined as of January 1, 2016, the year in which the Zone was designated as a reinvestment zone (the "Tax Increment Base"). That consistent with Section 311.012(a) of the Act, the amount of the Tax Increment for a year is **43.71%** of property taxes levied, assessed, and collected by the City and all or a portion of property taxes of other taxing units participating in the Zone and located in the Zone (as set forth in an agreement to participate in the Zone) for that year on the Captured Appraised Value (defined below) of real property taxable by City or other taxing unit participating in the Zone and located in the Zone (the "Tax Increment"). That consistent with Section 311.012(b) of the Texas Tax Code, as amended, the Captured Appraised Value of real property taxable by the City or

other taxing unit participating in the Zone for a year is the total appraised value of all real property taxable by the unit and located in the Zone for that year less the Tax Increment Base (the “Captured Appraised Value”).

SECTION 7. TAX INCREMENT FUND.

That there is hereby created and established a “Tax Increment Fund” for the Zone which may be divided into such subaccounts as may be authorized by subsequent ordinance, into which all tax increments of the City, as such increments are described in the final project plan and reinvestment zone financing plan and may include administration costs, less any of the amounts not required to be paid into the Tax Increment Fund pursuant to the Act, are to be deposited. The Tax Increment Fund and any subaccounts are to be maintained in an account at the affiliated depository bank of the City and shall be secured in the manner prescribed by law for funds of Texas cities. In addition, all revenues to be dedicated to and used in the Zone shall be deposited into such fund or subaccount from which money will be disbursed to pay project costs, plus interest, for the Zone.

SECTION 8. SEVERABILITY CLAUSE.

Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City of Celina hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional or invalid.

SECTION 9. OPEN MEETINGS.

It is hereby found, determined, and declared that sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this Ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at the City Hall of the City for the time required by law preceding its meeting, as required by the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, 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. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

SECTION 10. EFFECTIVE DATE.

This Ordinance shall take effect immediately upon its adoption and publication in accordance with and as provided by law and the City Charter.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF CELINA,
TEXAS, THIS THE 14th DAY OF JUNE, 2016.**

Mayor

ATTEST:

Vicki Faulkner, City Secretary

APPROVED AS TO FORM:

Julie Fort, Attorney for the City

Exhibit A

Metes and Bounds Description of the Zone

(41.499 Acres)

BEING a 41.499-acre tract of land situated in the Collin County School Land Survey, Abstract Number 167, Collin County, Texas, being a portion of that tract of land described by deed to G BAR 7 LTD. as recorded in Volume 5850, Page 990, of the Official Public Records of Collin County, Texas (O.P.R.C.C.T.), and being more particularly described as follows:

BEGINNING at a ½ inch iron rod found within a gravel road posted and under apparent public use as County Road 1117 for the most easterly northeast corner of the herein described tract, same being an inner ell comer of a tract of land described by deed to Old Celina, Ltd. as recorded in Volume 5398, Page 693, O.P.R.C.C.T.;

THENCE South 00 degrees 22 minutes 38 seconds East, with the most southerly west line of said Old Celina Ltd. tract and within said County Road 1117, a distance of 1178.05 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 887.24 feet to a point for corner;

THENCE North 00 degrees 00 minutes 00 seconds East, a distance of 140.02 feet to a point for comer;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 300.05 feet to a point for corner;

THENCE South 00 degrees 33 minutes 39 seconds West, a distance of 15.66 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 150.02 feet to a point for comer, said point being in the east line of a tract of land described by deed to Chris Hollingsworth, Trustee of the Hollingsworth Irrevocable Trust, as recorded under Instrument Number 20130411000490940, O.P.R.C.C.T.;

THENCE North 00 degrees 51 minutes 28 seconds West, with the east line of said Hollingsworth tract, a distance of 442.61 feet to a point for the northeast comer thereof, same being the southeast comer of a tract of land described by deed to United Realtors, LLC, as recorded under Instrument Number 20120314000298850, O.P.R.C.C.T.;

THENCE North 00 degrees 40 minutes 31 seconds West, with the east line of said United Realtors tract, a distance of 318.30 feet to a point for comer.

THENCE North 00 degrees 21 minutes 16 seconds West, with the east line of said United Realtors tract, a distance of 90.50 feet to a point for corner;

THENCE North 00 degrees 26 minutes 16 seconds West, with the east line of said United Realtors tract, a distance of 300.00 feet to a point for corner;

THENCE North 00 degrees 59 minutes 16 seconds West, with the east line of said United Realtors tract, a distance of 213.00 feet to a ½ inch iron rod with cap stamped "Alliance" found for corner;

THENCE North 01 degree 20 minutes 16 seconds West, partially with the east line of said United Realtors tract, a distance of 91.37 feet to a point for corner within County Road 55;

THENCE North 89 degrees 18 minutes 34 seconds East, within said County Road 55, a distance of 722.80 feet to a point for corner, same being the northwest corner of said Old Celina Ltd. tract;

THENCE South 00 degrees 23 minutes 37 seconds East with the most northerly west line of said Old Celina Ltd. tract, passing at a distance of 59.67 feet a ½ inch iron rod with cap stamped "#3258" found, continuing on said course for a total distance of 419.77 feet to a point for corner, same being the most westerly southwest corner of said Old Celina Ltd. tract;

THENCE North 89 degrees 09 minutes 57 seconds East, with the most westerly south line of said Old Celina Ltd. tract, passing at a distance of 604.10 feet a ½ inch iron rod found, continuing on said course for a total distance of 623.17 feet to the **POINT OF BEGINNING** and containing 41.499 acres of land, more or less, and being subject to any and all easements that may affect.

Exhibit B

Depiction of Property Described in Exhibit A



*Exhibit C**Preliminary Project Plan and Finance Plan*

*REINVESTMENT ZONE NUMBER SIX,
CITY OF CELINA
PRELIMINARY PROJECT AND FINANCING PLAN
(the "Preliminary Plan")*

June 14, 2016

1. INTRODUCTION.

1.1 Authority and Purpose. The City of Celina, a Texas home-rule municipality (the "City"), has the authority under Chapter 311, Texas Tax Code, as amended (the "Act") to designate a contiguous or noncontiguous geographic area within the corporate limits of the City as a tax increment reinvestment zone to promote development or redevelopment of the area if the governing body of the City (the "City Council") determines that development or redevelopment would not occur solely through private investment in the reasonably foreseeable future, that the zone is feasible, and that creation of the zone is in the best interest of the City and the property in the zone. The purpose of the zone is to facilitate such development or redevelopment by financing the costs of public works, public improvements, programs, and other projects benefiting the zone, plus other costs incidental to those expenditures, all of which costs are authorized by the Act.

1.2 Eligibility Requirements. An area is eligible under the Act to be designated as a tax increment reinvestment zone if it is predominantly open or undeveloped and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impairs or arrests the sound growth of the City. The City cannot, however, designate a zone if more than 30% of the property in the proposed zone, excluding property that is publicly owned, is "used for residential purposes" (defined by the Act as follows: "... property is used for residential purposes if it is occupied by a house having fewer than five living units ...") or if the total appraised value of taxable real property in the proposed zone and in existing reinvestment zones exceeds 50% of the total appraised value of taxable real property in the City and in industrial districts created by the City.

1.3 The Proposed Zone. The City is considering the creation of a tax increment reinvestment zone to be known as "Reinvestment Zone Number Six, City of Celina" (the "Zone") that will include approximately 41.499 acres of the 119.138 described in that certain Amended Development Agreement approved by the City on June 14, 2016 (the "Property" and the "Development Agreement"). The Property meets the eligibility requirements of the Act. The Property is undeveloped, and due to its size, location, and physical characteristics, development will not occur solely through private investment in the foreseeable future. The Property substantially impairs and arrests the sound growth of the City because it is predominately open and undeveloped due to factors such as the lack of public infrastructure and the need for economic incentives to attract development to the Zone for the purpose of providing long-term economic benefits including, but not limited to, increased real property tax base for all taxing units in the Zone, increased sales and use tax for the City and the State of Texas, and increased job opportunities for residents of the City, Collin County, and the region. If the Zone is created and the public works, public improvements, programs, and other projects are financed as contemplated by this Preliminary Plan, the City envisions that the Property will be developed to take full advantage of the opportunity to bring to the City, Collin County, and to all of north Texas a master-planned development.

1.4 Preliminary Plan; Hearing. Before the City may adopt an ordinance designating the Zone, the City Council must prepare a preliminary reinvestment zone financing plan in accordance with the Act and hold a public hearing on the creation of the proposed zone and its benefits to the City and to the Property, at which public hearing interested persons may speak for

or against the creation of the proposed zone, the boundaries of the proposed zone, or the concept of tax increment financing, and at which hearing the owner of the Property (the "Owner") is given a reasonable opportunity to protest the inclusion of the Property in the proposed zone. The requirement of the Act for a preliminary reinvestment zone financing plan is satisfied by this Preliminary Plan, the purpose of which is to describe, in general terms, the public works, public improvements, programs, and other projects that will be undertaken and financed by the Zone. A more detailed description of how such public works, improvements, programs, and projects will be undertaken and financed will be determined by the Final Plan and by the TIRZ Agreement (both hereinafter defined), which require approval by the Board (hereinafter defined) and by the City Council.

1.5 Creation of the Zone. Upon the closing of the above-referenced public hearing, the City Council may adopt an ordinance in accordance with the Act creating the Zone if the City Council finds that development or redevelopment of the Property would not occur solely through private investment in the reasonably foreseeable future, that the Zone is feasible, and that creation of the Zone is in the best interest of the City and the Property. Among other provisions required by the Act, the ordinance creating the Zone will appoint a Board of Directors for the Zone consisting of five members (the "Board").

1.6 Board Recommendations. After the creation of the Zone, the Board will review this Preliminary Plan and approve and recommend to the City Council a *Final Tax Increment Reinvestment Zone Project and Financing Plan for Reinvestment Zone Number Six, City of Celina* (as amended, the "Final Plan"). The City will contribute a portion of its ad valorem tax increment attributable to new development in the Zone (the "Tax Increment") into a tax increment fund created by the City and segregated from all other funds of the City (the "TIRZ Fund") to reduce PID Assessments (defined below) as further described in Section 13 and as may be set forth in a "TIRZ Agreement" between the City and the Owner or developer. The TIRZ Agreement is authorized by Section 311.010(h) of the Act.

1.7 Council Action. The City Council, taking into consideration the recommendations of the Board, will consider approval of the Final Plan and the TIRZ Agreement. If the TIRZ Agreement is approved, the City Council will authorize and direct its execution.

2. DESCRIPTIONS AND MAPS.

2.1 Existing Uses and Conditions. The Property is currently located in Collin County and in the City's corporate limits. The Property is undeveloped, and there is no public infrastructure to support development. Development will require extensive public infrastructure that will not be provided solely through private investment in the foreseeable future. A map of the Property and the proposed zone are shown on Exhibit A and in the Development Agreement.

2.2 Proposed Uses. The proposed uses of the Property are consistent with the zoning regulations of Planned Development District No. 23 (the "PD"). A map of the Property and description of the proposed uses of the Property are shown on Exhibit B.

2.3 Metes and Bounds Description. Metes and bounds descriptions of the Property is provided on **Exhibit C.**

3. PROPOSED CHANGES TO ORDINANCES, PLANS, CODES, RULES, AND REGULATIONS. The only changes to the City's ordinances, plans, codes rules and regulations are those changes established by the Development Agreement and relate to financing Public Improvements (defined below) benefitting the Zone.

4. RELOCATION OF DISPLACED PERSONS. No persons will be displaced or relocated due to the creation of the Zone or implementation of the Final Plan (hereinafter defined).

5. ESTIMATED NON-PROJECT COSTS. Non-project costs are private funds that will be spent in the development of the Zone but will not be financed by the Zone. The list of non-project costs include lot development costs and home construction costs. The total non-project costs are estimated to be approximately \$133,091,055.

6. PROPOSED PUBLIC IMPROVEMENTS.

6.1 Categories of Public Improvements. The categories of public works and public improvements (the "Public Improvements") that are proposed to be financed by the Zone are those costs allowed by the Act, including: water, sewer, road, drainage, parks and open space improvements. All Public Improvements shall be designed and constructed in accordance with all applicable City standards and shall otherwise be inspected, approved, and accepted by the City.

6.2 Locations of Public Improvements. The estimated locations of some of the proposed Public Improvements are described in the Development Agreement and shown on **Exhibit D.** These locations are provided for informational purposes only and may be revised from time to time without amending the Final Plan.

7. ESTIMATED PROJECT COSTS. The total project costs for the Zone (the "Project Costs") include the Administrative Costs (defined below) and the costs associated with credits to offset the payments of public improvement district assessments on the Property ("PID Assessments") for Public Improvements, as further described in Section 13, and are estimated to be \$3,463,574, plus Administrative Costs as set forth on **Exhibit E.** The Project Costs for administration of the Zone shall be all costs allowed by the Act, including, but not limited to, costs of curing or enforcing agreements involving the Property, and the actual, direct and imputed costs paid or incurred by or on behalf of the City to administer the Zone (the "Administrative Costs"). The Administrative Costs include the costs of professional services, including those for planning, engineering, and legal services paid by or on behalf of the City. The Administrative Costs also include organizational costs, the cost of publicizing the creation of the Zone, and the cost of implementing the project plan for the Zone paid by or on behalf of the City. The Administrative Costs shall be paid each year from the TIRZ Fund before any other Project Costs are paid.

8. ESTIMATED TIME WHEN COSTS ARE TO BE INCURRED. The Administrative Costs will be incurred annually. It is estimated that the remainder of the Project Costs will be incurred during the time intervals set forth on **Exhibit F.**

9. ECONOMIC FEASIBILITY. For purposes of this Preliminary Plan, economic feasibility has been evaluated over the term of the Zone, in part based on the "Feasibility Study" prepared by First Southwest, a Division of Hilltop Securities, Inc., a copy of which is attached as Exhibit G. This evaluation focuses only on "direct" financial benefits (i.e., tax revenues from new development of the Zone) and does not take into consideration any "multiplier effect" that may result from new development that occurs outside the Zone. As illustrated in Exhibit G, during the term of the Zone, new development that occurs in the Zone (which would not have occurred but for the Zone) will generate approximately \$89,657,907 in total new real property tax revenue. The taxing unit that will participate in and benefit from new development within the Zone, the City, will retain approximately \$12,558,300 in net additional tax revenues in the City's general fund. The remaining additional tax revenues will be deposited in the TIRZ Fund to pay Project Costs.

Based on the foregoing, the feasibility of the Zone has been demonstrated. A portion of the new tax revenue generated for all taxing units by new development within the Zone will be retained by those taxing units. The remainder of the new tax revenue generated by new development within the Zone will be available to pay actual Project Costs until the term of the Zone expires or until the Zone is otherwise terminated as allowed by law or as hereinafter provided. Upon expiration or termination of the Zone, 100% of all tax revenue generated within the Zone will be retained by the respective taxing units. During the term of the Zone, the City will deposit into the TIRZ Fund each year an amount calculated as a tax equivalent rate per \$100 of captured appraised value in the Zone that equals 43.71 percent of the City's tax rate levied and collected. After a public hearing, the City may increase or decrease the TIRZ Fund participation rate.

10. ESTIMATED BONDED INDEBTEDNESS. No bonded indebtedness issued by the City pursuant to the Act is contemplated.

11. TOTAL APPRAISED VALUE. The current total appraised value of taxable real property in the Zone is \$6,929.00. The appraised value is based on an agricultural exemption. It is estimated that upon expiration of the term of the Zone, the total appraised value of taxable real property in the Zone will be \$133,097,984 in 2016 Dollars.

12. ESTIMATED CAPTURED APPRAISED VALUE TAXABLE BY THE CITY. The amount of the City's tax increment for a year is the amount of property taxes levied and collected by the City for that year on the captured appraised value of the Property less the tax increment base of the Property. The tax increment base of the Property is the total taxable value of the Property for the year in which the Zone was designated. The tax increment base of the Property is estimated to be \$44.69 which is the amount of tax the City collected on the Property for calendar year 2016, the year of creation.

13. METHOD OF FINANCING. Each Owner has paid and will in the future pay, through PID Assessments or otherwise, certain Project Costs. The Final Plan and the TIRZ Agreement shall obligate the City to reduce PID Assessments on a parcel by parcel basis. Funds deposited into the TIRZ Fund shall always first be applied to pay the Administrative Costs. After the Administrative Costs have been paid, funds in the TIRZ Fund shall next be used to offset PID Assessments. The TIRZ Agreement will provide for an offset or credit against PID assessments levied against the Property (on a parcel-by-parcel basis as described in the PID service and

assessment plan) in an annual amount equal to the cash balance of the TIF Fund attributable to each parcel during each calendar year after Administrative Costs are paid (individually, an "Annual Credit Amount"). The City will prepare each year an updated PID assessment roll confirming the amount of the annual installment owed on PID assessments and the reduced assessment amount burdening the Property after the City applies against the annual installment the Annual Credit Amount. Such Annual Credit Amount shall not be reduced by the City without the City making a corresponding reduction in the PID assessments (i.e., each PID assessment shall be permanently reduced by the same amount the Annual Credit Amount is reduced). The TIRZ Agreement will provide for TIRZ Fund revenue equal to the Annual Credit Amount to be paid to reduce Project Costs. All payments of Project Costs shall be made solely from the TIRZ Fund and from no other funds of the City unless otherwise approved by its governing body, and the TIRZ Fund shall only be used to pay Administrative Costs and offset PID Assessments, unless otherwise approved by the Owner. The City's approval of the Final Plan shall obligate the City to deposit into the TIRZ Fund each year for the duration of the Zone an amount currently estimated at 43.71 percent of the City's tax rate levied and collected which amount may increase or decrease with the final pricing of the PID bonds consistent with the methodology included in the Feasibility Study.

14. DURATION OF THE ZONE; TERMINATION. The stated term of the Zone shall commence on June 14, 2016, and shall continue until December 31, 2045, or until the City terminates the TIRZ in accordance with the Act unless otherwise terminated in accordance with this section. The City expects to collect the TIRZ Fund revenue for the last year of the Zone in calendar year 2046 and apply such collections to PID Assessments in calendar year 2047. The City shall have the right to terminate the Zone prior to the expiration of its stated term if an economic refunding of the PID bonds results in the Annual Credit Amount being reduced to zero. The provisions of this section shall be included in the ordinance that creates the Zone and in the TIRZ Agreement. Nothing in this section is intended to prevent the City from extending or shortening the term of the Zone in accordance with the Act.

15. LIST OF EXHIBITS. Unless otherwise stated, all references to "Exhibits" contained in this Preliminary Plan shall mean and refer to the following exhibits, all of which are attached to and made a part of this Preliminary Plan for all purposes.

Exhibit A	Map of the Property and TIF Zone
Exhibit B	Map and Description of Proposed Uses of the Property
Exhibit C	Metes and Bounds Description of Property in the Zone
Exhibit D	Public Improvements
Exhibit E	Estimated Project Costs
Exhibit F	Estimated Time When Costs are to be Incurred
Exhibit G	Feasibility Study

Exhibit A



Exhibit B



Exhibit C – Metes and Bounds Description of Property in the Zone

41.499 Acre Tract Description

BEING a 41.499 acre tract of land situated in the Collin County School Land Survey, Abstract Number 167, Collin County, Texas, being a portion of that tract of land described by deed to G BAR 7 LTD. as recorded in Volume 5850, Page 990, of the Official Public Records of Collin County, Texas (O.P.R.C.C.T.), and being more particularly described as follows:

BEGINNING at a ½ inch iron rod found within a gravel road posted and under apparent public use as County Road 1117 for the most easterly northeast corner of the herein described tract, same being an inner ell corner of a tract of land described by deed to Old Celina, Ltd. as recorded in Volume 5398, Page 693, O.P.R.C.C.T.;

THENCE South 00 degrees 22 minutes 38 seconds East, with the most southerly west line of said Old Celina Ltd. tract and within said County Road 1117, a distance of 1178.05 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 887.24 feet to a point for corner;

THENCE North 00 degrees 00 minutes 00 seconds East, a distance of 140.02 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 300.05 feet to a point for corner;

THENCE South 00 degrees 33 minutes 39 seconds West, a distance of 15.66 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 150.02 feet to a point for corner, said point being in the east line of a tract of land described by deed to Chris Hollingsworth, Trustee of the Hollingsworth Irrevocable Trust, as recorded under Instrument Number 20130411000490940, O.P.R.C.C.T.;

THENCE North 00 degrees 51 minutes 28 seconds West, with the east line of said Hollingsworth tract, a distance of 442.61 feet to a point for the northeast corner thereof, same being the southeast corner of a tract of land described by deed to United Realtors, LLC, as recorded under Instrument Number 20120314000298850, O.P.R.C.C.T.;



Arthur Surveying Co., Inc.
Professional Land Surveyors

P.O. Box 54 ~ Lewisville, Texas 75067
Office: (972) 221-9439 ~ Fax: (972) 221-4675



Exhibit C – Metes and Bounds Description of Property in the Zone

THENCE North 00 degrees 40 minutes 31 seconds West, with the east line of said United Realtors tract, a distance of 318.30 feet to a point for corner.

THENCE North 00 degrees 21 minutes 16 seconds West, with the east line of said United Realtors tract, a distance of 90.50 feet to a point for corner;

THENCE North 00 degrees 26 minutes 16 seconds West, with the east line of said United Realtors tract, a distance of 300.00 feet to a point for corner;

THENCE North 00 degrees 59 minutes 16 seconds West, with the east line of said United Realtors tract, a distance of 213.00 feet to a ½ inch iron rod with cap stamped "Alliance" found for corner;

THENCE North 01 degree 20 minutes 16 seconds West, partially with the east line of said United Realtors tract, a distance of 91.37 feet to a point for corner within County Road 55;

THENCE North 89 degrees 18 minutes 34 seconds East, within said County Road 55, a distance of 722.80 feet to a point for corner, same being the northwest corner of said Old Celina Ltd. tract;

THENCE South 00 degrees 23 minutes 37 seconds East with the most northerly west line of said Old Celina Ltd. tract, passing at a distance of 59.67 feet a ½ inch iron rod with cap stamped "#3258" found, continuing on said course for a total distance of 419.77 feet to a point for corner, same being the most westerly southwest corner of said Old Celina Ltd. tract;

THENCE North 89 degrees 09 minutes 57 seconds East, with the most westerly south line of said Old Celina Ltd. tract, passing at a distance of 604.10 feet a ½ inch iron rod found, continuing on said course for a total distance of 623.17 feet to the **POINT OF BEGINNING** and containing 41.499 acres of land, more or less, and being subject to any and all easements that may affect.



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Exhibit D



Exhibit D



Exhibit E – Estimated Project Costs

City of Celina, Texas**Tax Increment Reinvestment Zone No. 6 (Glen Crossing Project)****EXHIBIT E - ESTIMATED PROJECT COSTS**

Categories of Projects Costs	
Roadway Improvements	
Water Distribution System Improvements	
Sanitary Sewer Improvements	
Storm Drainage Improvements	
Parks and Open Space Improvements	
Other Soft and Miscellaneous Costs	
Total Project Costs	\$ 3,463,574
Administration Expenses (29 years at \$30,000)	\$ 870,000
TOTAL TIRZ #6 Costs	\$ 4,333,574

Estimated costs may increase or decrease. TIF Fund revenue will pay actual Project Costs either directly or through the reduction of PID Assessments.

Exhibit F – Estimated Time When Costs Are to be Incurred

City of Celina, Texas**Tax Increment Reinvestment Zone No. 6 (Glen Crossing Project)****EXHIBIT F - ESTIMATED TIME WHEN COSTS ARE TO BE INCURRED**

Categories of Project Costs	Calendar Year 2016	Calendar Year 2017	Calendar Years 2018-2045	TOTAL
Project Costs	\$ 1,482,648	\$ 1,980,926	\$ -	\$ 3,463,574
Administration Expenses (Budgeted @ \$30,000 / year)	\$ 30,000	\$ 30,000	\$ 810,000	\$ 870,000
TOTAL	\$ 1,512,648	\$ 2,010,926	\$ 810,000	\$ 4,333,574

Administrative Costs will be incurred annually and are anticipated to be approximately \$30,000 per year.

Exhibit G – Feasibility Study

City of Celina, Texas

Tax Increment Reinvestment Zone No. 6 (Glen Crossing Project)

EXHIBIT G - FEASIBILITY STUDY

A	B	C	D	E	F	G	H	I	J
Tax Year	Fiscal Year	Estimated Incremental Taxable Value ⁽¹⁾	Projected Collin County Incremental Real Property Tax Revenue ⁽²⁾	Projected Collin County Community College District Incremental Real Property Tax Revenue ⁽³⁾	Projected Celina ISD Incremental Real Property Tax Revenue ⁽⁴⁾	Projected City of Celina Incremental Real Property Tax Revenue ⁽⁵⁾	Total Projected Incremental Real Property Tax Revenue	City of Celina Participation in TIRZ #6 as percentage of Property Tax Rate ⁽⁶⁾	Projected Property Tax Revenue to be Retained by the City
2016	2017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	2018	-	-	-	-	-	-	-	-
2018	2019	15,114,906	34,009	12,388	247,884	97,491	391,772	42,616	54,875
2019	2020	58,162,362	130,865	47,670	953,863	375,147	1,507,545	163,987	211,160
2020	2021	88,224,403	198,505	72,309	1,446,880	569,047	2,286,741	248,746	320,302
2021	2022	103,390,595	232,629	84,739	1,695,606	666,869	2,679,843	291,506	375,363
2022	2023	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2023	2024	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2024	2025	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2025	2026	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2026	2027	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2027	2028	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2028	2029	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2029	2030	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2030	2031	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2031	2032	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2032	2033	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2033	2034	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2034	2035	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2035	2036	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2036	2037	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2037	2038	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2038	2039	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2039	2040	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2040	2041	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2041	2042	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2042	2043	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2043	2044	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2044	2045	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
2045	2046	133,091,055	299,455	109,081	2,182,693	858,437	3,449,667	375,246	483,192
			\$ 7,782,925	\$ 2,835,060	\$ 56,728,872	\$ 22,311,050	\$ 89,657,907	\$ 9,752,750	\$ 12,558,300

(1) Derived from build out and pricing information as provided by the developer.

(2) Calculated at the 2015 Tax Rate of \$0.2250 per \$100.

(3) Calculated at the 2015 Tax Rate of \$0.0820 per \$100.

(4) Calculated at the 2015 Tax Rate of \$1.6400 per \$100.

(5) Calculated at the 2015 Tax Rate of \$0.6450 per \$100.

(6) Calculated at 43.71% of the City's 2015 Tax Rate of \$0.6450.



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Ben Rodriguez, Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: G-Bar 7 Resolution Calling for PID PH

Action Requested:

Consider and act upon a resolution determining the costs of authorized improvements for the Glen Crossing Public Improvement District, calling for a public hearing for July 12, 2016 on the PID Levy and Assessment, approving the preliminary Service and Assessment Plan and proposed assessment roll, and directing notice of the July 12, 2016 public hearing, for property generally located south of CR 55, north of CR 53, east of CR 52 and west of CR 1117, on a tract of land situated in the Collin County School Land Survey, Abstract No. 167 Collin County, Texas; consisting of a ±109.090 acre tract of land, setting a levy and assessment date for July 12, 2016. (G-Bar 7/Glen Crossing) (Liebman)

Background Information:

This resolution calls for a public hearing to create a Public Improvement District for the Glen Crossing development. The meeting will take place at the City Council meeting on July 12, 2016.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City's Land Use Attorney reserves the right to fine tune the document prior to execution.

Supporting Documents:

- Proposed Resolution

Staff Recommendation:

Staff recommends approval on the condition that the City's Land Use Attorney reserves the right to fine tune the document prior to execution.

CITY OF CELINA, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF CELINA, TEXAS DETERMINING THE COSTS OF CERTAIN PUBLIC IMPROVEMENTS TO BE FINANCED BY THE GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT; APPROVING A PRELIMINARY SERVICE PLAN AND ASSESSMENT PLAN, INCLUDING PROPOSED ASSESSMENT ROLLS; DIRECTING THE FILING OF THE PROPOSED ASSESSMENT ROLLS WITH THE CITY SECRETARY TO MAKE AVAILABLE FOR PUBLIC INSPECTION; NOTICING A PUBLIC HEARING FOR JULY 12, 2016 TO CONSIDER AN ORDINANCE LEVYING ASSESSMENTS ON PROPERTY LOCATED WITHIN THE GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT; DIRECTING CITY STAFF TO PUBLISH AND MAIL NOTICE OF SAID PUBLIC HEARING; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.

RECITALS

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

WHEREAS, on April 12, 2016 the City Council conducted and closed a public hearing to consider a petition received by the City on December 31, 2015 titled "Petition for the Creation of a Public Improvement District Within the City of Celina, Texas, for the G Bar 7 Development" requesting the creation of a public improvement district; and

WHEREAS, on April 12, 2016, the City Council approved Resolution No. 2016-24R (the "Authorization Resolution"), authorizing, establishing and creating the G Bar 7 Public Improvement District (the "District"); and

WHEREAS, on June 14, 2016, the City Council approved Resolution No. 2016-____ changing the name of the District to the Glen Crossing Public Improvement District; and

WHEREAS, the City authorized the creation of the District and the issuance of up to \$15,000,000.00 in bonds for the District to finance certain public improvements authorized by the Act for the benefit of the property within the District (the "Authorized Improvements"); and

WHEREAS, the City Council and the City staff have been presented a "Glen Crossing Public Improvement District Preliminary Service and Assessment Plan", including the proposed assessment roll attached thereto (the "Proposed Assessment Roll"), dated June 6, 2016 (collectively, the "Preliminary SAP"), a copy of which is attached hereto as **Exhibit A** and is incorporated herein for all purposes; and

WHEREAS, the Preliminary SAP sets forth the estimated total costs of certain Authorized Improvements to be financed by the District at this time and the Proposed Assessment Roll states the assessments proposed to be levied against each parcel of land in the District as determined by the method of assessment chosen by the City; and

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

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

WHEREAS, the Act requires that notice of the Assessment Hearing be mailed to property owners liable for assessment and published in a newspaper of general circulation in the City before the tenth (10th) day before the date of the Assessment Hearing.

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

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

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

SECTION 3. The City Council hereby determines that the total costs of the Phase #1 Improvements to be financed by the District are as set forth in Table III-A of the Preliminary SAP, which costs do not include the payment of expenses incurred in the administration of the District or related to the issuance of any bonds.

SECTION 4. The City Council's final determination and approval of the costs of the Phase #1 Improvements, or any portion thereof, shall be subject to and contingent upon City Council approval of a final Service and Assessment Plan which will include a final Assessment Roll, after the properly noticed and held Assessment Hearing.

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

SECTION 6. The City Council expressly defers the levy of assessments against property within future phases for phase-specific improvements that will benefit only the property within each subsequent improvement area until such time as the costs of such phase-specific improvements can be determined with certainty as referenced in Section III-C of the Preliminary SAP.

SECTION 7. The City Council hereby authorizes and directs the filing of the Proposed Assessment Roll with the City Secretary and the same shall be available for public inspection.

SECTION 8. The City Council hereby authorizes, and calls, a public hearing (the Assessment Hearing as defined above) to be held on **July 12, 2016 at 6:00 p.m.** at Celina City Council Chambers, 112 N. Colorado Street, Celina, Texas 75009, at which the City Council shall, among other actions, hear and pass on any objections to the proposed assessments, and, upon the adjournment of the Assessment Hearing, the City Council will consider an ordinance levying the assessments as special assessments on property within the District (which ordinance shall specify the method of payment of the assessments).

SECTION 9. The City Council hereby authorizes and directs the City Secretary to publish notice of the Assessment Hearing to be held on **July 12, 2016**, in substantially the form attached hereto as **Exhibit B** and incorporated herein for all purposes, in the *Celina Record*, a

newspaper of general circulation in the City, on or before June 30, 2016 as required by Section 372.016(b) of the Act.

SECTION 10. When the Proposed Assessment Roll is filed with the City Secretary, the City Council hereby authorizes and directs the City Secretary, on or before June 30, 2016 to mail to owners of property liable for assessment notice of the Assessment Hearing to be held on July 12, 2016 as required by Section 372.016(c) of the Act.

SECTION 11. City staff is authorized and directed to take such other actions as are required (including, but not limited to, notice of the public hearing as required by the Texas Open Meetings Act) to place the public hearing on the agenda for the July 12, 2016 meeting of the City Council.

SECTION 12. This Resolution shall become effective from and after its date of passage in accordance with law.

PASSED AND APPROVED on this the 14th day of June, 2016.

Sean Terry, Mayor

ATTEST:

Vicki Faulkner, City Secretary

EXHIBIT A
PRELIMINARY SERVICE AND ASSESSMENT PLAN

GLEN CROSSING
PUBLIC IMPROVEMENT DISTRICT
PRELIMINARY SERVICE AND ASSESSMENT PLAN

JUNE 9, 2016

GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT

SERVICE AND ASSESSMENT PLAN

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Section I PLAN DESCRIPTION AND DEFINED TERMS

A. Introduction

On April 12, 2016 (the "Creation Date") the City Council (the "City Council") of the City of Celina, Texas (the "City") passed and approved Resolution No. 2016-24R approving and authorizing the creation of the "G Bar 7 Public Improvement District" to finance the costs of certain public improvements for the benefit of property in such public improvement district (the "Authorized Improvements"), all of which is located within the City of Celina. On [____, 2016] the City passed and approved [Resolution No. 2016- ____] changing the name of the "G Bar 7 Public Improvement District" to the "Glen Crossing Public Improvement District" (the "PID").

The property in the PID is proposed to be developed in approximately two phases, and the PID will finance public improvements for each phase as each phase is developed. Assessments will be imposed on the property in each phase for the public improvements to be 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 and operation of public improvement districts within the State of Texas. This Glen Crossing Public Improvement District Preliminary Service and Assessment Plan (the "Service and Assessment Plan") has been prepared in accordance with the PID Act and specifically Sections 372.013, 372.014, 372.015 and 372.016, which address the requirements of a service and assessment plan and the assessment roll. According to Section 372.013 of the PID Act, a service plan "must 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 is described in Section IV of this Service and Assessment Plan.

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

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

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

B. Definitions

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

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

Actual Costs may 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.

“Administrative Expenses” mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) creating and organizing the PID, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of the PID, (iii) computing, levying, billing and collecting Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Assessments and the system of registration and transfer of the Bonds, (v) issuing, paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and codes with respect to the Bonds, (viii) the Trustee fees and expenses relating to the Bonds, including reasonable fees, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Authorized Improvements. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on the Bonds. Administrative Expenses collected and not expended for actual Administrative Expenses 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 a series of Bonds or identified in any other agreement approved by the City Council, who shall have the responsibilities provided for herein.

“Annual Installment” means, with respect to each Parcel, each annual payment of: (i) the Assessments, as shown on the Assessment Roll attached hereto as Appendix E, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) the Administrative Expenses, (iii) the prepayment reserve described in Section V(F) of this Service and Assessment Plan, and (iv) the delinquency reserve described in Section V(G) of this Service and Assessment Plan.

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

“Assessed Property” means any property that benefits from the Authorized Improvements within the PID 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. Assessed Property includes Parcels within the PID other than Non-Benefited Property.

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

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

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

“Assessment Roll” or **“Assessment Rolls”** means collectively or separately, as applicable, the Phase #1 Assessment Roll included in this SAP as Appendix E or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update, as each may be updated, modified, or amended from time to time in accordance with the procedures set forth in this SAP and in the PID Act.

“Authorized Improvements” mean those public improvements described in Appendix B of this Service and Assessment Plan and 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, as shown in Appendix B.

“Bonds” mean any bonds issued by the City, including the Phase #1 Bonds and the Phased PID Bonds, in one or more series and secured in whole or in part by the Assessment Revenues.

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

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

“City” means the City of Celina, Texas.

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

“City Improvements” means the additional public improvements to be constructed as part of the agreement between the City and the Developer under the Development Agreement as discussed in Section III(B).

“County” means Collin County, Texas.

“Delinquency Reserve” has the meaning set forth in Section V(G) of this Service and Assessment Plan.

“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 Wynne Jackson, Inc., a Texas corporation or other entity affiliated with Wynne Jackson, Inc. responsible for the development of all or a portion of the property within the PID.

“Development Agreement” means that certain "Amended and Restated Development Agreement" relating to the PID executed by and between the Developer and the City effective June 14, 2016, as the same may be amended from time to time.

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

“Future Phase” means a Phase that is fully developed after Phase #1, as such area is generally depicted in Appendix A. The Future Phase is subject to adjustment and is shown for illustration purpose only.

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

“Homeowners’ Association Special Assessment Allocation” means 1% of the total Assessment that will be reallocated to cover the benefit received by the Homeowner’s Association from the

Authorized Improvements benefitting the Homeowner Association Property once the Homeowner Association is created within the PID.

“Homeowner Association Property” or (**“HOA Property”**) means property within the PID owned by or irrevocably offered for dedication to, whether in fee simple or through an easement, a homeowners’ association established for the benefit of a group of homeowners or property owners.

“Lot” means a tract of land described as a “lot” in a subdivision plat recorded in the official public records of Collin 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 average home 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 the average home value on the lot, as determined by the Administrator and confirmed by the City Council.

“Lot type 1” means lots identified as such on the Assessment Roll, being lots typically with approximately 7,500 square feet size and a lot width of 60 feet, which may be referred to as such in the Planned Development District.

“Lot type 2” means lots identified as such on the Assessment Roll, being lots typically with approximately 6,000 square feet size and a lot width of 50 feet, which may be referred to as such in the Planned Development District.

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

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

“Phase” means one or more Parcels within the PID that will be developed in the same general time period. The Parcels within a Phase will be assessed in connection with the issuance of Phased PID Bonds for Authorized Improvements (or the portion thereof) designated in an update to this Service and Assessment Plan that specially benefit the Parcels within the Phase.

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

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

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

“Phase #1 Assessment Roll” means the document included in this Service and Assessment Plan as Appendix E, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

“Phase #1 Bonds” mean collectively the Phase #1A Bonds (defined in Section IV.A) and the Phase #1B Bonds (defined in Section IV.A), if any, to be issued by the City to finance the Phase #1 Improvements.

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

“Phased PID Bonds” mean bonds issued to fund Authorized Improvements (or a portion thereof) in a Phase. In connection with the Phased PID Bonds, Assessments will be levied only on Parcels, other than Non-Benefited Property, located within the respective Phase.

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

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

“PID Reimbursement Agreement” means that certain PID Reimbursement Agreement, dated _____, 2016, by and between the City and the Developer in which the Developer agrees to fund certain Actual Costs of Phase #1 Improvements and the City agrees to reimburse the Developer for a portion of such Actual Costs of the Phase #1 Improvements funded by the Developer with interest as permitted by the PID Act.

“Planned Development District” means the zoning classification established as PD – Planned Development District #23 pursuant to Ordinance No 2015-13 adopted by the City Council designating the zoning and development standards.

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

“Prepayment Reserve” has the meaning set forth in Section V(F) of this Service and Assessment Plan.

“Public Property” means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to the federal government, the State of Texas, Collin County,

the City, a school district or any other public agency, whether in fee simple or through an exclusive use easement.

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

“TIRZ No. 6” means the Tax Increment Reinvestment Zone No. 6, City of Celina, Texas.

“TIRZ Annual Credit Amount” means, for each Parcel, such Parcel’s prorated amount of TIRZ Revenues calculated pursuant to Section VI (A) 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 certain public improvements as provided for in the Tax Increment Reinvestment Zone No. 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. 6 tax increment fund pursuant to the TIRZ Ordinance to reduce an Annual Installment, as calculated each year by the Administrator in collaboration with the City, in accordance with Section VI(A) of this Service and Assessment Plan.

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

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

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Section II PROPERTY INCLUDED IN THE PID

A. Property Included in the PID

The PID is presently located within the City and contains approximately 109 acres of land. A map of the property within the PID is shown on Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 349 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. The estimated number of lots (349) and the classification of each lot are based upon the proposed development plan.

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

Table II-A
Proposed Development

Proposed Development Type	Quantity	Measurement
Single Family Residential – 60 Feet	150	units
Single Family Residential – 50 Feet	199	units
Total	349	units

B. Property Included in Phase #1

Phase #1 consists of approximately 41.5 acres and is projected to consist of 159 single family residential units as further described in Section III. A map of the property within Phase #1 and the Future Phase and depicting the boundaries of each proposed Phase is shown in Appendix A.

C. Property Included in Future Phase

The Future Phase consists of approximately 67.5 acres and is projected to consist of approximately 190 residential units. As the Future Phase is developed, additional Phased PID Bonds may be issued for the new phase. In connection with the issuance of each new series of Phased PID Bonds, this Service and Assessment Plan will be updated to add additional details of each Future Phase as shown for Phase #1 in Section II.B. A map of the projected property within each Future Phase is shown in Appendix A. The Future Phase is shown for illustrative purposes only and is subject to adjustment.

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

Section III DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. Authorized Improvement Overview

Section 372.003 of the PID Act defines the improvements that may be undertaken by a municipality or county through the establishment of a public improvement district, as follows:

372.003. Authorized Improvements

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

(b) A public improvement may include:

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

After analyzing the public improvement projects authorized by the PID Act, the City has determined at this time to undertake only Authorized Improvements listed as the Phase #1 Improvements in Section III.B below and described in Appendix B and shown on the diagram included as Appendix C for the benefit of the Phase #1 Assessed Property. Any change to the list of Authorized Improvements, including any improvements for the Future Phase, will require the approval of the City and an update to this Service and Assessment Plan.

B. Description of the Authorized Improvements

Phase #1 Improvements:

The Phase #1 Improvements are the Authorized Improvements that will benefit the Phase #1 Assessed Property. The descriptions of the Phase #1 Improvements are presented below and the Budgeted Costs of the Phase #1 Improvements are shown in Table III-A. The Budgeted Costs shown in Table III-A may be revised in an Annual Service Plan Update as needed.

- ***Road Improvements:***

- The road improvements within Phase #1 include construction of perimeter road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices. The road improvements will provide street access to each lot within Phase #1 as well as access to community roadways and state highways. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

- ***Water Distribution System Improvements:***

- The water distribution system improvements within Phase #1 consist of construction and installation of on-site and off-site water lines, mains, pipes, valves and appurtenances, necessary for the water distribution system, as well as related testing, trench safety and erosion protection, necessary to service the Phase #1 Assessed Property. The water distribution system improvements will extend water service to the boundaries of Phase #1 and to all lots within Phase #1. The water distribution system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

- ***Sanitary Sewer Improvements:***

- The sanitary sewer improvements within Phase #1 consist of construction and installation of on-site and off-site pipes, service lines, manholes, encasements and appurtenances necessary to provide sanitary sewer service to the Phase #1 Assessed Property. The sanitary sewer improvements will extend wastewater service to the boundaries of Phase #1 and to all lots within Phase #1. The sanitary sewer improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

- ***Storm Drainage Improvements:***

- The storm drainage improvements within Phase #1 consist of construction and installation of pipes, inlets, manholes, detention ponds and appurtenances necessary to provide storm drainage to the Phase #1 Assessed Property. The storm

drainage improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

- ***Park and Open Space Improvements:***

- The park and open space improvements within Phase #1 consist of construction and installation of landscaping, walls, and entries. The park and open space improvements will be designed and constructed in accordance with City standards and specifications and will be owned by the City either by fee or through a public use easement and maintained by the Homeowners' Association.

Additional details of the Phase #1 Improvements are shown in Appendix B attached to this Service and Assessment Plan. The method of cost allocation is explained in Section V (C).

The Budgeted Costs shown in Tables III-A may be revised in Annual Service Plan Updates. The detailed costs of the Phase #1 Improvements are shown in Appendix B to this Service and Assessment Plan. Savings from one line item may be applied to a cost increase in another line item. These savings may be applied only to increases in costs of the Authorized Improvements (i.e., the improvements for the benefit of property within the PID).

Table III-A
Phase #1 Improvement Costs

Roadway improvements	\$ 1,501,138
Water distribution system improvements	\$572,950
Sanitary sewer improvements	\$691,366
Storm drainage improvements	\$1,377,040
Park and open space improvements	\$512,950
Other soft, contingency and miscellaneous costs	\$1,303,524
Total	\$ 5,958,968

Other Improvements:

Additional public improvements are contemplated to be constructed as part of the agreement between the Developer and the City under the Development Agreement. Such public improvements ("City Improvements") will be designed by the City. The City Improvements include roadway improvements, water distribution system improvements and sanitary sewer collection system improvements. The estimated costs of the City Improvements are excluded from the Authorized Improvements shown in Table III-A and will not be paid for by Assessment Revenues. The estimated costs of the City Improvements are included herein solely to establish the basis for the TIRZ Annual Credit Amount described in Section VI (A) of this Service and Assessment Plan.

City Improvements – Roadway improvements: (Descriptions to be provided)

City Improvements – Water distribution system improvements: (Descriptions to be provided)

City Improvements – Sanitary sewer collection system improvements: (Descriptions to be provided)

Table III-B below shows the estimated costs of the City Improvements anticipated to be constructed in accordance with the Development Agreement.

Table III-B
City Improvement Costs

Description	City Improvements to be constructed as part of		
	Phase #1	Future Phase	Total
Roadway improvements including ROW acquisition	\$160,000	\$1,012,708	\$1,172,708
Water distribution system improvements	\$280,060	\$0	\$280,060
Sanitary sewer improvements	\$753,258	\$534,891	\$1,288,149
Other soft, contingency and miscellaneous costs	\$289,330	\$433,328	\$722,657
Total	\$1,482,648	\$ 1,980,927	\$ 3,463,574

Additionally, the Developer plans to construct over a period of approximately 24 months certain improvements within the PID including grading, water and sewer services, franchise utility services, landscaping and other miscellaneous items related to the Private Improvements; a pool and related facilities, fencing and landscaping (collectively, the “Private Improvements”) to serve the entire PID. The costs of such Private Improvements will be paid entirely by the Developer without any reimbursement through the PID.

C. Future Phase Authorized Improvements

As the Future Phase is developed, additional Phased PID Bonds may be issued to finance Authorized Improvements for the Future Phase. As Phased PID Bonds are issued for the Future Phase, this Service and Assessment Plan will be updated to identify the specific Authorized Improvements financed by such Phased PID Bonds that benefit the Phase (i.e., a Table III-C will be added to show the Budgeted Costs for Authorized Improvements that will benefit the Assessed Property within Phase #2).

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Section IV SERVICE PLAN

A. Sources and Uses of Funds

The PID Act requires the service plan to cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during the five year period. It is anticipated that it will take approximately twelve months to construct the Phase #1 Improvements. Following the completion of construction of Phase #1 Improvements, Phase #2 development will begin and so on, with each Future Phase to be subsequently developed corresponding to the Service and Assessment Plan to be updated with that development.

The Budgeted Costs for the Phase #1 Improvements plus costs related to the issuance of the Bonds, in one or more series, and payment of expenses incurred in the establishment, administration and operation of the PID are \$6,727,090 as shown in Table IV-A. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the Actual Costs of the Authorized Improvements, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an "Annual Service Plan Update."

Table IV-A summarizes the sources and uses of funds required to construct the Phase #1 Improvements to be financed with the proceeds from the Phase #1A Bonds and PID Reimbursement Agreement, including Budgeted Costs related to establishing the PID and issuing the Phase #1 Bonds. The sources and uses of funds shown in Table IV-A shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and changes in Actual Costs.

As the Future Phase is developed in connection with the issuance of Phased PID Bonds, this Service and Assessment Plan will be amended (i.e. Table IV-B will be added for Phase #2).

The Phase #1A Bonds (as defined herein) are being issued to finance a portion of the Phase #1 Improvements, including costs to issue the Phase #1A Bonds, as shown in Table IV-A below. The first series of Phase #1 Bonds ("Phase #1A Bonds") are anticipated to be issued in 2016 and will be used to construct or acquire a portion of the Phase #1 Improvements. A portion of the remaining costs of Phase #1 Improvements will be financed through the PID Reimbursement Agreement. A second series of Phase #1 Bonds ("Phase #1B Bonds") may, subject to the approval of the City Council and compliance with the applicable provisions in the Trust Indenture, be issued in 2018 or 2019; and, to the extent provided by law, the proceeds from the Phase #1B Bonds will be used to reimburse certain Actual Costs paid by the Developer under the terms of the PID Reimbursement Agreement and to pay any unpaid Actual Costs of Phase #1 Improvements required to be paid under the PID Reimbursement Agreement.

Table IV-A
Sources and Uses

Sources of Funds	Authorized Improvements (PID)	Other Improvements (Non-PID)	Total Amounts
Bond par amount	\$3,550,000	\$0	\$3,550,000
PID Reimbursement Agreement	\$2,040,000	\$0	\$2,040,000
<i>Subtotal</i>	<i>\$5,590,000</i>	<i>\$0</i>	<i>\$5,590,000</i>
Other funding sources - Phase #1 Improvements	\$1,137,090	\$0	\$1,137,090
Total Sources for Phase #1 Improvements	\$6,727,090	\$0	\$6,727,090
Other funding sources - City Improvements	\$0	\$1,482,648	\$1,482,648
Other funding sources – Private Improvements	\$0	\$1,268,901	\$1,268,901
Total Sources	\$6,727,090	\$2,751,549	\$9,478,638
Uses of Funds			
Authorized Improvements - Phase #1 Improvements			
Road improvements	\$1,501,138	\$0	\$1,501,138
Water distribution system improvements	\$572,950	\$0	\$572,950
Sanitary sewer improvements	\$691,366	\$0	\$691,366
Storm drainage improvements	\$1,377,040	\$0	\$1,377,040
Parks and open space improvements	\$512,950	\$0	\$512,950
Other soft and miscellaneous costs	\$1,303,524	\$0	\$1,303,524
<i>Subtotal</i>	<i>\$5,958,968</i>	<i>\$0</i>	<i>\$5,958,968</i>
City Improvements			
Road improvements	\$0	\$160,000	\$160,000
Water distribution system improvements	\$0	\$280,060	\$280,060
Sanitary sewer improvements	\$0	\$753,258	\$753,258
Other soft and miscellaneous costs	\$0	\$289,330	\$289,330
<i>Subtotal</i>	<i>\$0</i>	<i>\$1,482,648</i>	<i>\$1,482,648</i>
Private Improvements			
City debt issuance fee	\$0	\$226,850	\$226,850
NonBQ fee	\$0	\$42,998	\$42,998
Other private improvements	\$0	\$999,053	\$999,053
<i>Subtotal</i>	<i>\$0</i>	<i>\$1,268,901</i>	<i>\$1,268,901</i>
Costs of issuance			
Capitalized interest	\$197,247	\$0	\$197,247
Reserve fund	\$246,375	\$0	\$246,375
Ag exemption foreclosure reserve	\$5,000	\$0	\$5,000
PID establishment/ operation and other costs of issuance	\$213,000	\$0	\$213,000
Underwriter's discount	\$106,500	\$0	\$106,500
<i>Subtotal</i>	<i>\$768,122</i>	<i>\$0</i>	<i>\$768,122</i>
Total Uses	\$6,727,090	\$2,751,549	\$9,478,638

As described in Sections V(I) and VI(A) the City has agreed to use TIRZ Revenues generated from each Parcel to offset a portion of such Parcel's PID assessments. The total Phase #1A Bond

par amount to be repaid with the TIRZ Annual Credit Amounts (the “TIRZ Credit Funded Portion”) is projected to be \$2,093,153 as calculated based on the projected TIRZ Annual Credit Amounts anticipated to be used for offsetting the Annual Installments to be collected from the Phase #1A Assessed Property. The balance of the Phase #1A Bonds to be repaid with the net Annual Installments (the “Net Assessment Funded Portion”) is calculated to be \$1,456,847 (i.e. \$3,550,000 - \$2,093,153 = \$1,456,847). Accordingly, the Phase #1A Bonds are allocated between the TIRZ Credit Funded Portion and the Net Assessment Funded Portion as shown in Table IV-B below. The detailed breakdown of the estimated Phase #1A Bond debt service amounts is in the schedule included in Appendix E.

Table IV-B
Estimated Sources and Uses
Phase #1 Bonds – TIRZ Credit Funded Portion

Sources of Funds	Phase #1A Bonds		
	TIRZ Credit Funded Portion	Net Assessment Funded Portion	Total
Bond par amounts	\$2,093,153	\$1,456,847	\$3,550,000
Total Sources	\$2,093,153	\$1,456,847	\$3,550,000
Uses of Funds			
<u>Improvements</u>			
Road improvements	\$413,943	\$288,107	\$702,049
Water distribution system improvements	\$157,992	\$109,964	\$267,956
Sanitary sewer improvements	\$190,646	\$132,691	\$323,337
Storm drainage improvements	\$379,722	\$264,289	\$644,011
Parks and open space improvements	\$141,447	\$98,448	\$239,895
Other soft and miscellaneous costs	\$359,450	\$250,179	\$609,629
Subtotal	\$1,643,200	\$1,143,678	\$2,786,878
Estimated Bond issue costs			
Capitalized interest	\$116,301	\$80,946	\$197,247
Reserve fund	\$145,268	\$101,107	\$246,375
PID establishment/ operation and other costs of issuance	\$125,589	\$87,411	\$213,000
Underwriter's discount	\$62,795	\$43,705	\$106,500
Subtotal	\$449,952	\$313,170	\$763,122
Total Uses	\$2,093,153	\$1,456,847	\$3,550,000

As the Future Phase is developed, Phased PID Bonds may be issued to finance Authorized Improvements that will benefit the new Future Phase and such Phased PID Bonds will be secured by Assessments levied only on the Assessed Property within such Future Phase. For example,

Phase #2 Bonds may be issued to finance the Authorized Improvements that will benefit the Assessed Property within Phase #2. The Phased PID Bonds for the Future Phase may also be issued in one or more series of Phased PID Bonds.

The City reserves the right to issue additional parity bonds secured by the Phase #1 Assessment Revenues to finance (or refinance) a portion of Phase #1 Improvements not paid with proceeds of the Phase #1A Bonds. The issuance of such additional bonds will be subject to the conditions and provisions set forth in the Trust Indenture relating to the Phase #1 Bonds. The Phase #1 Bonds may also, subject to the approval of the City Council, be refunded pursuant to the refunding provisions of the Trust Indenture relating to the Phase #1 Bonds. If the debt service on the Series 2016 Phase #1A Bonds is reduced as the result of an economic refunding of those PID bonds, then there would be a corresponding reduction in both TIRZ Annual Credit Amounts and the Annual Installments (i.e., Annual Installments shall be permanently reduced by the same amount the TIRZ Annual Credit Amounts are reduced) which will result in a permanent reduction in the Assessments.

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

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

Year	Annual Projected Cost	Annual Projected Indebtedness (Phase #1A Bonds and Phase #1 Reimbursement Agreement)	Sources other than Phase #1A Bonds and Phase #1 Reimbursement Agreement
2016	\$6,727,090	\$5,590,000	\$1,137,090
2017	\$0	\$0	\$0
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
Total	\$6,727,090	\$5,590,000	\$1,137,090

The annual projected costs shown in Table IV-C are the annual expenditures relating to the Phase #1 Improvements shown in Table III-A, the costs associated with creating the PID and costs of issuing the Phase #1A Bonds, including reserves shown in Table IV-A, and costs related to the PID Reimbursement Agreement. The difference between the annual projected cost and the annual projected indebtedness, and between the annual projected indebtedness and the principal amount of the bonds each represent an amount funded by the Developer, which may be reimbursed with future bond proceeds to the extent available. As the Future Phase is developed, in association with issuing Phased PID Bonds, this Table IV-C will be updated to identify the Authorized

Improvements to be financed by each new series of the Phased PID Bonds and the projected indebtedness resulting from each additional series of the Phased PID Bonds.

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Section V ASSESSMENT PLAN

A. Introduction

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

The proposed bond issuance program anticipates 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 Phase #1A Bonds, subsequent financings may be issued over the upcoming years as the subsequent phase(s) of the development are gradually constructed.

The purpose of this anticipated gradual issuance of bonds in phases is to mirror the actual private development of the Authorized Improvements. The Phased PID 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 Phased 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 burden 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 may be reimbursed by a subsequent parity lien bond financing and /or a reimbursement agreement, such as the PID Reimbursement Agreement. For example, the Phase #1A Bonds to be issued to finance a portion of the Phase #1 Improvements may, subject to the initial bond issuance requirements in the Development Agreement and approval by the City Council, be followed by a second parity lien issuance of Phased PID Bonds (the Phase #1B Bonds) to finance Actual Costs of Phase #1 Improvements not financed by the Phase #1A Bonds.

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

1. The Authorized Improvement 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 City Council has concluded that larger more expensive homes are likely to be built on the larger lots, and that larger more expensive homes are likely to make greater use of and receive greater benefit from the Authorized Improvements. In determining the relative values of Parcels, the City Council has taken into consideration (i) the type of development (i.e., residential, commercial, etc.), (ii) single-family lot sizes and the size of homes likely to be built on lots of different sizes, (iii) current and projected home process provided by the Developer, (iv) the Authorized Improvements to be provided and the estimated costs, and (v) the ability of different property types to utilize and benefit from the Authorized Improvements.
3. 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.
4. Equivalent Units are calculated for each Lot Type based on the relative value of each Lot Type.
5. The Phase #1 Improvement costs less the Homeowner Association Special Assessment Allocation are allocated to each Parcel within the Phase #1 Assessed Property based on the total Equivalent Units estimated for each Parcel.

At this time it is impossible to determine with absolute certainty the amount of special benefit each Parcel within the Future Phase will receive from the Authorized Improvements that will benefit each individual phase and that are to be financed with Phased PID Bonds. Therefore, at this time only Parcels within Phase #1 will only be assessed for the special benefits conferred upon the Parcel because of the Phase #1 Improvements.

In connection with the issuance of Phased 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 Phase receives from the specific Authorized Improvements funded with those Phased PID Bonds or reimbursement agreement, as applicable, issued with respect to that Future Phase. Prior to assessing Parcels located within the Future Phase in connection with issuance of Phased PID Bonds or reimbursement agreement, as applicable, 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 Phase #1 Assessed Property as a result of the Phase #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 Phase #1 Assessed Property, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit within Phase #1 of the Phase #1 Improvements to Phase #1 Assessed Property in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Phase #1 Assessed Property 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 the Future Phase is developed or in connection with the issuance of Phased PID Bonds, this Service and Assessment Plan will be updated based on the City's determination of the assessment methodology for each Future Phase.

B. Special Benefit

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

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

The Authorized Improvements provide a special benefit to the Assessed Property as a result of these improvements being constructed on the Assessed Property or in close proximity to the Assessed Property and the specific purpose of these Authorized 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 is 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 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.

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; and (ii) 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 beneficial to the City and the PID. As a result, the Authorized Improvements result in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessment. This

conclusion is based on and supported by the evidence, information, and testimony provided to the City Council.

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

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

C. Assessment Methodology

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

1. Assessment Methodology for Phase #1

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1 Improvements shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units as calculated and shown in Appendix D using the types and number of lots anticipated to be developed on each Parcel within Phase #1. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

Based on the Actual Costs of the Phase #1 Improvements provided by the Developer working with the City's engineers, as set forth in Table III-A, the City Council has determined that the benefit to Phase #1 Assessed Property resulting from the Phase #1 Improvements is at least equal to the Assessments levied on the Phase #1 property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the Equivalent Unit applicable to each Lot Type at the time residential Lots are platted to the total Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council. The result of this approach is that each final residential Lot within a recorded subdivision plat with similar values will have the same Assessment, with larger, more valuable Lots having a proportionately larger share of the Assessments than smaller, less valuable Lots. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

Allocation of Assessments to Lot Types in Phase #1

As shown in Section IV of this Service and Assessment Plan, the total amount of the Phase #1 Bonds, which represents the total Assessment to be allocated on all Parcels within Phase #1, is \$5,590,000. As shown in Appendix D, there are a total of 143.33 estimated Equivalent Units for the residential development in Phase #1, resulting in an Assessment per Equivalent Unit of \$39,000.00.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$39,000.00 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (60 Ft Lot) dwelling unit is \$39,000.00 (i.e. $\$39,000.00 \times 1.00$). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$32,500.00 (i.e. $\$39,000.00 \times 0.83$). Table E-2 sets forth the Assessment per dwelling unit for each of the two Lot Types in Phase #1.

Table V-1
Assessment per Unit - Phase #1

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor ¹	Assessment per Unit	Total Assessments
Lot Type 1	65	\$39,000.00	1.00	\$39,000.00 per dwelling unit	\$2,535,000
Lot Type 2	94	\$39,000.00	0.83	\$32,500.00 per dwelling unit	\$3,055,000
Total	159				\$5,590,000

1 – See Appendix D for the calculation of the Equivalent Unit Factors

The projected leverage calculated based on the estimated land values, finished lot values and home values for each Lot Type is shown in Table V-2 below.

Table V-2
Projected Leverage – Phase #1

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit	Leverage (Land Value)	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1	65	\$30,000	\$81,000	\$405,000	\$39,000	0.77	2.08	10.38
Lot Type 2	94	\$25,000	\$67,500	\$337,500	\$32,500	0.77	2.08	10.38
Total	159							

The projected tax rate equivalent per unit calculated based on the estimated land values, finished lot values and home values for each Lot Type is shown in Table V-3 below.

Table V-3
Estimated Tax Rate Equivalent per unit – Phase #1

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Land Value)	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
Lot Type 1	65	\$30,000	\$81,000	\$405,000	\$2,980	\$9.93	\$3.68	\$0.74
Lot Type 2	94	\$25,000	\$67,500	\$337,500	\$2,483	\$9.93	\$3.68	\$0.74
Total	159							

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

Appendix D shows the detailed calculation of the Assessment per Equivalent Unit and the Assessment for each Lot type.

2. *Assessment Methodology for the Future Phase*

When any given Future Phase is developed or Phased PID Bonds for that Future Phase are to be issued, this Service and Assessment Plan will be amended to determine the assessment methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited within that Phase.

D. Assessments

The Assessments for Phase #1 will be levied on each Parcel according to the Phase #1 Assessment Roll, attached hereto as Appendix E. The Annual Installments for the Phase #1 Bonds will be collected at the time and in the amounts shown on the Phase #1 Assessment Roll, respectively, subject to any revisions made during an Annual Service Plan Update.

E. Administrative Expenses

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

Administrative Expenses shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

F. Prepayment Reserve

Pursuant to the PID Act, the interest rate for Assessments may exceed the actual interest rate per annum paid on the related Bonds by no more than one half of one percent (0.50%). The interest rate used to determine the Assessments is one half of one percent (0.50%) per annum higher than the actual rate paid on the Bonds, with up to 0.20% of the interest rate component of the Annual Installments allocated to fund the associated interest charged between the date of prepayment of an Assessment and the date on which Bonds are prepaid and up to 0.30% of the interest rate component of the Annual Installments allocated to fund a delinquency reserve account as described below. The prepayment reserve shall be funded until it reaches 1.50% of the outstanding Bonds as stipulated in the Bond documents. Once the prepayment reserve is funded in full, any additional interest collected shall be allocated to fund delinquent payments as described in Section V(H) below.

G. AG Exemption Foreclosure Reserve

A reserve in the amount of \$5,000 (the "Ag Exemption Foreclosure Reserve") shall be established and fully funded by the Developer at the time of levying the Assessments on the Assessed Property. Such amount shall be used for the payment of costs of foreclosure proceedings, if any, related to the changes in the agricultural exemption status of the Assessed Property.

H. Delinquency Reserve

The City has allocated up to 0.30% of the additional interest rate component of the Annual Installments to offset any possible delinquent payments. This additional reserve shall be funded up to 4% of the outstanding Bonds, but in no event will the annual collection, together with the prepayment reserve, total more than 0.50% of the outstanding Bonds. Once the delinquency reserve is funded in full, the City may allocate up to 0.50% of the additional interest rate component of the Annual Installments to pay for Administrative Expenses, improvement costs, any other use that benefits the Assessed Property or reduce the Assessments, as determined by the City Council.

I. TIRZ Annual Credit Amount

Pursuant to the TIRZ Ordinance, the City has agreed to use TIRZ Revenues generated from each Parcel to offset a portion of such Parcel's PID assessments (the "TIRZ Annual Credit Amount"). The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Annual Credit Amount applicable to the Parcel then on deposit in the TIRZ No. 6 tax increment fund. The TIRZ Annual Credit Amount applicable to each Parcel shall be calculated as described under Section VI (A) of this Service and Assessment Plan.

Section VI TERMS OF THE ASSESSMENTS

A. Amount of Assessments and Annual Installments for Parcels Located Within Phase #1

The Assessments, and Annual Installments thereof, for each Parcel of Phase #1 Assessed Property is shown on the Phase #1 Assessment Roll, attached as Appendix E, 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 (i) principal and interest on the Phase #1A Bonds, (ii) principal and interest required by the PID Reimbursement Agreement, (iii) to fund the prepayment reserve described in Section V, (iv) delinquency reserve described in Section V, and (v) to cover Administrative Expenses of Phase #1. The Annual Installment for each Parcel shall be calculated by taking into consideration any available capitalized interest and TIRZ Annual Credit Amount applicable to the Parcel. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis.

As described in Section V-I, the TIRZ Revenues attributable to each Parcel of Assessed Property collected in any given year shall be used to calculate each Parcel's TIRZ Annual Credit Amount for such Parcel in the following year (i.e., TIRZ Revenues collected in 2016 shall be used to calculate the TIRZ Annual Credit Amount applicable to Annual Installments to be collected in 2017). TIRZ Annual Credit Amounts shall be calculated for those Parcels that are subject to Assessments in the PID. The Equivalent Units to be used for the calculation of the TIRZ Annual Credit Amount, if applicable, shall be determined by the Administrator based on the information available to the Administrator at the time of such calculations.

B. Amount of Assessments and Annual Installments for Parcels Located Within the Future Phase

As the Future Phase is developed, this Service and Assessment Plan will be amended to determine the Assessment and Annual Installments for each Assessed Property located within the Future Phase (e.g., an Appendix will be added as the Assessment Roll for Phase #2, etc.). The Assessments shall not exceed the benefit received by the Assessed Property.

C. Reallocation of Assessments

1. Subdivision

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

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

Where the terms have the following meanings:

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

Parcels

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

The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcel prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the subdivision of the Parcels.

The total Assessment initially allocated to the Phase #1 Assessed Property does not include any allocation of Assessments to the HOA Property. Once a Homeowner Association is created in the PID and Parcel(s) that are owned by the Homeowner's Association appear on the Collin Central Appraisal District ("Collin CAD") records, 1% of the initial total Assessment allocated to the Phase #1 Assessed Property shall be reallocated to such HOA Property.

Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

2. Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

D. Mandatory Prepayment of Assessments

1. If a Parcel subject to Assessments is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel subject to Assessments to become Non-Benefited Property, the owner of such Parcel shall pay to the City the full amount of the principal portion of the Assessment on such Parcel, plus all Prepayment Costs, prior to any such transfer or act.

2. The payments required above shall be treated the same as any Assessment that is due and owing under the PID Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the Act.

E. Reduction of Assessments

1. If after all Authorized Improvements to be funded with a series of Bonds have been completed and Actual Costs for such Authorized Improvements are less than the Authorized Improvement Costs used to calculate the Assessments securing such series of Bonds, resulting in excess Bond proceeds being available to redeem Bonds of such series, then the Assessment securing such series of 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 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 after all Authorized Improvements to be funded with a series of Bonds have been completed and a portion of the Bonds have been redeemed using the TIRZ Annual Credit Amounts or other funds available to the City, then the Assessment securing such series of 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 remaining outstanding amount(s) of the Bonds after such redemptions. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds.

3. If all the Authorized Improvements are not undertaken, resulting in excess Bond proceeds being available to redeem 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 Bonds, including interest on the 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 Equivalent Units, if determined by the City Council to be the most fair and practical means of reducing the Assessments for each Parcel, such that the sum of the resulting reduced Assessments equals the amount required to repay the Bonds, including interest on the 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 Bonds is equal to the outstanding principal amount of the Bonds.

F. Payment of Assessments

1. Payment in Full

- (a) The Assessment for any Parcel may be paid in full at any time. Such payment shall include all Prepayment Costs. If prepayment in full will result in redemption of Bonds, the payment amount shall be reduced by the amount, if any, of interest through the date of redemption of Bonds and reserve funds applied to the redemption under the Trust Indenture, net of any other costs applicable to the redemption of such Bonds.
- (b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.

- (c) Upon payment in full of the Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the Trust Indenture; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.
- (d) At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part in an amount sufficient to allow for a convenient redemption of Bonds as determined by the Administrator. Upon the payment of such amounts for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

2. Payment in Annual Installments

The PID Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the PID Act authorizes the Assessment to be paid in installments and additionally allows the City to collect interest, administrative expenses and other authorized charges in installments. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown on the Assessment Roll, as updated as provided for herein, which include interest, Administrative Expenses, and payments required for the Prepayment Reserve and Delinquency Reserve. Payment of the Annual Installments shall commence with tax bills mailed after the levy of the Assessments.

Each Assessment shall be paid with interest of no more than the lesser of (i) the actual interest rate paid on the Bonds and (ii) ____ percent per annum. The Phase #1 Assessment Roll sets forth for each year the Annual Installment for each Parcel based on an interest rate of 5.25% for the Phase #1 Bonds (and an additional interest at the rate of 0.5% for Administrative Expenses, Prepayment Reserve and Delinquency Reserve) and an interest rate of 3.75% for the PID Reimbursement Agreement. Furthermore, the Annual Installments may not exceed the amounts shown on the Assessment Rolls. The Assessment Roll, shown as Appendix E, will be updated with the actual interest rates on the Bonds.

The Annual Installments shall be reduced to equal the actual costs of repaying the obligations and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

The City reserves and shall have the right and option to refund the Bonds in accordance with Section 372.027 of the PID Act and Chapter 1207 of the Texas Government Code. In the event of such refunding, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of the Annual Installments so that total Annual Installments of Assessments will be produced in annual amounts that are required to pay the refunding bonds when due and payable as required by and established in the ordinance and/or the indenture authorizing and securing the refunding bonds, and such refunding bonds shall constitute Bonds for purposes of this Service and Assessment Plan.

G. Collection of Annual Installments

No less frequently than annually, the Administrator shall prepare, and the City Council shall approve, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Assessment Roll and a calculation of the Annual Installment for each Parcel. Administrative Expenses shall be allocated among Parcels in proportion to the amount of the Annual Installments for the Parcels. Each Annual Installment shall be reduced by any credits applied under the applicable Trust Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, including any existing deposits to a prepayment reserve. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City. The City Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the Act.

Any sale of Assessed Property for nonpayment of the 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.

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Section VII THE ASSESSMENT ROLL

A. Phase #1 Assessment Roll

Phase #1 Assessed Property will be assessed for the special benefits conferred upon such property as a result of the Phase #1 Improvements. Table IV-A summarizes the \$6,727,090 in special benefit received by Phase #1 Assessed Property from the Phase #1 Improvements, costs associated with the PID formation, and costs related to the issuance of the Phase #1A Bonds. The total amount of Phase #1A Bonds and PID Reimbursement Agreement is \$5,590,000 which is less than the benefit received by Phase #1 Assessed Property, and as such the total Assessment for all Assessed Property within Phase #1 is \$5,590,000 plus annual Administrative Expenses, and other authorized charges. The Assessment for each Parcel of Assessed Property within Phase #1 is calculated based on the allocation methodologies described in Section V.C of this Service and Assessment Plan. The Phase #1 Assessment Roll is attached hereto as Appendix E.

B. Future Phase Assessment Roll

As the Future Phase is developed, this Service and Assessment Plan will be updated to determine the Assessment for each Parcel located within each Future Phase (e.g., an Appendix will be added as the Assessment Roll for Phase #2, etc.).

C. Annual Assessment Roll Updates

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

The Assessment Roll shall be updated, which update may be done in the next Annual Service Plan Update, to reflect the issuance of additional Phase #1 Bonds, if any, and any Phased PID Bonds for the Future Phase, and any obligations owed pursuant to a reimbursement agreement.

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Section VIII MISCELLANEOUS PROVISIONS

A. Administrative Review

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

To the extent consistent with the PID Act, an owner of an Assessed Parcel claiming that a calculation error has been made in the Assessment Roll(s), including the calculation of the Annual Installment, shall send a written notice describing the error to the City not later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Parcel 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 or if it is determined there are sufficient funds to meet the expenses of the PID for the current year), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the City Council. Any amendments made to the Assessment Roll(s) pursuant to calculation errors shall be made pursuant to the PID Act.

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

B. Termination of Assessments

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

C. Amendments

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

To the extent permitted by the PID Act, the City Council reserves the right to amend this Service and Assessment Plan without notice under the PID Act and without notice to property owners of Parcels:

(i) to correct mistakes and clerical errors; (ii) to clarify ambiguities; (iii) to provide procedures for the collection and enforcement of Assessments, Prepayment Costs, Collection Costs, and other charges imposed by the Service and Assessment Plan, and (iv) as may be required by the Attorney General of Texas in connection with the issuance of any series of Bonds.

D. Administration and Interpretation of Provisions

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

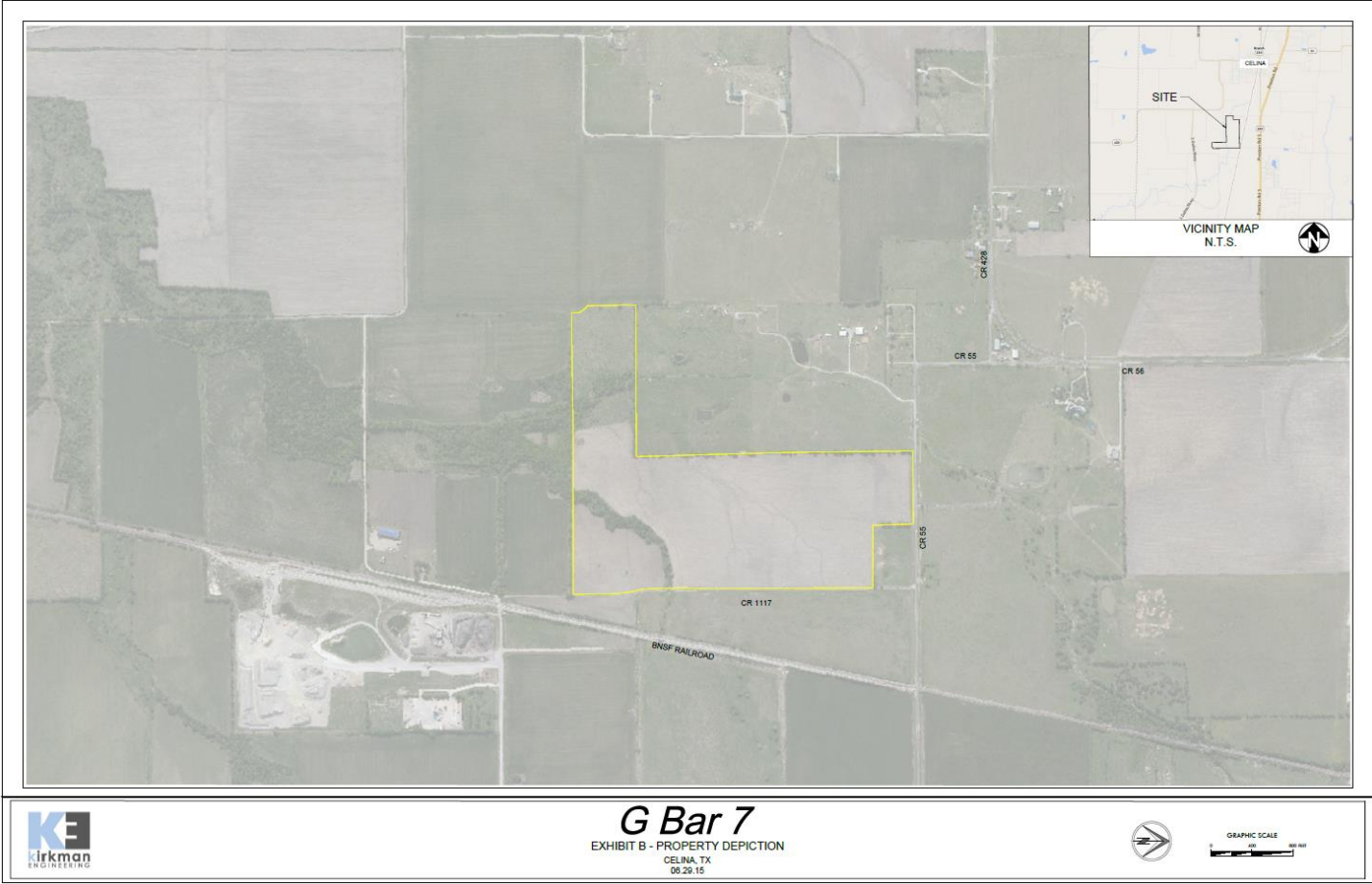
E. Severability

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 hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other part hereof, and all provisions of this Service and Assessment Plan are declared to be severable for that purpose.

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

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Appendix A
THE PID MAP



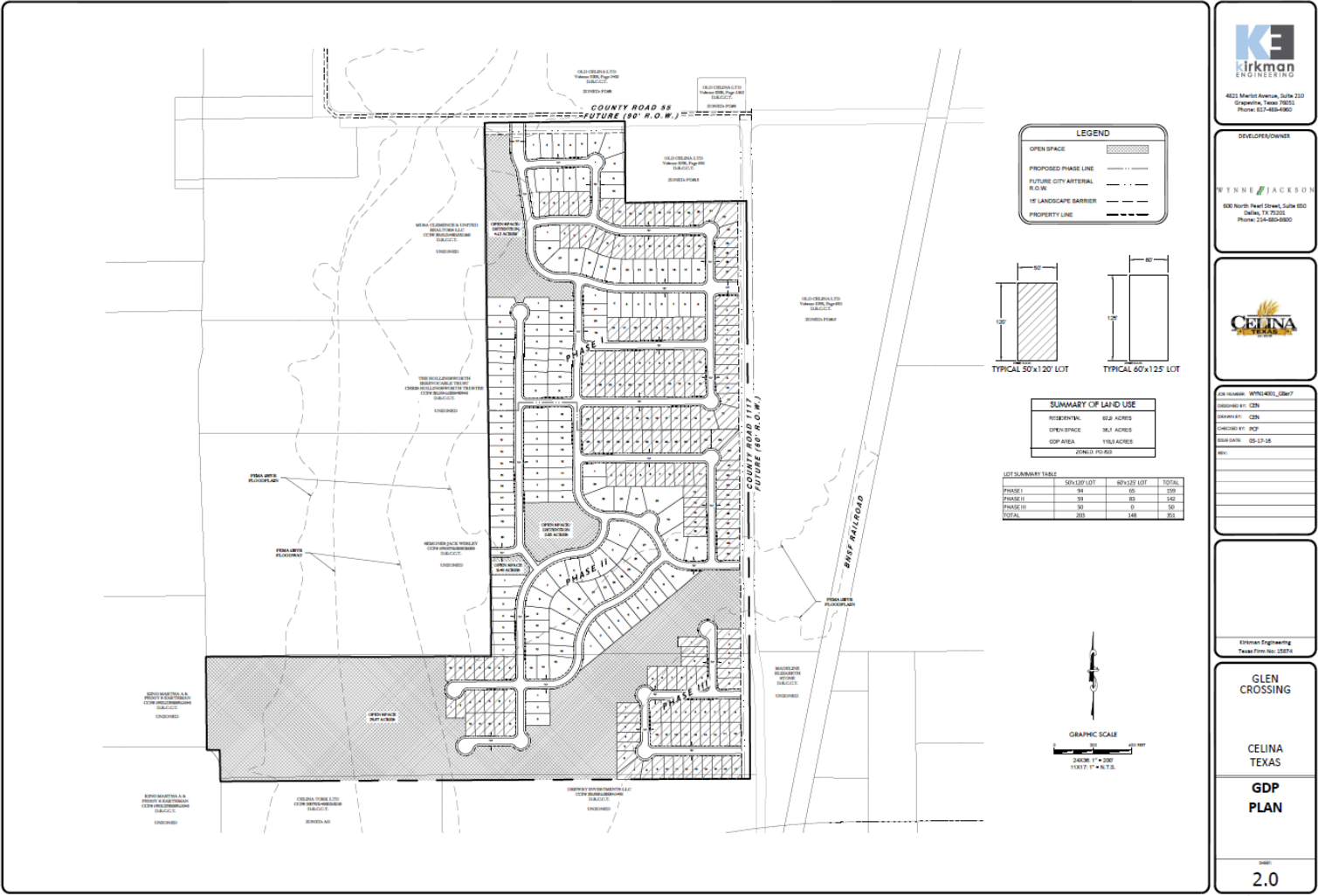
Appendix B
AUTHORIZED IMPROVEMENT COSTS

GLEN CROSSING IMPROVEMENT COST ESTIMATES

PHASE 1	PID COSTS			NON-PID COSTS			TOTAL COST
	On-site	Off-site	Total	Onsite & Fees	TIRZ	Total	
Lot Grading	\$ -	\$ -	\$ -	\$ 292,560	\$ -	\$ 292,560	\$ 292,560
Franchise Utilities	\$ -	\$ -	\$ -	\$ 238,500	\$ -	\$ 238,500	\$ 238,500
Roadway improvements	\$ 1,225,231	\$ 275,907	\$ 1,501,138	\$ -	\$ -	\$ -	\$ 1,501,138
Water distribution system improvements	\$ 377,810	\$ 195,140	\$ 572,950	\$ 128,700	\$ 280,060	\$ 408,760	\$ 981,710
Sanitary sewer improvements	\$ 396,468	\$ 294,898	\$ 691,366	\$ 120,750	\$ 753,258	\$ 874,008	\$ 1,565,374
Storm drainage improvements	\$ 1,377,040	\$ -	\$ 1,377,040	\$ -	\$ -	\$ -	\$ 1,377,040
Park and open space improvements	\$ 512,950	\$ -	\$ 512,950	\$ -	\$ -	\$ -	\$ 512,950
SUBTOTAL	\$ 3,889,499	\$ 765,945	\$ 4,655,444	\$ 780,510	\$ 1,033,318	\$ 1,813,828	\$ 6,469,272
Other soft costs and contingency	\$ 1,089,059	\$ 214,464	\$ 1,303,524	\$ 218,543	\$ 289,330	\$ 507,873	\$ 1,811,396
Offsite Easement / ROW acquisition	\$ -	\$ -	\$ -	\$ -	\$ 160,000	\$ 160,000	\$ 160,000
Celina Parks Fee	\$ -	\$ -	\$ -	\$ 226,850	\$ -	\$ 226,850	\$ 226,850
NonBQ Fee	\$ -	\$ -	\$ -	\$ 42,998	\$ -	\$ 42,998	\$ 42,998
TOTAL	\$ 4,978,558	\$ 980,409	\$ 5,958,968	\$ 1,268,901	\$ 1,482,648	\$ 2,751,549	\$ 8,710,516
Capitalized Interest			\$ 197,247				\$ (197,247)
Debt Service Reserve Fund - Ph 1A			\$ 246,375				\$ (246,375)
Debt Service Reserve Fund - Ph 1B			\$ 60,444				
Costs of Issuance - PH 1A			\$ 213,000				\$ (213,000)
Costs of Issuance - PH 1B			\$ 122,400				
Underwriter's Discount - PH 1A			\$ 106,500				\$ (106,500)
Underwriter's Discount - PH 1B			\$ 61,200				
Total Bond Costs			\$ 1,007,166				
Par Amount of Bonds - PH 1A			\$ 3,550,000				\$ 3,550,000
Par Amount of Bonds - PH 1B			\$ 2,040,000				
Excess Eligible PID Costs over Par Amount of Bonds			\$ 1,376,134	ESCROW FROM PID BOND PROCEEDS		\$ 2,786,878	
				DEVELOPER CASH		\$ 5,923,638	

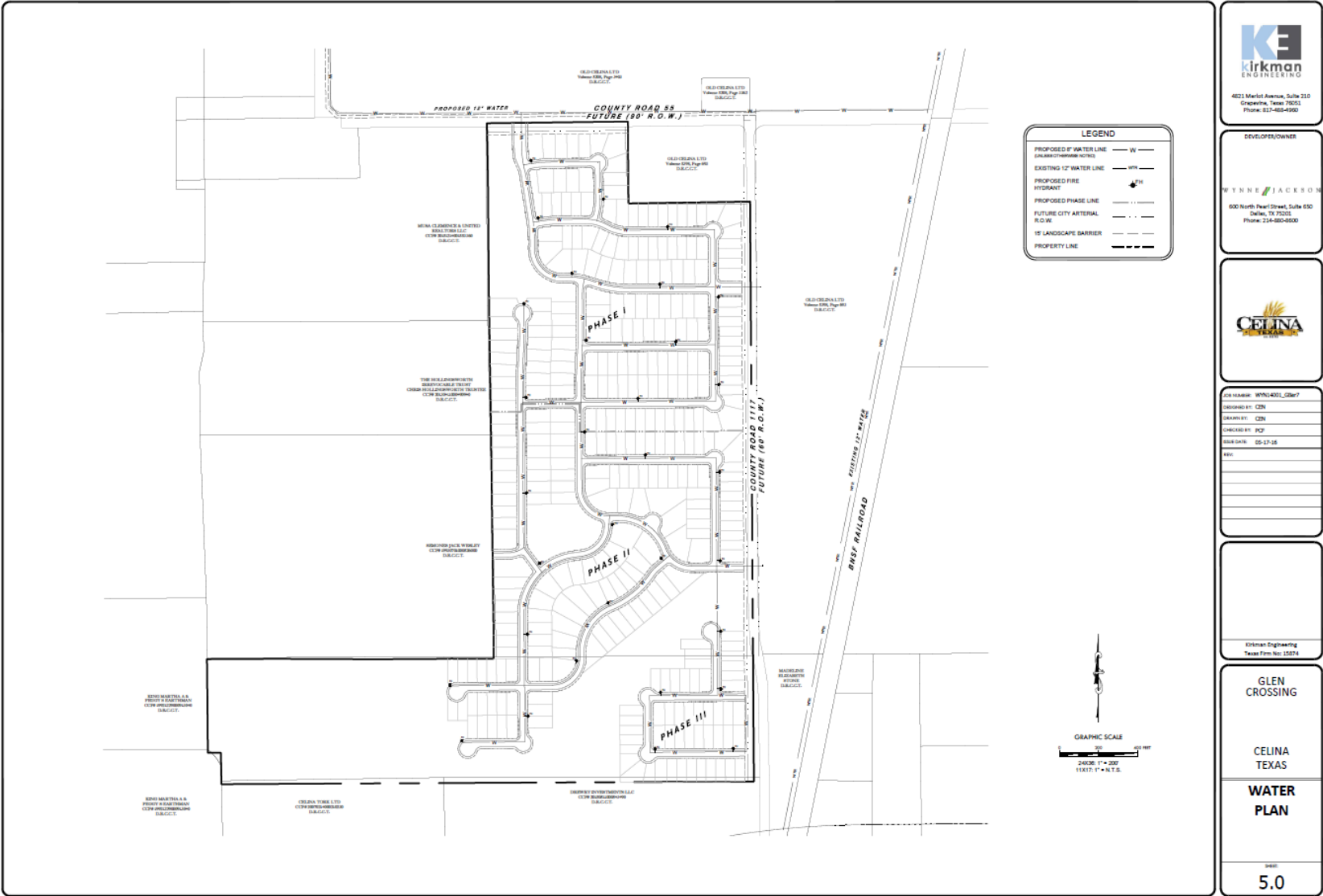
Appendix C

DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS



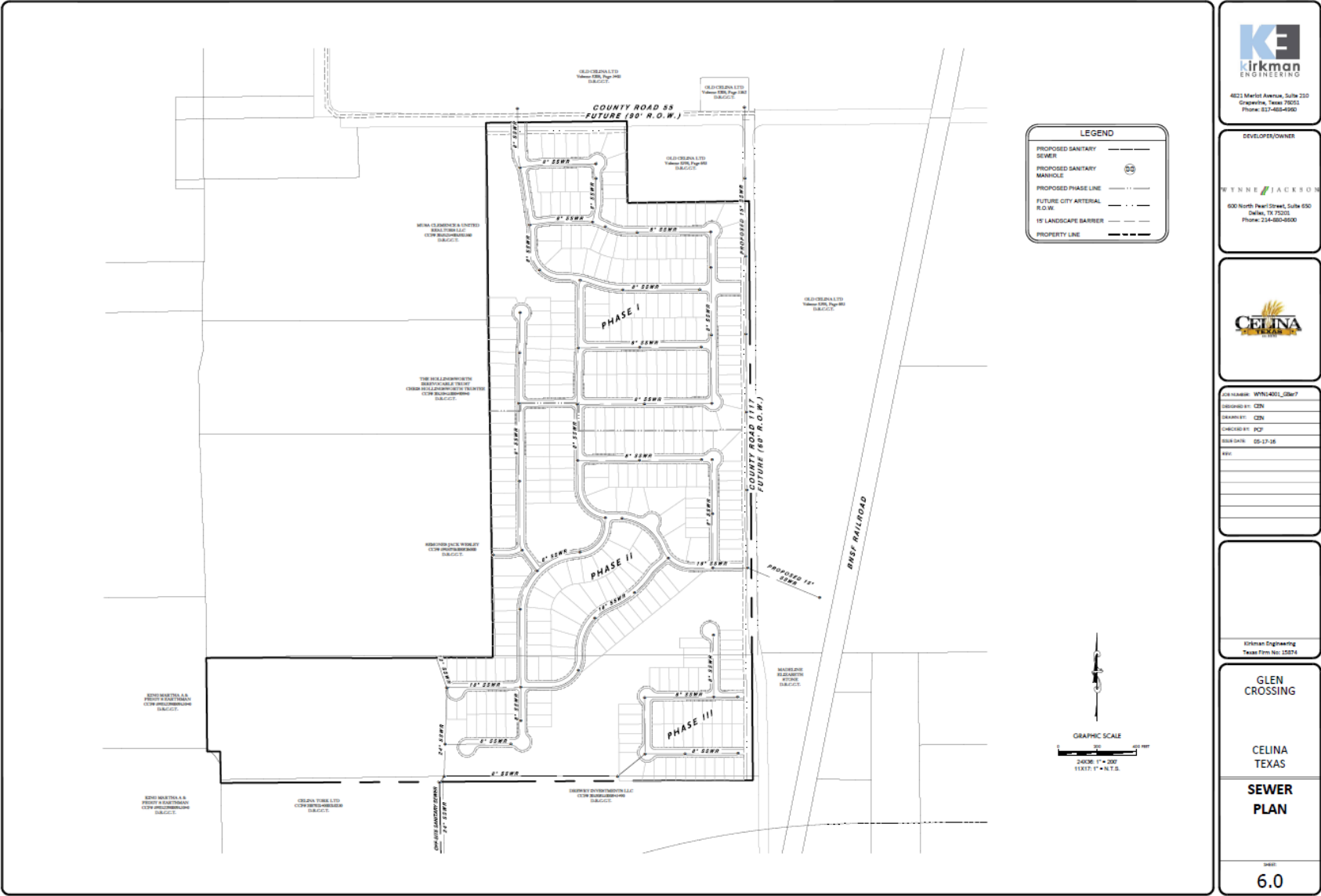
Appendix C continued

DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS



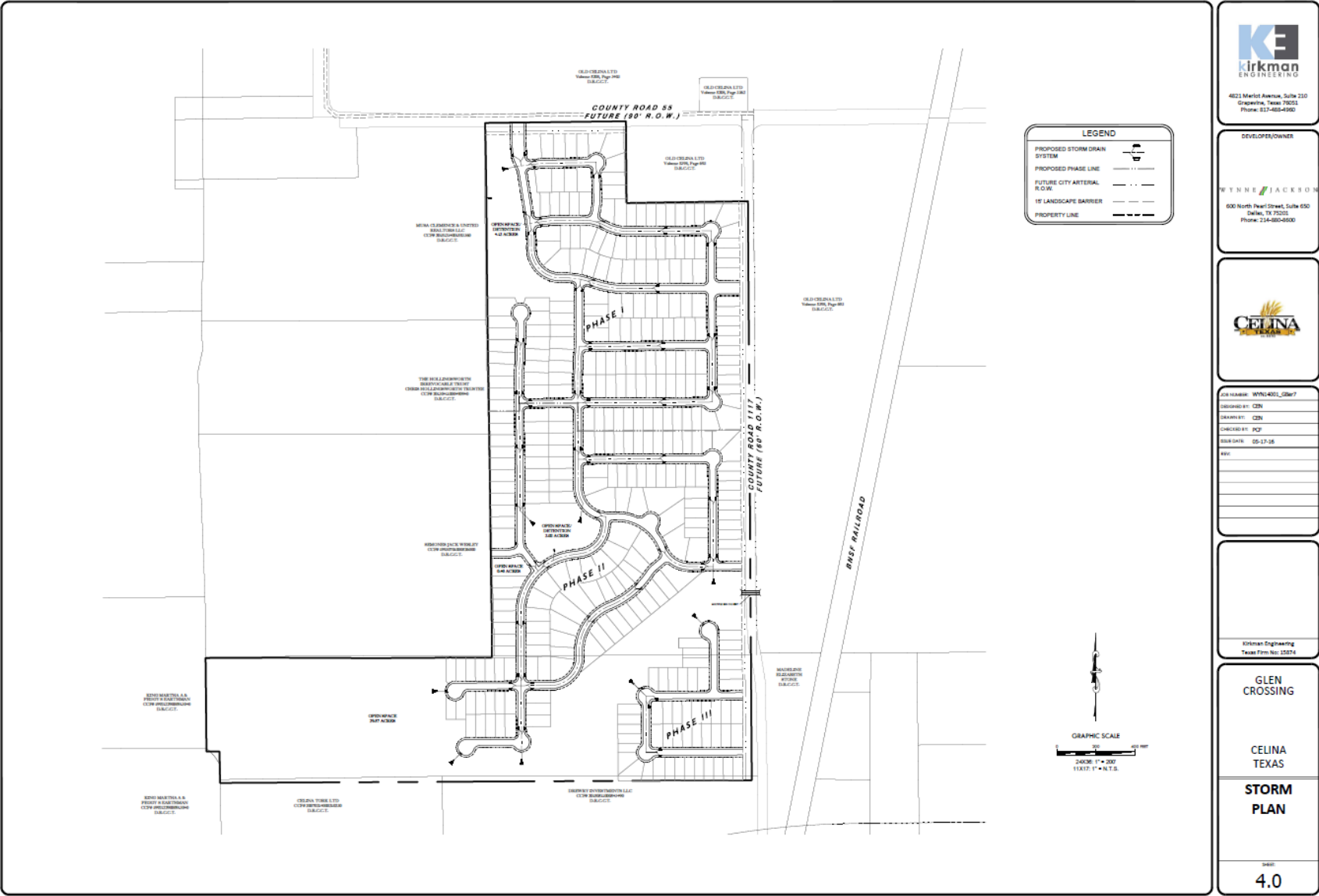
Appendix C continued

DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS



Appendix C continued

DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS



DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS



Appendix D

LOT TYPES AND EQUIVALENT UNITS

Appendix D Lot Types and Equivalent Units

For purposes of calculating and allocating the Assessments, the Assessed Property has been classified in one of two Lot Types. The following table shows the proposed residential Lot Types within the PID.

**Table D-1
Proposed Development within the PID**

Lot Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	60 Ft Lots	150 units
Lot Type 2	50 Ft Lots	199 units
<i>Total</i>		349 units

Table D-2 below shows the proposed residential Lot Types within Phase #1.

**Table D-2
Proposed Development – Phase #1**

Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	60 Ft Lots	65 units
Lot Type 2	50 Ft Lots	94 units
<i>Total</i>		159 units

As explained under Section V-C, for purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1 Improvements to be financed with the Phases #1 Bonds and the PID Reimbursement Agreement shall be allocated to the Phases #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units.

For purposes of this Service and Assessment Plan, the City Council has determined that the Assessments shall be allocated to the Phases #1 Assessed Property on the basis of the average home value of each Lot Type, and that such method of allocation will result in the imposition of equal shares of the Assessments on Parcels similarly benefited. In determining the average home value of each Lot Type, the City Council has taken into consideration (i) the type of lots (i.e., 60 Ft, 50 Ft, etc.); (ii) current and projected home prices; (iii) the costs of the Authorized Improvements, and (iv) the ability of different property types to utilize and benefit from the Authorized Improvements.

Appendix D
continued

LOT TYPES AND EQUIVALENT UNITS

Having taken into consideration the matters described above, the City Council has determined that allocating the Assessments among Parcels based on average home value is best accomplished by creating classifications of benefited Parcels based on the "Lot Types" defined above. These classifications (from Lot Type 1 (60 Ft Lots) representing the highest value to Lot Type 2 (50 Ft Lot) representing the lowest value for residential lots are set forth in Table D-3 below. Assessments are allocated to each Lot Type on the basis of the average home value for each class of lots. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1 (60 Ft Lots) to 1.0.

Table D-3
Equivalent Unit Factors

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor
Lot Type 1 (60 Ft Lot)	\$405,000	1.00 per dwelling unit
Lot Type 2 (50 Ft Lot)	\$337,500	0.83 per dwelling unit

The total estimated Equivalent Units for Phase #1 are shown in Table D-4 below as calculated based on the Equivalent Unit factors shown above, estimated Lot Types and number of units estimated to be built within Phase 1.

Table D-4
Estimated Equivalent Units - Phase #1

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft Lot)	65	1.00	65.00
Lot Type 2 (50 Ft Lot)	94	0.83	78.33
Total Equivalent Units	159		143.33

Appendix E**PROPOSED ASSESSMENT ROLL – Phase #1 Assessed Property**

Parcel Assessment					All Parcels
					\$5,590,000
Total Equivalent Units					143.33
Year	Principal and Interest¹	Principal and Interest²	Administrative Expenses³	Total Annual Installment⁴	
2016	\$214,997	\$76,500	\$30,000	\$321,497	
2017	\$264,125	\$76,500	\$44,268	\$384,893	
2018	\$260,675	\$76,500	\$44,880	\$382,055	
2019	\$262,225	\$121,500	\$45,504	\$429,229	
2020	\$258,488	\$124,813	\$46,141	\$429,441	
2021	\$259,750	\$117,938	\$46,790	\$424,478	
2022	\$260,725	\$121,250	\$47,453	\$429,428	
2023	\$256,413	\$124,375	\$48,129	\$428,916	
2024	\$257,100	\$122,313	\$48,818	\$428,231	
2025	\$257,500	\$120,250	\$49,521	\$427,271	
2026	\$257,613	\$118,188	\$50,238	\$426,038	
2027	\$252,438	\$126,125	\$50,969	\$429,532	
2028	\$252,263	\$123,688	\$51,715	\$427,666	
2029	\$251,800	\$121,250	\$52,476	\$425,526	
2030	\$251,050	\$123,813	\$53,252	\$428,115	
2031	\$250,013	\$121,188	\$54,044	\$425,245	
2032	\$248,688	\$123,563	\$54,852	\$427,102	
2033	\$252,075	\$120,750	\$55,675	\$428,500	
2034	\$249,888	\$122,938	\$56,515	\$429,341	
2035	\$247,413	\$119,938	\$57,372	\$424,723	
2036	\$249,650	\$116,938	\$58,246	\$424,834	
2037	\$246,313	\$118,938	\$59,138	\$424,388	
2038	\$247,688	\$120,750	\$60,047	\$428,485	
2039	\$243,488	\$122,375	\$60,975	\$426,837	
2040	\$244,000	\$118,813	\$61,921	\$424,734	
2041	\$243,938	\$120,250	\$62,886	\$427,074	
2042	\$243,300	\$121,500	\$63,871	\$428,671	
2043	\$242,088	\$122,563	\$64,875	\$429,525	
2044	\$240,300	\$118,438	\$65,899	\$424,637	
2045	\$237,938	\$119,313	\$66,943	\$424,194	
2046	\$0	\$0	\$0	\$0	
Total	7,503,934	\$3,503,258	\$1,613,414	\$12,620,607	

1 - The principal and interest amounts are estimated based on 5.25% rate. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves.

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$2,040,000. The interest amounts shown are calculated based on the estimated rate of 3.75%.

3 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Appendix E
continued

PROPOSED ASSESSMENT ROLL – Phase #1 Assessed Property

Lot Type Assessment Equivalent Units		Lot Type 1 (60' Lot) \$39,000 1.00		
Year	Principal ¹	Principal ²	Administrative Expenses ³	Total Annual Installment ⁴
2016	\$1,500	\$534	\$209	\$2,243
2017	\$1,843	\$534	\$309	\$2,685
2018	\$1,819	\$534	\$313	\$2,666
2019	\$1,829	\$848	\$317	\$2,995
2020	\$1,803	\$871	\$322	\$2,996
2021	\$1,812	\$823	\$326	\$2,961
2022	\$1,819	\$846	\$331	\$2,996
2023	\$1,789	\$868	\$336	\$2,992
2024	\$1,794	\$853	\$341	\$2,988
2025	\$1,797	\$839	\$345	\$2,981
2026	\$1,797	\$825	\$350	\$2,972
2027	\$1,761	\$880	\$356	\$2,997
2028	\$1,760	\$863	\$361	\$2,984
2029	\$1,757	\$846	\$366	\$2,969
2030	\$1,752	\$864	\$372	\$2,987
2031	\$1,744	\$845	\$377	\$2,967
2032	\$1,735	\$862	\$383	\$2,980
2033	\$1,759	\$842	\$388	\$2,990
2034	\$1,743	\$858	\$394	\$2,995
2035	\$1,726	\$837	\$400	\$2,963
2036	\$1,742	\$816	\$406	\$2,964
2037	\$1,718	\$830	\$413	\$2,961
2038	\$1,728	\$842	\$419	\$2,989
2039	\$1,699	\$854	\$425	\$2,978
2040	\$1,702	\$829	\$432	\$2,963
2041	\$1,702	\$839	\$439	\$2,980
2042	\$1,697	\$848	\$446	\$2,991
2043	\$1,689	\$855	\$453	\$2,997
2044	\$1,677	\$826	\$460	\$2,963
2045	\$1,660	\$832	\$467	\$2,959
2046	\$0	\$0	\$0	\$0
Total	\$52,353	\$24,441	\$11,256	\$88,051

1 - The principal and interest amounts are estimated based on 5.25% rate. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves.

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$2,040,000. The interest amounts shown are calculated based on the estimated rate of 3.75%.

3 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Appendix E
continued

PROPOSED ASSESSMENT ROLL – Phase #1 Assessed Property

Lot Type	Lot Type 2 (50' Lot)
Assessment	\$32,500
Equivalent Units	0.83

Year	Principal¹	Principal²	Administrative Expenses³	Total Annual Installment⁴
2016	\$1,250	\$445	\$174	\$1,869
2017	\$1,536	\$445	\$257	\$2,238
2018	\$1,516	\$445	\$261	\$2,221
2019	\$1,525	\$706	\$265	\$2,496
2020	\$1,503	\$726	\$268	\$2,497
2021	\$1,510	\$686	\$272	\$2,468
2022	\$1,516	\$705	\$276	\$2,497
2023	\$1,491	\$723	\$280	\$2,494
2024	\$1,495	\$711	\$284	\$2,490
2025	\$1,497	\$699	\$288	\$2,484
2026	\$1,498	\$687	\$292	\$2,477
2027	\$1,468	\$733	\$296	\$2,497
2028	\$1,467	\$719	\$301	\$2,486
2029	\$1,464	\$705	\$305	\$2,474
2030	\$1,460	\$720	\$310	\$2,489
2031	\$1,454	\$705	\$314	\$2,472
2032	\$1,446	\$718	\$319	\$2,483
2033	\$1,466	\$702	\$324	\$2,491
2034	\$1,453	\$715	\$329	\$2,496
2035	\$1,438	\$697	\$334	\$2,469
2036	\$1,451	\$680	\$339	\$2,470
2037	\$1,432	\$692	\$344	\$2,467
2038	\$1,440	\$702	\$349	\$2,491
2039	\$1,416	\$711	\$355	\$2,482
2040	\$1,419	\$691	\$360	\$2,469
2041	\$1,418	\$699	\$366	\$2,483
2042	\$1,415	\$706	\$371	\$2,492
2043	\$1,407	\$713	\$377	\$2,497
2044	\$1,397	\$689	\$383	\$2,469
2045	\$1,383	\$694	\$389	\$2,466
2046	\$0	\$0	\$0	\$0
Total	43,628	\$20,368	\$9,380	\$73,376

1 - The principal and interest amounts are estimated based on 5.25% rate. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves.

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$2,040,000. The interest amounts shown are calculated based on the estimated rate of 3.75% .

3 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Appendix E continued

PROPOSED ASSESSMENT ROLL – Phase #1 Assessed Property

Draft

Breakdown of Estimated Bond Debt Service Payments Phase#1A Bonds

v1.0

Parcel

All Parcels

Year ending September 30	TIRZ Credit Funded Portion			Net Assessment Funded Portion			Aggregate Phase #1A Bond Debt Service
	Principal ¹	Interest ¹	Total Bond Debt Service	Principal ²	Interest ²	Total Bond Debt Service	
2017	\$0	\$116,301	\$116,301	\$0	\$80,946	\$80,946	\$197,247
2018	\$29,646	\$109,891	\$139,537	\$30,354	\$76,484	\$106,838	\$246,375
2019	\$31,351	\$108,334	\$139,685	\$28,649	\$74,891	\$103,540	\$243,225
2020	\$33,153	\$106,688	\$139,842	\$31,847	\$73,387	\$105,233	\$245,075
2021	\$35,060	\$104,948	\$140,007	\$29,940	\$71,715	\$101,655	\$241,663
2022	\$37,076	\$103,107	\$140,183	\$32,924	\$70,143	\$103,067	\$243,250
2023	\$39,207	\$101,161	\$140,368	\$35,793	\$68,414	\$104,207	\$244,575
2024	\$41,462	\$99,102	\$140,564	\$33,538	\$66,535	\$100,073	\$240,638
2025	\$43,846	\$96,925	\$140,771	\$36,154	\$64,775	\$100,929	\$241,700
2026	\$46,367	\$94,623	\$140,991	\$38,633	\$62,877	\$101,509	\$242,500
2027	\$49,033	\$92,189	\$141,222	\$40,967	\$60,848	\$101,815	\$243,038
2028	\$51,853	\$89,615	\$141,468	\$38,147	\$58,698	\$96,845	\$238,313
2029	\$54,834	\$86,893	\$141,727	\$40,166	\$56,695	\$96,861	\$238,588
2030	\$57,987	\$84,014	\$142,001	\$42,013	\$54,586	\$96,599	\$238,600
2031	\$61,321	\$80,970	\$142,291	\$43,679	\$52,380	\$96,059	\$238,350
2032	\$64,847	\$77,750	\$142,598	\$45,153	\$50,087	\$95,240	\$237,838
2033	\$68,576	\$74,346	\$142,922	\$46,424	\$47,717	\$94,141	\$237,063
2034	\$72,519	\$70,745	\$143,265	\$52,481	\$45,280	\$97,760	\$241,025
2035	\$76,689	\$66,938	\$143,627	\$53,311	\$42,524	\$95,835	\$239,463
2036	\$81,099	\$62,912	\$144,011	\$53,901	\$39,725	\$93,627	\$237,638
2037	\$85,762	\$58,654	\$144,416	\$59,238	\$36,896	\$96,134	\$240,550
2038	\$90,693	\$54,152	\$144,845	\$59,307	\$33,786	\$93,092	\$237,938
2039	\$95,908	\$49,390	\$145,299	\$64,092	\$30,672	\$94,764	\$240,063
2040	\$101,423	\$44,355	\$145,778	\$63,577	\$27,307	\$90,884	\$236,663
2041	\$107,255	\$39,031	\$146,285	\$67,745	\$23,969	\$91,715	\$238,000
2042	\$113,422	\$33,400	\$146,821	\$71,578	\$20,413	\$91,991	\$238,813
2043	\$119,943	\$27,445	\$147,389	\$75,057	\$16,655	\$91,711	\$239,100
2044	\$126,840	\$21,148	\$147,988	\$78,160	\$12,714	\$90,874	\$238,863
2045	\$134,134	\$14,489	\$148,622	\$80,866	\$8,611	\$89,478	\$238,100
2046	\$141,846	\$7,447	\$149,293	\$83,154	\$4,366	\$87,519	\$236,813
2047	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$2,093,153	\$2,176,963	\$4,270,116	\$1,456,847	\$1,434,097	\$2,890,944	\$7,161,059

1 - The estimated principal and interest shares of the TIRZ Credit Funded Portion are calculated based on the TIRZ Annual Credit Amounts estimated to be made available for the Phase #1A Assessed Property once the homes are built and fully appraised.

1 - The estimated principal and interest shares of the Net Assessment Funded Portion are calculated by subtracting the corresponding TIRZ Annual Credit Amounts from the total Phase #1A Bond debt service amounts.

EXHIBIT B

CITY OF CELINA, TEXAS

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT a public hearing will be conducted by the City Council of Celina, Texas on July 12, 2016 at 6:00 p.m. at 112 N. Colorado Street, Celina, Texas 75009. The public hearing will be held to consider proposed assessments to be levied against the assessable property within the Glen Crossing Public Improvement District (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended (the "Act").

The proposed Authorized Improvements to be undertaken at this time include road improvements, water distribution system improvements, sanitary sewer collection system improvements, storm sewer collection system improvements, park and open space improvements, and costs related to the creation of the District.

The total costs of the Authorized Improvements for Phase #1, including the costs of creating the District and issuing the bonds, is **[\$6,727,090.00]**. The total costs of Authorized Improvements to benefit future phases within the District cannot be determined with certainty at this time, but shall not exceed an additional **[\$7,502,152.00]**.

The boundaries of the District include approximately 109.090 acres of land generally located in the area encompassed directly south of CR 55, north of CR 53, directly adjacent to the west of CR 1117, and east of Private Road 5281 and CR 52, and as more particularly described by a metes and bounds description available at Celina City Hall located at 142 N. Ohio Street, Celina, Texas 75009 and available for public inspection.

All written or oral objections on the proposed assessment within the District will be considered at the public hearing.

A copy of the Phase #1 Assessment Roll relating to the Authorized Improvements, (the "Assessment Roll"), which Assessment Roll includes the assessments to be levied against each parcel in the District, is available for public inspection at the office of the City Secretary, 142 N. Ohio Drive, Celina, Texas 75009.



Finance Department
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
From: Vicki Faulkner, City Secretary
Date: June 14, 2016
Re: Glen Crossing Bond Series 2016 POS

Action Requested:

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 2016 (Glen Crossing Public Improvement District Phase #1 Project); and resolving other matters incident and related thereto. (Toutouchian)

Background Information:

Board Review/Citizen Input:

N/A

Alternatives:

Financial Considerations:

Legal Review:

Resolution submitted from Bond Counsel, Norton, Rose, Fulbright

Supporting Documents:

Resolution

Staff Recommendation:

CITY OF CELINA, TEXAS

RESOLUTION NO. 2016-__

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 2016 (GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1 PROJECT); AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.

WHEREAS, the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "PID Act") authorizes the City of Celina, Texas (the "City") to create a public improvement district within the extraterritorial jurisdiction of the City; and

WHEREAS, pursuant to Resolution 2016-24R adopted by the City Council (the "City Council") of the City on April 12, 2016, the City has created the "G Bar 7 Public Improvement District" (the "PID");

WHEREAS, pursuant to Resolution 2016-__ adopted by the City Council on June 14, 2016, the City changed the name of the PID to "Glen Crossing Public Improvement District";

WHEREAS, W/J CR 55 LP, a Texas limited partnership (the "Developer") intends to purchase all property within the PID (the "Purchase") for the purpose of developing the PID;

WHEREAS, the City intends to issue the bonds to be designated "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2016 (Glen Crossing Improvement District Phase #1 Project)" (the "Bonds") to fund certain improvements in the PID as authorized by the PID Act; and

WHEREAS, there has been presented to this City Council a Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement"); and

WHEREAS, this City Council finds and determines that it is necessary and in the best interests of the City to approve the form and content of the Preliminary Official Statement and authorize the use of the Preliminary Official Statement in the offering and sale of the Bonds by the Underwriter of the Bonds, FMSbonds, Inc., under the conditions outlined herein.

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

SECTION 1. THAT the form and content of the Preliminary Official Statement is hereby approved with such changes, addenda, supplements or amendments as may be approved by the City Manager.

SECTION 2. THAT the City hereby authorizes the Preliminary Official Statement to be used by FMSbonds, Inc. (the "Underwriter") in connection with the initial marketing and sale of the Bonds after the closing of the Purchase; provided that such Preliminary Official Statement shall not be released to the public without the approval of the Acting City Manager, which

approval shall be made in consultation with FirstSouthwest, a Division of Hilltop Securities, Inc., the City's Financial Advisor and Norton Rose Fulbright US LLP, the City's Disclosure Counsel.

SECTION 3. THAT the City Council hereby delegates to the Acting City Manager the authority to approve release of the Preliminary Official Statement to the public for use in marketing the Bonds under the conditions outlined herein.

SECTION 4. THAT City staff is authorized and directed to do all things proper and necessary to carry out the intent hereof.

SECTION 5. THAT this Resolution shall become effective from and after its date of passage in accordance with law.

[Execution page follows.]

PASSED AND ADOPTED, this June 14, 2016.

CITY OF CELINA, TEXAS

Sean Terry, Mayor

ATTEST:

Vicki Faulkner, City Secretary

(City Seal)

PRELIMINARY OFFICIAL STATEMENT DATED JUNE __, 2016

In the opinion of Bond Counsel, interest on the Bonds will be excludable from gross income for purposes of federal income taxation under existing law, subject to the matters described under "TAX MATTERS" herein. See "TAX MATTERS – Tax Exemption" herein for a discussion of Bond Counsel's opinion, including a description of certain alternative minimum tax consequences for corporations.

\$3,550,000***CITY OF CELINA, TEXAS,****(a municipal corporation of the State of Texas located in Collin and Denton Counties)****SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2016****(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1 PROJECT)****Dated Date: [DATED DATE], 2016****Due: September 1, as shown on the inside cover****Interest to Accrue from Date of Delivery**

The City of Celina, Texas, Special Assessment Revenue Bonds, Series 2016 (Glen Crossing Public Improvement District Phase #1 Project) (the "Bonds"), are being issued by the City of Celina, Texas (the "City"). The Bonds will be issued in fully registered form, without coupons, authorized denominations of \$25,000 of principal amount and any integral multiple of \$5,000 in excess thereof. The Bonds will bear interest at the rates set forth on the inside cover page hereof, and such interest will be calculated on the basis of a 360-day year of twelve 30-day months and will be payable on each March 1 and September 1, commencing [September 1, 2016], until maturity or earlier redemption. The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. No physical delivery of the Bonds will be made to the beneficial owners thereof. For so long as the book-entry only system is maintained, the principal of and interest on the Bonds will be paid from the sources described herein by U.S. Bank National Association, as trustee (the "Trustee"), to Cede & Co. as the registered owner thereof. See "BOOK-ENTRY ONLY SYSTEM."

The Bonds are being issued by the City pursuant to the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code, as amended (the "PID Act"), an ordinance expected to be adopted by the City Council of the City (the "City Council") on [July 12], 2016, and an Indenture of Trust, dated [DATED DATE], 2016 (the "Indenture"), entered into by and between the City and the Trustee.

Proceeds of the Bonds will be used to provide funds for (i) paying a portion of the costs of the Phase #1 Projects (as defined herein), (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #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. See "THE PHASE #1 PROJECTS" and "APPENDIX B — Form of Indenture." Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture.

The Bonds, when issued and delivered, will constitute valid and binding special obligations of the City payable solely from and secured by the Pledged Revenues, consisting primarily of Special Assessments (as defined herein) levied against assessable properties in Phase #1 of the District in accordance with a Service and Assessment Plan, all to the extent and upon the conditions described herein. The Bonds are not payable from funds raised or to be raised from taxation. See "SECURITY FOR THE BONDS SIMILARLY SECURED."

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

The Bonds involve a degree of risk and are not suitable for all investors. See "BONDHOLDERS RISKS" and "SUITABILITY FOR INVESTMENT." Prospective purchasers should carefully evaluate the risks and merits of an investment in the Bonds, should consult with their legal and financial advisors before considering a purchase of the Bonds, and should be willing to bear the risks of loss of their investment in the Bonds. The Bonds are not credit enhanced or rated and no application has been made for a rating on the Bonds.

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

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

The Bonds are offered for delivery when, as, and if issued by the City and accepted by the Underwriter, subject to, among other things, the approval of the Bonds by the Attorney General of Texas and the receipt of the opinion of Norton Rose Fulbright US LLP, Bond Counsel, as to the validity of the Bonds and the excludability of interest thereon from gross income for federal income tax purposes. See "APPENDIX D Form of Opinion of Bond Counsel." Certain legal matters will be passed upon for the City by Norton Rose Fulbright US LLP, as Disclosure Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, Andrews Kurth LLP, and for the Developer by co-counsel, Owens, Campbell & Aiken, L.L.P. and Haynes & Boone, LLP and by its special counsel, Shupe Ventura Lindelow & Olson, PLLC. It is expected that the Bonds will be delivered in book-entry form through the facilities of DTC on or about [August 10], 2016.

FMSbonds, Inc.

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

CUSIP Prefix: _____^(a)

\$3,550,000*
CITY OF CELINA, TEXAS,
(a municipal corporation of the State of Texas located in Collin and Denton Counties)
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2016
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1 PROJECT)

Year (September 1) ^(c)	Principal Amount*	Interest Rate	Yield	CUSIP Number ^(a)
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\$_____ Term Bonds

\$_____ % Term Bonds, Due September 1, 20__, Priced to Yield ____%; CUSIP ____^{(a) (b) (c)}

\$_____ % Term Bonds, Due September 1, 20__, Priced to Yield ____%; CUSIP ____^{(a) (b) (c)}

\$_____ % Term Bonds, Due September 1, 20__, Priced to Yield ____%; CUSIP ____^{(a) (b) (c)}

\$_____ % Term Bonds, Due September 1, 20__, Priced to Yield ____%; CUSIP ____^{(a) (b) (c)}

* Preliminary; subject to change.

- (a) CUSIP numbers are included solely for the convenience of owners of the Bonds. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP numbers are provided for convenience of reference only. None of the City, the City's Financial Advisor or the Underwriter takes any responsibility for the accuracy of such numbers.
- (b) The Bonds are subject to redemption, in whole or in part, prior to stated maturity, at the option of the City, on any date on or after _____, 20__, at the redemption price of 100% of the principal amount plus accrued interest to the date of redemptions as described herein under "DESCRIPTION OF THE BONDS — Redemption Provisions."
- (c) The Bonds are also subject to mandatory sinking fund redemption and extraordinary optional redemption as described herein under "DESCRIPTION OF THE BONDS — Redemption Provisions."

**CITY OF CELINA, TEXAS
CITY COUNCIL**

<u>Name</u>	<u>Place</u>	<u>Term Expires (May)</u>
Sean Terry	Mayor	2017
Bill Webber	Place 1	2019
Wayne Nabors	Place 2	2018
Andy Hopkins	Place 3	2018
Carmen Roberts	Place 4	2017
Lori Vaden	Place 5	2017
Chad Anderson	Place 6, Mayor Pro Tem	2019

CITY MANAGER
Mike Foreman

CITY SECRETARY
Vicki Faulkner

DIRECTOR OF FINANCE
Jay Toutounchian

SPECIAL ASSESSMENT CONSULTANT AND ADMINISTRATOR
MuniCap, Inc.

FINANCIAL ADVISOR TO THE CITY
FirstSouthwest, a Division of Hilltop Securities, Inc.

BOND COUNSEL AND DISCLOSURE COUNSEL
Norton Rose Fulbright US LLP

UNDERWRITER'S COUNSEL
Andrews Kurth LLP

For additional information regarding the City, please contact:

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City of Celina
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Celina, Texas 76201
(972) 382-2682
mforeman@celina-tx.gov

James Sabonis
Managing Director
FirstSouthwest, a Division of Hilltop Securities Inc.
1201 Elm Street
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Dallas, Texas 75270
(214) 953-4195
jim.sabonis@hilltopsecurities.com

A map of the Dallas-Fort Worth metropolitan area. A red star is placed in the northern part of the map, near the intersection of US-380 and US-75, and is labeled 'SUBJECT' in bold black text. The star is positioned over the town of Celina. The map shows major highways in purple, including I-35, I-75, I-30, and I-40. Other roads are shown in yellow and green. Numerous city names are labeled, including Dallas, Fort Worth, Irving, Carrollton, and Plano. The map also shows bodies of water in blue, such as Lake Tarrant and Lake Lewisville.

AREA LOCATION MAP OF THE DISTRICT



**MAP SHOWING BOUNDARIES OF
PHASE #1 AND FUTURE PHASE OF THE DISTRICT**



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

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

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

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

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

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS OFFICIAL STATEMENT CONSTITUTE “FORWARD-LOOKING STATEMENTS” WITHIN THE MEANING OF THE UNITED STATES PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995, SECTION 21E OF THE UNITED STATES EXCHANGE ACT OF 1934, AS AMENDED, AND SECTION 27A OF THE SECURITIES ACT. SUCH STATEMENTS ARE GENERALLY IDENTIFIABLE BY THE TERMINOLOGY USED SUCH AS “PLAN,” “EXPECT,” “ESTIMATE,” “PROJECT,” “ANTICIPATE,” “BUDGET” OR OTHER SIMILAR WORDS. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, OTHER THAN AS DESCRIBED UNDER “CONTINUING DISCLOSURE” HEREIN.

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

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PRELIMINARY OFFICIAL STATEMENT

\$3,550,000*

CITY OF CELINA, TEXAS,

(a municipal corporation of the State of Texas located in Collin and Denton Counties)

SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2016

(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1 PROJECT)

INTRODUCTION

The purpose of this Official Statement, including the cover page, inside cover and appendices hereto, is to provide certain information in connection with the issuance and sale by the City of Celina, Texas (the "City"), of its \$3,550,000* aggregate principal amount of Special Assessment Revenue Bonds, Series 2016 (Glen Crossing Public Improvement District Phase #1 Project) (the "Bonds").

PROSPECTIVE INVESTORS SHOULD BE AWARE OF CERTAIN RISK FACTORS, ANY OF WHICH, IF MATERIALIZED TO A SUFFICIENT DEGREE, COULD DELAY OR PREVENT PAYMENT OF PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, AND/OR INTEREST ON THE BONDS. THE BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. See "SUITABILITY FOR INVESTMENT" and "BONDHOLDERS' RISKS."

The Bonds are being issued by the City pursuant to the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code, as amended (the "PID Act"), the ordinance authorizing the issuance of the Bonds is expected to be adopted by the City Council of the City (the "City Council") on [July 12], 2016 (the "Bond Ordinance"), and an Indenture of Trust, dated as of [DATED DATE], 2016 (the "Indenture"), entered into by and between the City and U.S. Bank National Association as trustee (the "Trustee"). The Bonds will be secured by special assessments ("Special Assessments") levied against assessable property located within Phase #1 (as described herein below) of the Glen Crossing Public Improvement District (the "District") pursuant to a separate ordinance expected to be adopted by the City Council on [July 12], 2016 (the "Assessment Ordinance").

Reference is made to the Indenture for a full statement of the authority for, and the terms and provisions of, the Bonds. All capitalized terms used in this Official Statement that are not otherwise defined herein shall have the meanings set forth in the Indenture. See "APPENDIX B — Form of Indenture."

Set forth herein are brief descriptions of the City, the District, the Developer (as defined herein), the Special Assessment Consultant (as defined herein), the Administrator (as defined herein), the Creation Resolution (as defined herein), the Assessment Ordinance, the TIRZ Ordinance (as defined herein), the Bond Ordinance, the Service and Assessment Plan (as defined herein), the PID Reimbursement Agreement (as defined herein), together with summaries of terms of the Bonds and the Indenture and certain provisions of the PID Act. All references herein to such documents and the PID Act are qualified in their entirety by reference to such documents or such PID Act and all references to the Bonds are qualified by reference to the definitive forms thereof and the information with respect thereto contained in the Indenture. Copies of these documents may be obtained during the period of the offering of the Bonds from the Underwriter, FMSbonds, Inc., 100 Crescent Court, Suite 700, Dallas, Texas 75201, telephone number (214) 302-2246. The form of the Indenture appears in APPENDIX B and the Form of Service and Assessment Plan appears as APPENDIX C. The information provided under this caption "INTRODUCTION" is intended to provide a brief overview of the information provided in the other captions herein and is not intended, and should not be considered, fully representative or complete as to the subjects discussed hereunder.

* Preliminary; subject to change.

PLAN OF FINANCE

Development Plan

Wynne/Jackson, Inc., a Texas corporation (“Wynne/Jackson”), an affiliate of W/J CR 55 LP, a Texas limited partnership (the “Developer”), initially had the property within the District (the “Property”) under contract. On June 17, 2016, prior to the acquisition of the Property, Wynne/Jackson assigned the purchase contract to the Developer. The Developer closed on the Property on June 17, 2016. The Developer’s plans consist of the development of the District in approximately two phases beginning with the development of a portion of the infrastructure to serve the initial phase (“Phase #1”) of the District. See “THE DEVELOPMENT – Development Plan.” The Future Phase (defined below) will be developed over time within the boundaries of the District. The boundaries of the District and each of the planned phases are shown in the “MAP SHOWING BOUNDARIES OF PHASE #1 AND FUTURE PHASE OF THE DISTRICT” on page v.

The Developer has requested that the City issue the Bonds, the proceeds of such Bonds to be used to provide funds for (i) paying a portion of the Costs of the Phase #1 Projects, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #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. The Bonds will be secured by the Trust Estate, including primarily Special Assessments on property within Phase #1 of the District. See “THE PHASE #1 PROJECTS” and “SECURITY FOR THE BONDS SIMILARLY SECURED.”

The Developer has requested and the City expects to issue future bonds (the “Phased PID Bonds”) to finance the cost of public improvements (or a portion thereof) that benefit the second phase to be developed within the District (the “Future Phase”) as the development proceeds. The estimated costs of the public improvements benefiting the Future Phase of the District will be determined as the Future Phase of the District is developed, and the Service and Assessment Plan will be updated to identify the improvements authorized by the PID Act. Such Phased PID Bonds will be secured by a separate special assessment levied pursuant to the PID Act on assessable property within the Future Phase of the District. See “THE DEVELOPMENT — Phased PID Bonds.”

The City and Developer will enter into a reimbursement agreement and an addendum thereto relating to Phase #1 (collectively, the “PID Reimbursement Agreement”) which provides, in part, for the payment of the costs of Authorized Improvements within in the District, the issuance of the Bonds, Additional Bonds (as defined herein) and the Phased PID Bonds, the reimbursement of a portion of the costs to the Developer from the proceeds of such bonds and/or Special Assessments. The City’s obligation to reimburse the Developer for certain costs of the Phase #1 Projects not funded by the Bonds (the “Phase #1 Reimbursement Obligation”) under the PID Reimbursement Agreement are expected to be financed through the issuance of additional bonds by the City (the “Additional Bonds”) and secured by the Special Assessments. The Developer anticipates that Additional Bonds will be issued in 2018 or 2019. The total cost of such improvements to be financed by the issuance of Additional Bonds is forecasted to be approximately \$1,795,956.* See “SECURITY FOR THE BONDS SIMILARLY SECURED – Additional Obligations; Additional Bonds” for a description of certain conditions precedent to the issuance of Additional Bonds and see “APPENDIX B – Form of Service and Assessment Plan.”

At delivery of the Bonds, the Developer expects to contribute funds in the approximate amount of \$5,653,790*, of such amount \$3,172,091* will be used to pay for the costs of the Phase #1 Projects not funded through the issuance of the Bonds of which approximately \$1,795,956* is expected to be reimbursed to the Developer upon issuance of the Additional Bonds. See “SOURCES AND USES OF FUNDS.” The remaining \$2,481,699* will be used to pay for costs of certain additional public improvements of the City (the “City Improvements”) and certain private improvements within the District. See “THE DEVELOPMENT – Amenities” and “– Other City Improvements.”

The Bonds and any Phased PID Bonds issued by the City are separate and distinct issues of securities secured by separate special assessments. Any Additional Bonds issued by the City as parity bonds under the

* Preliminary, subject to change.

Indenture will likewise be separate and distinct issues of securities and will be secured by the Special Assessments. The Additional Bonds or any Phased PID Bonds to be issued by the City are not offered pursuant to this Official Statement.

The Bonds

Proceeds of the Bonds will be used to provide funds for (i) paying a portion of the Costs of the Phase #1 Projects, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #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. To the extent that a portion of the proceeds of the Bonds is allocated for the payment of the costs of issuance of the Bonds and less than all of such amount is used to pay such costs, the excess amount may, at the option of the City, be transferred to the Phase #1 Account of the Project Fund (both defined herein) or to the Principal and Interest Account of the Bond Fund to pay interest on the Bonds. See “THE PHASE #1 PROJECTS,” “APPENDIX B – Form of Indenture” and “SOURCES AND USES OF FUNDS.”

Payment of the Bonds is secured by a pledge of and a lien upon the Pledged Revenues, consisting primarily of Special Assessments to be levied against the assessable parcels or lots within Phase #1 of the District, all to the extent and upon the conditions described herein and in the Indenture. See “SECURITY FOR THE BONDS SIMILARLY SECURED” and “SPECIAL ASSESSMENT PROCEDURES.”

The Bonds shall never constitute an indebtedness or general obligation of the City, the State or any other political subdivision of the State, within the meaning of any Constitutional provision or statutory limitation whatsoever, but the Bonds are limited and special obligations of the City payable solely from the Trust Estate as provided in the Indenture. Neither the faith and credit nor the taxing power of the City, the State or any other political subdivision of the State is pledged to the payment of the Bonds.

When compared to the prospective value of the fee simple interest in the 159 residential lots in Phase #1 of the District upon completion of development thereof (\$10,650,000), the principal amount of the Bonds has an estimated value to assessment burden ratio of 3.0* to 1. See “APPRAISAL OF PROPERTY WITHIN THE DISTRICT – Value to Assessment Burden Ratio.”

DESCRIPTION OF THE BONDS

General Description

The Bonds will mature on the dates and in the amounts set forth in the inside cover page of this Official Statement. Interest on the Bonds will accrue from their date of delivery to the Underwriter and will be computed on the basis of a 360-day year of twelve 30-day months and will be payable on each March 1 and September 1, commencing [September 1, 2016] (each an “Interest Payment Date”), until maturity or prior redemption. U.S. Bank National Association is the initial Trustee, Paying Agent and Registrar for the Bonds.

The Bonds will be issued in fully registered form, without coupons, in authorized denominations of \$25,000 of principal and any integral multiple of \$5,000 in excess thereof (“Authorized Denominations”). Upon initial issuance, the ownership of the Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), and purchases of beneficial interests in the Bonds will be made in book-entry only form. See “BOOK-ENTRY ONLY SYSTEM” and “SUITABILITY FOR INVESTMENT.”

Redemption Provisions

Optional Redemption. The City reserves the right and option to redeem the Bonds before their scheduled maturity dates, in whole or in part, on any date on or after _____, 20__, at the redemption price of 100% of the principal amount plus accrued interest to the date of redemption.

See “SECURITY FOR THE BONDS SIMILARLY SECURED — Pledged Revenues” and “ — Additional Obligations; Additional Bonds” for an explanation of the City’s expectations with respect to the issuance of Additional Bonds.

Extraordinary Optional Redemption. Notwithstanding any provision in the Indenture to the contrary, 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 the Redemption Price of 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 from the accounts in the Reserve Fund as provided in the Indenture), transfers to the Redemption Fund made pursuant to various provisions of the Indenture, as a result of unexpended amounts transferred from the Project Fund as provided in Indenture or amounts transferred from the Developer Reimbursement Pledged Revenue Account of the Pledged Revenue Fund as provided in the Indenture. No redemption shall be made which results in a Bond remaining outstanding in a principal amount less than an Authorized Denomination. See “SPECIAL ASSESSMENT PROCEDURES — Prepayment of Special Assessments” for the definition and description of Prepayments.”

Mandatory Sinking Fund Redemption. The Bonds are subject to mandatory sinking fund redemption prior to their respective maturities and will be redeemed by the City in part at the Redemption Price of par, plus accrued and unpaid interest to the redemption date, from moneys available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to the Indenture, on the dates and in the respective Sinking Fund Installments as set forth in the following 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__†

\$ _____ 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__†

* Preliminary, subject to change.

† Stated maturity.

At least forty-five (45) days prior to each mandatory sinking fund redemption date, the Trustee will select a principal amount of Bonds equal to the Sinking Fund Installment amount for such date of such maturity of Bonds to

be redeemed, will call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in the Indenture.

The principal amount of Bonds of a Stated Maturity required to be redeemed on any redemption date pursuant to the mandatory sinking fund redemption described above 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.

The principal amount of Bonds required to be redeemed on any mandatory sinking fund redemption date shall be reduced on a pro rata basis among Sinking Fund Installments by the principal amount of any Bonds which, at least 45 days prior to the mandatory sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions of the Indenture and not previously credited to a mandatory sinking fund redemption.

Notice of Redemption. (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. Any such notice shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice. Notice of redemption having been given as provided in the Indenture, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption provided that funds for the payment of the redemption price of such Bonds to the date fixed for redemption are on deposit with the Trustee; thereafter, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

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

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

Additional Provisions with Respect to Redemption. If less than all of the Bonds are to be redeemed, 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.

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; provided, however, if the amount of Outstanding Bonds is less than an Authorized Denomination after giving effect to such partial redemption, a Bond in the principal amount equal to the unredeemed portion, but not less than \$5,000, may be issued.

Upon surrender of any Bond in part, the Trustee, in accordance with the provisions of the Indenture, shall authenticate and deliver in exchange thereof a Bond or Bonds of like tenor, maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond or Bonds so surrendered.

BOOK-ENTRY ONLY SYSTEM

This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by The Depository Trust Company (“DTC”), New York, New York, while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The City and the Underwriter believe the source of such information to be reliable, but neither the City nor the Underwriter takes responsibility for the accuracy or completeness thereof.

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

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

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its registered subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of “AA+”. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission.

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

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

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

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

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

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

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

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

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

NONE OF THE CITY, THE TRUSTEE, THE PAYING AGENT, THE CITY'S FINANCIAL ADVISOR OR THE UNDERWRITER WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEE WITH RESPECT TO THE

PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE DTC PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OF THE BONDS. THE CITY CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, THE DTC PARTICIPANTS OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE BONDS PAID TO DTC OR ITS NOMINEE, AS THE REGISTERED OWNER, OR PROVIDE ANY NOTICES TO THE BENEFICIAL OWNERS OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE CURRENT RULES APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION, AND THE CURRENT PROCEDURES OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

SECURITY FOR THE BONDS SIMILARLY SECURED

General

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

The principal of, premium, if any, and interest on the Bonds Similarly Secured are secured by a pledge of and a lien upon the pledged revenues (the "Pledged Revenues"), consisting primarily of Special Assessments levied against the assessable parcels or lots within Phase #1 of the District and other funds comprising the Trust Estate, all to the extent and upon the conditions described herein and in the Indenture. Phase #1 contains approximately 41.5 acres. Other than land that will be dedicated to the City, all the property within the District will be assessed. In accordance with the PID Act, the City has caused the preparation of a Service and Assessment Plan (as updated, amended and supplemented, the "Service and Assessment Plan"), which describes the special benefit received by the property within the District, including Phase #1, provides the basis and justification for the determination of special benefit on such property, establishes the methodology for the levy of the assessments (including Special Assessments), and provides for the allocation of Pledged Revenues for payment of, premium, if any, and interest on the Bonds. The Service and Assessment Plan is reviewed and updated annually for the purpose of determining the annual budget for improvements and the Annual Installments (as defined below) of Special Assessments due in a given year. The determination by the City of the special assessment methodology set forth in the Service and Assessment Plan is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on all current and future landowners within the District. See "APPENDIX C — Form of Service and Assessment Plan."

When compared to the prospective value of the fee simple interest in the 159 residential lots in Phase #1 of the District upon completion of development thereof (\$10,650,000), the principal amount of the Bonds has an estimated value to assessment burden ratio of 3.0* to 1. See "APPRAISAL OF PROPERTY WITHIN THE DISTRICT – Value to Assessment Burden Ratio."

Pledged Revenues

The City is authorized by the PID Act, the Assessment Ordinance and other provisions of law to finance the Phase #1 Projects by levying Special Assessments upon properties in Phase #1 of the District benefitted thereby. For a description of the special assessment methodology and the amounts of Special Assessments anticipated to be levied in each phase of the District, see "SPECIAL ASSESSMENT PROCEDURES" and "APPENDIX C — Form of Service and Assessment Plan."

Pursuant to the Indenture, Pledged Revenues are 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. "Assessment Revenue" means moneys collected by or on behalf of the City from any one or more of the following: (i) a Special Assessment levied against an Assessed Parcel, or Annual Installment payment thereof, including any interest on such Special Assessment or Annual Installment thereof during any period of delinquency, (ii) a Prepayment, (iii) Delinquent Collection Costs, and (iv) Foreclosure Proceeds. "Annual Installments" means, with respect to each Assessed Parcel, each annual payment of the Special Assessments as shown on the Assessment Roll attached to the Service and Assessment Plan as Appendix F and related to the Bonds Similarly Secured and the Phase #1 Projects; which annual payment includes the 0.20% additional interest rate collected on each annual payment of the Special Assessments related to the Bonds Similarly Secured for the Prepayment Reserve Account (the "Prepayment Component") and the 0.30% additional interest rate collected on each annual payment of the Special Assessments related to the Bonds Similarly Secured for the Delinquency Reserve (the "Delinquency Component") as described in the Indenture and as defined and calculated in the Service and Assessment Plan or in any Annual Service Plan Update. The City will covenant in the Indenture that it will take and pursue all actions permissible under Applicable Laws to cause the Special Assessments to be collected and the liens thereof to be enforced continuously. See "— Pledged Revenue Fund." See also "— Pledged Revenue Fund," "APPENDIX B — Form of Indenture" and "APPENDIX C — Form of Service and Assessment Plan."

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

Collection and Deposit of Special Assessments

The Special Assessments shown on the Assessment Roll, together with the interest thereon, shall first be applied to the payment of the principal of and interest on the Bonds Similarly Secured as and to the extent provided in the Service and Assessment Plan and the Indenture.

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

A record of the Special Assessments on each parcel, tract or lot which are to be collected in each year during the term of the Bonds Similarly Secured is shown on the Assessment Roll. Sums received from the collection of the Special Assessments to pay the debt service requirements (including delinquent installments, Foreclosure Proceeds and penalties) and of the interest thereon shall be deposited into the Bond Pledged Revenue Account of the Pledged Revenue Fund. Notwithstanding the foregoing, 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. 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. See "SECURITY FOR THE BONDS SIMILARLY SECURED — Pledged Revenue Fund" and APPENDIX B — Form of Indenture.

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

Amount of Special Assessments May be Reduced by TIRZ Credit

The City plans to create a tax increment reinvestment zone to be known as “Reinvestment Zone Number Six, City of Celina, Texas” (the “TIRZ”), pursuant to Chapter 311 of the Texas Tax Code (the “TIRZ Act”) covering the property in Phase #1 of the District. On June 14, 2016, the City held a public hearing on the creation of the proposed TIRZ and the preliminary project and financing plan. The City anticipates adopting an ordinance (the “TIRZ Ordinance”) authorizing the use of TIRZ Revenues (defined below) for project costs under the TIRZ Act, relating to the Authorized Improvements as provided for in the Reinvestment Zone Number Six Project and Financing Plan (including amendments or supplements thereto). “TIRZ Revenues” mean, for each year during the term of the TIRZ, an amount transferred by the City from the TIRZ tax increment fund to the Bond Pledged Revenue Account of the Pledged Revenue Fund pursuant to an agreement between the Developer and the City (the “TIRZ Agreement”) to reduce on a parcel-by-parcel basis the Annual Installment of the Special Assessment due each year, as calculated each year by the Administrator in collaboration with the City, in accordance with the Service and Assessment Plan and the TIRZ Agreement. Pursuant to the Amended Development Agreement dated to be effective June 14, 2016 (the “Amended Development Agreement”) between the City and the Developer, the City has agreed to create the TIRZ. The TIRZ Revenues will be an amount equal to the captured appraised value of the TIRZ times 43.71 percent of the City’s tax rate levied and collected in the TIRZ. Upon final pricing of the Bonds and after a public hearing, the City may increase or decrease the TIRZ Credit to achieve a maximum net tax equivalent amount of 0.4581 per \$100 of assessed value. See “OVERLAPPING TAXES AND DEBT.”

In the TIRZ Ordinance and the TIRZ Agreement, the City will agree to use TIRZ Revenues generated from each Assessed Parcel in Phase #1 of the District to provide for an offset or credit against the Special Assessments levied against such Assessed Parcel on a parcel-by-parcel basis as described in the Service and Assessment Plan (the “TIRZ Credit”). The Annual Installment for each Assessed Parcel will be calculated by deducting the TIRZ Credit applicable to each Parcel from the Annual Installment for such Assessed Parcel.

Under the TIRZ Agreement, the TIRZ Revenues generated by each parcel in any given year shall be used to calculate such parcel’s TIRZ Credit in the following year (i.e., TIRZ Revenues collected in 2017 shall be used to calculate the TIRZ Credit applicable to Annual Installments to be collected in 2018). TIRZ Credits shall be calculated for those Parcels that are subject to Special Assessments. The Equivalent Units to be used for the calculation of the TIRZ Credit shall be determined by the Administrator based on the information available to the Administrator at the time of such calculations. The TIRZ Revenues are generated only from ad valorem taxes levied and collected by the City on the captured appraised value in the TIRZ in any year. Consequently, the TIRZ Revenues are generated only if the appraised value of real property in the TIRZ in any year is greater than the base value. The tax increment base pursuant to the TIRZ Ordinance is estimated to be \$44.69 which is the amount of tax the City collected on the property in Phase #1 of the District for calendar year 2016. Any delay or failure of Developer to develop Phase #1 may result in a reduced amount of the TIRZ Revenue being available to credit the Special Assessments. See “SPECIAL ASSESSMENT PROCEDURES — Special Assessment Amounts — TIRZ Credit, APPENDIX C — Form of Service and Assessment Plan and APPENDIX H — Estimated TIRZ Credit.

THE TIRZ REVENUES WILL NOT BE PLEDGED TO THE PAYMENT OF THE BONDS SIMILARLY SECURED, AND THERE IS NO GUARANTEE THAT THERE WILL EVER BE SUFFICIENT TIRZ REVENUES TO GENERATE A TIRZ CREDIT. THE TIRZ CREDIT WILL NOT BE APPLIED IN ANY MANNER THAT WOULD AFFECT THE COLLECTION AND CONTINUOUS ENFORCEMENT OF SPECIAL ASSESSMENTS COLLECTED FOR THE PAYMENT OF DEBT SERVICE ON THE BONDS SIMILARLY SECURED AND ANNUAL COLLECTION COSTS AND THE FUNDING OF THE PREPAYMENT RESERVE REQUIREMENT AND THE DELINQUENCY RESERVE REQUIREMENT, IN THE MANNER AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAWS. SUCH TIRZ CREDIT IS NOT EXPECTED TO BE AVAILABLE TO REDUCE THE ANNUAL INSTALLMENT FOR ANY ASSESSED PARCELS UNTIL 2018. TIRZ REVENUES GENERATED FROM THE CAPTURED APPRAISED VALUE FOR EACH PARCEL IN PHASE #1 DURING THE DEVELOPMENT OF SUCH PARCEL WILL RESULT IN A TIRZ CREDIT WHICH IS NOT SUFFICIENT TO ACHIEVE THE NET TAX RATE

EQUIVALENT ASSESSMENT OF \$0.4581 PER \$100 ASSESSED VALUE (THE “TARGETED NET TAX RATE EQUIVALENT ASSESSMENT”). THE TIRZ CREDIT MAY NOT PROVIDE FOR THE TARGETED NET TAX RATE EQUIVALENT ASSESSMENT UNTIL THE SECOND YEAR THAT A HOME ON SUCH PARCEL IS ASSESSED. See “OVERLAPPING TAXES AND DEBT.”

Unconditional Levy of Special Assessments

The City will impose Special Assessments on the property within Phase #1 of the District to pay the principal of and interest on the Bonds Similarly Secured scheduled for payment from Pledged Revenues as described in the Indenture and in the Service and Assessment Plan and coming due during each Fiscal Year. The Special Assessments shall be effective on the date of, and strictly in accordance with the terms of, the Assessment Ordinance. Each Special Assessment may be paid immediately in full or in periodic Annual Installments over a period of time equal to the term of the Bonds Similarly Secured, which installments shall include interest on the Special Assessments. Pursuant to the Assessment Ordinance, interest on the Special Assessments will be calculated at the rate of interest on the Bonds Similarly Secured plus 0.50%, calculated on the basis of a 360-day year of twelve 30-day months. Such rate may be adjusted as described in the Service and Assessment Plan. Each Annual Installment, including the interest on the unpaid amount of a Special Assessment, shall be calculated on September 1 and shall be due on October 1 of each year. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year. The initial Annual Installments will be due on October 1, 2016, and will be delinquent if not paid prior to February 1, 2017.

As authorized by Section 372.018(b) of the PID Act, the City will calculate and collect each year while the Bonds Similarly Secured are Outstanding and unpaid, commencing October 1, 2016, an assessment to pay the annual costs incurred by the City in the administration and operation of Phase #1 of the District. The portion of each Annual Installment used to pay such annual costs shall remain in effect from year to year until all Bonds Similarly Secured are finally paid or until the City adjusts the amount of the levy after an annual review in any year pursuant to Section 372.013 of the PID Act. The assessments to pay annual expenses shall be due in the manner set forth in the Assessment Ordinance on October 1 of each year and shall be delinquent if not paid by February 1 of the following year. Such assessments to pay expenses do not secure repayment of the Bonds Similarly Secured.

There will be no discount for the early payment of Special Assessments.

Special Assessments, together with interest, penalties, and expense of collection and reasonable attorneys’ fees, as permitted by the Texas Tax Code, shall be a first and prior lien against the property assessed, superior to all other liens and claims, except liens or claims for State, county, school district or municipality ad valorem taxes and shall be a personal liability of and charge against the owner of the property regardless of whether the owners are named. The lien for Special Assessments and penalties and interest begins on the effective date of the Assessment Ordinance and continues until the Special Assessments are paid or until all Bonds Similarly Secured are finally paid.

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

Perfected Security Interest

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 the Indenture or any other act; all as provided in Texas Government Code, Chapter 1208, as amended, which applies to the issuance of the Bonds Similarly Secured and the pledge of the Pledged Revenues granted by the City under the Indenture, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds Similarly Secured are Outstanding such that the pledge of the Pledged Revenues granted by the City under the 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 Similarly Secured 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. See “APPENDIX B — Form of Indenture.”

Pledged Revenue Fund

The City has created under the Indenture a Pledged Revenue Fund to be held by the Trustee. On or before February 1 of each year while the Bonds Similarly Secured are Outstanding and beginning in the 2017, 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 (i) *first*, to the Bond Pledged Revenue Account of the Pledged Revenue Fund to be used in the following order of priority: (a) amounts sufficient to pay debt service on the Bonds Similarly Secured coming due in such calendar year, (b) to the Reserve Account of the Reserve Fund in an amount to cause the amount in the Reserve Account to equal the Reserve Fund Requirement, (c) to the Prepayment Reserve Account and the Delinquency Reserve Account, respectively, amounts equal the Delinquency Component and the Prepayment Component described in the Indenture; (ii) *second*, to the Developer Reimbursement Pledged Revenue Account of the Pledged Revenue Fund to reimburse the Developer for costs of Phase #1 Projects that have been paid from the Developer Improvement Account of the Project Fund (pursuant to the terms of the PID Reimbursement Agreement), (iii) *third*, to pay other costs of the Public Improvements, and (iv) *fourth*, 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 Similarly Secured.

From time to time as needed to pay the obligations relating to the Bonds Similarly Secured, 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 Similarly Secured on the next Interest Payment Date.

Upon receipt of written confirmation from the PID Administrator, through an authorized representative, of compliance with the conditions and provisions of the Disclosure Agreement of the Developer for the preceding four (4) quarters, on or before August 1 of each year the Trustee shall withdraw from the Developer Reimbursement Pledged Revenue Account an amount sufficient to pay the obligations relating to costs of Phase #1 Projects that are paid with funds withdrawn from the Developer Improvement Account of the Project Fund and transfer to the Phase #1 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 Phase #1 Projects. To the extent there has been non-compliance with the Disclosure Agreement of the Developer for any or each of the preceding four (4) quarters, an amount equal to one-fourth (1/4th) of the amount withdrawn from the Developer Reimbursement Pledged Revenue Account multiplied by the number of quarters (of the preceding (4) quarters) in which there was non-compliance shall be deposited into the Redemption Fund.

If, after the foregoing transfers and any transfer from the Reserve Fund (as described under the subcaption “Reserve Fund” below), there are insufficient funds to make the payments to the Principal and Interest Account of the Bond Fund described 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 Similarly Secured.

Notwithstanding the deposits described in (i) *first* through (iv) *fourth* above, the Trustee shall transfer Prepayments to the Redemption Fund as soon as practical after deposit of such amounts into the Pledged Revenue Fund.

Notwithstanding the deposits described in (i) *first* through (iv) *fourth* above, 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.

Any Special Assessments remaining after satisfying the foregoing payments may be used for any lawful purpose for which Special Assessments may be used under the PID Act.

Bond Fund

On each Interest Payment Date, the Trustee shall withdraw from the Principal and Interest Account and transfer to the Paying Agent/Registrar the principal (including any Sinking Fund Installments) and/or interest then due and payable on the Bonds Similarly Secured, less any amount to be used to pay interest on the Bonds Similarly Secured on such Interest Payment Date from the Capitalized Interest Account as provided in the Indenture.

Project Fund

Money on deposit in the Project Fund shall be used for the following purposes as specified in the Indenture: (i) paying a portion of the Costs of the Phase #1 Projects, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #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. Funds disbursed from the Project Fund pursuant to the Indenture and PID Reimbursement Agreement shall be made first from Bond Proceeds held in the Phase #1 Improvement Account and the Costs of Issuance Account within the Project Fund until such accounts are fully depleted and then from the Developer Improvement Account of the Project Fund

Reserve Account of the Reserve Fund

Pursuant to the Indenture, a Reserve Account will be created within the Reserve Fund for the benefit of the Bonds Similarly Secured and held by the Trustee and will be funded with proceeds of the Bonds Similarly Secured in the amount of the Reserve Fund Requirement. Pursuant to the Indenture, the "Reserve Fund Requirement" for the Bonds Similarly Secured shall be an amount equal to the least of (i) Maximum Annual Debt Service on the Bonds Similarly Secured as of their date of issuance, (ii) 125% of average Annual Debt Service on the Bonds Similarly Secured as of their date of issuance, and (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 to the Redemption Fund as a result of Prepayments and surplus Bond proceeds; and provided further that as a result of an optional redemption, the Reserve Fund 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 Similarly Secured, the Reserve Fund Requirement is \$_____ which is an amount equal to [Maximum Annual Debt Service] on the Bonds Similarly Secured as of the date of issuance.

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 (described below), second from the Reserve Account of the Reserve Fund, and third from the Prepayment Reserve Account of the Reserve Account (described below), to the Bond Fund in the amount necessary to cure such deficiency.

Whenever Bonds Similarly Secured are to be redeemed with the proceeds of Prepayments pursuant to the Indenture, 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 Similarly Secured. The amount so transferred from the Reserve Account of the Reserve Fund shall be equal to a percentage of the amount of the Bonds Similarly Secured 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 Similarly Secured prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund, as a percentage of the Outstanding Bonds Similarly Secured prior to the redemption.

Prepayment Reserve Account of the Reserve Fund

Pursuant to the Indenture, a Prepayment Reserve Account will be created within the Reserve Fund and held by the Trustee for the benefit of the Bonds Similarly Secured. The Trustee will transfer funds from the Pledged Revenue Fund to the Prepayment Reserve Account on March 1 of each year, commencing March 1, 2017, until the amount on deposit therein is equal to the Prepayment Reserve Requirement; 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. The Prepayment Reserve Requirement is an amount equal to 1.5% of the principal amount of the Outstanding Bonds Similarly Secured. The City has allocated the Prepayment Component of the Annual Installments, authorized by the PID Act, to the Prepayment Reserve Account for such purpose. 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 Annual Collection Costs 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 Similarly Secured pursuant to the Indenture. See "APPENDIX B — Form of Indenture" and "APPENDIX C — Form of Service and Assessment Plan."

Moneys deposited in the Prepayment Reserve Account will be used and withdrawn by the Trustee for the purpose of making transfers to the Redemption Fund, pursuant to, and at the times specified in, the Indenture to pay a portion of the accrued interest on Bonds Similarly Secured being redeemed pursuant to an extraordinary optional redemption for Prepayments. The amount to be transferred shall be an amount, for each Prepayment, equal to the amount of any shortfall, after transfers from the Reserve Account of the Reserve Fund as described above and application of investment earnings on the Prepayment toward payment of accrued interest, in funds necessary to pay the principal amount plus accrued interest on such Bonds Similarly Secured to be redeemed as a result of the Prepayment.

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.

Delinquency Reserve Account of the Reserve Fund

Pursuant to the Indenture, a Delinquency Reserve Account will be created within the Reserve Fund and held by the Trustee for the benefit of the Bonds Similarly Secured. The Trustee will transfer funds from the Pledged Revenue Fund to the Delinquency Reserve Account on a semi-annual March 1 of each year, commencing March 1, 2016, until the amount on deposit therein is equal to the Delinquency Reserve Requirement. The Delinquency Reserve Requirement is an amount equal to 4.0% of the principal amount of the Outstanding Bonds Similarly Secured. The City has allocated the Delinquency Component of the Annual Installments authorized by the PID Act, to the Delinquency Reserve Account for such purpose. 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 Similarly Secured; 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. See "APPENDIX B — Form of Indenture" and "APPENDIX C — Form of Service and Assessment Plan."

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 Similarly Secured pursuant to the Indenture. 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 Similarly Secured pursuant to the Indenture.

Whenever, on any Interest Payment Date, the amount on deposit in the Bond Fund is insufficient to pay the debt service on the Bonds 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.

Administrative Fund

The City has created under the Indenture an Administrative Fund held by the Trustee. Upon receipt, the City shall transfer to the Trustee, for deposit to the District Administration Account of the Administrative Fund, the portion of the Annual Installment of Special Assessments allocated to the payment of Annual Collection Costs and Delinquent Collection Costs as set forth in the Service and Assessment Plan. Moneys in the District Administration Account of the Administrative Fund may be used as directed by City Order for the purposes set forth in the Service and Assessment Plan, including payment of the Annual Collection Costs and Delinquent Collection Costs. See "APPENDIX C — Form of Service and Assessment Plan."

Pursuant to the Redemption Agreement, the Developer shall deposit an amount equal to the lesser of either (i) \$5,000 or (ii) two times the amount of property tax on the Property that is classified as agricultural in the current Tax year to be held in the Developer Property Tax Account of the Administrative Fund under the terms of such agreement. 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 under the Indenture 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.

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

Defeasance

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 in the Indenture, (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 then rating the Bonds that such deposit will not

result in the reduction or withdrawal of the rating on the Bonds. Neither Defeasance Securities nor moneys so deposited with the Trustee nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Bonds. Any cash received from such principal of and interest on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall be reinvested in Defeasance Securities as directed by the City maturing at times and in amounts sufficient to pay when due the principal of and interest on the Bonds on and prior to such redemption date or maturity date thereof, as the case may be. Any payment for Defeasance Securities purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Defeasance Securities.

“Defeasance Securities” means Investment Securities then authorized by applicable law for the investment of funds to defease public securities. “Investment Securities” means those authorized investments described in the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended; and provided further investments and are, at the time made, included in and authorized by the City’s official investment policy as approved by the City Council from time to time. Under current State law, Investment Securities that are authorized for the investment of funds to defease public securities are (a) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America; (b) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality, and that, on the date the governing body of the City adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent; and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the City adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent.

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

Events of Default

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

- (i) The failure of the City to deposit the Pledged Revenues to the Bond Pledged Revenue Account of the Pledged Revenue Fund;
- (ii) The failure of the City to enforce the collection of the Special Assessments including the prosecution of foreclosure proceedings;
- (iii) The failure to make payment of the principal of or interest on any of the Bonds Similarly Secured 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 the 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 Similarly Secured with a copy to the Trustee, specifying such default by the Owners of at least 25% of the Bonds Similarly Secured at the time Outstanding requesting that the failure be remedied.

Remedies in Event of Default

Upon the happening and continuance of any Event of Default, the Owners of at least 25% of the Bonds Similarly Secured then Outstanding, may proceed against the City for the purpose of protecting and enforcing the rights of the Owners under the Indenture, by action seeking mandamus or by other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by 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.

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

If the assets of the Trust Estate are sufficient to pay all amounts due with respect to all Outstanding Bonds Similarly Secured, in the selection of Trust Estate assets to be used in the payment of Bonds Similarly Secured due in an Event of Default, the City shall determine, in its absolute discretion, and shall instruct the Trustee by City Order, which Trust Estate assets shall be applied to such payment and shall not be liable to any Owner or other Person by reason of such selection and application. In the event that the City shall fail to deliver to the Trustee such City Order, the Trustee shall select and liquidate or sell Trust Estate assets as provided in the following paragraph, and shall not be liable to any Owner, or other Person, or the City by reason of such selection, liquidation or sale.

Whenever moneys are to be applied pursuant to the Indenture, irrespective of and whether other remedies authorized under the Indenture shall have been pursued in whole or in part, the Trustee may cause any or all of the assets of the Trust Estate, including Investment Securities, to be sold. The Trustee may so sell the assets of the Trust Estate and all right, title, interest, claim and demand thereto and the right of redemption thereof, in one or more parts, at any such place or places, and at such time or times and upon such notice and terms 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.

Restriction on Owner's Actions

No Owner shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of the Indenture or for the execution of any trust thereof or any other remedy 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 Similarly Secured 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 the Indenture, (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 Similarly Secured shall have any right in any manner whatsoever to affect, disturb, or prejudice the Indenture by its, his or their action or to enforce any right 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 the Indenture and to any action or cause of action for the enforcement of the Indenture or for any other remedy hereunder.

Subject to provisions of the Indenture with respect to certain liabilities of the City, nothing in the Indenture shall affect or impair the right of any Owner to enforce, by action at law, payment of any Bond 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 thereunder to the respective Owners thereof at the time and place, from the source and in the manner expressed therein and in the Bonds Similarly Secured.

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

Application of Revenues and Other Moneys After Event of Default

All moneys, securities, funds and Pledged Revenues and the income therefrom received by the Trustee pursuant to any right given or action taken under the provisions of the Indenture with respect to Events of Default shall, after payment of the cost and expenses of the proceedings resulting in the collection of such amounts, the expenses (including Trustee's counsel), liabilities, and advances incurred or made by the Trustee and the fees of the Trustee in carrying out the Indenture, be applied by the Trustee, on behalf of the City, to the payment of interest and principal or redemption price then due on Bonds Similarly Secured, as follows:

(i) 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

(ii) 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.

In the event funds are not adequate to cure any of the Events of Default described in above, 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 the Indenture.

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

Investment or Deposit of Funds

Money in any Fund established pursuant to the 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.

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 the Indenture for transfer of interest earnings and profits resulting from investment of amounts in Funds and Accounts. Whenever in the Indenture any moneys are required to be transferred by the City to the Trustee, such transfer may be accomplished by transferring a like amount of Investment Securities.

Against Encumbrances

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 or upon any other property pledged under the 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.

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 Similarly Secured secured by any pledge of or other lien or charge on the Pledged Revenues or other property pledged under the Indenture, other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds Similarly Secured.

Additional Obligations; Additional Bonds

Additional Obligations. The City reserves the right, subject to the provisions contained in the Indenture, to issue Additional Obligations under other indentures, assessment orders, 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.

Additional Bonds. Proceeds of the Bonds will pay for a portion of the Costs of the Phase #1 Projects. The City expects to issue Additional Bonds to finance up to the balance of the Phase #1 Projects not paid with proceeds of the Bonds. Such Additional Bonds will be secured by Special Assessments and the pledge of such Special Assessments to secure the Phase #1 Reimbursement Obligation under the PID Reimbursement Agreement will be extinguished. Although the pledge of Special Assessments to secure the Phase #1 Reimbursement Obligation is subordinate to the pledge of Special Assessments to secure repayment of the Bonds, the pledge of Special Assessments to secure repayment of such Additional Bonds will be on parity with the pledge securing repayment of the Bonds. The Bonds and any Additional Bonds issued by the City are separate and distinct issues of securities.

The City reserves the right to issue Additional Bonds for any purpose permitted by the PID Act 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 in the Amended Development Agreement;
- (iii) the PID Administrator, through an authorized representative, shall certify as to the then-current compliance with the terms and provisions of the Disclosure Agreement of the Developer;
- (iv) the Developer, through an authorized representative, shall certify that (A) a minimum of fifty (50) certificates of occupancy have been issued for single-family homes constructed within Phase #1; and (B) the average gross sales price (which is the gross amount including escalations and reimbursements due to the seller of the lots) for each lot type based on the actual lot closings in the District allocated to every Assessed Parcel within Phase #1 or an appraisal of the average retail value of the remaining unsold lots within Phase #1 on individual lot basis by lot type is at least 2.08 times the portion of the total principal amount of any outstanding Bond Similarly Secured (including both the Bonds outstanding and the Additional Bonds proposed to be issued), that is allocated to each Assessed Property on a Parcel-by-Parcel basis for each individual lot;

- (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 Account an amount equal to the Reserve Fund Requirement taking into account the outstanding Bonds Similarly Secured, and the Additional Bonds then proposed to be issued.

SOURCES AND USES OF FUNDS*

The table that follows summarizes the expected sources and uses of proceeds of the Bonds and additional funds received from the Developer:

Sources of Funds:

Principal Amount	\$
Developer Contribution Phase #1 Projects ⁽¹⁾	
Developer Contribution Other Costs ⁽²⁾	
Developer Redemption Agreement Property Tax Requirement	
Developer Payment PID Bond Fee/Non BQ Fee ⁽³⁾	
TOTAL SOURCES	\$

Use of Funds:

Deposit to Phase #1 Improvement Account of Project Fund	\$
Deposit to Developer Improvement Account of Project Fund ⁽¹⁾	
Deposit to Developer Project Fund ⁽²⁾	
Deposit to Capitalized Interest Account of Bond Fund	
Deposit to Reserve Account of the Reserve Fund	
Deposit to District Administration Account of the Administrative Fund	
Deposit to Developer Property Tax Account of the Administrative Fund	
Deposit to Costs of Issuance Account of the Project Fund ⁽⁴⁾	
Payment to City for PID Bond Fee/Non BQ Fee ⁽³⁾	
TOTAL USES	\$

* Preliminary; subject to change.

⁽¹⁾ Represents approximate amount of Developer's cash contribution of funds at delivery of the Bonds to pay for a portion of the costs of the Phase #1 Projects in the amount of \$3,172,090 (with \$1,795,956 of such amount to be reimbursed to the Developer pursuant to the PID Reimbursement Agreement). See "THE PHASE #1 PROJECTS — General."

⁽²⁾ Represents approximate amount of Developer cash contribution of funds at delivery of the Bonds in the amount of \$2,481,699 to pay for the costs of certain infrastructure improvements not eligible to be financed through the District.

⁽³⁾ Represents approximate amount of payment due to the City as (i) an issuance fee and (ii) the non-bank qualified adjustment fee.

⁽⁴⁾ Includes District establishment costs and other costs of issuance and Underwriter's discount of \$_____, which discount includes Underwriter's Counsel's fee of \$_____.

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DEBT SERVICE REQUIREMENTS*

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

<u>Year Ending (September 1)</u>	<u>Principal</u>	<u>Interest⁽¹⁾</u>	<u>Total</u>
2017		197,246.88	197,246.88
2018	60,000	186,375.00	246,375.00
2019	60,000	183,225.00	243,225.00
2020	65,000	180,075.00	245,075.00
2021	65,000	176,662.50	241,662.50
2022	70,000	173,250.00	243,250.00
2023	75,000	169,575.00	244,575.00
2024	75,000	165,637.50	240,637.50
2025	80,000	161,700.00	241,700.00
2026	85,000	157,500.00	242,500.00
2027	90,000	153,037.50	243,037.50
2028	90,000	148,312.50	238,312.50
2029	95,000	143,587.50	238,587.50
2030	100,000	138,600.00	238,600.00
2031	105,000	133,350.00	238,350.00
2032	110,000	127,837.50	237,837.50
2033	115,000	122,062.50	237,062.50
2034	125,000	116,025.00	241,025.00
2035	130,000	109,462.50	239,462.50
2036	135,000	102,637.50	237,637.50
2037	145,000	95,550.00	240,550.00
2038	150,000	87,937.50	237,937.50
2039	160,000	80,062.50	240,062.50
2040	165,000	71,662.50	236,662.50
2041	175,000	63,000.00	238,000.00
2042	185,000	53,812.50	238,812.50
2043	195,000	44,100.00	239,100.00
2044	205,000	33,862.50	238,862.50
2045	215,000	23,100.00	238,100.00
2046	225,000	11,812.50	236,812.50
Total	<u>\$3,550,000</u>	<u>\$3,611,059.38</u>	<u>\$7,161,059.38</u>

⁽¹⁾ Assumes an interest rate for the Series 2016A Bonds of approximately 5.25% per annum.

* Preliminary; subject to change.

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Attachment: Celina Glen Crossing POS (1634 : Glen Crossing Bond Series 2016 POS)

OVERLAPPING TAXES AND DEBT

The land within Phase #1 of the District has been, and is expected to continue to be, subject to taxes and assessments imposed by taxing entities other than the City. Such taxes are payable in addition to the Special Assessments.

In addition to the Special Assessments described above, the Developer anticipates that each lot owner in Phase #1 of the District will pay a maintenance and operation fee and/or a property owner's association fee to a homeowner's association (the "HOA"), which is expected to be formed by the Developer after delivery of the Bonds. In addition to the City, Collin County, the Celina Independent School District, and the Collin County Community College District may each levy ad valorem taxes upon land in Phase #1 of the District for payment of debt incurred by such governmental entities and/or for payment of maintenance and operations expenses. The City has no control over the level of ad valorem taxes or special assessments levied by such other taxing authorities. The following table reflects the overlapping ad valorem tax rates currently levied on property located in Phase #1 of the District. Phase #1 of the District is located entirely within Collin County.

<u>Taxing Entity</u>	<u>Ad Valorem Tax Rate⁽¹⁾</u>
Collin County	\$ 0.2250
Celina Independent School District	1.6400
Collin County Community College District	0.0820
The City	<u>0.6450</u>
Total Existing Tax Rate	<u>\$ 2.5920</u>
Estimated Average Annual Assessment in Phase #1 of the District as tax rate equivalent per Equivalent Unit ⁽²⁾	\$ 0.7400
Less Projected TIRZ Credit per parcel	<u>\$ (0.2819)</u>
Targeted Net Tax Rate Equivalent Assessment	<u>\$ 0.4581</u>
Net Estimated Total Tax Rate and Average Annual Assessment	<u>\$ 3.0501</u>

⁽¹⁾ As reported by taxing entity. Per \$100 taxable appraised value.

⁽²⁾ Derived from information presented in Appendix E of the Service and Assessment Plan. Includes Special Assessments initially levied for payment of the Bonds and the Phase #1 Reimbursement Obligation See "SECURITY FOR THE BONDS SIMILARLY SECURED -- Amount of Assessments May be Reduced by TIRZ Credit." Preliminary, subject to change.

Source: Collin Central Appraisal District

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As noted above, Phase #1 of the District includes territory located in other governmental entities that may issue or incur debt secured by the levy and collection of ad valorem taxes or assessments. Set forth below is an overlapping debt table showing the outstanding indebtedness payable from ad valorem taxes with respect to property within Phase #1 of the District, as of [DATED DATE], 2016, and City debt secured by the Special Assessments: [Hilltop to provide.]

<u>Taxing or Assessing Entity</u>	<u>Total Outstanding Debt</u>	<u>Estimated % Applicable⁽¹⁾</u>	<u>Direct and Estimated Overlapping Debt⁽¹⁾</u>
The City (Special Assessments - Bonds)	\$3,550,000*	100.00	\$3,550,000*
The City (Special Assessment - Phase #1 Reimbursement Obligation)			
The City (ad valorem taxes)			
Collin County			
Collin County Community College District			
Celina Independent School District			
	\$		\$

* Preliminary; subject to change.

⁽¹⁾ Based on the Appraisal (defined below) value of the property in Phase #1 of the District and on the tax year 2015 net taxable assessed valuations for the taxing entities.

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

If land is devoted principally to agricultural use, a landowner can apply for an agricultural valuation on the property and pay ad valorem taxes based on the land's agricultural value. All of the property in the District is currently subject to an agricultural use valuation with respect to its ad valorem taxes. Agricultural use includes production of crops or livestock. It also can include leaving the land idle for a government program or for normal crop or livestock rotation. The Developer expects that the agricultural use valuation within Phase #1 of the District will be terminated before the end of calendar 2016. The Developer expects that the agricultural use valuation with the Future Phase will be terminated when the construction of local improvements commences in such phase. See "BONDHOLDERS' RISKS — Agricultural Use Valuation and Redemption Rights."

If land qualified for an agricultural valuation but the land use changes to a non-agricultural use, "rollback taxes" are assessed for each of the previous 5 years in which the land received the lower agricultural valuation. The rollback tax is the difference between taxes paid on land's agricultural value and the taxes that the land owner would have paid if the land had been taxed on a higher market value plus interest charged for each year from the date on which taxes would have been due. If the land use changes to a non-agricultural use on only a portion of a larger tract, the land owner can fence off the remaining land and maintain the agricultural valuation on the remaining land. In this scenario, the land owner would only be responsible for rollback taxes on that portion of the land for which use changed and not for the entire tract. It is expected that rollback taxes will be paid by the Developer or purchasers from the Developer during development of Phase #1 and Future Phase of the District and prior to purchase of parcels or lots by homeowners.

SPECIAL ASSESSMENT PROCEDURES

General

Capitalized terms used under this caption and not otherwise defined in the Official Statement shall have the meanings given to such terms in the Service and Assessment Plan. As required by the PID Act, when the City determines to defray a portion of the costs of the Phase #1 Projects through Special Assessments, it must adopt a resolution generally describing the Phase #1 Projects and the land within Phase #1 of the District to be subject to Special Assessments to pay the cost therefor. The City has caused an assessment roll to be prepared (the

“Assessment Roll”), which Assessment Roll will show the land within Phase #1 to be assessed, the amount of the benefit to and the Special Assessment against each lot or parcel of land and the number of Annual Installments in which the Special Assessment is divided. The Assessment Roll will be filed with the City Secretary and made available for public inspection. Statutory notice was given to the owners of the property to be assessed and a public hearing was conducted to hear testimony from affected property owners as to the propriety and advisability of undertaking the Phase #1 Projects and funding a portion of the same with Special Assessments. The City expects to levy the Special Assessments and adopt the Assessment Ordinance immediately prior to adopting the Bond Ordinance. After such adoption, the Special Assessments will become legal, valid and binding liens upon the property against which the Special Assessments are made.

Under the PID Act, the Costs of Phase #1 Projects may be assessed by the City against the assessable property in Phase #1 of the District so long as the special benefit conferred upon the assessed property by the Phase #1 Projects equals or exceeds the Special Assessments. The costs of the Phase #1 Projects may be assessed using any methodology that results in the imposition of equal shares of cost on assessed property similarly benefited. The allocation of benefits and assessments to the benefitted land within Phase #1 of the District is set forth in the Service and Assessment Plan, which should be read in its entirety. See “APPENDIX C — Form of Service and Assessment Plan.”

Special Assessment Methodology

The Service and Assessment Plan describes the special benefit to be received by each parcel of assessable property as a result of the Phase #1 Projects, provides the basis and justification for the determination that such special benefit exceeds the Special Assessments being levied, and establishes the methodology by which the City allocates the special benefit of the Phase #1 Projects to parcels in a manner that results in equal shares of costs being apportioned to parcels similarly benefited. As described in the Service and Assessment Plan, a portion of the costs of the Phase #1 Projects is being funded with proceeds of the Bonds, which are payable from and secured by Pledged Revenues. As further set forth in the Service and Assessment Plan, the benefits received by the Phase #1 Projects are currently spread among the existing parcels in Phase #1 of the District (the “Phase #1 Assessed Property”) based on the ratio (or Equivalent Unit Factor) of the Equivalent Units within Phase #1 of the District to the total Equivalent Units within the District. Equivalent Units are calculated for each Lot Type based on the relative value of each Lot Type. As the existing parcels are subsequently divided, the Special Assessments will be further apportioned pro rata based on the Equivalent Units of the newly created parcels. “Equivalent Units” means, as to any parcel, the number of dwelling units by lot type expected to be built on the parcel multiplied by the factors shown below:

The following tables provide additional analysis with respect to special assessment methodology and certain requirements under the Amended Development Agreement relating to the issuance of the Bonds Similarly Secured, including the value to assessment burden ratio per Lot Type, equivalent tax rate per Lot Type, and leverage per Lot Type. The information in the tables was obtained from and calculated using information provided in the Service and Assessment Plan and the Appraisal. See “APPENDIX C — Service and Assessment Plan” and “APPENDIX F — Appraisal.”

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ASSESSMENT PER UNIT - PHASE #1*

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit	Total Assessments
Lot Type 1	65	\$39,000.00	1.00	\$39,000.00 per dwelling unit	\$2,535,000
Lot Type 2	94	\$39,000.00	0.83	\$32,500.00 per dwelling unit	\$3,055,000
Total	159				\$5,590,000

* Preliminary; subject to change.

VALUE TO LIEN ANALYSIS PER LOT TYPE IN PHASE #1 OF THE DISTRICT*

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit	Leverage (Land Value)	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1 (60 Ft Lots)	65	\$30,000	\$81,000	\$405,000	\$39,000	0.77	2.08	10.38
Lot Type 2 (50 Ft Lots)	<u>94</u>	\$25,000	\$67,500	\$337,500	\$32,500	0.77	2.08	10.38
Total	159							

* Preliminary; subject to change.

**SPECIAL ASSESSMENT ALLOCATION - EQUIVALENT TAX RATE
PER LOT TYPE IN PHASE #1 OF THE DISTRICT***

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Land Value)	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
Lot Type 1 (60 Ft Lots)	65	\$30,000	\$81,000	\$405,000	\$2,980	\$9.93	\$3.68	\$0.74
Lot Type 2 (50 Ft Lots)	<u>94</u>	\$25,000	\$67,500	\$337,500	\$2,483	\$9.93	\$3.68	\$0.74
Total	159							

* Preliminary; subject to change.

The Special Assessments initially allocated to the Phase #1 Assessed Property do not include any allocation of Special Assessments to the property to be owned by the HOA (the “HOA Property”). Once the HOA is created in the District and Parcel(s) that are owned by the HOA appear on the Collin Central Appraisal District records, 1% of the initial total Special Assessment allocated to the Phase #1 Assessed Property shall be reallocated to such HOA Property.

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

Collection and Enforcement of Special Assessment Amounts

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

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

In the Indenture, the City will covenant, agree and warrant that, for so long as any Bonds are Outstanding, that it will take and pursue all actions permissible under Applicable Laws to cause the Special 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 Special Assessments. Notwithstanding the foregoing, the City shall be permitted to reduce the Special Assessments by the TIRZ Credit amount pursuant to the Amended Development Agreement and the Service and Assessment Plan; provided, however, that no such reduction shall operate to reduce the amounts levied for the payment of the Annual Collection Costs.

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

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

The City will implement the basic timeline and procedures for Special Assessment collections and pursuit of delinquencies set forth in Exhibit C of the City’s Continuing Disclosure Agreement of the Issuer set forth in

APPENDIX E-1 and to comply therewith to the extent that the City reasonably determines that such compliance is the most appropriate timeline and procedures for enforcing the payment of delinquent Special Assessments.

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

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

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

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

Special Assessment Amounts

Special Assessment Amounts. The maximum amounts of the Special Assessments will be established by the methodology described in the Service and Assessment Plan. The Assessment Roll sets forth for each year the Annual Installment for each Assessed Parcel consisting of (i) the annual payment allocable to the Bonds and the Phase #1 Projects for each Parcel, which amount includes the Delinquency Component and the Prepayment Component of the interest rate component; (ii) the annual payment allocable to the Phase #1 Reimbursement Obligation; and (iii) the annual payment allocable to Annual Collection Costs. The Annual Installments for Phase #1 may not exceed the amounts shown on the Assessment Roll. The Special Assessments will be levied against the parcels comprising the Phase #1 Assessed Property as indicated on the Assessment Roll. See "APPENDIX C — Form of Service and Assessment Plan" and "APPENDIX G — Form of PID Reimbursement Agreement."

The Annual Installments shown on the Assessment Roll will be reduced to equal the actual costs of repaying the Bonds (which amount will include Prepayment Component and the Delinquency Component of the interest costs) and actual Annual Collection Costs (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances. The Annual Installments shall be further reduced by any offset or credit of applicable TIRZ Credit.

TIRZ Credit. Pursuant to the TIRZ Ordinance, the City has agreed to use TIRZ Revenues generated from each Parcel to offset a portion of the Special Assessments due as part of the Annual Installment on a parcel-by-parcel basis (the "TIRZ Credit"). The Annual Installment for each Parcel shall be calculated by deducting any TIRZ Credit applicable to such Parcel. The TIRZ Credit applicable to each Parcel shall be calculated as described under "SECURITY FOR THE BONDS SIMILARLY SECURED — Amount of Assessments May be Reduced by TIRZ Credit" and in "APPENDIX C — Form of Service and Assessment Plan." The TIRZ Revenues are generated only from ad valorem taxes levied and collected by the City on the captured appraised value in the TIRZ in any year. Consequently, TIRZ Revenues are generated only if the appraised value of real property in the TIRZ in any year is greater than the base value. The tax increment base pursuant to the TIRZ Ordinance is estimated to be \$44.69,

which is the amount of tax the City collected on the property in Phase #1 of the District for calendar year 2016. Any delay or failure of Developer to develop Phase #1 may result in a reduced amount of the TIRZ Revenue being available to credit the Special Assessments. **TIRZ Revenues generated from the captured appraised value for each parcel in Phase #1 during the development of such parcel will result in a TIRZ Credit which is not sufficient to achieve the Targeted Net Tax Rate Equivalent Assessment. The TIRZ Credit may not provide for the Targeted Net Tax Rate Equivalent Assessment until the second year that a home on such parcel is assessed. See “OVERLAPPING TAXES AND DEBT.” Such TIRZ Revenues are not pledged as Security for the Bonds Similarly Secured under the Indenture.**

Method of Apportionment of Special Assessments. For purposes of the Service and Assessment Plan, the City Council has determined that the Special Assessments shall be initially allocated to the Phase #1 Assessed Property based on the ratio (or Equivalent Unit Factor) of the Equivalent Units of each parcel to the total Equivalent Units within the District. As the existing parcels are subsequently divided, the Special Assessments will be further apportioned pro rata based on the Equivalent Units of the newly created parcels. See “APPENDIX C — Form of Service and Assessment Plan.” See “SPECIAL ASSESSMENT PROCEDURES — Special Assessment Methodology.”

The Special Assessment per Unit with respect to the Bonds and the Phase #1 Reimbursement Obligation is \$36,710.58*. See “SPECIAL ASSESSMENT PROCEDURES — Special Assessment Methodology.” The Bonds are secured by a first lien on and pledge of Pledged Revenues, including the Special Assessments. See “SECURITY FOR THE BONDS SIMILARLY SECURED” and “APPENDIX C — Form of Service and Assessment Plan.”

Prepayment of Assessments

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

Priority of Lien

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

Foreclosure Proceedings

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

Any sale of property for nonpayment of an installment or installments of a Special Assessment will be subject to the lien established for remaining unpaid installments of the Special Assessment against such property and

* Preliminary, subject to change.

such property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent installments of the Special Assessments against such property as they become due and payable. Judicial foreclosure proceedings are not mandatory. In the event a foreclosure is necessary, there could be a delay in payments to owners of the Bonds pending prosecution of the foreclosure proceedings and receipt by the City of the proceeds of the foreclosure sale. It is possible that no bid would be received at the foreclosure sale, and in such event there could be an additional delay in payment of the principal of and interest on Bonds or such payment may not be made in full. The City is not required under any circumstance to purchase the property or to pay the delinquent Special Assessment on the corresponding Phase #1 Assessed Property.

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

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

THE CITY

Background

The City is located in north central Collin and Denton Counties, 40 miles north of Dallas and 15 miles northwest of the City of McKinney. Access to the City is provided by State Highway 289 and Farm Road 455. The City covers approximately 22.3 square miles. The City’s location as part of the Dallas-Fort Worth Metroplex has resulted in rapid growth over the last several years. The City’s 2010 census population was 6,028. The City’s current population estimate is 8,600.

City Government

The City is a political subdivision and is a home rule municipality of the State of Texas, duly organized and existing under the laws of the State, including the City’s Home Rule Charter. The City adopted a Home Rule Charter on May 12, 2007. The City operates under a Council/Manager form of government with a City Council comprised of the Mayor and six Council members who are elected for staggered three-year terms. The City Council formulates operating policy for the City while the City Manager is the chief administrative officer.

The current members of the City Council and their respective expiration of terms of office are as follows:

<u>Council Member</u>	<u>Term Expires</u>
Sean Terry, Mayor	(May) 2017
Bill Webber	2019
Wayne Nabors	2018
Andy Hopkins	2018
Carmen Roberts	2017
Lori Vaden	2017
Chad Anderson, Mayor Pro Tem	2019

The principal administrators of the City include the following:

<u>Name</u>	<u>Position</u>
Mike Foreman	City Manager
Vicki Faulkner	City Secretary
Jay Toutouchian	Director of Finance

General information regarding the City and the surrounding area can be found in “APPENDIX A - General Information Regarding the City and Surrounding Area.”

THE DISTRICT

General

The PID Act authorizes municipalities, such as the City, to create public improvement districts within their boundaries or extraterritorial jurisdiction, and to impose assessments within the public improvement districts to pay for certain improvements. The District, originally known as G Bar 7 Public Improvement District, was created by Resolution No. 2016-24R of the City adopted on April 12, 2016 in accordance with the PID Act (the “Creation Resolution”) for the purpose of undertaking and financing, in phases, the cost of certain public improvements within the District, including the Phase #1 Projects, authorized by the PID Act and approved by the City Council that confer a special benefit on the portion of the District property being developed in a phase. On June 14, 2016, the City adopted Resolution No. 2016-[], changing the name of the District to Glen Crossing Public Improvement District. The District is not a separate political subdivision of the State and is governed by the City Council. A map of the property within the District is included on page v hereof.

Powers and Authority

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

Pursuant to the PID Act and the Creation Resolution, the City has the power to undertake, or reimburse a developer for the costs of, the financing, acquisition, construction or improvement of the Phase #1 Projects. See “THE PHASE #1 PROJECTS.” Pursuant to the authority granted by the PID Act and the Creation Resolution, the City has determined to undertake the construction, acquisition or purchase of certain road, water, sanitary sewer, drainage, and park and open space public improvements within Phase #1 of the District and outside of the District comprising the Phase #1 Projects and to finance a portion of the costs thereof through the issuance of the Bonds. The City has further determined to provide for the payment of debt service on the Bonds through Pledged Revenues. See “SPECIAL ASSESSMENT PROCEDURES” herein and “APPENDIX C — Form of Service and Assessment Plan.”

THE PHASE #1 PROJECTS

The following information has been provided by the Developer. Certain of the following information is beyond the direct knowledge of the City, the City’s representatives and professional providers, the City’s Financial Advisor and the Underwriter, and none of the City, the City’s Financial Advisor or the Underwriter have any way of guaranteeing the accuracy of such information. The Developer has reviewed this Official Statement and warrants and represents that neither (i) the information under the caption “THE PHASE #1 PROJECTS” nor (ii) the

information relating to the Phase #1 Projects under the caption “BONDHOLDERS’ RISKS” contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made herein, in the light of the circumstances under which they are made, not misleading. At the time of delivery of the Bonds to the Underwriter, the Developer will deliver a certificate to this effect to the City and the Underwriter.

General

A portion of the costs of construction of the Phase #1 Projects will be funded with proceeds of the Bonds and a portion will be paid by the Developer under the terms of the PID Reimbursement Agreement and the Amended Development Agreement. Pursuant to the PID Act, certain costs of the Phase #1 Projects will be paid from or partially reimbursed with Special Assessment Revenues or the proceeds of Additional Bonds in accordance with the Amended Development Agreement, the PID Reimbursement Agreement and the Indenture. See “SECURITY FOR THE BONDS SIMILARLY SECURED — Additional Obligations; Additional Bonds.” The Phase #1 Projects will be dedicated to the City, either by fee or through a public use easement. The Developer is responsible for the completion of the construction, acquisition or purchase of the Phase #1 Projects, and the Developer or its designee will act as construction manager. See “THE PHASE #1 PROJECTS — General” and “THE DEVELOPMENT — Development Plan.”

The Appraisal (as defined below) estimates that the prospective value of the fee simple interest in the 159 residential lots in Phase #1 of the District after construction, acquisition or purchase of the Phase #1 Projects is \$10,650,000. See “APPRAISAL OF PROPERTY WITHIN THE DISTRICT.” The Costs of the Phase #1 Projects is expected to be approximately \$5,958,968*. A portion of such costs in the amount of \$2,786,878 is expected to be paid with proceeds of the Bonds. The balance of the Costs of the Phase #1 Projects is expected to be paid by (a) the City in the approximate amount of \$1,795,956, according to the terms of the PID Reimbursement Agreement or the issuance of Additional Bonds and (b) the Developer, through a contribution of approximately \$1,137,390.* At delivery of the Bonds, the Developer expects to advance and contribute funds in the approximate amount of \$3,172,090* in order to pay for the balance of the costs of the Phase #1 Projects not funded by the proceeds of the Bonds. See “SOURCES AND USES OF FUNDS.”

Phase #1 Projects. Phase #1 Projects, a portion of which are being financed with proceeds of the Bonds, include road, water, sanitary sewer, drainage and parks and open space improvements benefitting Phase #1 of the District.

Road Improvements.

The road improvements within Phase #1 include construction of perimeter and internal road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, traffic control devices. The road improvements will provide street access to each lot within Phase #1 as well as access to community roadways and state highways. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water Distribution System Improvements.

The water distribution system improvements within Phase #1 consist of construction and installation of on-site and off-site water lines, mains, pipes, valves and appurtenances, necessary for the water distribution system, as well as related testing, trench safety and erosion protection, necessary to service the Phase #1 Assessed Property. The water distribution system improvements will extend water service to the boundaries of Phase #1 and to all lots within Phase #1. The water distribution system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Sanitary Sewer Improvements.

* Preliminary, subject to change.

The sanitary sewer improvements within Phase #1 consist of construction and installation of on-site and off-site pipes, service lines, manholes, encasements and appurtenances necessary to provide sanitary sewer service to the Phase #1 Assessed Property. The sanitary sewer improvements will extend wastewater service to the boundaries of Phase #1 and to all lots within Phase #1. The sanitary sewer improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Storm Drainage Improvements.

The storm drainage improvements within Phase #1 consist of construction and installation of pipes, inlets, manholes, detention ponds and appurtenances necessary to provide storm drainage to the Phase #1 Assessed Property. The storm drainage improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Park and Open Space Improvements.

The park and open space improvements within Phase #1 consist of construction and installation of landscaping, walls, and entries. The park and open space improvements will be designed and constructed in accordance with City standards and specifications and will be owned by the City either by fee or through a public use easement and maintained by the Homeowners' Association.

The following table reflects the total expected Budgeted Costs of the Phase #1 Projects.

<u>Type of Improvement</u>	<u>Cost⁽¹⁾</u>
Road Improvements	\$1,501,138
Water Distribution System Improvements	572,950
Sanitary Sewer Improvements	691,366
Storm Drainage Improvements	1,377,040
Park and Open Space Improvements	512,950
Other soft, Contingency and Miscellaneous Costs	<u>1,303,524</u>
TOTAL COST OF PHASE #1 PROJECTS	\$5,958,968

(1) See Appendix B to the Service and Assessment Plan for the detailed costs of the Phase #1 Projects.

Additionally, the Developer plans to construct certain private improvements at an approximate cost of \$999,053 within the District (including grading, water and sewer services, franchise utility services, landscaping and other miscellaneous items related to the Private Improvements). In addition, the Developer plans to construction a pool and related facilities, fencing and landscaping (collectively, the "Amenity Center") to serve the entire District at an approximate cost of \$800,000 (collectively, the aforementioned items and the Amenity Center being the "Private Improvements"), over the next 2 years. The costs of such Private Improvements will be paid entirely by the Developer without reimbursement by the City. At the time the Bonds are issued, it is anticipated that the Developer will deposit \$999,053 into the Developer Private Improvement Account of the Developer Project Fund to fund the certain of the costs of the Private Improvements in accordance with the provisions of the Amended Development Agreement and the PID Reimbursement Agreement to be held by the Trustee separate and apart from the other funds created and administered under the Indenture. Funds held in the Developer Project Fund do not secure repayment of the Bonds Similarly Secured.

The Amended Development Agreement provides for design and construction of the Phase #1 Projects in accordance with City ordinances and regulations and the anticipated phasing for the development of all property within the District. Additionally, the Amended Development Agreement outlines each party's rights and obligations related to development of the property within the District. As the District lies completely within the city limits of the City, the City's zoning and subdivision regulations provide specific land use rules and regulations for the

* Preliminary, subject to change.

development of the property within the District. Presently, property in the District is zoned under the City's Planned Development District No. 23, enacted on February 10, 2015 by City Ordinance Number 2015-13 ("PD No. 23") "Planned Development Ordinance 2015-13." See "THE DEVELOPMENT – Zoning/Permitting."

Ownership and Maintenance of Improvements

The Phase #1 Projects will be dedicated to and accepted by the City either by fee or through a public use easement and will constitute a portion of the City's infrastructure improvements. The City will provide for the ongoing operation, maintenance and repair of the road, water, sanitary sewer, and storm drainage portions of the Phase #1 Projects constructed and conveyed and the park and open space portion of the Phase #1 Projects will be owned by the City and maintained by the HOA, as outlined in the Service and Assessment Plan. The Private Improvements (not owned by a private utility company or a lot owner within the District) will be dedicated to and accepted by the HOA. The HOA will provide for the ongoing operation, maintenance and repair of the Private Improvements through the administration of a maintenance and operation fee and/or a property owner's association fee to be paid by each lot owner within the District.

THE DEVELOPMENT

The following information has been provided by the Developer. Certain of the following information is beyond the direct knowledge of the City, the City's representatives and professional providers, the City's Financial Advisor, and the Underwriter, and none of the City, the City's Financial Advisor or the Underwriter have any way of guaranteeing the accuracy of such information. The Developer has reviewed this Official Statement and warrants and represents that neither (i) the information under the caption "THE DEVELOPMENT" nor (ii) the information relating to the Developer's plan for developing the land within the District to be known as "Glen Crossing" (the "Development") under the caption "BONDHOLDERS' RISKS" contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made herein, in the light of the circumstances under which they are made, not misleading. At the time of delivery of the Bonds to the Underwriter, the Developer will deliver a certificate to this effect to the City and the Underwriter.

Overview

The Development is an approximately 119-acre development project, of which approximately 109 acres are located within the District, located wholly within the corporate limits of the City, in the southwest quadrant of the intersection of CR-55 and CR-117 and is in a city that is poised for significant growth as the overall DFW MSA continues its growth trajectory. The Development is located approximately 1 mile east of the Dallas North Tollroad service extension. The City is located in the north-central region of the Dallas-Fort Worth-Arlington TX Metropolitan Statistical Area (the "DFW MSA").

The Development is located in a fast growing development area situated in the southwest quadrant of the City. Property within the District comprising the Development is currently under contract by Wynne/Jackson. Prior to the acquisition of the property, currently anticipated to be on or before June 17, 2016, Wynne/Jackson will assign the purchase contract to the Developer. The Development will be developed by the Developer as a long-term development to consist of residential land use. See "THE DEVELOPER — History and Financing of the District." In addition, the Development will include parks, trails, amenity center consisting of a pool and related facilities and open space areas for its residents, and others, to enjoy. This combination will provide its residents a community environment in which to live. Furthermore, the Development is located within the Celina Independent School District.

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The property in the Development will be owned and developed by the Developer, as described below in “THE DEVELOPER — Description of the Developer.” The Developer expects to complete the Development in two phases over a 3 year period, and the Developer’s current expectations regarding estimated home prices in Phase #1 and the Future Phase of the District are as follows:

ESTIMATED HOME PRICES IN PHASE #1

<u>Lot Size</u> <u>(Sq. Ft.)</u>	<u>Quantity</u>	<u>Base Lot</u> <u>Price</u>	<u>Average Base</u> <u>Home Price</u> ⁽¹⁾	<u>Estimated Absorption</u> <u>Period (Months)</u>
60	65	\$81,000	405,000	19
50	94	\$67,500	337,500	19
Total	159			

⁽¹⁾ The values provided as the Average Base Home Prices are an average value in current dollars (with estimated price escalation up to the time of development of the Future Phase) over the life of the Bonds.

ESTIMATED HOME PRICES IN FUTURE PHASE

<u>Lot Size (Sq.</u> <u>Ft.)</u>	<u>Quantity</u>	<u>Base Lot Price</u>	<u>Average Base</u> <u>Home Price</u> ⁽¹⁾
60	85	\$87,610	\$438,048
50	105	\$73,008	\$365,040
Total	190		

⁽¹⁾ The values provided as the Average Base Home Prices are an average value in current dollars (with estimated price escalation up to the time of development of the Future Phase) over the life of the Bonds.

Builder Contracts and Expected Build-Out Schedule

The Developer’s current expectations regarding the build-out of the entire Development and sale of lots therein are shown in the following tables. The Developer has an executed purchase contract with Horizon Homes, LLC (“Horizon Homes”) for 79 lots in Phase #1 of the District and has an executed letter of intent with Perry Homes (“Perry Homes”) expressing its intent to purchase 78 lots in Phase #1 of the District (two lots will be held as view lots or for future model homes). Horizon Homes has made an earnest money deposits totally \$864,675, which deposits are being held in escrow by a title company and will be credited against the lot price for the purchase of a lot by Horizon Homes commencing with the sale of the 48th lot.

Horizon Homes is a division of Highland Homes, an employee-owned company based in Texas. Horizon Homes is primarily in the Dallas-Fort Worth and Houston areas. Highland Homes was founded in 1985 and builds over 2800 homes a year in the Austin, Dallas-Fort Worth, Houston and San Antonio markets.

Perry Homes is the eighth-largest private homebuilder in the nation and has built more than 45,000 homes in Texas since its founding in 1967. Perry Homes was established over 48 years ago and has offices in Austin, Houston and San Antonio.

EXPECTED BUILD-OUT SCHEDULE OF THE DISTRICT

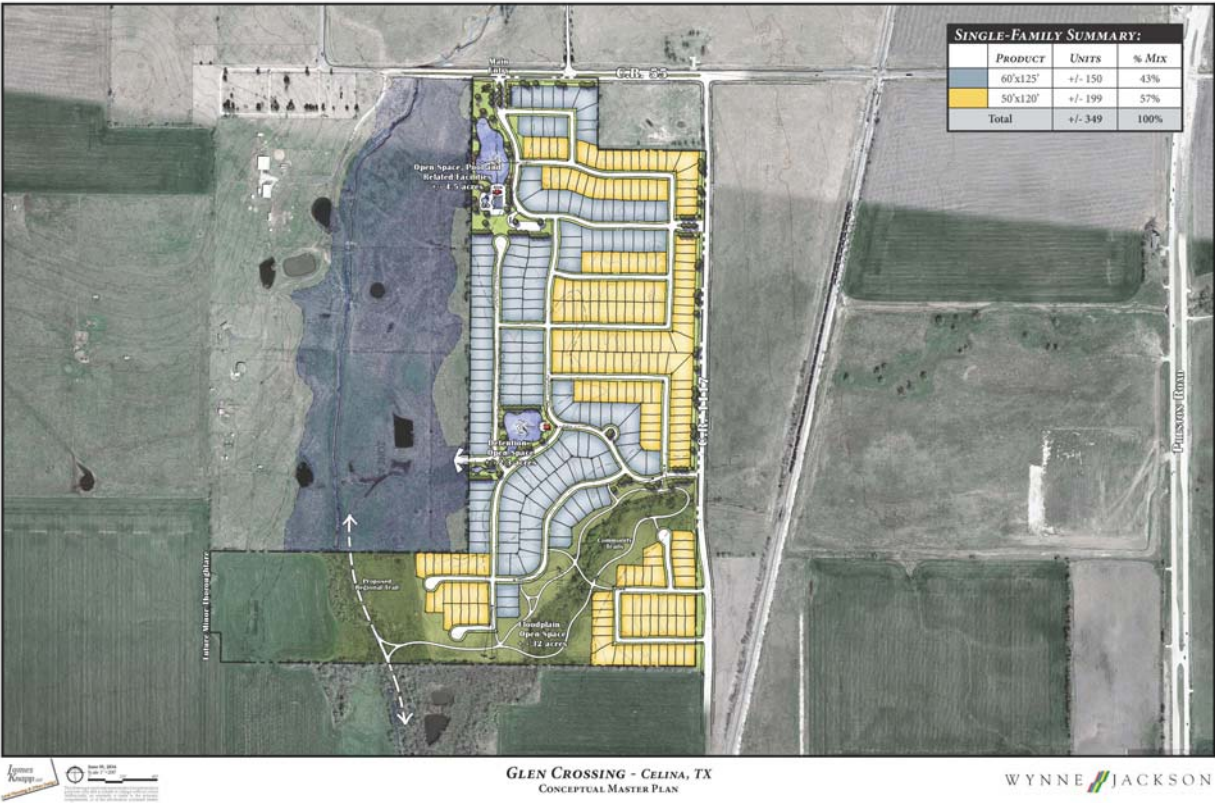
<u>Phases</u>	<u>Single-Family Lots</u>	<u>Expected Infrastructure</u> <u>Completion Date</u>	<u>Expected Final</u> <u>Sale Date</u>
Phase #1	159	Q4 2017	Q1 2019
Future Phase	190	Q1 2019	Q1 2021
Total	349		

Development Plan

The Developer plans to commence development before the end of calendar year 2016. The current development plan is to develop the Phase #1 Projects followed by the development of the Future Phase of the District. See THE DEVELOPMENT — Development Plan — Concept Plan,” “PHASE #1 PROJECTS” and “APPENDIX C — Form of Service and Assessment Plan.”

Proceeds of the Bonds will pay for a portion of the costs of the Phase #1 Projects. The City expects to finance the balance of the Phase #1 Projects not paid with proceeds of the Bonds through the issuance of Additional Bonds and by a Developer contribution. See “SECURITY FOR THE BONDS SIMILARLY SECURED — Additional Obligations; Additional Bonds.”

Concept Plan: Below is the current concept plan of the Development as approved by the City. The concept plan is conceptual and subject to change consistent with the City’s zoning and subdivision regulations.



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Attachment: Celina Glen Crossing POS (1634 : Glen Crossing Bond Series 2016 POS)

Phased PID Bonds

The City expects to issue Phased PID Bonds to finance the cost of the Authorized Improvements benefitting the Future Phase of the District. Such Phased PID Bonds will be secured by separate special assessments levied pursuant to the PID Act only on assessable property within such Future Phase of the District. The Developer anticipates that Phased PID Bonds will be issued in 2017 or 2018.

The Bonds, any Additional Bonds, and any Phased PID Bonds issued by the City are separate and distinct issues of securities. The City reserves the right to issue Phased PID Bonds for any purpose permitted by the PID Act, including those described above.

Engineer's Report

In connection with the issuance of the Bonds, Kirkman Engineering (the "Engineer") prepared an engineering report dated June 14, 2016 (the "Engineer's Report") containing the results of a preliminary study to determine the feasibility of the Development with respect to site and soils conditions; land use review and approvals, including zoning; construction permits and approvals, environmental conditions; zoning land use and proffers; and water, sewer and other utility access and availability. The Engineer's report concludes that the District is necessary and warranted for the Development. The Development is consistent with other single-family projects in the area. The engineering required to develop the District is feasible and will provide benefits to the Celina community. The engineer has also reviewed the construction schedule for the Phase #1 Projects and estimated cost of construction and concluded in the report that the construction costs, as shown in the report, and construction schedule are reasonable. See APPENDIX H - Engineer's Report."

Zoning/Permitting

The District is currently zoned under PD No. 23, as amended. PD No. 23 allows residential uses and establishes guidelines pertaining to purpose, height, area, and setbacks for specific single-family residential lots. PD No. 23 also regulates design and development standards and specifications regarding neighborhood regulations and the HOA. Because the District lies within the city limits of the City, the City's zoning and subdivision regulations control all aspects of development not specifically set forth in PD No. 23.

Amenities

The Developer plans to construct the Private Improvements at an approximate cost of \$1,268,901 within the District (including grading, water and sewer services, franchise utility services, landscaping and other miscellaneous items related to the Private Improvements) and Amenity Center to serve the entire District at an approximate cost of \$800,000, over the next 2 years. Under the Amended Development Agreement, the City will not levy special assessments on assessable property within the Future Phase unless and until the Developer completes the construction of the Amenity Center. The Amended Development Agreement provides that a City - issued certificate of occupancy is evidence of completion of the Amenity Center. The costs of such Private Improvements will be paid entirely by the Developer without reimbursement by the City. Current plans for the Future Phase include additional Private Improvements consisting of a dog park, hike and bike trails with related landscaping, a passive recreational field, and outdoor meeting space that will further enhance the overall Development.

Other City Improvements

Pursuant to the Amended Development Agreement the City has agreed to design and the Developer has agreed to construct and share in the costs of the City Improvements. While these City Improvements do not specifically benefit the District, they will benefit the City as a whole and include roadway improvements, water distribution system improvements and sanitary sewer collection system improvements. In connection with the

issuance of the Bonds, the Developer will contribute \$1,482,648*, which funds will be held by the Trustee in escrow in the Developer Public Improvement Account of the Developer Project Fund for the Developer's share of a portion of the costs of the City Improvements. At the time the Phased PID Bonds are issued, it is anticipated that the Developer will make an additional contribution of \$1,980,927*, to fund the balance of its share of the costs of the City Improvements. The Trustee will hold the funds in the Developer Public Improvement Account of the Developer Project Fund separate and apart from the other funds created and administered under the Indenture. Funds held in the Developer Project Fund do not secure repayment of the Bonds Similarly Secured. See APPENDIX C — Service and Assessment Plan.

Environmental

A Phase One Environmental Site Assessment (a "Phase I ESA") on approximately 118 acres, which acres included the property within the District, was completed on April 15, 2016. Based on the information presented in the Phase I ESA, there was no evidence that the Development was under environmental regulatory review or enforcement action. The site reconnaissance, regulatory database review and historical source review revealed no evidence of recognized environmental conditions in connection with the site.

According to the website for the United States Fish and Wildlife Service, the Whooping Crane is an endangered species in Collin County and both the Whooping Crane and the Least Tern are endangered species in Denton County. The Developer is not aware of any endangered species located on District property.

Utilities

The City will provide both water and wastewater retail service to the property in the District. The City purchases its water wholesale from the Upper Trinity Regional Water District, and the City maintains its own water distribution system and wastewater collection and treatment system. In the Amended Development Agreement, the Developer agreed to construct certain off-site public infrastructure necessary to bring water and wastewater services to the property in the District so that the City's water distribution system and wastewater collection and treatment system will have sufficient capacity to provide water and wastewater service to the property in the District. The City and the Developer will share the costs the Off-Site Public Improvements as described in the Amended Development Agreement.

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

Competing Developments

The Development is expected to compete with projects in the market generally. The Developer believes the following projects currently appear to be the most direct competition for the Development:

Lakes at Mustang Ranch, Celina, Texas: Lakes at Mustang Ranch is located 5 1/2 miles from the Development and is planned for approximately 1,799 single-family units. It is anticipated that home prices in Lakes at Mustang Ranch will range from \$200,000 to \$400,000. Development of Phase #1 commenced in 2015 and will be completed in 2016; Phase 1 consists of approximately 334 lots. Lakes at Mustang Ranch is being developed by the Cambridge Companies.

Light Farms, Celina, Texas: Light Farms is located 3.5 miles from the Development and is planned for approximately 2,208 single-family units. It is anticipated that home prices in Light Farms will range from \$273,000 to \$780,000. Development commenced in 2012; approximately 1,050 units remain. Light Farms is being developed by Republic Property Group.

Carter Ranch, Celina, Texas: Carter Ranch is located 2 miles from the Development and is planned for approximately 909 single-family units. It is anticipated that home prices in Carter Ranch will range from \$268,000

* Preliminary; subject to change.

to \$624,000. Development commenced in 2003; 70 lots are under construction and 71 lots remain to be built. Carter Ranch is being developed by Centurion American Development.

Parkside, Celina, Texas: Parkside is located 1 mile from the Development and is planned for approximately 156 single-family units. It is anticipated that home prices in Parkside will range from \$275,000 to \$365,000. Development commenced in 2014 and Phase 1 of 78 lots was completed in late 2015; 78 lots remain to be built. Parkside is being developed by Forestar Real Estate Group.

Creeks of Legacy, Celina Texas: Creeks of Legacy is located 5 miles from the Development and is planned for approximately 1,021 single-family units. It is anticipated that home prices in Creeks of Legacy will range from 50 ft. lots \$270,000 to \$350,000, 60 ft. lots \$300,000 to \$400,000 and 70 ft. lots \$313,000 to \$410,000. Development of Phase 1 of approximately 427 lots were completed in late 2015 and mid 2016; 594 units remain. Creeks of Legacy is being developed by Centurion American.

Wells North, Celina Texas: Wells North is located 2 miles from the Development and is planned for approximately 803 single-family units. It is anticipated that home prices in Wells North will range from 50 ft. lots \$260,000 to \$325,000 and 60 ft. lots \$312,000 to \$390,000. Development has not yet commenced. Wells North is being developed by Hillwood Communities.

Well South, Celina, Texas: Wells South is located 5 miles from the Development and is planned for approximately 1,370 single-family units. It is anticipated that home prices in Wells South will range from 50 ft. lots \$260,000 to \$325,000 and 60 ft. lots \$312,000 to \$390,000. Development of Phase 1 commenced in May 2016 and will be completed in 2017.. Wells South is being developed by Hillwood Communities.

Windsong Ranch, Prosper, Texas: Windsong Ranch is located 10 miles from the Development and is planned for approximately 2,400 single-family units, 300 multifamily units, 300 townhome units and 200 acres of commercial. It is anticipated that single family home prices in Windsong Ranch will range from \$375,000 to \$725,000. Development commenced in 2013; 1,916 units remain. Windsong Ranch is being developed by Terra Verde Group:

Owensby Farm, Celina, Texas: Owensby Farm is located 2 miles from the Development and is planned for approximately 397 single-family units. It is anticipated that home prices in Owensby Farm will range from \$331,000 to \$461,000. Development has not yet commenced. Owensby Farm is being developed by Centurion American.

THE DEVELOPER

The following information has been provided by the Developer. Certain of the following information is beyond the direct knowledge of the City, the City's Financial Advisor and the Underwriter, and none of the City, the City's Financial Advisor or the Underwriter have any way of guaranteeing the accuracy of such information. The Developer has reviewed this Official Statement and warrants and represents that neither (i) the information herein under the caption "THE DEVELOPER" nor (ii) the information relating to the Developer under the subcaption "BONDHOLDERS' RISKS" contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made herein, in the light of the circumstances under which they are made, not misleading.

General

In general, the activities of a developer in a development such as the District include purchasing the land, designing the subdivision, including the utilities and streets to be installed and any community facilities to be built, defining a marketing program and building schedule, securing necessary governmental approvals and permits for development, arranging for the construction of roads and the installation of utilities (including, in some cases, water, sewer, and drainage facilities, as well as telephone and electric service) and selling improved lots and commercial reserves to builders, developers, or other third parties. The relative success or failure of a developer to perform such

activities within a development may have a material effect on the security of the revenue bonds, such as the Bonds, issued by a public improvement district. A developer is generally under no obligation to a public improvement district, such as the District, to develop the property which it owns in a development. Furthermore, there is no restriction on the developer's right to sell any or all of the land which the developer owns within a development. In addition, a developer is ordinarily the major tax and assessment payer within a district during its development.

Description of the Developer

The Developer is an affiliate of Wynne/Jackson and was created by Wynne/Jackson for the purpose of acquiring and developing the property in the District. The Developer is a nominally capitalized limited partnership, the primary asset of which is unsold property within the District. The Developer will have no source of funds with which to pay Special Assessments or taxes levied by the City or any other taxing entity other than funds resulting from the sale of property within the District or funds advanced to the Developer by an affiliated party or from funds drawn from the A&D Loan (defined below). The Developer's ability to make full and timely payments of Special Assessments or taxes will directly affect the City's ability to meet its obligation to make payments on the Bonds. See "BONDHOLDERS' RISKS — Dependence Upon the Developer."

The General Partner of the Developer is W/J Celina GP LLC, a Texas limited liability company ("W/J Celina GP"). W/J Celina GP manages the Developer; however, the Developer [has contracted/intends to contract] with Wynne/Jackson to, among other things, oversee, perform, manage, and complete (or cause to be performed and completed) the preparation, design, approval and development of the residential lots within the District. The Developer has two limited partners, one of whom is H4GC, LLC, a Texas limited liability company ("HW LP") an affiliate of Hillwood Communities, a Perot company ("Hillwood"). Pursuant to the partnership agreement of the Developer, HW LP, has made a 90% equity contribution and initially has 90% of the voting percentage decreasing to 50.4% as certain distribution and rate of return milestones are met. HW LP, as the partner with the majority voting percentage, must approve certain actions of the Developer, including the overall and annual project budgets, construction phase plans, incurrence of indebtedness by the Developer, commencement of construction of Phase #1 and the Future Phase and lot sales contracts. For a description of past and current Hillwood projects in the Dallas/Ft. Worth Metroplex see "THE DEVELOPER — Description Past and Current Projects of Hillwood."

Wynne/Jackson was formed in the late 1970's by Mr. Clyde C. Jackson, Jr. and Mr. Toddie L. Wynne (deceased). Mr. Jackson is the Chairman and Chief Executive Officer of Wynne/Jackson. Wynne/Jackson is a real estate development firm with a diverse background and a track record of successful developments and engagements over its nearly 40 year history. Headquartered in Dallas, Texas, Wynne/Jackson has operated on a regional basis in Texas, Georgia, Oklahoma, and New Mexico. The principals have developed properties worth in excess of \$1 billion and have provided asset and property management, leasing, marketing, and consulting services on over \$1.5 billion of real estate developments and projects and over 10,000 residential lots.

Description of Past and Current Projects of Wynne/Jackson

While historically the company's investment and development activity was concentrated on residential and commercial development, it is residential land development that has proven to be its core business. Wynne/Jackson and its affiliates work closely with local municipalities, builders, commercial developers, and public school systems as part of its overall master plan. Wynne/Jackson works with top builders to deliver the latest concepts ranging from small to large residential communities as well as commercial and multi-use developments in the Dallas/Ft. Worth Metroplex. Close proximity or easy access to schools, services and shopping as well as to work, entertainment and recreation centers are the hallmarks of Wynne/Jackson communities. The following is a brief sampling of past and current development projects of Wynne/Jackson and its related entities:

Name	Location	Description	Completion
Allianz Financial Centre (Univision Centre)	Dallas, Texas	Approx. 500,000 sq ft commercial building	Completed and sold in the mid-1980's

Name	Location	Description	Completion
Cottonwood Crossing	Allen, Texas	Single-phase development of approx. 13 acres into 48 single-family home lots	Land acquired in 2014; Lots developed in 2015. Approx. 75% sold to Normandy Homes as of May 2016.
Country Lakes	Argyle and Denton, Texas	Approx. 640-acres acquired in 2000 for a master-planned development planned to consist of approximately 1,700 single-family lots	Phases 1 and 2 (approximately 640 lots) were developed and sold. Remaining land was deeded to the lender in 2010.
Duncan Tract	Dickinson, Texas	Approximate 490 acres acquired in 2006 in south Houston area	Land was purchased, entitled, and then sold in 2015
Grand Peninsula	Grand Prairie, Texas	Approximate 410 acre master planned community consisting of approximately 1,235 lots and some commercial land	Land was acquired in 2000; lots developed with final sell out of the lots and commercial land in 2013
The Homestead	Sunnyvale, Texas	Approximate 72 acres acquired in 2014 and 2016; planned for approximately 95 single family lots	Approximately 43 sf lots developed in 2015; approximately 67% sold as of May 2016; Remaining land of approximately 35 acres planned to be developed in 2016
Live Oak Creek	Fort Worth, Texas	Approximate 255 acres acquired in 2006; planned for approximately 800 residential lots and a small retail site	Approximately 237 lots developed and are near sellout. Remaining land is currently being offered for sale.
Meadow Creek	Austin, Texas	Approximate 2,000-acre master planned community planned for single-family homes	Purchased, entitled, and then sold in the mid 1980's
Millennium	Addison, Texas	Approximate 360,000 sf 14 story office building	Developed and opened in 2000; leased and then transferred to principal investor
Moore Farm	Carrollton, Texas	Approximate 145 acres planned for approximately 385 residential lots	Land purchased in 2003, lots developed with sell out in 2007
Northside	Richardson, Texas	Approximate 13.3-acres mixed-use student housing, multi-family, and retail project on the campus of University of Texas Dallas; planned for 313 units/595 beds and approximately 20,000 sf of commercial area	Construction commenced in May 2015 and completion is targeted for August 2016.
Plaza of the Americas	Dallas, Texas	Approximate 5.5-acre, 3.5 million sq ft mixed-use complex	Developed in 1980; sold in 1990
The Shops at Central Park	Bedford, Texas	Approximate 200,000 sq ft shopping center and approximate 80,000 sq ft office building	Developed in late 1980's; deeded to lender around 2000
The Shores of Eastern Hills	Garland, Texas	Approximate 190 acres planned for approximate 490 single family lot multi-phased development	Land acquired in 1995; fully developed with sell out in 2006
Shores on Lake Ray Hubbard	Rockwall, Texas	Approximate 350 acres planned for single family lots	Land acquired in 1996; Ph 1 of approximately 350 lots developed and sold; Remaining land sold in 1999
Texas Commerce Bank (Chase Bank)	Hurst, Texas	Approximate 120,000 sq ft office building	Land acquired in the mid 1980's; Office building developed, leased and then sold around 2000

Name	Location	Description	Completion
Towne Mill	Canton, Georgia	Approximate 430 acre master planned community planned for approximately 750 single family lots	Land acquired in 2004; First phase developed of approximately 350 lots in 2006; project conveyed to lender via Deed in Lieu in 2009 ⁽¹⁾
The Tribute	Frisco, Texas	Approximate 553 acres golf community planned for single-family and other uses	Land acquired in 2006; Approximately 480 lots developed in Ph 1; additional lots have been and are being developed by a partner in the project; Currently ongoing
Waterford Parks & Waterford Crossing	Allen, Texas	Approximately 400 acres planned for approximately 924 residential lots	Land acquired in 1999; Approximately 730 lots were developed and the remaining land sold in 2010
Waterford Trails	Allen, Texas	Approximately 80 acres planned for approximately 198 residential lots and some commercial use	Land acquired in 2000; Lots developed and remaining land sold in 2007
Waterstone	Frisco, Texas	Approximate 48 acres and 38 developed lots	Project acquired from home builder in 2007; Bank took title through a Deed in Lieu of Foreclosure in 2009 ⁽²⁾
The West Tract	Kaufman County (Forney area), Texas	Approximate 921 acres planned for residential lots	Land acquired in 2004; Project entitled and then sold in 2006
Westwood Shores	Rowlett, Texas	Approximately 92 acres planned for approximately 261 residential lots	Land acquired in 1993; Lots developed and sold out in 2001

⁽¹⁾ See "BONDHOLDERS' RISKS -- Dependence on Developer -- Towne Mill Loan.

⁽²⁾ See "BONDHOLDERS' RISKS -- Dependence on Developer -- Waterstone Loan.

Description Past and Current Projects of Hillwood

Hillwood, a Perot company, is ranked as one of the top commercial and residential real estate investors and developers in the country. Since its inception in 1988, Hillwood Communities, the residential division for Hillwood, has built more than 80 communities throughout the United States and Costa Rica, and has developed more than 23,000 lots. Currently, the company oversees 31 active communities in 23 cities and six states. Hillwood's industrial developments currently house facilities for 58 companies listed on the Fortune 500, Global 500 or Forbes List of Top Private firms. Hillwood is best known for its Alliance brand that includes the 17,000-acre AllianceTexas, 4,474-acre AllianceFlorida at Cecil Commerce Center, and 2,000-acre AllianceCalifornia. Some of Hillwood's past and current single-family residential developments in Dallas/Ft. Worth Metroplex are shown below:

Project	City	State	Approximate Size
Harvest	Northlake	TX	3,200 Lots
Union Park	Little Elm	TX	3,200 Lots
Park Glen	Fort Worth	TX	3,000 Lots
Heritage	Fort Worth	TX	3,250 Lots
Pomona	Manvel	TX	1,900 Lots
Wells South	Celina	TX	1,236 Lots
Liberty	Melissa	TX	1,315 Lots
Russell Creek	Plano	TX	980 Lots

Project	City	State	Approximate Size
Saratoga	Fort Worth	TX	851 Lots
Wells North	Celina	TX	846 Lots
Twin Creeks	Allen	TX	787 Lots
Chisholm Ridge	Fort Worth	TX	748 Lots
Creek wood	Fort Worth	TX	700 Lots
Falcons Lair	Mesquite	TX	574 Lots
Oakmont	Corinth	TX	568 Lots
Hulen Heights	Fort Worth	TX	545 Lots
Willow Bay	Frisco	TX	467 Lots
Mustang Creek	Forney	TX	442 Lots
Harmony	Red Oak	TX	427 Lots
Stone Brooke Crossing	McKinney	TX	412 Lots
Gateway	Glen Heights	TX	408 Lots
Shores	Rockwall	TX	353 Lots
Meadow Oaks	Corinth	TX	301 Lots
Stonebriar	Frisco	TX	300 Lots
Brockdale	Lucas	TX	206 Lots
Sarita Valley	Leander	TX	199 Lots
Willow Bend	Plano	TX	189 Lots
Morrison	DFW	TX	171 Lots

Marketing of the Development by the Developer

The Development is planned to be developed in two phases. The Developer expects all lots in each respective phase to be contracted for sale to two homebuilders prior to commencement of development of the lots in that phase. The lot sale contracts for Phase #1 are expected to require the purchase of the lots in Phase #1 by the builders over an approximate 18 month period once the lots are developed, with minimum required lot closing each calendar quarter. Each homebuilder is expected to commence construction of at least one model home upon completion of the development of the lots in Phase #1. The homebuilders are expected to use their model homes as sales offices and offer a variety of homes for sale in the Development. Earnest money deposits will be received from each builder upon execution of the lot sales contracts and such earnest money is expected to be returned to the builders as they fulfill their purchase obligations under the lot contracts.

Executive Biographies of Officers and Principals of Developer and Wynne/Jackson

Clyde C. Jackson, Jr., Chairman and Chief Executive Officer

Mr. Jackson is Chairman and Chief Executive Officer of Wynne/Jackson. Wynne/Jackson has been involved in multiple mixed-use developments for over 30 years. The company developed over 4 million square feet of office/hotel and retail in downtown Dallas, including the Plaza of the Americas and the Marriott Hotel. In addition, the company has been active in the development of over 10,000 acres of master planned communities in Texas and Georgia. The company also has been active in acquiring income producing properties.

Education/Qualifications: Mr. Jackson attended Southern Methodist University School of Business and Law School. There he earned a Juris Doctorate and was admitted to the Texas State Bar.

Mr. Jackson has been a member of the Urban Land Institute (ULI), an international real estate association, since 1974, a Trustee since 1987 and served as a Vice President. Among other activities for the ULI, Mr. Jackson is a ULI Governor, is Chairman of the ULI Student Housing Council, and previously served as chairman of the Urban Development Mixed-use Council for over six years. In addition, he has had the opportunity to participate in analysis and studies of many of the major mixed-use developments in North America, Canada, and select European capitals. In association with the ULI, Mr. Jackson also participated in the land use planning assignment for one of the largest remaining development tracts on the island of Oahu, Hawaii of approximately 41,000 acres. In addition, Mr. Jackson participated in the creation of a new town plan for Zoetemeer, Holland.

Frank Murphy, Senior Vice President, Chief Financial Officer/Operating Officer and Principal

In his tenure in real estate (since 1985 with Wynne/Jackson), Mr. Murphy has participated in development, asset and property management, consulting, leasing and brokerage activities for over \$1.7 billion in real estate projects. Projects have consisted of over 13,000 acres of residential and master-planned developments, 11,000 residential lots, 10,000 apartment and condominium units, 4.5 million square feet of office and retail developments, 10 hotels, and numerous mini-storage facilities, marinas and golf courses.

Mr. Murphy has led the Wynne/Jackson team on its numerous consulting projects with various institutions over many years. Mr. Murphy presently operates the development and project consulting areas for the company in addition to his role as Chief Financial Officer.

Education/Qualifications: Mr. Murphy is a 1981 graduate of the University of Oklahoma with a Bachelor of Science degree in Accounting. Immediately upon graduation, Mr. Murphy passed all parts of the Certified Public Accountants exam. In addition to his CPA license, Mr. Murphy is a licensed real estate broker in both Texas and Oklahoma.

Mr. Murphy presently serves on the Board of Directors for the National Association of Home Builders, the Texas Association of Builders, and the Dallas Builders Association (where he served as President in 2014/2015 for the latter). He has previously served as Vice President of the Irving Flood Control District III, and as a board member for the Grand Prairie Public Improvement District No. 8 (a maintenance PID) in Grand Prairie, Texas. Mr. Murphy has experience in the creation and operation of special districts such as tax increment financing districts, municipal utility districts, and public improvement districts.

Brent A. Miller, Vice President

Mr. Miller joined Wynne/Jackson in June 2000 as an officer of Wynne/Jackson his responsibilities include coordinating the due diligence and closing process, as well as, sourcing and underwriting new deals, negotiating loan documents, managing lender relations and providing asset management and financial oversight.

Education/Qualifications: Mr. Miller graduated Magna Cum Laude from Baylor University in 1999 with a BBA degree in Finance. As a junior (in the top 5% of his class), he became a member of Beta Gamma Sigma, the international scholastic honor society for students in business. Mr. Miller is licensed real estate salesman, CCIM designee, member of the Urban Land Institute and member of the Transit Oriented Development Council of the ULI North Texas District.

Prior to joining Wynne/Jackson, he was an Associate with Archon Group, a subsidiary of Goldman Sachs, where he consistently asset managed over fifteen assets (\$150 million) in the Whitehall Street Real Estate Fund. This included the Philadelphia market, the Whitehall Industrial portfolio and Archon's hotel portfolio.

During his career, Mr. Miller has been engaged in the acquisition, development, asset management and disposition of hotels, industrial buildings, retail centers, office buildings, self storage facilities and residential communities with an aggregate value of more than \$750 million.

Michael C. Jackson, Vice President and Principal

Mr. Jackson joined Wynne/Jackson in 1997 following successful careers as both a tenant representative for a national corporate real estate services company and as a commercial real estate appraiser.

As an officer in Wynne/Jackson, Mr. Jackson oversees new project acquisition, asset disposition, site analysis, homebuilder relationships, market analysis and project marketing. He has been heavily involved in the acquisition, planning, financing, and sale or lease-up of Wynne/Jackson projects including numerous large master-planned communities and commercial projects.

Education/Qualifications: Mr. Jackson graduated in 1989 from the University of Oklahoma with a BA in Political Science. Mr. Jackson is a licensed real estate salesman, member of the Urban Land Institute, 2014-2015 Chairman of the ULI North Texas District Council, past Chair and current member of the ULI Small Scale Development Council, and Chairman of Sky Ranch at Ute Trail (Sky Ranch Camps - Lake City, Colorado).

Prior to joining Wynne/Jackson, Mr. Jackson worked as a tenant representative with Fischer & Company focused primarily on national accounts such as Northern Telecom, First Data Corporation, and Fujitsu. In addition to performing market studies in over twenty-five cities nationwide, Mr. Jackson was also involved in tenant space planning, portfolio analysis, and economic feasibility studies.

Prior to working with Fischer & Company, Mr. Jackson was a commercial real estate appraiser for five years doing work primarily for financial institutions and the RTC in Texas, New England, Tennessee and California.

Christopher C. Jackson, Vice President and Principal

Mr. Jackson is a principal and the Vice President of Development. He joined Wynne/Jackson after practicing law in Kerrville, Texas.

At Wynne/Jackson, Mr. Jackson has overseen the creation of several municipal utility districts, zoned several hundred acres for development, led multiple city negotiations with various departments, as well as overseen the construction of many development projects. Mr. Jackson is currently involved in zoning, due diligence, project management, engineering oversight and contract compliance.

Education/Qualifications: Mr. Jackson graduated Cum Laude with honors in the Classics from Hampden-Sydney College with a BA in Greek and Latin. Later, Mr. Jackson attended the American School of Classical Studies in Athens, Greece. Mr. Jackson graduated from Southern Methodist University Law School, where he earned a Juris Doctorate. He was admitted to the Texas State Bar in 1995. In 2003 after several years of study, Mr. Jackson graduated from Westminster Theological Seminary with a CCS degree. Mr. Jackson holds a salesperson license from the Texas Real Estate Commission, is a member of ULI and is currently on the Community Development Council. Mr. Jackson is currently completing work for his CCIM.

History and Financing of the Development

The Property Acquisition. Developer was formed on April 20, 2016, for the purpose, among other things, of acquiring and developing the Property. Wynne/Jackson, an affiliate of the Developer, initially had the Property under contract to purchase the Property from G Bar 7, Ltd. (the “Seller”) under the terms of a purchase contract (the “Purchase Contract”) with the Seller, for an aggregate purchase price, including extension fees, of \$5,402,081 (approximately \$49,560 per acre of land). On June 17, 2016, prior to the acquisition of the Property, Wynne/Jackson assigned the Purchase Contract to the Developer. The Developer closed on the Property in the District on June 17, 2016. The Property acquired consists of approximately 119 acres, 109 of such acres constitute the District.

The Property Acquisition and Development Financing. A portion of the purchase price along with development costs for the Property will be paid from the proceeds of a loan (the “A&D Loan”) made by American Bank of Texas (the “Lender”) to Developer in the stated principal amount of \$10,520,552, and secured, among other

things, by a first deed of trust lien on the Property at the time of the acquisition of the Property. The A&D Loan will be entered into at closing of the Property and is anticipated to bear interest at the rate of approximately prime plus 1% per annum with a 4.75% floor and matures on June 17, 2019. *[Developer to confirm after closing.]*

The PID Act provides that the Assessment Lien is a first and prior lien against the Assessed Parcels within Phase #1 of the District and is superior to all other liens and claims except liens or claims for state, county, school district, or municipality ad valorem taxes. Additionally, at or prior to delivery of the Bonds, the Lender shall consent to and acknowledge, in a certificate in recordable form, the creation of the District, the levy of the Special Assessments and the subordination of the lien securing its respective A&D Loan to the assessment liens on property within the District securing payment of the Special Assessments. As a result, the lien on the property within the Phase #1 of the District securing the Special Assessments will have priority over the lien on the property within Phase #1 of the District securing the A&D Loan.

THE SPECIAL ASSESSMENT CONSULTANT AND ADMINISTRATOR

MuniCap, Inc. (“MuniCap”) is a public finance consulting firm with a specialized consulting practice providing services related to the formation and administration of special tax and special assessment districts. MuniCap currently acts as the administrator for over 150 special assessment and taxing districts in 17 states, including 29 public improvement districts in Texas (including the District).

Special Assessment Consultant

The information regarding the Service and Assessment Plan in this Official Statement has been provided by MuniCap as the “Special Assessment Consultant” to the City and has been included in reliance upon the authority of such firm as an expert in the field of development planning and finance.

Administrator

Prior to delivery of the Bonds, the City will enter into an agreement for administration of the District (the “MuniCap Agreement”) with MuniCap as the “Administrator” to provide specialized services related to the administration of the District needed to support the issuance of the Bonds. The MuniCap Agreement will include seven general types of services provided by MuniCap: (i) administrative support services related to the Assessments, (ii) delinquency management, (iii) prepayment of Assessments, (iv) arbitrage rebate services, (v) continuing disclosure services, (vi) accounting and audit coordination, and (vii) IRS compliance monitoring.

APPRAISAL OF PROPERTY WITHIN THE DISTRICT

The Appraisal

General. Jackson Claborn, Inc. (the “Appraiser”), prepared an appraisal report for the City dated April 15, 2016, based upon a physical inspection of the District conducted on April 3, 2016 (the “Appraisal”). The Appraisal was prepared at the request of the City. The description herein of the Appraisal is intended to be a brief summary only of the Appraisal as it relates to Phase #1 of the District. The Appraisal is attached hereto as APPENDIX F and should be read in its entirety. The conclusions reached in the Appraisal are subject to certain assumptions, hypothetical conditions and qualifications, which are set forth therein. See “APPENDIX F — Appraisal of the District.”

Value Estimates. The City requested that the Appraiser prepare an appraisal report of the market value of the property in Phase #1 of the District. The Appraiser estimated the “prospective value” of fee simple interest in the 159 residential lots within Phase #1 of the District as of June 3, 2017, upon completion of the Phase #1 Projects. See “THE PHASE #1 PROJECTS.” The Appraisal does not reflect the as-is condition of Phase #1 of the District as the Phase #1 Projects have not yet been constructed. Moreover, the Appraisal does not reflect the aggregate retail value of the Phase #1 lots of the District; instead it reflects the value of Phase #1 of the District as if all the finished lots were sold to a single purchaser in a single transaction. See “APPENDIX F — Appraisal of the District.”

The market value estimate for the assessable property within Phase #1 of the District using the methodologies described in the Appraisal and subject to the limiting conditions and assumptions set forth in the Appraisal, as of April 3, 2016, is \$10,650,000.

Value to Assessment Burden Ratio

The primary security for the Bonds will consist of Pledged Revenues (which, in turn, primarily consist of the Annual Installments of the Special Assessments). Subject to the extraordinary assumptions and hypothetical conditions stated therein, the Appraisal sets forth the estimated market value of the property subject to assessment within Phase #1 of the District to be \$10,650,000. As noted above, the estimated market value of the property within Phase #1 of the District assumes (among other matters) completion of the Phase #1 Projects, a portion of which will be financed with the proceeds of the Bonds. See “THE DEVELOPMENT.”

Set forth below for the purpose of illustration is the ratio derived from a comparison of the estimated market value of property within Phase #1 of the District and the principal amount of the Bonds. When compared to the estimated market value of the assessable property in Phase #1 of the District upon completion of the development thereof (\$10,650,000), the principal amount of the Bonds has an estimated value to assessment burden ratio of 3.0* to 1.

In comparing the appraised value of the real property within Phase #1 of the District and the aggregate principal amount of the Bonds, it should be noted that only the real property upon which there is a delinquent Special Assessment can be foreclosed upon, and the real property within Phase #1 of the District cannot be foreclosed upon as a whole to pay delinquent Special Assessments of the owners of such parcels within the District unless all of the property is subject to a delinquent Special Assessment. In any event, individual parcels may be foreclosed upon separately to pay delinquent Special Assessments levied against such parcels.

Other public entities whose boundaries overlap those of the District currently impose ad valorem taxes on the property within the District and will likely do so in the future. Such entities could also impose assessment liens on the property within the District. Liens created on the property within the District through the levy of ad valorem taxes as well as liens created through the levy of the Special Assessments are a first and prior lien superior to all others. For example, construction loans may be obtained by the Developer or home loans may be obtained by ultimate homeowners. The deeds of trust securing such debt on property within the District, however, will be in a subordinate position to ad valorem tax and assessment liens. See “OVERLAPPING TAXES AND DEBT” and “SPECIAL ASSESSMENT PROCEDURES.”

BONDHOLDERS’ RISKS

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

THE BONDS SIMILARLY SECURED ARE SPECIAL OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM THE PLEDGED REVENUES AND OTHER FUNDS COMPRISING THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. THE BONDS SIMILARLY SECURED DO NOT GIVE RISE TO A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE CITY AND ARE PAYABLE SOLELY FROM THE SOURCES IDENTIFIED IN THE INDENTURE. THE OWNERS OF THE BONDS SIMILARLY SECURED SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF MONEY RAISED OR TO BE RAISED BY TAXATION, OR OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED REVENUES, AS

* Preliminary; subject to change.

AND TO THE EXTENT PROVIDED IN THE INDENTURE. NO OWNER OF THE BONDS SIMILARLY SECURED SHALL HAVE THE RIGHT TO DEMAND ANY EXERCISE OF THE CITY'S TAXING POWER TO PAY THE PRINCIPAL OF THE BONDS SIMILARLY SECURED OR THE INTEREST OR REDEMPTION PREMIUM, IF ANY, THEREON. THE CITY SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO PAY THE BONDS SIMILARLY SECURED OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED REVENUES, AND OTHER FUNDS COMPRISING THE TRUST ESTATE.

The ability of the City to pay debt service on the Bonds as due is subject to various factors that are beyond the City's control. These factors include, among others, (a) the ability or willingness of property owners within the District to pay Special Assessments levied by the City, (b) cash flow delays associated with the institution of foreclosure and enforcement proceedings against property within Phase #1 of the District, (c) general and local economic conditions which may impact real property values, the ability to liquidate real property holdings and the overall value of real property development projects, and (d) general economic conditions which may impact the general ability to market and sell the lots within the District, it being understood that poor economic conditions within the City, State and region may slow the assumed pace of sales of such lots.

The rate of development of the property in the District is directly related to the vitality of the residential housing industry. In the event that the sale of the lands within the District should proceed more slowly than expected and the Developer is unable to pay the Special Assessments, only the value of the lands, with improvements, will be available for payment of the debt service on the Bonds, and such value can only be realized through the foreclosure or expeditious liquidation of the lands within Phase #1 of the District. There is no assurance that the value of such lands will be sufficient for that purpose and the expeditious liquidation of real property through foreclosure or similar means is generally considered to yield sales proceeds in a lesser sum than might otherwise be received through the orderly marketing of such real property.

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

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

Special Assessment Limitations

Annual Installments of Special Assessments are billed to property owners in Phase #1 in the District. Annual Installments are due and payable, and bear the same penalties and interest for non-payment, as for ad valorem taxes as set forth under "SPECIAL ASSESSMENT PROCEDURES" herein. Additionally, Annual Installments established by the Service and Assessment Plan correspond in number and proportionate amount to the number of installments and principal amounts of Bonds maturing in each year and the annual collection costs for such year. See "SPECIAL ASSESSMENT PROCEDURES" herein. The unwillingness or inability of a property owner to pay regular property tax bills as evidenced by property tax delinquencies may also indicate an unwillingness or inability to make regular property tax payments and Annual Installments of Special Assessment payments in the future.

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

Upon an ad valorem tax lien foreclosure event of a property within Phase #1, any lien securing a Special Assessment that is delinquent will be foreclosed upon in the same manner as the ad valorem tax lien (assuming all necessary conditions and procedures for foreclosure are duly satisfied). To the extent that a foreclosure sale results in insufficient funds to pay in full both the delinquent ad valorem taxes and the delinquent Special Assessments, the liens securing such delinquent ad valorem taxes and delinquent Special Assessments would likely be extinguished. Any remaining unpaid balance of the delinquent Special Assessments would then be an unsecured personal liability of the original property owner.

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

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

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

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

THE SPECIAL ASSESSMENTS WILL CONSTITUTE A FIRST AND PRIOR LIEN AGAINST THE PROPERTY ASSESSED, SUPERIOR TO ALL OTHER LIENS AND CLAIMS EXCEPT LIENS AND CLAIMS FOR STATE, COUNTY, SCHOOL DISTRICT OR MUNICIPALITY AD VALOREM TAXES AND WILL BE PERSONAL OBLIGATIONS OF AND CHARGES AGAINST THE OWNERS OF PROPERTY LOCATED WITHIN PHASE #1 OF THE DISTRICT.

Risks Related to the Current Real Estate Market

During recent years, the real estate market has experienced significant slowing of new home sales and new home closings due in part to the subprime mortgage crisis involving adjustable rate mortgages and other creative mortgage financing tools that allowed persons with higher credit risk to buy homes. The economic crisis that resulted from higher interest rates, at a time when many subprime mortgages were due to reset their interest rates, has served to reduce the availability of mortgages to many potential home buyers, making entry into the real estate market difficult. These downturns in the real estate market and other factors beyond the control of the Developer, including general economic conditions, may impact the timing of lot and home sales within the District. There have been reports of various public-private efforts to relieve the subprime mortgage crisis but as of yet no one can predict with certainty when the real estate market will rebound.

Competition

The housing industry in the Dallas-Fort Worth area is very competitive, and none of the Developer, the City, the City's Financial Advisor or the Underwriter can give any assurance that the building programs which are planned will ever commence. The competitive position of the Developer in the sale of developed lots or of any other homebuilder in the construction and sale of single-family residential units is affected by most of the factors discussed in this section, and such competitive position is directly related to maintenance of market values in the District.

TIRZ Credit and Marketing of the Development

The TIRZ Revenues are generated only from ad valorem taxes levied and collected by the City on the captured appraisal value in the TIRZ in any year. Any delay or failure by the Developer to develop Phase #1 may result in a reduced amount of the TIRZ Revenue being available to credit the Special Assessments. TIRZ Revenues generated from the captured appraised value for each parcel in Phase #1 during the development of such parcel will result in a TIRZ Credit which is not sufficient to achieve the Targeted Net Tax Rate Equivalent Assessment. The TIRZ Credit may not provide for the Targeted Net Tax Rate Equivalent Assessment until the second year that a home on such parcel is assessed. See "OVERLAPPING TAXES AND DEBT."

It is uncertain what impact, if any, the TIRZ Credit application to the Annual Installments will have on the underwriting of residential mortgages. If the underwriter of a residential mortgage does not recognize the TIRZ Credit it may make it more difficult for a borrower to qualify for a home mortgage which could have a negative impact on home sales and projected absorption.

Loss of Tax Exemption

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

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

Bankruptcy

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

Direct and Overlapping Indebtedness, Assessments and Taxes

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

additional liens, or for private financing, may reduce the ability or willingness of the landowners to pay the Special Assessments.

Depletion of Reserve Account of the Reserve Fund

Failure of the owners of property within the District to pay the Special Assessments when due could result in the rapid, total depletion of Reserve Account of the Reserve Fund prior to replenishment from the resale of property upon a foreclosure or otherwise or delinquency redemptions after a foreclosure sale, if any. There could be a default in payments of the principal of and interest on the Bonds if sufficient amounts are not available in the Reserve Account of the Reserve Fund. The Indenture provides that if, after a withdrawal from the Reserve Account of the Reserve Fund, the amount in the Reserve Account of the Reserve Fund is less than the Reserve Fund Requirement, the Trustee shall transfer an amount from the Pledged Revenue Fund to the Reserve Account of the Reserve Fund sufficient to cure such deficiency, as described under “SECURITY FOR THE BONDS SIMILARLY SECURED — Reserve Account of the Reserve Fund” herein.

Hazardous Substance

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

The value of the land within the District does not take into account the possible liability of the Developer for the remediation of a hazardous substance condition on the property in the District. The City has not independently verified, and is not aware, that the Developer has such a current liability with respect to its property; however, it is possible that such liabilities do currently exist and that the City is not aware of them.

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

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

Regulation

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

100-Year Flood Plain

Approximately 37 acres in the southern quadrant of the District are located within an official FEMA 100 year flood plain as shown on the current Federal Emergency Management Agency's Flood Insurance Rate Map No. 48085C0120J, Collin County, Texas, effective June 2, 2009, Panel 120 of 600 (the "Flood Plain").

Portions of the floodplain within the southern quadrant of the District will be reclaimed for development. Environmental and Hydraulic analyses will be performed to ensure the accuracy of the mitigation and to protect properties upstream and downstream of the District. Mitigation shall include excavation, fill placement and erosion control with periodic inspections as required by local, state and federal regulations. Upon completion of the floodplain mitigation, topographic surveys will be gathered to confirm the mitigation was constructed correctly. Documents and permits will be provided to the City of Celina and Federal Emergency Management Agency (FEMA) necessary to obtain a Letter of Map Revision (LOMR) for the floodplain reclamation. Once the LOMR is approved by the City and FEMA, the revised amount of floodplain within the District shall be reflected on the updated FEMA Flood Insurance Rate Maps.

Bondholders' Remedies and Bankruptcy

In the event of default in the payment of principal of or interest on the Bonds or the occurrence of any other Event of Default under the Indenture, and upon the written request of at least 25% of the owners of the Bonds Similarly Secured then Outstanding, the Trustee shall proceed to protect and enforce its rights and the rights of the owners of the Bonds under the Indenture by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for mandamus or the specific performance of any covenant or agreement contained therein or in aid or execution of any power granted or for the enforcement of any proper legal or equitable remedy, as the Trustee shall deem most effectual to protect and enforce such rights. The issuance of a writ of mandamus may be sought if there is no other available remedy at law to compel performance of the City's obligations under the Bonds or the Indenture and such obligations are not uncertain or disputed. The remedy of mandamus is controlled by equitable principles, so rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The owners of the Bonds cannot themselves foreclose on property within the District or sell property within the District in order to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the owners of the Bonds further may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the City. In this regard, should the City file a petition for protection from creditors under federal bankruptcy laws, the remedy of mandamus or the right of the City to seek judicial foreclosure of its Assessment Lien would be automatically stayed and could not be pursued unless authorized by a federal bankruptcy judge. See "BONDHOLDERS' RISKS — Bankruptcy Limitation to Bondholders' Rights" herein.

Any bankruptcy court with jurisdiction over bankruptcy proceedings initiated by or against a property owner within the District pursuant to the Federal Bankruptcy Code could, subject to its discretion, delay or limit any attempt by the City to collect delinquent Assessments, or delinquent ad valorem taxes, against such property owner.

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

On April 1, 2016, the Texas Supreme Court ruled in *Wasson Interests, Ltd. v. City of Jacksonville*, __ S.W. 3d __ (Tex. 2016) that sovereign immunity does not imbue a city with derivative immunity when it performs proprietary, as opposed to governmental, functions in respect to contracts executed by a city. Texas jurisprudence has generally held that proprietary functions are those conducted by a city in its private capacity, for the benefit only

of those within its corporate limits, and not as an arm of the government or under the authority or for the benefit of the state. In its decision, the Court held that since the Local Government Immunity Waiver Act waives governmental immunity in certain breach of contract claims without addressing whether the waiver applies to a governmental function or a proprietary function of a city, the Court could not reasonably read the Local Government Immunity Waiver Act to evidence legislative intent to waive immunity when a city performs a proprietary function.

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

No Acceleration

The Indenture does not contain a provision allowing for the acceleration of the Bonds in the event of a payment default or other default under the terms of the Bonds or the Indenture.

Bankruptcy Limitation to Bondholders' Rights

The enforceability of the rights and remedies of the owners of the Bonds may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the City. The City is authorized under Texas law to voluntarily proceed under Chapter 9 of the Federal Bankruptcy Code, 11 U.S.C. 901-946. The City may proceed under Chapter 9 if it (1) is generally not paying its debts, or unable to meet its debts, as they become due, (2) desires to effect a plan to adjust such debts, and (3) has either obtained the agreement of or negotiated in good faith with its creditors, is unable to negotiate with its creditors because negotiation is impracticable, or reasonably believes that a creditor may attempt to obtain a preferential transfer.

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

Management and Ownership

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

General Risks of Real Estate Investment and Development

Investments in undeveloped or developing real estate are generally considered to be speculative in nature and to involve a high degree of risk. The Development will be subject to the risks generally incident to real estate investments and development. Many factors that may affect the Development, as well as the operating revenues of the Developer, including those derived from the Development, are not within the control of the Developer. Such factors include changes in national, regional and local economic conditions; changes in long and short term interest rates; changes in the climate for real estate purchases; changes in demand for or supply of competing properties; changes in local, regional and national market and economic conditions; unanticipated development costs, market preferences and architectural trends; unforeseen environmental risks and controls; the adverse use of adjacent and neighboring real estate; changes in interest rates and the availability of mortgage funds to buyers of the homes to be built in the Development, which may render the sale of such homes difficult or unattractive; acts of war, terrorism or other political instability; delays or inability to obtain governmental approvals; changes in laws; moratorium; acts of God (which may result in uninsured losses); strikes; labor shortages; energy shortages; material shortages; inflation; adverse weather conditions; contractor or subcontractor defaults; and other unknown contingencies and factors beyond the control of the Developer. Furthermore, the operating revenues of the Developer may be materially adversely affected if specific conditions in the lot purchase contracts are not met. Failure to meet the lot purchase contract's conditions allows the applicable lot purchaser to terminate its obligation to purchase lots from the Developer and obtain its earnest money deposit back. See "THE DEVELOPMENT – Expected Build-Out Schedule" herein.

The Development cannot be initiated or completed without the Developer obtaining a variety of governmental approvals and permits, some of which have already been obtained. Certain permits are necessary to initiate construction of each phase of the Development and to allow the occupancy of residences and to satisfy conditions included in the approvals and permits. There can be no assurance that all of these permits and approvals can be obtained or that the conditions to the approvals and permits can be fulfilled. The failure to obtain any of the required approvals or fulfill any one of the conditions could cause materially adverse financial results for the Developer.

Dependence Upon Developer

The Developer, as the owner of the Assessed Parcels in the District, currently has the obligation for payment of 100% of the total Special Assessments. The ability of the Developer to make full and timely payment of the Special Assessments will directly affect the ability of the City to meet its debt service obligations with respect to the Bonds. The only assets of the Developer are the land within the District, related permits and development rights and minor operating accounts.

The source of funding for future land development activities and infrastructure construction to develop the remaining lots proposed for the District also consists of proceeds from Phased PID Bonds and proceeds of lot sales, as well as possible bank financing and equity contributions by the Developer. There can be no assurances given as to the financial ability of the Developer to advance any funds to the City to supplement revenues from the Special Assessments if necessary, or as to whether the Developer will advance such funds.

Moreover, the City will pay the Developer, or the Developer's designee, from proceeds of the Bonds for project costs actually incurred in developing and constructing the Phase #1 Projects within the District. See "THE PHASE #1 PROJECTS — General" and "THE DEVELOPMENT — Development Plan." There can be no assurances given as to the financial ability of the Developer to complete such improvements.

During the period from 2007 to 2009, Wynne/Jackson, was a partner in two separate development ventures that due to the slowdown in the housing market and the national recession resulted in the borrower in each transaction executing a deed in lieu of foreclosure to convey the property to the respective lenders.

Towne Mill Loan: In 2004 Wynne/Jackson entered into a partnership (the "Towne Mill Partnership") to develop Towne Mill, a residential development to be located in Canton, Georgia. The first phase consisting of approximately 250 lots were completed at the end of 2005 and early 2006. Construction of Phase 2 of 102 lots commenced in the third quarter of 2006 and were completed in the first quarter of 2007. In late October, 2007, the

controlling limited partner indicated that it wished to proceed with trying to sell the property instead of recapitalizing it. In December, 2007, Texas Capital Bank proposed terms for extending its loan with the Towne Mill Partnership through September 2008 to allow time market the property. Due to market conditions, and the reduced appraised value of the property, Texas Capital Bank proposed a loan extension that would have required new equity investment from the Towne Mill Partnership. In early March, 2008, the controlling limited partner made the decision not to fund the additional capital call required to sustain the project; rather, it would allow the bank to foreclose on the property. A deed in lieu of foreclosure was signed with Texas Capital Bank for the loan on April 4, 2009.

Waterstone Loan: In 2007 Wynne/Jackson entered into a joint venture (the “Waterstone Joint Venture”) to develop Waterstone, a residential development to be located in Frisco, and The Colony, Texas. Due to declining lot sales and a decrease in the average lot sale price, the Waterstone Joint Venture was unable to meet its obligations under its loan agreement with Texas Capital Bank. In April of 2009, the Waterstone Joint Venture entered into a forbearance and funding agreement with Texas Capital Bank; however, in May of 2009 the value of the land appraised for less than the outstanding loan balance. Waterstone Joint Venture was unable to successfully negotiate a restructure of its loan agreement with Texas Capital Bank; therefore, Texas Capital Bank took title to the property through a deed in lieu of foreclosure at the end of September, 2009.

The Developer will not guarantee or otherwise be obligated to pay debt service on the Bonds. However, the completion of the Development is dependent upon the receipt of funds from the Developer in addition to proceeds of the Bonds. In addition, payment of the Special Assessments on the Assessed Parcels will initially be the responsibility of the Developer as the initial owner of the Assessed Parcels.

Agricultural Use Valuation and Redemption Rights

All of the acreage in the District is currently entitled to valuation for ad valorem tax purposes based upon its agricultural use. Under Texas law, an owner of land that is entitled to an agricultural valuation has the right to redeem such property after a tax sale for a period of two years after the tax sale by paying to the tax sale purchaser a 25% premium, if redeemed during the first year, or a 50% premium, if redeemed during the second year, over the purchase price paid at the tax sale and certain qualifying costs incurred by the purchaser. Although Special Assessments are not considered a tax under Texas law, the PID Act provides that the lien for Special Assessments may be enforced in the same manner as a lien for ad valorem taxes. This shared enforcement mechanism raises a possibility that the right to redeem agricultural valuation property may be available following a foreclosure of a lien for Special Assessments, though there is no indication in Texas law that such redemption rights would be available in such a case.

At closing of the Bonds, the Developer will execute an Agreement Regarding Conveyance of Right of Redemption and Waiver of Agricultural Valuation (a “Redemption Agreement”) with the City pursuant to which the Developer will convey to the Trustee for the benefit of the owners of the Bonds its right to redeem any agricultural valuation property and require any subsequent purchaser from the Developer to execute a similar conveyance. In addition, the Developer will deliver, and require any subsequent purchaser to deliver, into escrow with the Trustee a waiver of agricultural valuation, which the Trustee will be authorized to release to the City to be filed with the Collin County Tax Assessor/Collector in the event that the Developer or any subsequent owner has not paid ad valorem taxes or the special assessments due in respect of agricultural valuation property within 60 days of their due date. The Redemption Agreement will be enforceable by the City on behalf of the owners of the Bonds. Although the Redemption Agreement is intended to protect the City and the owners of the Bonds against potential redemption rights of the Developer and any subsequent purchaser in the context of a foreclosure proceeding, because there is currently no case law with respect to waiver of redemption rights or an agricultural valuation, it is unclear whether the Redemption Agreement is enforceable under Texas law.

Because the enforceability of a Redemption Agreement is not certain, as additional protection against the occurrence of a tax sale for non-payment of ad valorem taxes and the associated risk of redemption rights arising, the Developer will pay to the Trustee prior to delivery of the Bonds, and maintain at all times while there exists property in Phase #1 of the District that is entitled to valuation based on its agricultural use, an amount equal to the estimated ad valorem taxes assessed against agricultural valuation property to become due in the next two years. Such funds will be held by the Trustee and used to pay delinquent ad valorem taxes on agricultural valuation

property and thereby potentially avoid the possibility of a sale for non-payment of ad valorem taxes and the associated risk of redemption rights arising. In the event such funds are used to pay delinquent ad valorem taxes, the Developer will be required to replenish such funds previously held by the Trustee. A proportionate amount of such deposit will be returned to the Developer upon termination of the Redemption Agreement.

The Developer expects that the agricultural use valuation within Phase #1 of the District will be terminated before the end of calendar year 2016, affecting tax rolls beginning in 2017. The Developer expects that the agricultural use valuation within the Future Phase will be terminated when the construction of local improvements commences in such phase.

TAX MATTERS

Tax Exemption

The delivery of the Bonds is subject to the opinion of Bond Counsel to the effect that interest on the Bonds for federal income tax purposes (1) will be excludable from gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date of such opinion (the “Code”), pursuant to section 103 of the Code and existing regulations, published rulings, and court decisions, and (2) will not be included in computing the alternative minimum taxable income of the owners thereof who are individuals or, except as hereinafter described, corporations. A form of Bond Counsel’s opinion is reproduced as APPENDIX C. The statutes, regulations, rulings, and court decisions on which such opinion is based are subject to change.

Interest on the Bonds owned by a corporation will be included in such corporation’s adjusted current earnings for purposes of calculating the alternative minimum taxable income of such corporation, other than an S corporation, a qualified mutual fund, a real estate investment trust, a real estate mortgage investment conduit, or a financial asset securitization investment trust (“FASIT”). A corporation’s alternative minimum taxable income is the basis on which the alternative minimum tax imposed by Section 55 of the Code will be computed.

In rendering the foregoing opinions, Bond Counsel will rely upon representations and certifications of the City made in a certificate dated the date of delivery of the Bonds pertaining to the use, expenditure, and investment of the proceeds of the Bonds and will assume continuing compliance by the City with the provisions of the Indenture subsequent to the issuance of the Bonds. The Indenture contains covenants by the City with respect to, among other matters, the use of the proceeds of the Bonds and the facilities financed therewith by persons other than state or local governmental units, the manner in which the proceeds of the Bonds are to be invested, the periodic calculation and payment to the United States Treasury of arbitrage “profits” from the investment of proceeds, and the reporting of certain information to the United States Treasury. Failure to comply with any of these covenants may cause interest on the Bonds to be includable in the gross income of the owners thereof from the date of the issuance of the Bonds.

Bond Counsel’s opinion is not a guarantee of a result, but represents its legal judgment based upon its review of existing statutes, regulations, published rulings and court decisions and the representations and covenants of the City described above. No ruling has been sought from the Internal Revenue Service (the “IRS”) with respect to the matters addressed in the opinion of Bond Counsel, and Bond Counsel’s opinion is not binding on the IRS. The IRS has an ongoing program of auditing the tax-exempt status of the interest on tax-exempt obligations. If an audit of the Bonds is commenced, under current procedures the IRS is likely to treat the City as the “taxpayer,” and the owners of the Bonds would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the Bonds, the City may have different or conflicting interests from the owners of the Bonds. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds during the pendency of the audit, regardless of its ultimate outcome.

Except as described above, Bond Counsel expresses no other opinion with respect to any other federal, state or local tax consequences under present law, or proposed legislation, resulting from the receipt or accrual of interest on, or the acquisition or disposition of, the Bonds. Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations such as the Bonds may result in collateral federal tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the

earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

Existing law may change to reduce or eliminate the benefit to bondholders of the exclusion of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation or administrative action, whether or not taken, could also affect the value and marketability of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed or future changes in tax law.

Tax Accounting Treatment of Discount and Premium on Certain Bonds

The initial public offering price of certain Bonds (the “Discount Bonds”) may be less than the amount payable on such Bonds at maturity. An amount equal to the difference between the initial public offering price of a Discount Bond (assuming that a substantial amount of the Discount Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Bond. A portion of such original issue discount allocable to the holding period of such Discount Bond by the initial purchaser will, upon the disposition of such Discount Bond (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, for federal income tax purposes, on the same terms and conditions as those for other interest on the Bonds described above under “Tax Exemption.” Such interest is considered to be accrued actuarially in accordance with the constant interest method over the life of a Discount Bond, taking into account the semiannual compounding of accrued interest, at the yield to maturity on such Discount Bond and generally will be allocated to an initial purchaser in a different amount from the amount of the payment denominated as interest actually received by the initial purchaser during the tax year.

However, such interest may be required to be taken into account in determining the alternative minimum taxable income of a corporation, for purposes of calculating a corporation's alternative minimum tax imposed by Section 55 of the Code, and the amount of the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding cash payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Moreover, in the event of the redemption, sale or other taxable disposition of a Discount Bond by the initial owner prior to maturity, the amount realized by such owner in excess of the basis of such Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Discount Bond was held) is includable in gross income.

Owners of Discount Bonds should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Bonds. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Bonds (the “Premium Bonds”) may be greater than the amount payable on such Bonds at maturity. An amount equal to the difference between the initial public offering price of a Premium Bond (assuming that a substantial amount of the Premium Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes premium to the initial purchaser of such Premium Bonds. The basis for federal income tax purposes of a Premium Bond in the hands of such initial purchaser must be reduced each year by the amortizable bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium which is amortizable each year by an initial purchaser is determined by using such purchaser's yield to maturity.

Purchasers of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium on Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

LEGAL MATTERS

Legal Proceedings

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

Norton Rose Fulbright US LLP, serves as Bond Counsel and Disclosure Counsel to the City. Andrews Kurth LLP serves as Underwriter's Counsel. The legal fees paid to Bond Counsel, Disclosure Counsel and Underwriter's Counsel are contingent upon the sale and delivery of the Bonds.

Legal Opinions

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

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

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

Litigation — The City

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

Litigation — The Developer

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

SUITABILITY FOR INVESTMENT

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

ENFORCEABILITY OF REMEDIES

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

NO RATING

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

CONTINUING DISCLOSURE

The City

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

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

The City’s Compliance with Prior Undertakings

City: Except as hereinafter described, during the last five years, the City has complied in all material respects with its continuing disclosure agreements made in accordance with the Rule.

The ratings on municipal bond insurers have changed with frequency at various times in recent years and information about such changes has been publicly reported. While notices of certain rating changes of bond insurers were filed by the City on EMMA, no assurances can be made that all City filings with respect to changes in the ratings of municipal bond insurers have been made as required by the Rule or the City’s prior continuing disclosure undertakings.

The City has implemented additional policies and procedures to ensure that in the future it fully complies with its continuing disclosure undertakings made under the Rule.

Prior Developers: Creeks of Legacy Public Improvement District. CTMGT Frontier 80, LLC, a Texas limited liability company (“CTMGT”), a developer of the project financed in part by the City of Celina, Texas, Special Assessment Revenue Bonds, Series 2014 (Creeks of Legacy Public Improvement District Phase #1 Project) (the “Creeks of Legacy PID Bonds”), did not file a required quarterly report for the quarter ending September 30, 2014 with the MSRB until October 31, 2014. In connection with the Creeks of Legacy PID Bonds, CTMGT entered into an undertaking to file quarterly reports on behalf of the CTMGT with the Municipal Securities Rulemaking Board (the “MSRB”). CTMG’s failure was due to an administrative oversight. CTMGT is not an “obligated person” under the Rule.

The Developer

The Developer, MuniCap, Inc. (the “Administrator”), and the [Dissemination Agent] have entered into a Continuing Disclosure Agreement (the “Disclosure Agreement of the Developer”) for the benefit of the Owners of the Bonds (including owners of beneficial interests in the Bonds), to provide, by certain dates prescribed in the Disclosure Agreement of the Developer, certain information regarding the Development and the Phase #1 Projects (collectively, the “Developer Reports”). The specific nature of the information to be contained in the Developer

Reports is set forth in “APPENDIX E-2 — Form of Disclosure Agreement of the Developer.” Under certain circumstances, the failure of the Developer or the Administrator to comply with its obligations under the Disclosure Agreement of the Developer constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Disclosure Agreement of the Developer would allow the Owners of the Bonds (including owners of beneficial interests in the Bonds) to bring an action for specific performance.

The Developer has agreed to provide (i) certain updated information to the Administrator, which consultant will prepare and provide such updated information in report form and (ii) notices of certain specified events, only as provided in the Disclosure Agreement of the Developer. The Developer has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided in this Official Statement, except as provided in the Disclosure Agreement of the Developer. The Developer makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell the Bonds at any future date. The Developer disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of the Disclosure Agreement of the Developer or from any statement made pursuant to the Disclosure Agreement of the Developer.

The Developer Compliance with Prior Undertakings

The Developer has not previously entered into any continuing disclosure agreements in accordance with the Rule.

UNDERWRITING

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

REGISTRATION AND QUALIFICATION OF BONDS FOR SALE

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

LEGAL INVESTMENT AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS

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

value. No review by the City has been made of the laws in other states to determine whether the Bonds are legal investments for various institutions in those states. No representation is made that the Bonds will be acceptable to public entities to secure their deposits or acceptable to such institutions for investment purposes.

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

INVESTMENTS

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

Under Texas law, the City is authorized to make investments meeting the requirements of the PFIA, which currently include (1) obligations, including letter of credit, of the United States or its agencies and instrumentalities, (2) direct obligations of the State or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which is guaranteed or insured by or backed by the full faith and credit of, the State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent; (6) bonds issued, assumed or guaranteed by the State of Israel; (7) certificates of deposit and share certificates meeting the requirements of the PFIA that are issued by or through an institution that either has its main office or a branch office in Texas, and are guaranteed or insured by the Federal Deposit Insurance Corporation or the National Credit Union Share Insurance Fund, or are secured as to principal by obligations described in clauses (1) through (6) or in any other manner and amount provided by law for City deposits, or are invested by the City through a broker or depository institution that has its main office or a branch office in the State and otherwise meet the requirements of the PFIA, (8) fully collateralized repurchase agreements that have a defined termination date, are fully secured by a combination of cash and obligations described in clause (1), and are placed through a primary government securities dealer or a financial institution doing business in the State, (9) certain bankers' acceptances with the remaining term of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated at least A-1 or P-1 or the equivalent by at least one nationally recognized credit rating agency, (10) commercial paper with a stated maturity of 270 days or less that is rated at least A-1 or P-1 or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a U.S. or state bank, (11) no-load money market mutual funds registered with and regulated by the Securities and Exchange Commission that have a dollar weighted average stated maturity of 90 days or less and include in their investment objectives the maintenance of a stable net asset value of \$1 for each share, and (12) no-load mutual funds registered with the Securities and Exchange Commission that have an average weighted maturity of less than two years, invest exclusively in obligations described in this paragraph, and are continuously rated as to investment quality by at least one nationally recognized investment rating firm of not less than "AAA" or its equivalent. If specifically authorized in the authorizing document, bond proceeds may be invested in guaranteed investment contracts that have a defined termination date and are secured by obligations of the United States or its agencies and instrumentalities in an amount at least equal to the amount of bond proceeds invested under such contract, other than the prohibited obligations described in the next succeeding paragraph.

The City may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than "AAA" or "AAA-m" or an equivalent by at least one nationally recognized rating service. The City may also contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-1 et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control for a term up to two years, but the City retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, the City must do so by order, ordinance, or resolution. The City is specifically prohibited from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the

principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

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

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

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

Under Texas law the City is additionally required to: (1) annually review its adopted policies and strategies; (2) adopt a rule, order, ordinance or resolution stating that it has reviewed its investment policy and investment strategies and records any changes made to either its investment policy or investment strategy in the respective rule, order, ordinance or resolution; (3) require any investment officers’ with personal business relationships or relatives with firms seeking to sell securities to the City to disclose the relationship and file a statement with the Texas Ethics Commission and the City Council; (4) require the registered principal of firms seeking to sell securities to the City to: (a) receive and review the City’s investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude investment transactions conducted between the City and the business organization that are not authorized by the City’s investment policy (except to the extent that this authorization is dependent on an analysis of the makeup of the City’s entire portfolio or requires an interpretation of subjective investment standards), and (c) deliver a written statement attesting to these requirements; (5) perform an annual audit of the management controls on investments and adherence to the City’s investment policy; (6) provide specific investment training for the officers of the City; (7) restrict reverse repurchase agreements to not more than 90 days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse

repurchase agreement; (8) restrict the investment in no-load mutual funds in the aggregate to no more than 15% of the entity's monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service; (9) require local government investment pools to conform to the new disclosure, rating, net asset value, yield calculation, and advisory board requirements; and (10) at least annually review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City.

INFORMATION RELATING TO THE TRUSTEE

The City has appointed U.S. Bank National Association, a national banking association organized under the laws of the United States, to serve as Trustee. The Trustee is to carry out those duties assignable to it under the Indenture. Except for the contents of this section, the Trustee has not reviewed or participated in the preparation of this Official Statement and assumes no responsibility for the contents, accuracy, fairness or completeness of the information set forth in this Official Statement or for the recitals contained in the Indenture or the Bonds, or for the validity, sufficiency, or legal effect of any of such documents.

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

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

SOURCES OF INFORMATION

General

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

Source of Certain Information

The information contained in this Official Statement relating to the description of the Phase #1 Projects, the Development and the Developer generally and, in particular, the information included in the sections captioned "PLAN OF FINANCE — The Development Plan," "THE PHASE #1 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER," "BONDHOLDERS' RISKS," (only as it pertains to the Developer, the Phase #1 Projects and the Development), "LEGAL MATTERS — Litigation — The Developer," "CONTINUING DISCLOSURE — The Developer" and "CONTINUING DISCLOSURE — The Developer Compliance with Prior Undertakings" has been provided by the Developer.

Experts

The information regarding the Service and Assessment Plan in this Official Statement has been provided by MuniCap, Inc. and has been included in reliance upon the authority of such firm as experts in the field of development planning and finance.

The information regarding the Appraisal in this Official Statement has been provided by Jackson Claborn, Inc., and has been included in reliance upon the authority of such firm as experts in the field of the appraisal of real property.

Updating of Official Statement

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

FORWARD-LOOKING STATEMENTS

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

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

AUTHORIZATION AND APPROVAL

By resolution, the City Council approved the form and content this Preliminary Official Statement, and the City Council authorized this Official Statement to be used by the Underwriter in connection with the marketing and sale of the Bonds.

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APPENDIX A

GENERAL INFORMATION REGARDING THE CITY AND SURROUNDING AREA

The following information has been provided for informational purposes only.

Historical Employment in Collin County (Average Annual) ⁽¹⁾

Collin County

	Average Annual				
	2016 ⁽²⁾	2015	2014	2013	2012
Civilian Labor Force	496,793	491,319	475,418	462,750	450,564
Total Employed	479,608	475,502	458,192	441,004	426,340
Total Unemployed	17,185	15,817	17,226	21,746	24,224
Unemployment Rate	3.5%	3.2%	3.6%	4.7%	5.4%

⁽¹⁾ Source: Texas Workforce Commission.

⁽²⁾ Source: Data through March 2016.

Major Employers

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

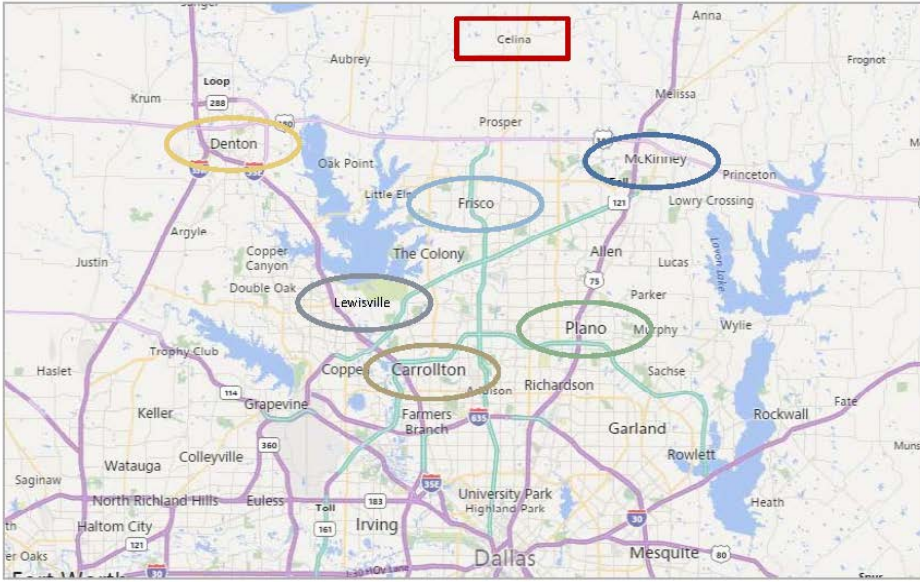
<u>Employer</u>	<u>Product or Service</u>	<u>Employees</u>
Celina Independent School District	Education	274
Brookshire	Retail Grocery	78
City of Celina	Municipal Government	44
Fini Enterprises Inc.	Water Treatment Chemicals	40
Celina Ready-Mix Concrete	Cement Manufacturing	20
Independent Bank	Banking	20
Dickerson Construction	Construction	17

Source: The City

Surrounding Economic Activity

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

City of McKinney, TX		City of Frisco, TX		City of Plano		City of Denton	
Approximately 15 Miles from Celina		Approximately 10 Miles from Celina		Approximately 25 Miles from Celina		Approximately 25 Miles from Celina	
Employer	Employees	Employer	Employees	Employer	Employees	Employer	Employees
Raytheon Co.	3,600	Frisco ISD	6,000	Bank of America Home Loans	5,400	University of North Texas	7,762
Torchmark Corp.	1,100	City of Frisco	1,275	HP Enterprise Services	4,800	Lewisville ISD	6,325
Encore Wire Corp.	1,000	Amerisource Bergen	1,200	Capital One	3,175	Wal-Mart	3,900
Medical Center of McKinney	938	Wingspan	1,100	J.C. Penney Co., Inc.	3,100	Denton ISD	3,255
Watson & Chalin Manufacturing	800	Conifer	728	Ericsson	2,650	Centex Home Equity	2,600
Baylor Medical Center	550	Baylor Medical Center	642	Alcatel - Lucent	2,500	Frito Lay, Inc.	2,500
Timber Blind & Shutter	500	Mario Sinacola & Sons	603	Frito Lay, Inc.	2,400	American Airlines	2,154
Performance Food Group	200	Collin College	510	Dell	2,200	Peterbilt Motors	2,100
Simpson Strong Tie Co.	240	Centennial Hospital	490	Texas Health Presbyterian Hosp.	1,670	Northwest ISD	1,636
Emerson Process Mgmt.	140	Oracle	409	Medical Center of Plano	1,300	Denton State School	1,500



City of Lewisville	
Approximately 25 Miles from Celina	
Employer	Employees
JP Morgan Chase	4,350
Lewisville ISD	2,061
Vista Ridge Mall	1,980
Nationstar Mortgage	1,440
Verizon	912
Wal-Mart (all city locations)	878
Lewisville Medical Center	791
Xerox	755
Ally	719
City of Lewisville	680

City of Carrollton	
Approximately 25 Miles from Celina	
Employer	Employees
Haliburton Energy Services	1,300
Mckesson Corporation	999
GE Automation Services Inc.	875
G6 Hospitality	727
General Aluminum	700
Baylor Medical Center	700
RIA Computer Software	650
Western Extrusions Corp.	600
Brandt	550
RealPage Internet Access Sup.	500

Source: Municipal Advisory Council of Texas

Source: Municipal Advisory Council of Texas

APPENDIX B
FORM OF INDENTURE

Attachment: Celina Glen Crossing POS (1634 : Glen Crossing Bond Series 2016 POS)

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APPENDIX C
FORM OF SERVICE AND ASSESSMENT PLAN

Attachment: Celina Glen Crossing POS (1634 : Glen Crossing Bond Series 2016 POS)

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APPENDIX D
FORM OF OPINION OF BOND COUNSEL

Attachment: Celina Glen Crossing POS (1634 : Glen Crossing Bond Series 2016 POS)

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APPENDIX E-1

FORM OF DISCLOSURE AGREEMENT OF ISSUER

Attachment: Celina Glen Crossing POS (1634 : Glen Crossing Bond Series 2016 POS)

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APPENDIX E-2

FORM OF DISCLOSURE AGREEMENT OF DEVELOPER

Attachment: Celina Glen Crossing POS (1634 : Glen Crossing Bond Series 2016 POS)

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APPENDIX F
APPRAISAL OF THE DISTRICT

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APPENDIX G

FORM OF PID REIMBURSEMENT AGREEMENT

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APPENDIX H

ENGINEER'S REPORT

Attachment: Celina Glen Crossing POS (1634 : Glen Crossing Bond Series 2016 POS)

APPRAISAL REPORT OF

**G Bar 7, Phase 1
Part of a Proposed Multiphase Development
To Be Located at the
Southwest Quadrant of CR-55 and CR-1117
City of Celina, Collin County, Texas**

Prepared For:

**FMS BONDS, INC.
Mr. R. R. "Tripp" Davenport, III
Director
100 Crescent Court, Suite 700
Dallas, Texas 75201**

**CITY OF CELINA
Mr. Mike Foreman
City Manager
142 N. Ohio Street
Celina, Texas 75009**

Prepared By:

**JACKSON CLABORN, INC.
Real Estate Consulting and Appraisal Services
1100 Mira Vista Boulevard, Suite 300
Plano, Texas 75093**

VIEW OF SUBJECT PROPERTY





Jimmy H. Jackson, MAI

Allen W. Gardner, SRA

David B. Ray, SRA

May 2, 2016

Mr. R. R. "Tripp" Davenport, III
Director
FMSBonds, Inc.
100 Crescent Court, Suite 700
Dallas, Texas 75201

Mr. Mike Foreman
City Manager
City of Celina
142 N. Ohio Street
Celina, Texas 75009

RE: Appraisal Report of G Bar 7, Phase 1 "as developed" with 159 single-family lots to be located at the southwest quadrant of CR-55 and CR-1117, City of Celina, Collin County, Texas; JCI File No. 1604026

Dear Messrs. Davenport and Foreman:

At your request and authorization, Jackson Claborn, Inc. has prepared an Appraisal Report of the market value in the above-referenced real property. The subject was physically inspected on April 3, 2016. The date of the report is May 2, 2016. Per the request of the client, we have provided the fee simple estate values for the subject property as follows:

- Prospective Value of 159 residential lots within Phase 1 on 41.499 gross acres, within G Bar 7, "upon completion of Phase 1 PID development", as of June 3, 2017

Data, information, and calculations leading to the value conclusion are incorporated in the report following this letter. The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter. Any special assumptions and limiting considerations are noted in Section 2 of this report. Your attention is directed to these "General Assumptions and Limiting Conditions" which are part of this report. We suggest that you thoroughly read and familiarize yourself with these, since the appraisal is based upon these assumptions.

The following report sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions, and conclusions were developed based upon, and this report has been prepared in conformance with, our interpretation of the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) and the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

Messrs. Davenport and Foreman
May 2, 2016
Page Two

Based upon an inspection of the property and the information and analysis provided in the following report, it is our opinion that the "Prospective Value" of the fee simple interest in the subject's 159 developed residential lots within G Bar 7, Phase 1 as of June 3, 2017 "upon completion of the Phase 1 PID improvements" will be:

TEN MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS
(\$10,650,000)

It must be noted that our opinions of value are subject to the following extraordinary assumptions and hypothetical conditions. In addition, within the confines of our extraordinary assumptions and hypothetical conditions shown below, we may also have included scope of work issues which may or may not necessarily be extraordinary assumptions and hypothetical conditions, yet could contribute to and influence our assignment results:

- ❖ All information relative to the subject property, including land areas, lot totals, lot sizes, and other pertinent data that was provided by James Knapp LLC (Land Planning & Urban Design), Arthur Surveying Co., Inc. (surveyors), Wynne/Jackson (owner/developer), the City of Celina, and the Collin Central Appraisal District is assumed to be correct. If it is found that the information supplied to us is significantly different than our assumption, our assignment results might be affected.
- The valuations found herein take the following into consideration:
 - On April 12, 2016, the City Council of the City of Celina created the "G Bar 7 Public Improvement District" (the "District") for an approximately 119.138 acre parcel to be known as G Bar 7 to finance the costs of certain public improvements for the benefit of property within the District as part of the agreement contained in the Development Agreement relating to G Bar 7 effective April 12, 2016 between the City and Wynne/Jackson (the "Development Agreement"). The property in the District is proposed to eventually be developed in two residential phases with a total of approximately 349 residential lots (Phase 1 with 159 lots and a future Phase 2 with 190 lots). In accordance with the Development Agreement, the City plans to issue certain bonds in 2016 to commence funding the project's infrastructure and future bonds may also be issued to fund the continued development of the project. The bonds will be secured by assessments imposed on property located within a specific phase and will solely finance improvements (or a portion of an improvement) that benefit such phase as that phase is developed. If it is found that the information supplied to us is significantly different than our assumption, our assignment results might be affected.

Messrs. Davenport and Foreman
 May 2, 2016
 Page Three

- Additionally, in accordance with the Development Agreement, the City plans to create a "Tax Increment Reinvestment Zone" ("TIRZ") with boundaries that are contiguous with those of the District. The City and the developer intend for the tax increment revenue generated by the TIRZ to be used to offset the assessments imposed on the property as described in the Development Agreement. The approval and creation of the TIRZ is scheduled for May 10, 2016 and has been assumed in our valuation. If it is found that the information supplied to us is significantly different than our assumption, our assignment results might be affected.
- ❖ Overall, the subject represents Phase 1 of a future two-phase residential development to eventually contain a total of approximately 349 residential lots on a total of 119.138 gross acres (2.9 upa) within a master-planned development known as "G Bar 7". Although requested, a plat of Phase 1 was not available at the effective date of this appraisal. Thus, utilizing the survey and "concept plan" provided from the developer, the subject's Phase 1 is planned to be developed on 41.499 gross acres with a total of 159 single-family lots (3.8 upa) with two typical lot dimensions. Of the 159 lots, 94 lots (59%) are platted and planned to be developed with a typical lot dimension of 50' x 120' (6,000 square feet) and 65 lots (41%) are to be developed with a typical lot dimension of 60' x 125' (7,500 square feet). A brief summary of the proposed lots within Phase 1 of the development is shown in the following table. It is assumed this information is correct. If it is found that the information supplied to us is significantly different than our assumption, our assignment results might be affected.

<u>G Bar 7, Phase I</u>			
<u>Total Lots</u>	<u>Percentage</u>	<u>Lot Dimensions</u>	<u>Total SF</u>
94	59%	50' x 120'	6,000
<u>65</u>	<u>41%</u>	60' x 125'	7,500
<u>159</u>	<u>100%</u>		
<i>Data per developer</i>			

- ❖ As the subject represents a proposed construction project, this report contains prospective opinions of value. As such, we have assumed that the market conditions as discussed and considered within this report will be similar on the prospective valuation date. Further, we cannot be held responsible for unforeseeable events that alter market conditions prior to this prospective effective date. The prospective market value date is approximately 14 months from the effective date of this appraisal, due to the development taking approximately 14 months to complete.

Messrs. Davenport and Foreman
 May 2, 2016
 Page Four

- ❖ It is noted that our “as is” valuation utilized the terms of the lot contracts provided relative to absorption, lot pricing, and reimbursements. We assume this information to be correct. If it is found that the information supplied to us is significantly different than our assumption, our assignment results might be affected.
- ❖ Local and regional lending institutions appear to remain active within the subject’s market for specific projects. Therefore, we specifically assume that the financial markets will continue to function in a competitive, efficient fashion. However, we cannot be held responsible for unforeseeable events that alter market conditions.

Jackson Claborn, Inc. does not authorize the out-of-context quoting from or partial reprinting of this Appraisal Report. Further, neither all nor any part of this report shall be disseminated to the general public by the use of media for public communication without the prior written consent of the appraiser signing this report.

Please refer to the attached Appraisal Report, plus exhibits, for documentation of these value opinions contained herein. It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if Jackson Claborn, Inc. can be of further service, please contact us.

Respectfully submitted,

JACKSON CLABORN, INC.



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 Vice President - Commercial Division
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 Expiration: December 5, 2016
jimmyj@jacksonclaborn.com

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

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SECTION 1 – SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Property File Number: 1604026
General Property Type: Residential
Specific Property Type: Single-Family
General Property Location: Southwest quadrant of CR-55 and CR-1117, City of Celina, Collin County, Texas
School District: Celina ISD
Format: Appraisal Report
Date of Appraisal Report: May 2, 2016
Date of Value: June 3, 2017
Date of Inspection: April 3, 2016
Real Estate Interest Appraised: Fee Simple
Function of the Appraisal: To provide an opinion of value for the underwriting of development bonds

Lot Summary, Phase 1:

<u>G Bar 7, Phase I</u>			
<u>Total Lots</u>	<u>Percentage</u>	<u>Lot Dimensions</u>	<u>Total SF</u>
94	59%	50' x 120'	6,000
<u>65</u>	<u>41%</u>	60' x 125'	7,500
<u>159</u>	<u>100%</u>		
<i>Data per developer</i>			

Land Area, Phase 1: 41.499 gross acres (Phase 1)
Zoning Designation: Planned Development #23 District (Ordinance 2015-13) under the guidelines of the "SF-R" District by the City of Celina and the Development Agreement (see details in zoning section.)

Highest and Best Use as Vacant: As proposed, with a multiphase residential development

Value Indication:

G Bar 7, Phase 1 (159 Lots) Prospective Value, "Upon Completion of Phase 1 PID Development":

\$10,650,000 (\$66,981 average/lot)

Marketing Periods:

G Bar 7, Phase 1 (159 Lots):

Absorption summary of 159 lots after a 14-month construction period:

<u>Absorption Projection Summary</u>						
<u>Total Lots</u>	<u>Percentage</u>	<u>Lot Types</u>	<u>Total SF</u>	<u>Absorption Average/Months</u>	<u>Absorption Per Quarter</u>	<u>Absorption Period -Months</u>
94	59%	50' x 120'	6,000	4.7	14.0	20.1
65	41%	60' x 125'	7,500	3.3	10.0	19.5
159	100%			8.0	24.0	

G Bar 7, Phase 1

Exposure Periods:

Less than nine months as bulk sale of lots

Market Observations:

The neighborhood is situated in close proximity to one of the fastest growing suburban communities of the Dallas/Fort Worth Metroplex and is readily accessible to various employment centers. Schools, hospitals, neighboring shopping, recreation area, and cultural activities are in the immediate area or located nearby. Single-family, multifamily, and retail development should continue in the general area. Development by both the private and public sector along with sound land-use planning will help provide orderly development within the neighborhood in the future as the neighborhood becomes more mature. No adverse influences or conditions were noted that would affect values within the neighborhood. Thus, the future long-term outlook for the general area appears to be promising.

SECTION 2 – CERTIFICATION AND LIMITING CONDITIONS

We certify to the best of our knowledge and belief:

- ❖ The statements of fact contained in this report are true and correct.
- ❖ The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and our personal, impartial and unbiased professional analyses, opinions, and conclusions.
- ❖ We have no present or prospective interest in or bias with respect to the property that is the subject of this report and have no personal interest in or bias with respect to the parties involved with this assignment.
- ❖ Our engagement in this assignment was not contingent upon developing or reporting predetermined results. Furthermore, this appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
- ❖ Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- ❖ Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with requirements of the State of Texas and also conforms to the requirements of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA).
- ❖ The reported analysis, opinions, and conclusions were developed, and this report has been prepared in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- ❖ The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- ❖ As of the date of this report, Jimmy H. Jackson, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.
- ❖ As of the date of this report, Ernest E. Gatewood, III has completed the Standards and Ethics Education Requirements for Practicing Affiliates of the Appraisal Institute.

- ❖ Ernest E. Gatewood, III and Shelley M. Sivakumar have made a personal inspection of the property that is the subject of this report. Jimmy H. Jackson, MAI has not made a personal inspection of the property that is the subject of this report.
- ❖ We have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- ❖ No one provided significant real property appraisal assistance to the persons signing this report.
- ❖ Ernest E. Gatewood, III and Jimmy H. Jackson, MAI are currently certified in the State of Texas, and Shelley M. Sivakumar is currently licensed in the State of Texas. Ernest E. Gatewood, III, Jimmy H. Jackson, MAI, and Shelley M. Sivakumar have completed the continuing education requirements set forth with the State of Texas.
- ❖ Although other appraisers may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy are maintained at all times with regard to this assignment without conflict of interest.
- ❖ Ernest E. Gatewood, III, Jimmy H. Jackson, MAI, and Shelley M. Sivakumar are in compliance with the Competency Provision in the USPAP as adopted in FIRREA 1989 and have sufficient education and experience to perform an appraisal of the subject property.



Ernest E. Gatewood, III
Vice President - Commercial Division
TX-1324355-G
Expiration: December 31, 2016
ernestg@jacksonclaborn.com



Jimmy H. Jackson, MAI
President/CEO
TX-1324004-G
Expiration: December 5, 2016
jimmyj@jacksonclaborn.com



Shelley M. Sivakumar
Staff Appraiser
TX-1333354-L
Expiration: February 28, 2018
shelleys@jacksonclaborn.com

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

SECTION 2 – GENERAL ASSUMPTIONS AND LIMITING CONDITIONS

Information Used

- ❖ No responsibility is assumed for accuracy of information furnished by others or from others, including the client, its officers and employees, or public records. We are not liable for such information or for the work of contractors, subcontractors and engineers. The comparable data relied upon in this appraisal has been confirmed with one or more parties familiar with the transaction unless otherwise noted; all are considered appropriate for inclusion to the best of my factual judgment and knowledge.
- ❖ Certain information upon which the opinions and values are based may have been gathered by research staff working with the appraiser. Names, professional qualifications and extent of their participation can be furnished to the client upon request.

Legal, Engineering, Financial, Structural/Mechanical, Hidden Components, Soil

- ❖ No responsibility is assumed for matters legal in character or nature, nor matters of survey, nor of any architectural, structural, mechanical or engineering nature. No opinion is rendered as to the legal nature or condition of the title to the property, which is presumed to be good and marketable. The property is appraised assuming it is free and clear of all mortgages, liens or encumbrances, unless otherwise stated in particular parts of this report.
- ❖ The legal description is presumed to be correct, but we have not confirmed it by survey or otherwise. We assume no responsibility for the survey, any encroachments or overlapping or other discrepancies that might be revealed thereby.
- ❖ We have inspected, as far as possible by observation, the land and improvements thereon; however, it was not possible to personally observe conditions beneath the soil or hidden structural, or other components, or any mechanical components within the improvement; as a result, no representation is made herein as to such matters unless otherwise specifically stated. The market value opinion assumes that no such conditions exist that would cause a loss of value. We do not warrant against the occurrence of problems arising from any of these conditions. It is assumed that there are no hidden or unapparent conditions to the property, soil, subsoil or structures, which would render them more or less valuable. No responsibility is assumed for any such conditions or for any expense or engineering to discover them. All mechanical components are assumed to be in operating condition standard for the properties of the subject's type. If applicable, the condition of the heating, cooling, ventilation, electric and plumbing equipment is considered to be commensurate with the condition of the balance of the improvements, unless otherwise stated. No judgment is made as to the adequacy of insulation, engineering or energy efficiency of the improvements or equipment.

- ❖ Information relating to the location or existence of public utilities has been obtained through verbal inquiry to the appropriate utility authority, or has been ascertained from visual evidence. No warranty has been made regarding the exact location or capacities of public utility systems. Subsurface oil, gas or mineral rights were not considered in this report unless otherwise stated.

Legality of Use

- ❖ The appraisal is based on the premise that there is or will be full compliance with all applicable Federal, State and local environmental regulations and laws, unless otherwise stated in the report; and that all appropriate zoning, building and use regulations and restrictions of all types have been or will be complied with and required licenses, consent, permits or other authority, whether local, State, Federal and/or private, have been or can be obtained or renewed for the use intended and considered in the opinion of value.

Component Values

- ❖ The distribution of the total valuation of this report between land and improvements applies only under the proposed program of utilization. The separate valuations of land and buildings must not be used in conjunction with any other appraisal, and are invalid if so used.
- ❖ A report related to an estate that is less than the whole fee simple estate applies only to the fractional interest involved. The value of this fractional interest, plus the value of all other fractional interests, may or may not equal the value of the entire fee simple estate considered as a whole.
- ❖ A report relating to the geographic portion of a larger property applies only to such geographic portion and should not be considered as applying with equal validity to other portions of the larger property or tract. The value for such geographic portions, plus the value of all other geographic portions, may or may not equal the value of the entire property or tract considered as a single entity.
- ❖ All valuations in the report are applicable only under the estimated program of the highest and best use and are not necessarily appropriate under other programs of use.

Auxiliary and Related Studies

- ❖ No environmental or impact studies, special market study or analysis, highest and best use analysis study or feasibility study has been requested or made by us unless otherwise specified in this report or in my agreement for services. I reserve the unlimited right to alter, amend, revise or rescind any of these statements, findings, opinions, values, estimates or conclusions upon any subsequent study or analysis or previous study or analysis that subsequently becomes available to us.

Dollar Values, Purchasing Power

- ❖ The opinion of value and the costs used herein are as of the date of the opinion of value. All dollar amounts are based on the purchasing power and price of the United States dollar as of the date of opinion of value.

Inclusions

- ❖ Furnishings and equipment or business operations, except as otherwise specifically indicated, have been disregarded, with only the real estate being considered.

Proposed Improvements Conditioned Value

- ❖ For the purpose of this appraisal, on- or off-site improvements proposed, if any, as well as any repairs required, are considered to be completed in a good and workmanlike manner according to information submitted and/or considered by us. In cases of proposed construction, the report is subject to change upon inspection of the property after construction is complete. The opinion of value, as proposed, is as of the date shown, as if completed and operating at levels shown and projected.

Value Change, Dynamic Market Influences

- ❖ The opinion of value is subject to change with market changes over time. Value is highly related to interest rates, exposure, time, promotional effort, supply and demand, terms of sale, motivation and conditions surrounding the offering. The opinion of value considers the productivity and relative attractiveness of the property both physically and economically in the marketplace.
- ❖ The opinion of value in this report is not based in whole or in part upon race, color or national origin of the present owners or occupants of the properties in the vicinity of the property appraised.

- ❖ In the event this appraisal includes the capitalization of income, the opinion of value is a reflection of such benefits and my interpretation of income and yields and other factors which were derived from general and specific market information. Such opinions of value are made as of the date of the opinion of value. As a result, they are subject to change, as the market is dynamic and may naturally change over time. The date upon which the opinion of value applies is only as of the date of valuation, as stated in the letter of transmittal. The appraisal assumes no responsibility for economic or physical factors occurring at some later date which may affect the opinion stated herein.
- ❖ An appraisal is the product of a professionally trained person, but nevertheless is an opinion only, and not a provable fact. As a personal opinion, a valuation may vary between appraisers based upon the same facts. Thus, the appraiser warrants only that the value conclusions are his best opinion as of the date of valuation. There are no guaranties, either written or implied, that the property would sell for the expressed opinion of value.

Sales History

- ❖ Unless otherwise stated, the appraiser has not reviewed an abstract of title relating to the subject property. No title search has been made, and the reader should consult an attorney or title company for information and data relative to the property ownership and legal description. It is assumed that the subject title is marketable, but the title should be reviewed by legal counsel. Any information given by the appraiser as to a sales history is information that the appraiser has researched; to the best of our knowledge, this information is accurate, but not warranted.

Management of the Property

- ❖ It is assumed that the property which is the subject of this report will be under prudent and competent ownership and management over the entire life of the property. If prudent and competent management and ownership are not provided, this would have an adverse effect upon the value of the property appraised.

Confidentiality

- ❖ We are not entitled to divulge the material (evaluation or valuation) content of this report and analytical findings or conclusions, or give a copy of this report to anyone other than the client or his designee, as specified in writing, except as may be required by the Appraisal Institute, as they may request in confidence for ethic enforcement, or by a court of law with the power of subpoena.

- ❖ All conclusions and opinions concerning the analyses as set forth herein are prepared by the appraisers whose signatures appear. No change of any item in the report shall be made by anyone other than the appraiser, and the firm shall have no responsibility if any such unauthorized change is made.
- ❖ Whenever our opinion herein with respect to the existence or absence of fact is qualified by the phrase or phrases "to the best of our knowledge", "it appears" or "indicated", it is intended to indicate that, during the course of our review and investigation of the property, no information has come to our attention which would give us actual knowledge of the existence or absence of such facts.
- ❖ The client shall notify the appraiser of any error, omission or invalid data herein within 10 days of receipt and return of the report, along with all copies, to the appraiser for corrections prior to any use whatsoever. Neither our name nor this report may be used in connection with any financing plans which would be classified as a public offering under State or Federal Security Laws.

Copies, Publication, Distribution, Use of Report

- ❖ Possession of this report, or any copy thereof, does not carry with it the right of publication, nor may it be used for other than its intended use. The physical report remains the property of the firm for the use of the client, with the fee being for the analytical services only. This report may not be used for any purpose by any person or corporation other than the client or the party to whom the report is addressed. Additional copies may not be made without the written consent of an officer of the firm, and then only in its entirety.
- ❖ Neither all nor any part of the contents of this report shall be conveyed to the public through advertising, public relations effort, news, sales or other media without my prior written consent and approval of the client.
- ❖ It has been assumed that the client or representative thereof, if soliciting funds for his project, has furnished to the user of this report complete plans, specifications, surveys and photographs of land and improvements, along with all other information which might be deemed necessary to correctly analyze and appraise the subject property.

Trade Secrets

- ❖ The information found within this report was obtained from Jackson Claborn, Inc. or related companies and/or its individuals and consists of "trade secrets and commercial or financial information" which is privileged and confidential. Notify the appraisers signing the report or an officer of Jackson Claborn, Inc. of any request to reproduce this report in whole or in part.

Testimony, Consultation, Completion of Contract for Appraisal Services

- ❖ A contract for appraisal, consultation or analytical services is fulfilled and the total fee is payable upon completion of the report. The appraisers or those assisting in the preparation of the report will not be asked or required to give testimony in court or hearing because of having made the appraisal in full or in part, nor will they be asked or required to engage in post appraisal consultation with client or third parties except under separate and special arrangement and at an additional fee.
- ❖ Any subsequent copies of this appraisal report will be furnished on a cost plus expenses basis, to be negotiated at the time of request.

Limit of Liability

- ❖ Liability of the firm and the associates is limited to the fee collected for preparation of the appraisal. There is no accountability or liability to any third party.

Fee

- ❖ The fee for this appraisal or study is for the service rendered, and not for time spent on the physical report. The acceptance of the report by the client takes with it the agreement and acknowledgement that the client will pay the negotiated fee, whether said agreement was verbal or written. The fee is in no way contingent on the value opinion.

Special Conditions of Appraisal Report

- ❖ All information relative to the subject property, including land areas, lot totals, lot sizes, and other pertinent data that was provided by James Knapp LLC (Land Planning & Urban Design), Arthur Surveying Co., Inc. (surveyors), Wynne/Jackson (owner/developer), the City of Celina, and the Collin Central Appraisal District is assumed to be correct. If it is found that the information supplied to us is significantly different than our assumption, our assignment results might be affected.

- The valuations found herein take the following into consideration:
 - On April 12, 2016, the City Council of the City of Celina created the "G Bar 7 Public Improvement District" (the "District") for an approximately 119.138 acre parcel to be known as G Bar 7 to finance the costs of certain public improvements for the benefit of property within the District as part of the agreement contained in the Development Agreement relating to G Bar 7 effective April 12, 2016 between the City and Wynne/Jackson (the "Development Agreement"). The property in the District is proposed to eventually be developed in two residential phases with a total of approximately 349 residential lots (Phase 1 with 159 lots and a future Phase 2 with 190 lots). In accordance with the Development Agreement, the City plans to issue certain bonds in 2016 to commence funding the project's infrastructure and future bonds may also be issued to fund the continued development of the project. The bonds will be secured by assessments imposed on property located within a specific phase and will solely finance improvements (or a portion of an improvement) that benefit such phase as that phase is developed. If it is found that the information supplied to us is significantly different than our assumption, our assignment results might be affected.
 - Additionally, in accordance with the Development Agreement, the City plans to create a "Tax Increment Reinvestment Zone" ("TIRZ") with boundaries that are contiguous with those of the District. The City and the developer intend for the tax increment revenue generated by the TIRZ to be used to offset the assessments imposed on the property as described in the Development Agreement. The approval and creation of the TIRZ is scheduled for May 10, 2016 and has been assumed in our valuation. If it is found that the information supplied to us is significantly different than our assumption, our assignment results might be affected.

- ❖ Overall, the subject represents Phase 1 of a future two-phase residential development to eventually contain a total of approximately 349 residential lots on a total of 119.138 gross acres (2.9 upa) within a master-planned development known as “G Bar 7”. Although requested, a plat of Phase 1 was not available at the effective date of this appraisal. Thus, utilizing the survey and “concept plan” provided from the developer, the subject’s Phase 1 is planned to be developed on 41.499 gross acres with a total of 159 single-family lots (3.8 upa) with two typical lot dimensions. Of the 159 lots, 94 lots (59%) are platted and planned to be developed with a typical lot dimension of 50’ x 120’ (6,000 square feet) and 65 lots (41%) are to be developed with a typical lot dimension of 60’ x 125’ (7,500 square feet). A brief summary of the proposed lots within Phase 1 of the development is shown in the following table. It is assumed this information is correct. If it is found that the information supplied to us is significantly different than our assumption, our assignment results might be affected.

<u>G Bar 7, Phase I</u>			
		Lot	
<u>Total Lots</u>	<u>Percentage</u>	<u>Dimensions</u>	<u>Total SF</u>
94	59%	50' x 120'	6,000
<u>65</u>	<u>41%</u>	60' x 125'	7,500
<u>159</u>	<u>100%</u>		
<i>Data per developer</i>			

- ❖ As the subject represents a proposed construction project, this report contains prospective opinions of value. As such, we have assumed that the market conditions as discussed and considered within this report will be similar on the prospective valuation date. Further, we cannot be held responsible for unforeseeable events that alter market conditions prior to this prospective effective date. The prospective market value date is approximately 14 months from the effective date of this appraisal, due to the development taking approximately 14 months to complete.
- ❖ It is noted that our “as is” valuation utilized the terms of the lot contracts provided relative to absorption, lot pricing, and reimbursements. We assume this information to be correct. If it is found that the information supplied to us is significantly different than our assumption, our assignment results might be affected.
- ❖ Local and regional lending institutions appear to remain active within the subject’s market for specific projects. Therefore, we specifically assume that the financial markets will continue to function in a competitive, efficient fashion. However, we cannot be held responsible for unforeseeable events that alter market conditions.

SECTION 3 – PREMISES OF THE APPRAISAL

Purpose of Appraisal

The purpose of this appraisal is to provide an opinion of the market values of the fee simple interest of the prospective market value “as if improved as proposed” of the 159 proposed developed lots within G Bar 7, Phase 1 (upon the completion of Phase 1 PID development) under the reporting requirements of the Uniform Standards of Professional Appraisal Practice (USPAP), as defined by the Appraisal Foundation.

Competency of Appraisers

The appraisers' specific qualifications are included within this report. These qualifications serve as evidence of their competence for the completion of this appraisal assignment in compliance with the competency provision contained within the Uniform Standards of Professional Appraisal Practice as promulgated by the Appraisal Standards Board of the Appraisal Foundation. The appraisers' knowledge and experience, combined with their professional qualifications, are commensurate with the complexity of this assignment based on the following:

- ❖ Professional experience
- ❖ Educational background and training
- ❖ Business, professional, academic affiliations and activities

The appraisers have previously provided consultation and opinion of values for various types of similar properties in Texas.

Appraisal Analysis and Report Type

The Appraisal Standards Board controls the process of making an appraisal of a parcel of real estate. The Board issues rules and guidelines from which all appraisals and resulting reports are made. The process of administration of those rules and guidelines is addressed to the Real Estate Appraiser Commission of each respective state. The Appraisal Standards Board issues the rules and guidelines in the form of a document update published each year by The Appraisal Foundation. That document is entitled “The Uniform Standards of Professional Appraisal Practice” (USPAP). The analysis process is composed of several distinctive steps that appraisers follow to gain a thorough understanding of the property and factors that affect its value.

There are two types of reports. They are: Appraisal Report and Restricted Appraisal Report. The following definitions have been adopted for each type of report:

- ❖ Appraisal Report: A written report prepared under Standards Rule 2-2 (a)
- ❖ Restricted Appraisal Report: A written report prepared under Standards Rule 2-2 (b)

This appraisal of the subject has been presented in the form of an Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2 (a) of the USPAP.

Scope of Assignment and Reporting Process

This Appraisal is reported in an "Appraisal Report" format which is intended to comply with the reporting requirements set forth under Standards Rule 2-2 (a) of the Uniform Standards of Professional Appraisal Practice of The Appraisal Foundation. The scope of this appraisal has been to collect, confirm, and report data. Other general market data and conditions have been considered.

It is noted that the scope of work is stated throughout the report. The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of the subject property and neighborhood, and selection of comparable sales, listings, and/or rentals within the subject market area.

Any inspection noted herein included the property being appraised as well as the neighborhood in which it is located. During the inspection, an inventory of the property attributes was collected based on visual observation. The purpose of any sketch, plans, building/unit layout, etc. provided is to best determine a reasonable estimation of the size and/or improvement layout of the subject and other notable improvements. This information is for referencing purposes only and may not accurately reflect the size, scale, and/or location of the improvement. A survey and/or architect should be relied upon for these purposes. (NOTE: The term "inspection" should not be construed to be a professional engineer's report concerning the condition of the building, structural integrity, or condition of any mechanical items. If the client has concerns of this type, a professional engineer's inspection and report are recommended. That type of inspection is beyond the scope of work of this assignment and the professional abilities of a certified appraiser. This inspection is made only for observation of property attributes).

The scope of this Appraisal Report has been to collect, confirm, and report data, while other general market data and conditions have been considered. Consideration and research has been performed regarding the subject property's zoning and surrounding improvements and neighborhood. We have investigated public records for the property's zoning, flood hazard area classification, and property tax assessor's records for attributes of the property. We have also investigated the subject's quality and condition with available market participants to the sale (i.e., broker, owner, seller, buyer, tenant, etc.) and stated the current use of the subject. Consideration of the highest and best use of the land and property as vacant and improved (if applicable) has been analyzed.

If applicable to the assignment, we have collected and analyzed the following as necessary to the assignment:

- ❖ Researched cost estimates from published and recognized data sources and applied recognized depreciation estimates which would lead to the completion of the Cost Approach.
- ❖ Researched comparable rents of similar improved properties, made a comparative analysis which would lead to completion of market rent and the Income Approach to Value.
- ❖ Researched the subject's historical income and expenses, published and recognized data sources, as well as comparable data of competing properties' historical income and expenses to project future income and expenses for the subject property which would lead to completion of the Income Approach to Value.
- ❖ Researched comparable sales, recognized and published data sources, as well as utilized recognized appraisal techniques to arrive at a supportable capitalization rate and/or discount rate which would lead to completion of the Income Approach to Value.
- ❖ Researched comparable sales of similar improved and vacant land properties and made a comparative analysis which would lead to completion of the Sales Comparison Approach to Value as improved and/or as vacant land.

The original source of the comparables is described in the Data Source section of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable has been used. Data believed to be unreliable was not included in the report or used as a basis for the value conclusion. Data obtained during the search for comparables was obtained through recognized private sources as well as public sources (i.e., CoStar, Inc, Multiple Listing Service, LoopNet, Roddy Report, ALN Online, local appraisal districts, county records, etc.) as well as conversations and research with area market participants. It is noted that Texas is a "non-disclosure" state and sales prices are not a part of public record. As Texas is a "non-disclosure state," buyers and sellers of real property are under no legal obligation to disclose prices of transactions. For this reason, although there may have been numerous other actual sales, those included herein are not only deemed most relevant, but are those upon which reliable sale price data are available.

Based on location of comparables as well as client requirements, the comparables may or may not have been inspected. However, significant research was performed on each comparable through various data sources (i.e., tax records, aerial mapping systems, city websites and office resources, county websites and office resources, etc.). The extent of research performed was dependent on the complexity of the assignment and detail needed to adequately represent the comparable. Hence, we have relied upon best and common practices in verifying comparable data utilized herein and have assumed it to be accurate and reliable.

In reporting the data collected and analyzed, we have summarized the scope of work used to develop the appraisal as well as summarized the information analyzed, the appraisal methods and techniques employed, and the reasoning that supports the analyses, opinions, and conclusions. Any exclusions of the sales comparison approach, cost approach, or income approach have been explained. We have also stated the use of the property existing as of the date of value and provided an opinion of highest and best use. We have also summarized the support and rationale for that opinion. The data and analysis found herein is summarized. Adequate data and analysis was provided to give the user an explanation of our thought and rationale. It is noted that more detailed information may be available in our work files that was relied upon to arrive at analysis and conclusions contained in this report.

The appraiser performed the appraisal in conformity with the Uniform Standards of professional Appraisal Practice and Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended (12 U.S.C. 3331 et seq.), and any implementing regulations in effect at the time the appraiser signs the appraiser's certification. Hence, the contents of this report and the analysis presented herein is written in an effort to comply and meet all applicable Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, as amended (12 U.S.C. 3331 et seq.) regulations and guideline requirements. However, it is noted that much of these guidelines do not deal directly with the appraisal process and that in the normal course of business we are not expected to be an expert in all of these guidelines.

Definition of Value

We have been asked to appraise the market value of the subject, which is defined by The Appraisal Foundation in the Uniform Standards of Professional Appraisal Practice, and the Code of Federal Regulators under Chapter 12 C.F.R. Part 34.42(g) as follows:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- ❖ ***Buyer and seller are typically motivated;***
- ❖ ***Both parties are well informed or well advised, and each acting in what they consider their own best interests;***
- ❖ ***A reasonable time is allowed for exposure in the open market;***
- ❖ ***Payment is made in terms of cash with U.S. dollars or in terms of financial arrangements comparable thereto; and***

- ❖ *The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*¹

Property Rights

The property ownership rights appraised in this appraisal are those known as “fee simple”.

Fee Simple Interest

“Absolute ownership unencumbered by any other interest or estate; subject to the four powers of government. The four powers of government are eminent domain, escheat, police power, and taxation”.²

Prospective Market Value

“A forecast of the value expected at a specified future date. A prospective value opinion is most frequently sought in connection with real estate projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written”.

Intended Use of Appraisal

It is our understanding that the intended use of the appraisal is to provide an opinion of value for the underwriting of development bonds.

Intended User of Appraisal

The intended user of this appraisal assignment is identified as FMSBonds, Inc. and the City of Celina. No one other than the stated and specifically identified intended user should rely upon the estimate of value or any other conclusions contained in this appraisal report. Prohibited users include any participants from equity participation and/or debt structured participation, as well as present or future purchasers/lessees or sellers/lessors of the subject property. Jackson Claborn, Inc. assumes no liability to any and all unnamed third party non-intended users who attempt to rely upon this appraisal report for any purposes.

Date of Opinion of Value

The market value opinions presented in this report are applicable as of June 3, 2017.

¹ 12 C.F.R. Part 34.42 (g) and The Dictionary of Real Estate Appraisers 6th Edition, the Appraisal Institute, Chicago, Illinois (U.S. 2015)

² Ibid.

Date of Property Inspection

The subject property was physically inspected by Shelley M. Sivakumar on April 3, 2016.

Identification/Use of the Property

The subject represents Phase 1 of a future two-phase residential development to eventually contain a total of approximately 349 residential lots on a total of 119.138± gross acres (2.9 upa) within a master-planned development known as “G Bar 7”. The subject’s Phase 1 is to be developed on 41.499± acres with a total of 159 single-family lots (3.8 upa) with two typical lot dimensions after completion of the Phase 1 PID development. Utilizing the concept plan and data provided, 94 lots (59%) are platted and planned to be developed with a typical lot dimension of 50’ x 120’ (6,000 square feet) and 65 lots (41%) are to be developed with a typical lot dimension of 60’ x 125’ (7,500 square feet). The property is further identified as follows:

Location:	Southwest quadrant of CR-55 and CR-1117, City of Celina, Collin County, Texas
Current Owner of Record:	G Bar 7 Ltd.
Tax Parcel ID:	963014 and 963041
Legal Descriptions:	
Land (Phase 1):	Being 41.499 acres situated in the Collin County School Land Survey, Abstract No. 167, City of Celina, Collin County, Texas
G Bar 7, Phase 1 (159 Lots):	Although requested, the plat was not available at the effective date of this appraisal.

History of the Property

The Uniform Standards of Professional Appraisal Practice requires a statement of the sales history of the subject property for the three years prior to the appraisal date. The current owner, G Bar 7 Ltd., has owned the subject property as part of a larger 119.138 gross-acre tract of land for over three years prior to the effective date of this appraisal. However, the property as 119.138 gross acres is currently under contract to Wynne/Jackson, Inc. at a price of \$5,063,450 (\$42,500/acre) plus \$642.25 multiplied by the number of days following February 1, 2016 until closing. Furthermore, the land contract specifies the following:

- If Purchaser has not obtained all necessary City of Celina City Council approvals of the “Public Improvement District” and the “Tax Increment Reinvestment Zone” on or before June 15, 2016, the Purchaser may terminate the Contract.

Although not valued directly herein, the pending land contracted price of \$42,500 per gross acre is believed to be market oriented for a large undeveloped tract of land.

At the effective date of this appraisal, all of the proposed Phase 1 lots (159 lots) are equally being sold to two volume homebuilders (Horizon Homes and History Maker Homes) who have signed “letters of intent” based upon a front footage price of \$1,350 per foot for each respective lot type (50’ lots at \$67,500/lot and 60’ lots at \$81,000/lot). According to the LOIs, the initial takedown (presales) will total 24 lots (14 – 50’ lots and 10 – 60’ lots) with a total of 24 lots per quarter thereafter (equates to 12 lots/builder/quarter). The takedown per the “LOIS” equates to an overall takedown of eight lots per month (four lots/builder/month). The overall average takedown period is estimated at 19.9± months (19.5± months for 60’ lots to 20.1± months for 50’ lots).

Based upon current market lot sales data, as well as absorption data, the subject’s “LOI” lot prices appear to be well supported by current lot sales data. Furthermore, the LOI absorption average (8.0 upm or 4.0 lots/builder/month) is also supported by current market absorption data.

Exposure Time

Exposure time is the estimated length of time the property would have been offered prior to a hypothetical market value sale on the effective date of appraisal. It is a retrospective estimate based upon an analysis of recent past events, assuming a competitive and open market. It assumes not only adequate, sufficient, and reasonable time but also adequate, sufficient, and reasonable marketing effort. Exposure time is therefore interrelated with appraisal conclusion of value.

An estimate of exposure time is not intended to be a prediction of a date of sale or a simple one-line statement. Instead, it is an integral part of the appraisal analysis and is based upon one or more of the following:

- ❖ statistical information about days on the market
- ❖ information gathered through sales verification
- ❖ interviews of market participants.

The reasonable exposure period is a function of price, time, and use. It is not an isolated estimate of time alone. Exposure time is different for various types of real estate and under various market conditions.

In consideration of these factors, we have analyzed the following:

- ❖ exposure periods of comparable sales revealed during the course of this appraisal;
- ❖ macroeconomic exposure times for the subject property type across the subject MSA and the entire United States as published in multiple articles and websites.
- ❖ knowledgeable real estate professionals.

Based upon the foregoing analysis, an exposure time less than nine months is reasonable, defensible, and appropriate. This exposure time assumes the subject would have been competitively priced and aggressively promoted within the market area.

Marketing Time

Marketing time is the period a prospective investor would forecast to sell the subject property immediately after the date of value, at the value opinion. The marketing time is an estimate of the number of months it will require to sell the subject from the date of value, into the future. The anticipated marketing time is essentially a measure of the perceived level of risk associated with the marketability, or liquidity, of the subject property. The marketing time estimate is based upon the data used in estimating the reasonable exposure time, in addition to an analysis of the anticipated changes in market conditions following the date of appraisal. The future price for the subject (at the end of the marketing time) may or may not equal the value opinion found herein. The future price depends upon unpredictable changes in the physical real estate, demographic and economic trends, real estate markets in general, supply/demand characteristics for the property type, and many other factors.

Based upon the premise that present market conditions are the best indicators of future performance, a prudent investor will forecast that, under the conditions described above, the subject will require a marketing time of approximately nine months for the future phases and the following marketing time periods to sell-out of all 159 proposed lots within on Phase 1 after a 14-month construction period.

<u>Absorption Projection Summary</u>						
<u>Total Lots</u>	<u>Percentage</u>	<u>Lot Types</u>	<u>Total SF</u>	<u>Absorption Average/Month±</u>	<u>Absorption Per Quarter</u>	<u>Absorption Period -Months±</u>
94	59%	50' x 120'	6,000	4.7	14.0	20.1
65	41%	60' x 125'	7,500	3.3	10.0	19.5
159	100%			8.0	24.0	
G Bar 7, Phase 1						

SECTION 4 – PRESENTATION OF DATA COLLECTED

Dallas/Fort Worth Metropolitan Economic Analysis

Introduction

The Dallas/Fort Worth Consolidated Metropolitan Statistical Area (CMSA), commonly referred to as the “Metroplex” or “D/FW”, is the fourth largest metropolitan area, in terms of population, in the United States according to 2010 census data. In accordance to other metropolitan areas within the United States, the Metroplex ranks near the top for population growth, business relocations, job creation, and housing construction. Also, the Metroplex is the top financial and trade center in the Southwest.

Location

The Dallas/Fort Worth CMSA covers 7,197 square miles in the North Central Texas and is situated approximately 300 miles north of the Gulf of Mexico, 165 miles west of the Louisiana state border, and 80 miles south of the Oklahoma state border. The D/FW CMSA includes the Texas counties of Collin, Dallas, Delta, Denton, Ellis, Hunt, Kaufman, Rockwall, Johnson, Parker, Tarrant, and Wise.



Demographics

Demographic statistics were compiled by Site To Do Business (STDB) based upon 2010 census data. The following is a summary of the demographic data.



Demographic and Income Comparison Profile

Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
 Dallas-Fort Worth-Arlington, TX Metropolitan Statistical ...
 Geography: Metropolitan Area (CBSA)

Prepared by Esri

	Dallas-Fort Wort...
Census 2010 Summary	
Population	6,426,214
Households	2,320,283
Families	1,605,892
Average Household Size	2.74
Owner Occupied Housing Units	1,431,890
Renter Occupied Housing Units	888,393
Median Age	33.6
2015 Summary	
Population	6,888,007
Households	2,479,332
Families	1,708,935
Average Household Size	2.74
Owner Occupied Housing Units	1,488,496
Renter Occupied Housing Units	990,836
Median Age	34.4
Median Household Income	\$61,302
Average Household Income	\$84,725
2020 Summary	
Population	7,448,063
Households	2,678,163
Families	1,841,891
Average Household Size	2.75
Owner Occupied Housing Units	1,603,909
Renter Occupied Housing Units	1,074,254
Median Age	34.8
Median Household Income	\$72,696
Average Household Income	\$95,635
Trends: 2015-2020 Annual Rate	
Population	1.58%
Households	1.55%
Families	1.51%
Owner Households	1.50%
Median Household Income	3.47%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.

February 23, 2016

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)



Demographic and Income Comparison Profile

Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
 Dallas-Fort Worth-Arlington, TX Metropolitan Statistical ...
 Geography: Metropolitan Area (CBSA)

Prepared by Esri

		Dallas-Fort Wort...	
2015 Households by Income		Number	Percent
<\$15,000		238,763	9.6%
\$15,000 - \$24,999		222,938	9.0%
\$25,000 - \$34,999		233,697	9.4%
\$35,000 - \$49,999		316,975	12.8%
\$50,000 - \$74,999		417,512	16.8%
\$75,000 - \$99,999		329,677	13.3%
\$100,000 - \$149,999		395,262	15.9%
\$150,000 - \$199,999		161,304	6.5%
\$200,000+		163,189	6.6%
Median Household Income		\$61,302	
Average Household Income		\$84,725	
Per Capita Income		\$30,706	
2020 Households by Income		Number	Percent
<\$15,000		235,348	8.8%
\$15,000 - \$24,999		174,074	6.5%
\$25,000 - \$34,999		221,218	8.3%
\$35,000 - \$49,999		322,305	12.0%
\$50,000 - \$74,999		414,112	15.5%
\$75,000 - \$99,999		396,812	14.8%
\$100,000 - \$149,999		493,549	18.4%
\$150,000 - \$199,999		221,666	8.3%
\$200,000+		199,064	7.4%
Median Household Income		\$72,696	
Average Household Income		\$95,635	
Per Capita Income		\$34,585	

Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.

February 23, 2016

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)



Demographic and Income Comparison Profile

Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
 Dallas-Fort Worth-Arlington, TX Metropolitan Statistical ...
 Geography: Metropolitan Area (CBSA)

Prepared by Esri

		Dallas-Fort Wort...	
2010 Population by Age		Number	Percent
Age 0 - 4		500,051	7.8%
Age 5 - 9		507,771	7.9%
Age 10 - 14		490,318	7.6%
Age 15 - 19		460,801	7.2%
Age 20 - 24		429,106	6.7%
Age 25 - 34		957,400	14.9%
Age 35 - 44		960,992	15.0%
Age 45 - 54		913,342	14.2%
Age 55 - 64		634,834	9.9%
Age 65 - 74		333,978	5.2%
Age 75 - 84		172,423	2.7%
Age 85+		65,198	1.0%
2015 Population by Age		Number	Percent
Age 0 - 4		506,934	7.4%
Age 5 - 9		518,742	7.5%
Age 10 - 14		518,064	7.5%
Age 15 - 19		472,645	6.9%
Age 20 - 24		490,765	7.1%
Age 25 - 34		1,000,449	14.5%
Age 35 - 44		976,288	14.2%
Age 45 - 54		930,821	13.5%
Age 55 - 64		755,847	11.0%
Age 65 - 74		448,677	6.5%
Age 75 - 84		193,590	2.8%
Age 85+		75,185	1.1%
2020 Population by Age		Number	Percent
Age 0 - 4		544,435	7.3%
Age 5 - 9		541,332	7.3%
Age 10 - 14		551,773	7.4%
Age 15 - 19		508,914	6.8%
Age 20 - 24		485,761	6.5%
Age 25 - 34		1,111,765	14.9%
Age 35 - 44		1,051,392	14.1%
Age 45 - 54		928,477	12.5%
Age 55 - 64		841,967	11.3%
Age 65 - 74		552,623	7.4%
Age 75 - 84		244,731	3.3%
Age 85+		84,893	1.1%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.

February 23, 2016

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)



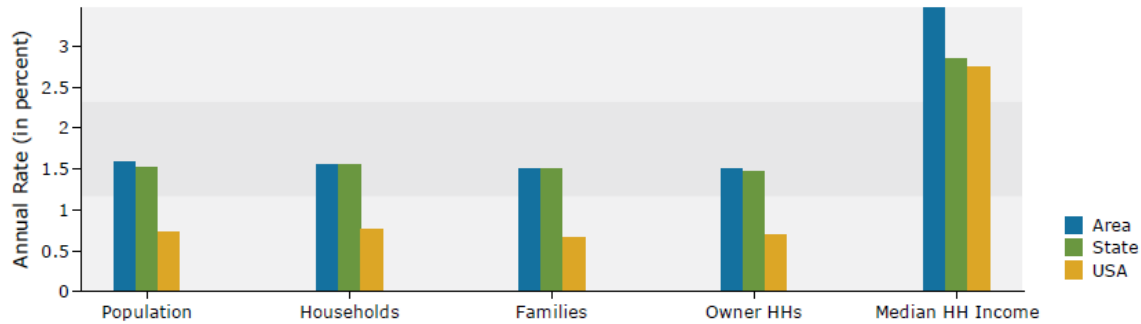
Demographic and Income Comparison Profile

Dallas-Fort Worth-Arlington, TX Metropolitan Statistical Area
 Dallas-Fort Worth-Arlington, TX Metropolitan Statistical ...
 Geography: Metropolitan Area (CBSA)

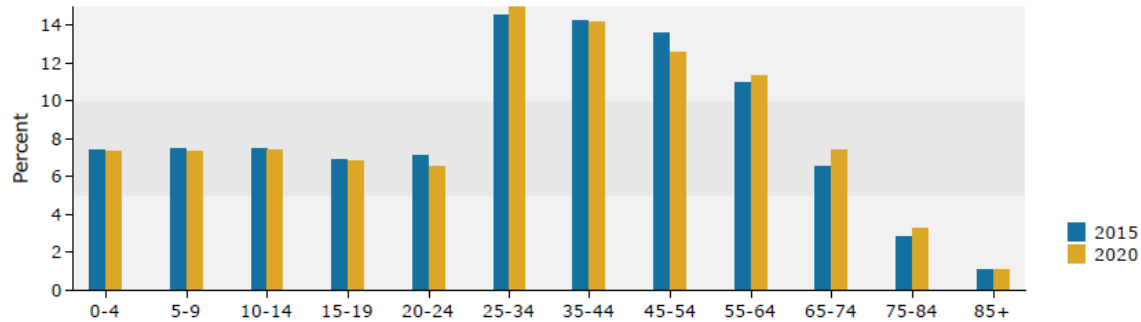
Prepared by Esri

Dallas-Fort Wort...

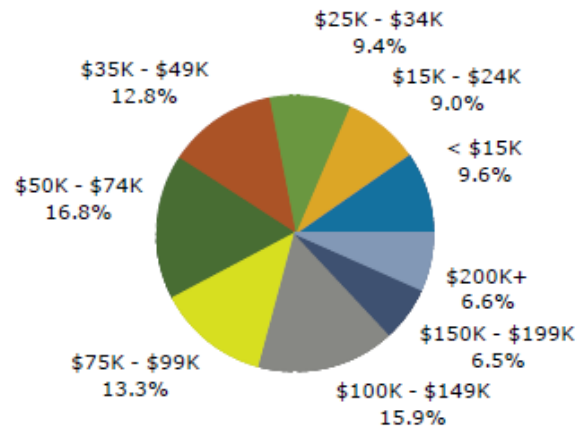
Trends 2015-2020



Population by Age



2015 Household Income



Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.

February 23, 2016

Employment

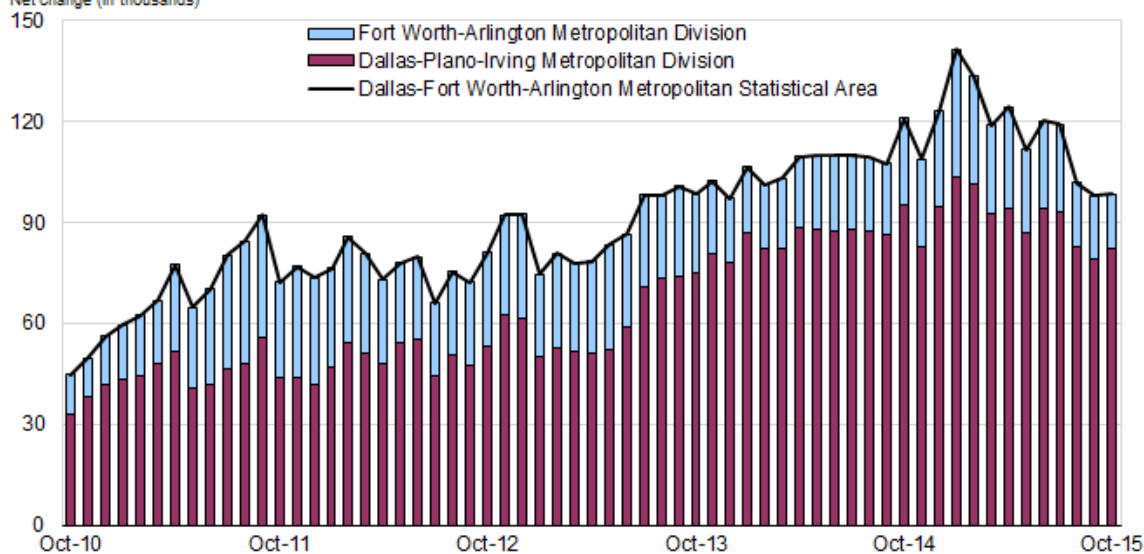
The Dallas/Fort Worth Metroplex continues to be one of the nation's most resilient economic markets. Over the past year, the Dallas area ranked first in over-the-year percent change in job growth. The following pages contain employment statistics provided by the U.S. Department of Labor Bureau of Labor Statistics.

Dallas-Fort Worth Area Employment — October 2015

Total nonfarm employment in the Dallas-Fort Worth-Arlington Metropolitan Statistical Area stood at 3,423,100 in October 2015, up 98,400 over the year, the U.S. Bureau of Labor Statistics reported today. From October 2014 to October 2015, local nonfarm employment rose 3.0 percent, well above the national increase of 1.9 percent. Regional Commissioner Stanley W. Suchman noted that among the 12 largest metropolitan areas in the country, Dallas ranked third in both the rate of job growth and the number of jobs added. (See chart 1 and table 1; the Technical Note at the end of this release contains the metropolitan area definitions. All data in this release are not seasonally adjusted; accordingly, over-the-year analysis is used throughout.)

Chart 1. Total nonfarm employment, over-the-year net change in the Dallas metropolitan area and its divisions, October 2010–October 2015

Net change (in thousands)



Source: U.S. Bureau of Labor Statistics.

The Dallas-Fort Worth-Arlington Metropolitan Statistical Area consists of two metropolitan divisions – separately identifiable employment centers within the larger metropolitan area. The Dallas-Plano-Irving Metropolitan Division, which accounted for 71 percent of the area's workforce, provided 84 percent of area growth with the addition of 82,200 jobs from October a year ago, an increase of 3.5 percent. The Fort Worth-Arlington Metropolitan Division, which accounted for the remaining 29 percent of the area's workforce, added 16,200 jobs during the 12-month period, a 1.6-percent increase.

Industry Employment

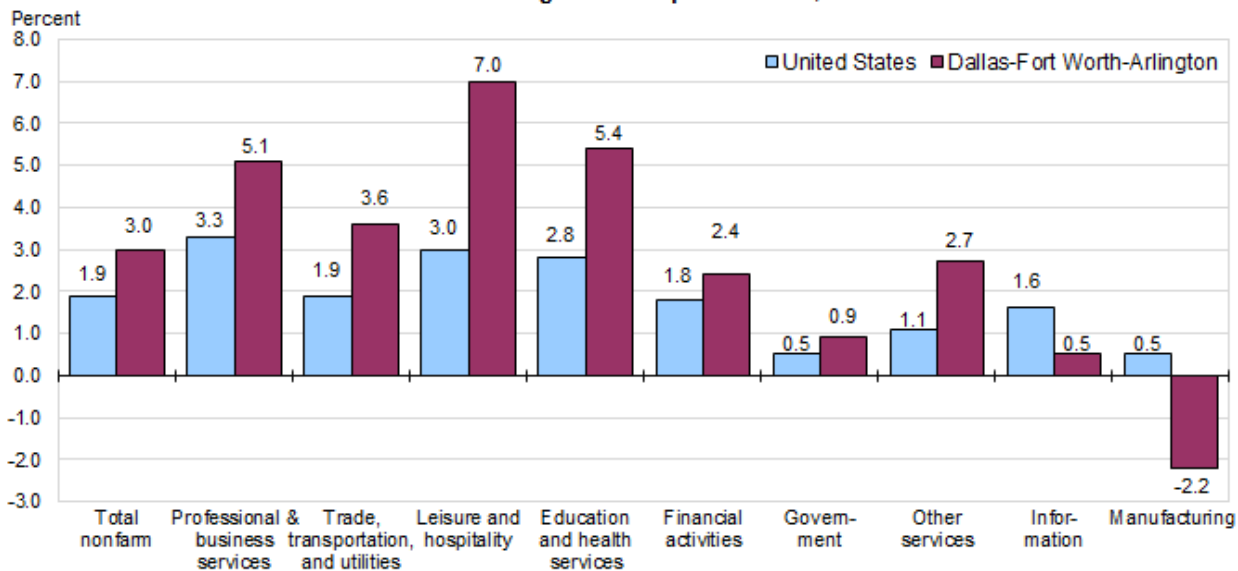
Professional and business services had the largest annual employment gain among the Dallas-Fort Worth-Arlington supersectors, adding 27,800 jobs, a 5.1-percent rise since October 2014; nationally, employment was up 3.3 percent in this supersector. (See [table 1](#) and [chart 2](#).) Local growth in this sector was particularly strong in the employment services industry which gained 15,100 jobs over the year, a 12.4-percent increase.

Trade, transportation, and utilities, the metropolitan area's largest supersector, added 24,800 jobs from October 2014. The 3.6-percent local rate of job growth compared to the national rate of 1.9 percent. Locally, industry employment growth occurred in each of the three subsectors, led by the addition of 10,800 retail trade jobs. Wholesale trade added 10,500 jobs and transportation and utilities added 3,500 jobs during the period.

Employment in leisure and hospitality rose by 23,200 from October 2014, with nearly all the job gains in the supersector's largest industry, food services and drinking places. The local leisure and hospitality job growth rate of 7.0 percent was more than double the national rate of 3.0 percent.

Dallas-Fort Worth-Arlington's education and health services supersector added 22,100 jobs, a gain of 5.4 percent over the year. Both metropolitan divisions had annual job gains, with Dallas adding 15,000 jobs and Fort Worth adding 7,100 jobs. Nationwide, this industry registered a 2.8 percent increase from October a year ago.

Chart 2. Total nonfarm and selected industry supersector employment, over-the-year percent change, United States and the Dallas-Fort Worth-Arlington metropolitan area, October 2015



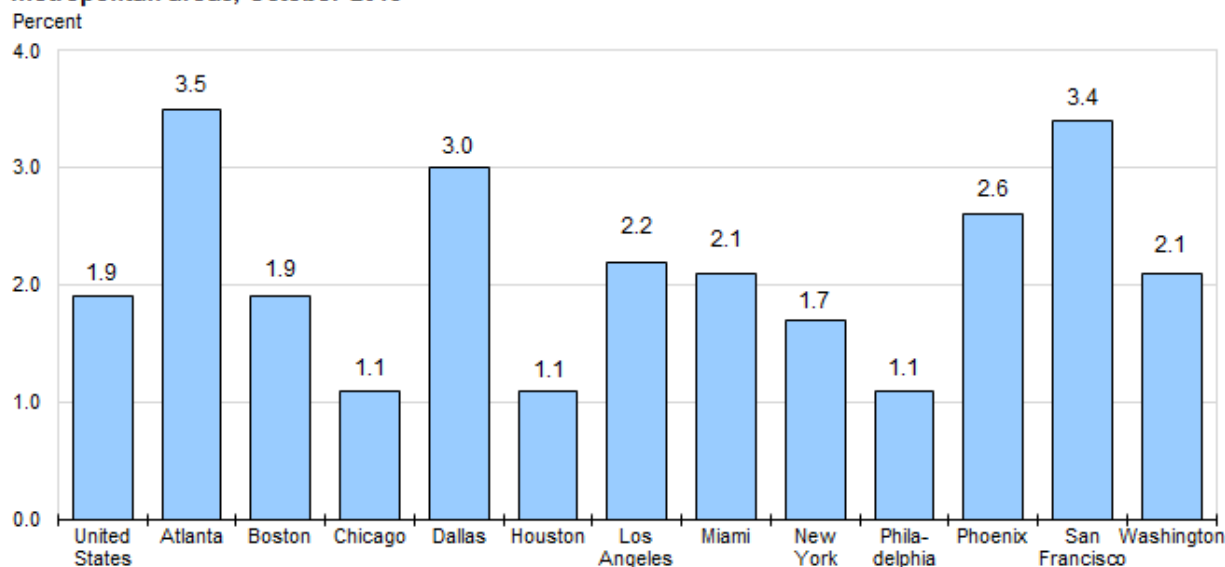
Source: U.S. Bureau of Labor Statistics.

The local financial activities supersector added 6,500 jobs since October 2014, a 2.4-percent increase; nationally, the rate of job growth for the financial activities supersector was 1.8 percent. Government employment in the Dallas-Fort Worth-Arlington metropolitan area increased by 3,700 from October 2014. Local government accounted for the largest share of the gain (2,400). Government employment rose 0.9 percent in the local area, compared to a 0.5-percent rise nationwide. The mining, logging, and construction supersector had the largest employment decline in the local area, down 7,300 over the year. The bulk of this loss occurred among specialty trade contractors, down 5,300 jobs. The Dallas-Fort Worth-Arlington manufacturing supersector lost 5,900 jobs from October 2014. Job losses occurred in both metropolitan divisions and were particularly evident in the transportation equipment manufacturing industry (-2,200). Locally, manufacturing employment fell 2.2 percent from October 2014, compared to the national increase of 0.5 percent.

Employment in the 12 Largest Metropolitan Areas

Dallas was one of the nation's 12 largest metropolitan statistical areas in October 2015. All 12 areas experienced over-the-year job growth during the period, with seven areas exceeding the U.S. average of 1.9 percent. Atlanta-Sandy Springs-Roswell had the fastest rate of job growth, 3.5 percent, followed by San Francisco-Oakland-Hayward (3.4 percent) and Dallas (3.0 percent). The slowest rates of job growth were in Chicago-Naperville-Elgin, Philadelphia-Camden-Wilmington, and Houston-The Woodlands-Sugar Land, at 1.1 percent each. (See chart 3 and table 2.)

Chart 3. Total nonfarm employment, over-the-year percent change, United States and 12 largest metropolitan areas, October 2015



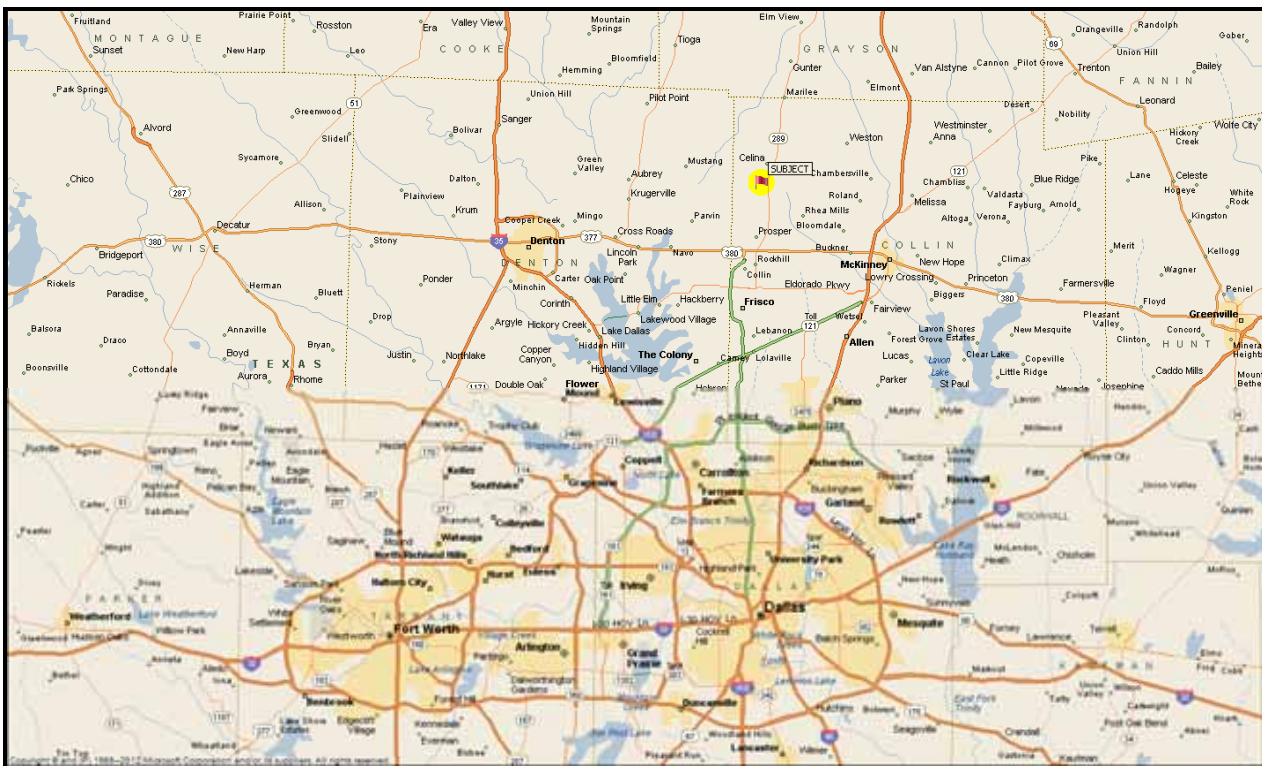
Source: U.S. Bureau of Labor Statistics.

Dallas/Fort Worth Metropolitan Real Estate Analysis

In summary, the interaction of the environmental, governmental, social and economic forces has contributed to the diversified economic base of the Metroplex. The overall real estate market throughout the Metroplex is currently experiencing a moderate upward cycle following market conditions currently transpiring across the United States. Economic recovery is in process. Furthermore, the recovery of the national economy should translate into the continued growth of the local real estate markets. Quality of life should continue to remain good due to the abundance of cultural and recreational facilities. Furthermore, the Metroplex is in an excellent position for continued future growth. It has a strong and diverse employment base that enables it to weather economic cycles. Employment and population growth are projected to continue to spur further growth in the real estate market over the next three to five years. Dallas/Fort Worth and the region have excellent accessibility to North America's major markets.

The following metropolitan area analysis was obtained from CoStar Portfolio Strategy. The analysis includes the economic outlook, occupancy, supply and demand trends and rents for the retail, office, apartment, warehouse and hotel markets.

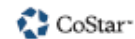
The following map provides a general overview of the DFW metropolitan area.



Retail

Year-End 2015 - Dallas/Ft. Worth

Dallas/Ft. Worth Retail Market



Overview

Dallas/Ft. Worth's Vacancy Decreases to 5.9%

Net Absorption Positive 1,777,959 SF in the Quarter

The Dallas/Ft. Worth retail market experienced a slight improvement in market conditions in the fourth quarter 2015. The vacancy rate went from 6.1% in the previous quarter to 5.9% in the current quarter. Net absorption was positive 1,777,959 square feet, and vacant sublease space increased by 29,495 square feet. Quoted rental rates changed from third quarter 2015 levels, ending at \$14.35 per square foot per year. A total of 46 retail buildings with 1,052,931 square feet of retail space were delivered to the market in the quarter, with 2,324,655 square feet still under construction at the end of the quarter.

Net Absorption

Retail net absorption was strong in Dallas/Ft. Worth fourth quarter 2015, with positive 1,777,959 square feet absorbed in the quarter. In third quarter 2015, net absorption was positive 1,546,614 square feet, while in second quarter 2015 the absorption came in at positive 1,348,298 square feet. In first quarter 2015, positive 3,495,542 square feet was absorbed in the market.

Tenants moving out of large blocks of space in 2015 include: Target moving out of 100,836 square feet at Trinity Valley Shopping Center and REI moving out of 57,740 square feet at 4515 Lyndon B Johnson Freeway.

Tenants moving into large blocks of space in 2015 include: Target moving into 132,427 square feet at Presidio Towne Crossing; Ewing Buick GMC moving into 119,000 square feet at 6425 North Dallas Parkway, and Walmart moving into 91,532 square feet at The Shops of Spanish Village.

Vacancy

Dallas/Ft. Worth's retail vacancy rate decreased in the fourth quarter 2015, ending the quarter at 5.9%. Over the past four quarters, the market has seen an overall decrease in the vacancy rate, with the rate going from 6.4% in the first quarter 2015, to 6.3% at the end of the second quarter 2015, 6.1% at the end of the third quarter 2015, to 5.9% in the current quarter.

The amount of vacant sublease space in the Dallas/Ft. Worth market has trended up over the past four quarters. At the end of the first quarter 2015, there were 500,348 square feet of vacant sublease space. Currently, there are 526,399 square feet vacant in the market.

Largest Lease Signings

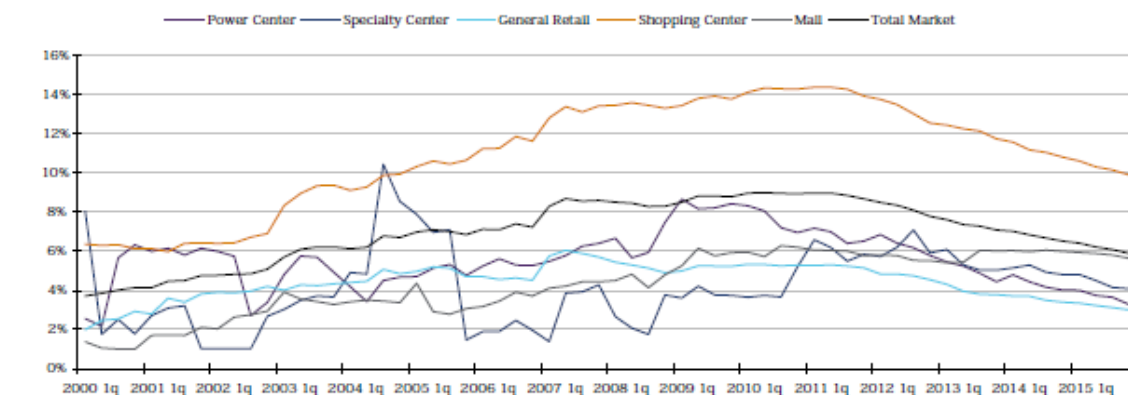
The largest lease signings occurring in 2015 included: the 123,000-square-foot-lease signed by Kroger at Midlothian Towne Center; the 91,532-square-foot-deal signed by Walmart at The Shops of Spanish Village; and the 75,296-square-foot-lease signed by Life Time Fitness at 1551 E Debbie Lane.

Rental Rates

Average quoted asking rental rates in the Dallas/Ft. Worth retail market are unchanged over previous quarter levels, and up from their levels four quarters ago. Quoted rents ended the fourth quarter 2015 at \$14.35 per square foot per year. That compares to \$14.35 per square foot in the third quarter 2015, and \$14.13 per square foot at the end of the first quarter 2015. This represents no change in rental rates in the current quarter, and a 1.53% increase from four quarters ago.

Vacancy Rates by Building Type

2000-2015



Source: CoStar Property®

Dallas/Ft. Worth – Year-End 2015



Dallas/Ft. Worth Retail Market

Overview

Inventory & Construction

During the fourth quarter 2015, 46 buildings totaling 1,052,931 square feet were completed in the Dallas/Ft. Worth retail market. Over the past four quarters, a total of 6,211,971 square feet of retail space has been built in Dallas/Ft. Worth. In addition to the current quarter, 44 buildings with 1,104,756 square feet were completed in third quarter 2015, 51 buildings totaling 742,698 square feet completed in second quarter 2015, and 3,311,586 square feet in 77 buildings completed in first quarter 2015.

There were 2,324,655 square feet of retail space under construction at the end of the fourth quarter 2015.

Some of the notable 2015 deliveries include: Nebraska Furniture Mart, a 1,900,000-square-foot facility that delivered in first quarter 2015 and is now 100% occupied, and Glade Parks, a 258,465-square-foot building that delivered in third quarter 2015 and is now 100% occupied.

Total retail inventory in the Dallas/Ft. Worth market area amounted to 404,925,014 square feet in 29,218 buildings and 3,741 centers as of the end of the fourth quarter 2015.

Shopping Center

The Shopping Center market in Dallas/Ft. Worth currently consists of 3,613 projects with 154,060,057 square feet of retail space in 6,648 buildings. In this report the Shopping Center market is comprised of all Community Center, Neighborhood Center, and Strip Centers.

After absorbing 592,914 square feet and delivering 215,596 square feet in the current quarter, the Shopping Center sector saw the vacancy rate go from 10.2% at the end of the third quarter 2015 to 9.9% this quarter.

Over the past four quarters, the Shopping Center vacancy rate has gone from 10.6% at the end of the first quarter 2015, to 10.3% at the end of the second quarter 2015, to 10.2% at the

end of the third quarter 2015, and finally to 9.9% at the end of the current quarter.

Rental rates ended the fourth quarter 2015 at \$13.68 per square foot, down from the \$13.74 they were at the end of third quarter 2015. Rental rates have trended up over the past year, going from \$13.43 per square foot a year ago to their current levels.

Net absorption in the Shopping Center sector has totaled 2,592,174 square feet over the past four quarters. In addition to the positive 592,914 square feet absorbed this quarter, positive 410,192 square feet was absorbed in the third quarter 2015, positive 875,908 square feet was absorbed in the second quarter 2015, and positive 713,160 square feet was absorbed in the first quarter 2015.

Power Centers

The Power Center average vacancy rate was 3.3% in the fourth quarter 2015. With positive 539,644 square feet of net absorption and 448,181 square feet in new deliveries, the vacancy rate went from 3.6% at the end of last quarter to 3.3% at the end of the fourth quarter.

In the third quarter 2015, Power Centers absorbed positive 326,824 square feet, delivered 308,465 square feet, and the vacancy rate went from 3.7% to 3.6% over the course of the quarter. Rental started the quarter at \$20.83 per square foot and ended the quarter at \$21.15 per square foot.

A year ago, in fourth quarter 2014, the vacancy rate was 4%. Over the past four quarters, Power Centers have absorbed a cumulative 993,894 square feet of space and delivered cumulative 809,086 square feet of space. Vacant sublease space has gone from 1,200 square feet to 20,000 square feet over that time period, and rental rates have gone from \$20.07 to \$22.40.

At the end of the fourth quarter 2015, there were 25,201 square feet under construction in the Dallas/Ft. Worth market. The total stock of Power Center space in Dallas/Ft. Worth currently sits at 29,635,039 square feet in 72 centers comprised of 713 buildings.

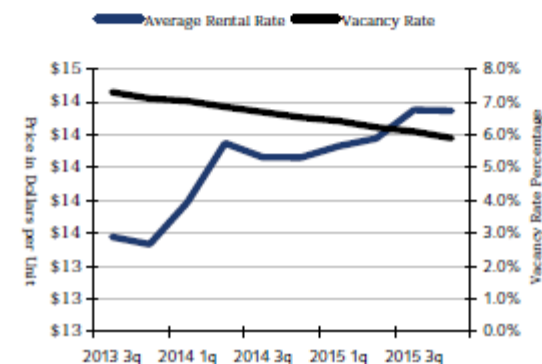
A total of 25,201 square feet of space was under construction at the end of the fourth quarter 2015.

General Retail Properties

The General Retail sector of the market, which includes all freestanding retail buildings, except those contained within a center, reported a vacancy rate of 3% at the end of fourth quarter 2015. There was a total of 5,483,599 square feet vacant at that time. The General Retail sector in Dallas/Ft. Worth currently has average rental rates of \$15.08 per square foot per year. There are 1,255,190 square feet of space under construction in this sector, with 386,274 square feet having been completed in the fourth quarter. In all, there are a total of

VACANCY & RENT

Past 10 Quarters



Source: CoStar Property®

Dallas/Ft. Worth Retail Market



Overview

21,428 buildings with 182,475,503 square feet of General Retail space in Dallas/Ft. Worth.

Specialty Centers

There are currently 11 Specialty Centers in the Dallas/Ft. Worth market, making up 2,014,983 square feet of retail space. In this report the Specialty Center market is comprised of Outlet Center, Airport Retail and Theme/Festival Centers.

Specialty Centers in the Dallas/Ft. Worth market have experienced positive 14,474 square feet of net absorption in 2015. The vacancy rate currently stands at 4.1%, and rental rates are negotiable.

Malls

Malls recorded net absorption of positive 66,022 square feet in the fourth quarter 2015. This net absorption number, combined with the 2,880 square feet that was built in the quarter, caused the vacancy rate to go from 5.8% a quarter ago to 5.6% at the end of the fourth quarter 2015. Rental rates went from \$20.15 per square foot to \$20.17 per square foot during that time. In this report the Mall market is comprised of 45 Lifestyle Center, Regional Mall and Super Regional Malls.

Sales Activity

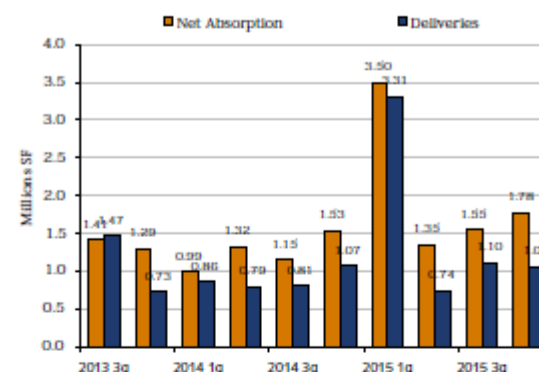
Tallying retail building sales of 15,000 square feet or larger, Dallas/Ft. Worth retail sales figures fell during the third quarter 2015 in terms of dollar volume compared to the second quarter of 2015.

In the third quarter, 12 retail transactions closed with a total volume of \$170,476,300. The 12 buildings totaled 1,179,788 square feet and the average price per square foot equated to \$144.50 per square foot. That compares to 10 transactions totaling \$242,065,000 in the second quarter 2015. The total square footage in the second quarter was 4,789,911 square feet for an average price per square foot of \$50.54.

Total retail center sales activity in 2015 was up compared to 2014. In the first nine months of 2015, the market saw 34

ABSORPTION & DELIVERIES

Past 10 Quarters



Source: CoStar Property®

retail sales transactions with a total volume of \$477,427,426. The price per square foot averaged \$72.52. In the same first nine months of 2014, the market posted 53 transactions with a total volume of \$469,478,232. The price per square foot averaged \$151.77.

Cap rates have been lower in 2015, averaging 7.44% compared to the same period in 2014 when they averaged 8.00%.

One of the largest transactions that has occurred within the last four quarters in the Dallas/Ft. Worth market is the sale of an 81.98% interest in the Dallas Market Center in Dallas. The 81.98% stake in 4,800,000 square foot retail center sold for \$140,000,000, or \$35.58 per square foot. The property sold on 4/29/2015, at a 7.44% cap rate.

Report compiled by Brandon Skaggs, CoStar Senior Research Manager, and Timothy Houseal, CoStar Certified Research Analyst

Office

Year-End 2015 - Dallas/Ft. Worth

Dallas/Ft. Worth Office Market



Overview

Dallas/Ft. Worth's Vacancy Decreases to 14.1%

Net Absorption Positive 1,629,772 SF in the Quarter

The Dallas/Ft. Worth Office market ended the fourth quarter 2015 with a vacancy rate of 14.1%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 1,629,772 square feet in the fourth quarter. Vacant sublease space decreased in the quarter, ending the quarter at 2,206,067 square feet. Rental rates ended the fourth quarter at \$23.39, an increase over the previous quarter. A total of 24 buildings delivered to the market in the quarter totaling 1,574,406 square feet, with 9,133,849 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall Dallas/Ft. Worth office market was positive 1,629,772 square feet in the fourth quarter 2015. That compares to positive 1,715,347 square feet in the third quarter 2015, positive 1,885,512 square feet in the second quarter 2015, and positive 2,207,510 square feet in the first quarter 2015.

Tenants moving out of large blocks of space in 2015 include: State Farm Insurance moving out of 291,469 square feet at Galatyn Commons; FAA moving out of 291,369 square feet at their former headquarter building in Fort Worth; and FedEx moving out of 197,563 square feet at Three Galleria.

Tenants moving into large blocks of space in 2015 include: State Farm Insurance moving into 1,533,205 square feet at their headquarters campus at CityLine; Raytheon moving into 489,000 square feet at their headquarters building at CityLine; and FAA moving into 357,214 square feet at their headquarters building on Fort Worth.

The Class-A office market recorded net absorption of positive 782,453 square feet in the fourth quarter 2015, compared to positive 875,524 square feet in the third quarter 2015, positive 1,192,966 in the second quarter 2015, and positive 1,747,288 in the first quarter 2015.

The Class-B office market recorded net absorption of positive 874,635 square feet in the fourth quarter 2015, compared to positive 668,290 square feet in the third quarter 2015, positive 548,327 in the second quarter 2015, and positive 344,626 in the first quarter 2015.

The Class-C office market recorded net absorption of negative (27,316) square feet in the fourth quarter 2015 compared to positive 171,533 square feet in the third quarter 2015, positive 144,219 in the second quarter 2015, and positive 115,596 in the first quarter 2015.

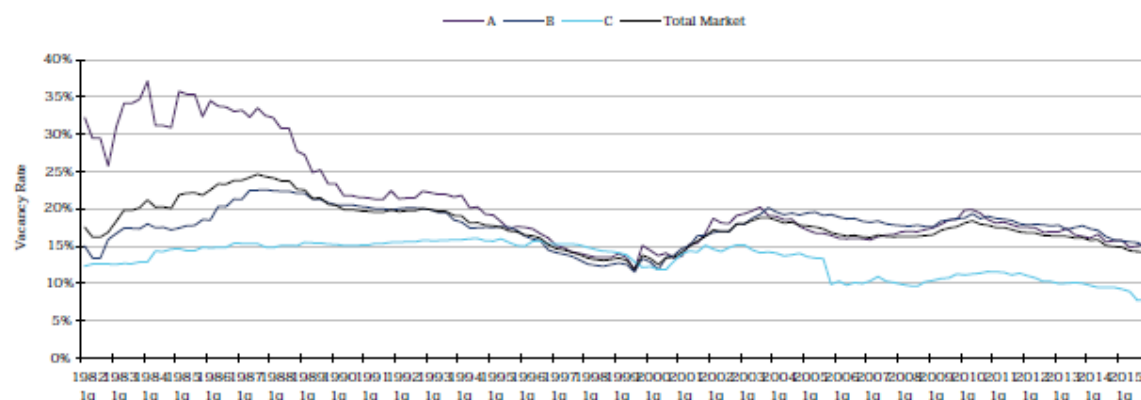
Net absorption for Dallas/Ft. Worth's central business district was positive 119,060 square feet in the fourth quarter 2015. That compares to positive 181,914 square feet in the third quarter 2015, positive 245,286 in the second quarter 2015, and positive 219,717 in the first quarter 2015.

Net absorption for the suburban markets was positive 1,510,712 square feet in the fourth quarter 2015. That compares to positive 1,533,433 square feet in third quarter 2015, positive 1,640,226 in the second quarter 2015, and positive 1,987,793 in the first quarter 2015.

Vacancy

The office vacancy rate in the Dallas/Ft. Worth market area decreased to 14.1% at the end of the fourth quarter 2015.

Vacancy Rates by Class 1982-2015



Dallas/Ft. Worth – Year-End 2015



Dallas/Ft. Worth Office Market

Overview

The vacancy rate was 14.3% at the end of the third quarter 2015, 14.5% at the end of the second quarter 2015, and 14.9% at the end of the first quarter 2015.

Class-A projects reported a vacancy rate of 15.3% at the end of the fourth quarter 2015, 15.0% at the end of the third quarter 2015, 14.8% at the end of the second quarter 2015, and 15.8% at the end of the first quarter 2015.

Class-B projects reported a vacancy rate of 14.9% at the end of the fourth quarter 2015, 15.5% at the end of the third quarter 2015, 15.5% at the end of the second quarter 2015, and 15.7% at the end of the first quarter 2015.

Class-C projects reported a vacancy rate of 7.8% at the end of the fourth quarter 2015, 7.7% at the end of third quarter 2015, 8.9% at the end of the second quarter 2015, and 9.2% at the end of the first quarter 2015.

The overall vacancy rate in Dallas/Ft. Worth's central business district at the end of the fourth quarter 2015 decreased to 16.8%. The vacancy rate was 16.9% at the end of the third quarter 2015, 17.1% at the end of the second quarter 2015, and 18.8% at the end of the first quarter 2015.

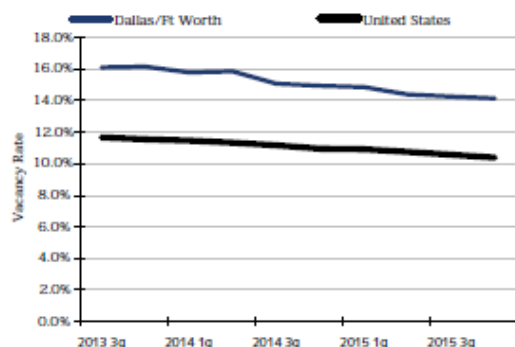
The vacancy rate in the suburban markets decreased to 13.8% in the fourth quarter 2015. The vacancy rate was 13.9% at the end of the third quarter 2015, 14.0% at the end of the second quarter 2015, and 14.3% at the end of the first quarter 2015.

Largest Lease Signings

The largest lease signings occurring in 2015 included: the 388,600-square-foot lease signed by Verizon Building Access at 2400 N Glenville Dr in the Richardson/Plano market; the 332,653-square-foot deal signed by RealPage, Inc. at 2201 Lakeside Blvd in the Richardson/Plano market; and the 327,180-square-foot lease signed by CoreLogic at Cypress Waters for their new headquarters building in the Las Colinas market.

U.S. Vacancy Comparison

Past 10 Quarters



Source: CoStar Property®

Sublease Vacancy

The amount of vacant sublease space in the Dallas/Ft. Worth market decreased to 2,206,067 square feet by the end of the fourth quarter 2015, from 2,257,238 square feet at the end of the third quarter 2015. There was 2,782,645 square feet vacant at the end of the second quarter 2015 and 2,740,357 square feet at the end of the first quarter 2015.

Dallas/Ft. Worth's Class-A projects reported vacant sublease space of 1,121,531 square feet at the end of fourth quarter 2015, down from the 1,180,598 square feet reported at the end of the third quarter 2015. There were 1,460,224 square feet of sublease space vacant at the end of the second quarter 2015, and 1,360,321 square feet at the end of the first quarter 2015.

Class-B projects reported vacant sublease space of 1,069,106 square feet at the end of the fourth quarter 2015, up from the 1,062,373 square feet reported at the end of the third quarter 2015. At the end of the second quarter 2015 there were 1,306,832 square feet, and at the end of the first quarter 2015 there were 1,363,250 square feet vacant.

Class-C projects reported increased vacant sublease space from the third quarter 2015 to the fourth quarter 2015. Sublease vacancy went from 14,267 square feet to 15,430 square feet during that time. There was 15,589 square feet at the end of the second quarter 2015, and 16,786 square feet at the end of the first quarter 2015.

Sublease vacancy in Dallas/Ft. Worth's central business district stood at 210,190 square feet at the end of the fourth quarter 2015. It was 216,423 square feet at the end of the third quarter 2015, 202,595 square feet at the end of the second quarter 2015, and 223,892 square feet at the end of the first quarter 2015.

Sublease vacancy in the suburban markets ended the fourth quarter 2015 at 1,995,877 square feet. At the end of the third quarter 2015 sublease vacancy was 2,040,815 square feet, was 2,580,050 square feet at the end of the second quarter 2015, and was 2,516,465 square feet at the end of the first quarter 2015.

Rental Rates

The average quoted asking rental rate for available office space, all classes, was \$23.39 per square foot per year at the end of the fourth quarter 2015 in the Dallas/Ft. Worth market area. This represented a 2.7% increase in quoted rental rates from the end of the third quarter 2015, when rents were reported at \$22.78 per square foot.

The average quoted rate within the Class-A sector was \$27.10 at the end of the fourth quarter 2015, while Class-B rates stood at \$20.13, and Class-C rates at \$16.86. At the end of the third quarter 2015, Class-A rates were \$26.51 per square foot, Class-B rates were \$19.50, and Class-C rates were \$16.47.

The average quoted asking rental rate in Dallas/Ft. Worth's CBD was \$24.27 at the end of the fourth quarter

Year-End 2015 – Dallas/Ft. Worth

Dallas/Ft. Worth Office Market



Overview

2015, and \$23.22 in the suburban markets. In the third quarter 2015, quoted rates were \$23.54 in the CBD and \$22.64 in the suburbs.

Deliveries and Construction

During the fourth quarter 2015, 24 buildings totaling 1,574,406 square feet were completed in the Dallas/Ft. Worth market area. This compares to 37 buildings totaling 1,937,795 square feet that were completed in the third quarter 2015, 23 buildings totaling 926,632 square feet completed in the second quarter 2015, and 2,646,148 square feet in 47 buildings completed in the first quarter 2015.

There were 9,133,849 square feet of office space under construction at the end of the fourth quarter 2015.

Some of the notable 2015 deliveries include: The State Farm Campus buildings A, B, and C, a 1,533,205-square-foot campus that delivered in first quarter 2015 and is now 100% occupied, and the Raytheon Headquarters building, a 489,000-square-foot building that delivered in fourth quarter 2015 and is also now 100% occupied.

The largest projects underway at the end of fourth quarter 2015 were Toyota Motor Corporation Headquarters, a 2,100,000-square-foot building with 100% of its space pre-leased, and McKinney & Olive, a 530,000-square-foot facility that is 41% pre-leased.

Inventory

Total office inventory in the Dallas/Ft. Worth market area amounted to 351,334,795 square feet in 11,507 buildings as of the end of the fourth quarter 2015. The Class-A office sector consisted of 139,303,433 square feet in 527 projects. There were 5,176 Class-B buildings totaling 165,902,220 square feet, and the Class-C sector consisted of 46,129,142 square feet in 5,804 buildings. Within the Office market there were 946 owner-occupied buildings accounting for 55,913,497 square feet of office space.

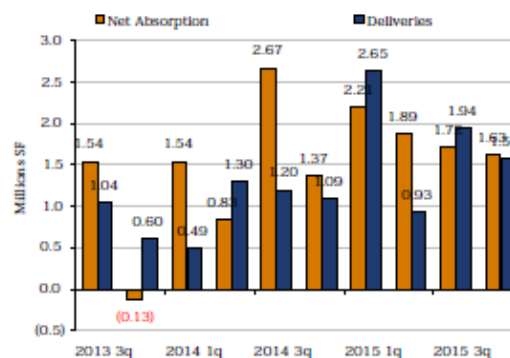
Sales Activity

Tallying office building sales of 15,000 square feet or larger, Dallas/Ft. Worth office sales figures rose during the third quarter 2015 in terms of dollar volume compared to the second quarter of 2015.

In the third quarter, nine office transactions closed with a total volume of \$453,738,000. The nine buildings totaled

Absorption & Deliveries

Past 10 Quarters



Source: CoStar Property®

3,358,196 square feet and the average price per square foot equated to \$135.11 per square foot. That compares to 14 transactions totaling \$432,475,000 in the second quarter 2015. The total square footage in the second quarter was 2,890,479 square feet for an average price per square foot of \$149.62.

Total office building sales activity in 2015 was up compared to 2014. In the first nine months of 2015, the market saw 40 office sales transactions with a total volume of \$1,197,063,640. The price per square foot averaged \$147.21. In the same first nine months of 2014, the market posted 45 transactions with a total volume of \$1,128,571,258. The price per square foot averaged \$114.85.

Cap rates have been lower in 2015, averaging 7.13% compared to the same period in 2014 when they averaged 7.58%.

One of the largest transactions that has occurred within the last four quarters in the Dallas/Ft. Worth market is the sale of Towers at Williams Square in Irving. This 1,395,980-square-foot office building sold for \$330,000,000, or \$236.39 per square foot. The property sold on 10/27/2015, at a 6.03% cap rate."

Report compiled by Brandon Skaggs, CoStar Senior Research Manager and Timothy Weber, CoStar Senior Research Associate

Industrial

Year-End 2015 – Dallas/Ft. Worth

Dallas/Ft. Worth Industrial Market



Overview

Dallas/Ft. Worth's Vacancy Decreases to 7.0%

Net Absorption Positive 5,574,212 SF in the Quarter

The Dallas/Ft. Worth Industrial market ended the fourth quarter 2015 with a vacancy rate of 7.0%. The vacancy rate was down over the previous quarter, with net absorption totaling positive 5,574,212 square feet in the fourth quarter. Vacant sublease space decreased in the quarter, ending the quarter at 941,241 square feet. Rental rates ended the fourth quarter at \$5.22, an increase over the previous quarter. A total of 29 buildings delivered to the market in the quarter totaling 4,543,678 square feet, with 20,581,854 square feet still under construction at the end of the quarter.

Absorption

Net absorption for the overall Dallas/Ft. Worth Industrial market was positive 5,574,212 square feet in the fourth quarter 2015. That compares to positive 1,984,433 square feet in the third quarter 2015, positive 6,262,806 square feet in the second quarter 2015, and positive 4,717,205 square feet in the first quarter 2015.

Tenants moving out of large blocks of space in 2015 include: DSC Logistics, Inc. moving out of (603,050) square feet at 300 Gateway Pky., Cadbury Schweppes moving out of (594,021) square feet at Turnpike Distribution Center 9 and Hayes Retail Services moving out of (457,076) square feet at Skyline Business Park – Building 1.

Tenants moving into large blocks of space in 2015 include: Procter & Gamble moving into 1,394,109 square feet at Dalport Trade Center - Building 5, and General Motors moving into 667,635 square feet at 2305 W Marshall Dr.

The Flex building market recorded net absorption of positive 436,062 square feet in the fourth quarter 2015, compared

to positive 257,336 square feet in the third quarter 2015, positive 388,552 in the second quarter 2015, and positive 165,658 in the first quarter 2015.

The Warehouse building market recorded net absorption of positive 5,138,150 square feet in the fourth quarter 2015 compared to positive 1,727,097 square feet in the third quarter 2015, positive 5,874,254 in the second quarter 2015, and positive 4,551,547 in the first quarter 2015.

Vacancy

The Industrial vacancy rate in the Dallas/Ft. Worth market area decreased to 7.0% at the end of the fourth quarter 2015. The vacancy rate was 7.2% at the end of the third quarter 2015, 7.1% at the end of the second quarter 2015, and 7.4% at the end of the first quarter 2015.

Flex projects reported a vacancy rate of 8.3% at the end of the fourth quarter 2015, 8.5% at the end of the third quarter 2015, 8.5% at the end of the second quarter 2015, and 8.8% at the end of the first quarter 2015.

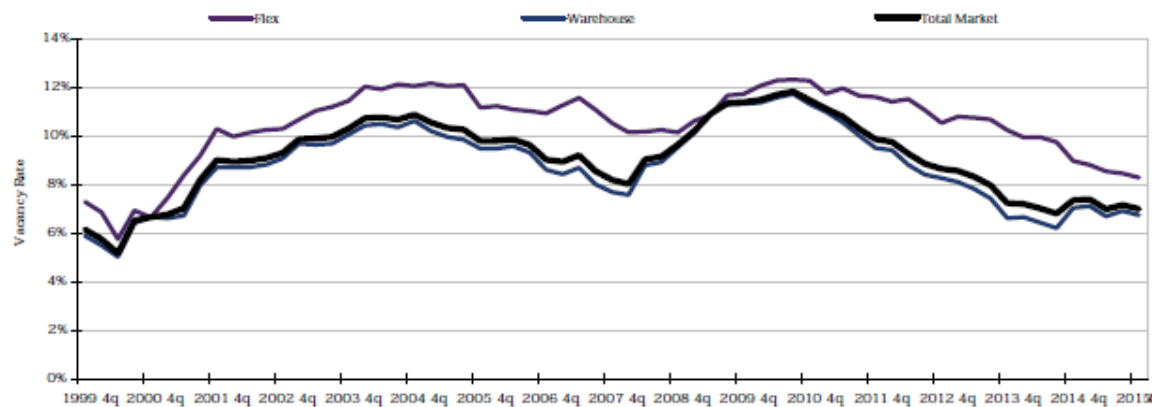
Warehouse projects reported a vacancy rate of 6.7% at the end of the fourth quarter 2015, 6.9% at the end of third quarter 2015, 6.7% at the end of the second quarter 2015, and 7.1% at the end of the first quarter 2015.

Largest Lease Signings

The largest lease signings occurring in 2015 included: the 1,060,075-square-foot lease signed by Farley's & Sathers at Grand Lakes II in the South Stemmons market; the 1,002,620-square-foot deal signed by Walmart at Alliance Center North 2 in the North Ft Worth market; and the 653,582-square-foot

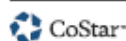
Vacancy Rates by Building Type

100-2015



Source: CoStar Property®

Dallas/Ft. Worth – Year-End 2015



Dallas/Ft. Worth Industrial Market

Overview

lease signed by NFI at 1901 Danieldale Road in the South Dallas market.

Sublease Vacancy

The amount of vacant sublease space in the Dallas/Ft. Worth market decreased to 941,241 square feet by the end of the fourth quarter 2015, from 1,291,722 square feet at the end of the third quarter 2015. There was 795,538 square feet vacant at the end of the second quarter 2015 and 884,964 square feet at the end of the first quarter 2015.

Dallas/Ft. Worth's Flex projects reported vacant sublease space of 181,289 square feet at the end of fourth quarter 2015, up from the 135,024 square feet reported at the end of the third quarter 2015. There were 121,785 square feet of sublease space vacant at the end of the second quarter 2015, and 128,076 square feet at the end of the first quarter 2015.

Warehouse projects reported decreased vacant sublease space from the third quarter 2015 to the fourth quarter 2015. Sublease vacancy went from 1,156,698 square feet to 759,952 square feet during that time. There was 673,753 square feet at the end of the second quarter 2015, and 756,888 square feet at the end of the first quarter 2015.

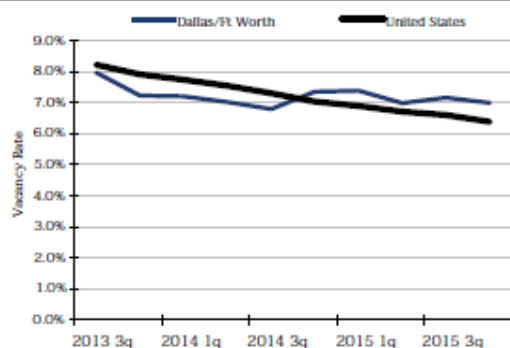
Rental Rates

The average quoted asking rental rate for available Industrial space was \$5.22 per square foot per year at the end of the fourth quarter 2015 in the Dallas/Ft. Worth market area. This represented a 0.4% increase in quoted rental rates from the end of the third quarter 2015, when rents were reported at \$5.20 per square foot.

The average quoted rate within the Flex sector was \$9.10 per square foot at the end of the fourth quarter 2015, while Warehouse rates stood at \$4.31. At the end of the third quarter 2015, Flex rates were \$9.14 per square foot, and Warehouse rates were \$4.29.

U.S. Vacancy Comparison

Past 10 Quarters



Source: CoStar Property®

Deliveries and Construction

During the fourth quarter 2015, 29 buildings totaling 4,543,678 square feet were completed in the Dallas/Ft. Worth market area. This compares to 27 buildings totaling 3,742,094 square feet that were completed in the third quarter 2015, 10 buildings totaling 3,318,060 square feet completed in the second quarter 2015, and 5,580,482 square feet in 27 buildings completed in the first quarter 2015.

There were 20,581,854 square feet of Industrial space under construction at the end of the fourth quarter 2015.

Some of the notable 2015 deliveries include: Dalport Trade Center - Building 5, a 1,394,109-square-foot facility that delivered in first quarter 2015 and is now 100% occupied, and Trammell Crow at 35 Eagle - Building B, a 1,041,879-square-foot building that delivered in second quarter 2015 and is now 0% occupied.

The largest projects underway at the end of fourth quarter 2015 were 5600 Mark IV Parkway, a 1,440,000-square-foot building with 100% of its space pre-leased, and SouthPort Logistics Park - Building 1, a 1,075,260-square-foot facility that is 0% pre-leased.

Inventory

Total Industrial inventory in the Dallas/Ft. Worth market area amounted to 820,798,391 square feet in 20,515 buildings as of the end of the fourth quarter 2015. The Flex sector consisted of 133,035,372 square feet in 6,948 projects. The Warehouse sector consisted of 687,763,019 square feet in 13,567 buildings. Within the Industrial market there were 3,410 owner-occupied buildings accounting for 222,737,172 square feet of Industrial space.

Sales Activity

Tallying industrial building sales of 15,000 square feet or larger, Dallas/Ft. Worth industrial sales figures rose during the third quarter 2015 in terms of dollar volume compared to the second quarter of 2015.

In the third quarter, 14 industrial transactions closed with a total volume of \$265,962,944. The 14 buildings totaled 3,045,182 square feet and the average price per square foot equated to \$87.34 per square foot. That compares to 11 transactions totaling \$220,360,000 in the second quarter. The total square footage was 4,050,365 for an average price per square foot of \$54.40.

Total year-to-date industrial building sales activity in 2015 is up compared to the previous year. In the first nine months of 2015, the market saw 34 industrial sales transactions with a total volume of \$499,917,659. The price per square foot has averaged \$67.62 this year. In the first nine months of 2014, the market posted 76 transactions with a total volume of \$394,008,767. The price per square foot averaged \$46.35.

Year-End 2015 – Dallas/Ft. Worth

Dallas/Ft. Worth Industrial Market



Overview

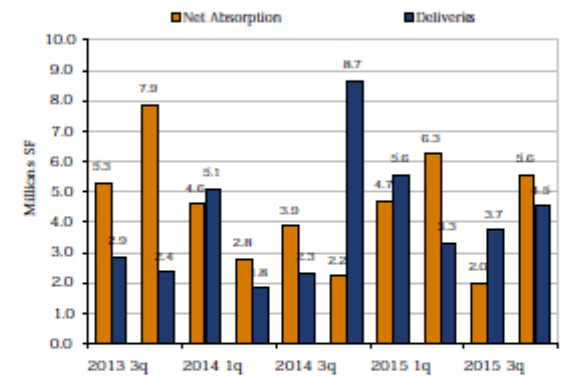
Cap rates have been higher in 2015, averaging 8.36%, compared to the first nine months of last year when they averaged 8.27%.

One of the largest transactions that has occurred within the last four quarters in the Dallas/Ft Worth market is the sale of 2701 Texas Longhorn Way in Fort Worth. This 304,608-square-foot industrial building sold for \$35,300,832, or \$115.89 per square foot.

Report compiled by Brandon Skaggs, CoStar Senior Research Manager and James Lutz, Certified Research Analyst

Absorption & Deliveries

Past 10 Quarters



Source: CoStar Property®

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

Apartment

Overview

Dallas - Fort Worth Apartment

12 Mo. Deliveries in Units	12 Mo. Net Absorption	Vacancy	12 Mo. Rent Growth
11,809	13,635	4.5%	3.5%

As of 2015Q1

The recovery is finally over in Dallas-Fort Worth. After continuing to fall over the past year, vacancies are expected to switch direction and head north throughout the forecast as massive supply hits the market. However, apartment landlords are not hurting yet; vacancies are only slightly elevated above decade-long lows thanks to exceptional demand (driven by some of the best in-migration and employment growth in the country), which has allowed landlords to continue to hike up rents. But the second wave of supply has already arrived, and more is coming. More than 37,000 units are expected to come on line over the next two years, mostly in the submarkets following the northern pattern of growth along the North Dallas Tollway, expanding from Oak Lawn through Plano and into Frisco. Even with stellar demand, this vast amount of supply will force vacancies to rise. That will ultimately cap further rent gains, which should grow around inflationary levels — well below the growth over the past three years.

KEY INDICATORS

As of 2015Q1

Current Quarter	Units	Stabilized Vacancy	Stabilized Same Store Rent	Stabilized Effective Rent	Net Absorption	Net Deliveries	Under Construction
4 & 5 Star	203,866	3.7%	\$1,143	\$1,115	4,165	0	19,419
3 Star	300,562	3.7%	\$765	\$747	720	0	718

Annual Trends	12 Month Change	Hist. Avg.	Fcst. Avg.	Peak	When	Trough	When
Vacancy	-0.4%	7.7%	5.6%	9.8%	2009 Q4	4.4%	2014 Q3
Net Absorption	13,635	9,738	11,249	17,860	2010 Q3	2,119	2004 Q3
Net Deliveries	11,809	9,646	14,985	15,813	2009 Q4	3,060	2011 Q2
Rent Growth	3.5%	1.8%	2.4%	5.7%	1999 Q4	-3.1%	2010 Q1
Effective Rent Growth	0.0%	1.7%	2.0%	5.5%	2012 Q2	-3.6%	2009 Q4
Sales (\$ millions)	\$3,617	\$1,583	N/A	\$3,690	2014 Q4	\$401	2009 Q4

Overview

Dallas - Fort Worth Apartment

FUNDAMENTALS

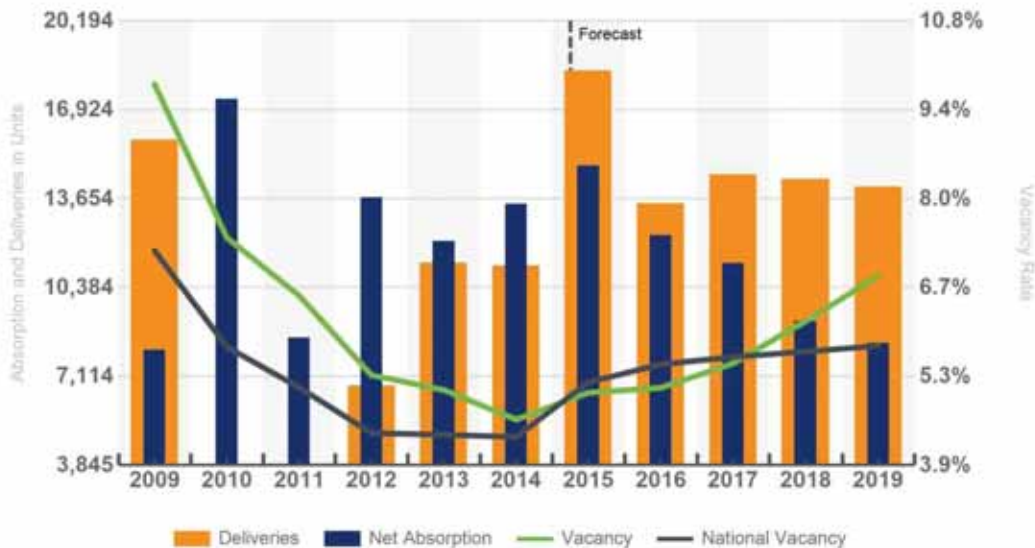
Updated Jun 22, 2015

Say "adios" to further vacancy compression. But it's not all doom and gloom for apartment owners yet. Fundamentals remain exceptionally healthy, and the vacancy rate is at one of the lowest points in over a decade. The Dallas-Fort Worth economy has seen some of the strongest job growth in the country, and finding a desirable apartment on the rental market has become increasingly difficult for tenants. This may not be the case for too much longer. The amount of apartment construction is growing to Texas-sized proportions, giving landlords reason to be anxious. Over 20,000 units are expected to deliver this year, and another 17,000 are expected to come on line next year, which would more than double 2012's output. Fortunately, demand in this fast-growth metro should be able to fill most of the newly constructed units, as household growth is expected to remain well above the U.S. average. While vacancies will rise over the forecast, they are projected to remain well below Dallas-Fort Worth's 10-year average of 9%.

While all the near-term supply is very real, demand is more like a highly educated guess. With more than 35,000 units expected to deliver in 2015-16, the Dallas-Fort Worth forecast is as high-risk as they come. The fact is, the near-term supply projection is relatively certain. Most of these units are under construction or are far along in permitting. However, as is the case in any forecast, demand is a modeled projection using a base case economic scenario. If there were to be a sudden change in the economic climate, the projects under construction would likely still complete, but without as much forecasted demand, which would result in nearly 15% less demand in CoStar Portfolio Strategy's Slow Growth Scenario forecast. With the pipeline as full as it is, vacancies would shoot to the moon, rising by nearly 300 basis points. This is always the risk of owning apartments in the metroplex, but the oncoming supply has not reached these levels since the early 2000s.

NET ABSORPTION, DELIVERIES AND VACANCY RATE

As of 2015Q1



Warehouse

Overview

Dallas - Fort Worth Warehouse

12 Mo. Deliveries in SF (000)	12 Mo. Net Absorption	Vacancy	12 Mo. Rent Growth
18,243	10,680	7.8%	4.7%

As of 2015Q1

The Dallas-Fort Worth warehouse market has reached a turning point. Strong demand, rent growth, and low vacancy rates are setting off a flurry of construction activity that could bring record-setting deliveries to the metroplex. Fundamentals in this super-regional distribution market are strong, thanks to the metro's robust population growth and the nation's continued economic expansion. Rent growth is slowing from its uncharacteristically strong pace. From a performance perspective, although operating incomes are just now stabilizing, strong investor interest has led to significant cap rate compression and outsized value growth. However, incoming capital won't drive price growth forever. Ultimately, growing income streams will be necessary to support continued asset appreciation. Income growth over the forecast will be diminished by rising vacancies, and with investors driving down cap rates, total returns will rank near the bottom of the pack.

KEY INDICATORS

As of 2015Q1

Current Quarter	RBA	Vacancy	Asking Rent	Availability	Net Absorption	Net Deliveries	Under Construction
1990+ & 100K+ SF	215,394	11.0%	\$3.80	17.5%	2,050	0	13,927
1990 + & <100K SF	47,967	5.5%	\$6.18	9.0%	(164)	0	546
<1990 & 100K+ SF	130,330	7.3%	\$3.38	10.5%	51	0	0
<1990 & <100K SF	185,669	5.0%	\$4.86	8.4%	354	0	0
Market	581,461	7.8%	\$4.35	12.3%	3,369	0	14,473

Annual Trends	12 Month Change	Hist. Avg.	Fcst. Avg.	Peak	When	Trough	When
Vacancy	1.1%	9.4%	8.7%	12.7%	2010 Q3	5.3%	2000 Q2
Net Absorption	10,680	9,750	11,694	20,448	2014 Q2	(1,394)	2010 Q1
Net Deliveries	18,243	10,833	16,272	22,207	2009 Q1	612	2011 Q1
Rent Growth	4.7%	1.0%	2.8%	7.8%	2007 Q1	-5.1%	2003 Q2
Sales (\$ millions)	\$834	\$444	N/A	\$971	2014 Q4	\$151	2009 Q4

Overview

Dallas - Fort Worth Warehouse

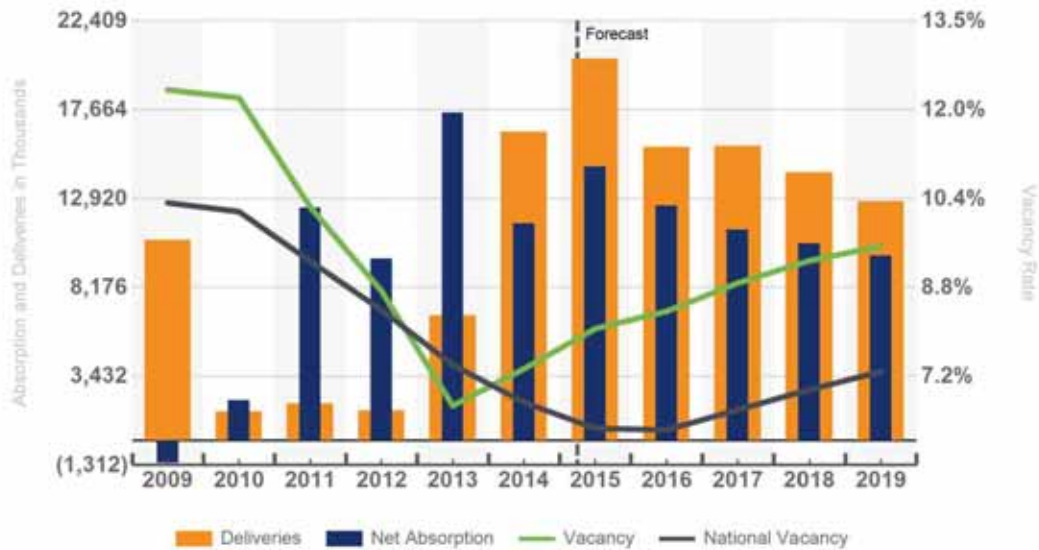
FUNDAMENTALS

Updated May 15, 2015

The roller coaster ride is about to begin again. The strong vacancy recovery since the 2009 cyclical peak has construction crews busy. With little product built during the recent recession, tenants are quickly absorbing the space delivered in the last cycle. Consequently, highly functional space—particularly large blocks—are tough to find, and tenants are paying up. Developers are responding in kind, kicking off speculative construction. In fact, demand is not forecast to keep pace with the large supply projected to deliver. In general, expect construction to be focused on larger product and in key logistics submarkets, such as Alliance, D-FW, and N. Stemmons/Valwood.

NET ABSORPTION, DELIVERIES AND VACANCY RATE

As of 2015Q1

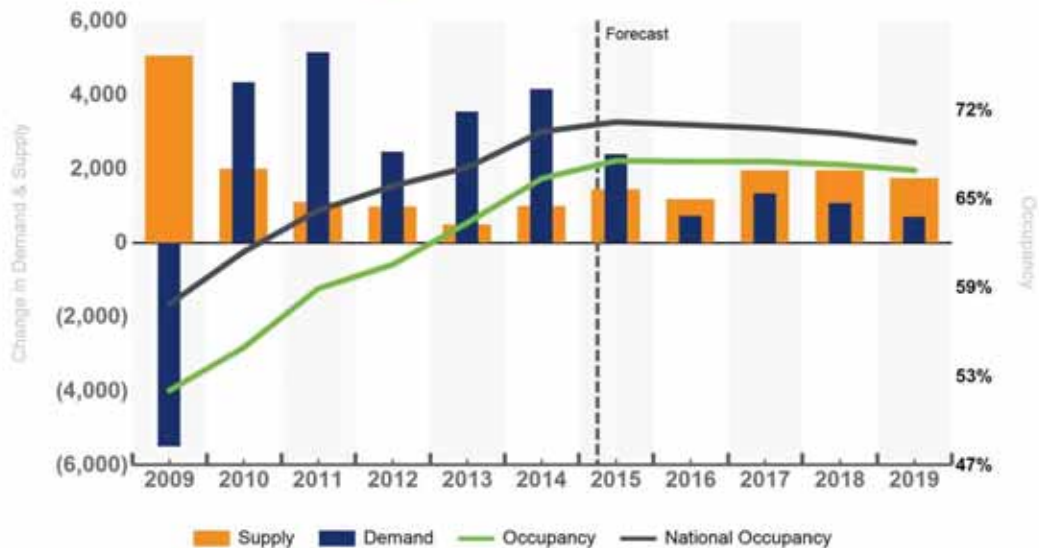


Hotel**Market Fundamentals**

Dallas - Fort Worth Hotel

SUPPLY, DEMAND, AND OCCUPANCY TRENDS

	Historical Peak and Trough				Average Annual			
	Peak	When	Trough	When	Metro	National	Metro	National
Demand	10.6%	2006 Q2	-10.4%	2002 Q1	2.4%	1.7%	1.8%	1.7%
Supply	9.2%	1999 Q4	-0.6%	2005 Q2	2.0%	1.5%	1.4%	1.8%



History	2007	2008	2009	2010	2011	2012	2013	2014
Demand (Rooms)	286	64	-5,514	4,336	5,151	2,465	3,548	4,148
Supply (Rooms)	2,244	3,342	5,049	1,996	1,090	981	489	984
Occupancy	61.8%	59.9%	51.9%	54.9%	59.1%	60.8%	63.7%	66.8%
Forecast	2015	2016	2017	2018	2019	Average		
Demand (Rooms)	2,390	730	1,329	1,071	703	1,245		
Supply (Rooms)	1,443	1,179	1,955	1,955	1,740	1,654		
Occupancy	68.0%	68.0%	68.0%	67.7%	67.3%	67.8%		

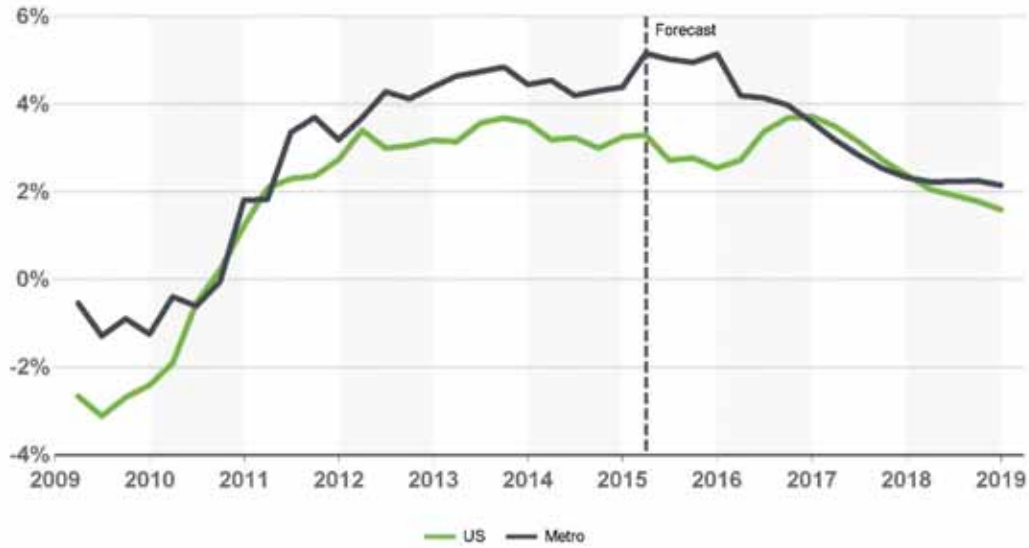
OCCUPANCY SUMMARY

Occupancies are now above the previous (2006) levels and will continue to trend up over the next few years as the recovery continues. But supply-side pressures remain in effect and will keep occupancies from ever hitting their mid-'90s highs. The metroplex is on pace to add more than 1,500 rooms this year, 50% more than the amount that delivered last year. These additions will rank D-FW as one of the busiest metros in the country for hotel construction this year, and it will continue to be so through the forecast. With record-level occupancies, ADR has picked up considerably, and will grow in line with the National Index throughout the forecast, ultimately boosting RevPAR.

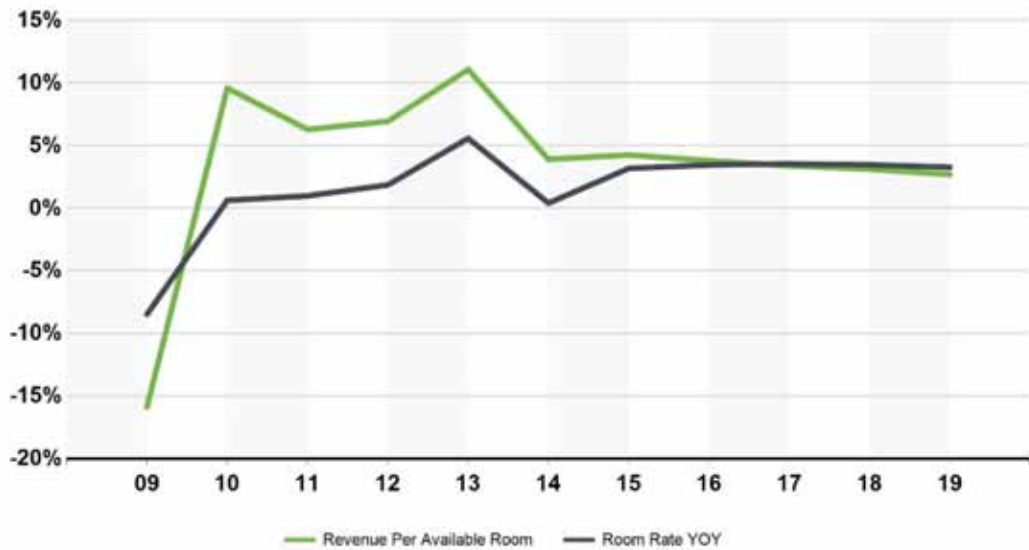
Market Fundamentals

Dallas - Fort Worth Hotel

LEISURE AND HOSPITALITY EMPLOYMENT GROWTH YEAR-OVER-YEAR



REVPAR AND ROOM RATE TRENDS



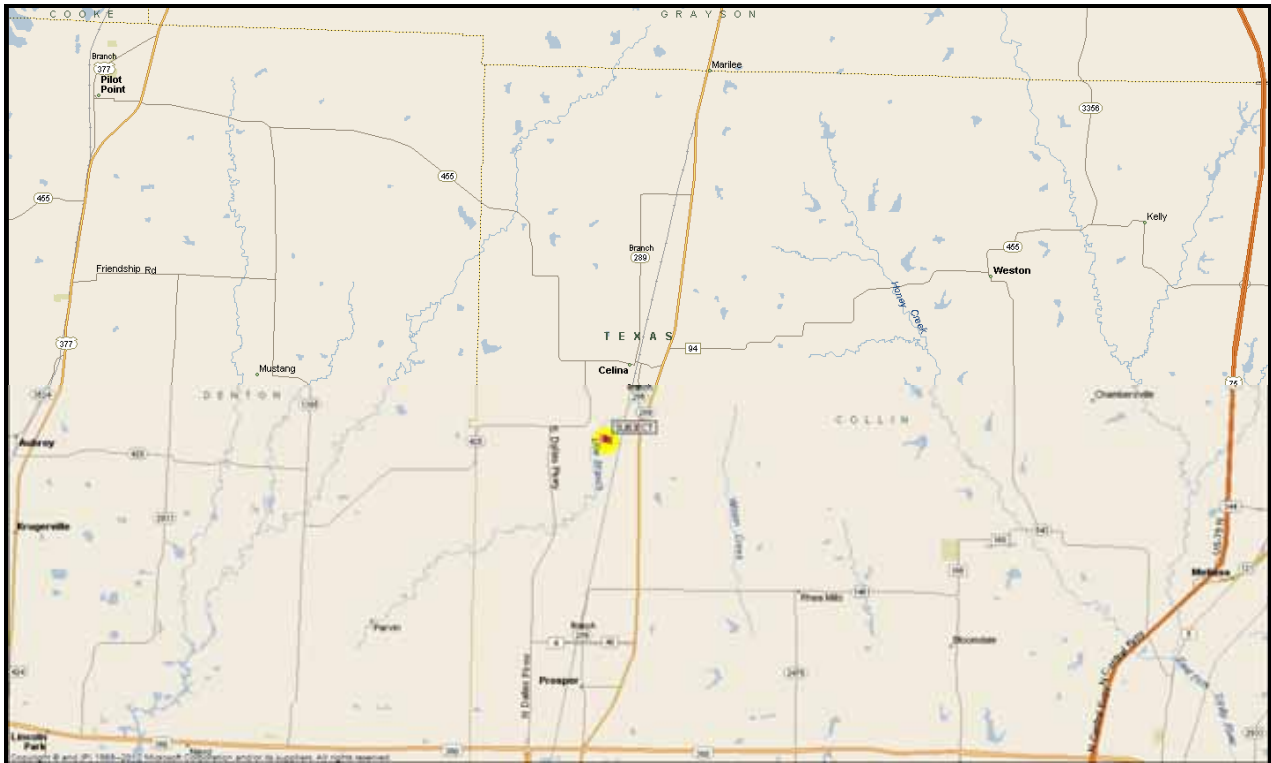
SECTION 4 – NEIGHBORHOOD DESCRIPTION

A neighborhood is a grouping of complementary land uses affected by similar operation of the four forces that affect property value. These four forces include social, economic, governmental, and environmental forces. The objective of doing an analysis of the neighborhood is to observe and/or quantify data indicating discernible patterns of growth, structure, and change that may detract or enhance property values. The subject property is physically located in the City of Celina in the northwestern sector of Collin County, Texas in close proximity to the Town of Prosper. The following table is a summary of the subject's neighborhood boundaries:

NEIGHBORHOOD BOUNDARIES

North:	FM-455/Collin County Boundary Lines
South:	US-380
East:	US-75 (Central Expressway)
West:	FM-1385

NEIGHBORHOOD MAP



General Development

General development within the neighborhood consists of residential properties. As such, the defined neighborhood has been dominated by residential uses. Most of the residential land development within close proximity of the subject ranges from new to 50 years old, more or less. Land uses are primarily residential (single-family) in nature with several new and emerging commercial support developments. Other land uses within close proximity to the subject include retail uses, churches, etc. Area influences include a strong residential base.

Neighborhood Life Stage

The life stage of the neighborhood is growth.

Area/Neighborhood Summary

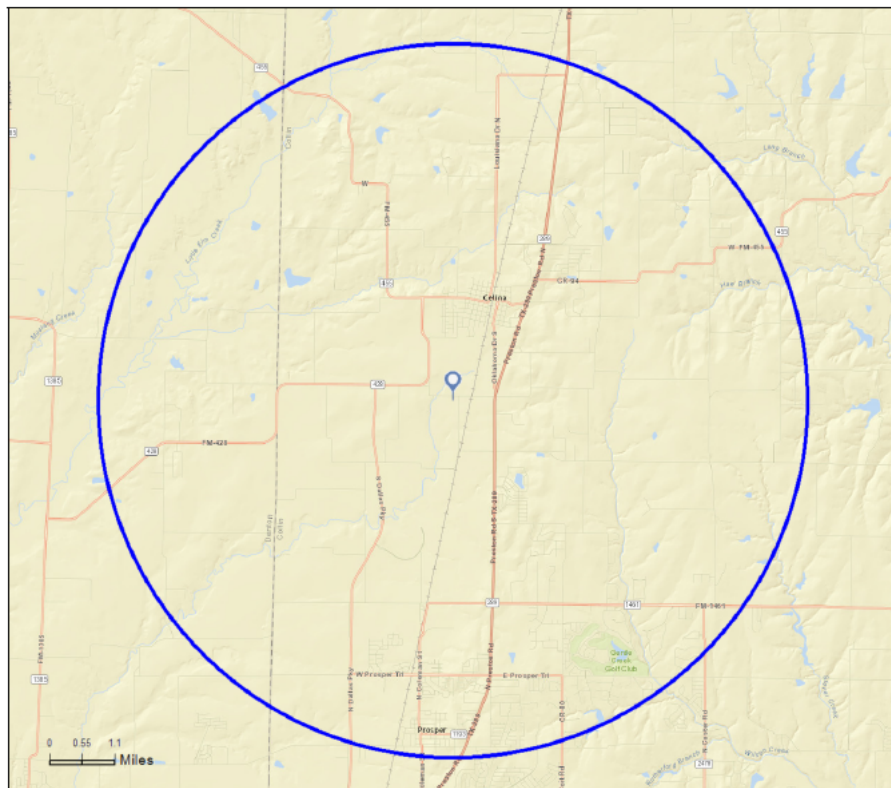
Population Trend:	Upward
Range in Improvement Ages:	New to 50 years
Public Transportation:	None
Development Built-up:	30%±
Maintenance/Condition:	Good
Property Compatibility:	Good
Appeal/Appearance:	Good
Protection/Adverse Influence:	Good
Development Potential:	Good
Neighborhood Access:	Average
Police/Fire:	Average as compared to other neighborhoods in this market area
Supply/Demand:	Vacant lot supply within the "Celina/Prosper" submarket is estimated to be between 1.3± to 1.9± years which is below the ideal level of two to 2.5 years.

Development Trend:	Vacant land to residential and various commercial usages
Value Trend:	Stable to increasing
Population Trend:	Upward
Employment Stability:	Average
Vacancy Trend:	Decreasing
Change in Land Use:	Vacant land to residential and commercial support facilities

DEMOGRAPHIC PROFILE

A study prepared by Site to Do Business (STDB) in April 2016, based upon 2010 census data and forecasted figures for 2015 - 2020, analyzes the population within a five-mile radius of the subject property, and includes the majority of the subject neighborhood. The following is a summary of the demographic data.

DEMOGRAPHIC PROFILE MAP





Demographic and Income Comparison Profile

G Bar 7 Development
11688 County Rd 55, Celina, Texas, 75009
Rings: 5 mile radii

Prepared by Esri
Latitude: 33.30372
Longitude: -96.79377

5 miles

Census 2010 Summary

Population	13,552
Households	4,191
Families	3,610
Average Household Size	3.22
Owner Occupied Housing Units	3,522
Renter Occupied Housing Units	669
Median Age	35.5

2015 Summary

Population	18,466
Households	5,720
Families	4,910
Average Household Size	3.21
Owner Occupied Housing Units	4,716
Renter Occupied Housing Units	1,003
Median Age	36.0
Median Household Income	\$107,316
Average Household Income	\$135,701

2020 Summary

Population	23,113
Households	7,167
Families	6,132
Average Household Size	3.21
Owner Occupied Housing Units	5,890
Renter Occupied Housing Units	1,277
Median Age	36.6
Median Household Income	\$116,540
Average Household Income	\$149,126

Trends: 2015-2020 Annual Rate

Population	4.59%
Households	4.61%
Families	4.55%
Owner Households	4.55%
Median Household Income	1.66%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.

April 01, 2016

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)



Demographic and Income Comparison Profile

G Bar 7 Development
11688 County Rd 55, Celina, Texas, 75009
Rings: 5 mile radii

Prepared by Esri
Latitude: 33.30372
Longitude: -96.79377

5 miles		
2015 Households by Income	Number	Percent
<\$15,000	239	4.2%
\$15,000 - \$24,999	167	2.9%
\$25,000 - \$34,999	231	4.0%
\$35,000 - \$49,999	341	6.0%
\$50,000 - \$74,999	808	14.1%
\$75,000 - \$99,999	814	14.2%
\$100,000 - \$149,999	1,225	21.4%
\$150,000 - \$199,999	908	15.9%
\$200,000+	986	17.2%
Median Household Income	\$107,316	
Average Household Income	\$135,701	
Per Capita Income	\$42,416	
2020 Households by Income	Number	Percent
<\$15,000	234	3.3%
\$15,000 - \$24,999	129	1.8%
\$25,000 - \$34,999	218	3.0%
\$35,000 - \$49,999	354	4.9%
\$50,000 - \$74,999	848	11.8%
\$75,000 - \$99,999	1,058	14.8%
\$100,000 - \$149,999	1,698	23.7%
\$150,000 - \$199,999	1,266	17.7%
\$200,000+	1,361	19.0%
Median Household Income	\$116,540	
Average Household Income	\$149,126	
Per Capita Income	\$46,629	

Data Note: Income is expressed in current dollars.

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.

April 01, 2016

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Demographic and Income Comparison Profile

G Bar 7 Development
11688 County Rd 55, Celina, Texas, 75009
Rings: 5 mile radii

Prepared by Esri
Latitude: 33.30372
Longitude: -96.79377

5 miles		
2010 Population by Age	Number	Percent
Age 0 - 4	1,034	7.6%
Age 5 - 9	1,348	9.9%
Age 10 - 14	1,379	10.2%
Age 15 - 19	1,033	7.6%
Age 20 - 24	516	3.8%
Age 25 - 34	1,351	10.0%
Age 35 - 44	2,377	17.5%
Age 45 - 54	2,154	15.9%
Age 55 - 64	1,274	9.4%
Age 65 - 74	704	5.2%
Age 75 - 84	263	1.9%
Age 85+	119	0.9%
2015 Population by Age	Number	Percent
Age 0 - 4	1,339	7.3%
Age 5 - 9	1,576	8.5%
Age 10 - 14	1,793	9.7%
Age 15 - 19	1,426	7.7%
Age 20 - 24	956	5.2%
Age 25 - 34	1,882	10.2%
Age 35 - 44	2,790	15.1%
Age 45 - 54	2,972	16.1%
Age 55 - 64	2,025	11.0%
Age 65 - 74	1,140	6.2%
Age 75 - 84	417	2.3%
Age 85+	150	0.8%
2020 Population by Age	Number	Percent
Age 0 - 4	1,649	7.1%
Age 5 - 9	1,840	8.0%
Age 10 - 14	2,037	8.8%
Age 15 - 19	1,803	7.8%
Age 20 - 24	1,088	4.7%
Age 25 - 34	2,640	11.4%
Age 35 - 44	3,199	13.8%
Age 45 - 54	3,521	15.2%
Age 55 - 64	2,812	12.2%
Age 65 - 74	1,664	7.2%
Age 75 - 84	669	2.9%
Age 85+	190	0.8%

Source: U.S. Census Bureau, Census 2010 Summary File 1. Esri forecasts for 2015 and 2020.

April 01, 2016

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

Area Developments

Following is a summary of recent development trends which affect the neighborhood area and include nearby developments within and near the City of Celina, as well as the nearby Town of Prosper as follows:

- ❖ **Celina Family Healthcare** opened in 2012 and operated by Texas Health Physicians Group (a network of more than 650 primary and specialty care physicians) is a pediatric and adult primary care facility located at 1050 S. Preston Road in Celina Town Center.
- ❖ **Preston Road Construction** – there are three segments of construction for Preston Road in or around Celina. The first segment is 100% completed from US-380 to FM-1461. The next segment is from FM-1461 to FM-455 is 95% completed and the last segment is from FM-455 to Business-289 projected for completion in 2015. The total costs for the project were \$17.2 million for the south project, \$18.2 million for the middle project, and \$16 million for the north project according to TxDOT. All costs are 100 percent paid for by the Regional Toll Revenue (RTR) funds.
- ❖ **Prosper Trail** (Town of Prosper) was improved to concrete and expanded to four lanes, divided from Preston Road (SH-289) westward to the Dallas North Tollway.
- ❖ **Light Farms (aka Light Ranch)** is a 1,070-acre master-planned development in Celina and located in the Prosper ISD. The development will have access from the future extension of the Dallas North Tollway. To date, 793 lots have been development with home prices ranging from \$285,000 - \$600,000. Amenities include a fitness center, four pools, tennis court complex, and a central lawn with gazebo for events. Homebuilders in the community include American Legend Homes, Darling Homes, Drees Homes, Highland Homes, Horizon Homes, K. Hovnanian Homes, Lionsgate Homes, and Shaddock Homes.

Following is a brief summary of recent real estate trends within the Town of Prosper:

- ❖ In 2015, Movoto, an online real estate brokerage firm based in California ranked Prosper as the “Ninth Best Dallas Suburb in which to raise a family”
- ❖ **Prosper Trail** (Town of Prosper) was improved to concrete and expanded to four lanes, divided from Preston Road (SH-289) westward to the Dallas North Tollway.
- ❖ **Baylor Family Medicine at Prosper** is a 4,700-square-foot facility located within the 16,000-square-foot Eagle Crossing II mixed-use development located at 861 N. Coleman in Prosper. Dallas-based Lee Design Group, under a contract with Health Texas Providers Network, designed the medical space. Eagle Crossings II was constructed by Crossland Construction Company.

- ❖ **Blue Star Land**, the development company owned by Dallas Cowboys owner Jerry Jones, has five large parcels in Prosper, including roughly 500 acres at US-380 and Preston Road for a residential-commercial development with Lincoln Properties, and about 1,000 acres on the west side of the tollway corridor. Blue Star plans to develop the 500 acres located at the northeast corner of Preston Road and US-380, to be known as **The Gates of Prosper**, with 2.5 million square feet of residential, retail, and municipal space. Construction of Phase 1 is expected to begin in 2015 with 900,000 leasable square feet.
- ❖ **Proposed Regional Mixed-Use Development** – A \$1 billion development is planned by developer Jack Mathews who purchased 157 acres of land in early 2013 at the northwest corner of the Dallas North Tollway and US-380 in the Town of Prosper. Plans for the public-private project include more than 3,000,000 square feet of office, residential, retail, medical, hotel and entertainment space. The Town of Prosper agreed to a tax incentive agreement based on the performance of the project and the projected increase of property values. Construction of a 275,000 square-foot office building in Phase 1 is set to begin construction in 2015.
- ❖ **Windsong Ranch (aka Three Stones/Mahard Ranch/Prosper Ranch)** is a 2,030±-acre, \$1.2 billion master-planned community located north of US-380 between FM-423 and Fields Road (future Teel Parkway) and approximately 2.5 miles west of the Dallas North Tollway in Prosper, Texas. This development was awarded the 2015 NAHB Master-Planned Community of the Year Silver Award. The development is planned to eventually be developed with a total of approximately 3,500 single-family homes. Amenities within this development include parks, creeks, ponds, miles of trails, resort-style pools, a children's splash park and play area, and a fitness center. The three-building amenity complex includes a community coffee shop (Windsong Café), marketing center, outdoor gathering spaces, and a poolside pavilion with fireplace. Homebuilders in Windsong Ranch include Chesmar Homes, Darling Homes, Highland Homes, Custom Classics Homes, Drees Homes, and Huntington Homes. Home prices are ranging from \$378,000 to \$539,000. To date, 323 lots have been developed with 60', 70', and 80' frontages

Following is information relative to the Collin County bus service, as well as an update on the northern extension of the Dallas North Tollway:

- ❖ **Collin County Area Regional Transit – CCART**: CCART is the rural and urban bus service for Collin County. CCART offers a curb to curb transit service within Collin County for the cities of Plano, Frisco, Allen, Wylie, Farmersville, Melissa, Prosper, Princeton, Celina, Anna, Blue Ridge, Josephine, Nevada, Fairview, Lucas, Murphy, and Lavon.

- ❖ **Dallas North Tollway Northern Extension, Phase 4A/4B/5A** when complete is expected to extend the “Tollway” northward from US-380 an additional 18 miles into Grayson County (to FM-121) providing a link from the Dallas Central Business District and cities located within Dallas, Collin, Denton, and Grayson counties. The NTTA Board approved the schematic design and environmental evaluation in June 2011 for the Phase 4A/4B/5A extension project. The extension will be a limited access toll road with six main lanes and four frontage road lanes. Phase 4B is currently under development, which includes southbound frontage lanes for DNT. A summary of the current progress report and a map of the extension follow:

DALLAS NORTH TOLLWAY



PHASE 4&5 Progress Report

North Texas Tollway Authority June 2015

The Dallas North Tollway Phase 4 & 5 project could extend the Tollway by up to 18 miles north from U.S. 380, providing a link between downtown and cities in Collin, Denton and Grayson counties.

Corridor Details

- The DNT Phase 4 corridor is planned to extend the tollway north from U.S. 380 to the Collin/Grayson county line. The DNT Phase 5A corridor is expected to extend the DNT from the Collin/Grayson county line to Farm-to-Market 121 in Grayson County.
- Project limits:
 - Phase 4A (approximately six miles): U.S. 380 to FM 428
 - Phase 4B: (approximately 7.7 miles) FM 428 extending north to the Grayson County line
 - Phase 5A: (approximately 4.3 miles) Extension north of the Grayson County line
- Project length: Approximately 18 miles
- Estimated project cost: To be determined
- Opening date: To be determined

Corridor Updates

- and Denton counties to FM 121 in Grayson County. The NTTA evaluated three alignment options as well as a no-build option.
- Per state law, the Grayson County Regional Mobility Authority has primacy on any toll project within Grayson County, including portions of the DNT which may extend into Grayson County.
- A technical work group meeting was held on Dec. 10, 2010, to present schematic and environmental information to representatives from local government agencies.
- Approximately 75 residents attended a public hearing on April 19, 2011, in Celina.
- On June 15, 2011, the NTTA Board approved the schematic design and environmental evaluation for the DNT Phase 4B/5A extension project.
- At the February 2013 Board Meeting, an ILA with Denton County to advance the DNT Phase 4B southbound frontage road project was approved.
- At the October 2014 Board Meeting, Burns & McDonnell Engineering, Inc. was approved to perform design engineering services for the DNT 4B southbound frontage road.

Milestones

- An interlocal agreement covering right of way, utility services and northbound service road construction was signed in October 2003 by the NTTA, Collin County and the Town of Prosper. The agreement covers DNT Phase 4A.
- Commissioners courts in Collin and Denton counties approved resolutions in January 2005 designating a preferred alignment along the Denton/Collin county line in Phase 4B. In May 2008, Collin County rescinded its resolution.
- NTTA began preliminary route studies, schematic design work, environmental documentation and public involvement for Phases 4A, 4B and 5A of the DNT extension project in November 2007.
- On Sept. 17, 2008, the NTTA Board of Directors approved the Phase 4A schematic and environmental assessment.
- The service road that will become the DNT Phase 4A (U.S. 380 to FM 428) northbound frontage road opened to traffic in 2008 as a bi-directional, two-lane facility.
- On March 16, 2009, the NTTA Board approved an expansion of the DNT 4B/5A (FM 428 to FM 121) study area to the west and the north. The expansion captured more of Denton and Grayson counties and a small portion of southeast Cooke County, which enabled the NTTA to identify and preserve right of way for the DNT corridor.
- The NTTA Board selected a “county line” alignment on July 21, 2010, for the DNT Phase 4B/5A extension, from FM 428 in Collin

Next Steps

- Ongoing coordination with stakeholders and partners.

Project Partners

- Celina (4A, 4B) - Collin County (4A, 4B) - Cooke County (5A) - Denton County (4B) - Frisco (4A) - Grayson County (5A) - Grayson County Regional Mobility Authority (5A) - Gunter (5A) - North Central Texas Council	- of Governments (4A, 4B) - Pilot Point (4B) - Prosper (4A) - Sherman-Denison Metropolitan Planning Organization (5A) - Texoma Council of Governments (5A) - Texas Department of Transportation (4B, 5A) - Tioga (5A)
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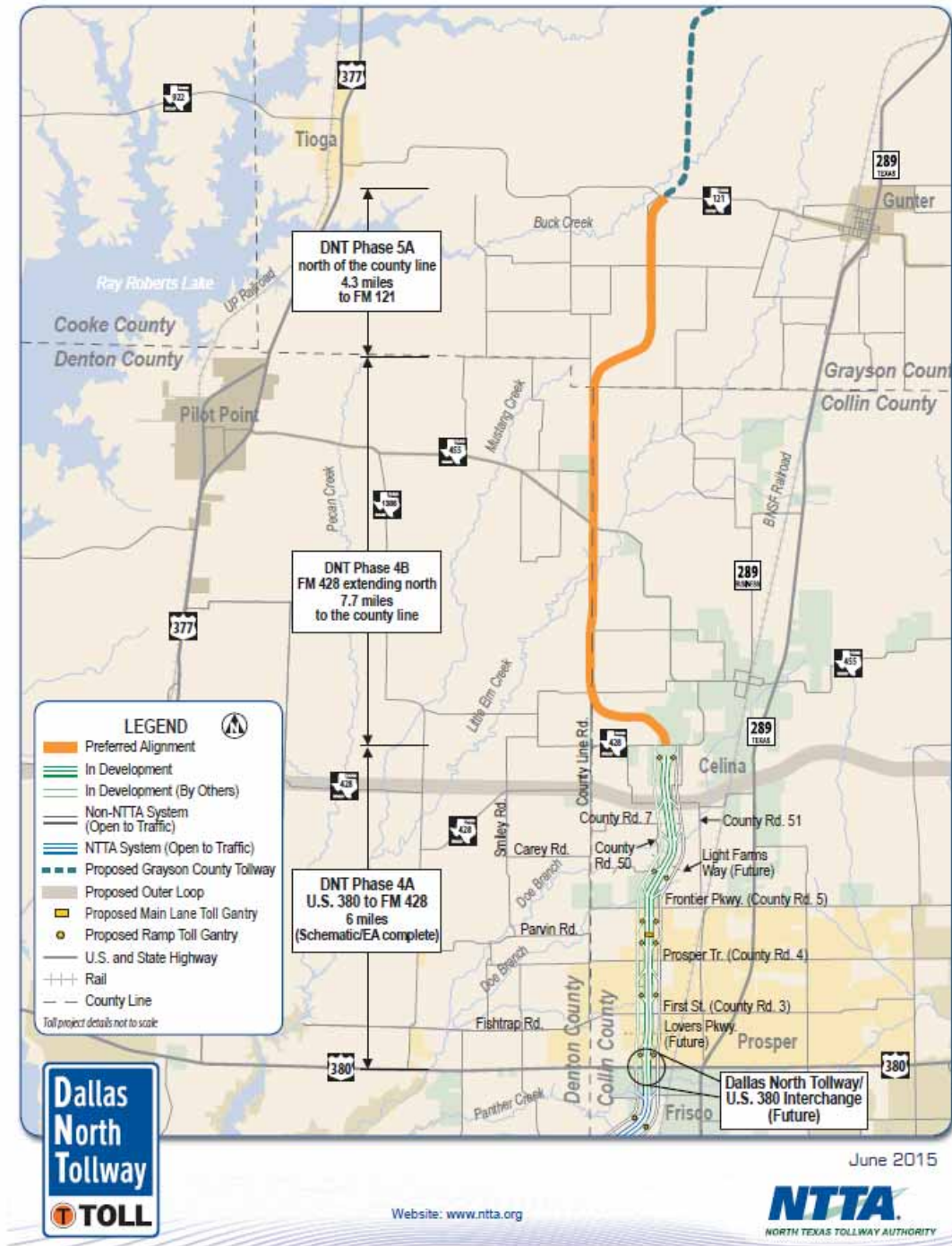
Project Manager

Kelly Johnson, P.E.
 5900 W. Plano Parkway, Plano, TX 75093
 Email: DNT45@ntta.org
 For information: (972) 628-3134

[Click here to subscribe to project updates](#)

Website: www.ntta.org





- ❖ **Collin County Outer Loop** - In its current state the Outer Loop runs 4.6 miles from US-75 in Anna to SH-121 just northeast of Melissa. This section was built at a cost of \$21 million. This section of road runs as a bi-directional two-lane road, which will eventually be the north frontage road. The Outer Loop is planned to run for approximately 50 miles from the future northern extension of the Dallas North Tollway in Celina to IH-30 near Royse City. The loop will be built in five segments (including Section 1 which is already open).

Segment 1 is the section of road already opened, running from US-75 to SH-121. This section will eventually become the north frontage road as tolled main lanes are added.

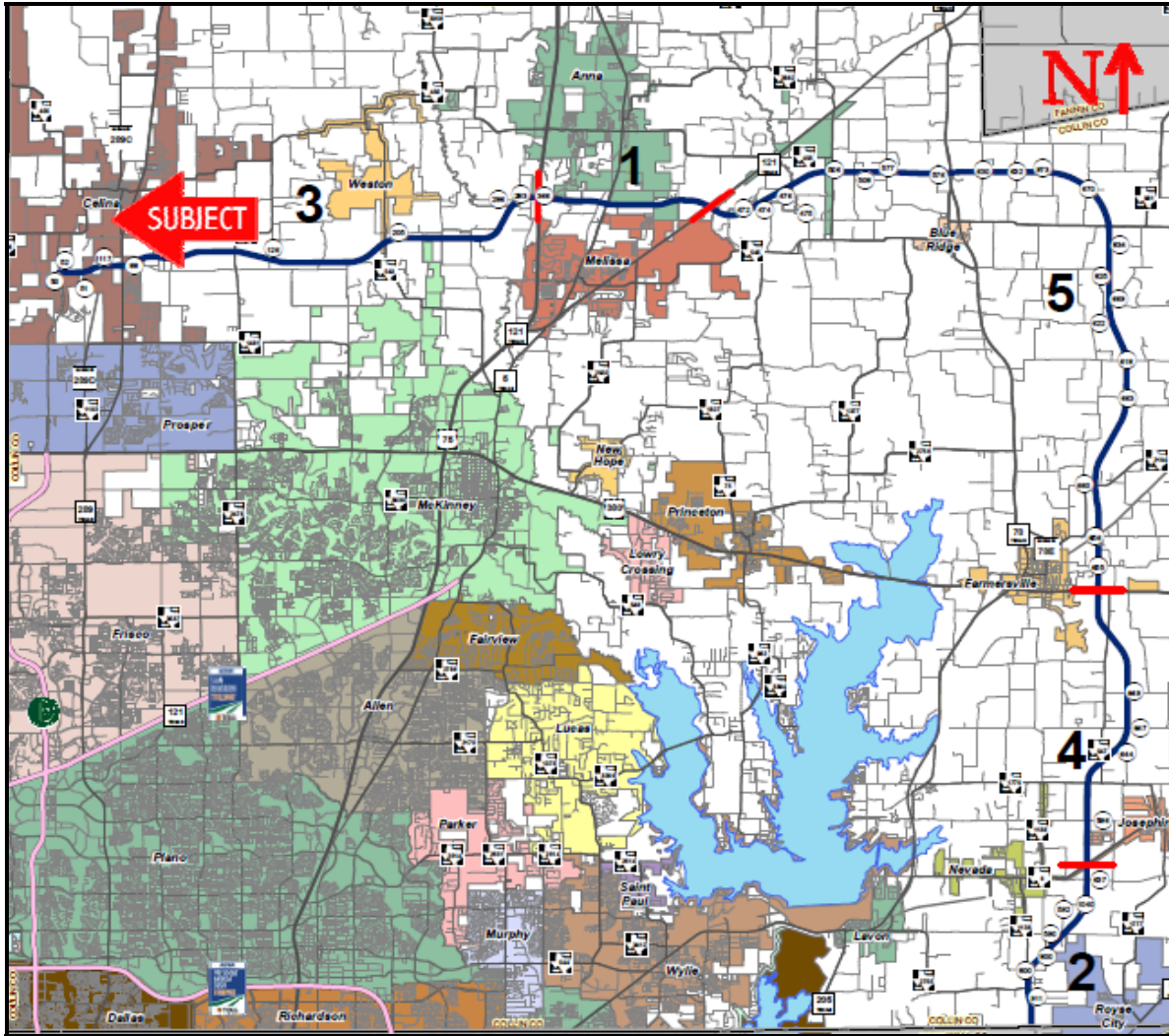
Segment 2 will run from FM-6, between Nevada and Josephine, to the Rockwall County line near Royse City. This segment could possibly be extended further south past IH-30 through Rockwall, Kaufman, and Dallas counties as part of a much larger outer loop.

Segment 3 will run past US-75 to the future north extension of the Dallas North Tollway in Celina. This section will run through extreme north McKinney, close to Weston and cross SH-289 (Preston Road) before ending at the Dallas North Tollway. This section could possibly be extended further west through Denton County as part of a larger outer loop.

Segment 4 will run from US-380 near Farmersville to FM-6 between Nevada and Josephine.

Segment 5 will connect Segments 1 and 4, running through sparsely populated areas of the county.

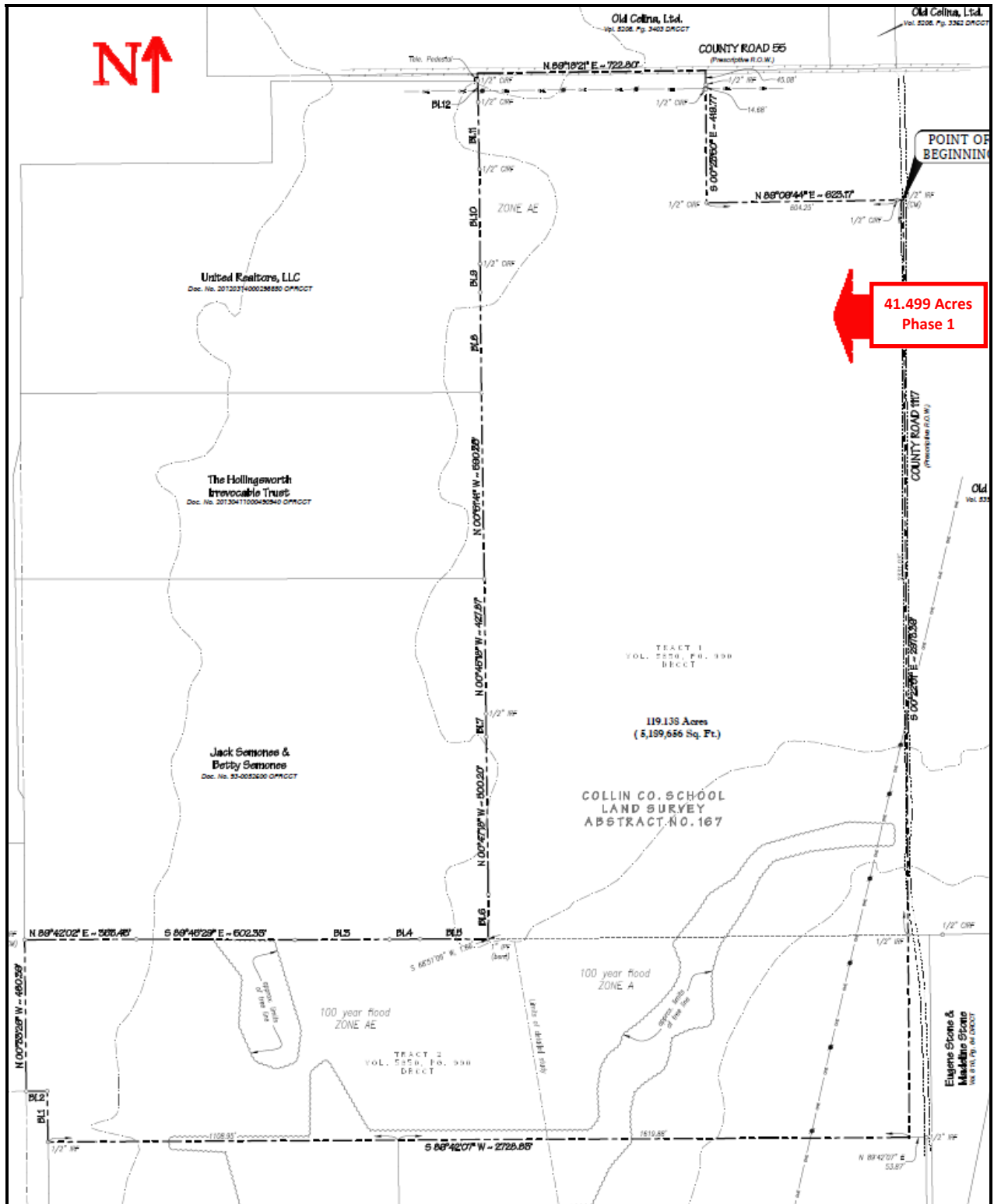
The Prosper/Celina area will be accessed from Segment No. 3 and shown in the following exhibit:



Summary

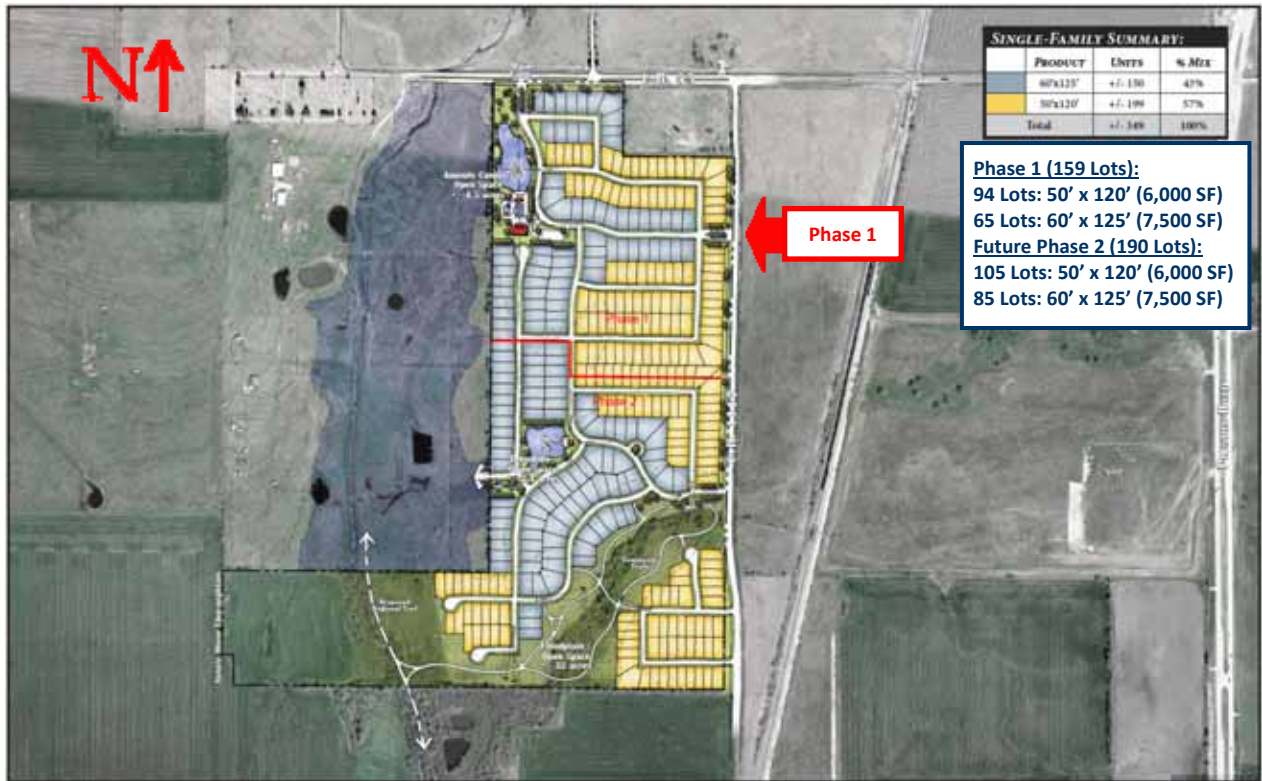
The subject neighborhood is located in the north central sector of Collin County between Celina and Prosper which are small bedroom communities approximately 30 miles north of the Dallas CBD and approximately 30 miles northeast of the Dallas/Fort Worth International Airport. The future long-term outlook for the general area appears to be promising with substantial public and private investments in the form of schools, roads, and other public services. The steady development in and around the subject neighborhood provides attractive environs for future development.

G BAR 7 – OVERALL PID AREA/SURVEY (119.138 ACRES)



Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

G BAR 7 MASTER PLAN
OVERALL PID BOUNDARY/PHASING PLAN



Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

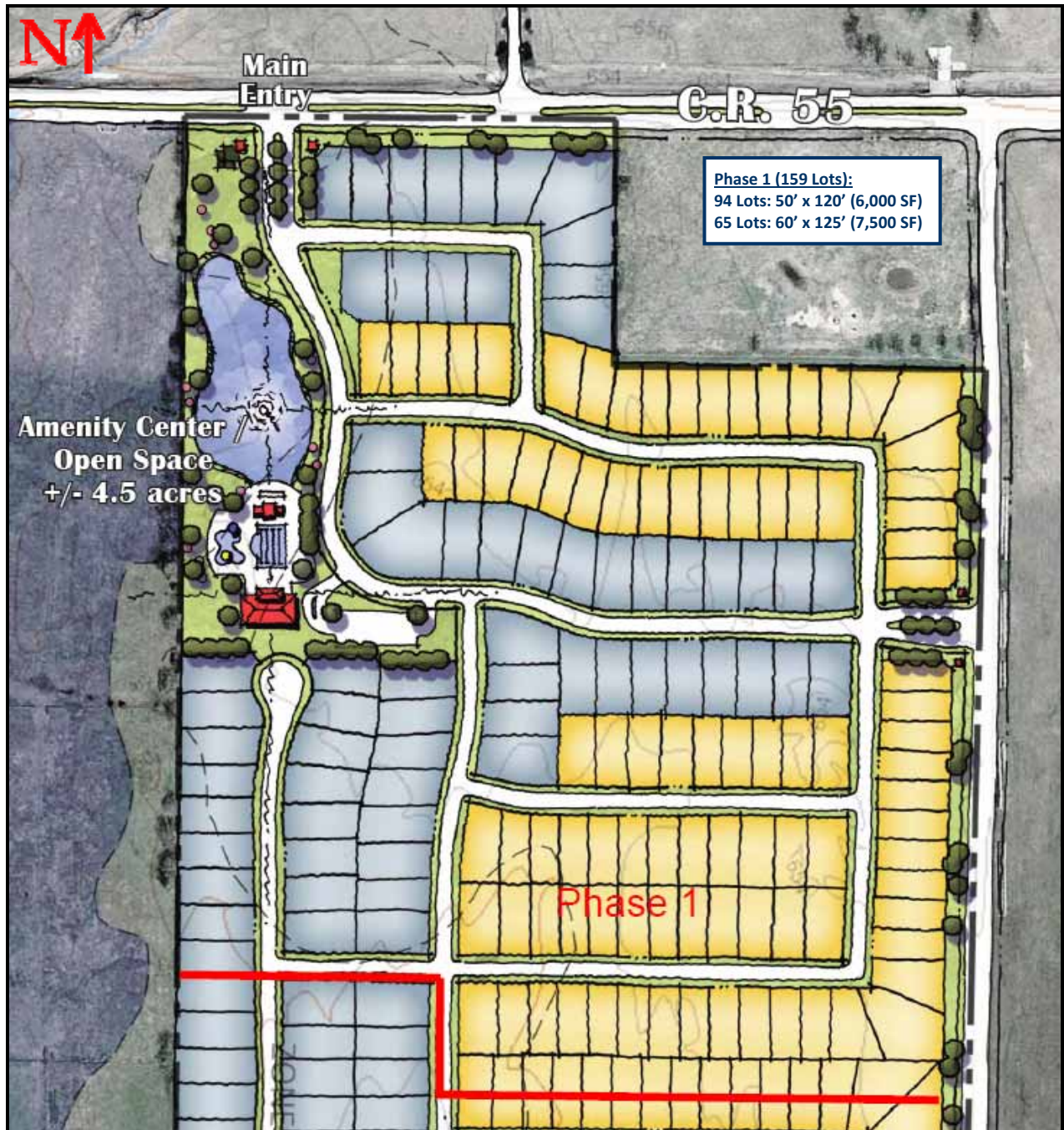
GENERAL DESCRIPTION OF G BAR 7

As discussed, the subject property overall totals approximately 119.138± gross acres and has been engineered to be developed as a two-phase master-planned community to be known as “G Bar 7”. This development is planned to eventually consist of 349 single-family lots, one amenity center on 4.5± acres, and several separate open space areas. Phase 1 will include development of 159 single-family lots on 41.499 gross acres (density 3.8 upa) as well as the amenity center. Phase 1 development will also include offsite costs such as the extension of public water and sanitary sewer to the site, as well as the partial improvement of CR-1117 with an all-weather “flex base” surface from CR55 to the entrance to Phase 1. Water and sewer will be extended to serve Phase 1, as well as brought in closer proximity to the future Phase 2. Finally, all interior street and utility development will be completed to serve the 159 single family lots in Phase 1. Furthermore, upon completion of Phase 1, the development will have one pod of excess/future phase of development to complete (this excess land is not a part of this appraisal report).

Following is a summary of Phase 1 per the “concept plan” and data provided:

<u>G Bar 7, Phase I</u>			
		Lot	
<u>Total Lots</u>	<u>Percentage</u>	<u>Dimensions</u>	<u>Total SF</u>
94	59%	50' x 120'	6,000
<u>65</u>	<u>41%</u>	60' x 125'	7,500
<u>159</u>	<u>100%</u>		
<i>Data per developer</i>			

G BAR 7 – PHASE 1 CONCEPT PLAN



Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

SITE ANALYSIS — PHASE 1

Although requested, a plat of Phase 1 was not available at the effective date of this appraisal. Thus, utilizing the “concept plan” and additional information provided from the developer, Phase 1 is proposed to be initially developed with 159 single-family lots on 41.499 gross acres (3.8 upa) as part of a two-phase master-planned residential development on a total of 119.138 gross acres to be known G Bar 7. All of the lots are designed for front access. Access to Phase 1 will be from the main entry/exit from CR-55 (northern boundary), as well as an additional entry/exit from CR-1117 (eastern boundary). It is noted that CR-1117 is to be partially improved with an all-weather “flex base” surface from CR-55 to the entrance in Phase 1.

The amenity center will be constructed during Phase 1, but has not been fully designed at the effective date of this appraisal. Plans are to include a “resort-style pool”, pool deck, shade structure with restrooms, playground, and landscaped areas to be located adjacent to a landscaped detention pond. There is also a trail system planned throughout the property. For a visual of Phase 1, see the previous page. The general characteristics of Phase 1 follow.

General Site Information

Location:	Southwest quadrant of CR-55 and CR-1117, City of Celina, Collin County, Texas
Land Size (Phase 1):	41.499 gross acres
Frontage:	Phase 1 is part of a two-phase master-planned residential community which will have direct frontage/access from the existing CR-55 located along the northern boundary, as well as from CR-1117 located along the eastern boundary.
Access:	Access to the Phase 1 lots will be provided from the main entry/exit from CR-55 (northern boundary), as well as from an additional entry/exit from CR-1117 (eastern boundary).
School District:	Celina ISD
Utilities to Site:	The utilities are assumed to be available and of adequate capacity to service the site for low density residential of uses.
Shape of Tract:	Slightly irregular rectangle
Topography:	Level terrain

Zoning:	Planned Development #23 District (Ordinance 2015-13) under the guidelines of the "SF-R" District by the City of Celina and the Development Agreement (see details in zoning section)
Easements/Encroachments:	According to the "survey" provided, the subject appears to be free from any adverse easements and/or encroachments.
Surface Drainage:	Appears adequate
Soils:	A soil analysis for the site has not been provided for the preparation of this appraisal. In the absence of a soil report, it is a specific assumption that the site has adequate soils to support the highest and best use.
Subsurface Conditions:	It is assumed that there are no hidden or unapparent conditions to the property, soil, or subsoil, which would render them more or less valuable. Subsurface oil, gas, or mineral rights were not considered in this report unless otherwise stated.
Nuisances and Hazards:	No nuisances or hazards were noted that would adversely affect the use of the property.
Adjacent Uses:	<u>North:</u> Vacant land <u>South:</u> Vacant land (future Phase 2) <u>East:</u> Vacant land <u>West:</u> Vacant land
Street Improvements:	<u>CR-55</u> is currently an existing two-way concrete roadway providing east/west access to the subject property and to portions of the surrounding area. <u>CR-1117</u> is currently an unpaved road providing north/south access to the subject and to portions of the surrounding area. This road is planned to be partially improved with an all-weather "flex base" surface from CR-55 to the Phase 1 entry.

Proposed Site Improvements:

Phase 1 represents 159 proposed residential lots on 41.499 gross acres (3.8 upa) as the initial phase of a two-phase master-planned residential community to be known as G Bar 7. The 159 lots are designed as front-entry lots. Access to the 159 lots will be provided from one major entry/exit from CR-55 (northern boundary), as well as from one entry/exit from CR-1117 (eastern boundary) which will be partially improved with an all-weather "flex base" surface from CR-55 to the Phase 1 entry. The Phase 1 development will include an Amenity Center on 4.5± acres at the northwest corner of the development. Phase 1 will be developed with concrete streets with curbs, gutters, sidewalks, and street lights.

Summary of Phase 1 (159 Proposed Lots):

<u>G Bar 7, Phase I</u>			
Lot			
<u>Total Lots</u>	<u>Percentage</u>	<u>Dimensions</u>	<u>Total SF</u>
94	59%	50' x 120'	6,000
65	41%	60' x 125'	7,500
<u>159</u>	<u>100%</u>		
<i>Data per developer</i>			

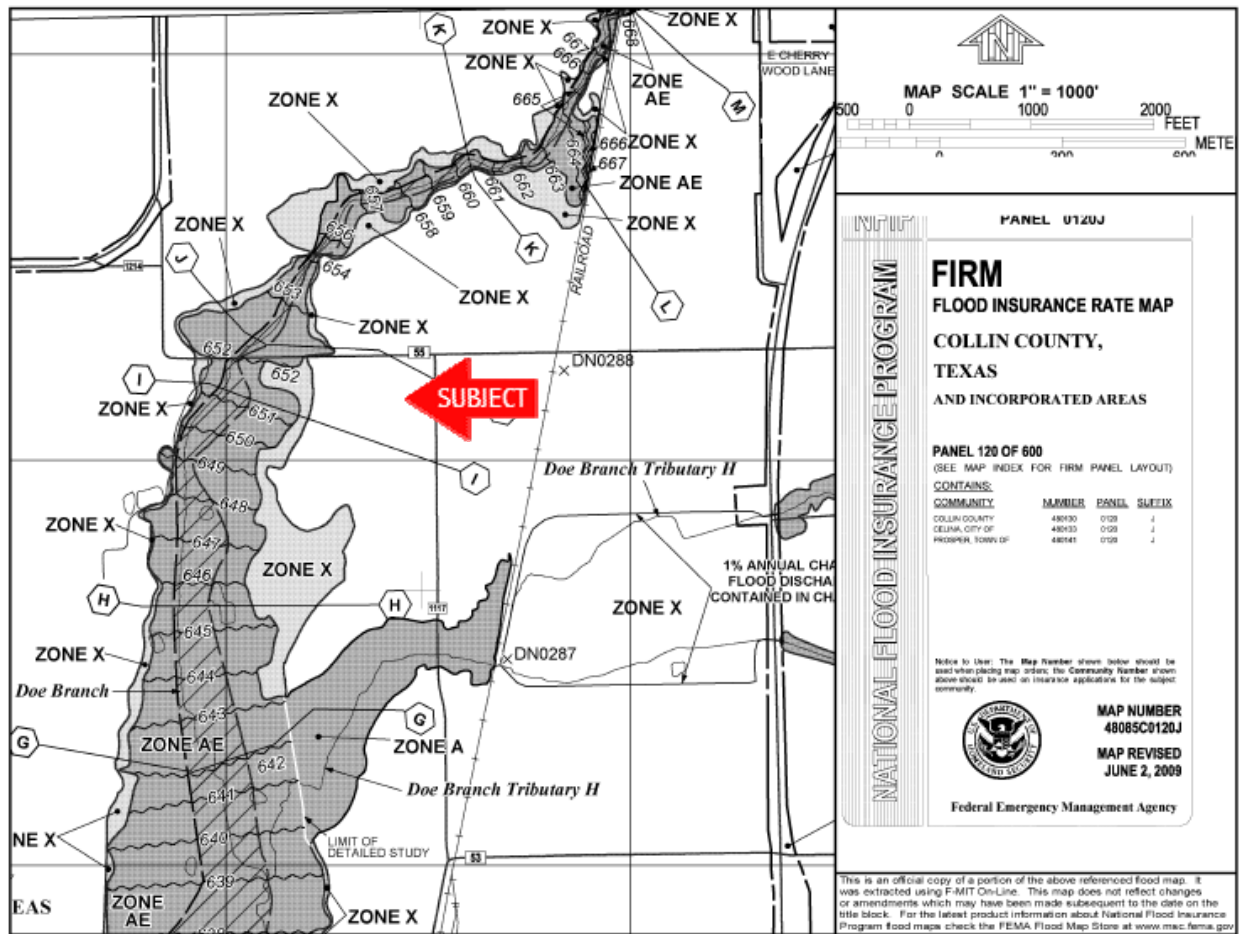
Flood Designation:

Phase 1 is located on FEMA Panel 48085C0120J dated June 2, 2009 found on the next page. According to this map, no portion of Phase 1 is located within a floodplain area.

Conclusion:

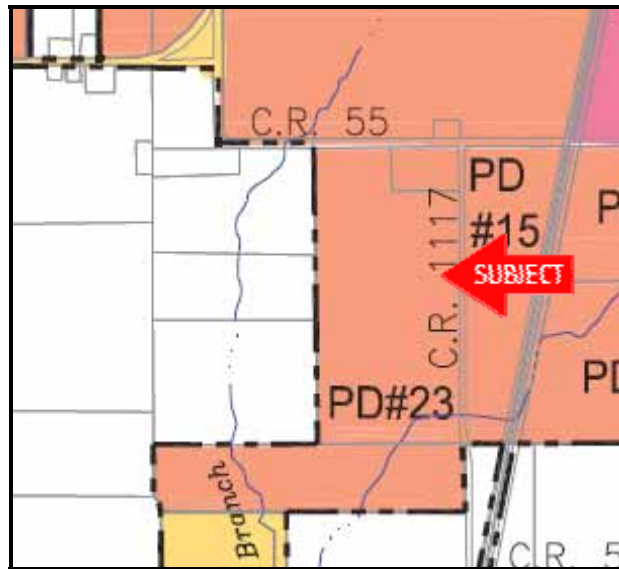
Overall, Phase 1, upon completion of Phase 1 PID development, is well suited for single-family development. All utilities are assumed to be available and there will be no easements, restrictions, or encumbrances that appear to negatively affect the value or marketability of the subject's 159 proposed residential lots.

FLOOD MAP



ZONING AND DEED RESTRICTIONS

The subject is currently zoned under a Planned Development #23 District (Ordinance 2015-13) under the guidelines of the “SF-R” District by the City of Celina (see the following section of the Celina, Texas Zoning Map). The Development Agreement provides for certain guidelines, reservation of rights, and other terms that affect the property, the intent of which is to create a unique and well-designed master-planned community. The community will be a walkable environment where the amenities will consist of long, contiguous open space greenways with trails that connect the entire community to the City of Celina.



The “SF-R” (Single-Family Residential) District guidelines allow for two lot styles (Type I and Type II) with graduated increases in density of development. Following is a summary of the development standards relative to the subject’s “concept plan”.

PD-23 DISTRICT - SF-R DISTRICT GUIDELINES		
	LOT TYPES	
	I	II
Minimum Lot Area (SF)	6,000	7,500
Minimum Lot Width	50'	60'
Minimum Lot Width ROW/Cul-de-Sac	40'	55'
Minimum Lot Depth/Cul-de-Sac Lots	120'/85'	125'/85'
Minimum Front Yard/Collector Street	20'/25'	20'/25'
Minimum Rear Yard	10'	10'
Minimum Side Yard/Adjacent to Street	5'/15'	5'/15'
Minimum Lot Coverage	60%	55%
Minimum Dwelling Size (SF)	1,700	1,900
Garages	Face street/J-Swing	Face street/J-Swing
Maximum Height	40' (2 1/2 stories)	40' (2 1/2 stories)
Maximum % of Lots	62%	38%
<i>Per City of Celina, Texas Planning & Zoning Department</i>		

Following are additional guidelines/standards:

- Trees to be planted in the front yard to include two, four-inch caliper trees measured at 12 inches above ground and four shrubs (minimum of five-gallons when planted)
- Screening standards including lots adjacent to throughfares and minor arterials/collectors with a six-foot masonry wall and open space/park land with a six-foot masonry wall or four-foot wrought iron fence
- 15' landscape buffer for all lots backing/siding to thoroughfares/collectors

The PD District shall also contain the following amenity features:

- Swimming pool
- Passive recreation field
- Private, off-street hike/bike trail to connect to future public trail
- Outdoor meeting space
- Dog park

Overall, the subject property, as proposed, appears to conform to current zoning requirements.

AD VALOREM TAXES

Tax Rates

The subject is located within the taxing jurisdiction of Collin County which does assessment on a countywide basis for Collin County, the Collin County College District, the City of Celina, and the Celina Independent School District. Because assessed value is typically the result of a mass appraisal process based more on statistical probability than individual property characteristics, it should be noted that there is frequently a difference between assessed value and market value for an individual property. Tax rates are determined in October of each year. Therefore, the 2015 tax rates for these taxing authorities are presented as follows:

<u>2015 TAX RATES</u>	
<u>Authority</u>	<u>Tax Rate/\$100</u>
Collin County	\$0.22500
City of Celina	\$0.64500
Collin County College	\$0.08196
Celina ISD	<u>\$1.64000</u>
Total Tax Rate	<u>\$2.59196</u>
<i>Source: Collin Central Appraisal District</i>	

Tax Liability

In Texas, real property is required by law to be assessed at 100% of its estimated market value. The subject is assessed for 2015 under Account Nos. 963014 and 963041 as vacant, undeveloped land. The tax assessment for the subject property is summarized as follows (see Addenda):

<u>COLLIN CENTRAL APPRAISAL DISTRICT 2015 ASSESSMENTS</u>								
<u>Acct. No.</u>	<u>Ownership</u>	<u>Total Acres</u>	<u>Total SF</u>	<u>2015 Assessments</u>	<u>Ag. Exempt Assessments</u>	<u>Total Tax Rate Per \$100</u>	<u>Total Taxes</u>	<u>Total Ag. Exempt Taxes</u>
963014	G Bar 7 Ltd.	77.710	3,385,048	\$2,331,300	\$13,522	\$2.59196	\$60,426	\$350
963041	G Bar 7 Ltd.	<u>41.000</u>	<u>1,785,960</u>	<u>\$402,661</u>	<u>\$7,339</u>	\$2.59196	<u>\$10,437</u>	<u>\$190</u>
Tax District Totals:		118.710	5,171,008	\$2,733,961	\$20,861	\$2.59196	\$70,863	\$541
			<i>Average/Acre</i>	\$23,031	\$176		\$597	\$5
Subject Actual Acreage:			<u>119.138</u>	<u>\$2,743,818</u>	<u>\$20,936</u>		<u>\$71,119</u>	<u>\$543</u>
			<i>Average/Acre</i>	<u>\$23,031</u>	<u>\$176</u>		<u>\$597</u>	<u>\$5</u>
<i>Per Collin Central Appraisal District</i>								

As shown, the total 2015 assessment for the subject is \$2,733,961 or \$23,031/acre based upon the tax district's total size of 118.710 acres. As we are valuing the subject based on a prospective value and with PID improvements in place, the current assessment is not relative. However, utilizing the 2015 assessed value and the 2015 tax rates, the total estimated property taxes for the subject is estimated at \$70,863 or \$597 per gross acre (\$541 or \$5/acre with agriculture exemption).

It is noted that according to the terms of the lot contracts, the purchaser shall reimburse the seller for ad valorem taxes at the closing of each lot for the prorated expenses previously paid by the seller for the period from the substantial completion date to the respective closing of each lot.

Roll Back Taxes

It is also important to note that all of the subject property is presently taxed under an agricultural exemption. As such, upon development, the developer of the site is liable for five years of back real estate taxes plus interest annually. This is considered typical of properties located in growth corridors such as the subject.

SECTION 5 – HIGHEST AND BEST USE ANALYSIS

The principle of highest and best use is defined:

Highest and best use is a market-driven concept which identifies the most profitable and competitive use for which a property can be used. It is defined by The Appraisal of Real Estate, Fourteenth Edition (2013) as:

The reasonable and probable use of vacant land and or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.

- ❖ Permissible Use (Legal) - what uses are permitted by zoning and deed restrictions on the site in question?
- ❖ Possible Us - to what uses is it physically possible to put the site in question?
- ❖ Feasible Use - which possible and permissible uses will produce any net return to the owner of the site?
- ❖ Highest and Best Use - among the feasible uses, which use will produce the highest net return or the highest present worth?

The use which is the highest and best use of the property must be physically possible, legally permissible, financially feasible, and maximally productive. Following is a discussion of these factors.

Implied within these definitions is recognition of the contribution of that specific use to community environment or to community development goals in addition to wealth maximization of individual property owners. Also implied is that the determination of highest and best use results from the appraiser's judgment and analytical skill, i.e., that the use determined from analysis represents an opinion, not a fact, to be found.

In appraisal practice, the concept of highest and best use represents the premise upon which value is based. In the context of most probable selling price (market value) another appropriate term to reflect highest and best use would be most probable use. In the context of investment value an alternative term would be most profitable use.

The highest and best use for unimproved property may be different from the highest and best use of improved property. This will be true when the improvement is not an appropriate use and yet makes a contribution to total property value in excess of the value of the site.

Physically Possible

The physical aspects of the site dictate the first constraint imposed on the possible use of the property. Size, location within a given block, topography, and availability of utilities are the most important physical determinants of the highest and best use of a site. Furthermore, the subject, with road frontage along CR-55 and CR-1117 and being 41.499 gross acres in size as part of an overall assemblage of 119.138± gross acres, is sufficient to allow a wide range of development and most allowed uses could be physically placed on the site without any unreasonable hindrance.

Legally Permissible

Potential legal restrictions that apply to the subject include public (zoning) and private restrictions (deed restrictions, easements, etc.). As discussed, the subject is currently zoned under a Planned Development #23 District (Ordinance 2015-13) under the guidelines of the “SF-R” District by the City of Celina. The property will also be under the guidelines of a “Developer Agreement” which is being prepared in accordance with the approval of the “Public Improvement District”. However, under the “Development Agreement” that is associated with the proposed PID, the subject will be restricted to the “Concept Plan” found herein.

Financially Feasible and Maximally Productive

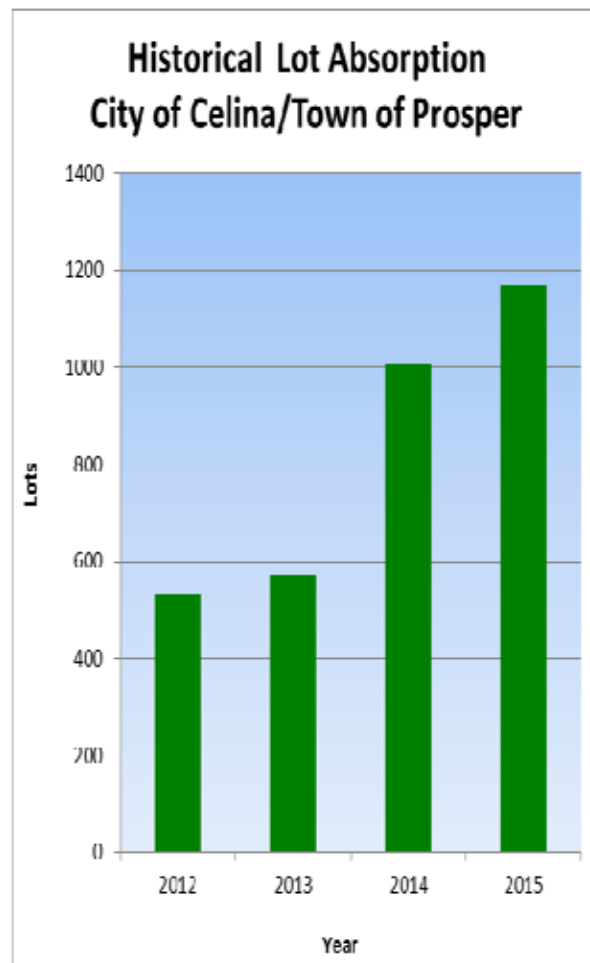
When analyzing the financially feasible and maximally productive use of the site, all of the uses that are both physically possible and legally permissible must be considered. For the subject, the primary potential use is considered to be single-family residential development. As mentioned, the subject is zoned for residential use and is proposed with single-family lots. Thus, an important factor affecting development of the subject is the surrounding land usage. The neighborhood is predominantly vacant land that is being developed into single-family residential uses. The immediate area surrounding the subject is residential in nature.

During the past decade, the residential real estate market has seen many positive changes. With the steady increase in multifamily residential rental rates, coupled with the steady decrease in interest rates and the large numbers pertaining to job growth, there has been a trend of individuals choosing to purchase homes rather than to rent apartments and multifamily housing. Furthermore, with the decline in the availability of vacant developable land, population growth has quickly expanded into the suburban areas of the Dallas/Fort Worth area. As such, the proposed absorption of single-family home lots in the subject’s neighborhood will be analyzed using historical absorption data provided by Residential Strategies, Inc., a locally recognized information provider, as well as information obtained from area market participants and developers. It is important to note that our absorption data is based on historical trends. Inasmuch as we are forecasting an economy for this area that is at least

equal to recent trends, using these historical trends is felt to be quite justifiable. The subject development is controlled by the City of Celina while located in close proximity to the Town of Prosper in the far northwestern area of Collin County. In addition, the subject development is located within the Celina Independent School District. Therefore, data obtained from Residential Strategies as of Fourth Quarter 2015 for the combined “Celina/Prosper” submarkets, which includes the subject, will be analyzed. A summary of the details are as follows:

Combined “Celina/Prosper” Submarkets

According to Residential Strategies, Inc., absorption has been increasing since 2012 in the combined “Celina/Prosper” submarkets. In 2012, 531 homes/lots were absorbed, increasing in 2013 with 571 homes/lots, and substantially increasing in 2014 with 1,008 homes/lots absorbed. Absorption continued to significantly increase in 2015 with 1,169 homes/lots absorbed. Thus, since 2012 (4.0 years), the annual absorption average was 820 homes/lots in the combined submarket. However, when utilizing a more current 12-month absorption period (January 1, 2015 thru January 31, 2015), the annual average of homes/lots absorbed increases to 1,169 homes/lots in the combined submarkets. Following is a chart summarizing the historical lot absorption summary from 2012 through 2015 for the combined “Celina/Prosper” submarkets:



As shown, since 2012, the absorption of lots within the combined “Celina/Prosper” submarkets has steadily increased with major increases beginning in 2014 through 2015. According to Residential Strategies, Inc., as of Fourth Quarter 2015, the existing supply of available housing is currently below ideal levels in the combined “Celina/Prosper” submarket areas even with the addition of new lot supply. The number of vacant developed lots in the “Celina/Prosper” area has increased due to demand from a low of 896 lots in Third Quarter 2012 to its current level of 1,532 lots as of Fourth Quarter 2015.

Based upon the Residential Strategies, Inc. absorption figures of the past 4.0 years, there is currently a 22±-month ($1,532 \text{ lots} \div 820 \text{ lots} = 1.9\pm\text{-years}$) total supply of existing lots available in the combined “Celina/Prosper” submarkets. This total supply is considered to be slightly below the optimum lot supply range of 2.0 to 2.5 years. However, when utilizing the more current 12-month absorption average of 1,169 home/lots (January 1, 2015 thru January 31, 2015), the total supply of existing lots available in the subject’s combined submarkets decreases significantly to only 16±-months ($1,532 \text{ lots} \div 1,169 \text{ lots/year} = 1.3\pm\text{-years}$), which is below optimum supply levels of existing lots in the combined submarket area.

Thus, the total lot supply within the combined “Celina/Prosper” submarkets is estimated to be between 1.3± to 1.9± years. In addition, taking into consideration that new developments require a typical 12-month construction period, with increasing demand and dwindling lot supply, it appears that additional lot product in the combined “Celina/Prosper” submarkets is feasible at the current time.

Having determined the feasibility of new lot construction in the subject’s submarket, our residential analysis will now narrow to specific competing subdivisions in the subject’s submarket area to determine the projected time of absorption for the subject’s proposed lots which are to be developed with two lot dimensions. As such, this analysis will be shown individually as 50’ and 60’ frontage lots in order to determine the absorption time frame for each specific lot size.

Subject Summary

As discussed, the subject represents the following proposed lots within Phase 1 which are to be located within a two-phase master-planned development known as G Bar 7:

<u>G Bar 7, Phase I</u>			
<u>Total Lots</u>	<u>Percentage</u>	<u>Lot</u>	
		<u>Dimensions</u>	<u>Total SF</u>
94	59%	50' x 120'	6,000
<u>65</u>	<u>41%</u>	60' x 125'	7,500
<u>159</u>	<u>100%</u>		
<i>Data per developer</i>			

As such, the following subdivisions presented for comparison are believed to more accurately reflect the potential demand/absorption for the subject's 159 proposed lots. The similarities considered to be most important are lot size, home price range, and amenity features. Thus, the tables that follow detail only the active subdivisions that are considered to compete with the subject's proposed lots and will be presented separately based upon the two typical lot types (50' and 60' frontages).

Competitive Supply – 50' Frontage Lots

As discussed, 94 lots (59%) in Phase 1 are to be developed with a typical lot dimension of 50' x 120' (6,000 SF). Furthermore, home prices are projected to range from \$270,000 to \$335,000. The similarities considered to be most important are lot size, home price range, and amenity features.

The tables that follow detail the active subdivisions that are considered to compete with the subject's 94 lots with 50' frontages per Residential Strategies, Inc. as of Fourth Quarter 2015. As such, the comparables presented are believed to accurately reflect the potential demand/absorption for the subject's 50' frontage lots, as proposed.

COMPETITIVE SUPPLY - 50' LOTS				
Subdivisions	Home Prices (000's)	Available Lots*	Typical Lot Dimensions	Typical Lot SF
<u>Carter Ranch, Phase 5B</u> Celina, Texas	\$198-\$255	2	50' x 115'	5,750
<u>Light Farms, Phase 3 (Sage)</u> Celina, Texas	\$268-\$324	90	50' x 115'	5,750
<u>Light Farms, Phase 4 (Graham)</u> Celina, Texas	\$313-\$401	17	50' x 115'	5,750
<u>Glenbrooke Estates, Phase 2C</u> Prosper, Texas	\$227-\$291	1	50' x 120'	6,000
<u>Parkside</u> Celina, Texas	\$295-\$368	66	50' x 120'	6,000
<u>Artesia (The Falls), Phase 1C</u> Unincorporated, Denton County, Texas	\$256-\$339	24	50' x 110'	5,500
<u>Artesia (The Villages), Phase 4C</u> Unincorporated, Denton County, Texas	\$256-\$339	22	50' x 110'	5,500
<u>Paloma Creek (South), Phases 2B & 2C, Lakeview</u> Unincorporated, Denton County, Texas	\$218-\$284	71	50' x 110'	5,500
<u>Paloma Creek (South), Phase 8D</u> Unincorporated, Denton County, Texas	\$176-\$226	26	50' x 110'	5,500
<u>Providence, Phase 6B</u> Unincorporated, Denton County, Texas	\$204-\$268	35	50' x 120'	6,000
<u>Savannah, Phase 8-B</u> Unincorporated, Denton County, Texas	\$246-\$389	17	50' x 115'	5,750
<u>Frisco Lakes, Phase 7</u> Frisco, Texas (West)	\$287-\$313	53	50' x 110'	5,500
<u>Frisco Hills, Phases 1 & 1A</u> Little Elm, Texas	\$367-\$461	50	50' x 115'	5,750
TOTAL		474		
Subject: 94 Lots (50' x 120' or 6,000 SF)				
*Source: Residential Strategies, Inc. as of Fourth Quarter 2015				

The competitive supply presented above recognizes 13 residential developments (phases) which are located in the subject's immediate and surrounding vicinity. The lot sizes, home prices, and amenities in the subdivisions shown are generally similar relative to the subject. Thus, the 13 residential developments are considered to be the immediate competition for the subject's proposed 50' frontage lots and are believed to accurately reflect the potential absorption levels for the subject's lots at this time.

Having addressed the immediate competition, we will determine the approximate absorption time frame for the subject by analyzing absorption trends of the previously shown developments.

Absorption Analysis – 50' Frontage Lots

The following table outlines the monthly absorption of the 13 residential developments listed in the competitive supply. It should be noted that all data is as of Fourth Quarter 2015.

MONTHLY ABSORPTION PERFORMANCE - 50' LOTS					
<u>Subdivisions</u>	<u>Available Lots</u>	<u>Building Starts*</u>	<u>No. Months</u>	<u>Units/ Month</u>	<u>Months Supply</u>
Carter Ranch, Phase 5B	2	72	15	4.8	0.4
Light Farms, Phase 3 (Sage)	90	82	9	9.1	9.9
Light Farms, Phase 4 (Graham)	17	61	9	6.8	2.5
Glenbrooke Estates, Phase 2C	1	74	15	4.9	0.2
Parkside	66	12	3	4.0	16.5
Artesia (The Falls), Phase 1C	24	60	15	4.0	6.0
Artesia (The Villages), Phase 4C	22	92	24	3.8	5.8
Paloma Creek (South), Phases 2B & 2C, Lakeview	71	70	12	5.8	12.2
Paloma Creek (South), Phase 8D	26	52	9	5.8	4.5
Providence, Phase 6B	35	95	12	7.9	4.4
Savannah, Phase 8-B	17	57	27	2.1	8.1
Frisco Lakes, Phase 7	53	53	12	4.4	12.0
Frisco Hills, Phases 1 & 1A	<u>50</u>	<u>135</u>	36	<u>3.8</u>	<u>13.2</u>
TOTALS/AVERAGES	<u>474</u>	<u>915</u>		<u>67.2</u>	<u>7.1</u>
AVERAGE UNITS/MONTH				<u>5.2</u>	
<i>*Source: Residential Strategies, Inc. as of Fourth Quarter 2015</i>					

Based upon the number of available lots and average absorption per month, the 474 lots remaining within these 13 residential developments (phases) indicate only a 7.1±-month supply (0.6± years). This appears to be representative of a severe under-supply of lots within the subject's projected price/lot size range. Additionally, it is also important to note that at the absorption rates presented, all 13 of the residential developments presented are projected to be sold out within 16.5± months, which is near the projected time of completion for the subject's lots (14± months or June 2017). Thus, it is reasonable that the subject, upon completion, may capture a portion of the demand that these projects currently enjoy.

Overall, the 13 residential developments (phases) indicate an absorption range of 2.1 units to 9.1 units per month, with an overall average of 5.2 units per month. To summarize, it is important to note the following facts:

- All 13 of the residential developments (phases) presented are projected to be sold out within 16.5± months near the projected time of completion for the subject (14± months or June 2017)
- The subject's competitive supply is considerably under-supplied with only a 7.1± month-supply of developed lots.
- At the effective date of this appraisal, all of the proposed Phase 1 lots (159 lots) are equally being sold to two volume homebuilders (Horizon Homes and History Maker Homes) who have signed "letters of intent". According to the LOIs, the initial takedown (presales) will total 24 lots (14 – 50' lots and 10 – 60' lots) with an overall total of 24 lots per quarter thereafter (equates to 12 lots/builder/quarter). The takedown per the "LOIs" equates to an overall takedown of the 50' and 60' lots of eight lots per month (four lots/builder/month). Furthermore, takedown of the 50' lots equates to a total of 4.7 units per month per the "LOIs".
- The overall lot supply within the combined "Celina/Prosper" submarkets is estimated to be between 1.3± to 1.9± years which is below optimum lot supply levels. Furthermore, as the subject lots will not be completed for 14± months, at the current absorption averages, the lot supply is projected to drop further below equilibrium levels.

Absorption Projection – 50' Frontage Lots

Thus, the preceding data supports a projected absorption on a quarterly basis for the subject's 94 lots with 50' frontages at 14 units per quarter over the absorption period. Our projected absorption per month (4.7 upm) is slightly below the competitive supply average (5.2 upm), yet is supported by the subject's LOI's average (4.7 upm) and is considered reasonable based upon the lot supply and demand levels within the subject's combined "Celina/Prosper" submarket areas. It is noted all of the subject's 94 proposed lots with 50' frontages are planned within Phase 1.

Competitive Supply – 60' Frontage Lots

As discussed, 65 lots (41%) in Phase 1 are to be developed with a typical lot dimension of 60' x 125' (7,500 SF). Furthermore, home prices are projected to range from \$325,000 to \$400,000. The similarities considered to be most important are lot size, home price range, and amenity features. The tables that follow detail the active subdivisions that are considered to compete with the subject's 65 lots with 60' frontages per Residential Strategies, Inc. as of Fourth Quarter 2015.

As such, the comparables presented are believed to accurately reflect the potential demand/absorption for the subject's 60' frontage lots, as proposed.

COMPETITIVE SUPPLY - 60' LOTS				
<u>Subdivisions</u>	<u>Home Prices (000's)</u>	<u>Available Lots*</u>	<u>Typical Lot Dimensions</u>	<u>Typical Lot SF</u>
<u>Light Farms, Phase 3 (Cypress)</u> Celina, Texas	\$307-\$385	63	60' x 120'	7,200
<u>Light Farms, Phase 2B (Indigo)</u> Celina, Texas	\$381-\$474	13	60' x 120'	7,200
<u>Hawk Ridge, Phase 1</u> Prosper, Texas	\$250-\$276	16	60' x 110'	6,600
<u>Lakes of Prosper, Phase 4</u> Prosper, Texas	\$381-\$479	22	65' x 140'	9,100
<u>Parks at Legacy</u> Prosper, Texas	\$355-\$434	74	65' x 120'	7,800
<u>Windsong Ranch, Phases 1A & 3A-1</u> Prosper, Texas	\$370-\$555	21	60' x 130'	7,800
<u>Artesia, Phase 1A (The Vistas)</u> Unincorporated, Denton County, Texas	\$253-\$359	7	60' x 110'	6,600
<u>Paloma Creek, Phase 13A (South)</u> Unincorporated, Denton County, Texas	\$228-\$287	7	60' x 110'	6,600
<u>Kingswood Trails</u> Frisco, Texas (West)	\$412-\$492	6	65' x 120'	7,800
<u>Kingswood Village, Phase 2</u> Frisco, Texas (West)	\$426-\$489	13	65' x 120'	7,800
<u>Frisco Hills, Phase 1B</u> Little Elm, Texas	\$331-\$461	3	60' x 115'	6,900
<u>Valencia on the Lake</u> Little Elm, Texas	\$300-\$419	149	60' x 120'	7,200
<u>Dominion at Lakeview at Sunset Pointe (25 & 27)</u> Little Elm, Texas	\$416-\$482	<u>41</u>	60' x 125'	7,500
TOTAL		<u>435</u>		
Subject: 65 Lots - 60' x 125' or 7,500 SF				
*Source: Residential Strategies, Inc. as of Fourth Quarter 2015				

The competitive supply presented above recognizes 13 residential developments (phases) which are located in the subject's immediate and surrounding vicinity. The lot sizes, home prices, and amenities in the subdivisions shown are generally similar relative to the subject. Thus, the nine residential developments are considered to be the immediate competition for the subject's proposed 60' frontage lots and are believed to accurately reflect the potential absorption levels for the subject's lots at this time.

Having addressed the immediate competition, we will determine the approximate absorption time frame for the subject by analyzing absorption trends of the previously shown developments.

Absorption Analysis – 60' Frontage Lots

The following table outlines the monthly absorption of the 13 residential developments (phases) listed in the competitive supply. It should be noted that all data is as of Fourth Quarter 2015.

MONTHLY ABSORPTION PERFORMANCE - 60' LOTS					
<u>Subdivisions</u>	<u>Available Lots</u>	<u>Building Starts*</u>	<u>No. Months</u>	<u>Units/ Month</u>	<u>Months Supply</u>
Light Farms, Phase 3 (Cypress)	63	56	9	6.2	10.2
Light Farms, Phase 2B (Indigo)	13	68	15	4.5	2.9
Hawk Ridge, Phase 1	16	16	9	1.8	8.9
Lakes of Prosper, Phase 4	22	34	12	2.8	7.9
Parks at Legacy	74	12	3	4.0	18.5
Windsong Ranch, Phases 1A & 3A-1	21	105	24	4.4	3.6
Artesia, Phase 1A (The Vistas)	7	99	27	3.7	1.9
Paloma Creek, Phase 13A (South)	7	43	12	3.6	1.9
Kingswood Trails	6	37	12	3.1	1.9
Kingswood Village, Phase 2	13	48	12	4.0	3.3
Frisco Hills, Phase 1B	3	23	21	1.1	2.7
Valencia on the Lake	149	19	6	3.2	46.6
Dominion at Lakeview at Sunset Pointe (25 & 27)	<u>41</u>	<u>99</u>	21	<u>4.7</u>	<u>8.7</u>
TOTALS/AVERAGES	<u>435</u>	<u>659</u>		<u>47.1</u>	<u>9.2</u>
AVERAGE UNITS/MONTH				<u>3.6</u>	
<i>*Source: Residential Strategies, Inc. as of Fourth Quarter 2015</i>					

Based upon the number of available lots and average absorption per month, the 435 lots remaining within these 13 residential developments (phases) indicate only a $9.2\pm$ -month supply ($0.8\pm$ years). This appears to be representative of a severe under-supply of lots within the subject's projected price/lot size range. Additionally, it is also important to note that at the absorption rates presented, 11 of the 13 residential developments presented are projected to be sold out within $10.2\pm$ months, which is near the projected time of completion for the subject's lots ($14\pm$ months or June 2017). Thus, it is reasonable that the subject, upon completion, may capture a portion of the demand that these projects currently enjoy.

Overall, the 13 residential developments (phases) indicate an absorption range of 1.1 units to 6.2 units per month, with an overall average of 3.6 units per month. To summarize, it is important to note the following facts:

- Eleven of the 13 residential developments (phases) presented are projected to be sold out within $10.2\pm$ months near the projected time of completion for the subject ($14\pm$ months or June 2017).
- The subject's competitive supply is considerably under-supplied with only a $9.2\pm$ month-supply of developed lots.
- At the effective date of this appraisal, all of the proposed Phase 1 lots (159 lots) are equally being sold to two volume homebuilders (Horizon Homes and History Maker Homes) who have signed "letters of intent". According to the LOIs, the initial takedown (presales) will total 24 lots (14 – 50' lots and 10 – 60' lots) with an overall total of 24 lots per quarter thereafter (equates to 12 lots/builder/quarter). The takedown per the "LOIs" equates to an overall takedown of eight lots per month (four lots/builder/month). Furthermore, takedown of the 60' lots equates to a total of 3.3 units per month per the "LOIs".
- The overall lot supply within the combined "Celina/Prosper" submarkets is estimated to be between $1.3\pm$ to $1.9\pm$ years which is below optimum lot supply levels. Furthermore, as the subject lots will not be completed for $14\pm$ months, at the current absorption averages, the lot supply is projected to drop further below equilibrium levels.

Absorption Projection – 60' Frontage Lots

Thus, the preceding data supports a projected absorption on a quarterly basis for the subject's 65 lots with 60' frontages at 10 units per quarter (3.3 upm). Our projected absorption per month is slightly below the competitive supply average (3.6 upm), yet is supported by the subject's letter of intent (3.3 upm) and is considered reasonable based upon the lot supply and demand levels within the subject's combined "Celina/Prosper" submarket areas. It is noted all of the subject's 65 proposed lots with 60' frontages are planned within Phase 1.

Overall Absorption Summary Projection: 159 Lots (Phase 1)

Our absorption projections are summarized as follows for the subject's 159 proposed lots within G Bar 7, Phase 1:

<u>Absorption Projection Summary</u>						
<u>Total Lots</u>	<u>Percentage</u>	<u>Lot Types</u>	<u>Total SF</u>	<u>Absorption Average/Month±</u>	<u>Absorption Per Quarter</u>	<u>Absorption Period -Months±</u>
94	59%	50' x 120'	6,000	4.7	14.0	20.1
65	41%	60' x 125'	7,500	3.3	10.0	19.5
159	100%			8.0	24.0	
G Bar 7, Phase 1						

Based upon the preceding analysis, following is a summary of our projected absorption on a quarterly basis for the subject's 159 proposed lots within G Bar 7, Phase 1:

<u>PROJECTED QUARTERLY LOT ABSORPTION SUMMARY - 159 LOTS, PHASE 1</u>									
	<u>Jun-17</u>	<u>Sep-17</u>	<u>Dec-17</u>	<u>Mar-18</u>	<u>Jun-18</u>	<u>Sep-18</u>	<u>Dec-18</u>	<u>Lots</u>	<u>Months</u>
50' Lots	14	14	14	14	14	14	10	94	20.1±
60' Lots	10.0	10.0	10.0	10.0	10.0	10	5	65	19.5±
Total Lots	24	24	24	24	24	24	15	159	

As shown, the overall absorption for the 159 proposed lots within G Bar 7, Phase 1 is estimated to range from 19.5± months to 20.1± months relative to the respective lot sizes and absorption projections. It is noted the 24 lots in the first period reflect presales of lots.

Highest and Best Use Summary

The neighborhood should continue to exhibit moderate growth due to residential demand within the area created by the existence of major employers located in close proximity. New residential development should continue to grow with the increase in population and economic growth. As discussed, the subject is located in a developing area and is not limited by its shape, location, and size. As such, it is our opinion that the highest and best use of the subject is to be utilized for residential development.

SECTION 6 – VALUATION OF THE SUBJECT

The valuation process is defined as:

"The systematic set of procedures an appraiser follows to provide answers to a client's questions about real property value."³

Valuation is a term used interchangeably with appraisal. Real estate markets are a function of the location in which they are located. The overall market environment can have a profound effect on the manner in which buyers and sellers perform the act of transferring property rights. Considerations made by the participants are generally based on certain fundamental principles. Those principles and their definitions are as follows:

Anticipation: "The perception that value is created by the expectation of benefits to be derived in the future. Value is created by the anticipation of future benefits.

Change: The result of the cause and effect relationship among the forces that influence real property value.

Supply and Demand: In economic theory, the principle of supply and demand states that the price of a commodity, good, or service varies directly, but not necessarily proportionately, with demand and inversely, but not necessarily proportionately with supply. Thus, an increase in the supply of an item or decrease in the demand for an item tends to reduce the equilibrium price; the opposite conditions produce an opposite effect. The relationship between supply and demand may not be directly proportional, but the interaction of these forces is fundamental to economic theory. The interaction of suppliers and demanders, or sellers and buyers, constitutes a market.

Competition: Between purchasers or tenants, the interactive efforts of two or more potential buyers or tenants to make a sale or secure a lease; between sellers or landlords, the interactive efforts of two or more potential sellers or landlords to complete a sale or lease; among competitive properties, the level of productivity and amenities or benefits characteristic of each property considering the advantageous or disadvantageous position of the property relative to the competitors.

Substitution: The appraisal principle that states that when several similar or commensurate commodities, goods, or services are available, the one with the lowest price attracts the greatest demand and widest distribution. This is the primary principle upon which the cost and sales comparison approaches are based.

Balance: The principle that real property value is created and sustained when contrasting, opposing, or interacting elements are in a state of equilibrium.

³ The Appraisal of Real Estate, 14th Edition, the Appraisal Institute, Chicago, Illinois (U.S., 2013)

Contribution: The concept that the value of a particular component is measured in terms of its contribution to the value of the whole property or as the amount that its absence would detract from the value of the whole.

Surplus Productivity: The net income that remains after the cost of various agents of production has been paid.

Conformity: The appraisal principle that real property value is created and sustained when the characteristics of a property conform to the demands of its market.

Externalities: The principle economies outside a property have a positive effect on its value while diseconomies outside a property have a negative effect upon its value.”⁴

The Cost Approach, wherein the land is appraised as if vacant and available for development to its highest and best use. To this result is added the improvements estimated cost of reproduction new less depreciation accruing from all causes.

The Income Approach requires a study of the earnings capacity of the real estate, and the conversion of such net income into value by means of a capitalization process.

The Sales Comparison Approach, involving an analysis of the sale of other property having similar attributes and/or improvements, and a comparison of such data with the property appraised, giving due consideration to the elements of dissimilarity.

Historical Background: “The appraisal procedures that are now identified as the three approaches to value were developed after the stock market crash of 1929. The economic crisis that ensued had an immediate impact on the appraisal practices of the time. The collapse of the real estate market in the 1930s seemed to discredit the notion that market price is central to value”.⁵

There are several accepted methods which can be used to provide an opinion of the value of lots, as proposed. However, only the Sales Comparison Approach utilizing the Lot Development Approach is considered to be applicable in this instance.

Under the Lot Development Approach, the subject is assumed to be developed into a subdivision, with the individual lots being sold over a projected period of time. Expenses that are incurred are deducted from the proceeds of the lot sales and the resulting income stream is discounted into a present value.

⁴ The Appraisal of Real Estate, 14th Edition, the Appraisal Institute, Chicago, Illinois (U.S., 2013)

⁵ Ibid.

The following sections provide the rationale and assumptions inherent in the Sales Comparison Approach, as well as the Lot Development Approach. We will utilize the Lot Development Approach to value to provide a bulk or wholesale value for the subject's 159 proposed lots within G Bar 7, Phase 1.

LOT DEVELOPMENT APPROACH – PHASE 1

The first step in the process of providing a market value opinion of the subject as developed and as proposed is to determine the market value of the individual lots (retail value). This will be done by using the Sales Comparison Approach.

Retail Lot Prices

Because of their size and potential uses, the sum of the individual lots in a subdivided parcel is more valuable than the site as a whole. The value of the individual lots is commonly referred to as the "retail value" of the lots, since this is essentially the value of the site to the end-user of the site. To estimate the value for the subject's 159 proposed lots, following are individual comparable lot sale charts for each proposed lot size (i.e. one individual chart for 50' and 60' frontage lots). We will utilize lot sales from several different subdivisions located in the subject's general market area as well as the surrounding area with similar attributes relative to the subject's lots. The sales that were verified can be found in the following summaries.

Comparable Lot Sales: 50' Frontage Lots

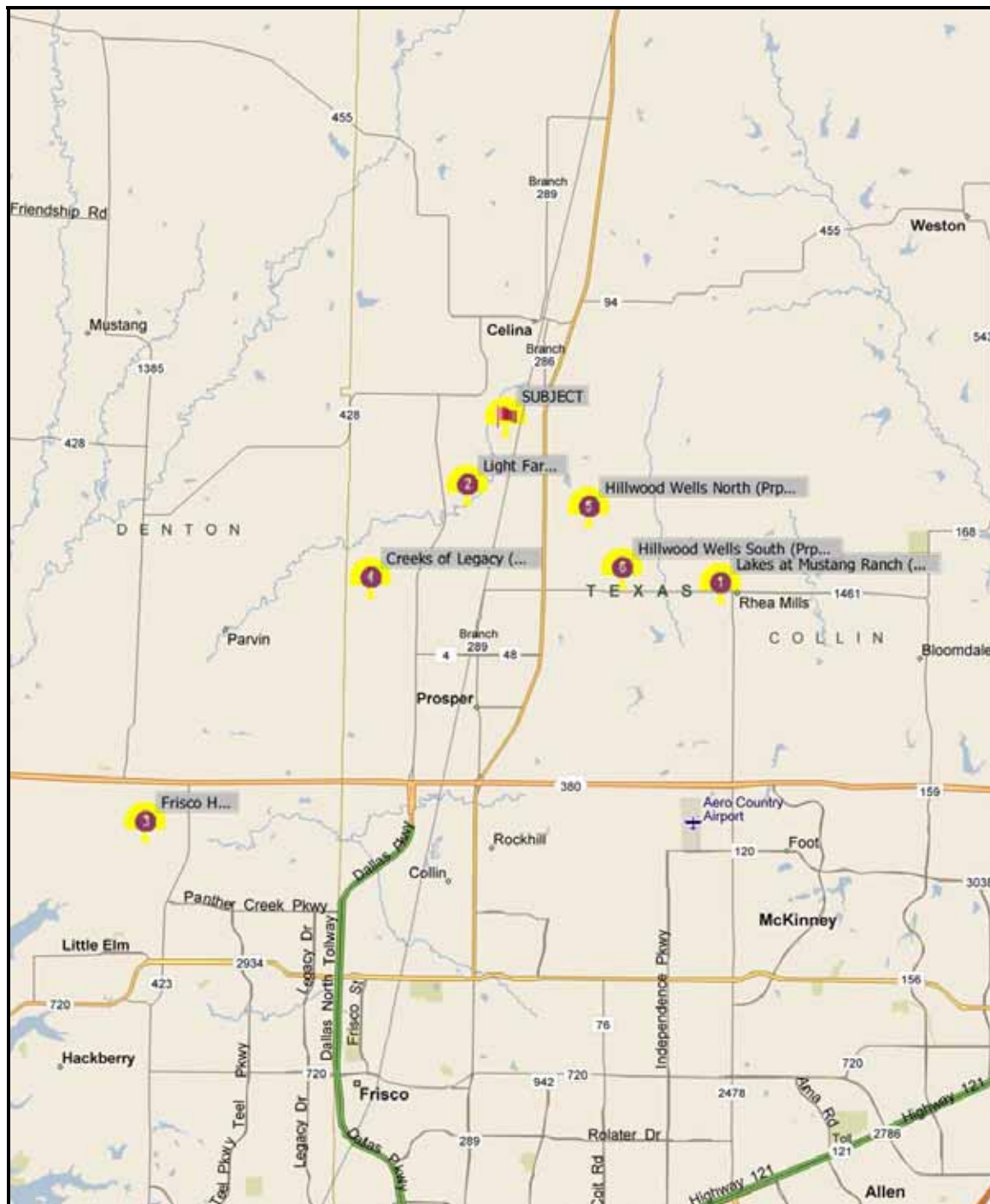
<u>COMPARABLE LOT SALES - 50' FRONTAGES</u>									
Sale No.	Subdivisions	School District	Contract Date	Lot Dimensions	Total Lot SF	Base Price/Lot	Base Price/FF	Current Price/Lot	Current Price/FF
1	<u>Lakes at Mustang Ranch Phase 1 (Under Construction)</u> Celina, Texas	Prosper	2014	50' x 110'	5,500	\$65,000	\$1,300	\$65,000	\$1,300
2	<u>Light Farms</u> Celina, Texas	Prosper	2013	50' x 115'	5,750	\$60,000	\$1,200	\$63,900	\$1,278
3	<u>Frisco Hills Phases 1B & 1C</u> Little Elm ETJ Denton County, Texas	Frisco	2013	50' x 115'	5,750	\$55,000	\$1,100	\$60,775	\$1,216
4	<u>Creeks of Legacy Phase 1 (Under Construction)</u> Celina, Texas	Prosper	2014	50' x 115' 50' x 130'	5,750 6,500	\$57,500	\$1,150	\$57,500	\$1,150
5	<u>Hillwood Wells North (Proposed)</u> Celina, Texas	Prosper	Pending	50' x 115'	5,750	\$62,500	\$1,250	\$62,500	\$1,250
6	<u>Hillwood Wells South (Proposed)</u> Celina, Texas	Prosper/Celina	2016	50' x 125'	6,250	\$70,000	\$1,400	\$70,000	\$1,400
Subject G Bar 7, Phase 1 Celina, Texas									
		Celina	94 Lots	50' x 120'	6,000				

The lot comparables utilized (including one pending sale) range in base lot sales prices for 50' competitive lots within the subject's market area as follows:

- Base Prices: \$55,000/lot to \$70,000/lot (\$1,100/FF to \$1,400/FF)
- Current Prices: \$57,500/lot to \$70,000/lot (\$1,150/FF to \$1,400/FF)

In addition, all of the comparables are located in the subject's immediate and surrounding market area. Thus, all of the subdivisions are influenced by their similar proximity to shopping and employment districts. Finally, factors such as property rights conveyed, financing, conditions of sale, or market conditions did not influence the lot sales. Following is a map indicating the location of the comparable lots relative to the subject:

LOT COMPARABLE MAP – 50' LOTS



The subject's 50' frontage lots are considered similar to those lots in Lakes at Mustang Ranch (under construction – lots at \$65,000/lot or \$1,300/FF) and Hillwood Wells South (\$70,000/lot or \$1,400/FF). Also, the subject's lots are considered somewhat similar to those lots in Light Farms, Creeks of Legacy (under construction), Frisco Hills, and Hillwood Wells North (proposed) which currently range from (\$57,500/lot to \$63,900/lot or \$1,150/FF to \$1,278/FF). However it is noted the lot prices in Comps 2 and 3 of the competitive supply were all set during the beginning of the upswing in the economic climate.

As such, and also considering the subject's lots are projected to be completed in approximately 14 months (June 2017), a per lot retail price of \$67,500/lot or \$1,350/FF is considered reasonable for the subject's 50' lots.

Comparable Lot Sales: 60' Frontage Lots

COMPARABLE LOT SALES - 60' FRONTAGES									
Sale No.	Subdivisions	School District	Contract Date	Lot Dimensions	Total Lot SF	Base Price/Lot	Base Price/FF	Current Price/Lot	Current Price/FF
1	Light Farms Celina, Texas	Prosper	2013	60' x 120'	7,200	\$72,000	\$1,200	\$75,600	\$1,260
2	Windsong Ranch Phase 1A Prosper, Texas	Prosper	2013	60' x 130'	7,800	\$70,150	\$1,169	\$70,150	\$1,169
3	Lakes of Prosper Phase 4 Prosper, Texas	Prosper	2014	65' x 140'	9,100	\$96,250	\$1,481	\$107,800	\$1,658
4	Creeks of Legacy (UC) Celina, Texas	Prosper	2014	60' x 120" 60' x 130'	7,200 7,800	\$69,000	\$1,150	\$69,000	\$1,150
5	Lakes at Mustang Ranch Phase 1 (UC) Celina, Texas	Prosper	2014	60' x 120'	7,200	\$78,000	\$1,300	\$78,000	\$1,300
6	Hillwood Wells North (Proposed) Celina, Texas	Prosper	Pending	60' x 115'	6,900	\$75,000	\$1,250	\$75,000	\$1,250
7	Hillwood Wells South (Proposed) Celina, Texas	Prosper/Celina	2016	60' x 125'	7,500	\$84,000	\$1,400	\$84,000	\$1,400
Subject	G Bar 7, Phase 1 Celina, Texas	Celina	65 Lots	60' x 125'	7,500				

The lot comparables utilized (including one pending sale) range in base lot sales prices for 60' competitive lots within the subject's market area as follows:

- Base Prices: \$69,000/lot to \$96,250/lot or \$1,150/FF to \$1,481/FF
- Current Prices: \$69,000/lot to \$107,800/lot or \$1,150/FF to \$1,658/FF

In addition, all of the comparables are located in the subject's immediate and surrounding market area. Thus, all of the subdivisions are influenced by their similar proximity to shopping and employment districts. Finally, factors such as property rights conveyed, financing, conditions

of sale, or market conditions did not influence the lot sales. Following is a map indicating the location of the comparable lots relative to the subject:

LOT COMPARABLE MAP – 60' LOTS



The subject's 60' frontage lots are considered most similar to those lots in Lakes at Mustang Ranch (\$78,000/lot or \$1,300/FF) and Hillwood Wells South (\$84,000/lot or \$1,400/FF). However, the subject's 60' frontage lots are considered inferior to those lots in Lakes of Prosper (\$107,800/lot or \$1,658/FF). Finally, the subject's lots are considered somewhat similar to those lots in Light Farms, Windsong Ranch, Creeks of Legacy (under construction), and Hillwood Wells North (proposed) which range from \$69,000/lot to \$75,600/lot or \$1,150/FF to \$1,260/FF. However it is noted the lot prices within Comps 1 and 2 of the competitive supply were all set during the beginning of the upswing in the economic climate.

As such, and also considering the subject's lots are projected to be completed in 14 months (June 2017), a per lot retail price of \$81,000/lot or \$1,350/FF is considered reasonable for the subject's 60' lots.

Conclusion

To summarize and based upon the preceding, the subject's 50' and 60' frontage lots are given the following retail lot values which are supported by the comparables utilized:

- 50' frontage lots are given a retail lot value of \$67,500/lot (\$1,350/FF)
- 60' frontage lots are given a retail lot value of \$81,000/lot (\$1,350/FF)

Cumulative Retail Lot Value – 50' Lots: 94 Lots, Phase 1

Following is the calculation for the cumulative retail lot value for the subject's 94 lots with 50' frontages within Phase 1:

<u>CUMULATIVE RETAIL LOT VALUE CALCULATION - 50' LOTS</u>				
<u>Total</u>	<u>Typical Lot</u>	<u>Average</u>	<u>Price Per</u>	<u>Total Cumulative</u>
<u>No. Lots</u>	<u>Frontages</u>	<u>Price/Lot</u>	<u>Front Footage</u>	<u>Retail Value</u>
<u>94</u>	<u>50'</u>	<u>\$67,500</u>	<u>\$1,350</u>	<u>\$6,345,000</u>

As shown, the cumulative retail lot value for the subject's 94 lots with 50' frontages, as proposed, is \$6,345,000 or \$67,500 average per lot. The cumulative retail lot value is supported by the comparables utilized.

Cumulative Retail Lot Value – 60' Lots: 65 Lots, Phase 1

Following is the calculation for the cumulative retail lot value for the subject's 65 lots with 60' frontages within Pod 1:

<u>CUMULATIVE RETAIL LOT VALUE CALCULATION - 60' LOTS</u>				
<u>Total</u> <u>No. Lots</u>	<u>Typical Lot</u> <u>Frontages</u>	<u>Average</u> <u>Price/Lot</u>	<u>Price Per</u> <u>Front Footage</u>	<u>Total Cumulative</u> <u>Retail Value</u>
<u>65</u>	<u>60'</u>	<u>\$81,000</u>	<u>\$1,350</u>	<u>\$5,265,000</u>

As shown, the cumulative retail lot value for the subject's 65 lots with 60' frontages, as proposed, is \$5,265,000 or \$81,000 average per lot. The cumulative retail lot value is supported by the comparables utilized.

Summary: Overall Cumulative Retail Lot Value, 159 Lots, Phase 1

Following is the calculation for the total cumulative retail lot value for the subject's total of 159 lots within G Bar 7, Phase 1:

<u>CUMULATIVE RETAIL LOT VALUE CALCULATION - 159 LOTS, PHASE 1</u>				
<u>Total</u> <u>No. Lots</u>	<u>Typical Lot</u> <u>Frontages</u>	<u>Average</u> <u>Price/Lot</u>	<u>Price Per</u> <u>Front Footage</u>	<u>Total Cumulative</u> <u>Retail Value</u>
94	50'	\$67,500	\$1,350	\$6,345,000
<u>65</u>	<u>60'</u>	<u>\$81,000</u>	<u>\$1,350</u>	<u>\$5,265,000</u>
Totals	<u>159</u>	<u>Average/Lot</u>	<u>\$73,019</u>	<u>\$11,610,000</u>

As shown, the overall total cumulative retail lot value for the subject's 159 lots within G Bar 7, Phase 1 is \$11,610,000 or an overall average of \$73,019/lot.

The sales proceeds will be received as the lots sell over the projected absorption period.

SUMMARY OF BULK LOT VALUE CONCLUSION – PHASE 1

The preceding value was based on a retail lot sale of two to 10 lots at a time. However, frequently entire subdivisions are sold to builders, or other investors, at a discount. These builders will then warehouse the land themselves, or the investors will resell the lots to builders over a longer term takedown schedule. Thus, to determine the appropriate discount for the subject, we have assembled a number of bulk sales of other developed subdivision lots located throughout the Dallas/Fort Worth metroplex. The comparables presented represent the bulk sale of developed lots to homebuilders and/or investors. As shown below, the discount for the sales presented ranged from 7.7% to 53.6% of the retail value from 2010 through 2014. Since late 2012, the discounts for bulk lot sales appear to be decreasing in many submarket areas as the economy recovers. Within the subject's market area, demand is high. Thus, when consideration is given to the subject's shorter marketing periods of 20.1± months to sell the 94 lots with 50' frontages and 19.5± to sell the 65 lots with 60' frontages a net to gross sales price ratio (average bulk sale value per lot/average retail sales price per lot) near the upper end of the range indicated below, or 88%, is deemed appropriate for the 50' and 60' frontage lots. Our bulk sale comparables from 2010 - 2014 are listed in the following summary table.

BULK LOT SALE SUMMARY							
<u>Subdivision</u>	<u>Date of Sale</u>	<u>Total Number of Lots</u>	<u>Typical Lot Dimensions</u>	<u>Total SF</u>	<u>Bulk Price/Lot</u>	<u>Retail Price/Lot</u>	<u>N/G Ratio</u>
Austin Ridge	Apr-10	192	55' x 115'	6,325	\$46,700	\$62,500	74.7%
Frisco			80' x 125'	10,000			
Chase Oaks Village (TH)	Jul-10	92	25' x 100'	2,500	\$18,587	\$30,000	62.0%
Piano							
Stone River Estates	Dec-10	69	65' x 125'	8,125	\$11,594	\$25,000	46.4%
Royse City			75' x 125'	9,375			
Myers Meadows	Sep-10	35	65' x 120'	7,800	\$35,000	\$62,000	56.5%
Garland							
Founders Addition	Jun-11	38	150' x 320'	48,000	\$20,000	\$40,000	50.0%
Kaufman County							
Williamsburg	Nov-11	75	50' x 115'	5,750	\$30,000	\$32,500	92.3%
Fate							
Hidden Creek, Ph. 1	Mar-12	26	70' x 105'	7,350	\$19,000	\$30,141	63.0%
Royse City			80' x 105'	8,400			
Woodland Creek	Jul-12	68	60' x 120'	7,200	\$17,000	\$25,000	68.0%
Royse City							
Ovilla Parc	Dec-12	50	100' x 200'	20,000	\$43,200	\$50,000	86.4%
Ovilla							
Mission Ridge Estates	Jun-12	20	50' x 120'	6,000	\$12,000	\$20,000	60.0%
Fort Worth							
Hunters Field	Jun-12	78	50' x 120'	6,000	\$15,120	\$20,000	75.6%
Fort Worth							
Deer Meadows	Jun-12	75	50' x 120'	6,000	\$20,000	\$25,500	78.4%
Fort Worth							
Prestwyck	Jan-13	90	50'/60' x 110'	5,500-6,600	\$53,000	\$62,500	84.8%
McKinney			50'/60' x 120'	6,000-7,200	\$53,000	\$67,500	78.5%
Pecan Ridge Estates	Feb-13	80	50' x 120'	6,000	\$40,000	\$50,000	80.0%
McKinney							
Verandah	Feb-13	28	40' x 115'	4,600	\$22,857	\$25,974	88.0%
Royse City ETJ			50' x 115'	5,750			
Canyon West	Jul-13	25	200' x 220'	44,000	\$10,750	\$30,000	35.8%
Parker County							
Shiloh Manor	Oct-13	49	150' x 350'	52,500	\$46,857	\$54,000	86.8%
Midlothian ETJ							
Lakeridge Townhomes	Jul-14	79	20' x 75'	1,500	\$26,000	\$45,000	57.8%
Lewisville							
Totals/Averages		1,169		15,176	\$30,037	\$42,090	71.4%

Source: JCI Appraisals 2010-2014

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

Net/Gross Ratio Market Value – 159 Lots, Phase 1

Based upon the preceding, it is our opinion that the market value for the subject's 159 proposed residential lots within Phase 1 utilizing the respective retail lot values relative to lot sizes and a net/gross ratio of 88% on June 3, 2017 would be \$10,220,000 (R), or an overall average of \$64,277 per developed lot as shown in the following table.

<u>NET/GROSS RATIO MARKET VALUE SUMMARY - 159 LOTS, PHASE 1</u>			
<u>AVERAGE LOT VALUE</u>	<u>TOTAL NO. OF LOTS</u>	<u>N/G RATIO %</u>	<u>TOTAL MARKET VALUE</u>
\$67,500	94	88%	\$5,583,600
<u>\$81,000</u>	<u>65</u>	88%	<u>\$4,633,200</u>
<u>\$64,277</u>	<u>159</u>	<u>ROUNDED</u>	<u>\$10,220,000</u>

MARKET VALUE "UPON COMPLETION" ON APPRAISAL DATE

Having completed the retail valuation section of the assignment, we will now provide an opinion of the market value of the property to a single purchaser, as of this date. Obviously, this value will include a provision for compensating the developer/sponsor, i.e., profit for risk and expenditure of time. This value contemplates that the developer/sponsor of the subject would sell the subject property to another developer who would in turn sell the developed lots on a retail basis. This value represents the concept of market value to a single purchaser as of this date, wherein a portion of the overall real property rights or physical asset would typically be sold to its ultimate users over some future time period. Valuations involving such properties must fully reflect all appropriate deductions and discounts as well as the anticipated cash flows to be derived from the disposition of the asset over time. Appropriate deductions and discounts are considered to be those which reflect all expenses associated with the disposition of the realty, as of the date of completion, as well as the cost of capital and entrepreneurial profit. This latter item of entrepreneurial profit is accounted for herein as part of the discount rate. Based on our experience, profit is not expensed as a line item as it is not realized until the project's expenses (including debt) are paid.

The various assumptions necessary to complete our Discounted Cash Flow Analysis for the subject subdivision are detailed as follows.

Absorption Projection: 159 Lots, Phase 1

Following is a summary of our projected absorption on a quarterly basis for the 159 lots proposed within G Bar 7, Phase 1:

<u>PROJECTED QUARTERLY LOT ABSORPTION SUMMARY - 159 LOTS, PHASE 1</u>									
	<u>Jun-17</u>	<u>Sep-17</u>	<u>Dec-17</u>	<u>Mar-18</u>	<u>Jun-18</u>	<u>Sep-18</u>	<u>Dec-18</u>	<u>Lots</u>	<u>Months</u>
50' Lots	14	14	14	14	14	14	10	94	20.1±
60' Lots	<u>10.0</u>	<u>10.0</u>	<u>10.0</u>	<u>10.0</u>	<u>10.0</u>	<u>10</u>	<u>5</u>	<u>65</u>	19.5±
Total Lots	24	24	24	24	24	24	15	159	

As shown, the overall absorption for the 159 proposed lots within G Bar 7, Phase 1 is estimated to range from 19.5± months to 20.1± months relative to lot sizes and absorption projections.

Price/Value Increases Over the Sellout Period

Despite overall national recessionary effects on real estate in general, price/values for residential and commercial land in the overall Dallas/Fort Worth marketplace have remained reasonably stable. As can be seen from the following table, the past few years have seen a reduction in previous strong inflation rates. This is due in large part to the federal government's efforts to curb inflation, as well as the effect of level or declining prices for agricultural goods, petroleum and related manufactured products.

TRENDS IN NATIONAL INFLATION AND INTEREST RATES			
<u>Year</u>	<u>U.S. Prime Rate</u>	<u>Increase in U.S. CPI</u>	<u>Real Rate of Return</u>
2002	4.25%	1.6%	2.65%
2003	4.00%	2.3%	1.70%
2004	5.00%	2.7%	2.30%
2005	7.00%	3.4%	3.60%
2006	8.25%	3.2%	5.05%
2007	7.50%	2.9%	4.60%
2008	4.00%	3.8%	0.20%
2009	3.25%	-0.4%	3.65%
2010	3.25%	1.5%	1.75%
2011	3.25%	3.0%	0.25%
2012	3.25%	1.7%	1.55%
2013	3.25%	1.5%	1.75%
2014	3.25%	1.3%	1.95%
2015	3.50%	0.7%	2.80%
3/2016	3.50%	-0.05%	3.55%
Source: <i>Federal Reserve Bank of St. Louis, U. S. Financial Data;</i> <i>U.S. Department of Commerce, Bureau of Economic Analysis</i>			

As shown in the preceding table, CPI increases ranged from -0.05% to 3.8% from 2002 through March 2016 with 3.25% to 8.25% prime rates resulting in real annual rates of returns ranging from 0.2% to 5.05% (with the most current real rate of return at 3.55%). Thus, the real rates of return are substantially affected with fluctuations in the prime rates and the increases/decreases in the consumer price index. (The increase is calculated relative to the previous year-to-year December index rates). It is noted that the current prime rate increased from 3.25% to 3.5% on December 16, 2015.

Historically, in the sales contracts of the volume lot sales in the marketplace, the lot prices are typically adjusted upward from 6% to 7%. Thus, for valuation purposes herein, we have estimated annual appreciation on the sale of the subject units at six percent per year for the subject's 159 proposed lots within G Bar 7, Phase 1. This is considered reasonable given the supply of available housing product in the area, the historical collection of interest carry/appreciation by developers within the Dallas/Fort Worth market area.

Expenses

Cost of Sales has been estimated at 1.0% of gross sales proceeds for various closing costs and title policies.

Taxes – According to the terms of the lot contracts, the purchaser shall reimburse the seller for ad valorem taxes at the closing of each lot for the prorated expenses previously paid by the seller for the period from the substantial completion date to the respective closing of each lot. As such, there will be not deduction for taxes.

Marketing expense is included in this analysis as all of the subject's 159 proposed lots within G Bar 7 are not currently contracted yet are reported to be negotiated to two volume homebuilders who have signed "letters of intent". As such, a marketing expense of 0.5% is considered appropriate and will be a direct line-item deduction from the gross sales proceeds.

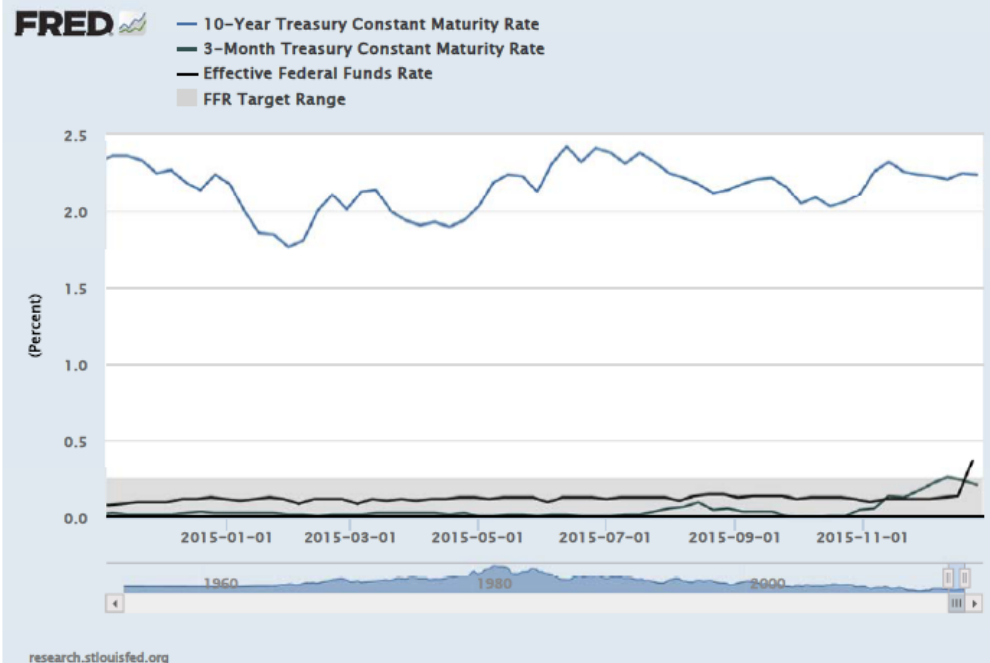
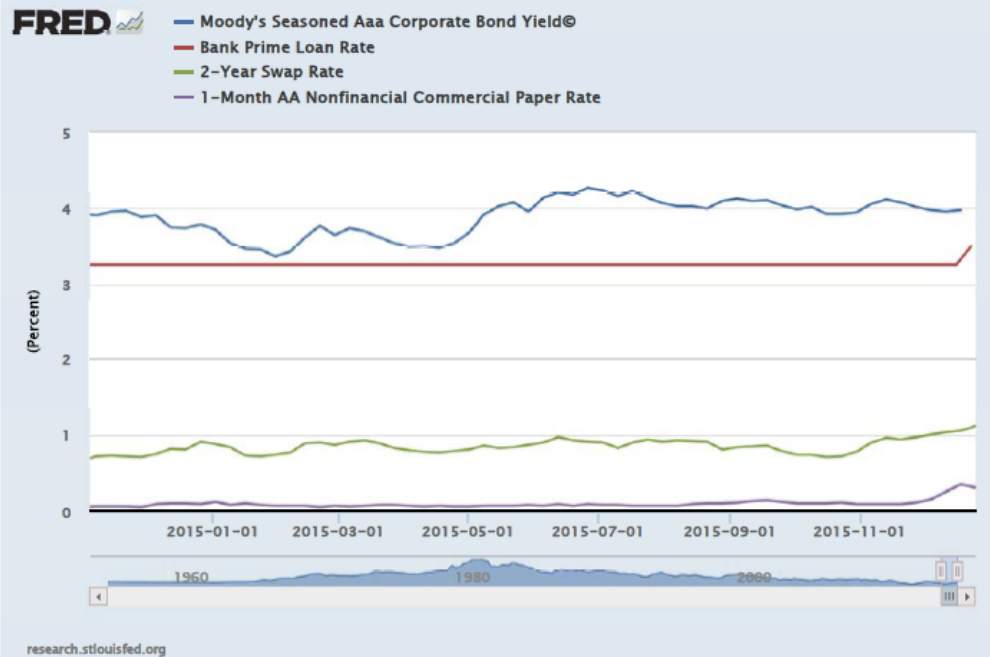
HOA - No HOA dues were considered within this report as the fees are to be paid by the future homeowners.

Entrepreneurial Coordination/Remuneration: The last major deduction is that for Entrepreneurial (i.e., the developer/sponsor)/ coordination talent expenditure (see Hewitt: Condominium Developed Lot Discounting Concepts...Again; The Real Estate Appraiser and Analyst; SREA, January/February, 1980). Inasmuch as the discount rate will include a provision for return on the equity investment, this deduction will be for actual time and expenses only. Typically, the developer will allow a budgeted line item equal to 0.5% to 2.0%, of sales and/or costs, depending on the size of the project, expertise required and management developmental time involved. Because the site requires planning and development, an expense of 1.0% is deemed appropriate and will be a direct line-item deduction from the gross sales proceeds.

U.S. Financial Data

Yields on Selected Securities

Averages of Daily Figures



Yields on Selected Securities

Research Division
Federal Reserve Bank of St. Louis

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

Discount Rate

According to the Dictionary of Real Estate Appraisal, Sixth Addition, Discount Rate is defined as “an interest rate used to convert future payments or receipts into present value. The discount rate may or may not be the same as the internal rate of return (IRR), or yield rate, depending on how it is extracted from the market and/or used in the analysis.” Furthermore, Internal Rate of Return (IRR) is defined as “the annualized yield rate or rate of return on capital that is generated or capable of being generated within an investment or portfolio over a period of ownership. The IRR is the rate of discount that makes the net present value of the investment equal to zero. The IRR discounts all returns from the investment, including returns from its reversion, to equal the original capital outlay. This rate is similar to the equity yield rate. As a measure of investment performance, the IRR is the rate of discount that produces a profitability index of one and a net present value of zero. It may be used to measure profitability after income taxes, i.e., the after-tax equity yield rate.” In other words, it is a rate of profit (or loss) or a measure of performance. It is literally, an interest rate. The effective interest rate on a real estate investment is the equity investor's IRR. The yield to maturity on a bond is the bond holder's IRR, when the bond is held for its full term. The IRR is the rate of return on capital expressed as a ratio per unit of time; for example, 10% per annum. The discount rate utilized herein is essentially an anticipated IRR for the subject property, as estimated from investment performance realized by market participants. Although the investment vehicle being analyzed herein is real property, competition for investment dollars in other investment media is intense, and the prudent investment manager must carefully consider all options. Because of the element of risk involved in real estate investment versus alternative investment vehicles, the prudent investment manager must compare rates of return. The performance of real estate is dependent upon and could fluctuate with the degree of quality of management, unexpected competition, disasters, or economic cycles, particularly in the subject's market area. Therefore, it entails a greater degree of risk than instruments such as government-backed bonds or fixed-rate mortgages. As of December 25, 2015, the prime rate was 3.50% increasing on December 16, 2015 from the former rate of 3.25% since 2009. Rates for AAA corporate bonds have increased from the rate a year ago of 3.79% (December 26, 2014) to 3.97% as of December 25, 2015. However, the 10-year treasury rate has remained stable at 2.24% on December 25, 2015, which is the same rate as a year ago (2.24% on December 26, 2014).

One of the more comprehensive surveys of IRR's for real estate investments is performed within the PwC Real Estate Investor Survey, as published by PricewaterhouseCoopers. In its most recent Fourth Quarter 2015 National Land Yield Study (See the chart on the following page), pretax IRRs for these higher risk properties currently range from 10% to 20%, with an average of 15.5% for mixed-use respondents in regards to vacant land, which has a slightly inferior diminishing return asset as the subject - developed residential lots. The IRRs are down 125 basis points since Fourth Quarter 2014. Also, over the next 12 months, surveyed investors almost unanimously forecast property values in the national development land market to increase with appreciation ranges up to 10% with a 5.7% average which is higher than the rate six months ago (5.0%). No surveyed investors expect property value declines in the national development land market over the next 12 months.

DISCOUNT RATES (IRRS) ***Fourth Quarter 2015**

	Current Quarter	Fourth Quarter 2014
FREE & CLEAR		
Range	10.00% - 20.00%	10.00% - 25.00%
Average	15.50%	16.75%
Change		-125
*Rate on unleveraged, all-cash transactions; including developer's profit		

This is somewhat supported by the IRR rates obtained from actual developments which we have previously appraised. The IRR's found in the chart below have been abstracted from a large number of subdivision developments that are located throughout Texas. These developments have been, or are currently being developed, with the data presented being the projected sales and cost figures at the time of development. Therefore, while these may not represent actual rates of return, they do provide an excellent perspective relative to local developer expectations. The IRR's are summarized below:

SUMMARY OF INTERNAL RATE RETURN - 17 PROPOSED RESIDENTIAL DEVELOPMENTS												
Subdivision	Home Prices (\$000's)	Total Acres	Proposed No. of Lots	Density Per Acre	Typical Lot Dimensions	Development Costs	Development Costs/Acre	Total Investment Costs	Average Value/Lot	Projected Absorption (Months)	IRR	
McAlpin Manor, Phase 2 Midlothian, Texas (2015)	\$240-\$540	118.640	75	0.6	1.387 Acres	\$1,848,785	\$15,583	\$3,619,706	\$75,427	37.0	29%	
Kensington Park, Phase 2 McLendon-Chisholm, Texas (2015)	\$400-\$650	51.014	38	0.7	0.918 Acres	\$1,674,709	\$32,828	\$3,047,192	\$109,079	31.3	24%	
Ridge Lakes Heath, Texas (2015)	\$600-\$1,500	67.060	52	0.8	0.932 Acres	\$4,621,524	\$68,916	\$7,564,968	\$200,000	42.7	25%	
Dove Creek, Phase 1 Midlothian, Texas (2015)	\$220-\$325	46.381	102	2.2	75'/80'/100' x 100'	\$2,731,452	\$58,892	\$4,035,846	\$60,833	36.0	31%	
Millstone Estates, Phs. 1 & 2 Frisco, Texas (2015)	\$500-\$800	48.334	157	3.2	55' x 120'	\$11,536,956	\$238,692	\$19,741,858	\$165,000	31.4	24%	
Highland Court Flower Mound, Texas (2015)	\$520-\$775	30.123	96	3.2	50' x 130' 70' x 143'	\$3,867,422	\$128,388	\$9,929,467	\$141,302	13.0	25%	
Sabine Park Estates Plano, Texas (2014)	\$650-\$850	12.000	38	3.2	75' x 130'	\$2,416,209	\$201,351	\$4,863,013	\$182,763	18.0	21%	
The Preston on Commons Plano, Texas (2014)	\$650-\$850	17.165	65	3.8	50' x 100'	\$2,487,471	\$144,915	\$8,962,781	\$180,000	32.5	22%	
The Lawn at Glen Abbey Dallas, Texas (2014)	\$1,200-\$2,200	18.910	77	4.1	45' x 115'	\$7,680,000	\$406,134	\$21,352,800	\$400,000	46.2	21%	
Sorrellwood Terrace (Proposed) McKinney, Texas (2014)	\$220-\$300	8.690	40	4.6	25' x 108'	\$1,530,023	\$176,067	\$2,044,824	\$62,500	21.0	24%	
Westminster @ Craig Ranch McKinney, Texas (2015)	\$400-\$600	12.099	57	4.7	50' x 125'	\$2,264,608	\$187,173	\$5,819,808	\$120,500	18.0	20%	
Village Lakes Frisco, Texas (2015)	\$300-\$650	51.785	256	4.9	35' x 65' 40'/50' x 110'	\$8,195,266	\$158,256	\$20,975,458	\$101,281	25.5	22%	
Avalon Place Bedford, Texas (2014)	\$250-\$300	3.888	22	5.7	40' x 116'	\$717,435	\$184,525	\$1,237,481	\$62,000	12.0	18%	
Hyde Park Garland, Texas (2014)	\$190-\$280	13.757	126	9.2	25' x 90'	\$2,651,625	\$192,747	\$4,101,981	\$45,000	36.0	22%	
Bentley Place Dallas, Texas (2014)	\$800-\$1,500	0.860	8	9.3	50' x 67'	\$545,396	\$634,181	\$1,564,551	\$225,000	16.0	20%	
Residences at Legacy West Plano, Texas (2015)	\$600-\$800	12.163	126	10.4	35' x 65'	\$5,201,466	\$427,647	\$18,445,554	\$165,000	21.0	15%	
Windhaven Crossing, Phs. 1A & 2A Lewisville, Texas (2014)	\$250-\$300	14.600	152	10.4	22' x 70'/80'	\$4,802,057	\$328,908	\$7,198,719	\$63,224	27.0	29%	
Totals/Averages		527.468	1,487	2.8		\$64,772,404	\$122,799	\$144,506,007	\$138,769	27.3	23%	

Source: JCI Appraisals 2014-2015

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

The comparables shown in the preceding chart indicate that a discount rate (IRR) between 15% and 31% (23% average). However, the internal rates presented represent the total expected return on a project from land purchase to the last lot sold. Therefore, the subject's discount rate should be less than a typical land project, as the value to be determined is for a fully developed project that is available for immediate resale and which will ultimately possess less risk than that of the total development process. Therefore, a "risk-adjusted discount rate" is deemed appropriate herein. The Sixth Edition of the Dictionary of Real Estate Appraisal defines this term as "a discount rate that is adjusted to offset one or more risk factors, i.e., when a future downswing in the business cycle is likely, the risk associated with a project may increase near the end of its term, necessitating a special adjustment to the discount rate. Such discount rates include all of the elements of risk associated with an income stream for a specified period adjusted to offset additional term risk".⁶ Thus, it is our opinion that a potential purchaser would expect to receive a much lower return on his investment for a completed project similar to the subject, which has a purchaser of the end product relative to that of a vacant tract of land awaiting eventual development (higher risk of escalating costs to site development and of the eventual timing of completion).

Based upon the preceding, an IRR that is slightly below the middle of the range as indicated in the National Land Yield Study as of Fourth Quarter 2015 (10% - 20%; 15.5% average) and which is supported by the returns indicated by the comparables presented which ranged from 15% - 31% (23% average) is considered appropriate. Hence, taking into consideration the low supply and high demand levels within the subject's submarket area, we have selected a discount rate of 15% for the subject's 159 lots within G Bar 7, Phase 1 which also takes into consideration the degree of risk, developer profit, and the liquidity inherent in a project such as the subject, as well as the current market conditions. It should be noted that our cash flow also deducts a straight 1.0% entrepreneurial coordination/remuneration (management cost) from all sales proceeds, which effectively increases the discount rate to approximately 16% for the subject's lots. To be consistent with the timing of the cash flows, the annual income stream is discounted quarterly. With each of the required elements now identified, we are able to analyze the subject's 159 developed lots within the DCF analysis as shown on the following page.

⁶ The Dictionary of Real Estate Appraisal, Sixth Edition, the Appraisal Institute, Chicago, Illinois

RECONCILIATION AND FINAL OPINION OF VALUE

In the previous sections we have provided an opinion of the market value of the fee simple interest in the subject's 159 lots within Phase 1 on 41.499 gross acres utilizing the Sales Comparison Approach, the Land Development Approach, and the Net/Gross ratio analysis. Following is a summary of the values indicated by these approaches.

<u>SUMMARY OF VALUE INDICATIONS – 159 LOTS, PHASE 1</u>	
Net/Gross Ratio (Bulk Value)	\$10,220,000
Discounted Cash Flow Analysis	\$10,650,000

The first approach used was the Sales Comparison Approach. This approach is based on the theory of substitution, and implies that a purchaser would pay no more for a property than it would cost to buy, or build, a substitute property. This approach is the base technique for valuing a proposed subdivision, as it recognizes the development issues that unique to each tract of vacant land. In addition, we also utilized the Land Development Approach, which is based on the assumption that the subject is developed into a residential subdivision, with the individual lots sold to builders to value the subject, upon completion of development. Furthermore, the Net/Gross ratio analysis, as well as the Discounted Cash Flow analysis, forms a fairly tight range. Thus, we have reconciled our final value at \$10,650,000 for the subject's 159 lots within Phase 1.

Based upon an inspection of the property and the information and analysis provided in the following report, it is our opinion that the "Prospective Value" of the fee simple interest in the subject's 159 developed residential lots within G Bar 7, Phase 1 as of June 3, 2017 "upon completion of the Phase 1 PID improvements" will be:

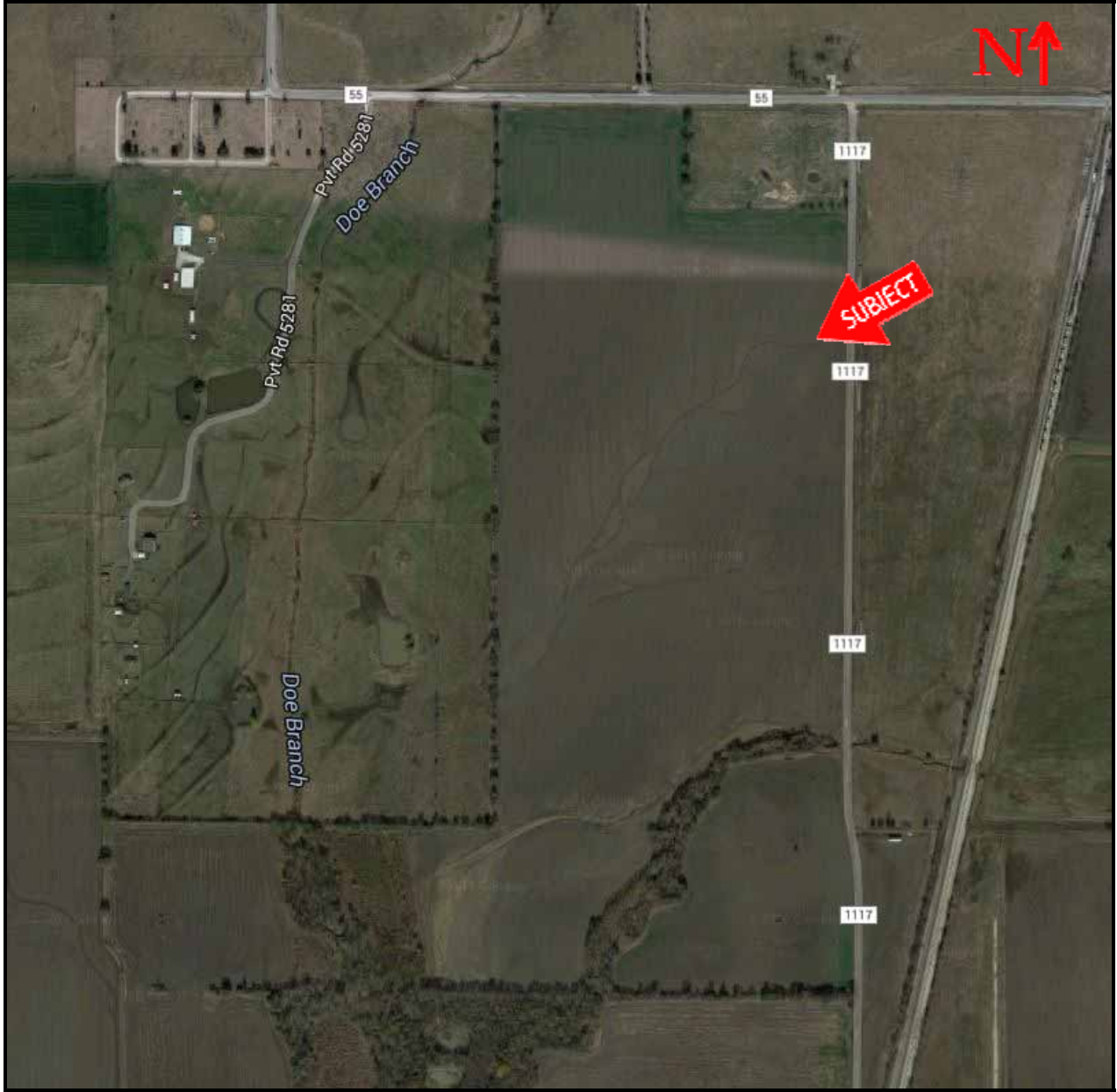
TEN MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS
(\$10,650,000)

SECTION 7 - ADDENDA

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

AERIAL PHOTOGRAPH

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)



SUBJECT PROPERTY PHOTOGRAPHS



**GENERAL VIEW OF
SUBJECT**



**STREET SCENE
CR-55**

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)



**STREET SCENE
CR-1117**

SUBDIVISION/LOT SALE COMPARABLES
(50' LOT FRONTAGES)

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

SUBDIVISION COMPARABLE NO. 1 (UNDER CONSTRUCTION)

Computer ID Number:	RDV16-02-113
Mapsco:	Collin/Grayson-471-W
Development Name:	Lakes at Mustang Ranch, Phase 1
Location:	Northwest quadrant of FM-1461 and FM-2478, Celina, Collin County, Texas
School District:	Prosper Independent School District
Developer:	Cambridge Companies)
Home Builders:	K. Hovnanian Homes, Highland Homes, Shaddock Homes, Scott Felder Homes
Platted Lots:	109 Lots (50') 104 Lots (60') 56 Lots (74') 47 Lots (86') <u>18</u> Lots (145') <u>334</u>
Number of Available Lots:	N/A (Under Construction)*
Lots Sold to Date:	N/A (Under Construction)
Estimated Lot Absorption:	N/A (Under Construction)
Typical Lot Size:	5,500 SF- 7,200 SF – 9,620 SF – 12,040 SF – 43,500 SF
Typical Lot Dimensions:	50' x 110'; 60' x 120'; 74' x 130'; 86' x 140'; 145' x 300'
Home Prices:	\$200,000 to \$400,000
Amenities:	Planned amenity, fitness, and information center with a large central park area, a junior Olympic-sized swimming pool, minimum of one sport court, pedestrian trails, several lakes with lighted fountains, fishing areas, and pocket park areas

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

Lakes at Mustang Ranch, Phase 1 Continued

Representative Lot Sales:	50' Lots: \$65,000/lot (\$1,300/FF) 60' Lots: \$78,000/lot (\$1,300/FF) 74' Lots: \$96,200/lot (\$1,300/FF) 86' Lots: \$111,800/lot (\$1,300/FF)
Marketed Lot Price:	145' Lots: \$203,000/lot (\$1,400/FF)
Survey Date:	04/06/2016
Verified by:	JCI Appraisal
Comments:	*Per Residential Strategies, Inc. as of Fourth Quarter 2015 This is a master-planned subdivision which is currently under construction with 334 lots within Phase 1. Eventually, approximately 1,799 residential lots are planned on a total of 681.999 gross acres within this development. The property is located within the "City of Celina The Lakes of Mustang Ranch Public Improvement District".

SUBDIVISION COMPARABLE NO. 2

Computer ID Number:	RDV16-02-114
Mapsco:	Collin/Grayson-469-S
Development Name:	Light Farms (aka Light Ranch) Phase 1 - Bluestem, Grange, Indigo, Maydelle Phase 2A - Bluestem Phase 2B - Indigo Phase 2C - Grange Phase 3 – Cypress, Sage Phase 4 - Graham
Location:	East of future Dallas North Tollway at Light Farms Way, Celina, Collin County, Texas
School District:	Prosper Independent School District
Developer:	Republic Property Group
Home Builders:	American Legend Homes, Lionsgate Homes, Darling Homes, Drees Homes, Highland Homes, K. Hovnanian Homes, and Shaddock Homes
Platted Lots:	793
Number of Available Lots:	210*
Lots Sold to Date:	583
Estimated Lot Absorption:	583 lots from 07/13 to 12/15 = 19.4 upm
Typical Lot Size:	5,750 SF – 7,200 SF– 9,100 SF – 10,800 SF
Typical Lot Dimensions:	50' x 115'; 60' x 120'; 70' x 130'; 80' x 135'
Home Prices:	\$268,000 - \$624,000
Future Amenities:	Fitness center, four pools, tennis court complex, central lawn with gazebo
Representative Lot Sales:	50' Lots: \$60,000/lot (\$1,200/FF) 60' Lots: \$72,000/lot (\$1,200/FF) 70' Lots: \$84,000/lot (\$1,200/FF) 80' Lots: \$96,000/lot (\$1,200/FF)
Survey Date:	04/06/2016

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

Continued: Light Farms (aka Light Ranch)**Verified by:**

Highland Homes (Tracey)

Comments:

*Per Residential Strategies, Inc. as of Fourth Quarter 2015

Lots in this master-planned development are reported to be contracted on a “front-footage” basis at \$1,200/FF with interest carry of 6% effective as of February 1, 2015 for the 50’ lots and effective May 20, 2015 for the remaining lots. Light Farms is a 908-acre master-planned development in Celina located within the Prosper ISD.

Thus, with interest carry, the current lot pricing is summarized as follows:

50’ Lots: \$63,900/lot (\$1,278/FF)

60’ Lots: \$75,600/lot (\$1,260/FF)

70’ Lots: \$88,200/lot (\$1,260/FF)

80’ Lots: \$100,800/lot (\$1,260/FF)

SUBDIVISION COMPARABLE NO. 3

Computer ID Number:	RDV16-02-116
Mapsco:	D-353-A/D
Development Name:	Frisco Hills, Phases 1B & 1C
Location:	South side of Rockhill Parkway, east and west sides of Frisco Hills Boulevard, Little Elm ETJ, Denton County, Texas
School District:	Frisco Independent School District
Developer:	Centurion American
Home Builders:	First Texas Homes & Grand Homes
Platted Lots:	72
Number of Available Lots:	18*
Lots Sold to Date:	54 lots
Estimated Lot Absorption:	54 lots from 04/14 – 12/15 = 2.6 upm
Typical Lot Size:	5,750 SF – 6,900 SF
Typical Lot Dimensions:	50' x 115'; 60' x 115'
Home Prices:	\$331,000 - \$461,000
Amenities:	Amenity center with pools and playground areas
Representative Lot Sales:	\$55,000/lot (\$1,100/FF) \$60,000/lot (\$1,000/FF)
Survey Date:	04/06/2016
Verified by:	JCI Appraisal

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

Frisco Hills, Phases 1B & 1C

Continued:

Comments:

*Per Residential Strategies, Inc. as of Fourth Quarter 2015

This represents two phases within an existing master-planned residential community of Frisco Hills. There is a 6% interest carry over the takedown period. Thus, the current lot prices are:

- \$60,775/lot (\$1,216/FF) for 50' lots
- \$66,300/lot (\$1,105/FF) for 60' lots

It is noted some lots are contracted at below market lot prices as they were tied to earlier lot contracts during the economic downturn. In addition to Phases 1B & 1C, additional phases of development are summarized below:

Phase 1 – 181 lots; 50'/60' x 115' – 36 remaining

Phase 1A – 89 lots; 50' x 115' – 23 remaining

Phase 3A – 72 lots; 50'/60' x 115' – 9 remaining

Phase 3B – 70 lots; 50' x 115' – 2 remaining

Phase 3C – 113 lots; 50' x 115' – 108 remaining

Phase 4A – 60 lots; 50' x 115' – 1 remaining

Phase 4B – 67 lots; 50' x 115' – 1 remaining

Phases 5A & 5B – 149 lots; 50' x 115' – 149 remaining

SUBDIVISION COMPARABLE NO. 4 (UNDER CONSTRUCTION)

Computer ID Number:	RDV16-02-117
Mapsco:	D-255-C
Development Name:	Creeks of Legacy, Phase 1
Location:	Northeast and northwest quadrants of Frontier Parkway and Legacy Drive, Celina, Denton County, Texas
School District:	Prosper Independent School District
Developer:	Centurion American Group
Home Builders:	Lennar Homes, First Texas Homes, Beazer Homes, Ryland Homes
Total Platted Lots:	416
Number of Available Lots:	N/A (Under construction)*
Lots Sold to Date:	N/A (Under construction)
Estimated Lot Absorption:	N/A (Under construction)
Typical Lot Sizes:	125 Lots: 5,750 SF – 6,500 SF 153 Lots: 7,200 SF – 7,800 SF <u>138</u> Lots: 8,400 SF – 9,100 SF <u>416</u> Lots
Typical Lot Dimensions:	50' x 115'/130'; 60' x 120'/130'; 70' x 120'/130'
Home Prices:	50' Lots: \$250,000 - \$300,000 60' Lots: \$270,000 - \$350,000 70' Lots: \$320,000 - \$400,000
Amenities:	Future Amenity Center/Pool/Playground and several greenbelt areas
Representative Lot Sales:	50' Lots: \$57,500/lot (\$1,150/FF) 60' Lots: \$69,000/lot (\$1,150/FF) 70' Lots: \$80,500/lot (\$1,150/FF)

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

Creeks of Legacy, Phase 1 (Under Construction), Continued:

Survey Date: 04/06/2016

Verified by: JCI Appraisal

Comments: *Per Residential Strategies, Inc. as of Fourth Quarter 2015

This master-planned subdivision is planned to be developed in multiple phases and will eventually contain a total of approximately 1,032 residential lots on a total of 321.48 gross acres. The 50', 60', and 70' frontage lots in the first phase are being contracted based upon front footage size at \$1,150/FF with 6% interest carry over the takedown period. The development is located in the "City of Celina Creeks of Legacy Public Improvement District".

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

SUBDIVISION COMPARABLE NO. 5 (PROPOSED)

Computer ID Number:	RDV16-04-157
Development Name:	Hillwood Wells North, Phase 1
Location:	North side of Ownsby Parkway (CR-83) at Peregrine Point, Celina, Collin County, Texas
School District:	Celina Independent School Districts
Developer:	Hillwood Communities
Home Builders:	Pending
Total Platted Lots:	337
Number of Available Lots:	N/A (Proposed)*
Lots Sold to Date:	N/A (Proposed)
Estimated Lot Absorption:	N/A (Proposed)
Typical Lot Sizes:	184 Lots: 5,750 SF 149 Lots: 6,900 SF <u>4</u> Lots: 8,880 SF <u>337</u> Lots
Typical Lot Dimensions:	50' x 115'; 60' x 115'; 74' x 120'
Home Prices:	50' Lots: \$260,000 - \$325,000 60' Lots: \$312,000 - \$390,000 74' Lots: \$400,000 - \$500,000
Amenities:	Future Amenity Center/Pool/Playground and a large 17-acre greenbelt/open space/water detention area
Representative Lot Sales:	50' Lots: \$62,500/lot (\$1,250/FF) 60' Lots: \$75,000/lot (\$1,250/FF) 74' Lots: \$92,500/lot (\$1,250/FF)

Hillwood Wells North, Phase 1 (Proposed), Continued:**Survey Date:** 04/06/2016**Verified by:** JCI Appraisal**Comments:** *Per Developer

This master-planned subdivision is planned to be developed in multiple phases and will eventually contain a total of approximately 846 residential lots on a total of 244± gross acres. The 50', 60', and 74' frontage lots in the first phase are being contracted based upon front footage size at \$1,250/FF with 6% interest carry over the takedown period. The development is located in the "City of Celina Wells North Public Improvement District".

SUBDIVISION COMPARABLE NO. 6 (PROPOSED)

Computer ID Number:	RDV16-04-158
Development Name:	Hillwood Wells South, Phase 1
Location:	Northeast corner of Frontier Parkway (FM-1461) and Coit Road (CR-83), Celina, Collin County, Texas
School District:	Prosper/Celina Independent School Districts
Developer:	Hillwood Communities
Home Builders:	Pending
Total Platted Lots:	290
Number of Available Lots:	N/A (Proposed)*
Lots Sold to Date:	N/A (Proposed)
Estimated Lot Absorption:	N/A (Proposed)
Typical Lot Sizes:	96 Lots: 6,250 SF 111 Lots: 7,500 SF <u>83</u> Lots: 9,100 SF <u>290</u> Lots
Typical Lot Dimensions:	50' x 125'; 60' x 125'; 70' x 130'
Home Prices:	50' Lots: \$260,000 - \$325,000 60' Lots: \$312,000 - \$390,000 70' Lots: \$400,000 - \$500,000
Amenities:	Future Amenity Center/Pool/Playground and a large 17-acre greenbelt/open space/water detention area
Representative Lot Sales:	50' Lots: \$70,000/lot (\$1,400/FF) 60' Lots: \$84,000/lot (\$1,400/FF) 70' Lots: \$98,000/lot (\$1,400/FF)

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

Hillwood Wells South, Phase 1 (Proposed), Continued:

Survey Date: 04/06/2016

Verified by: JCI Appraisal

Comments: *Per Developer

This master-planned subdivision is planned to be developed in multiple phases and will eventually contain a total of approximately 1,245 residential lots on a total of 400± gross acres. The 50', 60', and 70' frontage lots in the first phase are being contracted based upon front footage size at \$1,400/FF with 6% interest carry over the takedown period. The development is located in the "City of Celina Wells South Public Improvement District".

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

SUBDIVISION/LOT SALE COMPARABLES**(60' LOT FRONTAGES)**

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

SUBDIVISION COMPARABLE NO. 1

Computer ID Number:	RDV16-02-114
Mapsco:	Collin/Grayson-469-S
Development Name:	Light Farms (aka Light Ranch) Phase 1 - Bluestem, Grange, Indigo, Maydelle Phase 2A - Bluestem Phase 2B - Indigo Phase 2C - Grange Phase 3 – Cypress, Sage Phase 4 - Graham
Location:	East of future Dallas North Tollway at Light Farms Way, Celina, Collin County, Texas
School District:	Prosper Independent School District
Developer:	Republic Property Group
Home Builders:	American Legend Homes, Lionsgate Homes, Darling Homes, Drees Homes, Highland Homes, K. Hovnanian Homes, and Shaddock Homes
Platted Lots:	793
Number of Available Lots:	210*
Lots Sold to Date:	583
Estimated Lot Absorption:	583 lots from 07/13 to 12/15 = 19.4 upm
Typical Lot Size:	5,750 SF – 7,200 SF– 9,100 SF – 10,800 SF
Typical Lot Dimensions:	50' x 115'; 60' x 120'; 70' x 130'; 80' x 135'
Home Prices:	\$268,000 - \$624,000
Future Amenities:	Fitness center, four pools, tennis court complex, central lawn with gazebo
Representative Lot Sales:	50' Lots: \$60,000/lot (\$1,200/FF) 60' Lots: \$72,000/lot (\$1,200/FF) 70' Lots: \$84,000/lot (\$1,200/FF) 80' Lots: \$96,000/lot (\$1,200/FF)
Survey Date:	04/06/2016

Continued: Light Farms (aka Light Ranch)**Verified by:**

Highland Homes (Tracey)

Comments:

*Per Residential Strategies, Inc. as of Fourth Quarter 2015

Lots in this master-planned development are reported to be contracted on a “front-footage” basis at \$1,200/FF with interest carry of 6% effective as of February 1, 2015 for the 50’ lots and effective May 20, 2015 for the remaining lots. Light Farms is a 908-acre master-planned development in Celina located within the Prosper ISD.

Thus, with interest carry, the current lot pricing is summarized as follows:

50’ Lots: \$63,900/lot (\$1,278/FF)

60’ Lots: \$75,600/lot (\$1,260/FF)

70’ Lots: \$88,200/lot (\$1,260/FF)

80’ Lots: \$100,800/lot (\$1,260/FF)

SUBDIVISION COMPARABLE NO. 2

Computer ID Number:	RDV16-02-123
Mapsco:	D-354-C/D
Development Name:	Windsong Ranch, Phases 1A, 1B, 2A, 3A-1, & 3B
Location:	North of US-380, between FM-423 and Fields Road (future Teel Parkway), Prosper, Collin County, Texas
School District:	Prosper Independent School District
Developer:	Terra Verde Properties
Home Builders:	Highland Homes, Darling Homes, Drees Homes, Huntington Homes, and Chesmar Homes
Platted Lots:	323
Number of Available Lots:	90*
Lots Sold to Date:	233
Estimated Lot Absorption:	233 lots from 07/14 – 12/15 = 12.9 upm
Typical Lot Sizes:	7,800 SF – 9,100 SF – 10,400 SF – 11,900 SF
Typical Lot Dimensions:	60'/70'/80' x 130'; 85' x 140'
Home Prices:	\$390,000 - \$714,000
Future Amenities:	50 acres of parkland, hike/bike trails, multiple lighted sports fields, planned amenity complex with coffee shop, lap pool, resort-style pool overlooking lake, fitness center
Representative Lot Sales:	60' Lots: \$70,150/lot (\$1,169/FF) 70' Lots: \$87,400/lot (\$1,249/FF) 80' Lots: \$103,200/lot (\$1,290/FF) 85' Lots: \$109,650/lot (\$1,290/FF)
Survey Date:	04/06/2016
Verified by:	Highland Homes

Windsong Ranch, Phases 1A, 1B, 2A, 3A-1, & 3B
Continued

Comments:

*Per Residential Strategies, Inc. as of Fourth Quarter 2015

It is reported that the new phases are being contracted at an increased front footage price of \$1,600 for 75' lots with no interest carry.

Windsong Ranch is a master planned residential lifestyle community featuring:

- Over 2,000 acres planned for 3,500 single-family units, 300 multi-family units, 300 townhome units, and over 200 acres of commercial use
- Approximately 600 acres of open space and rolling terrain will provide recreational opportunities that are rare in the area
- Three (3) school sites, which are within the Prosper ISD
- Full-scale amenity centers, which will include aquatics as well as fitness and a neighborhood café
- The second phase will include disc golf and a dog park.

SUBDIVISION COMPARABLE NO. 3

Computer ID Number:	RDV16-02-121
Development Name:	Lakes of Prosper, Phase 4
Location:	North side of Prosper Trail, west of Coleman Street, Prosper, Collin County, Texas
School District:	Prosper Independent School District
Developer:	Forestar Real Estate Group
Home Builders:	Highland Homes, American Legend Homes
Platted Lots:	56
Number of Available Lots:	22*
Lots Sold to Date:	34 lots
Estimated Lot Absorption:	34 lots from 01/15 – 12/15 = 2.8 upm
Typical Lot Size:	9,100 SF
Typical Lot Dimensions:	65' x 140'
Home Prices:	\$381,000 - \$479,000
Amenities:	Amenity center with pool and splash park, hike/bike trials, sport field, and playground areas
Representative Lot Sales:	\$96,250/lot (\$1,481/FF)
Survey Date:	04/06/2016
Verified by:	Highland Homes
Comments:	*Per Residential Strategies, Inc. as of Fourth Quarter 2015 This represents one phase within a master-planned development located in Prosper, Texas. There is an annual 8% interest carry effective as of September 14, 2014 over the takedown period. Thus, the current lot prices are \$107,800/lot (\$1,658/FF).

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

SUBDIVISION COMPARABLE NO. 4 (UNDER CONSTRUCTION)

Computer ID Number:	RDV16-02-117
Mapsco:	D-255-C
Development Name:	Creeks of Legacy, Phase 1
Location:	Northeast and northwest quadrants of Frontier Parkway and Legacy Drive, Celina, Denton County, Texas
School District:	Prosper Independent School District
Developer:	Centurion American Group
Home Builders:	Lennar Homes, First Texas Homes, Beazer Homes, Ryland Homes
Total Platted Lots:	416
Number of Available Lots:	N/A (Under construction)*
Lots Sold to Date:	N/A (Under construction)
Estimated Lot Absorption:	N/A (Under construction)
Typical Lot Sizes:	125 Lots: 5,750 SF – 6,500 SF 153 Lots: 7,200 SF – 7,800 SF <u>138</u> Lots: 8,400 SF – 9,100 SF <u>416</u> Lots
Typical Lot Dimensions:	50' x 115'/130'; 60' x 120'/130'; 70' x 120'/130'
Home Prices:	50' Lots: \$250,000 - \$300,000 60' Lots: \$270,000 - \$350,000 70' Lots: \$320,000 - \$400,000
Amenities:	Future Amenity Center/Pool/Playground and several greenbelt areas
Representative Lot Sales:	50' Lots: \$57,500/lot (\$1,150/FF) 60' Lots: \$69,000/lot (\$1,150/FF) 70' Lots: \$80,500/lot (\$1,150/FF)

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

Creeks of Legacy, Phase 1 (Under Construction), Continued:

Survey Date: 04/06/2016

Verified by: JCI Appraisal

Comments: *Per Residential Strategies, Inc. as of Fourth Quarter 2015

This master-planned subdivision is planned to be developed in multiple phases and will eventually contain a total of approximately 1,032 residential lots on a total of 321.48 gross acres. The 50', 60', and 70' frontage lots in the first phase are being contracted based upon front footage size at \$1,150/FF with 6% interest carry over the takedown period. The development is located in the "City of Celina Creeks of Legacy Public Improvement District".

SUBDIVISION COMPARABLE NO. 5 (UNDER CONSTRUCTION)

Computer ID Number:	RDV16-02-113
Mapsco:	Collin/Grayson-471-W
Development Name:	Lakes at Mustang Ranch, Phase 1
Location:	Northwest quadrant of FM-1461 and FM-2478, Celina, Collin County, Texas
School District:	Prosper Independent School District
Developer:	Cambridge Companies
Home Builders:	K. Hovnanian Homes, Highland Homes, Shaddock Homes, Scott Felder Homes
Platted Lots:	109 Lots (50') 104 Lots (60') 56 Lots (74') 47 Lots (86') <u>18</u> Lots (145') <u>334</u>
Number of Available Lots:	N/A (Under Construction)
Lots Sold to Date:	N/A (Under Construction)
Estimated Lot Absorption:	N/A (Under Construction)
Typical Lot Size:	5,500 SF- 7,200 SF – 9,620 SF – 12,040 SF – 43,500 SF
Typical Lot Dimensions:	50' x 110'; 60' x 120'; 74' x 130'; 86' x 140'; 145' x 300'
Home Prices:	\$200,000 to \$400,000
Amenities:	Planned amenity, fitness, and information center with a large central park area, a junior Olympic-sized swimming pool, minimum of one sport court, pedestrian trails, several lakes with lighted fountains, fishing areas, and pocket park areas

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

Lakes at Mustang Ranch, Phase 1 Continued

Representative Lot Sales:	50' Lots: \$65,000/lot (\$1,300/FF) 60' Lots: \$78,000/lot (\$1,300/FF) 74' Lots: \$96,200/lot (\$1,300/FF) 86' Lots: \$111,800/lot (\$1,300/FF)
Marketed Lot Price:	145' Lots: \$203,000/lot (\$1,400/FF)
Survey Date:	04/06/2016
Verified by:	JCI Appraisal
Comments:	*Per Residential Strategies, Inc. as of Fourth Quarter 2015 This is a master-planned subdivision which is currently under construction with 334 lots within Phase 1. Eventually, approximately 1,799 residential lots are planned on a total of 681.999 gross acres within this development. The property is located within the "City of Celina The Lakes of Mustang Ranch Public Improvement District".

SUBDIVISION COMPARABLE NO. 6 (PROPOSED)

Computer ID Number:	RDV16-04-157
Development Name:	Hillwood Wells North, Phase 1
Location:	North side of Ownsby Parkway (CR-83) at Peregrine Point, Celina, Collin County, Texas
School District:	Celina Independent School Districts
Developer:	Hillwood Communities
Home Builders:	Pending
Total Platted Lots:	337
Number of Available Lots:	N/A (Proposed)*
Lots Sold to Date:	N/A (Proposed)
Estimated Lot Absorption:	N/A (Proposed)
Typical Lot Sizes:	184 Lots: 5,750 SF 149 Lots: 6,900 SF <u>4</u> Lots: 8,880 SF <u>337</u> Lots
Typical Lot Dimensions:	50' x 115'; 60' x 115'; 74' x 120'
Home Prices:	50' Lots: \$260,000 - \$325,000 60' Lots: \$312,000 - \$390,000 74' Lots: \$400,000 - \$500,000
Amenities:	Future Amenity Center/Pool/Playground and a large 17-acre greenbelt/open space/water detention area
Representative Lot Sales:	50' Lots: \$62,500/lot (\$1,250/FF) 60' Lots: \$75,000/lot (\$1,250/FF) 74' Lots: \$92,500/lot (\$1,250/FF)

Hillwood Wells North, Phase 1 (Proposed), Continued:**Survey Date:** 04/06/2016**Verified by:** JCI Appraisal**Comments:** *Per Developer

This master-planned subdivision is planned to be developed in multiple phases and will eventually contain a total of approximately 846 residential lots on a total of 244± gross acres. The 50', 60', and 74' frontage lots in the first phase are being contracted based upon front footage size at \$1,250/FF with 6% interest carry over the takedown period. The development is located in the "City of Celina Wells North Public Improvement District".

SUBDIVISION COMPARABLE NO. 7 (PROPOSED)

Computer ID Number:	RDV16-04-158
Development Name:	Hillwood Wells South, Phase 1
Location:	Northeast corner of Frontier Parkway (FM-1461) and Coit Road (CR-83), Celina, Collin County, Texas
School District:	Prosper/Celina Independent School Districts
Developer:	Hillwood Communities
Home Builders:	Pending
Total Platted Lots:	290
Number of Available Lots:	N/A (Proposed)*
Lots Sold to Date:	N/A (Proposed)
Estimated Lot Absorption:	N/A (Proposed)
Typical Lot Sizes:	96 Lots: 6,250 SF 111 Lots: 7,500 SF <u>83</u> Lots: 9,100 SF <u>290</u> Lots
Typical Lot Dimensions:	50' x 125'; 60' x 125'; 70' x 130'
Home Prices:	50' Lots: \$260,000 - \$325,000 60' Lots: \$312,000 - \$390,000 70' Lots: \$400,000 - \$500,000
Amenities:	Future Amenity Center/Pool/Playground and a large 17-acre greenbelt/open space/water detention area
Representative Lot Sales:	50' Lots: \$70,000/lot (\$1,400/FF) 60' Lots: \$84,000/lot (\$1,400/FF) 70' Lots: \$98,000/lot (\$1,400/FF)

Hillwood Wells South, Phase 1 (Proposed), Continued:**Survey Date:** 04/06/2016**Verified by:** JCI Appraisal**Comments:** *Per Developer

This master-planned subdivision is planned to be developed in multiple phases and will eventually contain a total of approximately 1,245 residential lots on a total of 400± gross acres. The 50', 60', and 70' frontage lots in the first phase are being contracted based upon front footage size at \$1,400/FF with 6% interest carry over the takedown period. The development is located in the "City of Celina Wells South Public Improvement District".

LEGAL DESCRIPTION – WHOLE SITE (119.138 ACRES)

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

BEING a tract of land situated in the Collin County School Land Survey, Abstract No. 167, City of Celina, Collin County, Texas, the subject tract being all of a tract conveyed as Tract 1, and all of a tract conveyed as Tract 2, to G Bar 7, Ltd. according to the deed recorded in Volume 5850, Page 990 of the Deed Records, Collin County, Texas (DRCCT), the subject tract being more particularly described as follows:

BEGINNING at a 1/2" iron rod found in County Road 1117, a prescriptive right-of-way, for the easterly northwest corner of a tract conveyed to Old Celina, Ltd., recorded in Volume 5398, Page 693 DRCCT;

THENCE S 00°22'51" E, along said road, passing at 2331.03 feet a 1/2" iron rod found for the lower southwest corner of said Old Celina tract, and continuing a total distance of 2973.39 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set on the north line of a tract conveyed to Mitch Goldmiz, recorded in Volume 4250, Page 2347 DRCCT, and from which a 1/2" iron rod found for the northeast corner of said Goldmiz tract bears N 89°42'07" E, 53.87 feet;

THENCE S 89°42'07" W, along the north line of said Goldmiz tract, passing at 1619.88 feet the northwest corner thereof and for the northeast corner of a tract conveyed to Celina Tork, Ltd., recorded in Document No. 20070214000210230 of the Official Public Records, Collin County, Texas (OPRCCT), and continuing along the north line thereof a total distance of 2728.83 feet to a 1/2" iron rod found on the east line of a tract conveyed to Martha Ann King and Peggy Sue Earthman, recorded in Document No. 92-0091304 OPRCCT;

THENCE N 01°04'23" W, 161.49 feet along the east line thereof to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

THENCE S 89°26'34" W, 66.50 feet continuing along the east line thereof to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

THENCE N 00°33'26" W, 480.39 feet continuing along the east line thereof to a 1/2" iron rod found for the southwest corner of a tract conveyed to Jack Semones and Betty Semones, recorded in Document No. 93-0052600 OPRCCT;

THENCE along the common line thereof, the following:

N 89°42'02" E, 353.43 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

S 89°45'29" E, 502.33 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

N 89°41'42" E, 300.00 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

N 89°09'42" E, 96.60 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

S 89°46'18" E, 216.40 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set, from which a 1" iron pipe found (bent) bears S 68°51'06" W, 1.66 feet;

N 00°05'42" E, 142.00 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

N 00°47'18" W, 500.20 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

N 00°30'18" W, 73.00 feet to a 1/2" iron rod found;

And N 00°45'18" W, 427.87 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set for the southeast corner of a tract conveyed to the Hollingsworth Irrevocable Trust, recorded in Document No. 20130411000490940 OPRCCT;

THENCE N 00°51'41" W, 590.35 feet along the east line thereof to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set for the southeast corner of a tract conveyed to United Realtors, LLC, recorded in Document No. 20120314000298850 OPRCCT;

THENCE along the east line thereof, the following:

N 00°40'44" W, 318.30 feet to a 1/2" iron rod with plastic cap stamped "SPIARSEN" set;

N 00°21'29" W, 90.50 feet to a 1/2" iron rod with plastic cap found;

N 00°26'29" W, 300.00 feet to a 1/2" iron rod with plastic cap found;

N 00°59'29" W, 213.00 feet to a 1/2" iron rod with plastic cap found;

And N 01°20'29" W, passing at 67.90 feet a 1/2" iron rod with plastic cap found for the northeast corner of said United Realtors tract, and continuing a total distance of 91.37 feet to a point in County Road 55, a prescriptive right-of-way, and being on the south line of another tract conveyed to Old Celina, Ltd., recorded in Volume 5208, Page 3403 DRCCT;

THENCE N 89°18'21" E, 722.80 feet along County Road 55 and said second Old Celina tract, to a point for the upper northwest corner of the first mentioned Old Celina tract;

THENCE S 00°23'50" E, along the upper west line of the first mentioned Old Celina tract, passing at 45.08 feet a 1/2" iron rod found for witness, and passing at 59.76 feet a 1/2" iron rod with plastic cap found for witness, continuing along the common line thereof a total distance of 419.77 feet to a 1/2" iron rod with plastic cap found for the inset northwest corner of the first mentioned Old Celina tract;

THENCE N 89°09'44" E, continuing along the common line thereof, passing at 604.25 feet a 1/2" iron rod with plastic cap found for witness, continuing along the common line thereof a total distance of 623.17 feet to the POINT OF BEGINNING with the subject tract containing 5,189,656 square feet or 119.138 acres of land.

LEGAL DESCRIPTION – 41.499 GROSS ACRES, PHASE 1

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

41.499 Acre Tract Description

BEING a 41.499 acre tract of land situated in the Collin County School Land Survey, Abstract Number 167, Collin County, Texas, being a portion of that tract of land described by deed to G BAR 7 LTD. as recorded in Volume 5850, Page 990, of the Official Public Records of Collin County, Texas (O.P.R.C.C.T.), and being more particularly described as follows:

BEGINNING at a ½ inch iron rod found within a gravel road posted and under apparent public use as County Road 1117 for the most easterly northeast corner of the herein described tract, same being an inner ell corner of a tract of land described by deed to Old Celina, Ltd. as recorded in Volume 5398, Page 693, O.P.R.C.C.T.;

THENCE South 00 degrees 22 minutes 38 seconds East, with the most southerly west line of said Old Celina Ltd. tract and within said County Road 1117, a distance of 1178.05 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 887.24 feet to a point for corner;

THENCE North 00 degrees 00 minutes 00 seconds East, a distance of 140.02 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 300.05 feet to a point for corner;

THENCE South 00 degrees 33 minutes 39 seconds West, a distance of 15.66 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 150.02 feet to a point for corner, said point being in the east line of a tract of land described by deed to Chris Hollingsworth, Trustee of the Hollingsworth Irrevocable Trust, as recorded under Instrument Number 20130411000490940, O.P.R.C.C.T.;

THENCE North 00 degrees 51 minutes 28 seconds West, with the east line of said Hollingsworth tract, a distance of 442.61 feet to a point for the northeast corner thereof, same being the southeast corner of a tract of land described by deed to United Realtors, LLC, as recorded under Instrument Number 20120314000298850, O.P.R.C.C.T.;



Arthur Surveying Co., Inc.
Professional Land Surveyors

P.O. Box 54 ~ Lewisville, Texas 75067
Office: (972) 221-9439 ~ Fax: (972) 221-4675



THENCE North 00 degrees 40 minutes 31 seconds West, with the east line of said United Realtors tract, a distance of 318.30 feet to a point for corner.

THENCE North 00 degrees 21 minutes 16 seconds West, with the east line of said United Realtors tract, a distance of 90.50 feet to a point for corner;

THENCE North 00 degrees 26 minutes 16 seconds West, with the east line of said United Realtors tract, a distance of 300.00 feet to a point for corner;

THENCE North 00 degrees 59 minutes 16 seconds West, with the east line of said United Realtors tract, a distance of 213.00 feet to a ½ inch iron rod with cap stamped "Alliance" found for corner;

THENCE North 01 degree 20 minutes 16 seconds West, partially with the east line of said United Realtors tract, a distance of 91.37 feet to a point for corner within County Road 55;

THENCE North 89 degrees 18 minutes 34 seconds East, within said County Road 55, a distance of 722.80 feet to a point for corner, same being the northwest corner of said Old Celina Ltd. tract;

THENCE South 00 degrees 23 minutes 37 seconds East with the most northerly west line of said Old Celina Ltd. tract, passing at a distance of 59.67 feet a ½ inch iron rod with cap stamped "#3258" found, continuing on said course for a total distance of 419.77 feet to a point for corner, same being the most westerly southwest corner of said Old Celina Ltd. tract;

THENCE North 89 degrees 09 minutes 57 seconds East, with the most westerly south line of said Old Celina Ltd. tract, passing at a distance of 604.10 feet a ½ inch iron rod found, continuing on said course for a total distance of 623.17 feet to the **POINT OF BEGINNING** and containing 41.499 acres of land, more or less, and being subject to any and all easements that may affect.



Arthur Surveying Co., Inc.
Professional Land Surveyors

P.O. Box 54 ~ Lewisville, Texas 75067
Office: (972) 221-9439 ~ Fax: (972) 221-4675

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

CONSTRUCTION COSTS – PHASE 1

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

G BAR 7 - WYNNE/JACKSON CELINA									
PID ELIGIBLE COSTS			PHASE 1	PHASE 2	TOTAL HARD COSTS	Soft Costs 18%	Contingency 10%	Constr Mgt 0%	Total Costs
Roadway Improvements			1,132,974		1,132,974	203,935	113,297	-	1,450,207
Water Distribution System			335,714		335,714	60,429	33,571	-	429,714
Sanitary Sewer			359,893		359,893	64,781	35,989	-	460,663
Storm Drainage			1,429,920		1,429,920	257,386	142,992	-	1,830,298
Park & Open Space			512,950		512,950	92,331	51,295	-	656,576
Developer Master Infrastructure			754,580		754,580	135,824	75,458	-	965,862
Total PID Eligible Costs			4,526,031	-	4,526,031	814,686	452,603	-	5,793,320
Non-PID Eligible Costs									
Lot Grading			292,560		292,560	52,661	29,256	-	374,477
Franchise Utilities			238,500		238,500	42,930	23,850	-	305,280
Roadway Improvements			-		-	-	-	-	-
Water Distribution System			128,000		128,000	23,040	12,800	-	163,840
Sanitary Sewer			91,200		91,200	16,416	9,120	-	116,736
Storm Drainage			-		-	-	-	-	-
Park, Open Space & Amenities			800,000		800,000	144,000	80,000	-	1,024,000
Master Infrastructure - City			1,227,987		1,227,987	221,038	122,799	-	1,571,823
Other			272,615		272,615	-	-	-	272,615
Offsite Easement/ROW Acquisition			160,000		160,000	-	-	-	160,000
Total Non-Eligible Costs			3,210,862		3,210,862	500,084	277,825	-	3,988,771
Total Development Costs			7,736,893		7,736,893	1,314,770	730,428	-	9,782,091
Number of Lots Per Phase									
50 ft lots			94	105	199				
60 ft lots			65	85	150				
Total Number of Lots			159	190	349				

TAX DATA

Property Search

Property ID: 963014 - Tax Year: **2016**

General Information

Property ID	963014
Property Status	Active
Geographic ID	R-6167-002-0590-1
Property Type	Real
Property Address	County Road 53 Celina, TX 75009
Total Land Area	77.7100 acres
Total Improvement Main Area	n/a
Abstract/Subdivision	 Collin County School Land #14 Survey
Primary State Code	D1 (Qualified Open-space Ag Land)
Legal Description	Abstract A0167 Collin County School Land #14 Survey, Block 2, Tract 59, Acres 77.7100
Tax Agent	 Brown & Griffin Real Estate Advisors, Lp

Owner Information

Owner ID	614720
Owner Name(s)	 G Bar 7 Ltd
Exemptions	None
Percent Ownership	100.00%
Mailing Address	3880 Parkwood Blvd Ste 503 Frisco, TX 75034-1931

2016 Value Information

Value information for Property ID 963014 in the 2016 tax year is unavailable. Value information for prior years may be available in the [Value History](#) section below.

Entities

Taxing Entity	Tax Rate	Collected By
CCL (Celina City)	0.645000 (2015 Rate)	Collin County Tax Office
GCN (Collin County)	0.225000 (2015 Rate)	Collin County Tax Office
JCN (Collin College)	0.081960 (2015 Rate)	Collin County Tax Office
SCL (Celina ISD)	1.640000 (2015 Rate)	Collin County Tax Office

Improvements

Our records don't show any improvement data for Property ID 963014 in the year 2016.

Land Segments

Land Segment #1	Cropland
State Code	D1 (Qualified Open-space Ag Land)
Homesite	No
Market Value	
Ag Use Value	1D1
Land Size	77.7100 acres 3,385,048 sq. ft.

Value History

Year	Improvement	Land	Market	Ag Loss	Appraised	HS Cap Loss	Assessed
2015	\$0	\$2,331,300	\$2,331,300	\$2,317,778	\$13,522	\$0	\$13,522
2014	\$0	\$777,100	\$777,100	\$763,190	\$13,910	\$0	\$13,910
2013	\$0	\$777,100	\$777,100	\$762,568	\$14,532	\$0	\$14,532
2012	\$0	\$777,100	\$777,100	\$762,568	\$14,532	\$0	\$14,532
2011	\$0	\$777,100	\$777,100	\$763,345	\$13,755	\$0	\$13,755

Deed History

Deed Date	Seller	Buyer	Instr #	Volume/Page
12/16/2004	G BAR 7 LTD	G BAR 7 LTD	15684	5850/0990
12/16/2004	GLENDENNING DON THOMAS FAMILY TRUST	G BAR 7 LTD	15685	5850/1002
03/10/1999	GLENDENNING DON	GLENDENNING DON THOMAS FAMILY TRUST		99-0040891/4388-27

SB 541 – Amends Section 25.027 of the Property Tax Code, effective September 1, 2005

RESTRICTION ON POSTING DETAILED IMPROVEMENT INFORMATION ON INTERNET WEBSITE:

Information in appraisal records may not be posted on the Internet if the information is a photograph, sketch, or floor plan of an improvement to real property that is designed primarily for use as a human residence. This section does not apply to an aerial photograph that depicts five or more separately owned buildings.

HB 394 – Amends Section 25.027 of the Property Tax Code, effective September 1, 2015

RESTRICTION ON POSTING AGE RELATED INFORMATION ON INTERNET WEBSITE:

Information in appraisal records may not be posted on the Internet if the information indicates the age of a property owner, including information indicating that a property owner is 65 years of age or older.

Property Search

Property ID: 963041 - Tax Year:

2016

General Information

Property ID	963041
Property Status	Active
Geographic ID	R-6167-002-0620-1
Property Type	Real
Total Land Area	41.0000 acres
Total Improvement Main Area	n/a
Abstract/Subdivision	Collin County School Land #14 Survey
Primary State Code	D1 (Qualified Open-space Ag Land)
Legal Description	Abstract A0167 Collin County School Land #14 Survey, Block 2, Tract 62, Acres 41.0000
Tax Agent	Brown & Griffin Real Estate Advisors, Lp

Owner Information

Owner ID	614720
Owner Name(s)	G Bar 7 Ltd
Exemptions	None
Percent Ownership	100.00%
Mailing Address	3880 Parkwood Blvd Ste 503 Frisco, TX 75034-1931

2016 Value Information

Value information for Property ID 963041 in the 2016 tax year is unavailable. Value information for prior years may be available in the [Value History](#) section below.

Entities

Taxing Entity	Tax Rate	Collected By
CCL (Celina City)	0.645000 (2015 Rate)	Collin County Tax Office
GCN (Collin County)	0.225000 (2015 Rate)	Collin County Tax Office
JCN (Collin College)	0.081960 (2015 Rate)	Collin County Tax Office
SCL (Celina ISD)	1.640000 (2015 Rate)	Collin County Tax Office

Improvements

Our records don't show any improvement data for Property ID 963041 in the year 2016.

Land Segments

Land Segment #1	Cropland
State Code	D1 (Qualified Open-space Ag Land)
Homesite	No
Market Value	
Ag Use Value	1D1
Land Size	41.0000 acres 1,785,960 sq. ft.

Value History

Year	Improvement	Land	Market	Ag Loss	Appraised	HS Cap Loss	Assessed
2015	\$0	\$1,230,000	\$1,230,000	\$1,222,866	\$7,134	\$0	\$7,134

Year	Improvement	Land	Market	Ag Loss	Appraised	HS Cap Loss	Assessed
2014	\$0	\$410,000	\$410,000	\$402,661	\$7,339	\$0	\$7,339
2013	\$0	\$410,000	\$410,000	\$402,333	\$7,667	\$0	\$7,667
2012	\$0	\$410,000	\$410,000	\$402,333	\$7,667	\$0	\$7,667
2011	\$0	\$410,000	\$410,000	\$402,743	\$7,257	\$0	\$7,257

Deed History

Deed Date	Seller	Buyer	Instr #	Volume/Page
12/16/2004	G BAR 7 LTD	G BAR 7 LTD	15684	5850/0990
12/16/2004	GLENDENNING DON THOMAS FAMILY TRUST	G BAR 7 LTD	15685	5850/1002
06/24/1999	GLENDENNING DON THOMAS FAMILY TRUST	GLENDENNING DON THOMAS FAMILY TRUST		99-0082128/4449-131

SB 541 – Amends Section 25.027 of the Property Tax Code, effective September 1, 2005

RESTRICTION ON POSTING DETAILED IMPROVEMENT INFORMATION ON INTERNET WEBSITE:

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QUALIFICATIONS AND STATE CERTIFICATIONS

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)

EXPERIENCE AND QUALIFICATIONS OF ERNEST E. GATEWOOD III

Education

Richland Junior College, Dallas, Texas
University of North Texas, Denton, Texas

MAI Required Appraisal Institute Courses

Real Estate Appraisal Principles (I A-1) (1988)
Basic Valuation Procedures (IA-2) (1988)
Capitalization Theory and Technique Part A (1 B-A) (1989)

Various Seminars

See Attached – Education Transcript

Professional Licenses and Memberships

Licensed Real Estate Salesman in the State of Texas
(Number 277705-32)
State Certified General Real Estate Appraiser
(Certificate No. TX 1324355-G)

Professional History

1993-Present	Jackson Claborn, Inc. Vice President - Commercial Division
1990-1993	Heartland Real Estate Group Director of Acquisitions
1980-1990	Crosson Dannis, Inc. Appraiser

Areas of Special Competence

Real estate appraisal, consulting and feasibility for income-producing properties including office buildings, shopping centers, apartment complexes, industrial properties, mixed-use developments, single-family subdivisions, and free-standing retail buildings. Also experienced in the appraisal of single-family residences, vacant land, right-of-way valuation and expert witness testimony for real estate. Additional expertise in market research, data analysis, feasibility coordination, site planning, purchase and sale negotiations, engineering coordination for single-family subdivisions.

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)



December 12, 2014

Education Transcript
Not an Official College Transcript
Must send actual signed certificate of completion

Ernest E. Gatewood, III
 Jackson Claborn, Inc.
 5800 W. Plano Pkwy., Ste. 220
 Plano, TX 75093

Acct# 82337

This document may not be accepted by all licensing boards as verification of course completion.

Program	Date	Location	Type	Status	Hours Attend	Hours Exam
Trends in Green Energy	11/11/2014	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
What Office Tenants, Landlords and Investors Want NOW	09/09/2014	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Redevelopment of Midtown Dallas District	03/11/2014	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
7-Hour National USPAP Update Course	12/02/2013	Night Hotel North Dallas Dallas, TX	Standard		7.0	0.0
How to Deal with an Aggressive Attorney at Deposition/Trial	09/10/2013	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Texas' Water Crisis	05/14/2013	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Metropolitan Transportation Update	03/12/2013	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Downtown Dallas: Urban Life Realized	02/12/2013	Dallas, TX	Standard		2.0	0.0
4th Annual North Texas Realty Symposium	01/25/2013	The Crowne Plaza Dallas Hotel Addison, TX	Standard		8.0	0.0
The Trinity River Project-Today and the Future	01/08/2013	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Unusual Appraisal Challenges for IRS	02/14/2012	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Land Development in the DFW Metroplex and 2012 Outlook	01/10/2012	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
3rd Annual North Texas Realty Symposium	12/07/2011	Double Tree by Hilton Hotel (Galleria) Dallas, TX	Standard		8.0	0.0
The TALCB Complaint Process -The Defense Perspective	11/08/2011	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
7-Hour National USPAP Update Course	10/03/2011	Night Hotel North Dallas Dallas, TX	Standard		7.0	0.0



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December 12, 2014

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 Jackson Claborn, Inc.
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 Plano, TX 75093

Acct# 82337

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Program	Date	Location	Type	Status	Hours	Hours
					Attend	Exam
Highest & Best Use/Expert Witnesses in Eminent Domain Cases	05/10/2011	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Loss Prevention Seminar	03/08/2011	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Using MLS Data as a Tool in Valuing Properties	01/11/2011	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Recreational and Agricultural Land Value in North Texas	11/09/2010	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Economic Conditions in the Dallas/Fort Worth Region	05/11/2010	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Legislative Update for Appraisers	03/09/2010	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Expert Witness Testimony for Appraisers	02/09/2010	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Online Business Practices and Ethics	12/15/2009 - 01/14/2010 Completed 12/26	On-Line Seminar Chicago, IL	Standard		8.0	0.0
Condemnation for Electric Power Lines	01/12/2010	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Wake Me When This is Over: Status of Capital Markets	12/08/2009	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Real Estate Capital Gains Taxes	11/17/2009	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Cowboy Stadium Complex Development Project	10/13/2009	Cacharel Restaurant Arlington, TX	Standard		2.0	0.0
Crmt Cndts in the Hospitality Mkt/Mkt Adjust for Vct Lnds	09/15/2009	Dallas, TX	Standard		2.0	0.0
Affects of IRS Rlings on Cons Esments & Apprsers/Dallas RED	02/10/2009	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0

Texas Appraiser Licensing and Certification Board

P.O. Box 12188 Austin, Texas 78711-2188

Certified General Real Estate Appraiser

Number: **TX 1324355 G**

Issued: **12/11/2014** Expires: **12/31/2016**

Appraiser: **ERNEST ELVA GATEWOOD III**

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Texas Occupations Code, Chapter 1103, is authorized to use this title, Certified General Real Estate Appraiser.


Douglas E. Oldmixon
Commissioner

Education

Texas Tech University, Lubbock, Texas
Bachelor of Business Administration in Real Estate Finance - May 1984

Appraisal Institute Courses

Real Estate Appraisal Principles (1A-1) 1986)	USPAP Standards of Prof. Practice (1989, 1996, 2000,
Basic Valuation Procedures (1A-2) (1986)	2002, 2004, 2006, 2008, 2010, 2012, 2014)
Capitalization Theory & Technique (A & B) (1988)	Valuation Analysis and Report Writing (2-2) (1989)
Case Studies in Real Estate Valuation (2-1) (1989)	Advanced Applications (Course 550) (1997)

Various Seminars/Courses: See Attached AI Continuing Education Cycle

FHA/HUD Residential Appraisal Course (1994)	Dynamics of Office Building Valuation (2001)
Appr. of Nursing Home/Cong. Care Facilities (1997)	Online Residential Design and Funct. Utility (2002)
The Internet and Appraising (1997)	Online Analyzing Operating Expenses (2002)
The Appraisal of High End/Historical Homes (1997)	Mark-to-Market: The Next FIRREA (2002)
Small Hotel/Motel Valuation (1997)	Valuation of Detrimental Conditions in RE (2002)
Environ. Site Analysis – Impact on RE Trans. (1997)	Fannie Mae and the Appraisal Process (2002)
Dallas/Fort Worth Apartment Operating (1997)	Roddy's Barometer for Vacant Land Market (2004)
TX Property Tax Law – Taxpayer Remedies (1998)	Using Your HP-12C (2004)
The FHA and the Appraisal Process (1999)	Online Appraising from Blueprints (2004)
Rebuilding the Inner City Neighborhoods (1999)	Feasibility, Market Value, Inv. (2004)
Networking Opportunities (2000)	Subdivision Valuation Seminar (2006)
Use of GIS Technology in RE Mkt. Research (2000)	Scope of Work Seminar (2006)
New Tech. for the Residential Appraiser (2001)	Forecasting Revenue Seminar (2006)
Appraisal of Local Retail Properties (2001)	Business Practices and Ethics (2006)
Texas Appraisal Licensing & Certification (2001)	Analyzing Distressed Real Estate (2006)
The Dallas/Fort Worth Apartment Market (2001)	

Professional Licenses, Licenses

Memberships, & Office Held

Member of Appraisal Institute (MAI)
State Certified General Appraiser (No. TX-1324004-G)
Member of Region 8 Ethics and Counseling Regional Panel (1992-1995)
Chair – Public Relations North Texas Chapter (2003, 2004)
Co-Chair – Public Relations North Texas Chapter (2005)
Board Member – North Texas Chapter (2005-2007)

Professional History

1/93-Present	Jackson Claborn, Inc. President/CEO
08/91-12/92	Travis, Wolff Consulting, Inc. Vice President, Real Estate Advisory Services
5/84-08/91	Crosson Dannis, Inc. Senior Appraiser (7 Years)

Areas Of Special Competence

Real estate appraisal, consulting and feasibility for income-producing properties including hotels/motels, office buildings, shopping centers, apartment complexes, industrial properties, mixed-use developments, subdivisions, nursing homes, and free-standing retail buildings. Also experienced in appraisal of single-family residences.



Jimmy H. Jackson, MAI
 Jackson Claborn, Inc.
 1100 Mira Vista Boulevard
 Suite 100
 Plano, TX 75093

February 29, 2016

Education Transcript
Not an Official College Transcript
 Must send actual signed certificate of completion

Acct# 79014

This document may not be accepted by all licensing boards as verification of course completion.

Program	Date	Location	Type	Status	Hours Attend	Hours Exam
Overview of Downtown Dallas and Current Developments / Multifamily Market in Dallas and the 2016 Outlook	02/09/2016	The Clubs of Prestonwood Dallas, TX	Standard		2.0	0.0
Dallas and National 2016 Economic Forecast / Seismic Activity in North Texas	11/10/2015	The Clubs of Prestonwood Dallas, TX	Standard		2.0	0.0
Trammel Crow Residential Projects - and - 2015 Texas Legislative Update	09/08/2015	The Clubs of Prestonwood Dallas, TX	Standard		2.0	0.0
Texas' Economic Outlook, & Appraisal & AMC Regulatory Update	03/10/2015	The Clubs of Prestonwood Dallas, TX	Standard		2.0	0.0
Downtown Developments/Using Xceligent's Information	02/10/2015	Brookhave Country Club Dallas, TX	Standard		2.0	0.0
Trends in Green Energy	11/11/2014	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
What Office Tenants, Landlords and Investors Want NOW	09/09/2014	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
State of the State	05/13/2014	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Redevelopment of Midtown Dallas District	03/11/2014	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Advertising and Promotion of Expert Appraisal Services	02/11/2014	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
How to Deal with an Aggressive Attorney at Deposition/Trial	09/10/2013	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Texas' Water Crisis	05/14/2013	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Metropolitan Transportation Update	03/12/2013	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Downtown Dallas: Urban Life Realized	02/12/2013	Dallas, TX	Standard		2.0	0.0
The Trinity River Project-Today and the Future	01/08/2013	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0



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Program	Date	Location	Type	Status	Hours	Hours
					Attend	Exam
Using MYRETA.COM as a Tool in Valuing Commercial RE	11/13/2012	Dallas, TX	Standard		2.0	0.0
7-Hour National USPAP Update Course	10/12/2012	Night Hotel North Dallas Dallas, TX	Standard		7.0	0.0
Factoring Sustainability into Asset Valuation	09/11/2012	Dallas, TX	Standard		2.0	0.0
Online Business Practices and Ethics	04/15-05/15/2012 Completed 04/23	On-Line Seminar Chicago, IL	Standard		5.0	0.0
The Parks Dallas & Data Center Real Estate Industry Trends	05/01/2012	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Unusual Appraisal Challenges for IRS	02/14/2012	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Land Development in the DFW Metroplex and 2012 Outlook	01/10/2012	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
3rd Annual North Texas Realty Symposium	12/07/2011	Double Tree by Hilton Hotel (Galleria) Dallas, TX	Standard		8.0	0.0
Residential Green and Energy Efficient Addendum	11/17/2011	Webinar	Standard		2.0	0.0
The TALCB Complaint Process -The Defense Perspective	11/08/2011	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Understanding the Impact of the Interagency Appraisal and Evaluation Guidelines for Appraisers and Lenders	10/26/2011	Webinar	Standard		2.0	0.0
Appraisal Curriculum Overview (2-day General)	09/15-16/2011	Southfork Hotel Plano, TX	Standard		15.0	0.0
Real Estate Appraiser Enforcement & Discipline	09/13/2011	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Highest & Best Use/Expert Witnesses in Eminent Domain Cases	05/10/2011	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0



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Program	Date	Location	Type	Status	Hours	
					Attend	Exam
Loss Prevention Seminar	03/08/2011	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Regulatory Update GSE, Dodd-Frank & Interagency Guidelines	02/08/2011	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Using MLS Data as a Tool in Valuing Properties	01/11/2011	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Recreational and Agricultural Land Value in North Texas	11/09/2010	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
7-Hour National USPAP Update Course	10/14/2010	Night Hotel North Dallas Dallas, TX	Standard		7.0	0.0
Economic Conditions in the Dallas/Fort Worth Region	05/11/2010	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Legislative Update for Appraisers	03/09/2010	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Expert Witness Testimony for Appraisers	02/09/2010	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Condemnation for Electric Power Lines	01/12/2010	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Real Estate Capital Gains Taxes	11/17/2009	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Cowboy Stadium Complex Development Project	10/13/2009	Cacharel Restaurant Arlington, TX	Standard		2.0	0.0
Crmt Cndts in the Hospitality Mkt/Mkt Adjust for Vct Lnds	09/15/2009	Dallas, TX	Standard		2.0	0.0
Affects of IRS Rulings on Cons Esments & Apprsers/Dallas RED	02/10/2009	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
2009 Economic Outlook: Impact on Valuation Issues	01/13/2009	Dallas Marriott Quorum by the Galleria Dallas, TX	Standard		2.0	0.0
2008 Commercial Real Estate Trends and 2009 Projections	11/11/2008	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0

Page 3 of 7

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 Information Builders

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)



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Program	Date	Location	Type	Status	Hours	
					Attend	Exam
Appraiser Liability: How to Avoid Litigation	10/14/2008	Dallas, TX	Standard		2.0	0.0
7-Hour National USPAP Update Course	10/02/2008	University of Phoenix - Dallas Campus Dallas, TX	Standard		7.0	0.0
Appraiser Independence, What Do HVCC and Reg. Z Mean to Me?	09/09/2008	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Overview of Appraisal Reg Reqs from a Lender's Perspective	05/13/2008	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Barnett Shale: Truth and Consequences	03/11/2008	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Changes to USPAP for 2008	02/12/2008	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Apartment Market Trends and Review	09/11/2007	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
DFW Signposts to the Real Estate Market	05/10/2007	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Victory Dev. Update/Real Estate Development in Dwtwn Dallas	03/08/2007	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Online Business Practices and Ethics	12/15/2006 - 01/14/2007 Completed 01/04	On-Line Seminar Chicago, IL	Standard		8.0	0.0
Online Analyzing Distressed Real Estate	12/15/2006 - 01/14/2007 Completed 01/08	On-Line Seminar Chicago, IL	Standard		4.0	0.0
Conservation Easements, Land Trusts, and Appraisals	01/11/2007	Dallas, TX	Standard		2.0	0.0
7-Hour National USPAP Update Course	11/10/2006	University of Phoenix - Dallas Campus Dallas, TX	Standard		7.0	0.0



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Program	Date	Location	Type	Status	Hours Attend	Hours Exam
Forecasting Revenue	11/09/2006	University of Phoenix - Dallas Campus Dallas, TX	Standard		7.0	0.0
Scope of Work: Expanding Your Range of Services	11/08/2006	University of Phoenix - Dallas Campus Dallas, TX	Standard		7.0	0.0
Subdivision Valuation: A Comprehensive Guide to Valuing Improved Subdivisions	10/13/2006	University of Phoenix - Dallas Campus Dallas, TX	Standard		7.0	0.0
D/FW Housing Market Update 2006	10/12/2006	Greater Dallas Association of Realtors Dallas, TX	Standard		2.0	0.0
Overview of the 1031 Exchange Program Tenants In Common	09/07/2006	Greater Dallas Association of Realtors Dallas, TX	Standard		2.0	0.0
Litigation Consulting/Expert Witness	05/11/2006	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0
Use of the Multiple Listing Service in Developing Appraisals	03/10/2005	Dallas, TX	Standard		2.0	0.0
New Energy	02/10/2005	North Texas Chapter Dallas, TX	Standard		2.0	0.0
Online Using Your HP12C Financial Calculator	11/15-12/15/2004 Completed 11/17	On-Line Seminar Chicago, IL	Standard		7.0	0.0
Feasibility, Market Value, Investment Timing: Option Value	11/15-12/15/2004 Completed 11/23	On-Line Seminar Chicago, IL	Standard		7.0	0.0
Online Appraising From Blueprints and Specifications	11/15-12/15/2004 Completed 11/22	On-Line Seminar Chicago, IL	Standard		7.0	0.0
7-Hour National USPAP Update Course	11/15/2004	Greater Dallas Association of Realtors Dallas, TX	Standard	Did Not Write	7.0	0.0
Roddy's Barometer for the DFW Commercial Real Estate Market	11/11/2004	Prestonwood Country Club Dallas, TX	Standard		2.0	0.0

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 Information
 Builders

Attachment: FINAL REPORT-G BAR 7 PID MAY 2 2016 (2) (1634 : Glen Crossing Bond Series 2016 POS)



Jimmy H. Jackson, MAI
 Jackson Claborn, Inc.
 1100 Mira Vista Boulevard
 Suite 100
 Plano, TX 75093

February 29, 2016

Education Transcript
Not an Official College Transcript
Must send actual signed certificate of completion

Acct# 79014

This document may not be accepted by all licensing boards as verification of course completion.

Program	Date	Location	Type	Status	Hours	
					Attend	Exam
Online Analyzing Operating Expenses	03/15-04/14/2002 Completed 04/14	On-Line Seminar Chicago, IL	Standard		7.0	0.0
Online Residential Design & Functional Utility	03/15-04/14/2002 Completed 04/13	On-Line Seminar Chicago, IL	Standard		7.0	0.0
Valuation of Detrimental Conditions	03/14/2002	Greater Dallas Association of Realtors Dallas, TX	Standard	Pass	7.0	0.0
Dynamics of Office Building Valuation	10/06/2001	Comerica Service Center Dallas, TX	Standard		7.0	0.0
Appraisal of Local Retail Properties	10/05/2001	Comerica Service Center Dallas, TX	Standard		7.0	0.0
Standards of Prof. Practice, Part C	03/20-21/2000	Greater Dallas Association of Realtors Dallas, TX	Standard	Pass	15.0	1.0
FHA and the Appraisal Process	09/24/1999	Greater Dallas Association of Realtors Dallas, TX	Standard		7.0	0.0
Texas Property Tax Law- Taxpayer Remedies	10/20/1998	Renaissance Dallas Hotel Dallas, TX	Standard		6.0	0.0
Small Hotel/Motel Valuation	05/23/1997	Wilson World Hotel Irving, TX	Standard		7.0	0.0
Appraising High Value and Historic Homes	04/14/1997	Greater Dallas Association of Realtors Dallas, TX	Standard		7.0	0.0
Internet and Appraising	03/07/1997	Radisson Hotel Stemmons Dallas, TX	Standard		7.0	0.0
Advanced Applications	02/16-22/1997	Harvey Hotel Plano Plano, TX	Standard	Did Not Write	36.0	0.0
Appraisal of Nursing Facilities	02/07/1997	Cityplace Conference Center Dallas, TX	Standard		7.0	0.0

Page 6 of 7

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Program	Date	Location	Type	Status	Hours Attend	Hours Exam
Standards of Professional Practice, Part B	02/16-17/1996	Greater Dallas Association of Realtors Dallas, TX	Standard	Pass	10.0	1.0
Standards of Professional Practice, Part A (USPAP)	02/14-15/1996	Greater Dallas Association of Realtors Dallas, TX	Standard	Pass	15.0	1.0
Standards of Professional Practice	02/15-19/1989	Ramada Hotel NWX Houston, TX	Standard	Pass	25.0	2.0
Basic Valuation Procedures	09/19/1988	North Texas Chapter Office Dallas, TX	Challenge	Pass	0.0	4.0
Valuation Analysis & Report Writing	08/07-13/1988	North Texas Chapter Office Dallas, TX	Standard	Pass	18.0	18.0
Basic Valuation Procedures	03/21/1988	North Texas Chapter Office Dallas, TX	Challenge	Did Not Write	0.0	0.0
Case Studies in R.E. Valuation	03/21/1988	North Texas Chapter Office Dallas, TX	Challenge	Pass	0.0	3.0
Cap Theory & Tech, Part B	03/04-13/1988	North Texas Chapter Office Dallas, TX	Standard	Pass	36.0	3.0
Cap Theory & Tech, Part A	02/05-14/1988	North Texas Chapter Office Dallas, TX	Standard	Pass	36.0	3.0

Texas Appraiser Licensing and Certification Board

P.O. Box 12188 Austin, Texas 78711-2188

Certified General Real Estate Appraiser

Number:

TX 1324004 G

Issued:

11/25/2014

Expires:

11/30/2016

Appraiser:

JIMMY HUEL JACKSON

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Texas Occupations Code, Chapter 1103, is authorized to use this title, Certified General Real Estate Appraiser.


Douglas E. Oldmixon
Commissioner

EXPERIENCE AND QUALIFICATIONS OF Shelley M. Sivakumar

Education

University of Texas at Dallas, Dallas, Texas
 Bachelor of Science – Business & Public Administration – 12/1978
 University of North Texas, Denton, Texas – 1977-1978
 Marshall University, Huntington, West Virginia
 Associate in Science – 12/1974

Appraisal Institute Courses

Appraisal Math & Statistics - 2015	Market Analysis/STDB-2005
Residential Report Writing-2014	Fair Housing-2005
Modern Green Building Concepts-2014	Environmental Issues-2005
Ad Valorem Tax Consultation-2014	Texas Real Estate Contracts-2004
The Dirty Dozen-2011	Texas Real Estate Agency-2004
Essential Elements of Disclosure & Disclaimer-2011	Modern Real Estate Practice in Texas-2004
Land & Site Valuation-2011	Appraising Residential Properties-2003
Commercial Clients Want Appraisers to Know-2009	Income Property Appraisal-2003
Basic Income Capitalization-2006	Real Estate Appraisal-2002

Uniform Standards of Professional Appraisal Practices – 2002, 2005,
 2007, 2009, 2010, 2012, 2013, 2015

Appraisal Seminars

Dallas RE & Economic Performance & Projections-2015	The TALCB Complaint Process-2011
Texas' Economic Outlook/Regulatory Updates-2015	GSE, Dodd-Frank & Interagency Guidelines-2011
Downtown Dallas Developments-2015	Using MLS Data in Valuing Properties-2011
Redevelopment of Midtown Dallas District-2014	New Residential Market Conditions Form -2009
Texas' Appraisal Industry Update-2013	Effects of IRS Rulings on Conservation Easements-2009
Parks Dallas & Data Center R.E. Industry Trends-2012	Challenges of Easements, Eminent Domain, ROW-2006
Parks Dallas & Data Center R.E. Industry Trends-2012	
Factoring Sustainability into Asset Valuation-2012	
Valuation Models & Your Future-2012	

Professional License

State Licensed Real Estate Appraiser (No. TX-1333354-L)

Professional History

2000 - Present	Jackson Claborn, Inc., Plano, Texas Commercial Real Estate Appraiser
1991 - 2012	Wyngate Development Corporation, Dallas, Texas Vice President/Asset Management
1978 - 1980	Adelstein, McBee & Co., CPA's, Dallas, Texas Tax Accountant
1976 - 1978	Republic National Bank, Dallas, Texas Administrative Assistant – Metropolitan Corporate Group

Areas of Special Competence

Real estate appraisal, consulting and feasibility for income-producing properties including office buildings, shopping centers, apartment complexes, industrial properties, mixed-use developments, subdivisions, schools, and free-standing retail buildings.

Texas Appraiser Licensing and Certification Board
P.O. Box 12188 Austin, Texas 78711-2188
Licensed Residential Real Estate Appraiser

Number: TX 1333354 L Expires: 02/28/2018
Issued: 01/22/2016

Appraiser: **SHELLEY MARIE SIVAKUMAR**

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Texas Occupations Code, Chapter 1103, is authorized to use this title, Licensed Real Estate Appraiser.


Douglas E. Oldmixon
Commissioner

Draft

GLEN CROSSING
PUBLIC IMPROVEMENT DISTRICT
PRELIMINARY SERVICE AND ASSESSMENT PLAN

JUNE 9, 2016

*Draft***GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT****SERVICE AND ASSESSMENT PLAN****Table of Contents**

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Attachment: Glen Crossing PID - Draft SAP - v 1.8.1 (1634 : Glen Crossing Bond Series 2016 POS)

Section I PLAN DESCRIPTION AND DEFINED TERMS

A. Introduction

On April 12, 2016 (the "Creation Date") the City Council (the "City Council") of the City of Celina, Texas (the "City") passed and approved Resolution No. 2016-24R approving and authorizing the creation of the "G Bar 7 Public Improvement District" to finance the costs of certain public improvements for the benefit of property in such public improvement district (the "Authorized Improvements"), all of which is located within the City of Celina. On [_____, 2016] the City passed and approved [Resolution No. 2016- ____] changing the name of the "G Bar 7 Public Improvement District" to the "Glen Crossing Public Improvement District" (the "PID").

The property in the PID is proposed to be developed in approximately two phases, and the PID will finance public improvements for each phase as each phase is developed. Assessments will be imposed on the property in each phase for the public improvements to be 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 and operation of public improvement districts within the State of Texas. This Glen Crossing Public Improvement District Preliminary Service and Assessment Plan (the "Service and Assessment Plan") has been prepared in accordance with the PID Act and specifically Sections 372.013, 372.014, 372.015 and 372.016, which address the requirements of a service and assessment plan and the assessment roll. According to Section 372.013 of the PID Act, a service plan "must 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 is described in Section IV of this Service and Assessment Plan.

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

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

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

B. Definitions

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

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

Actual Costs may 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.

“Administrative Expenses” mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) creating and organizing the PID, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of the PID, (iii) computing, levying, billing and collecting Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Assessments and the system of registration and transfer of the Bonds, (v) issuing, paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and codes with respect to the Bonds, (viii) the Trustee fees and expenses relating to the Bonds, including reasonable fees, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Authorized Improvements. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on the Bonds. Administrative Expenses collected and not expended for actual Administrative Expenses 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 a series of Bonds or identified in any other agreement approved by the City Council, who shall have the responsibilities provided for herein.

“Annual Installment” means, with respect to each Parcel, each annual payment of: (i) the Assessments, as shown on the Assessment Roll attached hereto as Appendix E, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) the Administrative Expenses, (iii) the prepayment reserve described in Section V(F) of this Service and Assessment Plan, and (iv) the delinquency reserve described in Section V(G) of this Service and Assessment Plan.

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

“Assessed Property” means any property that benefits from the Authorized Improvements within the PID 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. Assessed Property includes Parcels within the PID other than Non-Benefited Property.

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

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

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

“Assessment Roll” or **“Assessment Rolls”** means collectively or separately, as applicable, the Phase #1 Assessment Roll included in this SAP as Appendix E or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update, as each may be updated, modified, or amended from time to time in accordance with the procedures set forth in this SAP and in the PID Act.

“Authorized Improvements” mean those public improvements described in Appendix B of this Service and Assessment Plan and 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, as shown in Appendix B.

“Bonds” mean any bonds issued by the City, including the Phase #1 Bonds and the Phased PID Bonds, in one or more series and secured in whole or in part by the Assessment Revenues.

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

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

“City” means the City of Celina, Texas.

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

“City Improvements” means the additional public improvements to be constructed as part of the agreement between the City and the Developer under the Development Agreement as discussed in Section III(B).

“County” means Collin County, Texas.

“Delinquency Reserve” has the meaning set forth in Section V(G) of this Service and Assessment Plan.

“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 Wynne Jackson, Inc., a Texas corporation or other entity affiliated with Wynne Jackson, Inc. responsible for the development of all or a portion of the property within the PID.

“Development Agreement” means that certain "Amended and Restated Development Agreement" relating to the PID executed by and between the Developer and the City effective June 14, 2016, as the same may be amended from time to time.

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

“Future Phase” means a Phase that is fully developed after Phase #1, as such area is generally depicted in Appendix A. The Future Phase is subject to adjustment and is shown for illustration purpose only.

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

“Homeowners’ Association Special Assessment Allocation” means 1% of the total Assessment that will be reallocated to cover the benefit received by the Homeowner’s Association from the

Authorized Improvements benefitting the Homeowner Association Property once the Homeowner Association is created within the PID.

“Homeowner Association Property” or (“HOA Property”) means property within the PID owned by or irrevocably offered for dedication to, whether in fee simple or through an easement, a homeowners’ association established for the benefit of a group of homeowners or property owners.

“Lot” means a tract of land described as a “lot” in a subdivision plat recorded in the official public records of Collin 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 average home 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 the average home value on the lot, as determined by the Administrator and confirmed by the City Council.

“Lot type 1” means lots identified as such on the Assessment Roll, being lots typically with approximately 7,500 square feet size and a lot width of 60 feet, which may be referred to as such in the Planned Development District.

“Lot type 2” means lots identified as such on the Assessment Roll, being lots typically with approximately 6,000 square feet size and a lot width of 50 feet, which may be referred to as such in the Planned Development District.

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

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

“Phase” means one or more Parcels within the PID that will be developed in the same general time period. The Parcels within a Phase will be assessed in connection with the issuance of Phased PID Bonds for Authorized Improvements (or the portion thereof) designated in an update to this Service and Assessment Plan that specially benefit the Parcels within the Phase.

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

shown in Appendix E.

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

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

“Phase #1 Assessment Roll” means the document included in this Service and Assessment Plan as Appendix E, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

“Phase #1 Bonds” mean collectively the Phase #1A Bonds (defined in Section IV.A) and the Phase #1B Bonds (defined in Section IV.A), if any, to be issued by the City to finance the Phase #1 Improvements.

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

“Phased PID Bonds” mean bonds issued to fund Authorized Improvements (or a portion thereof) in a Phase. In connection with the Phased PID Bonds, Assessments will be levied only on Parcels, other than Non-Benefited Property, located within the respective Phase.

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

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

“PID Reimbursement Agreement” means that certain PID Reimbursement Agreement, dated _____, 2016, by and between the City and the Developer in which the Developer agrees to fund certain Actual Costs of Phase #1 Improvements and the City agrees to reimburse the Developer for a portion of such Actual Costs of the Phase #1 Improvements funded by the Developer with interest as permitted by the PID Act.

“Planned Development District” means the zoning classification established as PD – Planned Development District #23 pursuant to Ordinance No 2015-13 adopted by the City Council designating the zoning and development standards.

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

“Prepayment Reserve” has the meaning set forth in Section V(F) of this Service and Assessment Plan.

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

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

“TIRZ No. 6” means the Tax Increment Reinvestment Zone No. 6, City of Celina, Texas.

“TIRZ Annual Credit Amount” means, for each Parcel, such Parcel’s prorated amount of TIRZ Revenues calculated pursuant to Section VI (A) 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 certain public improvements as provided for in the Tax Increment Reinvestment Zone No. 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. 6 tax increment fund pursuant to the TIRZ Ordinance to reduce an Annual Installment, as calculated each year by the Administrator in collaboration with the City, in accordance with Section VI(A) of this Service and Assessment Plan.

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

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

Section II PROPERTY INCLUDED IN THE PID

A. Property Included in the PID

The PID is presently located within the City and contains approximately 109 acres of land. A map of the property within the PID is shown on Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 349 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. The estimated number of lots (349) and the classification of each lot are based upon the proposed development plan.

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

Table II-A
Proposed Development

Proposed Development Type	Quantity	Measurement
Single Family Residential – 60 Feet	150	units
Single Family Residential – 50 Feet	199	units
Total	349	units

B. Property Included in Phase #1

Phase #1 consists of approximately 41.5 acres and is projected to consist of 159 single family residential units as further described in Section III. A map of the property within Phase #1 and the Future Phase and depicting the boundaries of each proposed Phase is shown in Appendix A.

C. Property Included in Future Phase

The Future Phase consists of approximately 67.5 acres and is projected to consist of approximately 190 residential units. As the Future Phase is developed, additional Phased PID Bonds may be issued for the new phase. In connection with the issuance of each new series of Phased PID Bonds, this Service and Assessment Plan will be updated to add additional details of each Future Phase as shown for Phase #1 in Section II.B. A map of the projected property within each Future Phase is shown in Appendix A. The Future Phase is shown for illustrative purposes only and is subject to adjustment.

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

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Section III DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. Authorized Improvement Overview

Section 372.003 of the PID Act defines the improvements that may be undertaken by a municipality or county through the establishment of a public improvement district, as follows:

372.003. Authorized Improvements

- (a) If the governing body of a municipality or county finds that it promotes the interests of the municipality or county, the governing body may undertake an improvement project that confers a special benefit on a definable part of the municipality or county or the municipality's extraterritorial jurisdiction. A project may be undertaken in the municipality or county or the municipality's extraterritorial jurisdiction.
- (b) A public improvement may include:
 - (i) landscaping;
 - (ii) erection of fountains, distinctive lighting, and signs;
 - (iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;
 - (iv) construction or improvement of pedestrian malls;
 - (v) acquisition and installation of pieces of art;
 - (vi) acquisition, construction, or improvement of libraries;
 - (vii) acquisition, construction, or improvement of off-street parking facilities;
 - (viii) acquisition, construction, improvement, or rerouting of mass transportation facilities;
 - (ix) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements;
 - (x) the establishment or improvement of parks;
 - (xi) projects similar to those listed in Subdivisions (i)-(x);
 - (xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;
 - (xiii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement; and
 - (xiv) payment of expenses incurred in the establishment, administration and operation of the district.

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After analyzing the public improvement projects authorized by the PID Act, the City has determined at this time to undertake only Authorized Improvements listed as the Phase #1 Improvements in Section III.B below and described in Appendix B and shown on the diagram included as Appendix C for the benefit of the Phase #1 Assessed Property. Any change to the list of Authorized Improvements, including any improvements for the Future Phase, will require the approval of the City and an update to this Service and Assessment Plan.

B. Description of the Authorized Improvements

Phase #1 Improvements:

The Phase #1 Improvements are the Authorized Improvements that will benefit the Phase #1 Assessed Property. The descriptions of the Phase #1 Improvements are presented below and the Budgeted Costs of the Phase #1 Improvements are shown in Table III-A. The Budgeted Costs shown in Table III-A may be revised in an Annual Service Plan Update as needed.

- **Road Improvements:**
 - The road improvements within Phase #1 include construction of perimeter road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices. The road improvements will provide street access to each lot within Phase #1 as well as access to community roadways and state highways. All roadway projects will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.
- **Water Distribution System Improvements:**
 - The water distribution system improvements within Phase #1 consist of construction and installation of on-site and off-site water lines, mains, pipes, valves and appurtenances, necessary for the water distribution system, as well as related testing, trench safety and erosion protection, necessary to service the Phase #1 Assessed Property. The water distribution system improvements will extend water service to the boundaries of Phase #1 and to all lots within Phase #1. The water distribution system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.
- **Sanitary Sewer Improvements:**
 - The sanitary sewer improvements within Phase #1 consist of construction and installation of on-site and off-site pipes, service lines, manholes, encasements and appurtenances necessary to provide sanitary sewer service to the Phase #1 Assessed Property. The sanitary sewer improvements will extend wastewater service to the boundaries of Phase #1 and to all lots within Phase #1. The sanitary sewer improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.
- **Storm Drainage Improvements:**
 - The storm drainage improvements within Phase #1 consist of construction and

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installation of pipes, inlets, manholes, detention ponds and appurtenances necessary to provide storm drainage to the Phase #1 Assessed Property. The storm drainage improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

- ***Park and Open Space Improvements:***

- The park and open space improvements within Phase #1 consist of construction and installation of landscaping, walls, and entries. The park and open space improvements will be designed and constructed in accordance with City standards and specifications and will be owned by the City either by fee or through a public use easement and maintained by the Homeowners' Association.

Additional details of the Phase #1 Improvements are shown in Appendix B attached to this Service and Assessment Plan. The method of cost allocation is explained in Section V (C).

The Budgeted Costs shown in Tables III-A may be revised in Annual Service Plan Updates. The detailed costs of the Phase #1 Improvements are shown in Appendix B to this Service and Assessment Plan. Savings from one line item may be applied to a cost increase in another line item. These savings may be applied only to increases in costs of the Authorized Improvements (i.e., the improvements for the benefit of property within the PID).

Table III-A
Phase #1 Improvement Costs

Roadway improvements	\$ 1,501,138
Water distribution system improvements	\$572,950
Sanitary sewer improvements	\$691,366
Storm drainage improvements	\$1,377,040
Park and open space improvements	\$512,950
Other soft, contingency and miscellaneous costs	\$1,303,524
Total	\$ 5,958,968

Other Improvements:

Additional public improvements are contemplated to be constructed as part of the agreement between the Developer and the City under the Development Agreement. Such public improvements ("City Improvements") will be designed by the City. The City Improvements include roadway improvements, water distribution system improvements and sanitary sewer collection system improvements. The estimated costs of the City Improvements are excluded from the Authorized Improvements shown in Table III-A and will not be paid for by Assessment Revenues. The estimated costs of the City Improvements are included herein solely to establish the basis for the TIRZ Annual Credit Amount described in Section VI (A) of this Service and Assessment Plan.

City Improvements – Roadway improvements: (Descriptions to be provided)

City Improvements – Water distribution system improvements: (Descriptions to be provided)

City Improvements – Sanitary sewer collection system improvements: (Descriptions to be

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provided)

Table III-B below shows the estimated costs of the City Improvements anticipated to be constructed in accordance with the Development Agreement.

Table III-B
City Improvement Costs

Description	City Improvements to be constructed as part of		
	Phase #1	Future Phase	Total
Roadway improvements including ROW acquisition	\$160,000	\$1,012,708	\$1,172,708
Water distribution system improvements	\$280,060	\$0	\$280,060
Sanitary sewer improvements	\$753,258	\$534,891	\$1,288,149
Other soft, contingency and miscellaneous costs	\$289,330	\$433,328	\$722,657
Total	\$1,482,648	\$ 1,980,927	\$ 3,463,574

Additionally, the Developer plans to construct over a period of approximately 24 months certain improvements within the PID including grading, water and sewer services, franchise utility services, landscaping and other miscellaneous items related to the Private Improvements; a pool and related facilities, fencing and landscaping (collectively, the “Private Improvements”) to serve the entire PID. The costs of such Private Improvements will be paid entirely by the Developer without any reimbursement through the PID.

C. Future Phase Authorized Improvements

As the Future Phase is developed, additional Phased PID Bonds may be issued to finance Authorized Improvements for the Future Phase. As Phased PID Bonds are issued for the Future Phase, this Service and Assessment Plan will be updated to identify the specific Authorized Improvements financed by such Phased PID Bonds that benefit the Phase (i.e., a Table III-C will be added to show the Budgeted Costs for Authorized Improvements that will benefit the Assessed Property within Phase #2).

Attachment: Glen Crossing PID - Draft SAP - v 1.8.1 (1634 : Glen Crossing Bond Series 2016 POS)

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Section IV SERVICE PLAN

A. Sources and Uses of Funds

The PID Act requires the service plan to cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during the five year period. It is anticipated that it will take approximately twelve months to construct the Phase #1 Improvements. Following the completion of construction of Phase #1 Improvements, Phase #2 development will begin and so on, with each Future Phase to be subsequently developed corresponding to the Service and Assessment Plan to be updated with that development.

The Budgeted Costs for the Phase #1 Improvements plus costs related to the issuance of the Bonds, in one or more series, and payment of expenses incurred in the establishment, administration and operation of the PID are \$6,727,090 as shown in Table IV-A. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the Actual Costs of the Authorized Improvements, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an "Annual Service Plan Update."

Table IV-A summarizes the sources and uses of funds required to construct the Phase #1 Improvements to be financed with the proceeds from the Phase #1A Bonds and PID Reimbursement Agreement, including Budgeted Costs related to establishing the PID and issuing the Phase #1 Bonds. The sources and uses of funds shown in Table IV-A shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and changes in Actual Costs.

As the Future Phase is developed in connection with the issuance of Phased PID Bonds, this Service and Assessment Plan will be amended (i.e. Table IV-B will be added for Phase #2).

The Phase #1A Bonds (as defined herein) are being issued to finance a portion of the Phase #1 Improvements, including costs to issue the Phase #1A Bonds, as shown in Table IV-A below. The first series of Phase #1 Bonds ("Phase #1A Bonds") are anticipated to be issued in 2016 and will be used to construct or acquire a portion of the Phase #1 Improvements. A portion of the remaining costs of Phase #1 Improvements will be financed through the PID Reimbursement Agreement. A second series of Phase #1 Bonds ("Phase #1B Bonds") may, subject to the approval of the City Council and compliance with the applicable provisions in the Trust Indenture, be issued in 2018 or 2019; and, to the extent provided by law, the proceeds from the Phase #1B Bonds will be used to reimburse certain Actual Costs paid by the Developer under the terms of the PID Reimbursement Agreement and to pay any unpaid Actual Costs of Phase #1 Improvements required to be paid under the PID Reimbursement Agreement.

Attachment: Glen Crossing PID - Draft SAP - v 1.8.1 (1634 : Glen Crossing Bond Series 2016 POS)

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Table IV-A
Sources and Uses

Sources of Funds	Authorized Improvements (PID)	Other Improvements (Non-PID)	Total Amounts
Bond par amount	\$3,550,000	\$0	\$3,550,000
PID Reimbursement Agreement	\$2,040,000	\$0	\$2,040,000
<i>Subtotal</i>	<i>\$5,590,000</i>	<i>\$0</i>	<i>\$5,590,000</i>
Other funding sources - Phase #1 Improvements	\$1,137,090	\$0	\$1,137,090
Total Sources for Phase #1 Improvements	\$6,727,090	\$0	\$6,727,090
Other funding sources - City Improvements	\$0	\$1,482,648	\$1,482,648
Other funding sources – Private Improvements	\$0	\$1,268,901	\$1,268,901
Total Sources	\$6,727,090	\$2,751,549	\$9,478,638
Uses of Funds			
Authorized Improvements - Phase #1 Improvements			
Road improvements	\$1,501,138	\$0	\$1,501,138
Water distribution system improvements	\$572,950	\$0	\$572,950
Sanitary sewer improvements	\$691,366	\$0	\$691,366
Storm drainage improvements	\$1,377,040	\$0	\$1,377,040
Parks and open space improvements	\$512,950	\$0	\$512,950
Other soft and miscellaneous costs	\$1,303,524	\$0	\$1,303,524
<i>Subtotal</i>	<i>\$5,958,968</i>	<i>\$0</i>	<i>\$5,958,968</i>
City Improvements			
Road improvements	\$0	\$160,000	\$160,000
Water distribution system improvements	\$0	\$280,060	\$280,060
Sanitary sewer improvements	\$0	\$753,258	\$753,258
Other soft and miscellaneous costs	\$0	\$289,330	\$289,330
<i>Subtotal</i>	<i>\$0</i>	<i>\$1,482,648</i>	<i>\$1,482,648</i>
Private Improvements			
City debt issuance fee	\$0	\$226,850	\$226,850
NonBQ fee	\$0	\$42,998	\$42,998
Other private improvements	\$0	\$999,053	\$999,053
<i>Subtotal</i>	<i>\$0</i>	<i>\$1,268,901</i>	<i>\$1,268,901</i>
Costs of issuance			
Capitalized interest	\$197,247	\$0	\$197,247
Reserve fund	\$246,375	\$0	\$246,375
Ag exemption foreclosure reserve	\$5,000	\$0	\$5,000
PID establishment/ operation and other costs of issuance	\$213,000	\$0	\$213,000
Underwriter's discount	\$106,500	\$0	\$106,500
<i>Subtotal</i>	<i>\$768,122</i>	<i>\$0</i>	<i>\$768,122</i>
Total Uses	\$6,727,090	\$2,751,549	\$9,478,638

Attachment: Glen Crossing PID - Draft SAP - v 1.8.1 (1634 : Glen Crossing Bond Series 2016 POS)

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As described in Sections V(I) and VI(A) the City has agreed to use TIRZ Revenues generated from each Parcel to offset a portion of such Parcel's PID assessments. The total Phase #1A Bond par amount to be repaid with the TIRZ Annual Credit Amounts (the "TIRZ Credit Funded Portion") is projected to be \$2,093,153 as calculated based on the projected TIRZ Annual Credit Amounts anticipated to be used for offsetting the Annual Installments to be collected from the Phase #1A Assessed Property. The balance of the Phase #1A Bonds to be repaid with the net Annual Installments (the "Net Assessment Funded Portion") is calculated to be \$1,456,847 (i.e. \$3,550,000 - \$2,093,153 = \$1,456,847). Accordingly, the Phase #1A Bonds are allocated between the TIRZ Credit Funded Portion and the Net Assessment Funded Portion as shown in Table IV-B below. The detailed breakdown of the estimated Phase #1A Bond debt service amounts is in the schedule included in Appendix E.

Table IV-B
Estimated Sources and Uses
Phase #1 Bonds – TIRZ Credit Funded Portion

Sources of Funds	Phase #1A Bonds		
	TIRZ Credit Funded Portion	Net Assessment Funded Portion	Total
Bond par amounts	\$2,093,153	\$1,456,847	\$3,550,000
Total Sources	\$2,093,153	\$1,456,847	\$3,550,000
Uses of Funds			
<u>Improvements</u>			
Road improvements	\$413,943	\$288,107	\$702,049
Water distribution system improvements	\$157,992	\$109,964	\$267,956
Sanitary sewer improvements	\$190,646	\$132,691	\$323,337
Storm drainage improvements	\$379,722	\$264,289	\$644,011
Parks and open space improvements	\$141,447	\$98,448	\$239,895
Other soft and miscellaneous costs	\$359,450	\$250,179	\$609,629
Subtotal	\$1,643,200	\$1,143,678	\$2,786,878
Estimated Bond issue costs			
Capitalized interest	\$116,301	\$80,946	\$197,247
Reserve fund	\$145,268	\$101,107	\$246,375
PID establishment/ operation and other costs of issuance	\$125,589	\$87,411	\$213,000
Underwriter's discount	\$62,795	\$43,705	\$106,500
Subtotal	\$449,952	\$313,170	\$763,122
Total Uses	\$2,093,153	\$1,456,847	\$3,550,000

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As the Future Phase is developed, Phased PID Bonds may be issued to finance Authorized Improvements that will benefit the new Future Phase and such Phased PID Bonds will be secured by Assessments levied only on the Assessed Property within such Future Phase. For example, Phase #2 Bonds may be issued to finance the Authorized Improvements that will benefit the Assessed Property within Phase #2. The Phased PID Bonds for the Future Phase may also be issued in one or more series of Phased PID Bonds.

The City reserves the right to issue additional parity bonds secured by the Phase #1 Assessment Revenues to finance (or refinance) a portion of Phase #1 Improvements not paid with proceeds of the Phase #1A Bonds. The issuance of such additional bonds will be subject to the conditions and provisions set forth in the Trust Indenture relating to the Phase #1 Bonds. The Phase #1 Bonds may also, subject to the approval of the City Council, be refunded pursuant to the refunding provisions of the Trust Indenture relating to the Phase #1 Bonds. If the debt service on the Series 2016 Phase #1A Bonds is reduced as the result of an economic refunding of those PID bonds, then there would be a corresponding reduction in both TIRZ Annual Credit Amounts and the Annual Installments (i.e., Annual Installments shall be permanently reduced by the same amount the TIRZ Annual Credit Amounts are reduced) which will result in a permanent reduction in the Assessments.

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

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

Year	Annual Projected Cost	Annual Projected Indebtedness (Phase #1A Bonds and Phase #1 Reimbursement Agreement)	Sources other than Phase #1A Bonds and Phase #1 Reimbursement Agreement
2016	\$6,727,090	\$5,590,000	\$1,137,090
2017	\$0	\$0	\$0
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
Total	\$6,727,090	\$5,590,000	\$1,137,090

The annual projected costs shown in Table IV-C are the annual expenditures relating to the Phase #1 Improvements shown in Table III-A, the costs associated with creating the PID and costs of issuing the Phase #1A Bonds, including reserves shown in Table IV-A, and costs related to the PID Reimbursement Agreement. The difference between the annual projected cost and the annual

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projected indebtedness, and between the annual projected indebtedness and the principal amount of the bonds each represent an amount funded by the Developer, which may be reimbursed with future bond proceeds to the extent available. As the Future Phase is developed, in association with issuing Phased PID Bonds, this Table IV-C will be updated to identify the Authorized Improvements to be financed by each new series of the Phased PID Bonds and the projected indebtedness resulting from each additional series of the Phased PID Bonds.

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Attachment: Glen Crossing PID - Draft SAP - v 1.8.1 (1634 : Glen Crossing Bond Series 2016 POS)

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Section V ASSESSMENT PLAN

A. Introduction

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

The proposed bond issuance program anticipates 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 Phase #1A Bonds, subsequent financings may be issued over the upcoming years as the subsequent phase(s) of the development are gradually constructed.

The purpose of this anticipated gradual issuance of bonds in phases is to mirror the actual private development of the Authorized Improvements. The Phased PID 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 Phased 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 burden 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 may be reimbursed by a subsequent parity lien bond financing and /or a reimbursement agreement, such as the PID Reimbursement Agreement. For example, the Phase #1A Bonds to be issued to finance a portion of the Phase #1 Improvements may, subject to the initial bond issuance requirements in the Development Agreement and approval by the City Council, be followed by a second parity lien issuance of Phased PID Bonds (the Phase #1B Bonds) to finance Actual Costs of Phase #1 Improvements not financed by the Phase #1A Bonds.

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

1. The Authorized Improvement 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

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the imposition of equal shares of the costs of the Authorized Improvements to Parcels similarly benefited.

2. The City Council has concluded that larger more expensive homes are likely to be built on the larger lots, and that larger more expensive homes are likely to make greater use of and receive greater benefit from the Authorized Improvements. In determining the relative values of Parcels, the City Council has taken into consideration (i) the type of development (i.e., residential, commercial, etc.), (ii) single-family lot sizes and the size of homes likely to be built on lots of different sizes, (iii) current and projected home process provided by the Developer, (iv) the Authorized Improvements to be provided and the estimated costs, and (v) the ability of different property types to utilize and benefit from the Authorized Improvements.
3. 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.
4. Equivalent Units are calculated for each Lot Type based on the relative value of each Lot Type.
5. The Phase #1 Improvement costs less the Homeowner Association Special Assessment Allocation are allocated to each Parcel within the Phase #1 Assessed Property based on the total Equivalent Units estimated for each Parcel.

At this time it is impossible to determine with absolute certainty the amount of special benefit each Parcel within the Future Phase will receive from the Authorized Improvements that will benefit each individual phase and that are to be financed with Phased PID Bonds. Therefore, at this time only Parcels within Phase #1 will only be assessed for the special benefits conferred upon the Parcel because of the Phase #1 Improvements.

In connection with the issuance of Phased 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 Phase receives from the specific Authorized Improvements funded with those Phased PID Bonds or reimbursement agreement, as applicable, issued with respect to that Future Phase. Prior to assessing Parcels located within the Future Phase in connection with issuance of Phased PID Bonds or reimbursement agreement, as applicable, 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 Phase #1 Assessed Property as a result of the Phase #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 Phase #1 Assessed Property, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit within Phase #1 of the Phase #1 Improvements to Phase #1 Assessed Property in a manner that results in equal shares of the Actual Costs of such improvements being apportioned to Phase #1 Assessed Property 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.

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As the Future Phase is developed or in connection with the issuance of Phased PID Bonds, this Service and Assessment Plan will be updated based on the City's determination of the assessment methodology for each Future Phase.

B. Special Benefit

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

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

The Authorized Improvements provide a special benefit to the Assessed Property as a result of these improvements being constructed on the Assessed Property or in close proximity to the Assessed Property and the specific purpose of these Authorized 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 is 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 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.

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; and (ii) 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,

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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 beneficial to the City and the PID. As a result, the Authorized Improvements result in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, information, and testimony provided to the City Council.

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

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

C. Assessment Methodology

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

1. Assessment Methodology for Phase #1

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1 Improvements shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units as calculated and shown in Appendix D using the types and number of lots anticipated to be developed on each Parcel within Phase #1. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

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Based on the Actual Costs of the Phase #1 Improvements provided by the Developer working with the City's engineers, as set forth in Table III-A, the City Council has determined that the benefit to Phase #1 Assessed Property resulting from the Phase #1 Improvements is at least equal to the Assessments levied on the Phase #1 property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the Equivalent Unit applicable to each Lot Type at the time residential Lots are platted to the total Equivalent Units of all Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council. The result of this approach is that each final residential Lot within a recorded subdivision plat with similar values will have the same Assessment, with larger, more valuable Lots having a proportionately larger share of the Assessments than smaller, less valuable Lots. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots placing greater demand on the Authorized Improvements.

Allocation of Assessments to Lot Types in Phase #1

As shown in Section IV of this Service and Assessment Plan, the total amount of the Phase #1 Bonds, which represents the total Assessment to be allocated on all Parcels within Phase #1, is \$5,590,000. As shown in Appendix D, there are a total of 143.33 estimated Equivalent Units for the residential development in Phase #1, resulting in an Assessment per Equivalent Unit of \$39,000.00.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$39,000.00 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (60 Ft Lot) dwelling unit is \$39,000.00 (i.e. \$39,000.00 $\times$ 1.00). The Assessment for a Lot Type 2 (50 Ft Lot) dwelling unit is \$32,500.00 (i.e. \$39,000.00 $\times$ 0.83). Table E-2 sets forth the Assessment per dwelling unit for each of the two Lot Types in Phase #1.

Table V-1
Assessment per Unit - Phase #1

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor ¹	Assessment per Unit	Total Assessments
Lot Type 1	65	\$39,000.00	1.00	\$39,000.00 per dwelling unit	\$2,535,000
Lot Type 2	94	\$39,000.00	0.83	\$32,500.00 per dwelling unit	\$3,055,000
Total	159				\$5,590,000

1 – See Appendix D for the calculation of the Equivalent Unit Factors

The projected leverage calculated based on the estimated land values, finished lot values and

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home values for each Lot Type is shown in Table V-2 below.

Table V-2
Projected Leverage – Phase #1

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Assessment per Unit	Leverage (Land Value)	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 1	65	\$30,000	\$81,000	\$405,000	\$39,000	0.77	2.08	10.38
Lot Type 2	94	\$25,000	\$67,500	\$337,500	\$32,500	0.77	2.08	10.38
Total	159							

The projected tax rate equivalent per unit calculated based on the estimated land values, finished lot values and home values for each Lot Type is shown in Table V-3 below.

Table V-3
Estimated Tax Rate Equivalent per unit – Phase #1

Lot Type	Planned No. of Units	Estimated Land Value per unit	Estimated Finished Lot Value per unit	Projected Home Value per unit	Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Land Value)	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
Lot Type 1	65	\$30,000	\$81,000	\$405,000	\$2,980	\$9.93	\$3.68	\$0.74
Lot Type 2	94	\$25,000	\$67,500	\$337,500	\$2,483	\$9.93	\$3.68	\$0.74
Total	159							

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

Appendix D shows the detailed calculation of the Assessment per Equivalent Unit and the Assessment for each Lot type.

2. *Assessment Methodology for the Future Phase*

When any given Future Phase is developed or Phased PID Bonds for that Future Phase are to be issued, this Service and Assessment Plan will be amended to determine the assessment methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited within that Phase.

D. Assessments

The Assessments for Phase #1 will be levied on each Parcel according to the Phase #1 Assessment Roll, attached hereto as Appendix E. The Annual Installments for the Phase #1 Bonds will be collected at the time and in the amounts shown on the Phase #1 Assessment Roll,

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respectively, subject to any revisions made during an Annual Service Plan Update.

E. Administrative Expenses

The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of Assessment levied against the Parcel. The Administrative Expenses shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

F. Prepayment Reserve

Pursuant to the PID Act, the interest rate for Assessments may exceed the actual interest rate per annum paid on the related Bonds by no more than one half of one percent (0.50%). The interest rate used to determine the Assessments is one half of one percent (0.50%) per annum higher than the actual rate paid on the Bonds, with up to 0.20% of the interest rate component of the Annual Installments allocated to fund the associated interest charged between the date of prepayment of an Assessment and the date on which Bonds are prepaid and up to 0.30% of the interest rate component of the Annual Installments allocated to fund a delinquency reserve account as described below. The prepayment reserve shall be funded until it reaches 1.50% of the outstanding Bonds as stipulated in the Bond documents. Once the prepayment reserve is funded in full, any additional interest collected shall be allocated to fund delinquent payments as described in Section V(H) below.

G. AG Exemption Foreclosure Reserve

A reserve in the amount of \$5,000 (the "Ag Exemption Foreclosure Reserve") shall be established and fully funded by the Developer at the time of levying the Assessments on the Assessed Property. Such amount shall be used for the payment of costs of foreclosure proceedings, if any, related to the changes in the agricultural exemption status of the Assessed Property.

H. Delinquency Reserve

The City has allocated up to 0.30% of the additional interest rate component of the Annual Installments to offset any possible delinquent payments. This additional reserve shall be funded up to 4% of the outstanding Bonds, but in no event will the annual collection, together with the prepayment reserve, total more than 0.50% of the outstanding Bonds. Once the delinquency reserve is funded in full, the City may allocate up to 0.50% of the additional interest rate component of the Annual Installments to pay for Administrative Expenses, improvement costs, any other use that benefits the Assessed Property or reduce the Assessments, as determined by the City Council.

I. TIRZ Annual Credit Amount

Pursuant to the TIRZ Ordinance, the City has agreed to use TIRZ Revenues generated from each Parcel to offset a portion of such Parcel's PID assessments (the "TIRZ Annual Credit Amount"). The Annual Installment for each Parcel shall be calculated by taking into consideration any TIRZ Annual Credit Amount applicable to the Parcel then on deposit in the TIRZ No. 6 tax increment

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fund. The TIRZ Annual Credit Amount applicable to each Parcel shall be calculated as described under Section VI (A) of this Service and Assessment Plan.

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Attachment: Glen Crossing PID - Draft SAP - v 1.8.1 (1634 : Glen Crossing Bond Series 2016 POS)

Section VI TERMS OF THE ASSESSMENTS

A. Amount of Assessments and Annual Installments for Parcels Located Within Phase #1

The Assessments, and Annual Installments thereof, for each Parcel of Phase #1 Assessed Property is shown on the Phase #1 Assessment Roll, attached as Appendix E, 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 (i) principal and interest on the Phase #1A Bonds, (ii) principal and interest required by the PID Reimbursement Agreement, (iii) to fund the prepayment reserve described in Section V, (iv) delinquency reserve described in Section V, and (v) to cover Administrative Expenses of Phase #1. The Annual Installment for each Parcel shall be calculated by taking into consideration any available capitalized interest and TIRZ Annual Credit Amount applicable to the Parcel. The TIRZ Annual Credit Amount shall be calculated separately for each Parcel and such TIRZ Annual Credit Amount shall be applied on a Parcel-by-Parcel basis.

As described in Section V-I, the TIRZ Revenues attributable to each Parcel of Assessed Property collected in any given year shall be used to calculate each Parcel's TIRZ Annual Credit Amount for such Parcel in the following year (i.e., TIRZ Revenues collected in 2016 shall be used to calculate the TIRZ Annual Credit Amount applicable to Annual Installments to be collected in 2017). TIRZ Annual Credit Amounts shall be calculated for those Parcels that are subject to Assessments in the PID. The Equivalent Units to be used for the calculation of the TIRZ Annual Credit Amount, if applicable, shall be determined by the Administrator based on the information available to the Administrator at the time of such calculations.

B. Amount of Assessments and Annual Installments for Parcels Located Within the Future Phase

As the Future Phase is developed, this Service and Assessment Plan will be amended to determine the Assessment and Annual Installments for each Assessed Property located within the Future Phase (e.g., an Appendix will be added as the Assessment Roll for Phase #2, etc.). The Assessments shall not exceed the benefit received by the Assessed Property.

C. Reallocation of Assessments

1. Subdivision

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

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

Where the terms have the following meanings:

- A = the Assessment for each new subdivided Parcel
- B = the Assessment for the Parcel prior to subdivision
- C = the estimated Equivalent Units to be built on each new subdivided Parcel

D = the sum of the estimated Equivalent Units to be built on all of the new subdivided Parcels

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

The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcel prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the subdivision of the Parcels.

The total Assessment initially allocated to the Phase #1 Assessed Property does not include any allocation of Assessments to the HOA Property. Once a Homeowner Association is created in the PID and Parcel(s) that are owned by the Homeowner's Association appear on the Collin Central Appraisal District ("Collin CAD") records, 1% of the initial total Assessment allocated to the Phase #1 Assessed Property shall be reallocated to such HOA Property.

Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

2. Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

D. Mandatory Prepayment of Assessments

1. If a Parcel subject to Assessments is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel subject to Assessments to become Non-Benefited Property, the owner of such Parcel shall pay to the City the full amount of the principal portion of the Assessment on such Parcel, plus all Prepayment Costs, prior to any such transfer or act.

2. The payments required above shall be treated the same as any Assessment that is due and owing under the PID Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the Act.

E. Reduction of Assessments

1. If after all Authorized Improvements to be funded with a series of Bonds have been completed and Actual Costs for such Authorized Improvements are less than the Authorized Improvement Costs used to calculate the Assessments securing such series of Bonds, resulting in excess Bond proceeds being available to redeem Bonds of such series, then the Assessment securing such series of 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 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 after all Authorized Improvements to be funded with a series of Bonds have been completed and a portion of the Bonds have been redeemed using the TIRZ Annual Credit Amounts or other funds available to the City, then the Assessment securing such series of 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 remaining outstanding amount(s) of the Bonds after such redemptions. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds.

3. If all the Authorized Improvements are not undertaken, resulting in excess Bond proceeds being available to redeem 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 Bonds, including interest on the 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 Equivalent Units, if determined by the City Council to be the most fair and practical means of reducing the Assessments for each Parcel, such that the sum of the resulting reduced Assessments equals the amount required to repay the Bonds, including interest on the 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 Bonds is equal to the outstanding principal amount of the Bonds.

F. Payment of Assessments

1. Payment in Full

- (a) The Assessment for any Parcel may be paid in full at any time. Such payment shall include all Prepayment Costs. If prepayment in full will result in redemption of Bonds, the payment amount shall be reduced by the amount, if any, of interest through the date of redemption of Bonds and reserve funds applied to the redemption under the Trust Indenture, net of any other costs applicable to the redemption of such Bonds.
- (b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full

amount.

- (c) Upon payment in full of the Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the Trust Indenture; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.
- (d) At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part in an amount sufficient to allow for a convenient redemption of Bonds as determined by the Administrator. Upon the payment of such amounts for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

2. Payment in Annual Installments

The PID Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the PID Act authorizes the Assessment to be paid in installments and additionally allows the City to collect interest, administrative expenses and other authorized charges in installments. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown on the Assessment Roll, as updated as provided for herein, which include interest, Administrative Expenses, and payments required for the Prepayment Reserve and Delinquency Reserve. Payment of the Annual Installments shall commence with tax bills mailed after the levy of the Assessments.

Each Assessment shall be paid with interest of no more than the lesser of (i) the actual interest rate paid on the Bonds and (ii) ____ percent per annum. The Phase #1 Assessment Roll sets forth for each year the Annual Installment for each Parcel based on an interest rate of 5.25% for the Phase #1 Bonds (and an additional interest at the rate of 0.5% for Administrative Expenses, Prepayment Reserve and Delinquency Reserve) and an interest rate of 3.75% for the PID Reimbursement Agreement. Furthermore, the Annual Installments may not exceed the amounts shown on the Assessment Rolls. The Assessment Roll, shown as Appendix E, will be updated with the actual interest rates on the Bonds.

The Annual Installments shall be reduced to equal the actual costs of repaying the obligations and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

The City reserves and shall have the right and option to refund the Bonds in accordance with Section 372.027 of the PID Act and Chapter 1207 of the Texas Government Code. In the event of such refunding, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of the Annual Installments so that total Annual Installments of Assessments will be produced in annual amounts that are required to pay the refunding bonds when due and payable as required by and established in the ordinance and/or the indenture authorizing and securing the refunding bonds, and such refunding bonds shall constitute Bonds for purposes of this Service and Assessment Plan.

G. Collection of Annual Installments

No less frequently than annually, the Administrator shall prepare, and the City Council shall approve, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Assessment Roll and a calculation of the Annual Installment for each Parcel. Administrative Expenses shall be allocated among Parcels in proportion to the amount of the Annual Installments for the Parcels. Each Annual Installment shall be reduced by any credits applied under the applicable Trust Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, including any existing deposits to a prepayment reserve. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City. The City Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the Act.

Any sale of Assessed Property for nonpayment of the 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.

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Section VII THE ASSESSMENT ROLL

A. Phase #1 Assessment Roll

Phase #1 Assessed Property will be assessed for the special benefits conferred upon such property as a result of the Phase #1 Improvements. Table IV-A summarizes the \$6,727,090 in special benefit received by Phase #1 Assessed Property from the Phase #1 Improvements, costs associated with the PID formation, and costs related to the issuance of the Phase #1A Bonds. The total amount of Phase #1A Bonds and PID Reimbursement Agreement is \$5,590,000 which is less than the benefit received by Phase #1 Assessed Property, and as such the total Assessment for all Assessed Property within Phase #1 is \$5,590,000 plus annual Administrative Expenses, and other authorized charges. The Assessment for each Parcel of Assessed Property within Phase #1 is calculated based on the allocation methodologies described in Section V.C of this Service and Assessment Plan. The Phase #1 Assessment Roll is attached hereto as Appendix E.

B. Future Phase Assessment Roll

As the Future Phase is developed, this Service and Assessment Plan will be updated to determine the Assessment for each Parcel located within each Future Phase (e.g., an Appendix will be added as the Assessment Roll for Phase #2, etc.).

C. Annual Assessment Roll Updates

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

The Assessment Roll shall be updated, which update may be done in the next Annual Service Plan Update, to reflect the issuance of additional Phase #1 Bonds, if any, and any Phased PID Bonds for the Future Phase, and any obligations owed pursuant to a reimbursement agreement.

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Section VIII MISCELLANEOUS PROVISIONS

A. Administrative Review

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

To the extent consistent with the PID Act, an owner of an Assessed Parcel claiming that a calculation error has been made in the Assessment Roll(s), including the calculation of the Annual Installment, shall send a written notice describing the error to the City not later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Parcel 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 or if it is determined there are sufficient funds to meet the expenses of the PID for the current year), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the City Council. Any amendments made to the Assessment Roll(s) pursuant to calculation errors shall be made pursuant to the PID Act.

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

B. Termination of Assessments

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

C. Amendments

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

To the extent permitted by the PID Act, the City Council reserves the right to amend this Service and Assessment Plan without notice under the PID Act and without notice to property owners of Parcels:

(i) to correct mistakes and clerical errors; (ii) to clarify ambiguities; (iii) to provide procedures for the collection and enforcement of Assessments, Prepayment Costs, Collection Costs, and other charges imposed by the Service and Assessment Plan, and (iv) as may be required by the Attorney General of Texas in connection with the issuance of any series of Bonds.

D. Administration and Interpretation of Provisions

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

E. Severability

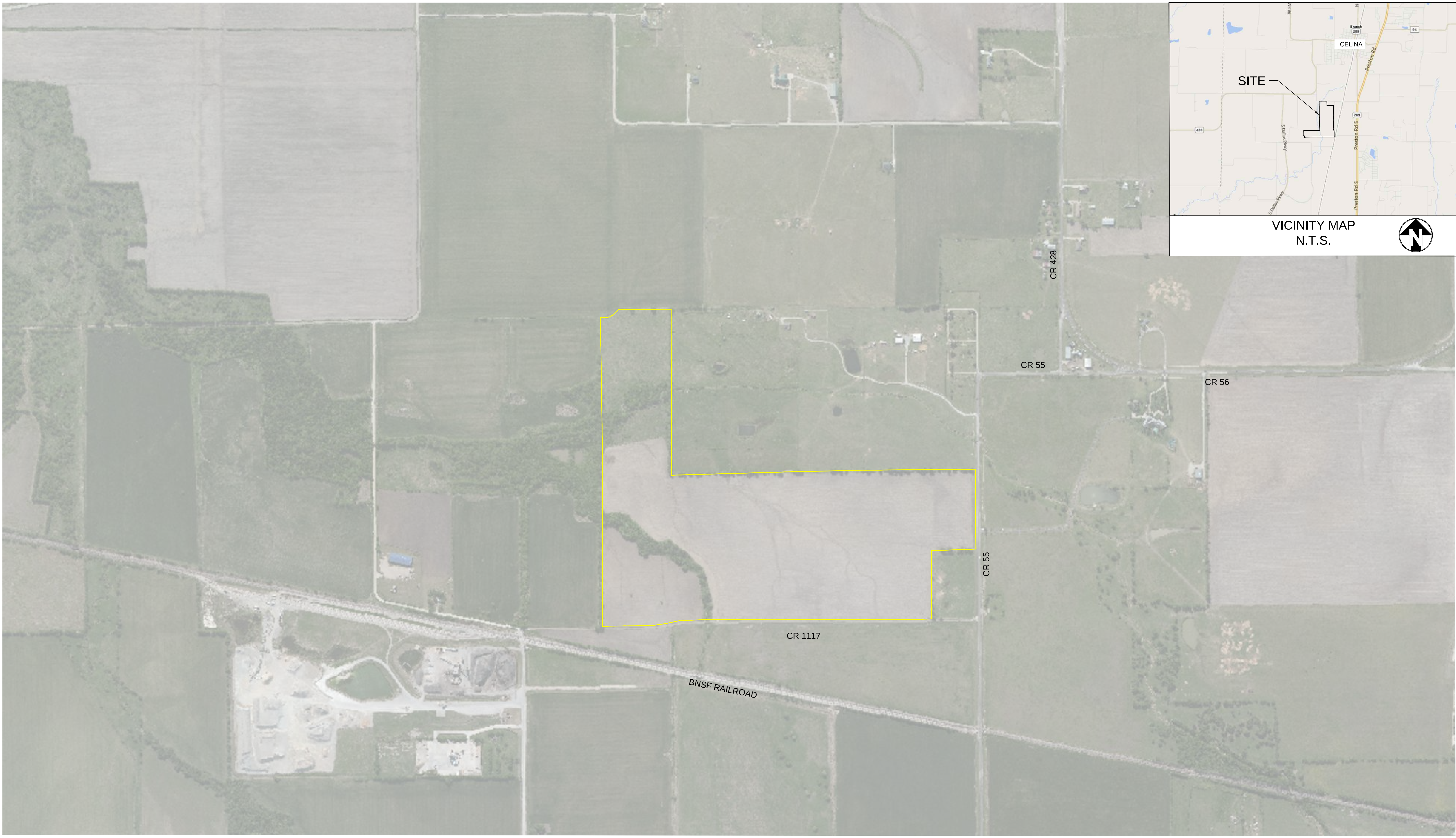
If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan or the application of same to an Assessed Parcel or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service 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 hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other part hereof, and all provisions of this Service and Assessment Plan are declared to be severable for that purpose.

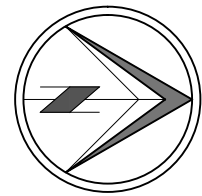
If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the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

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Appendix A

THE PID MAP





Appendix B
AUTHORIZED IMPROVEMENT COSTS

Attachment: Glen Crossing PID - Draft SAP - v 1.8.1 (1634 : Glen Crossing Bond Series 2016 POS)

GLEN CROSSING IMPROVEMENT COST ESTIMATES

PHASE 1	PID COSTS			NON-PID COSTS			TOTAL COST
	On-site	Off-site	Total	Onsite & Fees	TIRZ	Total	
Lot Grading	\$ -	\$ -	\$ -	\$ 292,560	\$ -	\$ 292,560	\$ 292,560
Franchise Utilities	\$ -	\$ -	\$ -	\$ 238,500	\$ -	\$ 238,500	\$ 238,500
Roadway improvements	\$ 1,225,231	\$ 275,907	\$ 1,501,138	\$ -	\$ -	\$ -	\$ 1,501,138
Water distribution system improvements	\$ 377,810	\$ 195,140	\$ 572,950	\$ 128,700	\$ 280,060	\$ 408,760	\$ 981,710
Sanitary sewer improvements	\$ 396,468	\$ 294,898	\$ 691,366	\$ 120,750	\$ 753,258	\$ 874,008	\$ 1,565,374
Storm drainage improvements	\$ 1,377,040	\$ -	\$ 1,377,040	\$ -	\$ -	\$ -	\$ 1,377,040
Park and open space improvements	\$ 512,950	\$ -	\$ 512,950	\$ -	\$ -	\$ -	\$ 512,950
SUBTOTAL	\$ 3,889,499	\$ 765,945	\$ 4,655,444	\$ 780,510	\$ 1,033,318	\$ 1,813,828	\$ 6,469,272
Other soft costs and contingency	\$ 1,089,059	\$ 214,464	\$ 1,303,524	\$ 218,543	\$ 289,330	\$ 507,873	\$ 1,811,396
Offsite Easement / ROW acquisition	\$ -	\$ -	\$ -	\$ -	\$ 160,000	\$ 160,000	\$ 160,000
Celina Parks Fee	\$ -	\$ -	\$ -	\$ 226,850	\$ -	\$ 226,850	\$ 226,850
NonBQ Fee	\$ -	\$ -	\$ -	\$ 42,998	\$ -	\$ 42,998	\$ 42,998
TOTAL	\$ 4,978,558	\$ 980,409	\$ 5,958,968	\$ 1,268,901	\$ 1,482,648	\$ 2,751,549	\$ 8,710,516
Capitalized Interest			\$ 197,247				\$ (197,247)
Debt Service Reserve Fund - Ph 1A			\$ 246,375				\$ (246,375)
Debt Service Reserve Fund - Ph 1B			\$ 60,444				
Costs of Issuance - PH 1A			\$ 213,000				\$ (213,000)
Costs of Issuance - PH 1B			\$ 122,400				
Underwriter's Discount - PH 1A			\$ 106,500				\$ (106,500)
Underwriter's Discount - PH 1B			\$ 61,200				
Total Bond Costs			\$ 1,007,166				
Par Amount of Bonds - PH 1A			\$ 3,550,000				\$ 3,550,000
Par Amount of Bonds - PH 1B			\$ 2,040,000				
Excess Eligible PID Costs over Par Amount of Bonds			\$ 1,376,134	ESCROW FROM PID BOND PROCEEDS		\$ 2,786,878	
				DEVELOPER CASH		\$ 5,923,638	

GLEN CROSSING IMPROVEMENT COST ESTIMATES

			Ph 1		Ph 2		Ph 3		Total	
	Unit	Unit \$	Units	Ph \$	Units	Ph \$	Units	Ph \$	Units	Ph \$
ROADWAY IMPROVEMENTS (PID)										
Clear, Strip, Grub	Ac	\$ 2,500.00	42.0	\$ 105,000.00	37.00	\$ 92,500.00	10.00	\$ 25,000.00	89.00	\$ 222,500.00
Import Material	CY	\$ 8.50	-	\$ -	62,000	\$ 527,000.00	-	\$ -	62,000	\$ 527,000.00
Material Testing	LOT	\$ 500.00	159	\$ 79,500.00	145	\$ 72,500.00	45	\$ 22,500.00	349	\$ 174,500.00
Geotech	AC	\$ 168.54	89	\$ 15,000.00	-	\$ -	-	\$ -	89	\$ 15,000.00
6" Concrete Paving (31' B-B)	SY	\$ 33.00	25,300	\$ 834,900.00	23,500	\$ 775,500.00	5,340	\$ 176,220.00	54,140	\$ 1,786,620.00
6" Lime Subgrade	SY	\$ 3.00	27,830	\$ 83,490.00	25,850	\$ 77,550.00	5,874	\$ 17,622.00	59,554	\$ 178,662.00
Hydrated Lime (36#/SY)	TONS	\$ 150.00	500.94	\$ 75,141.00	465.30	\$ 69,795.00	105.73	\$ 15,859.80	1,072	\$ 160,795.80
End of Road Barricade	EA	\$ 2,000.00	1	\$ 2,000.00	1	\$ 2,000.00	-	\$ -	2	\$ 4,000.00
Street Signs	EA	\$ 300.00	26	\$ 7,800.00	16	\$ 4,800.00	3	\$ 900.00	45	\$ 13,500.00
Barrier Free Ramps	EA	\$ 1,400.00	16	\$ 22,400.00	15	\$ 21,000.00	6	\$ 8,400.00	37	\$ 51,800.00
Total				\$ 1,225,231.00		\$ 1,642,645.00		\$ 266,501.80		\$ 3,134,377.80
Water (PID)										
8" PVC	LF	\$ 35.00	7,016	\$ 245,560.00	5,340	\$ 186,900.00	1,300	\$ 45,500.00	13,656	\$ 477,960.00
12" PVC (CR 1117) - Ph 2/3 portion	LF	\$ 35.00	-	\$ -	-	\$ -	-	\$ -	-	\$ -
8" Gate Value & Box	EA	\$ 1,400.00	24	\$ 33,600.00	15	\$ 21,000.00	4	\$ 5,600.00	43	\$ 60,200.00
12" Gate Value & Box	EA	\$ 2,000.00	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Connect to Existing	EA	\$ 2,500.00	2	\$ 5,000.00	1	\$ 2,500.00	1	\$ 2,500.00	4	\$ 10,000.00
Fire Hydrant	EA	\$ 3,500.00	16	\$ 56,000.00	10	\$ 35,000.00	4	\$ 14,000.00	30	\$ 105,000.00
Cast Iron Fittings	TON	\$ 4,150.00	5	\$ 20,750.00	4	\$ 16,600.00	1	\$ 4,150.00	10	\$ 41,500.00
Concrete Blocking	CY	\$ 98.00	3	\$ 294.00	3	\$ 294.00	1	\$ 98.00	7	\$ 686.00
2" Water Service - Irrigation	EA	\$ 480.00	6	\$ 2,880.00	2	\$ 960.00	1	\$ 480.00	9	\$ 4,320.00
Air Release Valve	EA	\$ 2,500.00	1	\$ 2,500.00	-	\$ -	-	\$ -	1	\$ 2,500.00
Trench Safety	LF	\$ 1.00	7,016	\$ 7,016.00	5,340	\$ 5,340.00	1,300	\$ 1,300.00	13,656	\$ 13,656.00
Testing	LF	\$ 0.60	7,016	\$ 4,209.60	5,340	\$ 3,204.00	1,300	\$ 780.00	13,656	\$ 8,193.60
Total				\$ 377,809.60		\$ 271,798.00		\$ 74,408.00		\$ 724,015.60
SANITARY SEWER (PID)										
8" MAIN - SDR-26	LF	\$ 35.00	8,630	\$ 302,050.00	2,500	\$ 87,500.00	1,870	\$ 65,450.00	13,000	\$ 455,000.00
4' Manhole	EA	\$ 2,000.00	25	\$ 50,000.00	7	\$ 14,000.00	6	\$ 12,000.00	38	\$ 76,000.00
Steel Encasement	LF	\$ 250.00	100	\$ 25,000.00	-	\$ -	-	\$ -	100	\$ 25,000.00
Trench Safety	LF	\$ 1.00	8,630	\$ 8,630.00	2,500	\$ 2,500.00	1,870	\$ 1,870.00	13,000	\$ 13,000.00
Post Construction CCTV	LF	\$ 1.25	8,630	\$ 10,787.50	2,500	\$ 3,125.00	1,870	\$ 2,337.50	13,000	\$ 16,250.00
Total				\$ 396,467.50		\$ 107,125.00		\$ 81,657.50		\$ 585,250.00

GLEN CROSSING IMPROVEMENT COST ESTIMATES

			Ph 1		Ph 2		Ph 3		Total	
	Unit	Unit \$	Units	Ph \$	Units	Ph \$	Units	Ph \$	Units	Ph \$
STORM DRAIN (PID)										
Excavation - Pond	CY	\$ 3.00	261,000	\$ 783,000.00	25,000.00	\$ 75,000.00	6,600	\$ 19,800.00	292,600	\$ 877,800.00
R Walls	LF	\$ 50.00	-	\$ -	2,650	\$ 132,500.00	-	\$ -	2,650	\$ 132,500.00
18" RCP	LF	\$ 47.00	925	\$ 43,475.00	650	\$ 30,550.00	240	\$ 11,280.00	1,815	\$ 85,305.00
21" RCP	LF	\$ 53.00	1,700	\$ 90,100.00	750	\$ 39,750.00	450	\$ 23,850.00	2,900	\$ 153,700.00
24" RCP	LF	\$ 61.00	910	\$ 55,510.00	615	\$ 37,515.00	100	\$ 6,100.00	1,625	\$ 99,125.00
27" RCP	LF	\$ 66.00	290	\$ 19,140.00	725	\$ 47,850.00	-	\$ -	1,015	\$ 66,990.00
30" RCP	LF	\$ 70.00	-	\$ -	350	\$ 24,500.00	-	\$ -	350	\$ 24,500.00
33" RCP	LF	\$ 80.00	-	\$ -	100	\$ 8,000.00	-	\$ -	100	\$ 8,000.00
36" RCP	LF	\$ 97.00	170	\$ 16,490.00	100	\$ 9,700.00	-	\$ -	270	\$ 26,190.00
42" RCP	LF	\$ 130.00	340	\$ 44,200.00	-	\$ -	-	\$ -	340	\$ 44,200.00
54" RCP	LF	\$ 175.00	165	\$ 28,875.00	-	\$ -	-	\$ -	165	\$ 28,875.00
10' Std Inlet	EA	\$ 3,500.00	34	\$ 119,000.00	31	\$ 108,500.00	7	\$ 24,500.00	72	\$ 252,000.00
15' Std Inlet	EA	\$ 4,000.00	2	\$ 8,000.00	2	\$ 8,000.00	-	\$ -	4	\$ 16,000.00
4' x 4' Drop Inlet	EA	\$ 4,000.00	1	\$ 4,000.00	-	\$ -	-	\$ -	1	\$ 4,000.00
24" Headwall	EA	\$ 3,000.00	1	\$ 3,000.00	2	\$ 6,000.00	1	\$ 3,000.00	4	\$ 12,000.00
30" Headwall	EA	\$ 3,375.00	-	\$ -	3	\$ 10,125.00	-	\$ -	3	\$ 10,125.00
33" Headwall	EA	\$ 3,500.00	-	\$ -	1	\$ 3,500.00	-	\$ -	1	\$ 3,500.00
36" Headwall	EA	\$ 3,750.00	-	\$ -	2	\$ 7,500.00	-	\$ -	2	\$ 7,500.00
54" Headwall	EA	\$ 5,000.00	2	\$ 10,000.00	-	\$ -	-	\$ -	2	\$ 10,000.00
36" Culvert with Headwalls	EA	\$ 15,000.00	2	\$ 30,000.00	1	\$ 15,000.00	2	\$ 30,000.00	5	\$ 75,000.00
Grade to Drain Offsite	LF	\$ 12.00	700	\$ 8,400.00	700	\$ 8,400.00	-	\$ -	1,400	\$ 16,800.00
4' X 4' Junction Box	EA	\$ 4,250.00	-	\$ -	1	\$ 4,250.00	-	\$ -	1	\$ 4,250.00
Pond Outfall Structure	EA	\$ 15,000.00	1	\$ 15,000.00	1	\$ 15,000.00	-	\$ -	2	\$ 30,000.00
Trench Safety	LF	\$ 1.00	4,500	\$ 4,500.00	3,290	\$ 3,290.00	790	\$ 790.00	8,580	\$ 8,580.00
Total			\$ 1,282,690.00		\$ 594,930.00		\$ 119,320.00		\$ 1,996,940.00	
STORM DRAINAGE - EROSION CONTROL (PID)										
Silt Fence	LF	\$ 1.40	5,000	\$ 7,000.00	5,000	\$ 7,000.00	2,800	\$ 3,920.00	12,800	\$ 17,920.00
Construction Entrance	EA	\$ 5,000.00	1	\$ 5,000.00	1	\$ 5,000.00	1	\$ 5,000.00	3	\$ 15,000.00
Drainage Erosion Control	LS	\$ 10,000.00	1	\$ 10,000.00	1	\$ 10,000.00	1	\$ 10,000.00	3	\$ 30,000.00
Curlex	LF	\$ 1.50	14,100	\$ 21,150.00	13,640	\$ 20,460.00	3,130	\$ 4,695.00	30,870	\$ 46,305.00
Seeding	AC	\$ 300.00	5	\$ 1,500.00	3	\$ 900.00	1	\$ 300.00	9	\$ 2,700.00
SWPPP	LS	\$ 5,000.00	4	\$ 20,000.00	1	\$ 5,000.00	1	\$ 5,000.00	6	\$ 30,000.00
SWPPP Book/Inspection	LS	\$ 5,000.00	1	\$ 5,000.00	1	\$ 5,000.00	1	\$ 5,000.00	3	\$ 15,000.00
ENVIRONMENTAL MIT - Onsite	LS	\$ 10,000.00	1	\$ 10,000.00	1	\$ 10,000.00	1	\$ 10,000.00	3	\$ 30,000.00
Inlet Protection	EA	\$ 200.00	36	\$ 7,200.00	33	\$ 6,600.00	7	\$ 1,400.00	76	\$ 15,200.00
Conduit-2"	LF	\$ 10.00	750	\$ 7,500.00	500	\$ 5,000.00	250	\$ 2,500.00	1,500	\$ 15,000.00
Total			\$ 94,350.00		\$ 74,960.00		\$ 47,815.00		\$ 217,125.00	

GLEN CROSSING IMPROVEMENT COST ESTIMATES

			Ph 1		Ph 2		Ph 3		Total	
	Unit	Unit \$	Units	Ph \$	Units	Ph \$	Units	Ph \$	Units	Ph \$
AMENITIES, ENTRYS, OPEN SP (PID)										
Screening Wall	LF	\$ 100.00	1,785	\$ 178,500.00	820	\$ 82,000.00	900	\$ 90,000.00	3,505	\$ 350,500.00
Landscaping - Wall	LF	\$ 170.00	1,085	\$ 184,450.00	1,520	\$ 258,400.00	760	\$ 129,200.00	3,365	\$ 572,050.00
Entry	EA	\$ 75,000.00	2	\$ 150,000.00	-	\$ -	-	\$ -	2	\$ 150,000.00
6' Hike/Bike Trail	SF	\$ 5.00	-	\$ -	27,984	\$ 139,920.00	-	\$ -	27,984	\$ 139,920.00
Dog Park	LS	\$ 20,000.00	-	\$ -	1	\$ 20,000.00	-	\$ -	1	\$ 20,000.00
Passive Recreational Field	LS	\$ 35,000.00	-	\$ -	1	\$ 35,000.00	-	\$ -	1	\$ 35,000.00
Outdoor Meeting Space	LS	\$ 50,000.00	-	\$ -	1	\$ 50,000.00	-	\$ -	1	\$ 50,000.00
Landscape/Irrigation - Trail	LS	\$ 75,000.00	-	\$ -	1	\$ 75,000.00	-	\$ -	1	\$ 75,000.00
Total				\$ 512,950.00		\$ 660,320.00		\$ 219,200.00		\$ 1,392,470.00
PID Sub Total				\$ 3,889,498.10		\$ 3,351,778.00		\$ 808,902.30		\$ 8,050,178.40

Lot Grading (Non-PID)										
Moisture Conditioning	Lot	\$ 1,500.00	159	\$ 238,500.00	145	\$ 217,500.00	45	\$ 67,500.00	349	\$ 523,500.00
Rough Lot Grading	Lot	\$ 200.00	159	\$ 31,800.00	145	\$ 29,000.00	45	\$ 9,000.00	349	\$ 69,800.00
Final Lot Grading	Lot	\$ 140.00	159	\$ 22,260.00	145	\$ 20,300.00	45	\$ 6,300.00	349	\$ 48,860.00
Total				\$ 292,560.00		\$ 266,800.00		\$ 82,800.00		\$ 642,160.00
FRANCHISE UTILITIES (Non-PID)										
Street Lights	EA	\$ 4,000.00	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Electric	LOT	\$ 1,000.00	159	\$ 159,000.00	145	\$ 145,000.00	45	\$ 45,000.00	349	\$ 349,000.00
Gas	LOT	\$ 500.00	159	\$ 79,500.00	145	\$ 72,500.00	45	\$ 22,500.00	349	\$ 174,500.00
Total				\$ 238,500.00		\$ 217,500.00		\$ 67,500.00		\$ 523,500.00
Water (Non-PID)										
1" Water Service-Resident	EA	\$ 800.00	159	\$ 127,200.00	145	\$ 116,000.00	45	\$ 36,000.00	349	\$ 279,200.00
1" Water Service-Amenity	EA	\$ 1,500.00	1	\$ 1,500.00	-	\$ -	-	\$ -	1	\$ 1,500.00
Total				\$ 128,700.00		\$ 116,000.00		\$ 36,000.00		\$ 280,700.00
Sewer (Non-PID)										
1" Water Service-Resident	EA	\$ 750.00	159	\$ 119,250.00	145	\$ 108,750.00	45	\$ 33,750.00	349	\$ 261,750.00
1" Water Service-Amenity	EA	\$ 1,500.00	1	\$ 1,500.00	-	\$ -	-	\$ -	1	\$ 1,500.00
Total				\$ 120,750.00		\$ 108,750.00		\$ 33,750.00		\$ 263,250.00
AMENITIES (Non-PID)										
Amenity Center	LS	\$ 750,000.00	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Landscaping/Irrig - Amenity Cntr	LS	\$ 50,000.00	-	\$ -	-	\$ -	-	\$ -	-	\$ -
Total				\$ -		\$ -		\$ -		\$ -
NON-PID Sub Total				\$ 780,510.00		\$ 709,050.00		\$ 220,050.00		\$ 1,709,610.00
Grand Total				\$ 4,670,008.10		\$ 4,060,828.00		\$ 1,028,952.30		\$ 9,759,788.40

Appendix C

DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS

DEVELOPER/OWNER

WYNNE JACKSON

JOB NUMBER: WYN14001_GBar7

DESIGNED BY: CEN

DRAWN BY: CEN

CHECKED BY: PCF

ISSUE DATE: 05-17-16

REV:

Kirkman Engineering
Texas Firm No: 15874

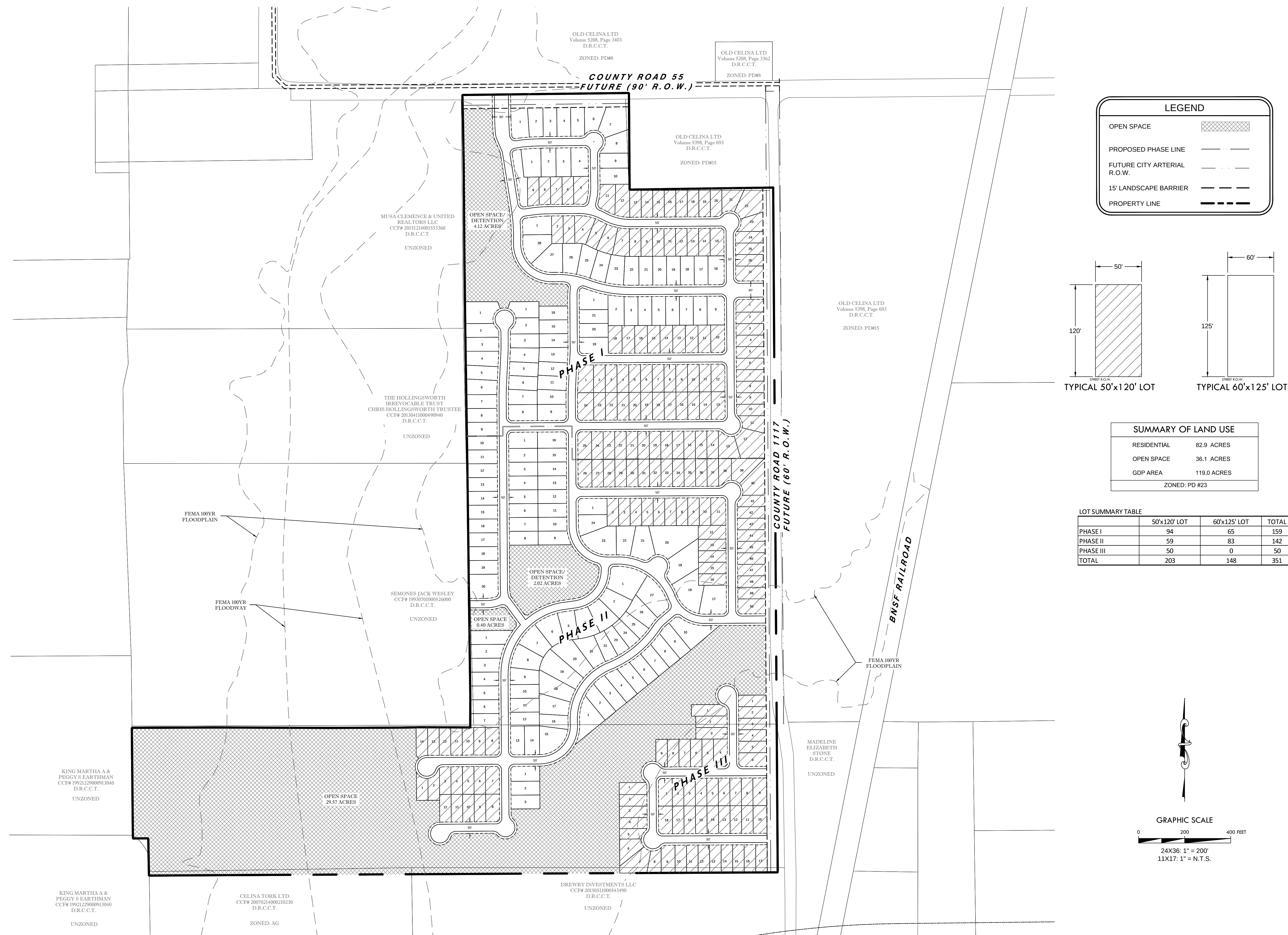
GLEN
CROSSING

CELINA
TEXAS

GDP PLAN

SHEET:

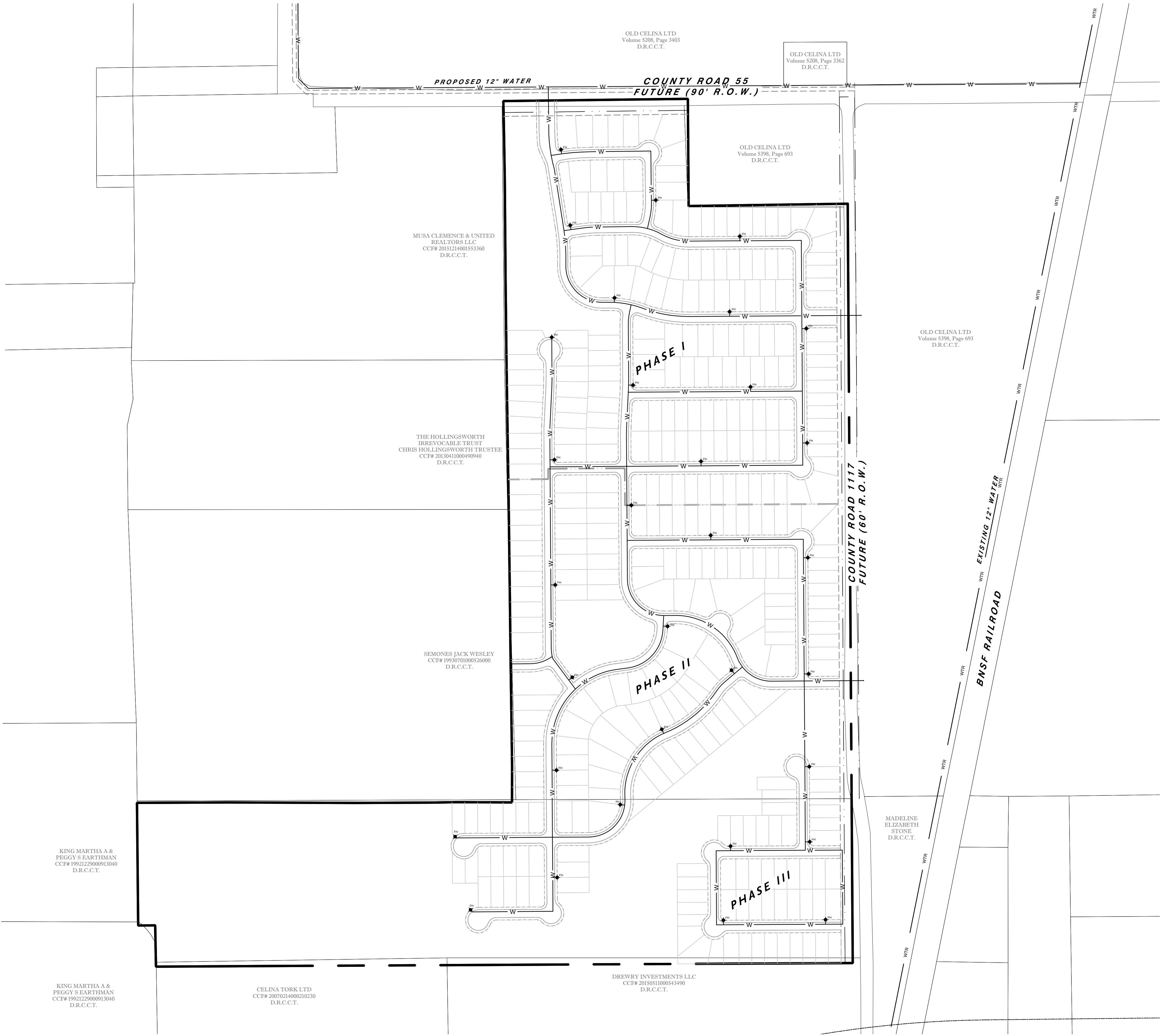
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PLOTTED WITH: DWG To PDF.pc3

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FILENAME: PS2 WATER PLAN.dwg
PLOTTER BY: K.E. JEFFERSON
PLOTTER WITH: DWG TO PDF.pc3



LEGEND

PROPOSED 8" WATER LINE (UNLESS OTHERWISE NOTED) — W —

EXISTING 12" WATER LINE — WTR —

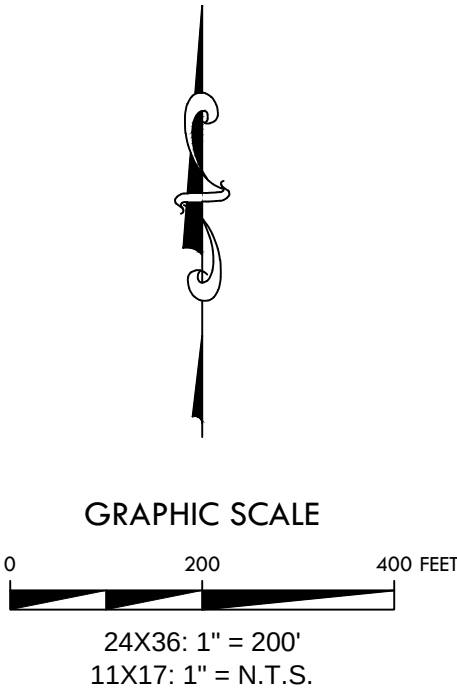
PROPOSED FIRE HYDRANT — FH —

PROPOSED PHASE LINE — — — —

FUTURE CITY ARTERIAL R.O.W. — — — —

15' LANDSCAPE BARRIER — — — —

PROPERTY LINE — — — —



4821 Merlot Avenue, Suite 210
Grapevine, Texas 76051
Phone: 817-488-4960

DEVELOPER/OWNER

W Y N N E J A C K S O N

600 North Pearl Street, Suite 650
Dallas, TX 75201
Phone: 214-880-8600



JOB NUMBER: WYN14001_GBar7

DESIGNED BY: CEN

DRAWN BY: CEN

CHECKED BY: PCF

ISSUE DATE: 05-17-16

REV:

Kirkman Engineering
Texas Firm No: 15874

GLEN
CROSSING

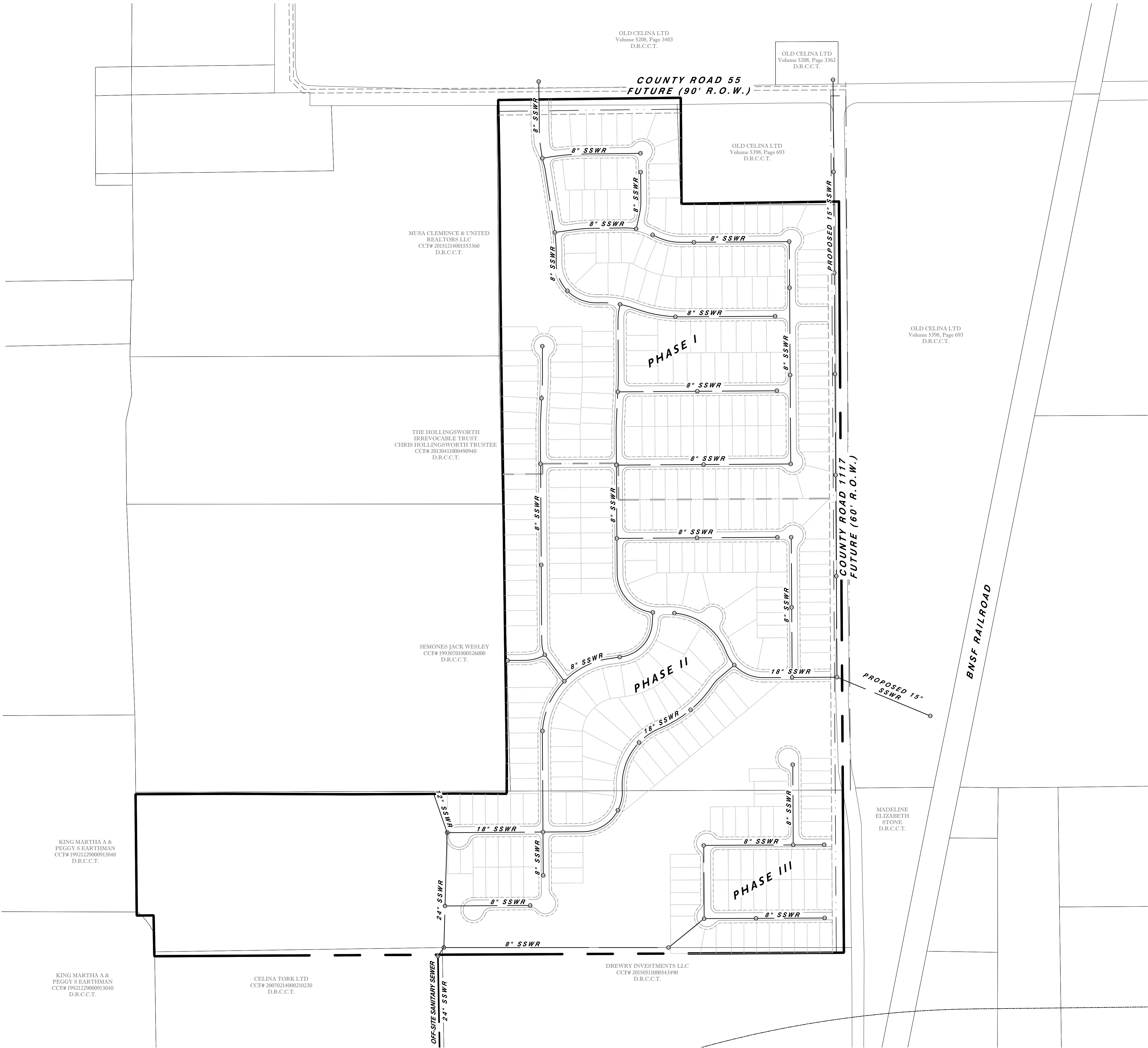
CELINA
TEXAS

WATER
PLAN

SHEET:

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PLOTTER BY: K.E. STEPHAN
PLOTTED WITH: DWG TO PDF.pc3



LEGEND

PROPOSED SANITARY SEWER ———

PROPOSED SANITARY MANHOLE (SS)

PROPOSED PHASE LINE ———

FUTURE CITY ARTERIAL R.O.W. ———

15' LANDSCAPE BARRIER ———

PROPERTY LINE - - - - -

GRAPHIC SCALE

0 200 400 FEET

24X36: 1" = 200'
11X17: 1" = N.T.S.

4821 Merlot Avenue, Suite 210
Grapevine, Texas 76051
Phone: 817-488-4960

DEVELOPER/OWNER

WYNNE JACKSON

600 North Pearl Street, Suite 650
Dallas, TX 75201
Phone: 214-880-8600

CELINA TEXAS

JOB NUMBER: WYN14001_GBar7

DESIGNED BY: CEN

DRAWN BY: CEN

CHECKED BY: PCF

ISSUE DATE: 05-17-16

REV:

Kirkman Engineering
Texas Firm No: 15874

GLEN CROSSING

CELINA TEXAS

SEWER PLAN

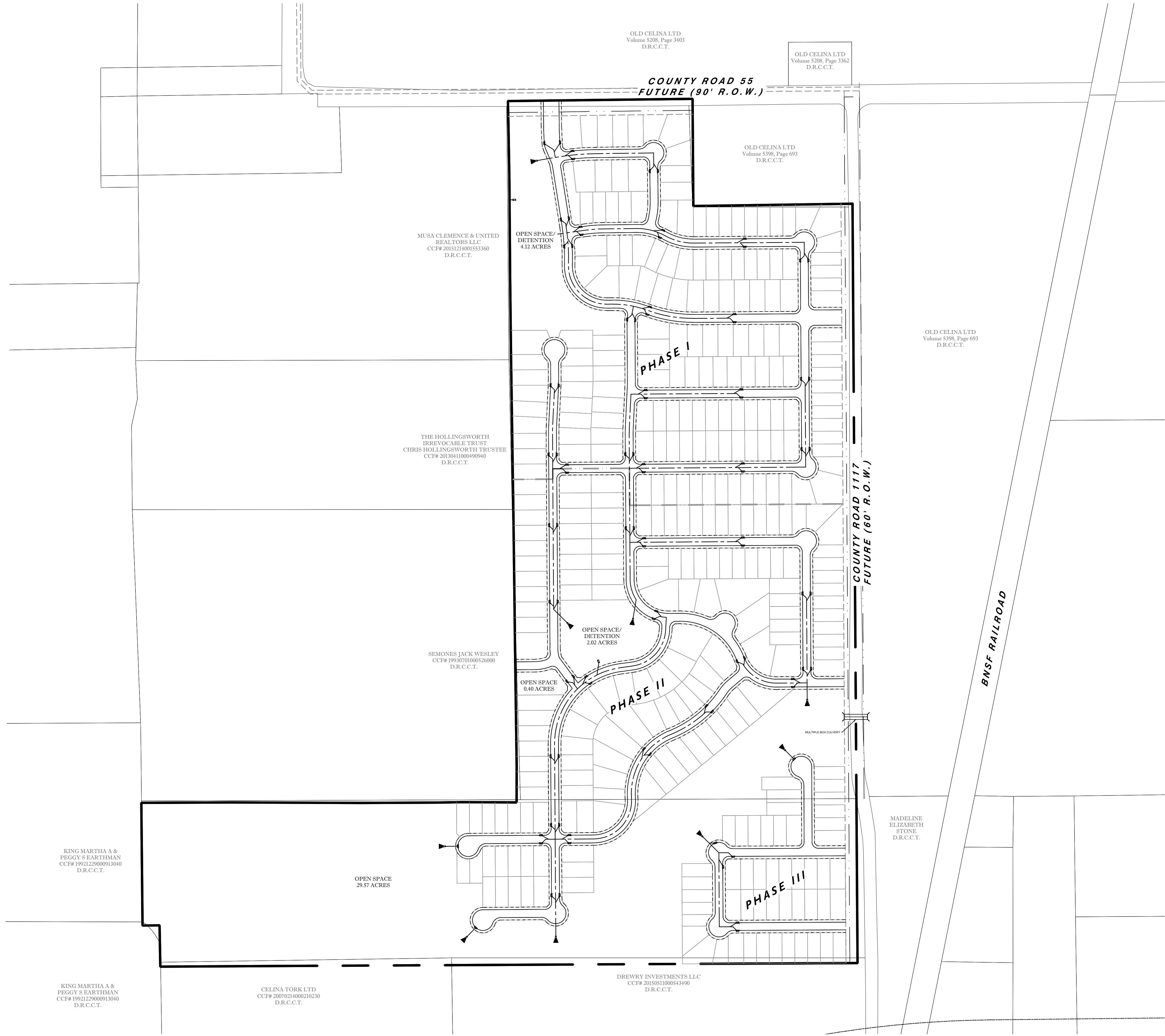
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PLOTTER BY: MCFEESON
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LEGEND

PROPOSED STORM DRAIN SYSTEM

PROPOSED PHASE LINE

FUTURE CITY ARTERIAL R.O.W.

15' LANDSCAPE BARRIER

PROPERTY LINE

GRAPHIC SCALE

0 200 400 FEET

24X36: 1" = 200'
11X17: 1" = N.T.S.



4821 Merlot Avenue, Suite 210
Grapevine, Texas 76051
Phone: 817-488-4960

DEVELOPER/OWNER

W Y N N E JACKSON

600 North Pearl Street, Suite 650
Dallas, TX 75201
Phone: 214-880-8600



JOB NUMBER: WYN14001_GBar7

DESIGNED BY: CEN

DRAWN BY: CEN

CHECKED BY: PCF

ISSUE DATE: 05-17-16

REV:

Kirkman Engineering
Texas Firm No: 15874

GLEN
CROSSING

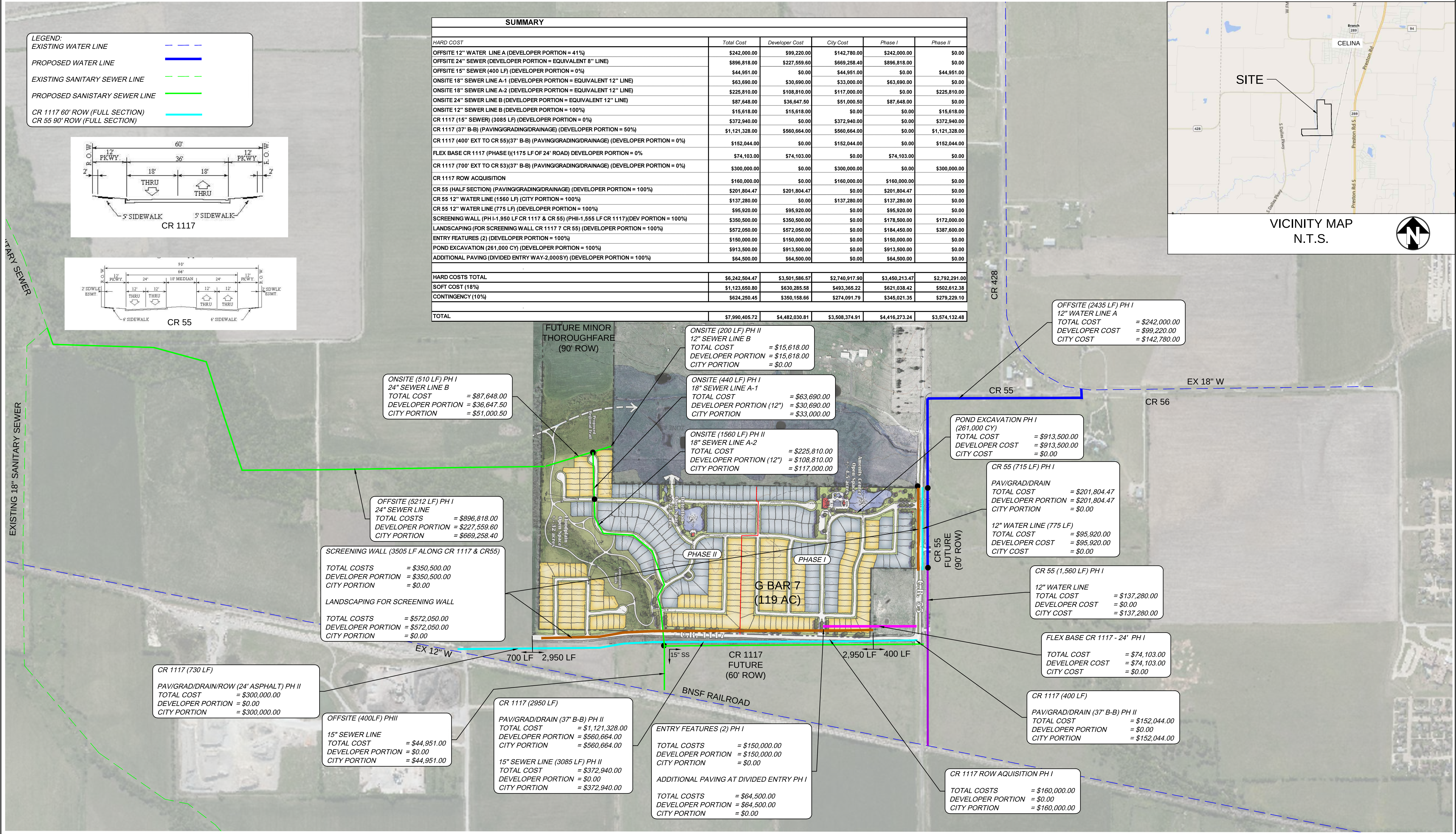
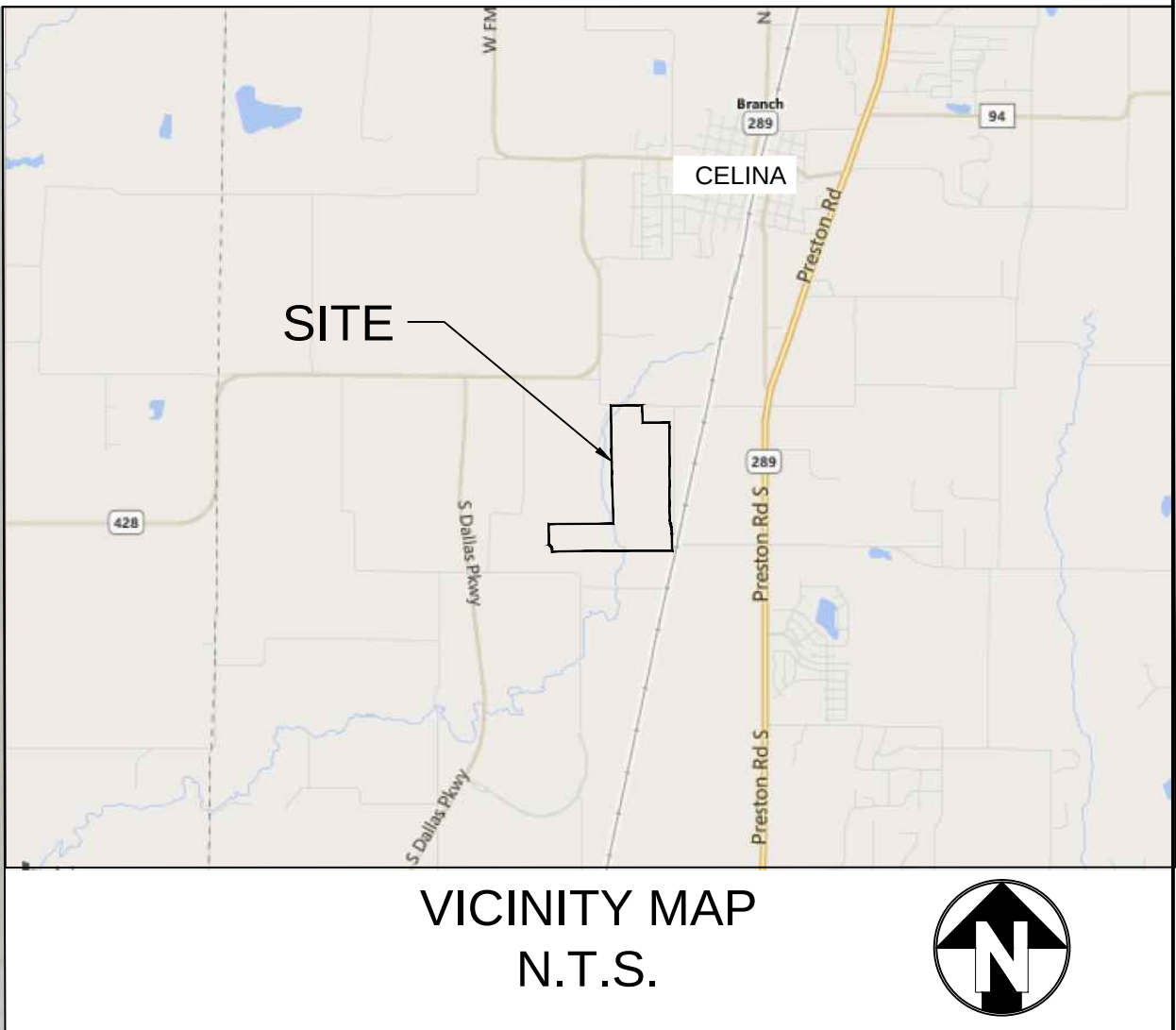
CELINA
TEXAS

STORM
PLAN

SHEET:

4.0

SUMMARY					
	Total Cost	Developer Cost	City Cost	Phase I	Phase II
HARD COST					
OFFSITE 12" WATER LINE A (DEVELOPER PORTION = 41%)	\$242,000.00	\$99,220.00	\$142,780.00	\$242,000.00	\$0.00
OFFSITE 24" SEWER (DEVELOPER PORTION = EQUIVALENT 8" LINE)	\$896,818.00	\$227,559.60	\$669,258.40	\$896,818.00	\$0.00
OFFSITE 15" SEWER (400 LF) (DEVELOPER PORTION = 0%)	\$44,951.00	\$0.00	\$44,951.00	\$0.00	\$44,951.00
ONSITE 18" SEWER LINE A-1 (DEVELOPER PORTION = EQUIVALENT 12" LINE)	\$63,690.00	\$30,690.00	\$33,000.00	\$63,690.00	\$0.00
ONSITE 18" SEWER LINE A-2 (DEVELOPER PORTION = EQUIVALENT 12" LINE)	\$225,810.00	\$108,810.00	\$117,000.00	\$0.00	\$225,810.00
ONSITE 24" SEWER LINE B (DEVELOPER PORTION = EQUIVALENT 12" LINE)	\$87,648.00	\$36,647.50	\$51,000.50	\$87,648.00	\$0.00
ONSITE 12" SEWER LINE B (DEVELOPER PORTION = 100%)	\$15,618.00	\$15,618.00	\$0.00	\$0.00	\$15,618.00
CR 1117 (15" SEWER) (3085 LF) (DEVELOPER PORTION = 0%)	\$372,940.00	\$0.00	\$372,940.00	\$0.00	\$372,940.00
CR 1117 (37" B-B) (PAVING/GRADING/DRAINAGE) (DEVELOPER PORTION = 50%)	\$1,121,328.00	\$560,664.00	\$560,664.00	\$0.00	\$1,121,328.00
CR 1117 (400' EXT TO CR 55)(37" B-B) (PAVING/GRADING/DRAINAGE) (DEVELOPER PORTION = 0%)	\$152,044.00	\$0.00	\$152,044.00	\$0.00	\$152,044.00
FLEX BASE CR 1117 (PHASE I)(1175 LF OF 24' ROAD) DEVELOPER PORTION = 0%	\$74,103.00	\$74,103.00	\$0.00	\$74,103.00	\$0.00
CR 1117 (700' EXT TO CR 53)(37" B-B) (PAVING/GRADING/DRAINAGE) (DEVELOPER PORTION = 0%)	\$300,000.00	\$0.00	\$300,000.00	\$0.00	\$300,000.00
CR 1117 ROW ACQUISITION	\$160,000.00	\$0.00	\$160,000.00	\$160,000.00	\$0.00
CR 55 (HALF SECTION) (PAVING/GRADING/DRAINAGE) (DEVELOPER PORTION = 100%)	\$201,804.47	\$201,804.47	\$0.00	\$201,804.47	\$0.00
CR 55 12" WATER LINE (1560 LF) (CITY PORTION = 100%)	\$137,280.00	\$0.00	\$137,280.00	\$137,280.00	\$0.00
CR 55 12" WATER LINE (775 LF) (DEVELOPER PORTION = 100%)	\$95,920.00	\$95,920.00	\$0.00	\$95,920.00	\$0.00
SCREENING WALL (PH I-1,950 LF CR 1117 & CR 55) (PH I-1,555 LF CR 1117)(DEV PORTION = 100%)	\$350,500.00	\$350,500.00	\$0.00	\$178,500.00	\$172,000.00
LANDSCAPING FOR SCREENING WALL CR 1117 7 CR 55) (DEVELOPER PORTION = 100%)	\$572,050.00	\$572,050.00	\$0.00	\$184,450.00	\$387,600.00
ENTRY FEATURES (2) (DEVELOPER PORTION = 100%)	\$150,000.00	\$150,000.00	\$0.00	\$150,000.00	\$0.00
POND EXCAVATION (261,000 CY) (DEVELOPER PORTION = 100%)	\$913,500.00	\$913,500.00	\$0.00	\$913,500.00	\$0.00
ADDITIONAL PAVING (DIVIDED ENTRY WAY-2,000SY) (DEVELOPER PORTION = 100%)	\$64,500.00	\$64,500.00	\$0.00	\$64,500.00	\$0.00
HARD COSTS TOTAL					
	\$6,242,504.47	\$3,501,586.57	\$2,740,917.90	\$3,450,213.47	\$2,792,291.00
SOFT COST (16%)					
	\$1,123,650.80	\$630,285.58	\$493,365.22	\$621,038.42	\$502,612.38
CONTINGENCY (10%)					
	\$624,250.45	\$350,158.66	\$274,091.79	\$345,021.35	\$279,229.10
TOTAL					
	\$7,990,405.72	\$4,482,030.81	\$3,508,374.91	\$4,416,273.24	\$3,574,132.48



Appendix D

LOT TYPES AND EQUIVALENT UNITS

Draft

Appendix D Lot Types and Equivalent Units

For purposes of calculating and allocating the Assessments, the Assessed Property has been classified in one of two Lot Types. The following table shows the proposed residential Lot Types within the PID.

**Table D-1
Proposed Development within the PID**

Lot Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	60 Ft Lots	150 units
Lot Type 2	50 Ft Lots	199 units
Total		349 units

Table D-2 below shows the proposed residential Lot Types within Phase #1.

**Table D-2
Proposed Development – Phase #1**

Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	60 Ft Lots	65 units
Lot Type 2	50 Ft Lots	94 units
Total		159 units

As explained under Section V-C, for purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Phase #1 Improvements to be financed with the Phases #1 Bonds and the PID Reimbursement Agreement shall be allocated to the Phases #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units.

For purposes of this Service and Assessment Plan, the City Council has determined that the Assessments shall be allocated to the Phases #1 Assessed Property on the basis of the average home value of each Lot Type, and that such method of allocation will result in the imposition of equal shares of the Assessments on Parcels similarly benefited. In determining the average home value of each Lot Type, the City Council has taken into consideration (i) the type of lots (i.e., 60 Ft, 50 Ft, etc.); (ii) current and projected home prices; (iii) the costs of the Authorized Improvements, and (iv) the ability of different property types to utilize and benefit from the Authorized Improvements.

Draft

Having taken into consideration the matters described above, the City Council has determined that allocating the Assessments among Parcels based on average home value is best accomplished by creating classifications of benefited Parcels based on the “Lot Types” defined above. These classifications (from Lot Type 1 (60 Ft Lots) representing the highest value to Lot Type 2 (50 Ft Lot) representing the lowest value for residential lots are set forth in Table D-3 below. Assessments are allocated to each Lot Type on the basis of the average home value for each class of lots. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1 (60 Ft Lots) to 1.0.

Table D-3
Equivalent Unit Factors

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor
Lot Type 1 (60 Ft Lot)	\$405,000	1.00 per dwelling unit
Lot Type 2 (50 Ft Lot)	\$337,500	0.83 per dwelling unit

The total estimated Equivalent Units for Phase #1 are shown in Table D-4 below as calculated based on the Equivalent Unit factors shown above, estimated Lot Types and number of units estimated to be built within Phase 1.

Table D-4
Estimated Equivalent Units - Phase #1

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (60 Ft Lot)	65	1.00	65.00
Lot Type 2 (50 Ft Lot)	94	0.83	78.33
Total Equivalent Units	159		143.33

Appendix E

PROPOSED ASSESSMENT ROLL – Phase #1 Assessed Property

Appendix E
Phase #1 Assessment Roll

Parcel	All Parcels
Assessment	\$5,590,000
Total Equivalent Units	143.33

Year	Principal and Interest ¹	Principal and Interest ²	Administrative Expenses ³	Total Annual Installment ⁴
2016	\$214,997	\$76,500	\$30,000	\$321,497
2017	\$264,125	\$76,500	\$44,268	\$384,893
2018	\$260,675	\$76,500	\$44,880	\$382,055
2019	\$262,225	\$121,500	\$45,504	\$429,229
2020	\$258,488	\$124,813	\$46,141	\$429,441
2021	\$259,750	\$117,938	\$46,790	\$424,478
2022	\$260,725	\$121,250	\$47,453	\$429,428
2023	\$256,413	\$124,375	\$48,129	\$428,916
2024	\$257,100	\$122,313	\$48,818	\$428,231
2025	\$257,500	\$120,250	\$49,521	\$427,271
2026	\$257,613	\$118,188	\$50,238	\$426,038
2027	\$252,438	\$126,125	\$50,969	\$429,532
2028	\$252,263	\$123,688	\$51,715	\$427,666
2029	\$251,800	\$121,250	\$52,476	\$425,526
2030	\$251,050	\$123,813	\$53,252	\$428,115
2031	\$250,013	\$121,188	\$54,044	\$425,245
2032	\$248,688	\$123,563	\$54,852	\$427,102
2033	\$252,075	\$120,750	\$55,675	\$428,500
2034	\$249,888	\$122,938	\$56,515	\$429,341
2035	\$247,413	\$119,938	\$57,372	\$424,723
2036	\$249,650	\$116,938	\$58,246	\$424,834
2037	\$246,313	\$118,938	\$59,138	\$424,388
2038	\$247,688	\$120,750	\$60,047	\$428,485
2039	\$243,488	\$122,375	\$60,975	\$426,837
2040	\$244,000	\$118,813	\$61,921	\$424,734
2041	\$243,938	\$120,250	\$62,886	\$427,074
2042	\$243,300	\$121,500	\$63,871	\$428,671
2043	\$242,088	\$122,563	\$64,875	\$429,525
2044	\$240,300	\$118,438	\$65,899	\$424,637
2045	\$237,938	\$119,313	\$66,943	\$424,194
2046	\$0	\$0	\$0	\$0
Total	7,503,934	\$3,503,258	\$1,613,414	\$12,620,607

1 - The principal and interest amounts are estimated based on 5.25% rate. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves.

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$2,040,000. The interest amounts shown are calculated based on the estimated rate of 3.75% .

3 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Attachment: Glen Crossing PID - Draft SAP - v 1.8.1 (1634 : Glen Crossing Bond Series 2016 POS)

Appendix E
Phase #1 Assessment Roll

Lot Type
Assessment
Equivalent Units

Lot Type 1 (60' Lot)
\$39,000
1.00

Year	Principal¹	Principal²	Administrative Expenses³	Total Annual Installment⁴
2016	\$1,500	\$534	\$209	\$2,243
2017	\$1,843	\$534	\$309	\$2,685
2018	\$1,819	\$534	\$313	\$2,666
2019	\$1,829	\$848	\$317	\$2,995
2020	\$1,803	\$871	\$322	\$2,996
2021	\$1,812	\$823	\$326	\$2,961
2022	\$1,819	\$846	\$331	\$2,996
2023	\$1,789	\$868	\$336	\$2,992
2024	\$1,794	\$853	\$341	\$2,988
2025	\$1,797	\$839	\$345	\$2,981
2026	\$1,797	\$825	\$350	\$2,972
2027	\$1,761	\$880	\$356	\$2,997
2028	\$1,760	\$863	\$361	\$2,984
2029	\$1,757	\$846	\$366	\$2,969
2030	\$1,752	\$864	\$372	\$2,987
2031	\$1,744	\$845	\$377	\$2,967
2032	\$1,735	\$862	\$383	\$2,980
2033	\$1,759	\$842	\$388	\$2,990
2034	\$1,743	\$858	\$394	\$2,995
2035	\$1,726	\$837	\$400	\$2,963
2036	\$1,742	\$816	\$406	\$2,964
2037	\$1,718	\$830	\$413	\$2,961
2038	\$1,728	\$842	\$419	\$2,989
2039	\$1,699	\$854	\$425	\$2,978
2040	\$1,702	\$829	\$432	\$2,963
2041	\$1,702	\$839	\$439	\$2,980
2042	\$1,697	\$848	\$446	\$2,991
2043	\$1,689	\$855	\$453	\$2,997
2044	\$1,677	\$826	\$460	\$2,963
2045	\$1,660	\$832	\$467	\$2,959
2046	\$0	\$0	\$0	\$0
Total	\$52,353	\$24,441	\$11,256	\$88,051

1 - The principal and interest amounts are estimated based on 5.25% rate. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves.

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$2,040,000. The interest amounts shown are calculated based on the estimated rate of 3.75% .

3 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Attachment: Glen Crossing PID - Draft SAP - v 1.8.1 (1634 : Glen Crossing Bond Series 2016 POS)

Appendix E

Phase #1 Assessment Roll

**Lot Type
Assessment
Equivalent Units**

Lot Type 2 (50' Lot)
\$32,500
0.83

Year	Principal¹	Principal²	Administrative Expenses³	Total Annual Installment⁴
2016	\$1,250	\$445	\$174	\$1,869
2017	\$1,536	\$445	\$257	\$2,238
2018	\$1,516	\$445	\$261	\$2,221
2019	\$1,525	\$706	\$265	\$2,496
2020	\$1,503	\$726	\$268	\$2,497
2021	\$1,510	\$686	\$272	\$2,468
2022	\$1,516	\$705	\$276	\$2,497
2023	\$1,491	\$723	\$280	\$2,494
2024	\$1,495	\$711	\$284	\$2,490
2025	\$1,497	\$699	\$288	\$2,484
2026	\$1,498	\$687	\$292	\$2,477
2027	\$1,468	\$733	\$296	\$2,497
2028	\$1,467	\$719	\$301	\$2,486
2029	\$1,464	\$705	\$305	\$2,474
2030	\$1,460	\$720	\$310	\$2,489
2031	\$1,454	\$705	\$314	\$2,472
2032	\$1,446	\$718	\$319	\$2,483
2033	\$1,466	\$702	\$324	\$2,491
2034	\$1,453	\$715	\$329	\$2,496
2035	\$1,438	\$697	\$334	\$2,469
2036	\$1,451	\$680	\$339	\$2,470
2037	\$1,432	\$692	\$344	\$2,467
2038	\$1,440	\$702	\$349	\$2,491
2039	\$1,416	\$711	\$355	\$2,482
2040	\$1,419	\$691	\$360	\$2,469
2041	\$1,418	\$699	\$366	\$2,483
2042	\$1,415	\$706	\$371	\$2,492
2043	\$1,407	\$713	\$377	\$2,497
2044	\$1,397	\$689	\$383	\$2,469
2045	\$1,383	\$694	\$389	\$2,466
2046	\$0	\$0	\$0	\$0
Total	43,628	\$20,368	\$9,380	\$73,376

1 - The principal and interest amounts are estimated based on 5.25% rate. The interest amounts shown include the 0.5% additional interest amount to be collected for prepayment and delinquency reserves.

2 - The principal and interest amounts are calculated for the Reimbursement Agreement amount of \$2,040,000. The interest amounts shown are calculated based on the estimated rate of 3.75% .

3 - The estimated district administration and assessment collection costs shown will be updated each year in the Annual Service Plan Updates.

4 - The Annual Installments shown do not include any capitalized interest or TIRZ Annual Credit Amount.

Attachment: Glen Crossing PID - Draft SAP - v 1.8.1 (1634 : Glen Crossing Bond Series 2016 POS)

Breakdown of Estimated Bond Debt Service Payments
Phase#1A Bonds

Parcel

All Parcels

Year ending September 30	TIRZ Credit Funded Portion			Net Assessment Funded Portion			Aggregate Phase #1A Bond Debt Service
	Principal ¹	Interest ¹	Total Bond Debt Service	Principal ²	Interest ²	Total Bond Debt Service	
2017	\$0	\$116,301	\$116,301	\$0	\$80,946	\$80,946	\$197,247
2018	\$29,646	\$109,891	\$139,537	\$30,354	\$76,484	\$106,838	\$246,375
2019	\$31,351	\$108,334	\$139,685	\$28,649	\$74,891	\$103,540	\$243,225
2020	\$33,153	\$106,688	\$139,842	\$31,847	\$73,387	\$105,233	\$245,075
2021	\$35,060	\$104,948	\$140,007	\$29,940	\$71,715	\$101,655	\$241,663
2022	\$37,076	\$103,107	\$140,183	\$32,924	\$70,143	\$103,067	\$243,250
2023	\$39,207	\$101,161	\$140,368	\$35,793	\$68,414	\$104,207	\$244,575
2024	\$41,462	\$99,102	\$140,564	\$33,538	\$66,535	\$100,073	\$240,638
2025	\$43,846	\$96,925	\$140,771	\$36,154	\$64,775	\$100,929	\$241,700
2026	\$46,367	\$94,623	\$140,991	\$38,633	\$62,877	\$101,509	\$242,500
2027	\$49,033	\$92,189	\$141,222	\$40,967	\$60,848	\$101,815	\$243,038
2028	\$51,853	\$89,615	\$141,468	\$38,147	\$58,698	\$96,845	\$238,313
2029	\$54,834	\$86,893	\$141,727	\$40,166	\$56,695	\$96,861	\$238,588
2030	\$57,987	\$84,014	\$142,001	\$42,013	\$54,586	\$96,599	\$238,600
2031	\$61,321	\$80,970	\$142,291	\$43,679	\$52,380	\$96,059	\$238,350
2032	\$64,847	\$77,750	\$142,598	\$45,153	\$50,087	\$95,240	\$237,838
2033	\$68,576	\$74,346	\$142,922	\$46,424	\$47,717	\$94,141	\$237,063
2034	\$72,519	\$70,745	\$143,265	\$52,481	\$45,280	\$97,760	\$241,025
2035	\$76,689	\$66,938	\$143,627	\$53,311	\$42,524	\$95,835	\$239,463
2036	\$81,099	\$62,912	\$144,011	\$53,901	\$39,725	\$93,627	\$237,638
2037	\$85,762	\$58,654	\$144,416	\$59,238	\$36,896	\$96,134	\$240,550
2038	\$90,693	\$54,152	\$144,845	\$59,307	\$33,786	\$93,092	\$237,938
2039	\$95,908	\$49,390	\$145,299	\$64,092	\$30,672	\$94,764	\$240,063
2040	\$101,423	\$44,355	\$145,778	\$63,577	\$27,307	\$90,884	\$236,663
2041	\$107,255	\$39,031	\$146,285	\$67,745	\$23,969	\$91,715	\$238,000
2042	\$113,422	\$33,400	\$146,821	\$71,578	\$20,413	\$91,991	\$238,813
2043	\$119,943	\$27,445	\$147,389	\$75,057	\$16,655	\$91,711	\$239,100
2044	\$126,840	\$21,148	\$147,988	\$78,160	\$12,714	\$90,874	\$238,863
2045	\$134,134	\$14,489	\$148,622	\$80,866	\$8,611	\$89,478	\$238,100
2046	\$141,846	\$7,447	\$149,293	\$83,154	\$4,366	\$87,519	\$236,813
2047	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$2,093,153	\$2,176,963	\$4,270,116	\$1,456,847	\$1,434,097	\$2,890,944	\$7,161,059

1 - The estimated principal and interest shares of the TIRZ Credit Funded Portion are calculated based on the TIRZ Annual Credit Amounts estimated to be made available for the Phase #1A Assessed Property once the homes are built and fully appraised.

1 - The estimated principal and interest shares of the Net Assessment Funded Portion are calculated by subtracting the corresponding TIRZ Annual Credit Amounts from the total Phase #1A Bond debt service amounts.

Attachment: Glen Crossing PID - Draft SAP - v 1.8.1 (1634 : Glen Crossing Bond Series 2016 POS)

INDENTURE OF TRUST

By and Between

CITY OF CELINA, TEXAS

and

U.S. BANK NATIONAL ASSOCIATION
as Trustee

DATED AS OF _____, 2016

SECURING

\$ _____
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2016
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1
PROJECT)

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INDENTURE OF TRUST

THIS INDENTURE, dated as of _____, 2016 is by and between the CITY OF CELINA, TEXAS (the "City"), and U.S. BANK NATIONAL ASSOCIATION, Dallas, Texas, as trustee (together with its successors, the "Trustee"). Capitalized terms used in the preambles, recitals and granting clauses and not otherwise defined shall have the meanings assigned thereto in Article I.

WHEREAS, 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 within the City to be known as the Glen Crossing 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 Collin Central Appraisal District, and the signature of the record owner of 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 April 12, 2016, 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 April 12, 2016, the City Council made the findings required by Sec. 372.009(b) of the PID Act and, by Resolution No. _____, 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 also made findings and determinations relating to the estimated total costs of certain Authorized Improvements; and

WHEREAS, on April 15, 2016, the City published notice of its authorization of the District in the *Celina Record*, a newspaper of general circulation in 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 April 15, 2016; and

WHEREAS, on _____, 2016, the City Council by Resolution _____ made findings and determinations relating to the Costs of certain Public Improvements, received and accepted a preliminary service and assessment plan and proposed assessment roll, called a public hearing for _____, 2016, and directed City staff to (i) file said proposed assessment roll with the City Secretary and to make it available for public inspection as required by Section 372.016(b) of the PID Act, and (ii) publish such notice as required by Section 372.016(b) of the PID Act relating to the _____, 2016 public hearing; and

WHEREAS, the City Council, pursuant to Section 372.016(b) of the PID Act, published notice of a public hearing in the *Celina Record*, a newspaper of general circulation in the City to consider the proposed "Assessment Roll" and the "Service and Assessment Plan" and the levy of the "Special 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 Special Assessments on property in the District to the last known address of the owners of the property liable for the Special Assessments; and

WHEREAS, the City Council convened the hearing on _____, 2016, 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 Special Assessments, and to offer testimony pertinent to any issue presented on the amount of the Special Assessment, the allocation of Costs, the purposes of the Special Assessment, the special benefits of the Special Assessment, and the penalties and interest on annual installments and on delinquent annual installments of the Special Assessment; and

WHEREAS, at the _____, 2016 public hearing referenced above, there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of Costs, the Assessment Roll, and the levy of the Special 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 _____, 2016, 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 Special 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 Special 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 Special Assessments for the purpose of (i) paying a portion of the Costs of the Phase #1 Projects, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #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 2016 (Glen Crossing Public Improvement District Phase #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 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, but excluding any moneys held in the Developer Improvement Account of the Project Fund, 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, but excluding any moneys held in the Developer Improvement Account of the Project Fund; 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 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 Special Assessments have been prepaid, the lien on real property associated with such Special 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 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 issued and secured hereunder are to be issued, authenticated, and delivered and the Trust Estate hereby created, assigned, and pledged is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as hereinafter expressed, and the City has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners from time to time of the Bonds as follows:

ARTICLE I

DEFINITIONS, FINDINGS AND INTERPRETATION

Section 1.1. Definitions.

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

"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 notes or time warrants 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 and/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.

"Amended Development Agreement", effective as of June 14, 2016, between the City and the Wynne/Jackson, Inc. and assigned to and assumed by the Developer on _____, 2016.

"Annual Collection Costs" mean the following actual or budgeted costs, as applicable, related to the annual collection costs of outstanding Special Assessments paid in installments, including the costs or anticipated costs of: (i) issuing, refunding or refinancing bonds, (ii) computing, levying, collecting and transmitting the Special Assessments (whether by the City, the Administrator or otherwise), (iii) remitting the Special 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 Special Assessments in installments, including, without limitation, the administration of the District, maintaining the record of installments, payments and reallocations and/or cancellations of Special 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. Special 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 Special Assessments as shown on the Assessment Roll attached to the Service and Assessment Plan as Appendix _ and related to the Bonds and the Phase #1 Projects; which annual payment includes the 0.20% additional interest rate collected on each annual payment of the Special Assessments related to Bonds Similarly Secured for the Prepayment Reserve Account and the 0.30% additional interest rate collected on each annual payment of the Special Assessments related to Bonds Similarly Secured for the Delinquency Reserve Account 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 Phase #1 of the District against which a Special Assessment is levied by the Assessment Ordinance in accordance with the Service and Assessment Plan.

"Assessment Ordinance" means Ordinance No. ____ adopted by the City Council on _____, 2016, that levied the Special 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) a Special Assessment levied against an Assessed Parcel, or Annual Installment payment thereof, including any interest on such Special Assessment or Annual Installment thereof during any period of delinquency, (ii) a Prepayment, (iii) Delinquent Collection Costs, and (iv) Foreclosure Proceeds.

"Assessment Roll" means the Assessment Roll attached as Appendix F 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 Special Assessment against each Assessed Parcel related to the Phase #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.

"Authorized Denomination" means \$25,000 and any integral multiple of \$5,000 in excess thereof.

"Authorized Improvements" means improvements authorized by Section 372.003 of the PID, including those listed in Section III of the Service and Assessment Plan.

"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. _____ adopted by the City Council on _____, 2016 authorizing the issuance of the Bonds pursuant to this Indenture.

"Bond Pledged Revenue Account" means the Account 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 in the following year.

"Bonds" means the City's bonds authorized to be issued by Section 3.1 of this Indenture entitled "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2016 (Glen Crossing Public Improvement District Phase #1 Project)".

"Bonds Similarly Secured" means, collectively, any Outstanding Bonds, Additional Bonds or Refunding 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.

"Certificate for Payment" means a certificate substantially in the form of Exhibit A attached to the PID Reimbursement Agreement or otherwise approved by the Developer and the City Representative executed by a Person approved by the City Representative, delivered to the City Representative and the Trustee specifying the amount of work performed and the Costs thereof, and requesting payment for such Costs from money on deposit in the Project Fund as further described in the PID Reimbursement Agreement and Section 6.5 herein.

"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.

“Costs” means the costs of the Public Improvements.

“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 4.0% of the principal amount of the Outstanding Bonds Similarly Secured which will be funded from revenues received from the payment of Special 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 Special Assessment, including penalties and reasonable attorney’s fees actually paid, but excluding amounts representing interest and penalty interest.

“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.

“Developer” means W/J CR 55 LP, a Texas limited partnership.

“Developer Improvement Account” means the Account of such name established pursuant to Section 6.1.

“Development Agreement” means the “Development Agreement” between the City and the Wynne/Jackson, Inc. effective as of April 12, 2016, which provides for the development of property within the District, the creation of the District and a tax increment reinvestment zone, the construction and financing of the Authorized Improvements and other matters related thereto.

“Disclosure Agreement of the Developer” means that certain agreement between the Developer, the PID Administrator, and [FSC Continuing Disclosure Services, a Division of Hilltop Securities, Inc.], which provides for the provision of certain information regarding the Development and the Phase #1 Projects by certain dates for the benefit of the Owners of the Bonds.

“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 Special 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 Bond” means the Initial Bond 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 [September 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.

“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 Similarly Secured.

“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 Similarly Secured 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 G Bar 7, Ltd., a Texas limited partnership.

"Phase #1" means the initial phase to be developed within the District and further identified and described in the Service and Assessment Plan.

"Phase #1 Projects" means the Public Improvements which will benefit Assessed Parcels more particularly described in Section III.B of the Service and Assessment Plan.

"Phase #1 Addendum" means the addendum to the PID Reimbursement Agreement between City and the Developer dated as of _____, 2016 which initially provides for the reimbursement of costs to the Developer from the Phase #1 Reimbursement Fund for funds withdrawn from the Developer Improvement Account of the Project Fund and used to pay costs of Phase #1 Projects.

"Phase #1 Reimbursement Fund" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.12 herein.

"PID Act" means Texas Local Government Code, Chapter 372, Improvement Districts in Municipalities and Counties, Subchapter A, Public Improvement Districts, as amended.

"PID Administrator" means MuniCap, Inc. or any other public finance consulting firm providing services related to the administration of special tax or special assessment districts, as designated by the City.

"PID Reimbursement Agreement" means the "PID Reimbursement Agreement" between the City and the Developer, dated as of _____, 2016, including any addendum attached thereto from time to time (and initially being the Phase #1 Addendum).

"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.

"Prepayment" means the payment of all or a portion of a Special 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 Special 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.

"Public Improvements" means the Authorized Improvements for which Special Assessments are levied against an Assessed Parcel that are designed, constructed, and installed in accordance with the Service and Assessment Plan or an Annual Service Plan Update for the benefit of the Assessed Parcels.

"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 Price" means, when used with respect to any Bond or portion thereof, the applicable redemption price shown in Article IV of this Indenture.

"Refunding Bonds" means bonds issued pursuant to the PID Act and/or Chapter 1207 of the Texas Government Code (each as heretofore and hereinafter amended) to refund all or any portion of the then-Outstanding Bonds Similarly Secured.

"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 Fund 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 Fund 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 Fund 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.

“Special 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.

“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 Phase #1 Projects, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #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 _____, 2016 (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 [September 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:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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(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 Amended Development Agreement;
- (d) a copy of the executed the PID Reimbursement Agreement, including the Phase #1 Addendum; and
- (e) a copy of this Indenture executed by the Trustee and the City; and
- (f) 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 Similarly Secured shall be paid in lawful money of the United States of America, as provided in this Section.

(b) Interest on the Bonds Similarly Secured 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 Similarly Secured 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 Similarly Secured 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 Similarly Secured shall be paid to the Owner of such Bond Similarly Secured on the due date thereof, whether at the maturity date or the date of prior redemption thereof, upon presentation and surrender of such Bond Similarly Secured 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 Similarly Secured 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 Similarly Secured 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 Similarly Secured thereafter coming due and, to the extent any such money remains after the retirement of all Outstanding Bonds Similarly Secured, 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 Similarly Secured for any further payment of such unclaimed moneys or on account of any such Bonds Similarly Secured, 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 of par plus accrued and unpaid interest to the redemption date 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

Term Bonds Maturing September 1, 20

Redemption Date

Sinking Fund
Installment

Redemption Date

Sinking Fund
Installment

Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
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Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
------------------------	-------------------------------------

(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 the Bonds before their scheduled maturity dates, in whole or in part, on any date on or after _____, 20__, at the redemption price of 100% of the principal amount plus accrued interest to the date of redemption.

Section 4.4. Extraordinary Optional Redemption.

Notwithstanding any provision in this Indenture to the contrary, 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 the Redemption Price of 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(c), 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(e).

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; provided, however, if the amount of Outstanding Bonds is less than an Authorized Denomination after giving effect to such partial redemption, a Bond in the principal amount equal to the unredeemed portion, but not less than \$5,000, may be issued.

(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 on 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) Developer Project Fund;
- (v) Reserve Fund;
- (vi) Redemption Fund;
- (vii) Rebate Fund;
- (viii) Administrative Fund; and
- (ix) Phase #1 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) Phase #1 Improvement Account;
- (B) Developer Improvement Account; and
- (C) 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; and
- (B) Developer Property Tax Account.

(vi) The following Accounts are hereby created and established under the Developer Project Fund:

- (A) Developer Public Improvement Account; and
- (B) Developer Private Improvement 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 \$30,000;
- (iv) to the Costs of Issuance Account of the Project Fund: \$_____; and
- (v) to the Phase #1 Improvement Account of the Project Fund: \$_____.

(b) Funds received from the Developer on the Closing Date shall be paid to the Trustee and deposited or transferred by the Trustee as follows:

(i) funds received pursuant to the terms of the PID Reimbursement Agreement in the amount of \$_____ to the Developer Improvement Account of the Project Fund;

(ii) an amount equal to the lesser of either (1) \$5,000 or (2) two times the amount of the property tax on the Property that is classified as agricultural in the current tax year to the Developer Property Tax Account of the Administrative Fund; and

(iii) funds received in accordance with of the Amended Development Agreement in the amount of \$_____ to the Developer Project Fund.

Section 6.3. Pledged Revenue Fund.

(a) On or before February 1 of each year while the Bonds Similarly Secured are Outstanding and beginning in the 2017, 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 (i) first, to the Bond Pledged Revenue Account of the Pledged Revenue Fund to be used in the following order of priority: (a) amounts sufficient to pay debt service on the Bonds Similarly Secured coming due in such calendar year, (b) to the Reserve Account of the Reserve Fund in an amount to cause the amount in the Reserve Account to equal the Reserve Fund Requirement, (c) 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; (ii) second, to the Developer Reimbursement Pledged Revenue Account of the Pledged Revenue Fund to reimburse the Developer for costs of Phase #1 Projects that have been paid from the Developer Improvement Account of the Project Fund (pursuant to the terms of the PID Reimbursement Agreement), (iii) third, to pay other costs of the Public Improvements, and (iv) fourth, 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 Similarly Secured.

(b) From time to time as needed to pay the obligations relating to the Bonds Similarly Secured, 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 Similarly Secured on the next Interest Payment Date.

(c) Upon receipt of written confirmation from the PID Administrator, through an authorized representative, of compliance with the conditions and provisions of the Disclosure Agreement of the Developer for the preceding four (4) quarters, on or before August 1 of each year the Trustee shall withdraw from the Developer Reimbursement Pledged Revenue Account an amount sufficient to pay the obligations relating to costs of Phase #1 Projects that are paid with funds withdrawn from the Developer Improvement Account of the Project Fund and transfer to the Phase #1 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 Phase #1 Projects. To the extent there has been non-compliance with the Disclosure Agreement of the Developer for any or each of the preceding four (4) quarters, an amount equal to one-fourth ($1/4^{\text{th}}$) of the amount withdrawn from the Developer Reimbursement Pledged Revenue Account multiplied by the number of quarters (of the preceding (4) quarters) in which there was non-compliance shall be deposited into the Redemption Fund.

(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 Similarly Secured.

(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 Similarly Secured and to fund any deficiency that may exist in the Reserve Fund and to fund any obligations due to Developer with funds deposited to the Phase #1 Reimbursement Fund, the City may direct the Trustee by City Order to apply Special Assessments for any lawful purposes permitted by the PID Act for which Special Assessments may be paid.

(h) Any Special Assessments remaining after satisfying the foregoing payments may be used for any lawful purpose for which Special 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/or interest then due and payable on the Bonds Similarly Secured, 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:

<u>Date</u>	<u>Amount</u>
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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 Phase #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 Amended Development Agreement and the PID Reimbursement Agreement shall be disbursed as provided in the PID Reimbursement Agreement. The procedures of the PID Reimbursement Agreement 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 Certificate for Payment. The disbursement of funds from the Project Fund pursuant to a Certificate for Payment shall be pursuant to and accordance with the disbursement procedures described in the PID Reimbursement Agreement; and such disbursements shall be made first from the Phase #1 Improvement Account of the Project Fund until all funds in such account are depleted and then next from the Developer Improvement Account of the Project Fund. Such provisions and procedures related to such disbursement contained in the PID Reimbursement Agreement, and no other provisions of the PID Reimbursement Agreement, are herein incorporated by reference and deemed set forth herein in full.

(d) If the City Representative determines in his or her sole discretion that amounts then on deposit in the Phase #1 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 Phase #1 Projects, such that, in the opinion of the City Representative, it is unlikely that the amounts in the Phase #1 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 Phase #1 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 Phase #1 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.

(e) In making any determination pursuant to this Section, the City Representative may conclusively rely upon a certificate of an Independent Financial Consultant.

(f) Upon the filing of a City Certificate stating that all Phase #1 Projects have been completed and that all Costs of the Phase #1 Projects allocable to the Assessed Parcels have been paid, or that any such Costs are not required to be paid from the Project Fund pursuant to a Certification for Payment, the Trustee (i) shall transfer the amount, if any, remaining within the Phase #1 Improvement Account of 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) the Project Fund shall be closed.

(g) Upon a determination by the City Representative that all costs of issuance of the Bonds have been paid, any amounts remaining in the Costs of Issuance Account shall be transferred to 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 Similarly Secured to accumulate from the deposits outlined in Section 6.3(a) hereof, and when accumulated maintain in the Reserve Account, an amount equal to not less than the Reserve Fund 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, 2017, 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 Similarly Secured 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, 2017, 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 Similarly Secured 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 Similarly Secured 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 Similarly Secured. The amount so transferred from the Reserve Account of the Reserve Fund shall be equal to a percentage of the amount of the Bonds Similarly Secured 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 Similarly Secured prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund, as a percentage of the Outstanding Bonds Similarly Secured 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 Similarly Secured to the date fixed for redemption of the Bonds Similarly Secured 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 Similarly Secured.

(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 Fund 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 Similarly Secured 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 Similarly Secured, 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 Similarly Secured 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 Similarly Secured 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 Similarly Secured 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 Fund withdrawal, the amount on deposit in the Reserve Account of the Reserve Fund is less than the Reserve Fund 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 Administrative 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.

Section 6.12. Phase #1 Reimbursement Fund.

(a) Money on deposit in the Phase #1 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 Phase #1 Projects as provided in the PID Reimbursement Agreement. Such provisions and procedures of the PID Reimbursement Agreement are herein incorporated by reference and deemed set forth in this Section 6.12 in full.

(b) 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 in accordance with the provisions of the PID Reimbursement Agreement, no further deposits shall be made to the Phase #1 Reimbursement Fund and the Phase #1 Reimbursement Fund shall be closed.

Section 6.13. Developer Project Fund.

(a) Moneys deposited in the Developer Private Improvement Account of the Developer Project Fund in accordance with the provisions of the Amended Development Agreement and the PID Reimbursement Agreement shall be held by the Trustee separate and apart from the other Funds created and administered hereunder and shall be disbursed as provided in the PID Reimbursement Agreement. The provisions and procedures of the PID Reimbursement Agreement are herein incorporated by reference and deemed set forth herein in full.

(b) If the City Representative determines in his or her sole discretion that amounts then on deposit in the Developer Private Improvement Account of the Developer Project Fund are not expected to be expended for purposes of the Developer Private Improvement Account due to the abandonment, or constructive abandonment, of the Private Improvements (as defined in the Service and Assessment Plan) such that, in the opinion of the City Representative, it is unlikely that the amounts in the Developer Private Improvement Account will ever be expended for the purposes of the Private Improvements, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the Developer Private Improvement Account that are not expected to be used for the Private Improvements. If such City Certificate is so filed, the amounts on deposit in the Developer Private Improvement Account shall be transferred to the Developer on the earliest practicable date. In making any determination pursuant to this Section, the City Representative may conclusively rely upon a certificate of an Independent Financial Consultant.

(c) Moneys deposited in the Developer Public Improvement account of the Developer Project Fund in accordance with the provision of the Amended Development Agreement and the PID Reimbursement Agreement shall be held separate and apart from the other Funds created and administered hereunder and shall be disbursed by the Trustee upon receipt by the Trustee of a properly executed and completed Certificate for Payment. The disbursement of funds from the Developer Project Fund pursuant to a Certificate for Payment shall be pursuant to and in accordance with the disbursement procedures described in the PID Reimbursement Agreement.

(d) If the City Representative determines in his or her sole discretion that amounts then on deposit in the Developer Public Improvement Account of the Developer Project Fund are not expected to be expended for purposes of the Developer Public Improvement Account due to the abandonment, or constructive abandonment, of the City Improvements (as defined in the Service and Assessment Plan) such that, in the opinion of the City Representative, it is unlikely that the amounts in the Developer Public Improvement Account will ever be expended for the purposes of the City Improvements, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the Developer Public

Improvement Account that are not expected to be used for the City Improvements. If such City Certificate is so filed, the amounts on deposit in the Developer Public Improvement Account shall be transferred to the Developer on the earliest practicable date. In making any determination pursuant to this Section, the City Representative may conclusively rely upon a certificate of an Independent Financial Consultant.

(e) Upon the filing of a City Certificate stating that all City Improvements have been completed, the Trustee shall transfer the amount, if any, remaining within the Developer Project Fund to the Developer and the Developer Project Fund shall be closed.

(e) Notwithstanding any provision of this Indenture to the contrary, nothing in this Indenture shall affect or impair the right of City and Developer to modify the applicable terms of the PID Reimbursement Agreement relating to the disbursement of moneys deposited in the Developer Project Fund.

ARTICLE VII

COVENANTS

Section 7.1. Confirmation of Special Assessments.

The City hereby confirms, covenants, and agrees that, in the Assessment Ordinance, it has levied the Special Assessments against the respective Assessed Parcels from which the Pledged Revenues will be collected and received.

Section 7.2. Collection and Enforcement of Special Assessments.

(a) For so long as any Bonds Similarly Secured are Outstanding and amounts are due the Developer to reimburse it for its funds it has contributed to pay costs of the Phase #1 Projects, the City covenants, agrees and warrants that it will take and pursue all actions permissible under Applicable Laws to cause the Special 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 Special 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 Special Assessment or the corresponding Assessed Parcel.

Section 7.3. Against Encumbrances.

(a) 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 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 Public Improvements remain outstanding and unpaid, it will keep and maintain a proper and complete system of records and accounts pertaining to the Special 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 Special 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 Special 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 Similarly Secured or this Indenture other than in connection with the duties or obligations explicitly herein or in the Bonds Similarly Secured 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 Similarly Secured, 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 Similarly Secured, 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 Similarly Secured (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 Similarly Secured 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 Similarly Secured 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 Public 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 Similarly Secured 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 Similarly Secured.

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;

(iv) to provide for the issuance of Additional Bonds and/or Refunding Bonds as set forth in Section 13.2 herein; and

(v) to make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds.

Section 10.2. Owners' Meetings.

The City may at any time call a meeting of the Owners of the Bonds. In such event the City is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof, and to fix and adopt 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 Similarly Secured 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 Similarly Secured 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 Similarly Secured 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 Similarly Secured 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 Similarly Secured 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 Similarly Secured 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 Similarly Secured 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 Similarly Secured 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 Special Assessments including the prosecution of foreclosure proceedings;

(iii) The failure to make payment of the principal of or interest on any of the Bonds Similarly Secured 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 Similarly Secured with a copy to the Trustee, specifying such default by the Owners of at least 25% of the Bonds Similarly Secured 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 Similarly Secured 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 Outstanding Bonds Similarly Secured, in the selection of Trust Estate assets to be used in the payment of Bonds Similarly Secured 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 Similarly Secured 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 Similarly Secured 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 Similarly Secured.

(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 Similarly Secured shall bind all future Owners of the same Bonds 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 Special 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. Additional Obligations or Other Liens; Additional 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 and Additional Bonds issued in accordance with subsection (c) below, 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.

(c) The City reserves the right to issue Additional Bonds for any purpose permitted by the PID Act 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 in the Amended Development Agreement;

(iii) the PID Administrator, through an authorized representative, shall certify as to the then-current compliance with the terms and provisions of the Disclosure Agreement of the Developer;

(iv) the Developer, through an authorized representative, shall certify that (A) a minimum of fifty (50) certificates of occupancy have been issued for single-family homes constructed within Phase #1; and (B) the average gross sales price (which is the gross amount including escalations and reimbursements due to the seller of the lots) for each lot type based on the actual lot closings in the District allocated to every Assessed Parcel within Phase #1 or an appraisal of the average retail value of the remaining unsold lots within Phase #1 on individual lot basis by lot type is at least 2.08 times the portion of the total principal amount of any outstanding Bond Similarly Secured (including both the Bonds outstanding and the Additional Bonds proposed to be issued), that is allocated to each Assessed Property on a Parcel-by-Parcel basis for each individual lot;

(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 Account an amount equal to the Reserve Fund Requirement taking into account the outstanding Bonds Similarly Secured, and the Additional Bonds then proposed to be issued.

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
INDENTURESection 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 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 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.

[remainder of page left blank intentionally]

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

Attest:

City Secretary

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Officer

*Signature Page to Indenture of Trust
relating to
CITY OF CELINA, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2016
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1 PROJECT)*

Attachment: CITY OF CELINA (GLEN CROSSING PID) 2016 - PHASE 1 TRUST INDENTURE (8) (1634 : Glen Crossing Bond Series 2016 POS)

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 2016
(GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT PHASE #1 PROJECT)

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF DELIVERY</u>	<u>CUSIP NUMBER</u>
_____ %	September 1, 20__	_____	_____

The City of Celina, Texas (the "City"), for value received, hereby promises to pay, solely from the Trust Estate, to

or registered assigns, on the Maturity Date, as specified above, the sum of

_____ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the later of the 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 _____, 20__, 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, Dallas, Texas, as trustee and paying agent/registrars (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 _____, 2016 and issued in the aggregate principal amount of \$_____ and issued, with the limitations described herein, pursuant to an Indenture of Trust, dated as of _____, 2016 (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 Phase #1 Projects, (ii) paying a portion of the interest on the Bonds during and after the period of acquisition and construction of the Phase #1 Projects, (ii) funding a reserve fund for payment of principal and interest on 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.

The Bonds are limited obligations of the City payable solely from the Trust Estate 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

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
------------------------	-------------------------------------

Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
------------------------	-------------------------------------

Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
------------------------	-------------------------------------

Term Bonds Maturing September 1, 20

<u>Redemption Date</u>	<u>Sinking Fund Installment</u>
------------------------	-------------------------------------

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 _____, 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.

<u>Redemption Date</u>	<u>Redemption Price</u>
On or after March 1, 20__	103%
On or after March 1, 20__	102%
On or after March 1, 20__	101%
On or after March 1, 20__	100%

The City reserves the right and option to redeem the Bonds before their scheduled maturity dates, in whole or in part, on any date on or after _____, 20__, at the redemption price of 100% of the principal amount plus accrued interest to the date of redemption.

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, COLLIN 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, 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 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.

Authorized Signatory

(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>
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(Information to be inserted from Section 3.2(c) hereof); and

(iii) the Initial Bond shall be numbered T-1.

**PID Reimbursement Agreement
Glen Crossing**

This PID Reimbursement Agreement, including any addendum that may be attached hereto from time to time (this "Agreement") is entered into by W/J CR 55 LP (the "Developer") and the City of Celina, Texas (the "City"), to be effective **[July 12]**, 2016 (the "Effective Date"). The Developer and the City are individually referred to as a "Party" and collectively as the "Parties."

SECTION 1. RECITALS

- 1.1 WHEREAS, capitalized terms used in this Agreement shall have the meanings given to them in Section 2;
- 1.2 WHEREAS, unless otherwise defined: (1) all references to "sections" shall mean sections of this Agreement; (2) all references to "exhibits" shall mean exhibits to this Agreement which are incorporated as part of this Agreement for all purposes; and (3) all references to "ordinances" or "resolutions" shall mean ordinances or resolutions adopted by the City Council;
- 1.3 WHEREAS, the Developer is a Texas limited partnership;
- 1.4 WHEREAS, the City is a Texas home-rule municipality;
- 1.5 WHEREAS, on April 12, 2016, the City Council passed and approved the PID Creation Resolution authorizing the creation of the PID pursuant to the authority of the Act, covering approximately 109.090 contiguous acres within the City's corporate limits which land is described in the PID Creation Resolution;
- 1.6 WHEREAS, on **[July 12]**, 2016, the City Council passed and approved an Assessment Ordinance;
- 1.7 WHEREAS, the **[July 12]**, 2016, Assessment Ordinance approved the SAP;
- 1.8 WHEREAS, the SAP identifies Authorized Improvements to be designed, constructed, and installed by or at the direction of the Parties that confer a special benefit on the Assessed Property;
- 1.9 WHEREAS, the SAP sets forth the Actual Costs of the Authorized Improvements;

- 1.10 WHEREAS, the Assessed Property is being developed in phases;
- 1.11 WHEREAS, the SAP determines and apportions the Actual Costs of the Authorized Improvements to the Assessed Property, which Actual Costs represent the special benefit that the Authorized Improvements confer upon the Assessed Property;
- 1.12 WHEREAS, an Assessment Ordinance levied the Actual Costs of the Authorized Improvements as Assessments against the Assessed Property in the amounts set forth on an Assessment Roll;
- 1.13 WHEREAS, Assessments and Annual Installments are due and payable as described in the SAP;
- 1.14 WHEREAS, Annual Installments shall be billed and collected by the City or their designee;
- 1.15 WHEREAS, Assessment Revenue from the collection of Assessments shall be deposited as provided in the applicable Bond Indenture if PID Bonds secured by such Assessments are issued or into the PID Reimbursement Fund if no such PID Bonds are issued or such PID Bonds are no longer outstanding;
- 1.16 WHEREAS, Bond Proceeds shall be deposited as provided in the applicable Bond Indenture;
- 1.17 WHEREAS, the PID Project Fund shall only be used in the manner set forth in a Bond Indenture;
- 1.18 WHEREAS, this Agreement is a "reimbursement agreement" authorized by Section 372.023(d)(1) of the Act;
- 1.19 WHEREAS, the foregoing RECITALS: (1) are part of this Agreement for all purposes; (2) are true and correct; and (3) constitute representations, warranties, and covenants that each Party has relied upon in entering into this Agreement; and
- 1.20 WHEREAS, all resolutions and ordinances referenced in this Agreement (e.g., the PID Creation Resolution and each Assessment Ordinance), together with all other documents referenced in this Agreement (e.g., the SAP), are incorporated as part of this Agreement for all

purposes as if such resolutions, ordinances, and other documents were set forth in their entirety in or as exhibits to this Agreement.

NOW THEREFORE, for and in consideration of the mutual obligations of the Parties set forth in this Agreement, the Parties agree as follows:

SECTION 2. DEFINITIONS

- 2.1 "Act" is defined as Chapter 372, Texas Local Government Code, as amended.
- 2.2 "Actual Costs" are defined in the SAP.
- 2.3 "Agreement" is defined in the introductory paragraph.
- 2.4 "Administrative Expenses" are defined in the SAP.
- 2.5 "Annual Installment" is defined in the SAP.
- 2.6 "Assessed Property" is defined in the SAP.
- 2.7 "Assessment" is defined in the SAP.
- 2.8 "Assessment Ordinance" is defined in the SAP.
- 2.9 "Assessment Revenue" means the revenues actually received by or on behalf of the City from the collection of Assessments, including prepayments, Annual Installments, Delinquent Collection Costs and foreclosure proceeds.
- 2.10 "Assessment Roll" is defined in the SAP.
- 2.11 "Authorized Improvements" is defined in the SAP.
- 2.12 "Bond Indenture" means the applicable trust indenture pursuant to which PID Bonds are issued.
- 2.13 "Bond Proceeds" mean the proceeds derived from the issuance and sale of a series of PID Bonds that are deposited and made available to pay Actual Costs in accordance with the applicable Bond Indenture.
- 2.14 "Certificate for Payment" means a certificate (substantially in the form of Exhibit A or as otherwise approved by the Developer and the City Representative) executed by a representative of the Developer and approved by the City Representative, delivered to the City Representative (and/or,

if applicable, to the trustee named in any applicable Bond Indenture), specifying the work performed and the amount charged (including materials and labor costs) for Actual Costs, and requesting payment of such amount from the appropriate fund or funds. Each certificate shall include supporting documentation in the standard form for City construction projects and evidence that the Authorized Improvements (or its completed segment) covered by the certificate have been inspected by the City.

2.15 "City" is defined in the introductory paragraph.

2.16 "City Improvements" is defined in the SAP.

2.17 "City Representative" means the person authorized by the City Council to undertake the actions referenced herein.

2.18 "City Council" means the governing body of the City.

2.19 "Closing Disbursement Request" means a request in the form of Exhibit B or as otherwise approved by the Parties.

2.20 "Default" is defined in Section 4.6.1.

2.21 "Delinquent Collection Costs" are defined in the SAP.

2.22 "Developer" is defined in the introductory paragraph.

2.23 "Developer Advances" mean advances made by the Developer to pay Actual Costs.

2.24 "Developer Continuing Disclosure Agreement" means any Continuing Disclosure Agreement of the Developer executed contemporaneously with the issuance and sale of PID Bonds.

2.25 "Developer Improvement Account" means the account of the PID Project Fund created and established under a Bond Indenture (and segregated from all other funds contained in the PID Project Fund) into which the City deposits any funds received from the Developer as required by such Bond Indenture.

2.26 "Developer Project Fund" means the fund established by the City under the Bond Indenture (and segregated from all other funds of the City) into which the Developer deposits funds as required by such Bond Indenture.

2.27 "Development Agreement" is defined in the SAP.

- 2.28 "Effective Date" is defined in the introductory paragraph.
- 2.29 "Failure" is defined in Section 4.6.1.
- 2.30 "Future Phases" is defined in the SAP.
- 2.31 "Maturity Date" is the date one year after the last Annual Installment is collected.
- 2.32 "Party" and "Parties" are defined in the introductory paragraph.
- 2.33 "Phase" is defined in the SAP.
- 2.34 "Phase #1 Addendum" means the addendum to this Agreement dated as of **[July 12]**, 2016 which initially provides for the reimbursement of costs to the Developer from the Phase #1 Reimbursement Fund for funds withdrawn from the Developer Improvement Account of the PID Project Fund in accordance with the Bond Indenture relating to the first series of PID Bonds.
- 2.35 "Phase #1 Reimbursement Fund" means the fund established under Section 6.1 and 6.12 of the Bond Indenture relating to the "City of Celina, Texas, Special Assessment Revenue Bonds, Series 2016 (Glen Crossing Public Improvement District Phase #1 Project)".
- 2.36 "PID" is defined as the Glen Crossing Public Improvement District (formerly known as the G Bar 7 Public Improvement District) created by the PID Creation Resolution.
- 2.37 "PID Bonds" are defined in the SAP.
- 2.38 "PID Creation Resolution" is defined as Resolution No. 2016-24R passed and approved by the City Council on April 12, 2016.
- 2.39 "PID Pledged Revenue Fund" means the fund established by the City under a Bond Indenture (and segregated from all other funds of the City) into which the City deposits Assessment Revenue from the collection of the Assessments securing PID Bonds issued and still outstanding.
- 2.40 "PID Project Fund" means the fund, including all accounts created within such fund, established by the City under a Bond Indenture (and segregated from all other funds of the City and which is defined as the "Project Fund" under the Bond Indenture for the first series of PID Bonds) into which the City deposits a portion of the Bond Proceeds and any other funds authorized or required by such Bond Indenture.

2.41 "PID Reimbursement Fund" means the fund established by the City under this Agreement (and segregated from all other funds of the City) into which the City deposits Assessment Revenue if not deposited into the PID Pledged Revenue Fund.

2.42 "Reimbursement Agreement Balance" is defined in Section 3.3.

2.43 "SAP" is defined as the *Glen Crossing Public Improvement District Service and Assessment Plan* approved as part of the **[July 12]**, 2016, Assessment Ordinance, as amended by City Council action.

2.44 "Transfer" and "Transferee" are defined in Section 4.8.

SECTION 3. FUNDING AUTHORIZED IMPROVEMENTS

3.1 Fund Deposits. Until PID Bonds are issued, the City shall bill, collect, and immediately deposit into the PID Reimbursement Fund all Assessment Revenue consisting of: (1) revenue collected from the payment of Assessments (including pre-payments and amounts received from the foreclosure of liens but excluding costs and expenses related to collection); and (2) revenue collected from the payment of Annual Installments (excluding Administrative Expenses and Delinquent Collection Costs). Once PID Bonds are issued, the City shall bill, collect, and immediately deposit all Assessment Revenue in the manner set forth in the applicable Bond Indenture. The City shall also deposit Bond Proceeds and any other funds authorized or required by the Bond Indenture in the manner set forth in the applicable Bond Indenture. Annual Installments shall be billed and collected by the City (or by any person, entity, or governmental agency permitted by law) in the same manner and at the same time as City ad valorem taxes are billed and collected. Funds in the PID Project Fund shall only be used in accordance with the applicable Bond Indenture; provided that funds disbursed from the PID Project Fund pursuant to Section 3.5 below shall be made first from Bond Proceeds held in the applicable accounts within the PID Project Fund until such accounts are fully depleted and then from the Developer Improvement Account of the PID Project Fund. Funds in the Developer Project Fund shall only be used to pay costs of City Improvements (as defined in the SAP) as required by the Development Agreement. Funds in the PID Reimbursement Fund shall only be used to pay Actual Costs of the Authorized Improvements or all or any portion of the Reimbursement Agreement Balance in accordance with this Agreement. Notwithstanding any other provision in this Agreement, the Actual Costs of Authorized Improvements within each Phase shall

be paid from the Assessment Revenue collected solely from Assessments levied on the property within such Phase benefitting from such Authorized Improvements. Once PID Bonds are issued, the Bond Indenture shall control in the event of any conflicts with this Agreement.

3.2 Payment of Actual Costs. If PID Bonds are not issued to pay Actual Costs of Authorized Improvements, the Developer may elect to make Developer Advances to pay Actual Costs. If PID Bonds are issued, the Bond Proceeds shall be used in the manner provided in the applicable Bond Indenture, and, except as may be required under the Development Agreement, the Developer shall have no obligation to make Developer Advances unless the Bond Proceeds, together with any other funds on deposit in the PID Project Fund or PID Reimbursement Fund, are insufficient to pay the Actual Costs, in which case the Developer shall make Developer Advances to pay the deficit. If Developer Advances are required in connection with the issuance of a series of PID Bonds, then such Developer Advances may be reduced by the amount of payments of Actual Costs of the Authorized Improvements (or portions thereof) to be financed by such PID Bonds that the Developer has previously paid if (i) the Developer submits to the City all information related to such costs that would be required by a Closing Disbursement Request at least 5 days prior to the pricing of the PID Bonds, and (ii) the City approves such Actual Costs in writing. If the Developer is required to make Developer Advances under the Development Agreement and such Developer Advances are to be eligible for reimbursement through the future issuance of additional PID Bonds; then an addendum to this Agreement substantially in a form similar to the Phase #1 Addendum shall be added. The Developer shall also make Developer Advances to pay for cost overruns (after applying cost savings). The lack of Bond Proceeds or other funds in the PID Project Fund shall not diminish the obligation of the Developer to pay Actual Costs of the Authorized Improvements.

3.3 Payment of Reimbursement Agreement Balance. The City agrees to pay to the Developer, and the Developer shall be entitled to receive payments from the City, until the Maturity Date, for amounts shown on each Certificate for Payment (which amounts include only Actual Costs paid by or at the direction of the Developer) plus: (1) simple interest on the unpaid principal balance at the rate of five percent (5%) above the highest average index rate for tax-exempt bonds reported in a daily or weekly bond index reported in the month before the date the obligation was incurred for years one through five beginning on the date each Certificate of Payment is delivered to the City Representative; and (2) simple interest on the unpaid principal balance at the rate of two percent (2%) above the highest average index rate for tax-exempt bonds reported in a daily or weekly bond

index reported in the month before the date the obligation was incurred for years six through thirty-five thereafter (the unpaid principal balance, together with accrued but unpaid interest, owed the Developer for all Certificates of Payment is referred to as the "Reimbursement Agreement Balance"). The obligation of the City to pay the Reimbursement Agreement Balance is payable solely from the PID Reimbursement Fund or from PID Bond Proceeds. No other City funds, revenue, taxes, income, or property shall be used even if the Reimbursement Agreement Balance is not paid in full by the Maturity Date. Payments from the PID Reimbursement Fund shall be applied in accordance with this Agreement. Each payment from the PID Reimbursement Fund shall be accompanied by an accounting that certifies the Reimbursement Agreement Balance as of the date of the payment and that itemizes all deposits to and disbursements from the fund since the last payment. If there is a dispute over the amount of any payment, the City shall nevertheless pay the undisputed amount, and the Parties shall use all reasonable efforts to resolve the disputed amount before the next payment is made; however, if the Parties are unable to resolve the disputed amount, then the City's determination of the disputed amount (as approved by the City Council) shall control. Notwithstanding any other provision in this Agreement, if any portion of the Reimbursement Agreement Balance is to be paid through the future issuance of additional PID Bonds and an addendum to this Agreement substantially in a form similar to the Phase #1 Addendum is added as described in Section 3.2 above, then the terms of such addendum, including specifically the calculation of interest on the Reimbursement Agreement Balance, shall control.

3.4 PID Bonds. (a) The City, in its sole, legislative discretion, may issue PID Bonds, in one or more series, when and if the City Council determines it is financially feasible for the purposes of: (1) paying the Reimbursement Agreement Balance; or (2) paying directly Actual Costs of Authorized Improvements. PID Bonds issued for such purpose will be secured by and paid solely as authorized by the applicable Bond Indenture. Upon the issuance of PID Bonds for such purpose, the Developer's right to receive payments each year in accordance with Section 3.3 shall be subordinate to the deposits required under the applicable Bond Indenture related to any outstanding PID Bonds and the Developer shall be entitled to receive funds pursuant to the flow of funds provisions of such applicable Bond Indenture. The failure of the City to issue PID Bonds shall not constitute a "Failure" by the City or otherwise result in a "Default" by the City. Upon the issuance of the PID Bonds, the Developer has a duty to construct those Authorized Improvements described in the Bond Indenture. The Developer shall not be relieved of its duty to construct or cause to be constructed such

improvements even if there are insufficient funds in the PID Project Fund to pay the Actual Costs. This Agreement shall apply to all of the PID Bonds issued by the City whether in one or more series and no additional reimbursement agreement shall be required for future series of PID Bonds.

3.5 Disbursements and Transfers at and after Bond Closing. The City and the Developer agree that from the proceeds of the PID Bonds, and upon the presentation of evidence satisfactory to the City Representative, the City will cause the trustee under the Bond Indenture to pay at closing of the PID Bonds approved amounts from the appropriate account to the City or the Developer, as applicable, which costs may include payment for costs of issuance and payment of costs incurred in the establishment, administration, and operation of the PID and any other eligible items expended by the Developer and the City as of the time of the delivery of the PID Bonds as described in the SAP. In order to receive disbursement, the Developer shall execute a Closing Disbursement Request to be delivered to the City no less than five (5) business days prior to the scheduled closing date for the PID Bonds for payment in accordance with the provisions of the applicable Bond Indenture. In order to receive additional disbursements from the applicable fund under a Bond Indenture (including, but not limited to, the Developer Project Fund), the Developer shall execute a Certificate for Payment, no more frequently than monthly, to be delivered to the City for payment in accordance with the provisions of the applicable Bond Indenture and this Agreement. Upon receipt of a Certificate for Payment (along with all accompanying documentation required by the City) from the Developer, the City shall conduct a review in order to confirm that such request is complete, to confirm that the work for which payment is requested was performed in accordance with all applicable governmental laws, rules and regulations and applicable plans therefore and with the terms of this Agreement and any other agreement between the parties related to property in the PID, and to verify and approve the Actual Costs of such work (or the costs associated with the City Improvements or the Private Improvements if the request is for a disbursement from the Developer Public Improvement Account or the Developer Private Improvement Account of the Developer Project Fund) specified in such Certificate for Payment. The City shall also conduct such review as is required in its discretion to confirm the matters certified in the Certificate for Payment. The Developer agrees to cooperate with the City in conducting each such review and to provide the City with such additional information and documentation as is reasonably necessary for the City to conclude each such review. Within ten (10) business days following receipt of any Certificate for Payment, the City shall either: (1) approve the Certificate for Payment and forward it to the trustee for payment, or (2) provide the Developer

with written notification of disapproval of all or part of a Certificate for Payment, specifying the basis for any such disapproval. Any disputes shall be resolved as required by Section 3.3 herein. The City shall deliver the approved or partially approved Certificate for Payment to the trustee for payment, and the trustee shall make the disbursements as quickly as practicable thereafter. All disbursements under this Section 3.5, whether made pursuant to a Closing Disbursement Request or a Certificate for Payment, shall be made directly to the Developer only.

3.6 Obligations Limited. The obligations of the City under this Agreement shall not, under any circumstances, give rise to or create a charge against the general credit or taxing power of the City or a debt or other obligation of the City payable from any source other than the PID Reimbursement Fund, the PID Pledged Revenue Fund, or the PID Project Fund. Unless approved by the City, no other City funds, revenues, taxes, or income of any kind shall be used to pay: (1) the Actual Costs of the Authorized Improvements; (2) the Reimbursement Agreement Balance even if the Reimbursement Agreement Balance is not paid in full on or before the Maturity Date; or (3) debt service on any PID Bonds. None of the City or any of its elected or appointed officials or any of its officers, employees, consultants or representatives shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of this Agreement or their acts or omissions under this Agreement.

3.7 Obligation to Pay from PID Project Fund and Developer Project Fund. Subject to the provisions of Section 3.6 and as determined solely by the City, if the Developer is in then current compliance with its obligations under the Development Agreement, then following the inspection and approval of any portion of Authorized Improvements for which Developer seeks reimbursement of the Actual Costs by submission of a Certificate for Payment or City approval of a Closing Disbursement Request, the obligations of the City under this Agreement to pay disbursements identified in any Closing Disbursement Request or in any Certificate for Payment to the Developer from the PID Project Fund and to pay debt service on PID Bonds are unconditional AND NOT subject to any defenses or rights of offset except as may be provided in any Bond Indenture. Subject to the provisions of Section 3.6 and as determined solely by the City, if the Developer is then in current compliance with its obligations under the Development Agreement, then following the inspection and approval of any portion of City Improvements or the Private Improvements for which Developer seeks reimbursement of costs by submission of a Certificate for Payment or City approval of a Closing Disbursement Request, the obligations of the City under this Agreement to pay

disbursements identified in any Closing Disbursement Request or in any Certificate for Payment to the Developer from the Developer Public Improvement Account or the Developer Private Improvement Account of the Developer Project Fund are unconditional AND NOT subject to any defenses or rights of offset except as may be provided in any Bond Indenture.

3.8 Obligation to Pay from PID Reimbursement Fund. Subject to the provisions of Section 3.6 and as determined solely by the City, if (a) the Developer is in then current compliance with its obligations under the Development Agreement, and (b) the PID Administrator (as defined in the applicable Bond Indenture) provides written confirmation of compliance with the conditions and provisions of the Developer Continuing Disclosure Agreement at the time of the withdrawal of funds from the Developer Reimbursement Pledged Revenue Account all as set forth in the applicable Bond Indenture, then following the inspection and approval of any portion of Authorized Improvements for which Developer seeks reimbursement of the Actual Costs by submission of a Certificate for Payment or City approval of a Closing Disbursement Request, the obligations of the City under this Agreement to pay disbursements identified in any Closing Disbursement Request or in any Certificate for Payment to the Developer from the PID Reimbursement Fund are unconditional AND NOT subject to any defenses or rights of offset except as may be provided in the applicable Bond Indenture.

3.9 City Delegation of Authority. All Authorized Improvements shall be constructed by or at the direction of the Developer in accordance with the plans and in accordance with this Agreement and any other agreement between the parties related to property in the PID. The Developer shall perform, or cause to be performed, all of its obligations and shall conduct, or cause to be conducted, all operations with respect to the construction of Authorized Improvements in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work in accordance with City ordinances and regulation and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer has sole responsibility of ensuring that all Authorized Improvements are constructed in 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 in accordance with City ordinances and regulation and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall employ at

all times adequate staff or consultants with the requisite experience necessary to administer and coordinate all work related to the design, engineering, acquisition, construction and installation of all Authorized Improvements to be acquired and accepted by the City from the Developer. If any Authorized Improvements are or will be on land owned by the City, the City hereby grants to the Developer a license to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Authorized Improvements. Inspection and acceptance of Authorized Improvements will be in accordance with applicable City ordinances and regulations.

3.10 Security for Authorized Improvements. Prior to completion and conveyance to the City of any Authorized Improvements, the Developer shall cause to be provided to the City a maintenance bond in the amount required by the City's subdivision regulations for applicable Authorized Improvements, which maintenance bond shall be for a term of two years from the date of final acceptance of the applicable Authorized Improvements. Any surety company through which a bond is written shall be a surety company duly authorized to do business in the State of Texas, provided that legal counsel for the City has the right to reject any surety company regardless of such company's authorization to do business in Texas. Nothing in this Agreement shall be deemed to prohibit the Developer or the City from contesting in good faith the validity or amount of any mechanics or materialman's lien and/or judgment nor limit the remedies available to the Developer or the City with respect thereto so long as such delay in performance shall not subject the Authorized Improvements to foreclosure, forfeiture, or sale. In the event that any such lien and/or judgment with respect to the Authorized Improvements is contested, the Developer shall be required to post or cause the delivery of a surety bond or letter of credit, whichever is preferred by the City, in an amount reasonably determined by the City, not to exceed 120 percent of the disputed amount.

3.11 Ownership and Transfer of Authorized Improvements. The Developer shall furnish to the City a preliminary title report for land related to the Authorized Improvements to be acquired and accepted by the City from the Developer and not previously dedicated or otherwise conveyed to the City. The report shall be made available for City review and approval at least fifteen (15) business days prior to the scheduled transfer of title. The City shall approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the City, would materially affect the City's use and enjoyment of the Authorized Improvements. If the City objects to any preliminary title report, the City shall not be obligated to accept title to the applicable Authorized Improvements until the Developer has cured the objections to the reasonable satisfaction of the City.

SECTION 4. ADDITIONAL PROVISIONS

4.1 Term. The term of this Agreement shall begin on the Effective Date and shall continue until the earlier to occur of the Maturity Date or the date on which the Reimbursement Agreement Balance is paid in full.

4.2 No Competitive Bidding. Construction of the Authorized Improvements shall not require competitive bidding pursuant to Section 252.022(a) (9) of the Texas Local Government Code, as amended. All plans and specifications, but not construction contracts, shall be reviewed and approved, in writing, by the City prior to Developer selecting the contractor. The City shall have the right to examine and approve the contractor selected by the Developer prior to executing a construction contract with the contractor, which approval shall not be unreasonably delayed or withheld.

4.3 Independent Contractor. In performing this Agreement, the Developer is an independent contractor and not the agent or employee of the City.

4.4 Audit. The City Representative shall have the right, during normal business hours and upon three business days' prior written notice to the Developer, to review all books and records of the Developer pertaining to costs and expenses incurred by the Developer with respect to any of the Authorized Improvements. For a period of two years after completion of the Authorized Improvements, the Developer shall maintain proper books of record and account for the construction of the Authorized Improvements and all costs related thereto. Such accounting books shall be maintained in accordance with customary real estate accounting principles.

4.5 Representations and Warranties.

4.5.1 The Developer represents and warrants to the City that: (1) the Developer has the authority to enter into and perform its obligations under this Agreement; (2) the Developer has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Agreement; (3) the person executing this Agreement on behalf of the Developer has been duly authorized to do so; (4) this Agreement is binding upon the Developer in accordance with its terms; and (5) the execution of this Agreement and the performance by the Developer of its obligations under this Agreement do not constitute a breach or event of default by the Developer under any other agreement, instrument, or order

to which the Developer is a party or by which the Developer is bound.

4.5.2 The City represents and warrants to the Developer that: (1) the City has the authority to enter into and perform its obligations under this Agreement; (2) the person executing this Agreement on behalf of the City has been duly authorized to do so; (3) this Agreement is binding upon the City in accordance with its terms; and (4) the execution of this Agreement and the performance by the City of its obligations under this Agreement do not constitute a breach or event of default by the City under any other agreement, instrument, or order to which the City is a party or by which the City is bound.

4.6 Default/Remedies.

4.6.1 If either Party fails to perform an obligation imposed on such Party by this Agreement (a “Failure”) and such Failure is not cured after notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a “Default.” If a Failure is monetary, the non-performing Party shall have 10 days within which to cure. If the Failure is non-monetary, the non-performing Party shall have 30 days within which to cure.

4.6.2 If the Developer is in Default, the City shall have available all remedies at law or in equity; provided no default by the Developer shall entitle the City to terminate this Agreement or to withhold payments to the Developer from the PID Reimbursement Fund or the PID Pledged Revenue Fund or the PID Project Fund in accordance with this Agreement and the Bond Indenture.

4.6.3 If the City is in Default, the Developer shall have available all remedies at law or in equity; provided, however, no Default by the City shall entitle the Developer to terminate this Agreement.

4.6.4 The City shall give notice of any alleged Failure by the Developer to each Transferee identified in any notice from the Developer, and such Transferees shall have the right, but not the obligation, to cure the alleged Failure within the same cure periods that are provided to the Developer. The election by a Transferee to cure a Failure by the Developer shall constitute a cure by the Developer but shall not obligate the Transferee to be bound by this Agreement unless the Transferee agrees in writing to be bound.

4.7 Remedies Outside the Agreement. Nothing in this Agreement constitutes a waiver by the City of any remedy the City may have outside this Agreement against the Developer, any Transferee, or any other person or entity involved in the design, construction, or installation of the Authorized Improvements. The obligations of the Developer hereunder shall be those of a party hereto and not as an owner of property in the PID. Nothing herein shall be construed as affecting the City's or the Developer's rights or duties to perform their respective obligations under other agreements, use regulations, or subdivision requirements relating to the development property in the PID. Notwithstanding the foregoing, the City's exclusive remedy for the Developer's failure to satisfy continuing disclosure obligations under Section 3.8 above is to retain from any annual payments owed to the Developer the portion of that year's reimbursement calculated as described in the applicable Bond Indenture.

4.8 Transfers. The Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part without the consent of (but with notice to) the City, the Developer's right, title, or interest to payments under this Agreement (but not performance obligations) including, but not limited to, any right, title, or interest of the Developer in and to payments of the Reimbursement Agreement Balance, whether such payments are from the PID Reimbursement Fund or the PID Pledged Revenue Fund in accordance with Section 3.3 or from Bond Proceeds (any of the foregoing, a "Transfer," and the person or entity to whom the transfer is made, a "Transferee"). Notwithstanding the foregoing, no Transfer shall be effective until notice of the Transfer is given to the City. The City may rely on notice of a Transfer received from the Developer without obligation to investigate or confirm the validity of the Transfer. The Developer waives all rights or claims against the City for any funds paid to a third party as a result of a Transfer for which the City received notice.

4.9 Applicable Law; Venue. This Agreement is being executed and delivered and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply, the substantive laws of the State of Texas shall govern the interpretation and enforcement of this Agreement. In the event of a dispute involving this Agreement, venue shall lie in any court of competent jurisdiction in Collin County, Texas.

4.10 Notice. Any notice referenced in this Agreement must be in writing and shall be deemed given at the addresses shown below: (1) when delivered by a nationally recognized delivery service

such as FedEx or UPS with evidence of delivery signed by any person at the delivery address regardless of whether such person is the named addressee; or (2) 72 hours after deposited with the United States Postal Service, Certified Mail, Return Receipt Requested.

To the City: Attn: City Manager
City of Celina
302 W. Walnut St.
Celina, Texas 75009
TEL: (972) 382-2682
FAX: (972) 382-3736

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 Developer: Attn: Frank Murphy
W/J CR 55 LP
600 N. Pearl, Suite 650, LB 149
Dallas, Texas 75201
E-mail: fmurphy@wynnejackson.com
TEL: (214) 880-8792
FAX: (214) 880-8709

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

Any Party may change its address by delivering notice of the change in accordance with this section.

4.11 Conflicts; Amendment. In the event of any conflict between this Agreement and any other instrument, document, or agreement by which either Party is bound, the provisions and intent of the applicable Bond Indenture controls. This Agreement may only be amended by written agreement of the Parties.

4.12 Severability. If any provision of this Agreement is held invalid by any court, such holding shall not affect the validity of the remaining provisions.

4.13 Non-Waiver. The failure by a Party to insist upon the strict performance of any provision of this Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Agreement.

4.14 Third Party Beneficiaries. Nothing in this Agreement is intended to or shall be construed to confer upon any person or entity other than the City, the Developer, and Transferees any rights under or by reason of this Agreement. All provisions of this Agreement shall be for the sole and exclusive benefit of the City, the Developer, and Transferees.

4.15 Counterparts. This Agreement may be executed in multiple counterparts, which, when taken together, shall be deemed one original.

[Execution pages follow.]

Attachment: June 9 final PID reimbursement agreement (1634 : Glen Crossing Bond Series 2016 POS)

CITY OF CELINA, TEXAS

By: _____

Sean Terry, Mayor

ATTEST:

By: _____

Vicki Faulkner, City Secretary

Attachment: June 9 final PID reimbursement agreement (1634 : Glen Crossing Bond Series 2016 POS)

W/J CR 55 LP
a Texas limited partnership

By:_____

Name:_____

Title:_____

Attachment: June 9 final PID reimbursement agreement (1634 : Glen Crossing Bond Series 2016 POS)

Exhibit A**CERTIFICATE FOR PAYMENT FORM**

The undersigned is an agent for W/J CR 55 LP (the "Developer") and requests payment from [the applicable account of the PID Project Fund] [the Phase #1 Reimbursement Fund] [the Developer Project Fund] [the PID Reimbursement Fund] from the City of Celina, Texas (the "City") in the amount of _____ for labor, materials, fees, and/or other general costs related to the creation, acquisition, or construction of [certain Authorized Improvements providing a special benefit to property within the Glen Crossing Public Improvement District] [City Improvements (as defined in the Service and Assessment Plan)][Private Improvements (as defined in the Service and Assessment Plan)]. Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the PID Reimbursement Agreement between the Developer and the City (the "Reimbursement Agreement").

In connection with the above referenced payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Certificate for Payment Form on behalf of the Developer, and is knowledgeable as to the matters set forth herein.
2. The payment requested for the below referenced [Authorized Improvements][City Improvements][Private Improvements] has not been the subject of any prior payment request submitted for the same work to the City or, if previously requested, no disbursement was made with respect thereto.
3. The amount listed for the [Authorized Improvements][City Improvements][Private Improvements] below is a true and accurate representation of the Actual Costs associated with the creation, acquisition, or construction of said [Authorized Improvements][City Improvements], and such costs (i) are in compliance with the Reimbursement Agreement, and (ii) are consistent with the Service and Assessment Plan.
4. The Developer is in compliance with the terms and provisions of the Reimbursement Agreement, the Bond Indenture, the Service and Assessment Plan and the Development Agreement.
5. The Developer has timely paid all ad valorem taxes and annual installments of Assessments it owes or an entity under common control with the Developer owes, located in the Glen Crossing Public Improvement District and has no outstanding delinquencies for such assessments.
6. All conditions set forth in the Bond Indenture (as defined in the Reimbursement Agreement) for the payment hereby requested have been satisfied.

7. The work with respect to the [Authorized Improvements][City Improvements][Private Improvements] referenced below (or its completed segment) has been completed, and the City has inspected such [Authorized Improvements][City Improvements][Private Improvements] (or its completed segment).

8. The Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

9. No more than ninety-five percent (95%) of the budgeted or contracted hard costs for the [Authorized Improvements][City Improvements][Private Improvements] identified may be paid until the work with respect to such [Authorized Improvements][City Improvements][Private Improvements] (or segment thereof) has been completed and the City has accepted such [Authorized Improvements][City Improvements][Private Improvements] (or segment thereof). One hundred percent (100%) of soft costs (e.g., engineering costs, inspection fees and the like) may be paid prior to City acceptance of such [Authorized Improvements][City Improvements][Private Improvements] (or segment thereof).

Payments requested are as follows:

- a. X amount for Y goods or services.
- b. Etc.

Attached hereto are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments. Also attached hereto are "bills paid" affidavits and supporting documentation in the standard form for City construction projects and any lender consents or approvals that the Developer may be required to obtain under any loan documents relating to the Glen Crossing development.

Pursuant to the Reimbursement Agreement, after receiving this payment request, the City has inspected the Authorized Improvements(or completed segment) and confirmed that said work has been completed in accordance with approved plans and all applicable governmental laws, rules, and regulations.

I hereby declare that the above representations and warranties are true and correct.

**W/J CR 55 LP,
a Texas limited partnership**

By: _____

Name: _____

Title: _____

Attachment: June 9 final PID reimbursement agreement (1634 : Glen Crossing Bond Series 2016 POS)

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Certificate for Payment, acknowledges the Certificate for Payment, acknowledges that the Authorized Improvements (or its completed segment) covered by the certificate have been inspected by the City, and otherwise finds the Certificate for Payment to be in order. After reviewing the Certificate for Payment, the City approves the Certificate for Payment and shall include said payments in the City Certificate submitted to the Trustee directing payments to be made from [the appropriate account of the PID Project Fund] [the Phase #1 Reimbursement Fund] [the Developer Project Fund] [the PID Reimbursement Fund] to the Developer or to any person designated by the Developer.

CITY OF CELINA, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

Attachment: June 9 final PID reimbursement agreement (1634 : Glen Crossing Bond Series 2016 POS)

Exhibit B**FORM OF CLOSING DISBURSEMENT REQUEST**

The undersigned is an agent for W/J CR 55 LP (the "Developer") and requests payment to the Developer from the applicable account of the PID Project Fund from _____ (the "Trustee") in the amount of _____ (\$_____) to be transferred from the applicable account of the Project Fund upon the delivery of the PID Bonds for costs incurred in the establishment, administration, and operation of the Glen Crossing Public Improvement District (the "District"), as follows. Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Indenture of Trust by and between the City and the Trustee dated as of _____, 20__ (the "Indenture") relating to the "[INSERT NAME OF BONDS]" (the "PID Bonds").

In connection with the above referenced payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Closing Disbursement Request on behalf of the Developer, and is knowledgeable as to the matters set forth herein.
2. The payment requested for the below referenced establishment, administration, and operation of the District at the time of the delivery of the PID Bonds have not been the subject of any prior payment request submitted to the City.
3. The amount listed for the below costs is a true and accurate representation of the Actual Costs associated with the establishment, administration and operation of the District at the time of the delivery of the PID Bonds, and such costs are in compliance with the Service and Assessment Plan.
4. The Developer is in compliance with the terms and provisions of the Reimbursement Agreement, the Indenture, the Service and Assessment Plan, and the Development Agreement.
5. All conditions set forth in the Indenture and the Reimbursement Agreement for the payment hereby requested have been satisfied.
6. The Developer agrees to cooperate with the City in conducting its review of the requested payment, and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

Payments requested hereunder shall be made as directed below:

[Information regarding amount and deposit instructions attached]

I hereby declare that the above representations and warranties are true and correct.

W/J CR 55 LP
a Texas limited partnership

By: _____

Name: _____

Title: _____

Attachment: June 9 final PID reimbursement agreement (1634 : Glen Crossing Bond Series 2016 POS)

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request and shall include said payments in the City Certificate submitted to the Trustee directing payments to be made from Costs of Issuance Account upon delivery of the PID Bonds.

CITY OF CELINA, TEXAS

By: _____

Name: _____

Title: _____

Date: _____

Attachment: June 9 final PID reimbursement agreement (1634 : Glen Crossing Bond Series 2016 POS)

PHASE #1 ADDENDUM TO THE PID REIMBURSEMENT AGREEMENT –
GLEN CROSSING

This Phase #1 Addendum (this "Addendum") to the PID Reimbursement Agreement – Glen Crossing, effective as of **[July 12]**, 2016 (the "PID Reimbursement Agreement") is executed between the City of Celina, Texas (the "City") and W/J CR 55 LP, a Texas limited partnership ("Developer") to be effective _____, 2016 (individually referred to as a "Party" and collectively as the "Parties").

RECITALS

- A. WHEREAS, capitalized terms used in this Addendum shall have the meanings given to them in this Addendum or in the PID Reimbursement Agreement;
- B. WHEREAS, the property within the PID 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;
- C. WHEREAS, Phase #1 is the initial phase to be developed, as described in the SAP, including specifically Appendix _ and Appendix _ thereto;
- D. WHEREAS, on _____, 2016, the City Council passed and approved Resolution No. _____ determining, among other things, the estimated costs of the Phase #1 Improvements (as defined in the SAP) to be \$_____ (the "Phase #1 Improvements Cost");
- E. WHEREAS, in addition to approving the SAP, Ordinance No. ____ levied assessments against property within Phase #1 (the "Phase #1 Assessed Property") for the Phase #1 Improvements in accordance with the Phase #1 Assessment Roll attached as Appendix _ to the SAP;
- F. WHEREAS, on _____, 2016, the City adopted Ordinance No. ____ authorizing the issuance and sale of its "City of Celina, Texas, Special Assessment Revenue Bonds,

Attachment: June 9 final PID reimbursement agreement (1634 : Glen Crossing Bond Series 2016 POS)

Series 2016 (Glen Crossing Public Improvement District Phase #1 Project))" (the "Series 2016 Phase #1 Bonds") to finance a portion of the Phase #1 Improvements Cost;

- G. WHEREAS, the Phase #1 Assessment Revenues are dedicated and pledged to the Series 2016 Phase #1 Bonds as provided in the Phase #1 Assessment Roll and secured under the Indenture of Trust relating to the Series 2016 Phase #1 Bonds, dated _____, 2016 (the "Series 2016 Phase #1 Bond Indenture") between the City and U.S. Bank National Association, as trustee (the "Trustee");
- H. WHEREAS, the Parties intend for a portion of the Phase #1 Improvements Cost that is not financed by the Series 2016 Phase #1 Bonds to be financed under the terms of this Addendum;
- I. WHEREAS, the City has established a project fund segregated from all other funds of the City (the "Phase #1 Fund") for the Phase #1 Improvements and has established a "Phase #1 Improvement Account" and a "Developer Improvement Account" within such Phase #1 Fund under the Series 2016 Phase #1 Bond Indenture;
- J. WHEREAS, the City has established a fund segregated from all other funds of the City for the deposit of the Phase #1 Assessment Revenues (the "Phase #1 Pledged Revenue Fund") and has established a "Bond Pledged Revenue Account" and a "Developer Reimbursement Pledged Revenue Account" within such Phase #1 Pledged Revenue Fund under the Series 2016 Phase #1 Bond Indenture;
- K. 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 "Phase #1 Reimbursement Fund") for Costs of Phase #1 Improvements paid from the Developer Improvement Account of the Project Fund under the Series 2016 Phase #1 Bond Indenture;
- L. WHEREAS, pursuant to the Series 2016 Phase #1 Bond Indenture, amounts deposited in the Developer Reimbursement Pledged Revenue Account of the Phase #1 Pledged Revenue Fund shall be transferred to the Phase #1 Reimbursement Fund and used solely and exclusively to pay and reimburse the Developer for Costs of Phase #1 Improvements

paid from the Developer Improvement Account of the Phase #1 Fund, plus interest, as set forth in this Addendum.

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 Addendum are true and correct, create obligations of the Parties, and are incorporated as part of this Addendum for all purposes.
2. The City shall cause to be deposited into the Phase #1 Pledged Revenue Fund all Phase #1 Assessment Revenues collected (excluding Annual Collection Costs, Delinquent Collection Costs, and Annual Administrative Costs) as provided in the Series 2016 Phase #1 Bond Indenture.
3. As required under the Series 2016 Phase #1 Bond Indenture, the Developer shall make, or cause to be made, a deposit of \$_____ to the Developer Improvement Account of the Phase #1 Project Fund (the "Developer Deposit") on the Closing Date (as defined in the "Series 2016 Phase #1 Bond Indenture") of the Series 2016 Phase #1 Bonds; and, Costs of the Phase #1 Improvements shall be paid first from the Phase #1 Improvement Account of the Phase #1 Project Fund until all funds in such account are depleted and then from the Developer Improvement Account of the Phase #1 Project Fund up to the amount of such Developer Deposit. If all funds in the Phase #1 Improvement Account of the Phase #1 Project Fund have been depleted and amounts in the Developer Improvement Account of the Phase #1 Project Fund are insufficient to pay the Costs of the Phase #1 Improvements, the Developer shall make an additional deposit to the Developer Improvement Account of the Project Fund for the payment of the Costs of the Phase #1 Improvements.
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 Costs of Phase #1 Improvements paid from the Developer Improvement Account of the Phase #1 Project Fund (the "Phase #1 Reimbursement Obligation") plus interest on the unpaid balance in

accordance with the terms of this Addendum until _____, 20__ (the "Maturity Date"); provided, however, such Phase #1 Reimbursement Obligation shall not exceed _____ DOLLARS (\$_____).

The Phase #1 Reimbursement Obligation shall be payable to the Developer solely from: (i) the Phase #1 Assessment Revenues deposited in the Developer Reimbursement Pledged Revenue Account of the Phase #1 Pledged Revenue Fund and transferred to the Phase #1 Reimbursement Fund as provided in Article VI of the Series 2016 Phase #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 Phase #1 Bonds") issued by the City and secured by the Phase #1 Assessment Revenues; or (iii) a combination of items (i) and (ii). The Phase #1 Improvements Cost is authorized by the PID Act and approved by the City Council and represents the total cost to be assessed against the Phase #1 Assessed Property for the Phase #1 Improvements which are eligible public improvement projects that are being undertaken and financed by the District for the special benefit of the Phase #1 Assessed Property and that upon completion will be dedicated in fee and accepted by the City. The unpaid Phase #1 Reimbursement Obligation shall bear simple interest per annum at the rate equal to the net effective rate on the Phase #1 Bonds provided that such rate shall not exceed ____%. If any portion of the Phase #1 Reimbursement Obligation remains unpaid after the City has elected to sell Future Phase #1 Bonds, the interest rate paid to the Developer shall be the same as the interest rate on the Future Phase #1 Bonds; provided, however that such rate shall not exceed ____%. The interest rate has been approved by the City Council and is authorized by the PID Act and was determined based upon the Bond Buyer Revenue Bond Index published in *The Bond Buyer*, a daily publication that publishes this interest rate index and on the date of the determination, the average index rate was not less than ____%. The interest rate of ____% contained herein complies with Subsections (e)(i) and (e)(2) of Texas Local Government Code, Section 372.023, as amended.

5. The Phase #1 Reimbursement Obligation, plus interest as described above (collectively, the "Unpaid Balance"), is payable to the Developer and secured under this Addendum solely as described in paragraph 4 above. 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 Phase #1 Assessment Revenues and, as a result, is unable to make transfers from the Developer Reimbursement Pledged Revenue Account of the Phase #1 Pledged Revenue Fund to the Phase #1 Reimbursement Fund for payments to the Developer as required under this Addendum, such failure and inability shall not constitute a Failure or Default by the City under this Addendum. This Addendum and/or any Future Phase #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. any obligation of the City to issue Future Phase #1 Bonds or other obligations; or
 - c. any obligation of the City to pay any amount due or to become due under this Addendum other than from (i) the Developer Improvement Account of the Phase #1 Project Fund, the Developer Reimbursement Pledged Revenue Account of the Phase #1 Pledged Revenue Fund or the Phase #1 Reimbursement Fund as provided in the Series 2016 Phase #1 Bond Indenture and this Addendum, or (ii) from the net proceeds of any Future Phase #1 Bonds.
6. If Future Phase #1 Bonds are issued, the net proceeds of such Future Phase #1 Bonds shall be used, from time to time, first to pay the Unpaid Balance due the Developer for Costs of Phase #1 Improvements paid from the Developer Improvement Account of the Phase #1 Project Fund under this Addendum and then to pay all or any portion of any Phase #1 Improvements Cost. If, after application of the net proceeds of such Future Phase #1 Bonds, any Phase #1 Improvements Cost remains unpaid, then the Developer shall pay such cost. If, after application of the net proceeds of any Future Phase #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 Phase #1 Reimbursement Fund from the Developer Reimbursement Pledged Revenue Account of the Phase #1 Pledged Revenue Fund under the Series 2016 Phase #1 Trust Indenture, and (ii) amounts deposited into any funds created for such purpose under any indenture

relating to any Future Phase #1 Bonds. Once the principal amount of all Future Phase #1 Bonds plus all payments paid to the Developer under this Addendum equal the Unpaid Balance, all obligations related to the Phase #1 Reimbursement Obligation under this Addendum and the PID Reimbursement Agreement shall terminate.

7. If on the Maturity Date, after application of the net proceeds of any Future Phase #1 Bonds, any portion of the Unpaid Balance remains unpaid, such Unpaid Balance shall be canceled and for all purposes this Addendum 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 Phase #1 Assessment Revenues remain due and payable and are uncollected on the Maturity Date, such Phase #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 2016 Phase #1 Bonds and outstanding Future Phase #1 Bonds; 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 Addendum 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 Phase #1 Pledged Revenue Fund under the Series 2016 Phase #1 Trust Indenture, or (ii) net proceeds of any Future Phase #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 required by 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.

9. The inability or failure of the City to issue Future Phase #1 Bonds shall not constitute a Failure or Default under the PID Reimbursement Agreement, including this Addendum.
10. The obligations of the City under this Addendum are non-recourse and payable only from (i) amounts transferred to the Phase #1 Reimbursement Fund from the Developer Reimbursement Pledged Revenue Account of the Phase #1 Pledged Revenue Fund under the Series 2016 Phase #1 Trust Indenture, or (ii) net proceeds of any Future Phase #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 Addendum or their acts or omissions under this Addendum.
11. Following the City's inspection and approval of the Phase #1 Improvements in accordance with the provisions of the Development Agreement and until Future Phase #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 Phase #1 Reimbursement Fund from the Developer Reimbursement Pledged Revenue Account of the Phase #1 Pledged Revenue Fund under the Series 2016 Phase #1 Trust Indenture to pay the Unpaid Balance.
12. Following the City's inspection and approval of the Phase #1 Improvements and if Future Phase #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 Phase #1 Bonds to pay the Unpaid Balance and to pledge the Phase #1 Assessment Revenues as security for the Bonds.
13. Nothing in this Addendum is intended to constitute a waiver by the City of any remedy the City may otherwise have outside this Addendum against any person or entity involved in the design, construction, or installation of the Phase #1 Improvements.
14. The City will consider issuing one or more series of Future Phase #1 Bonds to pay the Unpaid Balance; however, the Parties covenant and acknowledge that approval of the issuance of any Future Phase #1 Bonds by the City Council is a governmental function within the City's sole discretion.

15. This Addendum 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 Addendum. In the event of a dispute involving this Addendum, venue for such dispute shall lie in any court of competent jurisdiction in Denton County, Texas.

Any notice required or contemplated by this Addendum 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
302 W. Walnut St.
Celina, Texas 75009
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

Attachment: June 9 final PID reimbursement agreement (1634 : Glen Crossing Bond Series 2016 POS)

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 Developer: Attn: Frank Murphy
W/J CR 55 LP
600 N. Pearl, Suite 650, LB 149
Dallas, Texas 75201
E-mail: fmurphy@wynnejackson.com
TEL: (214) 880-8792
FAX: (214) 880-8709

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

16. If any provision of this Addendum is held invalid by any court, such holding shall not affect the validity of the remaining provisions, and the remainder of this Addendum 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 Addendum (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 Addendum 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 Addendum. No Default by the Developer, however, shall: (1) affect the obligations of the City to use the amounts transferred to the Phase #1 Reimbursement Fund from the Developer Reimbursement Pledged Revenue Account of the Phase #1 Pledged Revenue Fund under the Series 2016 Phase #1 Trust Indenture and the net proceeds of Future Phase #1 Bonds as provided in Sections 10 and 11 of this Addendum; or (2) entitle the City to terminate this Addendum.

- 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 Addendum; or (3) terminate this Addendum.
18. In the event of any conflict between this Addendum and any other agreement between the City and the Developer directly or indirectly related to the amounts transferred to the Phase #1 Reimbursement Fund from the Developer Reimbursement Pledged Revenue Account of the Phase #1 Pledged Revenue Fund under the Series 2016 Phase #1 Trust Indenture and the net proceeds of Future Phase #1 Bonds and the amounts owed to the Developer related to the Phase #1 Reimbursement Obligation made in connection with Phase #1 Improvements, the Parties intend that the provisions and intent of this Addendum shall control.
19. The failure by a Party to insist upon the strict performance of any provision of this Addendum 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 Addendum.
20. 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 Addendum.
21. Nothing in this Addendum, 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 Addendum, and all covenants, conditions, promises, and agreements in this Addendum shall be for the sole and exclusive benefit of the City and the Developer.
22. This Addendum may be amended only by written agreement of the Parties.
23. This Addendum may be executed in counterparts, each of which shall be deemed an original.

IN WITNESS WHEREOF, the Parties have caused this Addendum to be executed as of _____, 2016.

CITY OF CELINA, TEXAS

Mayor

ATTEST:

City Secretary

W/J CR 55 LP

a Texas limited partnership,

By: _____
[NAME], [TITLE]

Attachment: June 9 final PID reimbursement agreement (1634 : Glen Crossing Bond Series 2016 POS)

ENGINEERING REPORT

GLEN CROSSING PUBLIC IMPROVEMENT DISTRICT

CELINA, TEXAS
JUNE 14, 2016

Prepared for:



City of Celina
142 North Ohio Street
Celina, TX 75009

Developed by:

Wynne Jackson, Inc.
600 North Pearl St., Suite 650
Dallas, TX 75201

Prepared By:



4821 Merlot Avenue, Suite 210 :: Grapevine, TX 76051 :: 817-488-4960 :: TBPE Firm #15874



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I. INTRODUCTION

This Engineer's report summarizes the proposed Glen Crossing development within the Glen Crossing Public Improvement District (PID) located in Celina, Texas. Glen Crossing is a proposed single-family residential subdivision with amenities as described herein. This report includes project descriptions, preliminary engineering, City processes and other pertinent information necessary to evaluate the viability of the Glen Crossing development.

This report may be included in all necessary documents for the formation of the PID and the issuance of bonds by the City. Bonds are anticipated to be used to finance public infrastructure projects vital for the development within the PID. The subject of this report shall include the following:

- A. A description of the property location;
- B. Current zoning status of the property and a description of the proposed land uses;
- C. Description of the site topography and a summary of the existing and proposed drainage patterns including storm drain infrastructure descriptions;
- D. General soil characteristic description;
- E. Identification of existing and proposed utilities necessary to serve the proposed development including water, sanitary sewer and franchise utilities;
- F. Summary of existing floodplain within the PID and a description of the proposed hydraulic mitigation necessary to construct the development;
- G. Jurisdictional waters of the United States preliminary assessment and impact summary;
- H. Description of overall private and public infrastructure necessary to develop the project;
- I. Summary of Jurisdiction with approval authority and a description of the review and approval process;
- J. Engineer's estimate of probable development costs;
- K. Estimated schedule for design and construction;
- L. Project conclusion;
- M. Maps and exhibits assisting in the project report

II. PROPERTY DESCRIPTION

A. LOCATION AND DESCRIPTION

The Glen Crossing PID consists of approximately 109 acres in Celina, Texas and is depicted in Exhibit A. The Glen Crossing development within the PID consists of 2 phases of single-family residential, along with open space amenities, and is depicted in Exhibit B. The open space amenities include a community swimming pool, outdoor meeting/gathering space, passive recreation field, dog park and a trail system within a greenbelt. The first phase of the development is expected to include approximately 159 residential lots, off-site water and sanitary sewer extensions, swimming pool and a landscaped entry feature connecting to County Road (CR) 55. Phase 2 is expected to consist of approximately 190 lots along with the construction of the remaining



amenities and construction of the adjacent CR 1117 along the east boundary of the PID. CR 1117 shall be constructed in accordance with City standards including curb and gutter & concrete pavement section with engineered subgrade. CR 1117 shall also include a sanitary sewer line within its right-of-way.

The PID area is bordered to the north by an existing asphalt roadway (CR 55), to the east by an unimproved roadway (CR 1117), to the south by undeveloped property and to the west by undeveloped property and a future thoroughfare. The PID is located approximately 2,600 linear feet (0.5 mile) west of Preston Road (State Highway 289) and approximately 4,800 linear feet (0.9 mile) east of the Dallas Parkway (Future Dallas North Tollway Extension). Site features within the PID shall be detailed in this report.

EXHIBIT A: PROPERTY LOCATION

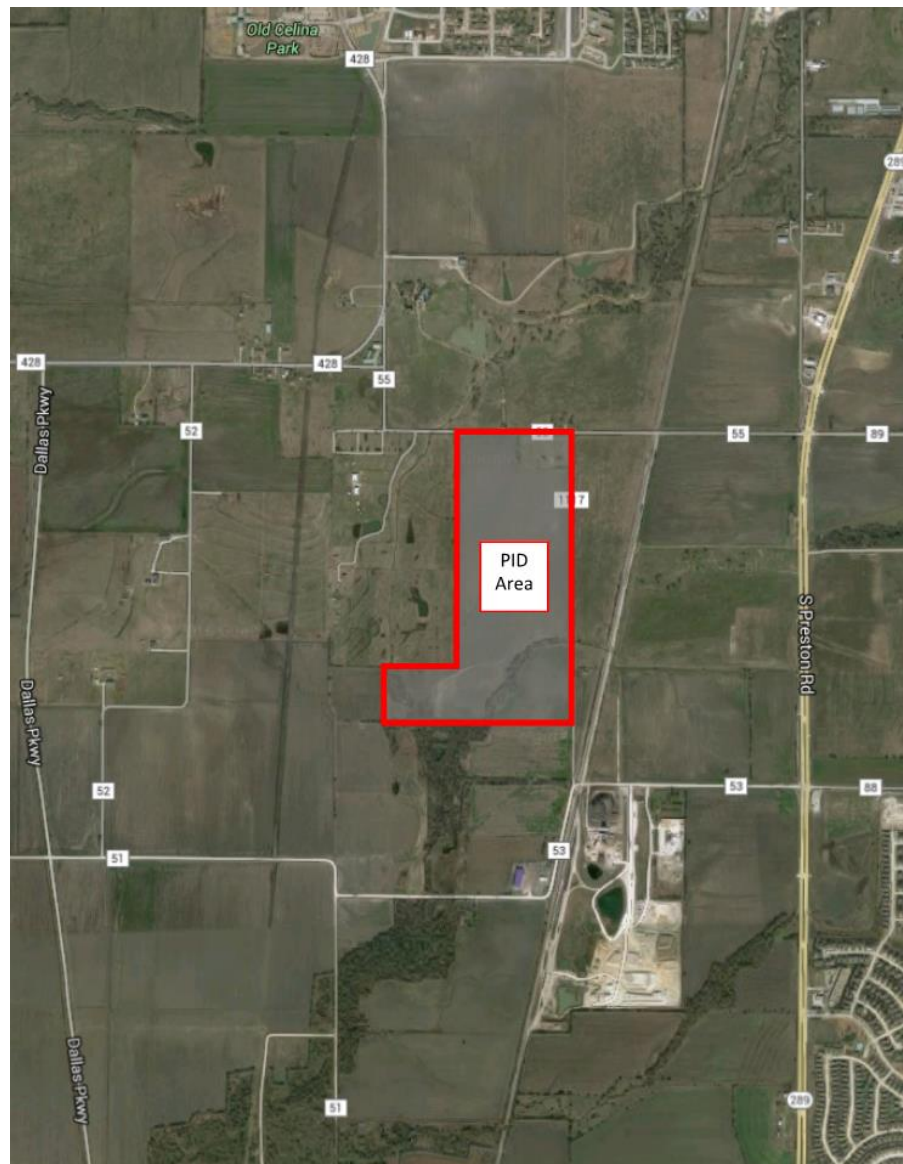
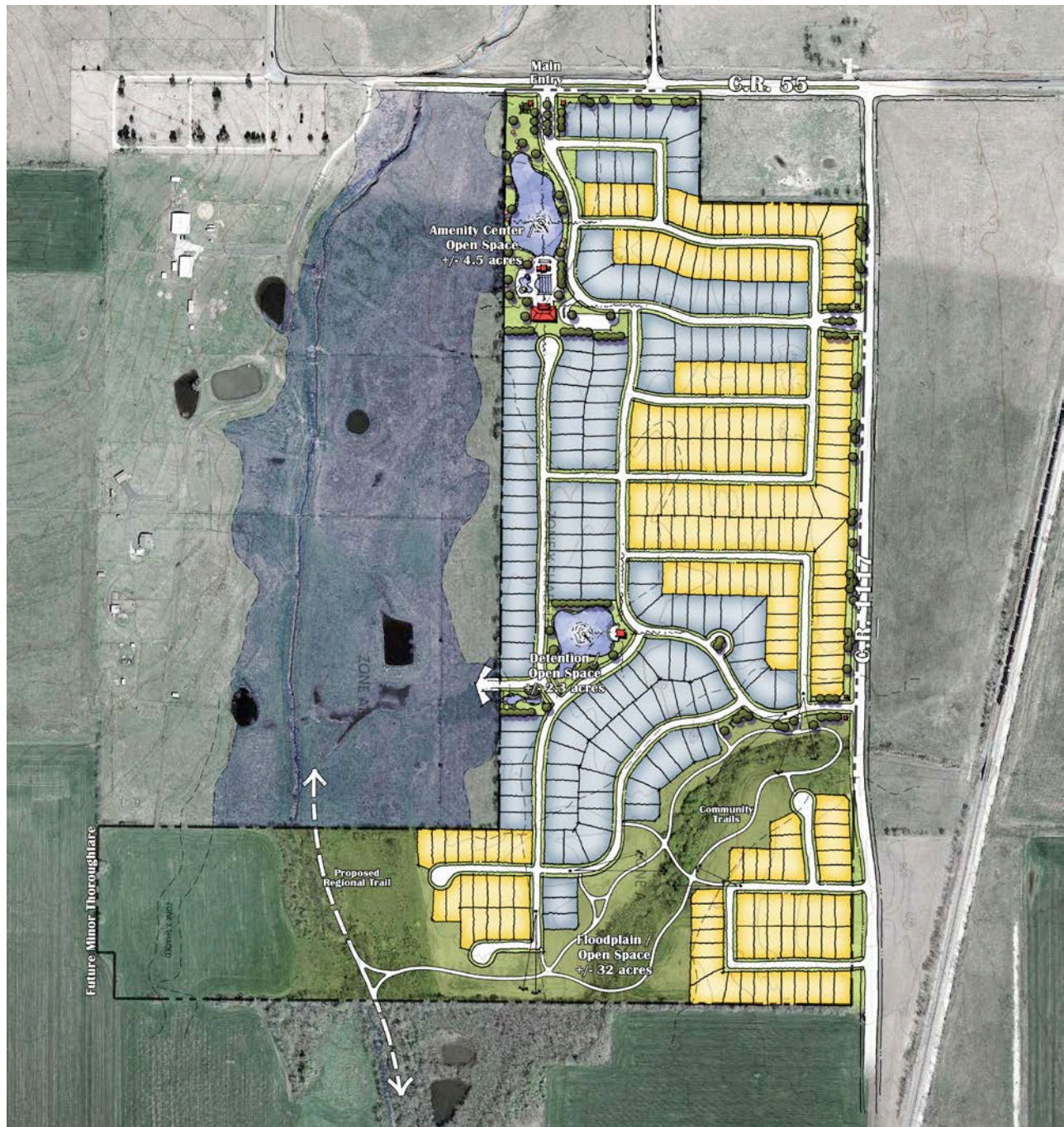
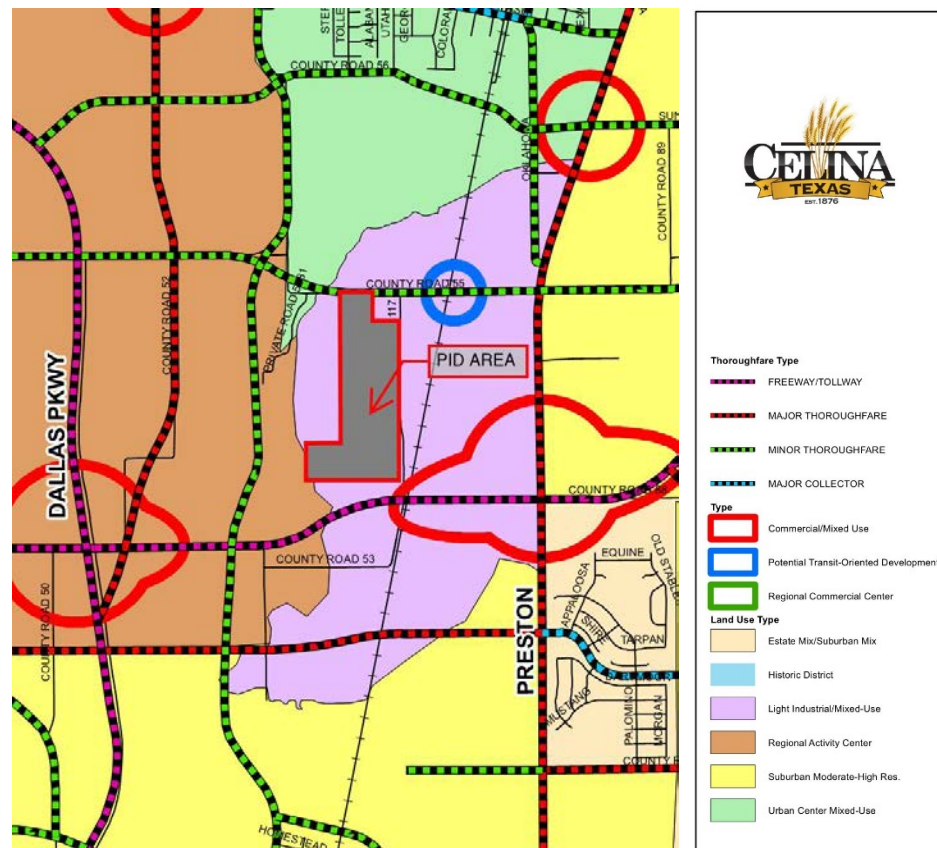


EXHIBIT B: GLEN CROSSING CONCEPT PLAN


B. ZONING AND LAND USES

The proposed residential development within the Glen Crossing PID lies between various proposed land uses as shown on Celina's Future Land Use Plan (Exhibit C). The property is currently undeveloped and is being used for agricultural purposes. Zoning for single-family residential has been approved by Celina for the entire PID area. The approved Planned Development (PD) zoning details the residential lot sizes to vary between 50-foot lot width to 60-foot lot widths with a minimum lot depth of 120 feet and 125 feet respectively.

EXHIBIT C: FUTURE LAND USE PLAN



The current lot summary within the PID is shown in Exhibit D. Approximately 150 lots are 60 feet wide (43%) and approximately 199 lots (57%) are 50 feet wide.

EXHIBIT D: LOT SUMMARY

SINGLE-FAMILY SUMMARY:			
	<i>PRODUCT</i>	<i>UNITS</i>	<i>% MIX</i>
	60'x125'	+/- 150	43%
	50'x120'	+/- 199	57%
	Total	+/- 349	100%

The PD zoning details the required screening to be a 6-foot masonry wall along CR 55 and CR 1117. Lots adjacent to open space shall contain a 6-foot masonry wall or a 4-foot wrought iron fence. In addition to the perimeter screening, the PD requires a 15-foot landscape buffer along CR 55 and CR 1117. This buffer will contain landscaping and irrigation. Approximately 25 acres of open space are proposed and shown in Exhibit E.

EXHIBIT E: OPEN SPACE AREAS



C. SITE TOPOGRAPHY AND DRAINAGE

The area within the PID boundary is generally flat ground with gentle slopes. The property currently drains from east to west into Doe Branch and a Doe Branch Tributary. There are existing trees along the western property line and within the open spaces along the Doe Branch Tributary shown in Exhibit E. Once developed, the northern portion of the PID will drain westerly into proposed on-site detention/retention ponds and outfall to Doe Branch. The southern portion of the PID will drain southerly into the Doe Branch Tributary. All proposed drainage follows existing drainage patterns. Detention/Retention areas will be landscaped and contain other amenities.

D. SOILS INFORMATION

The PID property is located within the Eagle Ford Formation common in North Texas. The Eagle Ford is composed predominantly of shale with occasional platy beds of sandstone and limestone. Residual overburden soils associated with the Eagle Ford Formation generally consist of clay and shaly clay with very high shrink/swell potential. Boring logs taken at 20-foot depths indicated a presence of clay and shaly clay with some gravel present. Additional information can be found in the Preliminary Geotechnical exploration report prepared by Alpha Testing dated October 14, 2015.

Septic analysis will not be required. All improvements within the PID will be served by an underground sanitary sewer system.

E. UTILITIES

The City of Celina has existing water lines and existing sanitary sewer lines in the general vicinity of the property. Off-site water and sanitary sewer extensions are proposed in Phase 1 of the Glen Crossing development to serve the PID area and surrounding properties. Once constructed, the City of Celina will operate and maintain all water and sanitary sewer lines within the PID. The City purchases treated water from the Upper Trinity Regional Water District (UTRWD) which comes from a variety of sources. UTRWD also operates an existing waste water treatment plant which will receive sanitary sewer from this development.

Trash service shall be provided by the City of Celina or its approved provider (currently Progressive Waste Solutions).

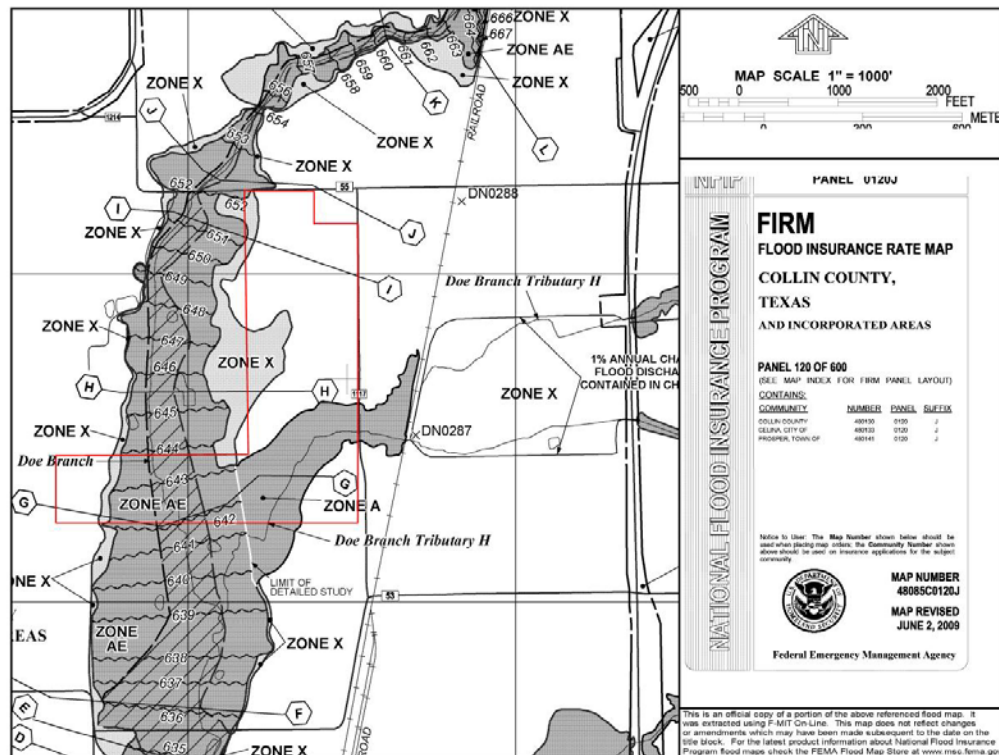
Franchise utilities shall be provided to the PID. Electric service is available through Grayson Collin County Electric Cooperative (GCEC) and OnCor Electric Delivery. Gas is provided by CoServ Gas and ATMOS. Phone and internet is available through AT&T, Grayson Collin Communications, and Suddenlink Communications.



F. FLOODPLAIN

The PID contains approximately 37 acres of 100-year floodplain according to FEMA as shown on the Flood Insurance Rate Map Panel 48085C0120J, dated June 2, 2009 shown in Exhibit F. The property is located in Zone "A" (No base flood elevations determined), Zone "AE" (Base flood elevations determined) and Zone "X" (areas outside the 500-year floodplain).

EXHIBIT F: FLOOD INSURANCE RATE MAP



G. JURISDICTIONAL WATERS OF THE UNITED STATES (WETLANDS)

The PID contains several areas that are potential Jurisdictional Waters of the United States (JWOUS). These are located in the southern portion of the PID and generally are located along Doe Branch and the Doe Branch Tributary. Doe Branch is classified as an intermittent stream with some adjacent emergent wetland and ephemeral stream section. The Doe Branch Tributary is classified as an intermittent stream. The proposed Glen Crossing development is designed to avoid the JWOUS areas. These areas will be within the open space areas with a low-impact trail system adjacent to them. A delineation has been prepared and can be provided upon request.



III. DEVELOPMENT REVIEW AND APPROVAL PROCESS

The proposed improvements within the PID are subject to the review and approval jurisdiction of the City of Celina, United States Army Corps of Engineers (USACE) and the Federal Emergency Management Agency (FEMA). Several permits and approvals will be required as part of the Glen Crossing development. The following approvals will be required with the approving jurisdictions listed below:

- A. General Development Plan (City of Celina Planning and Zoning Commission)
- B. Grading Permit (City of Celina Engineering Department)
- C. Subdivision Civil Construction Plans (City of Celina Engineering Department and Celina's Planning and Development Services Department)
- D. Construction Plat and Final Plat (City of Celina Development Services Department, Planning and Zoning Commission and City Council)
- E. Contractor Registration (Celina Planning and Development Services Department)
- F. JWOU Permit for CR 1117 crossing (USACE)
- G. Storm Water Pollution Prevention Plan "SWPPP" (City of Celina Engineering Department and the Texas Commission on Environmental Quality (TCEQ))
- H. Letter of Map Revision "LOMR" (FEMA) for construction within the Phase 2 area

As stated previously in this report, the property zoning was approved by the City of Celina's City Council and allows for the proposed single-family residential development.

All construction plans, exhibits, plats and permits shall be submitted to the City of Celina for review and approval. Most applications require signature of the owner or owner's representative. Each application has an accompanying fee. A fee schedule can be provided upon request.

IV. DEVELOPMENT COSTS

Cost estimates or engineers' opinion of probable cost (EOPC) have been prepared for all off-site and on-site infrastructure. The EOPC includes hard and soft cost estimates. Hard costs include the following:

- A. Earthwork/Grading/Excavation
- B. Water Distribution System and Appurtenances
- C. Sanitary Sewer
- D. Storm Drainage
- E. Paving
- F. Erosion Control
- G. Miscellaneous Construction Items
- H. Park and Open Space Improvements
- I. Off-Site Water Distribution System and Appurtenances
- J. Off-Site Sanitary Sewer
- K. CR 1117 Improvements

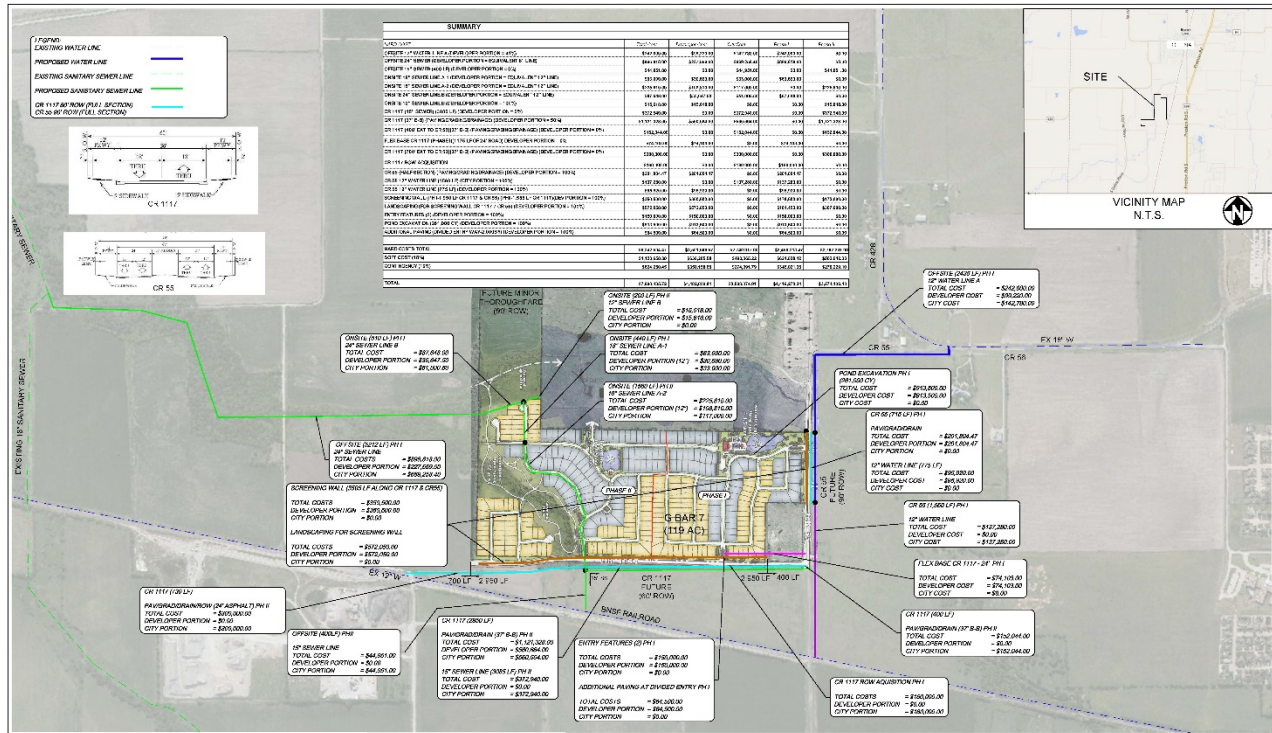
- L. CR 55 Improvements (Escrow)
- M. Easement Acquisition
- N. Park Donation

Soft costs include the following:

- A. Engineering Fees
- B. Surveying Fees
- C. Inspection (On and Off-Site) Fees
- D. Payment, Performance and Maintenance Bonds (On and Off-Site)
- E. SWPPP
- F. Final Plat Filing Fee
- G. City Review Fee
- H. Environmental Mitigation
- I. Impact Fees (Water, Sanitary Sewer and Roadway)
- J. Park and Open Space Fee

A detailed estimate has been prepared for the PID including specific Major Infrastructure (MI) Projects. This PID/MI estimate can be provided upon request. The locations of each MI project is shown in Exhibit G.

EXHIBIT G: MI EXHIBIT



The EOPC was prepared using unit prices gathered from recent construction bids for projects of similar type.



V. SCHEDULE

Design Stage

At the time of this report, the General Development Plan including preliminary engineering of water, sanitary sewer, and drainage has been prepared and submitted to Celina for review.

The off-site water and off-site sanitary sewer infrastructure has been designed and submitted to the City of Celina for review.

The JWOUS report and flood study are underway and are expected to be complete by mid-June.

Design of the on-site civil construction plans has begun and is anticipated to take approximately 10 weeks. An early grading permit will be requested to allow for earthwork activities to begin while construction plans are reviewed and approved.

Construction Stage

The first phase of Glen Crossing including the off-site water and sanitary sewer improvements is estimated to be constructed beginning in the late Summer/early Fall of 2016 with final acceptance estimated for approximately 12 months after construction begins. Future phase construction is estimated to begin in 2018. A detailed project schedule including design and construction phases has been prepared and can be provided upon request.

VI. CONCLUSION

The Glen Crossing development proposed within the PID will contain single-family lots and amenities. The PID is required to provide a financial structure to allow the developer to build the necessary infrastructure to serve Glen Crossing and the surrounding properties with roads, water distribution system, sanitary sewer collection system, open spaces and a trail system. To my knowledge, no pending or threatened enforcement actions exist for the PID area.

It is my opinion that the PID is necessary and warranted for this project. The development is consistent with other single-family projects in the area. The engineering required to develop the PID is feasible and will provide benefits to the Celina community.



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Ben Rodriguez, Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: G-Bar 7/Glen Crossing - Call PH to Revise TIRZ Fund

Action Requested:

Consider and act upon a resolution setting a public hearing to revise the percentage of Tax Increment contributed by taxing units to Reinvestment Zone Number Six, City of Celina; and directing notice of the July 12, 2016 public hearing.(G-Bar 7/Glen Crossing) (Liebman)

Background Information:

This Resolution is to set a public hearing to consider the revision of the percentage of Tax increment contributed reinvestment zone number 6 (Glen Crossing). The public hearing will be held at the City Council meeting on July 12, 2016.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City's Land Use Attorney reserves the right to fine tune the document prior to execution.

Supporting Documents:

- Proposed resolution

Staff Recommendation:

Staff recommends approval on the condition that the City's Land Use Attorney reserves the right to fine tune the document prior to execution.

CITY OF CELINA, TEXAS

RESOLUTION NO. _____

A RESOLUTION SETTING A PUBLIC HEARING UNDER SECTION 311.003 OF THE TEXAS TAX CODE TO REVISE THE PERCENTAGE OF TAX INCREMENT CONTRIBUTED BY TAXING UNITS TO REINVESTMENT ZONE NUMBER SIX, CITY OF CELINA; AUTHORIZING THE ISSUANCE OF NOTICE BY THE CITY SECRETARY OF CELINA, TEXAS REGARDING THE PUBLIC HEARING; AND DIRECTING THE CITY TO REVISE THE PRELIMINARY REINVESTMENT ZONE FINANCING PLAN

WHEREAS, the City of Celina, Texas (the “City”), is authorized under Chapter 311 of the Texas Tax Code, as amended (the “Act”), to create a tax increment reinvestment zone within its city limits; and

WHEREAS, the City Council of the City (the “City Council”) approved the creation of *Reinvestment Zone Number Six, City of Celina* (the “Zone”), on June 14, 2016, with the boundaries being described in the metes and bounds attached as **Exhibit A**; and

WHEREAS, the City Council of the City wishes to hold a public hearing in accordance with Section 311.003 and 311.011 of the Act to revise the percentage of tax increment contributed by taxing units to the Zone; and

WHEREAS, in order to hold a public hearing, notice must be given in a newspaper of general circulation in the City not later than the 7th day before the date of the hearing in accordance with Section 311.003 of the Act; and

WHEREAS, the City Council has determined to hold a public hearing on July 12, 2016 on the revision of the percentages of tax increment contributed by taxing units to the Zone.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL:

Section 1. That a public hearing is hereby called for July 12, 2016, at 5:00 p.m. (or later) at First United Methodist Church, 112 N. Colorado Street, Celina, Texas 75009, for the purpose of hearing any interested person speak for or against the revision of the percentage of tax increment contributed by taxing units to the Zone.

Section 2. At such time and place the City Council will hear testimony regarding the revision of the percentage of tax increment contributed by taxing units to the Zone and will provide a reasonable opportunity for the owner of any property within the proposed Zone to protest the revision of the percentage of tax increment contributed by taxing units to the Zone. Upon closing the public hearing, the City Council may consider the adoption of an ordinance

authorizing the revision of the percentage of tax increment contributed by taxing units to the Zone.

Section 3. Attached hereto as **Exhibit B** is a form of the Notice of Public Hearing, the form and substance of which is hereby adopted and approved.

Section 4. The City Secretary is hereby authorized and directed to cause said notice to be published in substantially the form attached hereto in a newspaper of general circulation in the City on or before July 1, 2016.

Section 5. Before the July 12, 2016 hearing concerning the revision of the percentage of tax increment contributed by taxing units to the Zone, the City shall prepare a revised preliminary reinvestment zone project plan and financing plan for the Zone.

Section 6. This resolution shall be in full force and effect from and after its passage and it is accordingly so resolved.

PASSED AND APPROVED ON THIS 14TH DAY OF JUNE, 2016.

ATTEST:

Sean Terry, Mayor

Vicki Faulkner, City Secretary

EXHIBIT A**Metes and Bounds for the Zone****(41.499 Acres)**

BEING a 41.499 acre tract of land situated in the Collin County School Land Survey, Abstract Number 167, Collin County, Texas, being a portion of that tract of land described by deed to G BAR 7 LTD. as recorded in Volume 5850, Page 990, of the Official Public Records of Collin County, Texas (O.P.R.C.C.T.), and being more particularly described as follows:

BEGINNING at a ½ inch iron rod found within a gravel road posted and under apparent public use as County Road 1117 for the most easterly northeast corner of the herein described tract, same being an inner ell corner of a tract of land described by deed to Old Celina, Ltd. as recorded in Volume 5398, Page 693, O.P.R.C.C.T.;

THENCE South 00 degrees 22 minutes 38 seconds East, with the most southerly west line of said Old Celina Ltd. tract and within said County Road 1117, a distance of 1178.05 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 887.24 feet to a point for corner;

THENCE North 00 degrees 00 minutes 00 seconds East, a distance of 140.02 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 300.05 feet to a point for corner;

THENCE South 00 degrees 33 minutes 39 seconds West, a distance of 15.66 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds West, a distance of 150.02 feet to a point for corner, said point being in the east line of a tract of land described by deed to Chris Hollingsworth, Trustee of the Hollingsworth Irrevocable Trust, as recorded under Instrument Number 20130411000490940, O.P.R.C.C.T.;

THENCE North 00 degrees 51 minutes 28 seconds West, with the east line of said Hollingsworth tract, a distance of 442.61 feet to a point for the northeast corner thereof, same being the southeast corner of a tract of land described by deed to United Realtors, LLC, as recorded under Instrument Number 20120314000298850, O.P.R.C.C.T.;

THENCE North 00 degrees 40 minutes 31 seconds West, with the east line of said United Realtors tract, a distance of 318.30 feet to a point for corner.

THENCE North 00 degrees 21 minutes 16 seconds West, with the east line of said United Realtors tract, a distance of 90.50 feet to a point for corner;

THENCE North 00 degrees 26 minutes 16 seconds West, with the east line of said United Realtors tract, a distance of 300.00 feet to a point for corner;

THENCE North 00 degrees 59 minutes 16 seconds West, with the east line of said United Realtors tract, a distance of 213.00 feet to a ½ inch iron rod with cap stamped "Alliance" found for corner;

THENCE North 01 degree 20 minutes 16 seconds West, partially with the east line of said United Realtors tract, a distance of 91.37 feet to a point for corner within County Road 55;

THENCE North 89 degrees 18 minutes 34 seconds East, within said County Road 55, a distance of 722.80 feet to a point for corner, same being the northwest corner of said Old Celina Ltd. tract;

THENCE South 00 degrees 23 minutes 37 seconds East with the most northerly west line of said Old Celina Ltd. tract, passing at a distance of 59.67 feet a ½ inch iron rod with cap stamped "#3258" found, continuing on said course for a total distance of 419.77 feet to a point for corner, same being the most westerly southwest corner of said Old Celina Ltd. tract;

THENCE North 89 degrees 09 minutes 57 seconds East, with the most westerly south line of said Old Celina Ltd. tract, passing at a distance of 604.10 feet a ½ inch iron rod found, continuing on said course for a total distance of 623.17 feet to the **POINT OF BEGINNING** and containing 41.499 acres of land, more or less, and being subject to any and all easements that may affect.

EXHIBIT B

**City of Celina City Council
Notice of Public Hearing
On Revision of Percentage of Tax
Increment Contributed to
Reinvestment Zone Number Six**

THE CELINA CITY COUNCIL WILL HOLD A PUBLIC HEARING ON TUESDAY JULY 12, 2016 AT 6:00 P.M. AT THE FIRST UNITED METHODIST CHURCH, 112 N. COLORADO STREET, CELINA, TEXAS, 75009 ON THE REVISION OF THE PERCENTAGE OF TAX INCREMENT CONTRIBUTED BY TAXING UNITS TO REINVESTMENT ZONE NUMBER SIX, CITY OF CELINA (THE "REINVESTMENT ZONE") AND THE BENEFITS TO THE CITY OF CELINA AND TO PROVIDE A REASONABLE OPPORTUNITY FOR ANY OWNER OF PROPERTY WITHIN THE REINVESTMENT ZONE TO PROTEST THE REVISION OF THE PERCENTAGE OF TAX INCREMENT CONTRIBUTED BY TAXING UNITS TO THE REINVESTMENT ZONE, WHICH REINVESTMENT ZONE CONSISTS OF APPROXIMATELY ±41.499 ACRES GENERALLY LOCATED IN THE CITY OF CELINA, TEXAS IN COLLIN COUNTY, AND GENERALLY LOCATED AT THE SOUTHWEST CORNER OF COUNTY ROAD 55 AND COUNTY ROAD 1117, AS MORE PARTICULARLY DESCRIBED BY A METES AND BOUNDS DESCRIPTION AVAILABLE AT CELINA CITY HALL AND AVAILABLE FOR PUBLIC INSPECTION. AT THE PUBLIC HEARING, ANY INTERESTED PERSON MAY SPEAK FOR OR AGAINST THE REVISION OF THE PERCENTAGE OF TAX INCREMENT CONTRIBUTED BY TAXING UNITS TO THE REINVESTMENT ZONE, OR THE CONCEPT OF TAX INCREMENT FINANCING. FOLLOWING THE PUBLIC HEARING, CELINA CITY COUNCIL WILL CONSIDER ADOPTION OF AN ORDINANCE REVISING THE PERCENTAGE OF TAX INCREMENT CONTRIBUTED BY TAXING UNITS TO THE REINVESTMENT ZONE.

Attachment: 2015.001.016b - TIRZ Resolution calling public hearing to revise partici... (1626 : G-Bar 7/Glen Crossing - Call PH to Revise TIRZ



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Ben Rodriguez, Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: Farmers Bank Tract Annexation Ordinance

Action Requested:

Consider and act upon an ordinance annexing an approximately 10 acre tract of land situated in the McKinzie Wilhite Survey, Abstract No. 1008, Collin County, Texas and generally located north of CR 84, south of CR 88, and west of CR 86. (Farmers Bank Tract) (Liebman)

Background Information:

The property owner has denied the offered pre-annexation agreement, and is now eligible for annexation into the City Limits. The property is contiguous to the City Limits on multiple sides, it is within the City's CCN's and a water line is currently being constructed adjacent to the property.

The annexation will follow the schedule below:

- ~~April 12, 2016 - City Council acts on Resolution to set the public hearing dates.~~
- ~~May 10, 2016 - Two separate public hearings are held on the same night (6:00pm & 6:05pm @ 112 N. Colorado Dr. Celina, Texas.)~~
- June 14, 2016 - City Council acts on Ordinance annexing the property.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City's Land Use Attorney has assisted staff throughout the pre-annexation process.

Supporting Documents:

- Proposed Ordinance

Staff Recommendation:

Staff recommends approval

CITY OF CELINA, TEXAS

ORDINANCE NO. 2016-
FARMERS BANK TRACT

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 A 10.0 ACRE TRACT OF LAND SITUATED IN THE MCKINZIE WILHITE SURVEY, ABSTRACT NO. 1008, TRACT 6, 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 WEST OF CR 86, EAST OF SH289 (PRESTON ROAD) SOUTH OF CR88, AND NORTH OF CR 84; 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 10th day of May, 2016 and a second hearing also being held on the 10th day of May, 2016 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 property 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 22nd day of April, 2016, 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", and depicted in Exhibit "B" 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, including the United States Department of Justice.

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 ___th day of June, 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

BEING all that certain tract or parcel of land lying and being situated in the M. WILHITE SURVEY Abstract No. 1008, Collin County, Texas and being part of a tract described in a deed to Collin 84, LP recorded under County Clerk's File Number 20060320000357980, Land Records of Collin County, Texas and being more particularly described as follows:

COMMENCING at a found PK nail at the southwest corner of said Collin 84, LP tract, the northwest corner of a tract described in a deed to White Family LTD Partnership recorded in Volume 5834, Page 478, Land Records of Collin County, Texas, and on the east line of Preston Hills III Addition Phase 2, recorded in Volume J, Page 942, Plat Records of Collin County, Texas in County Road 84;

THENCE North 00 degrees 55 minutes 46 seconds West with the west line of said Collin 84, LP tract and the east line of said Preston Hills III Addition, a distance of 1,203.24 feet to a found 1/2" iron pin with a yellow plastic cap stamped "Metroplex 1849" on the west line of said Collin 84, LP tract and the east line of a tract described in a deed to White Family LTD Partnership recorded in Volume 5834, Page 472, Land Records of Collin County, Texas;

THENCE North 89 degrees 09 minutes 02 seconds East, a distance of 869.07 feet to a found 1/2" iron pin with a yellow plastic cap stamped "Metroplex 1849" for corner and being the beginning of the herein described tract;

THENCE North 60 degrees 43 minutes 50 seconds West, a distance of 924.20 feet to a set 1/2" iron pin with a yellow plastic cap stamped "Metroplex 1849" for corner;

THENCE North 88 degrees 12 minutes 09 seconds East, a distance of 1308.94 feet to a PK nail set on the east line of said Collin 84, LP tract in County Road 86;

THENCE South 00 degrees 45 minutes 50 seconds East, with the east line of said Collin 84, LP tract, a distance of 485.42 feet to a PK nail found on the east line of said Collin 84, LP tract in County Road 86;

THENCE South 89 degrees 09 minutes 02 seconds West, a distance of 508.62 feet and containing in all 10.000 acres of land, more or less.

EXHIBIT “B”

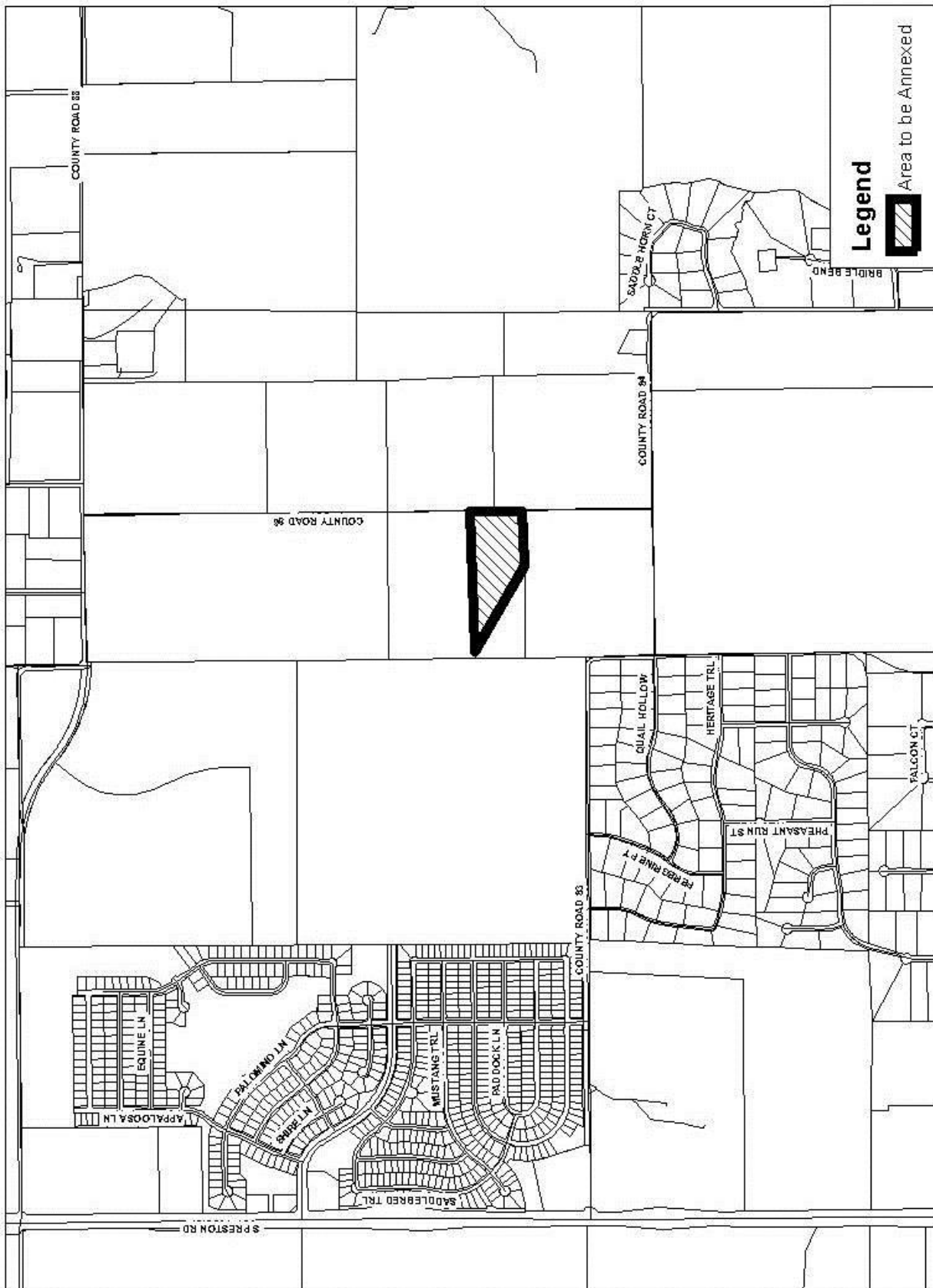


Exhibit “C”**Service Plan****A) SERVICE PLAN GENERALLY**

- 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.



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Ben Rodriguez, Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: <Insert Subject/RE Here>

Action Requested:

Consider and act upon a Final Plat for Light Farms, Hawthorne Phase II Neighborhood Final Plat, being approximately 7.16 acres situated in the John Ragsdale Survey, Abstract No. 734, and comprising thirty two (32) residential lots and one (1) open space lot. The property is generally located north of Frontier Parkway, south of Light Farms Way and west of the BNSF Railroad. (Light Farms)

Background Information:

Staff has reviewed the proposed Final Plat for Light Farms Hazel Neighborhood Phase II and has deemed it acceptable subject to the applicant submitting an approved Letter of Map Revision from FEMA indicating their approval of the revised floodplain.

Board Review/Citizen Input:

At the Planning and Zoning Commission meeting on May 17, 2016 the Commission recommended its approval of the plat.

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

N/A

Supporting Documents:

- Proposed Plat

Staff Recommendation:

Staff recommends approval on the condition that a note is added to the plat stating that the City will not accept any building permits for these lots until a letter of map revision has been issued by FEMA.

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N85°38'49"W	44.40'
L2	S89°43'55"W	48.80'
L3	S85°06'38"W	48.80'
L4	S80°27'50"W	48.80'
L5	S76°22'05"W	49.37'
L6	S76°31'45"W	54.84'
L7	S81°36'23"W	57.24'
L8	S85°19'00"W	57.23'
L9	S89°26'21"W	57.23'
L10	N86°26'45"W	55.95'
L11	N84°36'35"W	50.00'
L12	N85°06'04"W	45.00'
L13	N40°06'04"W	21.21'
L14	N49°53'56"E	14.14'
L15	N89°01'47"W	50.12'
L16	N04°53'56"E	55.00'
L17	N88°47'54"E	50.00'

LINE TABLE		
LINE	DIRECTION	LENGTH
L18	N01°06'07"W	50.00'
L19	N76°22'05"E	46.69'
L20	N04°53'56"E	36.16'
L21	S45°09'07"E	12.84'
L22	N01°51'01"W	47.96'
L23	S48°13'31"E	13.80'
L24	S44°31'29"W	13.80'
L25	S36°04'16"E	20.40'
L26	N56°04'09"E	21.21'
L27	N11°04'09"E	52.29'
L28	S43°53'55"W	28.25'
L29	N88°53'53"E	80.85'
L30	N75°51'39"W	47.87'
L31	N88°53'53"E	5.00'
L32	N01°06'07"W	5.00'
L33	S88°53'53"W	5.00'
L34	N01°06'07"W	90.39'

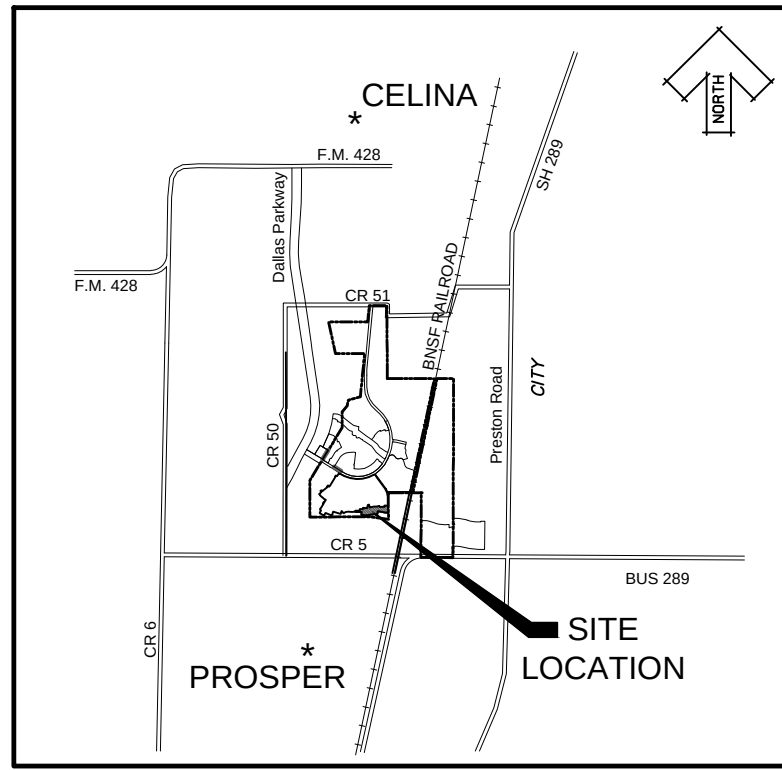
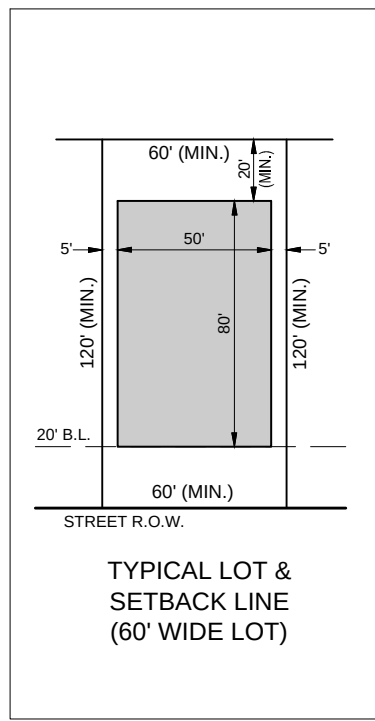
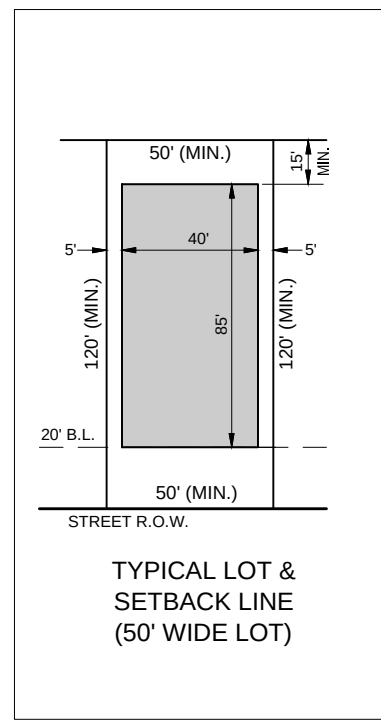
CURVE TABLE					
CURVE	DELTA	RADIUS	LENGTH	CHORD	CH. BEARING
C1	12°10'16"	375.00'	79.66'	79.51'	N85°00'59"W
C2	3°28'52"	725.00'	44.05'	44.04'	N80°40'17"W
C3	10°45'16"	275.00'	51.62'	51.54'	S87°28'16"W
C4	02°23'33"	625.00'	26.10'	26.10'	N07°36'22"E
C5	67°33'56"	20.00'	23.58'	22.24'	N42°35'07"E
C6	6°33'46"	325.00'	37.23'	37.21'	S87°49'14"E
C7	12°10'16"	350.00'	74.35'	74.21'	N85°00'59"W
C8	24°42'04"	750.00'	323.34'	320.84'	S88°43'07"W
C9	18°31'52"	650.00'	210.23'	209.31'	S85°38'01"W
C10	12°50'19"	300.00'	67.22'	67.08'	S88°28'47"W
C11	12°50'19"	300.00'	67.22'	67.08'	S88°28'47"W
C12	08°12'08"	650.00'	93.05'	92.97'	N02°15'03"E
C13	12°10'16"	250.00'	53.11'	53.01'	S04°59'01"W
C14	90°00'00"	20.00'	31.42'	28.28'	S43°53'53"W

NOTES:

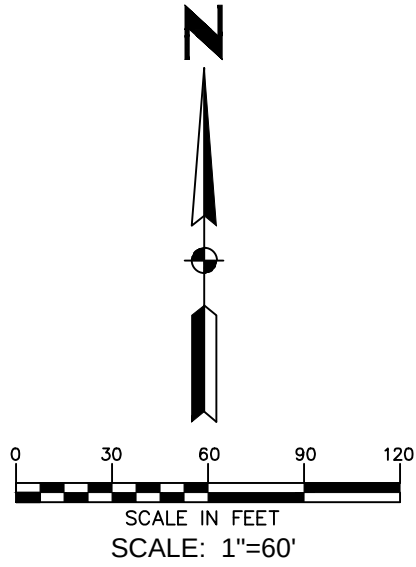
1. SELLING A PORTION OF THIS ADDITION BY METES AND BOUNDS IS A VIOLATION OF CITY ORDINANCE AND STATE LAW, AND IS SUBJECT TO FINES AND WITHHOLDING OF UTILITIES AND BUILDING PERMITS.
2. THE CARE, OWNERSHIP, AND MAINTENANCE OF COMMON AREA LOTS 16X IS THE RESPONSIBILITY OF THE H.O.A.
3. FOR LOTS 40, 50', OR 60' WIDE WITH J-DRIVE, FRONT YARD SETBACK MAY BE REDUCED BY FIVE (5) FEET.
4. ALL LOT CORNERS WILL BE SET UPON COMPLETION OF CONSTRUCTION USING 5/8" INCH REBAR WITH A YELLOW PLASTIC CAP STAMPED "HUITT-ZOLLARS". IN AREAS WHERE IT IS NOT PHYSICALLY POSSIBLE TO SET REBAR, AN X CUT OR "MAG" NAIL WILL BE UTILIZED. THE CENTERLINE OF THE RIGHT-OF-WAY WILL BE MONUMENTED WITH A SCRIBED "X" IN CONCRETE AT PC'S, PT'S AND INTERSECTION POINTS.
5. MINIMUM FINISH FLOOR ELEVATIONS ARE PER HUITT-ZOLLARS, INC. DRAINAGE REPORT FOR TRIBUTARY "C" DATED 3-30-2015

LEGEND

- IRF — IRON ROD FOUND
- IRF (H2) — 5/8" IRON ROD FOUND WITH PLASTIC CAP STAMPED "HUITT-ZOLLARS"
- — 5/8" IRON ROD SET W/ "HUITT-ZOLLARS" CAP
- MIN. F.F. — MINIMUM FINISH FLOOR
- WME — WALL MAINTENANCE EASEMENT
- UE — UTILITY EASEMENT
- BL — BUILDING LINE
- ◆ — DENOTES STREET NAME CHANGE
- O.P.R.C.C.T. — OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS
- P.R.C.C.T. — PLAT RECORDS, COLLIN COUNTY, TEXAS



VICINITY MAP



BASIS OF BEARING: THE BEARINGS SHOWN ARE ON N.A.D. 1983, TIED TO THE TEXAS STATE PLANE COORDINATE SYSTEM OF 1983, NORTH CENTRAL TEXAS ZONE (4202)

KIRK ANDREWS &
LAURIE ANDREWS
DOC.# 20130328000416390
O.P.R.C.C.T.

EASEMENT & RIGHT OF WAY TO ONCOR ELECTRIC DELIVERY COMPANY, LLC DOC.#20090923001185360 L.R.C.C.T.

POINT OF BEGINNING

PRairie CROSSING

FINAL PLAT
LIGHT FARMS
THE HAWTHORNE NEIGHBORHOOD, PHASE 2
CONTAINING
32 RESIDENTIAL LOTS, 1 OPEN SPACE
TOTALING 7.16 ACRES
SITUATED IN THE
JOHN RAGSDALE SURVEY, ABST. No. 734
COLLIN COUNTY, TEXAS

OWNER
LFC DEVCO HLH, LLC.
8401 North Central Expressway, Suite 350, Dallas, TX 75225
Phone 214-292-3410 Fax 214-292-3411

PREPARED BY:
HUITT-ZOLLARS
Dallas
Huitt-Zollars, Inc.
1717 McKinney Avenue, Suite 1400, Dallas, TX 75202
Phone (214) 871-3511 Fax (214) 871-0757

MAY 2016 SHEET 1 OF 2

CITY PROJECT NUMBER: P-201503-01 PROJECT NUMBER: 01-3905-46

DWG: J:\Survey\3905\46\FINAL PLAT\DWG\01390546_FINAL PLAT HAWTHORNE II.dwg USER: yaloo
DATE: May 13, 2016 7:43am XREFS: 01390546_FINAL PLAT HAWTHORNE II.BD

Attachment: 01390546_FINAL PLAT HAWTHORNE II-5-13-16 (1629 : Light Farms Hawthorne II FP)

DWG: J:\Survey\390546\FINAL PLAT\DWG\01390546_FINAL PLAT HAWTHORNE II.dwg
DATE: May 13, 2016 7:46am XREFS: 01390546_FINAL PLAT HAWTHORNE I.BD
USER: yahoo

OWNER'S CERTIFICATE
STATE OF TEXAS
COUNTY OF COLLIN

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 as 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 found with plastic cap stamped "Huitt-Zollars" at the southeast corner of the final plat of Light Farms The Hawthorne Neighborhood, Phase 2 , an addition to the City of Celina, Texas, as recorded in Volume 2016, Page 240 of the Plat Records of Collin County, Texas, and the east line of said LFC DEVCO tract, same being the westerly right-of-way line of Prairie Crossing an existing roadway (no deed of record found - undefined width);

THENCE, along the east line of said LFC DEVCO tract, and the westerly right-of-way line of said Prairie Crossing, South 01 degrees 06 minutes 07 seconds East, a distance of 298.84 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, departing the east line of said LFC DEVCO tract, and the westerly right-of-way line of said Prairie Crossing, North 46 degrees 06 minutes 36 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", and being the beginning of a curve to the right having a central angle of 12 degrees 10 minutes 16 seconds, a radius of 375.00 feet, subtended by a 79.51 foot chord which bears North 85 degrees 00 minutes 59 seconds West;

THENCE, along said curve to the right an arc distance of 79.66 feet to a 5/8 inch 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", and being the beginning of a curve to the left having a central angle of 03 degrees 28 minutes 52 seconds, a radius of 725.00 feet, subtended by a 44.04 foot chord which bears North 80 degrees 40 minutes 17 seconds West;

THENCE, along said curve to the left an arc distance of 44.05 feet to a 5/8 inch 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", and being the beginning of a non-tangent curve to the left having a central angle of 10 degrees 45 minutes 16 seconds, a radius of 275.00 feet, subtended by a 51.54 foot chord which bears South 87 degrees 26 minutes 16 seconds West;

THENCE, along said curve to the left an arc distance of 51.62 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars", and being the beginning of a reverse curve to the right having a central angle of 12 degrees 50 minutes 19 seconds, a radius of 325.00 feet, subtended by a 72.67 foot chord which bears South 88 degrees 28 minutes 47 seconds West;

THENCE, along said curve to the right an arc distance of 72.82 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 126.68 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 50.00 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 110.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 49 degrees 53 minutes 56 seconds East, a distance of 14.14 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 89 degrees 01 minutes 47 seconds East, a distance of 50.12 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 66.57 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 120.00 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 55.00 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 170.24 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars", and being the beginning of a non-tangent curve to the right having a central angle of 02 degrees 23 minutes 33 seconds, a radius of 625.00 feet, subtended by a 26.10 foot chord which bears North 07 degrees 36 minutes 22 seconds East;

THENCE, along said curve to the right an arc distance of 26.10 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 08 degrees 48 minutes 09 seconds East, a distance of 94.33 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars", and being the beginning of a curve to the right having a central angle of 67 degrees 33 minutes 56 seconds, a radius of 20.00 feet, subtended by a 22.24 foot chord which bears North 42 degrees 35 minutes 07 seconds East;

THENCE, along said curve to the right an arc distance of 23.58 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 76 degrees 22 minutes 05 seconds East, a distance of 45.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 13 degrees 37 minutes 55 seconds East, a distance of 120.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 76 degrees 22 minutes 05 seconds East, a distance of 162.71 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 88 degrees 14 minutes 57 seconds East, a distance of 115.85 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 76 degrees 48 minutes 49 seconds East, a distance of 109.67 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, South 05 degrees 07 minutes 42 seconds West, a distance of 36.95 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 88 degrees 53 minutes 53 seconds East, a distance of 160.26 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 88 degrees 47 minutes 54 seconds East, a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 01 degrees 06 minutes 07 seconds West, a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

THENCE, North 88 degrees 53 minutes 53 seconds East, a distance of 141.00 feet to the **POINT OF BEGINNING** and **CONTAINING** having an area of 7.16 acres of land, more or less.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That LFC DEVCO HLH, LLC, acting herein by and through his(it)s duly authorized officer(s), does hereby adopt this plat designating the herein above described property as LIGHT FARMS, THE HAWTHORNE NEIGHBORHOOD, PHASE 2, an addition within the extra-territorial jurisdiction of the City of Celina, Texas, and does hereby dedicate, in fee simple, to the Collin County Municipal Utility District No. 1 ("District") forever, the easements and public use areas, streets, rights-of-way and public improvements contained therein. District does hereby dedicate for the public use forever, the easements and public use areas, the streets, rights-of-way and public improvements contained therein. The streets and alleys, if any, are dedicated for street purposes. The easements and public use areas, as shown, are dedicated, for the public use forever, for the purposes indicated on this plat. Notwithstanding the foregoing, the District does hereby dedicate to the City of Celina all water and sanitary sewer improvements contained in the right-of-way and easements as shown on this plat in consideration for the City of Celina's agreement to utilize such improvements to serve property within the District. No buildings, fences, trees, shrubs or other improvements or growths shall be constructed or placed upon, over or across the easements as shown, except that landscape improvements may be placed in landscape easements, if approved by the City Council of the City of Celina. In addition, utility easements may also be used for the mutual use and accommodation of all public utilities desiring to use or using the same unless the easements limits the use to particular utilities, said use by public utilities being subordinate to the public's and City of Celina's use thereof. The City of Celina and public utilities entities shall have the right to remove and keep removed all or parts of any buildings, fences, trees, shrubs or other improvements or growths which may in any way endanger or interfere with the construction, maintenance, or efficiency of their respective systems in said easements, The City of Celina and public utility entities shall at all times have the full right of ingress and egress to or from their respective easements for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining, reading meters, and adding to or removing all or parts of their respective systems without the necessity at any time procuring permission from anyone.

This plat approved subject to all platting ordinances, rules, regulations and resolutions of the City of Celina, Texas,

WITNESS, my hand, this the ____ day of _____, 2016.

By: RJM/CELINA III, L.P., a Texas limited partnership, Manager

By: RJM/CELINA III, L.P., a Texas corporation, General Partner

Authorized Signature of LFC DEVCO HLH, LLC., Owner

Tony Ruggeri, President

STATE OF TEXAS
COUNTY OF DALLAS

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Tony Ruggeri, Owner, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and considerations therein expressed.

Given under my hand and seal of office, this ____ day of _____, 2016.

Notary Public in and for the State of Texas

My Commission Expires On: _____

CERTIFICATE OF APPROVAL:
WITNESS, my hand, this the ____ day of _____, 2016.
By: _____
Authorized Signature of COLLIN COUNTY MUNICIPAL UTILITY DISTRICT No. 1

Keller Webster, President

STATE OF TEXAS
COUNTY OF DALLAS

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Keller Webster, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and considerations therein expressed.

Given under my hand and seal of office, this ____ day of _____, 2016.

Notary Public in and for the State of Texas

My Commission Expires On: _____

PREPARER'S CERTIFICATE:

KNOW ALL MEN BY THESE PRESENTS:

THAT, I, Eric J. Yahoudy 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 personal supervision, in accordance with the subdivision regulations of the City of Celina, Texas.

PRELIMINARY. THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

Eric J. Yahoudy, Registered Professional Land Surveyor
Texas Registration No. 4862
HUITT-ZOLLARS, Inc.
Firm Registration No. 10025600

STATE OF TEXAS
COUNTY OF DALLAS

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Eric J. Yahoudy, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and considerations therein expressed.

Given under my hand and seal of office, this ____ day of _____, 2016.

Notary Public in and for the State of Texas

My Commission Expires On: _____

PROPERTY LOCATION STATEMENT
This property is located in the extraterritorial jurisdiction of the City of Celina, Collin County, Texas.

Signature of Mayor

Date of approval

ATTEST:

City Secretary

Date

Approved for preparation of final plat following construction of all public improvements (or appropriate sureties thereof) necessary for the subdivision shown on the plat.	
RECOMMENDED BY:	Planning and Zoning Commission City of Celina, Texas
Signature of Chairperson	_____ Date of Recommendation
APPROVED BY:	City Council City of Celina, Texas
Signature of Mayor	_____ Date of Approval
ATTEST:	
_____ City Secretary	

FINAL PLAT
LIGHT FARMS
THE HAWTHORNE NEIGHBORHOOD, PHASE 2
CONTAINING
32 RESIDENTIAL LOTS, 1 OPEN SPACE
TOTALING 7.16 ACRES
SITUATED IN THE
JOHN RAGSDALE SURVEY, ABST. No. 734
COLLIN COUNTY, TEXAS

OWNER
LFC DEVCO HLH, LLC.
8401 North Central Expressway, Suite 350, Dallas, TX 75225
Phone 214-292-3410 Fax 214-292-3411

PREPARED BY:
HUITT-ZOLLARS
Huitt-Zollars, Inc.
1717 McKinney Avenue, Suite 1400, Dallas, TX 75202
Phone (214) 871-3511 Fax (214) 871-0757

COUNTY RECORDING INFORMATION

MAY 2016

SHEET 2 OF 2

CITY PROJECT NUMBER: P-201503-01 PROJECT NUMBER: 01-3905-46



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Ben Rodriguez, Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: Light Farms Hazel II Final Plat

Action Requested:

Consider and act upon a Final Plat for Light Farms, Hazel Neighborhood Phase II Final Plat, being approximately 3.69 acres situated in the John Ragsdale Survey, Abstract No. 734, and comprising fourteen (14) residential lots. The property is generally located north of Frontier Parkway, south of Light Farms Way and west of the BNSF Railroad. (Light Farms)

Background Information:

Staff has reviewed the proposed Final Plat for Light Farms Hazel Neighborhood Phase II and has deemed it acceptable subject to the applicant submitting an approved Letter of Map Revision from FEMA indicating their approval of the revised floodplain.

Board Review/Citizen Input:

At the Planning and Zoning Commission meeting on May 17, 2016 the Commission recommended its approval of the plat.

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

N/A

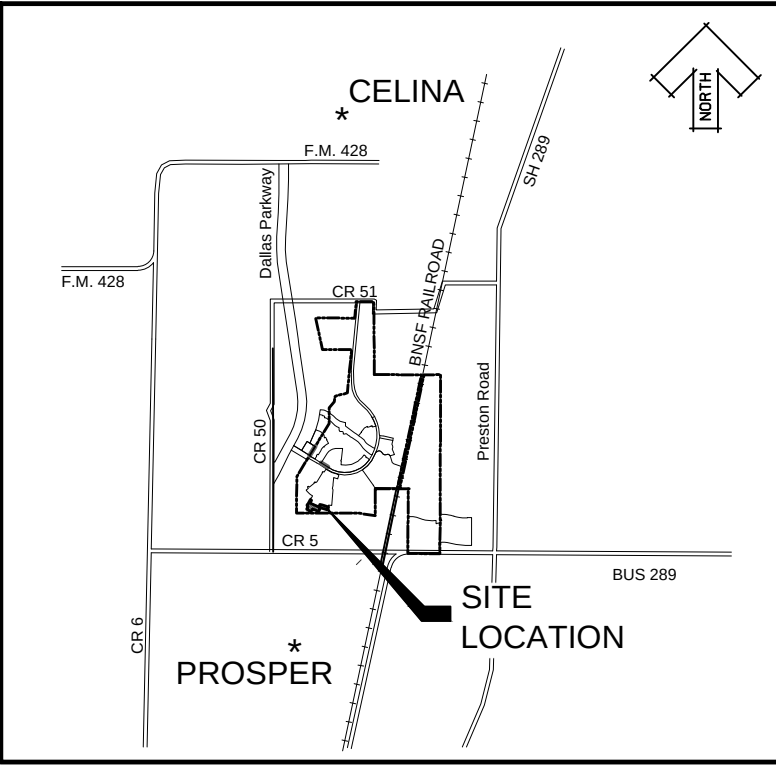
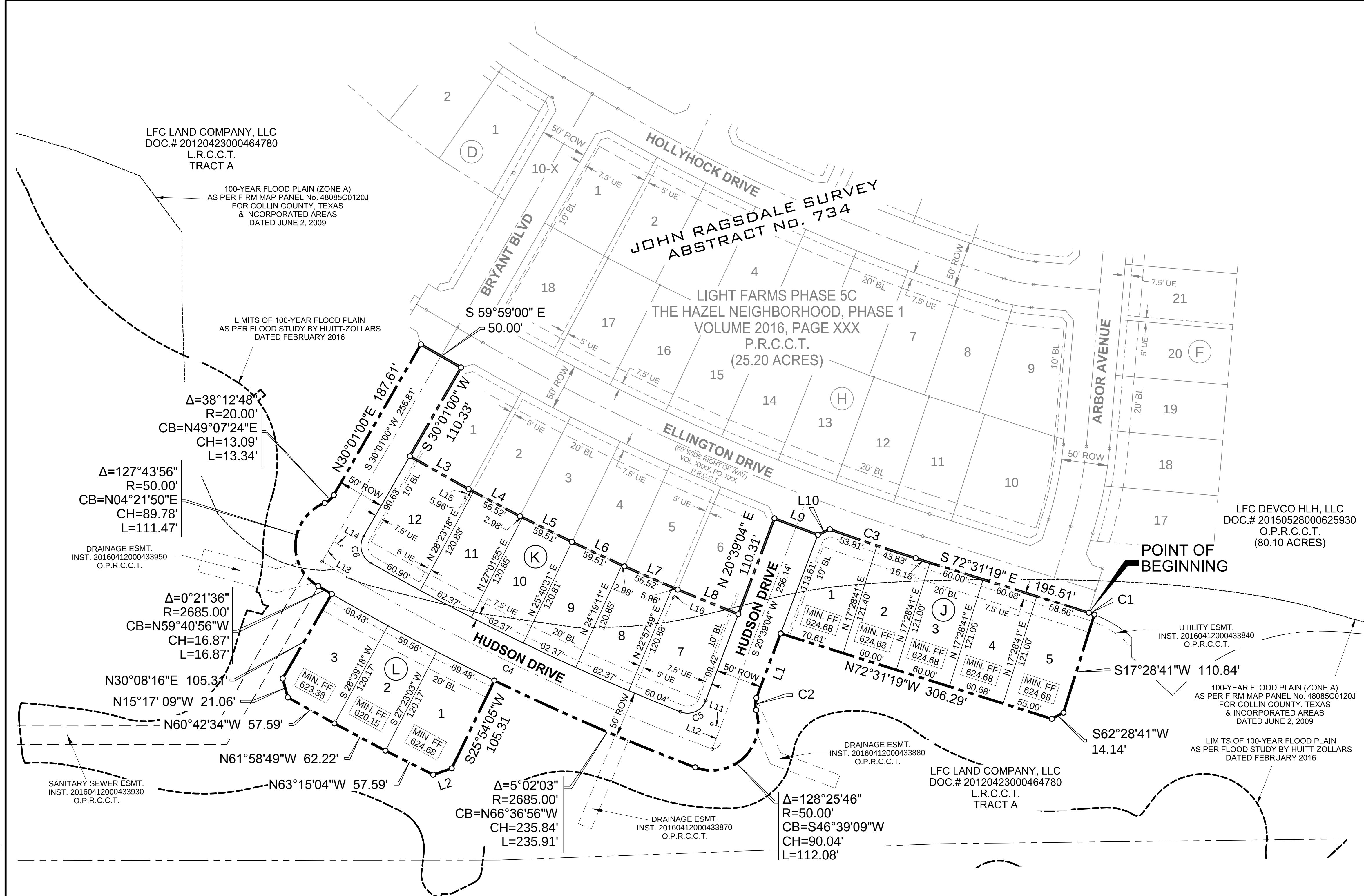
Supporting Documents:

- Proposed Plat

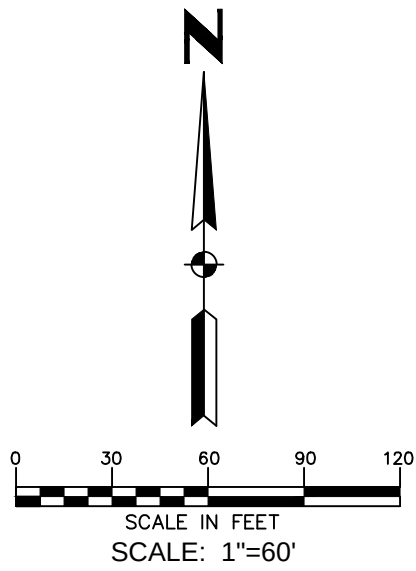
Staff Recommendation:

Staff recommends approval on the condition that a note is added to the plat stating that the City will not accept any building permits for these lots until a letter of map revision has been issued by FEMA.

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DATE: May 13, 2016 8:03am XREFS: 01390546_FINAL PLAT HAZEL-II.D 01390546_FINAL PLAT BASE ALL



VICINITY MAP



BASIS OF BEARING: THE BEARINGS SHOWN ARE ON N.A.D. 1983, TIED TO THE TEXAS STATE PLANE COORDINATE SYSTEM OF 1983, NORTH CENTRAL TEXAS ZONE (4202)

LEGEND

- IRF — IRON ROD FOUND
- IRF (H2) — 5/8" IRON ROD FOUND WITH PLASTIC CAP STAMPED "HUITT-ZOLLARS"
- — 5/8" IRON ROD SET W/ "HUITT-ZOLLARS" CAP
- MIN. FF — MINIMUM FINISH FLOOR
- WME — WALL MAINTENANCE EASEMENT
- UE — UTILITY EASEMENT
- BL — BUILDING LINE
- ◆ — DENOTES STREET NAME CHANGE
- O.P.R.C.C.T. — OFFICIAL PUBLIC RECORDS, COLLIN COUNTY, TEXAS
- P.R.C.C.T. — PLAT RECORDS, COLLIN COUNTY, TEXAS

NOTES:

- SELLING A PORTION OF THIS ADDITION BY METES AND BOUNDS IS A VIOLATION OF CITY ORDINANCE AND STATE LAW, AND IS SUBJECT TO FINES AND WITHHOLDING OF UTILITIES AND BUILDING PERMITS.
- FOR LOTS 40', 50', OR 60' WIDE WITH J-DRIVE, FRONT YARD SETBACK MAY BE REDUCED BY FIVE (5) FEET.
- ALL LOT CORNERS WILL BE SET UPON COMPLETION OF OF CONSTRUCTION USING 5/8" INCH REBAR WITH A YELLOW PLASTIC CAP STAMPED "HUITT-ZOLLARS". IN AREAS WHERE IT IS NOT PHYSICALLY POSSIBLE TO SET REBAR, AN "X" CUT OR "MAG" NAIL WILL BE UTILIZED. THE CENTERLINE OF THE STREET RIGHT-OF-WAY WILL BE MONUMENTED WITH A SCRIBED "X" IN CONCRETE AT P.C.'S, P.T.'S AND INTERSECTION POINTS.
- MINIMUM FINISH FLOOR ELEVATIONS ARE PER HUITT-ZOLLARS, INC. DRAINAGE REPORT FOR TRIBUTARY "C" DATED 3-30-2015

FINAL PLAT
LIGHT FARMS
THE HAZEL NEIGHBORHOOD, PHASE 2
CONTAINING
14 RESIDENTIAL LOTS
TOTALING 3.69 ACRES
SITUATED IN THE
JOHN RAGSDALE SURVEY, ABSTRACT No. 734
COLLIN COUNTY, TEXAS

OWNER
LFC DEVCO HLH, LLC.
8401 North Central Expressway, Suite 350, Dallas, TX 75225
Phone 214-292-3410 Fax 214-292-3411

PREPARED BY:
HUITT-ZOLLARS
Huitt-Zollars, Inc. Dallas
1717 McKinney Avenue, Suite 1400, Dallas, TX 75202
Phone (214) 871-3511 Fax (214) 871-0757

MAY 2016

SHEET 1 OF 2

CITY PROJECT NUMBER: P-201503-01 PROJECT NUMBER: 01-3905-46

LINE TABLE					
LINE	BEARING	DISTANCE	LINE	BEARING	DISTANCE
L1	S 20°39'04" W	74.21'	L11	N 69°20'56" W	10.00'
L2	S 71°19'30" W	21.06'	L12	N 20°39'04" E	25.02'
L3	S 60°45'58" E	72.61'	L13	N 30°01'00" E	24.90'
L4	S 62°11'22" E	62.49'	L14	S 59°59'00" E	10.00'
L5	S 63°36'47" E	62.49'	L15	S 22°53'21" W	10.06'
L6	S 65°02'12" E	62.49'	L16	S 28°28'24" W	10.04'
L7	S 66°27'36" E	62.49'			
L8	S 67°53'01" E	70.57'			
L9	S 69°20'56" E	50.00'			
L10	N 65°17'32" E	14.23'			

CURVE TABLE					
CURVE	DELTA	RADIUS	CH. BEARING	CH. LENGTH	ARC LENGTH
C1	2°54'32"	125.00'	S 71°04'03" E	6.35'	6.35'
C2	38°12'48"	20.00'	S 01°32'40" W	13.09'	13.34'
C3	2°20'08"	2395.00'	S 71°21'15" E	97.63'	97.63'
C4	10°03'31"	2660.00'	S 64°19'15" E	466.38'	466.98'
C5	91°00'26"	21.00'	N 66°09'16" E	29.96'	33.36'
C6	90°18'16"	21.00'	S 15°08'07" E	29.78'	33.10'

DWG: 13Survey\390546\FINAL PLAT\DWG\01390546_FINAL PLAT HAZEL-II.dwg USER: y3900
DATE: May 13, 2016 8:03am XREFS: 01390546_FINAL PLAT HAZEL-I.BD 01390546_FINAL PLAT BASE ALL

OWNER'S CERTIFICATE
STATE OF TEXAS
COUNTY OF COLLIN

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 as 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 found with plastic cap stamped "Huitt-Zollars" at the intersection of the southeast corner of Ellington Drive (50 foot wide right-of-way), as established by the final plat of Light Farms Phase 5C, The Hazel Neighborhood, Phase 1, an addition to the City of Celina, Texas, as recorded in Volume XXXX, Page XXX of the Plat Records of Collin County, Texas, also being the beginning of a non-tangent curve to the right having a central angle of 02 degrees 54 minutes 32 seconds, a radius of 125.00 feet, subtended by a 6.35 foot chord which bears South 71 degrees 04 minutes 03 seconds East;

THENCE, along said curve to the right an arc distance of 6.35 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" on a southerly line of said LFC DEVCO HLH tract;

THENCE, along said southerly line of said LFC DEVCO HLH tract the following courses:

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";

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";

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";

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", and being the beginning of curve to the left having a central angle of 38 degrees 12 minutes 48 seconds, a radius of 20.00 feet, subtended by a 13.09 foot chord which bears South 01 degrees 32 minutes 40 seconds West;

Along said curve to the left an arc distance of 13.34 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars", and being the beginning of a reverse curve to the right having a central angle of 128 degrees 25 minutes 46 seconds, a radius of 50.00 feet, subtended by a 90.04 foot chord which bears South 46 degrees 39 minutes 09 seconds West;

Along said curve to the right an arc distance of 112.08 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars", and being the beginning of a compound curve to the right having a central angle of 05 degrees 02 minutes 03 seconds, a radius of 2685.00 feet, subtended by a 235.84 foot chord which bears North 66 degrees 36 minutes 56 seconds West;

Along said curve to the right an arc distance of 235.91 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

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";

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";

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";

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";

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" at the southwest corner of said LFC DEVCO HLH tract;

THENCE, along the westerly line of said LFC DEVCO HLH tract, the following courses:

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";

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", and being the beginning of a non-tangent curve to the right having a central angle of 00 degrees 21 minutes 36 seconds, a radius of 2685.00 feet, subtended by a 16.87 foot chord which bears North 59 degrees 40 minutes 56 seconds West;

Along said curve to the right an arc distance of 16.87 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars", and being the beginning of a compound curve to the right having a central angle of 127 degrees 43 minutes 56 seconds, a radius of 50.00 feet, subtended by a 89.78 foot chord which bears North 04 degrees 21 minutes 50 seconds East;

Along said curve to the right an arc distance of 111.47 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars", and being the beginning of a reverse curve to the left having a central angle of 38 degrees 12 minutes 48 seconds, a radius of 20.00 feet, subtended by a 13.09 foot chord which bears North 49 degrees 07 minutes 24 seconds East;

Along said curve to the left an arc distance of 13.34 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

North 30 degrees 01 minute 00 seconds East, a distance of 187.61 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" on the westerly line of said Light Farms Phase 5C, The Hazel Neighborhood, Phase 1;

THENCE, departing the westerly line of said LFC DEVCO HLH tract, and along the westerly line said Light Farms Phase 5C, The Hazel Neighborhood, Phase 1, the following courses:

South 59 degrees 59 minutes 00 seconds East, a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

South 30 degrees 01 minute 00 seconds West, a distance of 110.33 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars" at the southwest corner of said Light Farms Phase 5C, The Hazel Neighborhood, Phase 1;

THENCE, along the southerly line of said Light Farms Phase 5C, The Hazel Neighborhood, Phase 1, the following courses:

South 60 degrees 45 minutes 58 seconds East, a distance of 72.61 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

South 62 degrees 11 minutes 22 seconds East, a distance of 62.49 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

South 63 degrees 36 minutes 47 seconds East, a distance of 62.49 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

South 65 degrees 02 minutes 12 seconds East, a distance of 62.49 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

South 66 degrees 27 minutes 36 seconds East, a distance of 62.49 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

South 67 degrees 53 minutes 01 second East, a distance of 70.57 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

North 20 degrees 39 minutes 04 seconds East, a distance of 110.31 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

South 69 degrees 20 minutes 56 seconds East, a distance of 50.00 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

North 65 degrees 17 minutes 32 seconds East, a distance of 14.23 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars", and being the beginning of a non-tangent curve to the left having a central angle of 02 degrees 20 minutes 08 seconds, a radius of 2395.00 feet, subtended by a 97.63 foot chord which bears South 71 degrees 21 minutes 15 seconds East;

Along said curve to the left an arc distance of 97.63 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars";

South 72 degrees 31 minutes 19 seconds East, a distance of 195.51 feet to a 5/8 inch iron rod set with plastic cap stamped "Huitt-Zollars", to the POINT OF BEGINNING and CONTAINING having an area of 3.693 acres of land, more or less.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That LFC DEVCO HLH, LLC, acting herein by and through his(its) duly authorized officer(s), does hereby adopt this plat designating the herein above described property as LIGHT FARMS, THE HAZEL NEIGHBORHOOD, PHASE 2, an addition within the extra-territorial jurisdiction of the City of Celina, Texas, and does hereby dedicate, in fee simple, to the Collin County Municipal Utility District No. 1 ("District") forever, the easements and public use areas, streets, rights-of-way and public improvements contained therein. District does hereby dedicate for the public use forever, the easements and public use areas, the streets, rights-of-way and public improvements contained therein. The streets and alleys, if any, are dedicated for street purposes. The easements and public use areas, as shown, are dedicated, for the public use forever, for the purposes indicated on this plat. Notwithstanding the foregoing, the District does hereby dedicate to the City of Celina all water and sanitary sewer improvements contained in the right-of-way and easements as shown on this plat in consideration for the City of Celina's agreement to utilize such improvements to serve property within the District. No buildings, fences, trees, shrubs or other improvements or growths shall be constructed or placed upon, over or across the easements as shown, except that landscape improvements may be placed in landscape easements, if approved by the City Council of the City of Celina. In addition, utility easements may also be used for the mutual use and accommodation of all public utilities desiring to use or using the same unless the easements limits the use to particular utilities, said use by public utilities being subordinate to the public's and City of Celina's use thereof. The City of Celina and public utilities entities shall have the right to remove and keep removed all or parts of any buildings, fences, trees, shrubs or other improvements or growths which may in any way endanger or interfere with the construction, maintenance, or efficiency of their respective systems in said easements. The City of Celina and public utility entities shall at all times have the full right of ingress and egress to or from their respective easements for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining, reading meters, and adding to or removing all or parts of their respective systems without the necessity at any time procuring permission from anyone.

This plat approved subject to all platting ordinances, rules, regulations and resolutions of the City of Celina, Texas,

WITNESS, my hand, this the ____ day of _____, 2016.

By: RJM/CELINA III, L.P., a Texas limited partnership, Manager

By: RJM/CELINA III, L.P., a Texas corporation, General Partner

Authorized Signature of LFC DEVCO HLH, LLC., Owner

Tony Ruggeri, President

STATE OF TEXAS
COUNTY OF DALLAS

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Tony Ruggeri, Owner, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and considerations therein expressed.

Given under my hand and seal of office, this ____ day of _____, 2016.

Notary Public in and for the State of Texas

My Commission Expires On: _____

CERTIFICATE OF APPROVAL:
WITNESS, my hand, this the ____ day of _____, 2016.
By:
Authorized Signature of COLLIN COUNTY MUNICIPAL UTILITY DISTRICT No. 1

Keller Webster, President

STATE OF TEXAS
COUNTY OF DALLAS

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Keller Webster, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and considerations therein expressed.

Given under my hand and seal of office, this ____ day of _____, 2016.

Notary Public in and for the State of Texas

My Commission Expires On: _____

PREPARER'S CERTIFICATE:

KNOW ALL MEN BY THESE PRESENTS:

THAT, I, Eric J. Yahoudy 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 personal supervision, in accordance with the subdivision regulations of the City of Celina, Texas.

PRELIMINARY, THIS DOCUMENT SHALL NOT BE RECORDED FOR ANY PURPOSE AND SHALL NOT BE USED OR VIEWED OR RELIED UPON AS A FINAL SURVEY DOCUMENT

Eric J. Yahoudy, Registered Professional Land Surveyor
Texas Registration No. 4862
HUITT-ZOLLARS, Inc.
Firm Registration No. 10025600

STATE OF TEXAS
COUNTY OF DALLAS

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Eric J. Yahoudy, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and considerations therein expressed.

Given under my hand and seal of office, this ____ day of _____, 2016.

Notary Public in and for the State of Texas

My Commission Expires On: _____

PROPERTY LOCATION STATEMENT
This property is located in the extraterritorial jurisdiction of the City of Celina, Collin County, Texas.

Signature of Mayor

Date of approval

ATTEST:

City Secretary

Date

Approved for preparation of final plat following construction of all public improvements (or appropriate sureties thereof) necessary for the subdivision shown on the plat.	
RECOMMENDED BY:	Planning and Zoning Commission City of Celina, Texas
Signature of Chairperson	Date of Recommendation
APPROVED BY:	City Council City of Celina, Texas
Signature of Mayor	Date of Approval
ATTEST:	
City Secretary	

FINAL PLAT
LIGHT FARMS
THE HAZEL NEIGHBORHOOD, PHASE 2
CONTAINING
14 RESIDENTIAL LOTS
TOTALING 3.69 ACRES
SITUATED IN THE
JOHN RAGSDALE SURVEY, ABSTRACT No. 734
COLLIN COUNTY, TEXAS

COUNTY RECORDING INFORMATION	OWNER LFC DEVCO HLH, LLC. 8401 North Central Expressway, Suite 350, Dallas, TX 75225 Phone 214-292-3410 Fax 214-292-3411
	PREPARED BY: HUITT-ZOLLARS Huitt-Zollars, Inc. Dallas 1717 McKinney Avenue, Suite 1400, Dallas, TX 75202 Phone (214) 871-3311 Fax (214) 871-0757
	MAY 2016 SHEET 2 OF 2

CITY PROJECT NUMBER: P-201503-01 PROJECT NUMBER: 01-3905-46



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: June 14, 2016
 Re: Mustang Lakes Phase 1 Final Plat

Action Requested:

Consider and act upon a Final Plat for Mustang Lakes Phase 1, approximately 172.521 acres situated in the Coleman Watson Survey, Abstract No. 945, containing 335 residential lots and twenty (20) common area lots, and generally located north of FM 1461 (Frontier Parkway) and west of FM 2478 (Custer Road). (Mustang Lakes Phase 1 Final Plat) (Liebman)

Background Information:

Staff has reviewed the proposed Final Plat for Mustang Lakes Phase 1, and has deemed it acceptable subject to the applicant addressing staff's comments prior to being heard by the City Council. The applicant understands and has agreed to address all of staff's comments.

Public Notice:

N/A

Supporting Document:

Plat Exhibit

Legal Review:

N/A

Planning & Zoning Commission Recommendation:

At the meeting on May 17, 2016, the Planning and Zoning Commission voted unanimously to recommend approval of the final plat, as conditioned by staff.

Staff Recommendation:

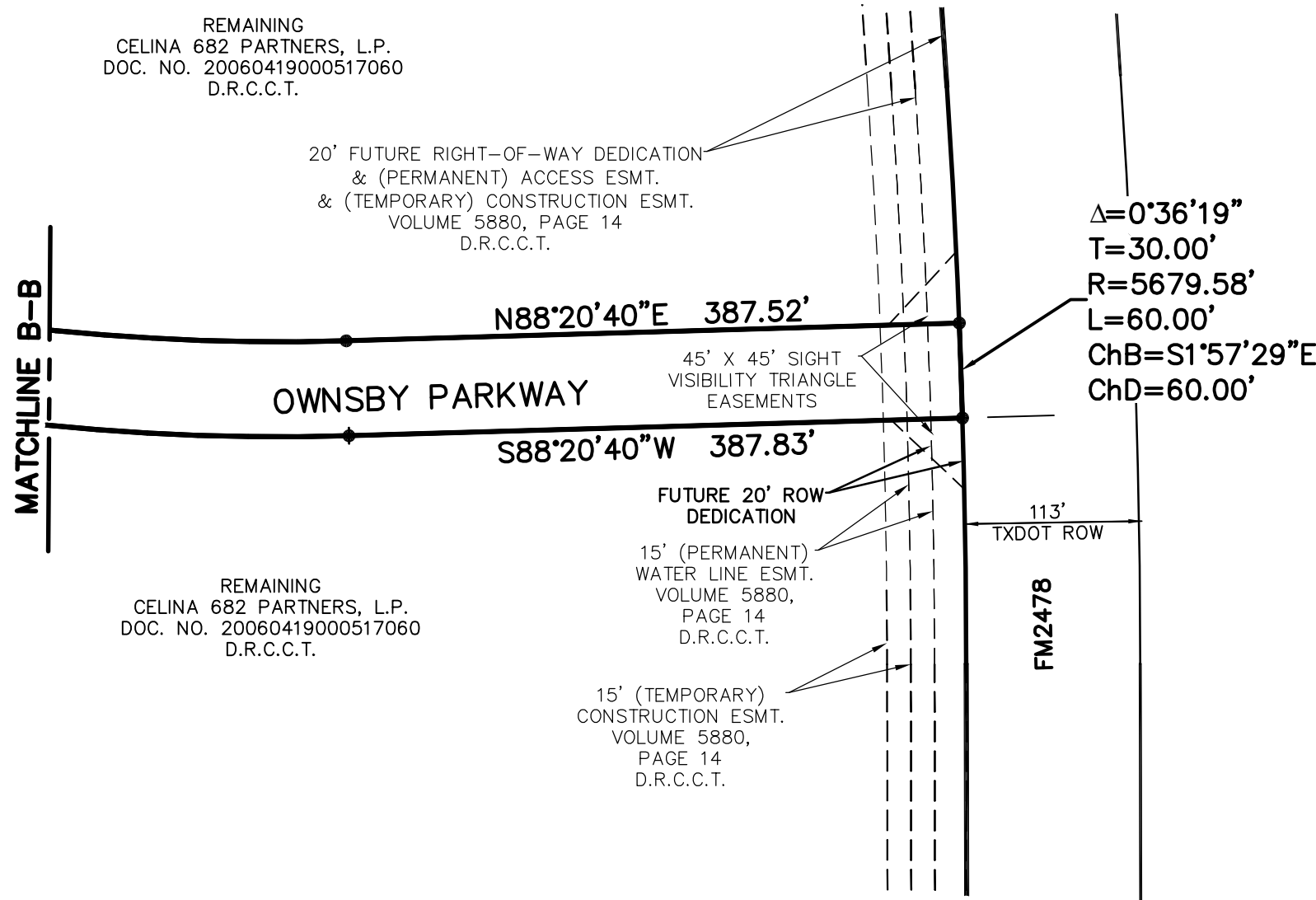
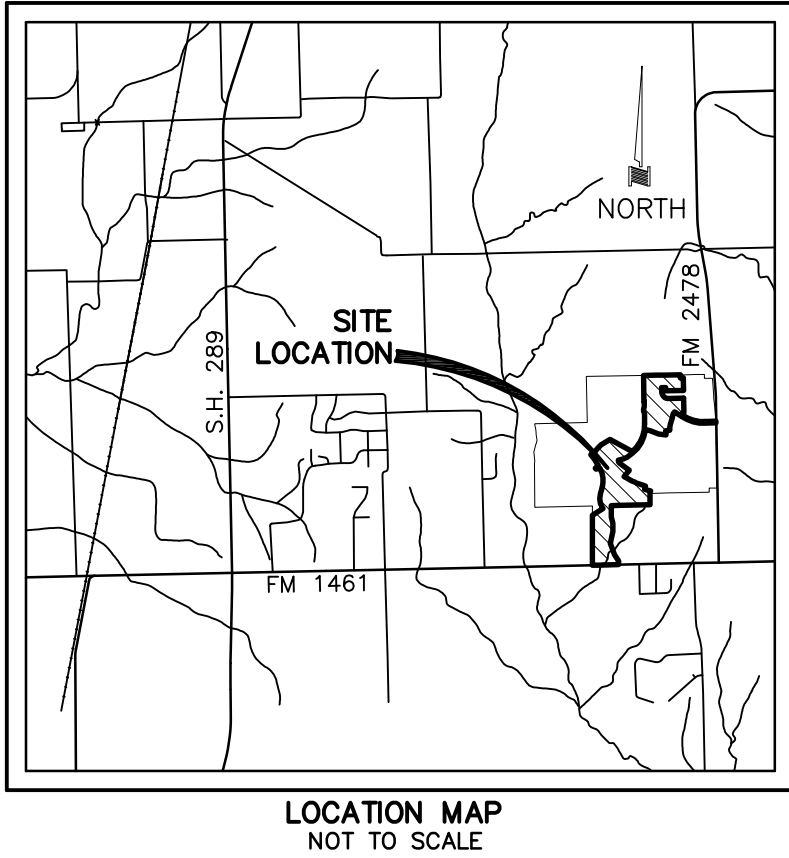
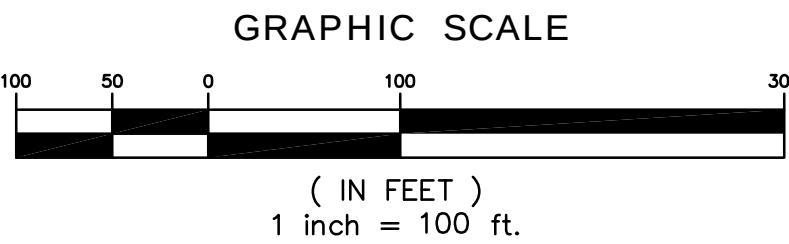
Staff recommends that the item be approved.

Staff Recommendation:

Staff recommends approval.



- NOTES:
1. BASIS OF BEARINGS DERIVED FROM THE TEXAS STATE PLANE COORDINATE SYSTEM, NORTH CENTRAL ZONE, NAD83.
 2. "X" CUTS SET IN CONCRETE AT ALL INTERSECTIONS AND POINTS OF CURVATURE.
 3. ALL LOT CORNERS SHALL BE MONUMENTED WITH A 1/2" INCH IRON ROD WITH A YELLOW PLASTIC CAP STAMPED "DAA".
 4. SELLING A PORTION OF THIS ADDITION BY METES AND BOUNDS IS A VIOLATION OF CITY ORDINANCE AND STATE LAW, AND IS SUBJECT TO FINES AND WITHDRAWING OF UTILITIES AND BUILDING PERMITS.
 5. ALL X-LOTS ARE UNBUILDABLE AND SHALL BE FOR LANDSCAPE AND SCREENING PURPOSES EXCEPT LOTS 1X AND 3X BLOCK E AS THESE SHALL BE BUILDABLE LOTS.
 6. THIS PROPERTY IS LOCATED WITHIN ZONE X AS IDENTIFIED ON THE FEDERAL INSURANCE RATE MAP NUMBER 48085C0140J DATED JUNE 2, 2009.
 7. HOA LOTS SHALL OWNED AND MAINTAINED BY THE HOMEOWNERS ASSOCIATION.
 8. STORM DRAIN LINE AND HEADWALLS ON HOA LOTS SHALL BE HOA'S RESPONSIBILITY.



172.521 ACRES
335 RESIDENTIAL LOTS
20 HOA LOTS
FINAL PLAT
MUSTANG LAKES
PHASE ONE

AN ADDITION TO THE CITY OF CELINA
COLEMAN WATSON SURVEY, ABSTRACT NO. 945
COLLIN COUNTY, TEXAS

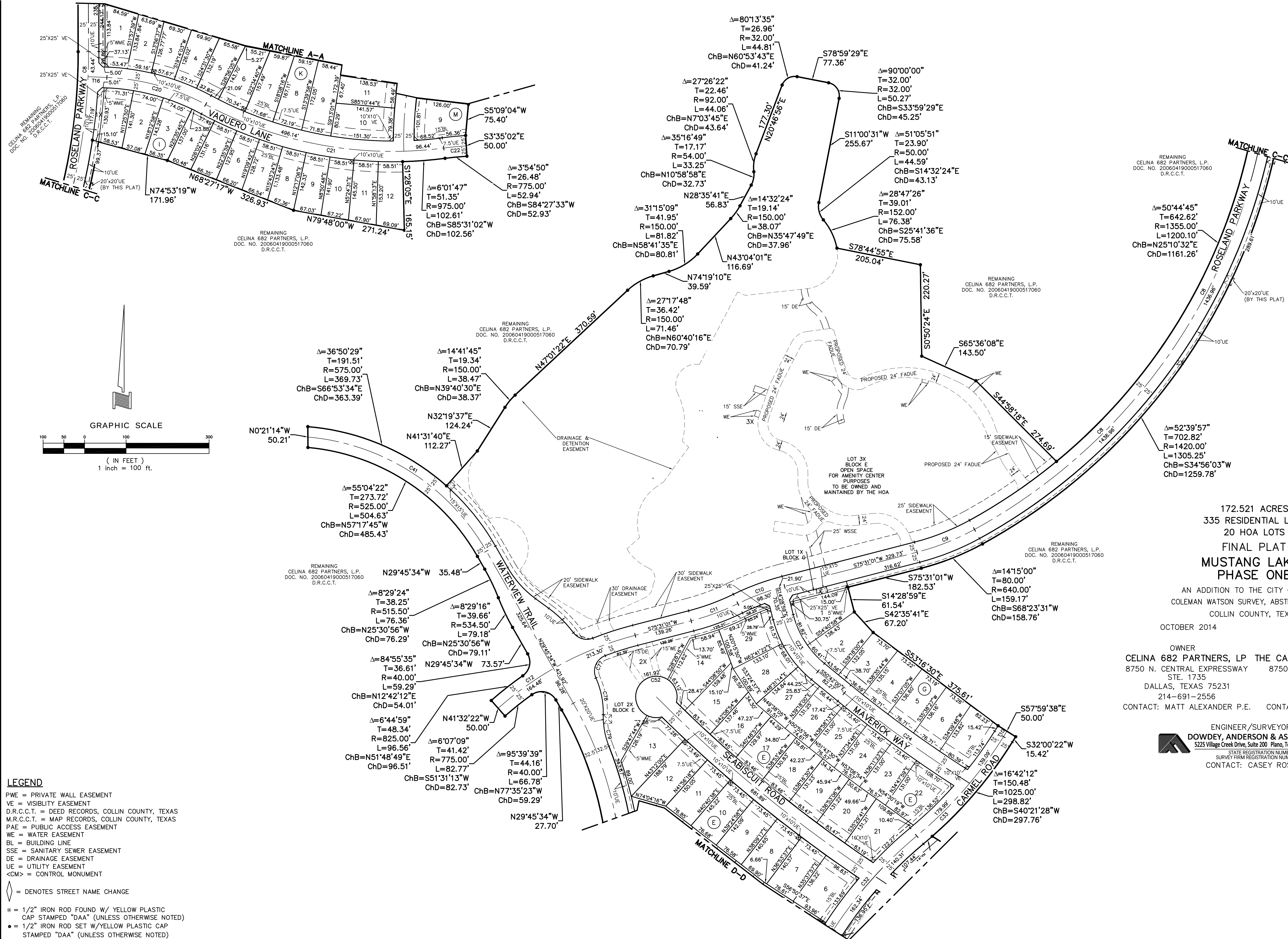
OCTOBER 2014

SCALE: 1"= 100'

OWNER
CELINA 682 PARTNERS, LP
8750 N. CENTRAL EXPRESSWAY
STE. 1735
DALLAS, TEXAS 75231
214-691-2556
CONTACT: MATT ALEXANDER P.E.

DEVELOPER
THE CAMBRIDGE COMPANIES, INC.
8750 N. CENTRAL EXPRESSWAY
STE. 1735
DALLAS, TEXAS 75231
214-691-2556
CONTACT: MATT ALEXANDER P.E.

ENGINEER/SURVEYOR
DOWDEY, ANDERSON & ASSOCIATES, INC.
5225 Village Creek Drive, Suite 200 Plano, Texas 75093 972-931-0694
STATE REGISTRATION NUMBER: 388
SURVEY FIRM REGISTRATION NUMBER: 10077800
CONTACT: CASEY ROSS



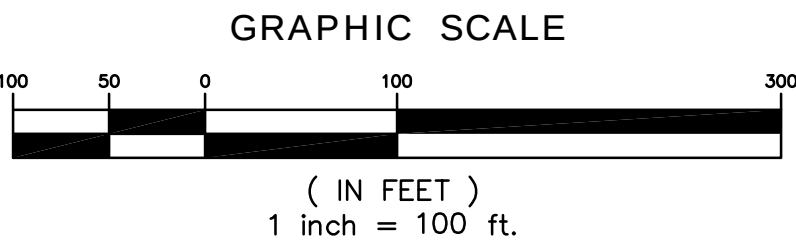
172.521 ACRES
335 RESIDENTIAL LOTS
20 HOA LOTS
FINAL PLAT
MUSTANG LAKES
PHASE ONE

AN ADDITION TO THE CITY OF CELINA
COLEMAN WATSON SURVEY, ABSTRACT NO. 945
COLLIN COUNTY, TEXAS
OCTOBER 2014 SCALE: 1"=100'

OWNER DEVELOPER
CELINA 682 PARTNERS, LP THE CAMBRIDGE COMPANIES, INC.
8750 N. CENTRAL EXPRESSWAY STE. 1735 8750 N. CENTRAL EXPRESSWAY STE. 1735
DALLAS, TEXAS 75231 DALLAS, TEXAS 75231
214-691-2556 214-691-2556
CONTACT: MATT ALEXANDER P.E. CONTACT: MATT ALEXANDER P.E.

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5225 Village Creek Drive, Suite 200 Plano, Texas 75093 972-931-0694
STATE REGISTRATION NUMBER: F-399
SURVEY FIRM REGISTRATION NUMBER: 10077800
CONTACT: CASEY ROSS

Attachment: Mustang Lakes Phase 1 Final Plat (1612 : Mustang Lakes Phase 1 Final Plat)



$\Delta=46^{\circ}57'16''$
 $T=376.79'$
 $R=867.50'$
 $L=710.93'$
 $ChB=N6^{\circ}16'56''W$
 $ChD=691.20'$

REMAINING
CELINA 682 PARTNERS, L.P.
DOC. NO. 20060419000517060
D.R.C.C.T.

REMAINING
CELINA 682 PARTNERS, L.P.
DOC. NO. 20060419000517060
D.R.C.C.T.

$\Delta=3^{\circ}52'43''$
 $T=111.30'$
 $R=3287.00'$
 $L=222.51'$
 $ChB=S75^{\circ}36'42''E$
 $ChD=222.47'$

$S12^{\circ}26'57''W$
50.00'

$S14^{\circ}27'02''W$
48.47'

PROSPER ISD
DOC. NO. 20081223001448050
D.R.C.C.T.

$\Delta=47^{\circ}26'26''$
 $T=277.91'$
 $R=632.50'$
 $L=523.71'$
 $ChB=N6^{\circ}31'31''W$
 $ChD=508.87'$

REMAINING
CELINA 682 PARTNERS, L.P.
DOC. NO. 20060419000517060
D.R.C.C.T.

172.521 ACRES
335 RESIDENTIAL LOTS
20 HOA LOTS
FINAL PLAT
**MUSTANG LAKES
PHASE ONE**

AN ADDITION TO THE CITY OF CELINA
COLEMAN WATSON SURVEY, ABSTRACT NO. 945
COLLIN COUNTY, TEXAS

OCTOBER 2014 SCALE: 1"=100'

OWNER	DEVELOPER
CELINA 682 PARTNERS, LP	THE CAMBRIDGE COMPANIES, INC.
8750 N. CENTRAL EXPRESSWAY STE. 1735 DALLAS, TEXAS 75231 214-691-2556	8750 N. CENTRAL EXPRESSWAY STE. 1735 DALLAS, TEXAS 75231 214-691-2556
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STATE REGISTRATION NUMBER: F-399
SURVEY FIRM REGISTRATION NUMBER: 10077800
CONTACT: CASEY ROSS

LEGEND

- PWE = PRIVATE WALL EASEMENT
▼ = DENOTES FRONT OF LOT
VE = VISIBILITY EASEMENT
D.R.C.C.T. = DEED RECORDS, COLLIN COUNTY, TEXAS
M.R.C.C.T. = MAP RECORDS, COLLIN COUNTY, TEXAS
PAE = PUBLIC ACCESS EASEMENT
WE = WATER EASEMENT
BL = BUILDING LINE
SSE = SANITARY SEWER EASEMENT
DE = DRAINAGE EASEMENT
UE = UTILITY EASEMENT
<CM> = CONTROL MONUMENT
◇ = DENOTES STREET NAME CHANGE

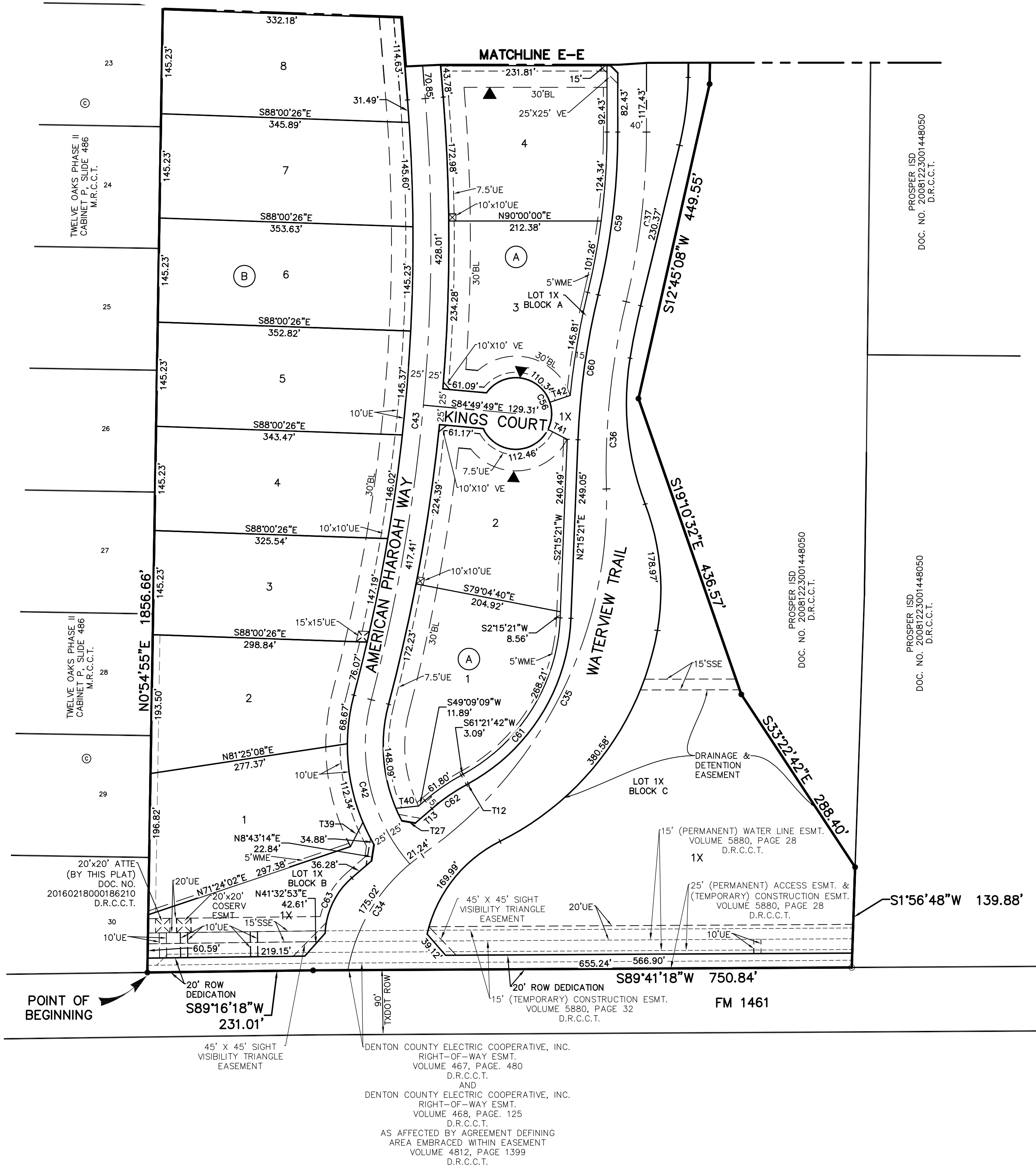
- ⊙ = 1/2" IRON ROD FOUND W/ YELLOW PLASTIC
CAP STAMPED "DAA" (UNLESS OTHERWISE NOTED)
● = 1/2" IRON ROD SET W/YELLOW PLASTIC CAP
STAMPED "DAA" (UNLESS OTHERWISE NOTED)

REVISED: APRIL 6, 2016

DOCUMENT NUMBER

3 OF 7

05052-01



ROADWAY LINE TABLE		
LINE	BEARING	DISTANCE
T1	S17°24'13"W	29.51'
T2	N89°42'42"E	15.00'
T3	N89°42'42"E	25.00'
T4	S41°39'09"E	17.39'
T5	S72°18'29"E	55.09'
T6	S17°41'31"W	14.56'
T7	S39°18'56"W	25.00'
T9	N58°04'59"E	40.50'
T10	N32°00'22"E	15.42'
T11	N34°17'50"E	36.55'
T16	S87°41'30"E	45.41'
T28	N88°35'26"E	25.00'
T31	N34°17'50"E	62.16'
T32	N00°43'47"E	21.56'
T33	S76°31'13"E	25.00'
T34	N50°01'30"E	10.91'

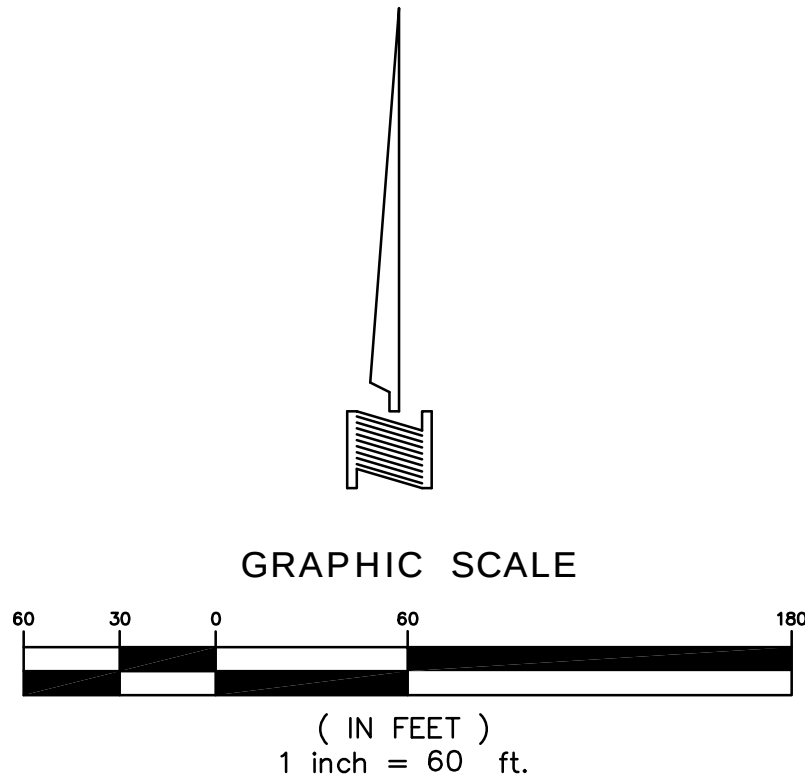
LINE TABLE		
LINE	BEARING	LENGTH
T12	N61°21'42"E	3.09'
T13	N49°09'09"E	30.81'
T14	N56°22'06"W	44.61'
T17	S56°42'20"W	35.23'
T18	S53°51'04"E	39.65'
T27	S80°15'27"E	19.05'

LINE TABLE		
LINE	BEARING	LENGTH
T39	S26°53'07"W	38.00'
T40	S84°12'18"W	31.62'
T41	S82°51'42"E	30.20'
T42	N71°36'52"E	30.00'
T43	S47°25'25"W	21.86'
T44	S40°21'38"E	21.95'
T45	S45°11'51"E	8.79'
T46	N11°22'06"W	21.21'
T47	N78°37'54"E	21.21'
T48	N45°11'51"W	21.21'

ROADWAY CURVE TABLE					
CURVE	DELTA	RADIUS	TANGENT	LENGTH	CHORD
C1	31°56'52"	350.00'	100.19'	195.16'	S73°34'51"E 192.64'
C2	32°40'53"	250.00'	73.30'	142.60'	S73°56'51"E 140.67'
C3	17°41'31"	500.00'	77.81'	154.39'	S08°33'27"W 153.78'
C4	92°06'44"	400.00'	415.02'	643.06'	S46°20'40"E 576.02'
C5	50°44'53"	200.00'	94.86'	177.14'	S67°01'35"E 171.41'
C6	36°14'35"	200.00'	65.45'	126.51'	S23°31'51"E 124.41'
C7	33°49'45"	1200.00'	364.92'	708.52'	N73°16'59"W 698.27'
C8	61°27'52"	1380.00'	820.43'	1480.41'	S30°32'05"W 1410.43'
C8	61°27'52"	1380.00'	820.43'	1480.41'	S30°32'05"W 1410.43'
C9	14°15'00"	600.00'	75.00'	149.23'	S68°23'31"W 148.84'
C10	11°28'42"	600.00'	60.30'	120.20'	S69°46'40"W 120.00'
C11	11°28'42"	600.00'	60.30'	120.20'	S69°46'40"W 120.00'
C12	27°03'23"	800.00'	192.48'	377.78'	S61°59'20"W 374.28'
C13	12°44'37"	1000.00'	111.67'	222.42'	S79°51'38"E 221.96'
C14	90°00'00"	45.00'	45.00'	70.69'	N27°18'29"W 63.64'
C15	88°49'09"	45.00'	44.08'	69.76'	N62°06'06"E 62.98'
C16	90°00'00"	174.00'	174.00'	273.32'	N62°41'31"E 246.07'
C17	90°00'00"	174.00'	174.00'	273.32'	N27°18'29"W 246.07'
C18	19°21'24"	900.00'	153.49'	304.05'	N08°00'49"E 302.61'
C19	56°04'48"	225.00'	119.84'	220.23'	N61°40'18"E 211.54'
C20	25°55'58"	550.00'	126.64'	248.94'	S74°43'31"E 246.82'
C21	35°44'20"	950.00'	306.28'	592.57'	S79°37'42"E 583.01'

LOT CURVE TABLE					
CURVE	DELTA	RADIUS	TANGENT	LENGTH	CHORD
C30	150°03'49"	50.00'	187.02'	130.96'	N38°42'36"W 96.61'
C45	295°19'59"	50.00'	31.65'	257.73'	N68°54'54"E 53.48'
C47	270°00'01"	50.00'	50.00'	235.62'	S45°17'19"E 70.71'
C48	295°38'56"	50.00'	31.46'	258.00'	S2°26'00"E 53.25'
C49	141°41'02"	50.00'	143.92'	123.64'	N27°18'29"W 94.46'
C50	300°00'00"	50.00'	28.87'	261.80'	S74°44'47"W 50.00'
C51	162°33'33"	50.00'	325.97'	141.86'	N62°06'06"E 98.84'
C52	299°59'55"	50.00'	28.87'	261.80'	S44°53'55"W 50.00'
C53	270°23'25"	50.00'	49.66'	235.96'	S5°52'47"E 70.47'
C55	299°59'41"	50.00'	28.87'	261.79'	N55°45'48"W 50.00'
C56	300°00'00"	50.00'	28.87'	261.80'	N5°10'11"E 50.00'
C58	301°4'44"	600.00'	162.15'	316.73'	N15°07'22"W 313.06'
C59	13°40'42"	960.00'	115.14'	229.18'	N6°50'21"E 228.64'
C60	11°27'26"	1024.00'	102.73'	204.15'	S7°58'01"W 203.81'
C61	59°06'21"	275.00'	155.92'	283.69'	N31°48'31"E 271.27'
C62	12°12'32"	275.00'	29.41'	58.60'	S55°15'25"W 58.49'
C63	46°44'39"	108.00'	46.67'	88.11'	S25°46'50"W 85.69'
C66	261°47'12"	50.00'	57.74'	228.45'	S54°30'58"E 75.59'
C67	133°37'49"	3.00'	7.00'	7.00'	S89°48'09"W 5.52'
C69	45°29'52"	253.17'	106.16'	201.04'	S01°15'1"E 195.80'

ROADWAY CURVE TABLE					
CURVE	DELTA	RADIUS	TANGENT	LENGTH	CHORD
C22	3°54'50"	800.00'	27.33'	54.65'	N84°27'33"E 54.64'
C23	36°13'01"	250.00'	81.75'	158.03'	S32°35'29"E 155.41'
C24	7°06'35"	3000.00'	186.37'	372.26'	S54°15'17"E 372.02'
C25	32°49'27"	3312.00'	975.54'	1897.41'	N61°08'20"W 1871.57'
C27	12°44'59"	200.00'	22.34'	44.51'	N07°06'17"E 44.41'
C28	34°21'25"	266.00'	82.23'	159.50'	S15°46'08"W 157.13'
C29	53°26'09"	200.00'	100.67'	186.53'	N31°21'55"E 179.84'
C31	28°17'59"	600.00'	151.27'	296.35'	N18°47'51"E 293.35'
C32	17°20'26"	1000.00'	152.49'	302.65'	N41°37'03"E 301.49'
C33	18°16'54"	1000.00'	160.90'	319.07'	N41°08'49"E 317.72'
C34	44°58'45"	250.00'	103.50'	196.26'	N32°41'09"E 191.26'
C35	56°49'28"	600.00'	324.58'	595.06'	N26°45'48"E 570.97'
C36	15°19'38"	984.00'	132.41'	263.23'	N06°00'53"E 262.45'
C37	13°40'42"	1000.00'	119.94'	238.73'	N06°50'21"E 238.16'
C38	31°55'01"	900.00'	257.36'	501.35'	N15°57'30"W 494.89'
C39	49°06'43"	600.00'	274.14'	514.30'	N07°21'39"W 498.70'
C40	46°57'16"	900.00'	390.91'	737.56'	N06°16'56"W 717.09'
C41	55°19'32"	549.99'	288.29'	531.07'	N57°25'20"W 510.68'
C42	56°06'42"	250.00'	133.24'	244.83'	N13°13'32"W 235.17'
C43	19°22'32"	2500.00'	426.79'	845.42'	N05°08'33"E 841.40'
C44	38°50'33"	500.00'	176.29'	338.96'	N14°52'33"E 332.51'
C46	16°23'36"	250.00'	36.01'	71.53'	N41°49'42"E 71.29'



172.521 ACRES
335 RESIDENTIAL LOTS
20 HOA LOTS
FINAL PLAT
MUSTANG LAKES
PHASE ONE

AN ADDITION TO THE CITY OF CELINA
COLEMAN WATSON SURVEY, ABSTRACT NO. 945
COLLIN COUNTY, TEXAS
OCTOBER 2014

SCALE: 1"= 60'

OWNER
CELINA 682 PARTNERS, LP
8750 N. CENTRAL EXPRESSWAY
STE. 1735
DALLAS, TEXAS 75231
214-691-2556
CONTACT: MATT ALEXANDER P.E.

DEVELOPER
THE CAMBRIDGE COMPANIES, INC.
8750 N. CENTRAL EXPRESSWAY
STE. 1735
DALLAS, TEXAS 75231
214-691-2556
CONTACT: MATT ALEXANDER P.E.

ENGINEER/SURVEYOR
DOWDEY, ANDERSON & ASSOCIATES, INC.
5225 Village Creek Drive, Suite 200 Plano, Texas 75093 972-931-0694
STATE REGISTRATION NUMBER: F-399
SURVEY FIRM REGISTRATION NUMBER: 10077800
CONTACT: CASEY ROSS

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
1	A	50966
2	A	42970
3	A	45000
4	A	48309

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
1	C	19366
2	C	12905
3	C	13177
4	C	13337
5	C	13370
6	C	12681
7	C	13214
8	C	13626
9	C	13057
10	C	13975
11	C	13749
12	C	20634
13	C	24103
14	C	25179
15	C	19641
16	C	15255
19	C	15651
20	C	20507
21	C	20981
22	C	12900

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
23	C	12900
24	C	12805
25	C	12718
26	C	20434
27	C	16197
28	C	15281

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
13	D	11700
14	D	10226
15	D	10065
16	D	10043
17	D	10160
18	D	10194
19	D	10143
20	D	10231
21	D	10211
22	D	10083
23	D	10093
24	D	10334
25	D	12070

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
1	F	12447
2	F	9828
3	F	9828
4	F	9828
5	F	9828
6	F	9828
7	F	9828
8	F	9828
9	F	9828
10	F	9828
11	F	9828
12	F	9828

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
1	E	22242
2	E	14798
3	E	12317
4	E	12515
5	E	14030
6	E	12640
7	E	10357
8	E	10546
9	E	10593
10	E	10768
11	E	11073
12	E	12752
13	E	14736
14	E	16067
15	E	11906
16	E	10738
17	E	10593
18	E	10845
19	E	10739
20	E	10739

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
21	E	12424
22	E	12870
23	E	9811
24	E	9811
25	E	9811
26	E	9732
27	E	10622
28	E	11120
29	E	12524

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
1	G	12390
2	G	11687
3	G	9955
4	G	10196
5	G	10233
6	G	10132
7	G	10874

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
1	I	8716
2	I	9368
3	I	9152
4	I	8156
5	I	8062
6	I	7981
7	I	8164
8	I	8616
9	I	8898
10	I	9005
11	I	9385
12	I	10049

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
1	K	9612
2	K	7958
3	K	7986
4	K	8180
5	K	8513
6	K	9740
7	K	10637
8	K	11143
9	K	11241
10	K	11926
11	K	8787
12	K	8717
13	K	8942
14	K	9868
15	K	8940
16	K	8940
17	K	8940
18	K	8610
19	K	8610
20	K	8940

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
21	K	8940
22	K	8927
23	K	10605
24	K	17078
25	K	10048
26	K	8447
27	K	8450
28	K	8446
29	K	8440
30	K	8736
31	K	9918

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
1	L	10339
2	L	8215
3	L	8426
4	L	9476
5	L	11375
6	L	12896
7	L	9946
8	L	9819
9	L	7516
10	L	7662
11	L	7662
12	L	7662
13	L	7662
14	L	7662
15	L	9629
16	L	9538
17	L	7938
18	L	7938
19	L	8153
20	L	9395

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
21	L	11433
22	L	8480
23	L	8310

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
1	N	14317
2	N	10844
3	N	11813
4	N	9483
5	N	6707
6	N	6025
7	N	8904
8	N	5942
9	N	5533
10	N	5500
11	N	6600

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
1	O	7016
2	O	7114
3	O	6632
4	O	6239
5	O	6435
6	O	6033
7	O	6037
8	O	6041
9	O	6045
10	O	6049
11	O	6053
12	O	6057
13	O	6061
14	O	5761
15	O	6356
16	O	9777
17	O	9024
18	O	6796
19	O	6104
20	O	5759

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
21	O	5759
22	O	5759
23	O	6910
24	O	9228
25	O	7910
26	O	7920
27	O	9028
28	O	8253
29	O	8253
30	O	8402

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
1	P	7016
2	P	7203
3	P	6235
4	P	6230
5	P	6225
6	P	6221
7	P	6218
8	P	6214
9	P	6211
10	P	6208
11	P	6204
12	P	6198
13	P	6192
14	P	6185
15	P	6178
16	P	6172
17	P	6165
18	P	6158
19	P	6152
20	P	6145

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
21	P	6138
22	P	6132

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
1	Q	8007
2	Q	6537
3	Q	6297
4	Q	6000
5	Q	6000
6	Q	6000
7	Q	6000
8	Q	6000
9	Q	6000
10	Q	6000
11	Q	6000
12	Q	6000
13	Q	6000
14	Q	6000
15	Q	6000
16	Q	6000
17	Q	6000
18	Q	6000
19	Q	6000
20	Q	6000

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
21	Q	6000
22	Q	6000
23	Q	7281
24	Q	9342
25	Q	6000
26	Q	6000
27	Q	6000
28	Q	6000
29	Q	6000
30	Q	6000
31	Q	6000
32	Q	6000
33	Q	6000
34	Q	6000
35	Q	6000
36	Q	6000
37	Q	6000
38	Q	6000
39	Q	6000
40	Q	6000

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
41	Q	6000
42	Q	6000
43	Q	6000
44	Q	6000
45	Q	6000
46	Q	7199

LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
1	R	7200
2	R	6000
3	R	6000
4	R	6000
5	R	6000
6	R	6000
7	R	6000
8	R	6000
9	R	6000
10	R	6000
11	R	6000

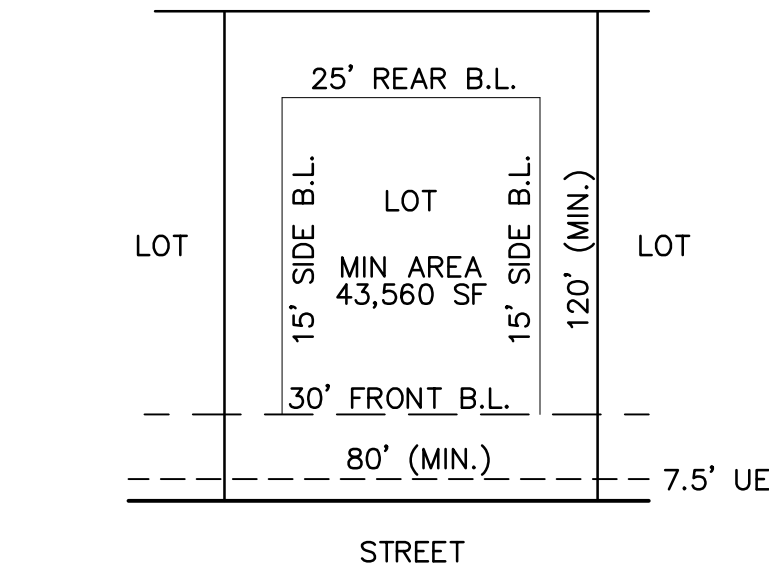
LOT AREA TABLE		
LOT	BLOCK	AREA (SF)
1	M	10329
2	M	8952
3	M	7675
4	M	7642
5	M	7609
6	M	7865
7	M	7930
8	M	7945
9	M	11143

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MUSTANG LAKES
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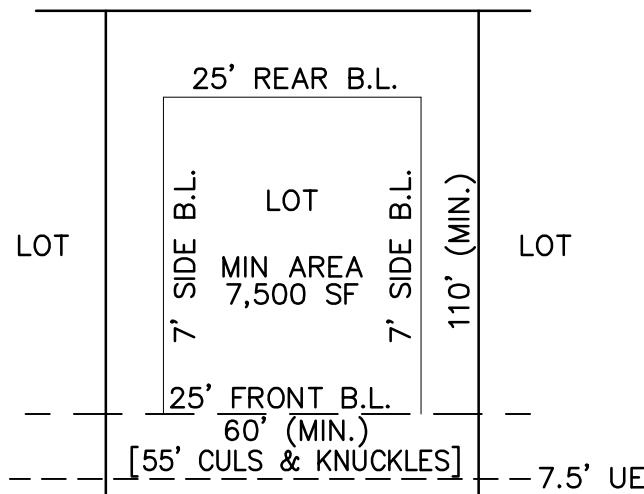
AN ADDITION TO THE CITY OF CELINA
COLEMAN WATSON SURVEY, ABSTRACT NO. 945
COLLIN COUNTY, TEXAS
OCTOBER 2014 SCALE: 1"= 60'

OWNER DEVELOPER
CELINA 682 PARTNERS, LP THE CAMBRIDGE COMPANIES, INC.
8750 N. CENTRAL EXPRESSWAY 8750 N. CENTRAL EXPRESSWAY
STE. 1735 STE. 1735
DALLAS, TEXAS 75231 DALLAS, TEXAS 75231
214-691-2556 214-691-2556
CONTACT: MATT ALEXANDER P.E. CONTACT: MATT ALEXANDER P.E.

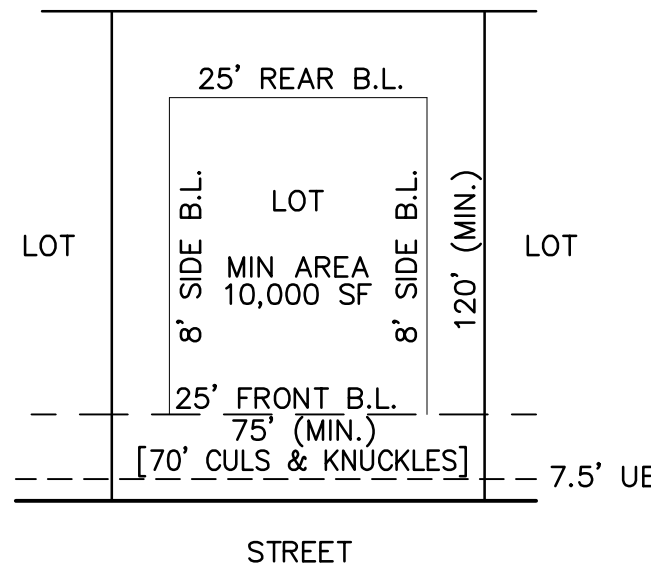
ENGINEER/SURVEYOR
 **DOWDEY, ANDERSON & ASSOCIATES, INC.**
5225 Village Creek Drive, Suite 200 Plano, Texas 75093 972-931-0694
STATE REGISTRATION NUMBER: F-399
SURVEY FIRM REGISTRATION NUMBER: 10077800
CONTACT: CASEY ROSS



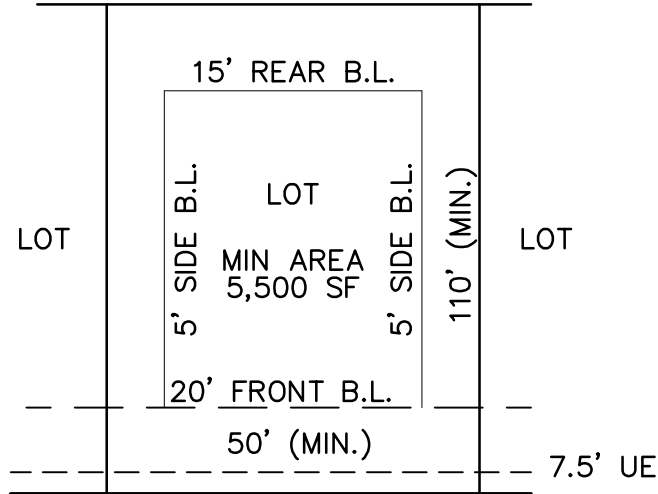
LOTS 1-4 BLOCK A AND LOTS 1-14 BLOCK B
TYPICAL ONE ACRE RESIDENTIAL LOT DETAIL
NOT TO SCALE



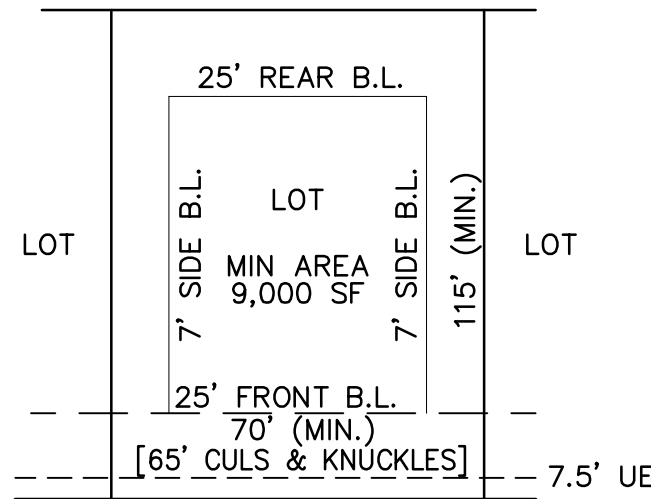
LOTS 1-12 BLOCK I, LOTS 1-31 BLOCK K,
LOTS 1-23 BLOCK L, LOTS 1-9 BLOCK M,
LOTS 24-30 BLOCK O AND LOTS 1-18 BLOCK S
TYPICAL 60' RESIDENTIAL LOT DETAIL
NOT TO SCALE



LOTS 1-28 BLOCK C, LOTS 1-12 BLOCK D,
LOTS 1-5 BLOCK E AND LOTS 1-3 BLOCK T
TYPICAL 86' RESIDENTIAL LOT DETAIL
NOT TO SCALE



LOTS 1-11 BLOCK N, LOTS 1-23 BLOCK O,
LOTS 1-22 BLOCK P, LOTS 1-46 BLOCK Q
AND LOTS 1-11 BLOCK R
TYPICAL 50' RESIDENTIAL LOT DETAIL
NOT TO SCALE



LOTS 13-25 BLOCK C, LOTS 6-29 BLOCK E,
LOTS 1-12 BLOCK F AND LOTS 1-7 BLOCK G
TYPICAL 74' RESIDENTIAL LOT DETAIL
NOT TO SCALE

OWNER'S CERTIFICATE AND DEDICATION

STATE OF TEXAS §
COUNTY OF COLLIN §

WHEREAS, CELINA 682 PARTNERS, LP, a Texas limited partnership, is the owner of a tract of land situated in the COLEMAN WATSON SURVEY, ABSTRACT NO. 945, City of Celina, Collin County, Texas and being part of that tract of land described in Deed to Celina 682 Partners, L.P., as recorded in Document No. 20060419000517060, Deed Records, Collin County, Texas and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" found in the north line of Farm to Market Road No. 1461, a variable width right-of-way, for the common southwest corner of said Celina 682 Partners, L.P. tract and southeast corner of Lot 30, Block C of TWELVE OAKS PHASE II, an Addition to the City of Celina, Collin County, Texas according to the Plat thereof recorded in Cabinet P, Slide 486, Map Records, Collin County, Texas, from which point a 1/2 inch iron rod with yellow plastic cap stamped "EC&D RPLS 5439" found bears South 06 degrees 27 minutes 24 seconds West, 0.32 feet;

THENCE North 00 degrees 54 minutes 55 seconds East, leaving said north line and with the common west line of said Celina 682 Partners, L.P. tract and east line of said TWELVE OAKS PHASE II Addition, a distance of 1,856.66 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

THENCE Northerly, leaving said common line, over and across said Celina 682 Partners, L.P. tract, the following forty-nine (49) courses and distance:

North 58 degrees 04 minutes 59 seconds East, a distance of 463.13 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 30 degrees 14 minutes 44 seconds West, a distance of 61.75 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the right having a central angle of 47 degrees 26 minutes 26 seconds, a radius of 632.50 feet and a chord bearing and distance of North 06 degrees 31 minutes 31 seconds West, 508.87 feet;

With said curve to the right, an arc distance of 523.71 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 17 degrees 11 minutes 42 seconds East, a distance of 254.55 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the left having a central angle of 46 degrees 57 minutes 16 seconds, a radius of 867.50 feet and a chord bearing and distance of North 06 degrees 16 minutes 56 seconds West, 691.20 feet;

With said curve to the right, an arc distance of 710.93 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 29 degrees 45 minutes 34 seconds West, a distance of 27.70 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the left having a central angle of 95 degrees 39 minutes 39 seconds, a radius of 40.00 feet and a chord bearing and distance of North 77 degrees 35 minutes 23 seconds West, 59.29 feet;

With said curve to the left, an arc distance of 66.78 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the left having a central angle of 06 degrees 07 minutes 09 seconds, a radius of 775.00 feet and a chord bearing and distance of South 51 degrees 31 minutes 13 seconds West, 82.73 feet;

With said curve to the left, an arc distance of 82.77 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 41 degrees 32 minutes 22 seconds West, a distance of 50.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a non-tangent curve to the right having a central angle of 06 degrees 42 minutes 22 seconds, a radius of 825.00 feet and a chord bearing and distance of North 51 degrees 48 minutes 49 seconds East, 96.51 feet;

With said curve to the right, an arc distance of 96.56 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the left having a central angle of 84 degrees 55 minutes 34 seconds, a radius of 40.00 feet and a chord bearing and distance of North 12 degrees 42 minutes 13 seconds East, a distance of 54.01 feet;

With said curve to the left, an arc distance of 59.29 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 29 degrees 45 minutes 34 seconds West, a distance of 73.57 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the right having a central angle of 08 degrees 29 minutes 16 seconds, a radius of 534.50 feet and a chord bearing and distance of North 25 degrees 30 minutes 56 seconds West, 79.11 feet;

With said curve to the left, an arc distance of 79.18 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a reverse curve to the left having a central angle of 08 degrees 29 minutes 16 seconds, a radius of 515.50 feet and a chord bearing and distance of North 25 degrees 30 minutes 56 seconds West, 76.30 feet;

With said curve to the left, an arc distance of 76.37 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 29 degrees 45 minutes 34 seconds West, a distance of 35.48 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the left having a central angle of 55 degrees 04 minutes 22 seconds, a radius of 525.00 feet and a chord bearing and distance of North 57 degrees 17 minutes 45 seconds West, 485.43 feet;

With said curve to the left, an arc distance of 504.63 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 00 degrees 21 minutes 14 seconds East, a distance of 50.21 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a non-tangent curve to the right having a central angle of 36 degrees 50 minutes 29 seconds, a radius of 575.00 feet and a chord bearing and distance of South 66 degrees 53 minutes 34 seconds East, 363.39 feet;

With said curve to the right, an arc distance of 369.73 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 41 degrees 31 minutes 40 seconds East, a distance of 112.27 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 32 degrees 19 minutes 37 seconds East, a distance of 124.24 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the right having a central angle of 14 degrees 41 minutes 45 seconds, a radius of 150.00 feet and a chord bearing and distance of North 39 degrees 40 minutes 30 seconds East, 38.37 feet;

With said curve to the right, an arc distance of 38.47 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 47 degrees 01 minutes 22 seconds East, a distance of 370.59 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the right having a central angle of 27 degrees 17 minutes 48 seconds, a radius of 150.00 feet and a chord bearing and distance of North 60 degrees 40 minutes 16 seconds East, 70.79 feet;

With said curve to the right, an arc distance of 71.46 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 74 degrees 19 minutes 10 seconds East, a distance of 39.59 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the left having a central angle of 31 degrees 15 minutes 09 seconds, a radius of 150.00 feet and a chord bearing and distance of North 58 degrees 41 minutes 35 seconds East, 80.81 feet;

With said curve to the left, an arc distance of 81.82 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 43 degrees 04 minutes 01 seconds East, a distance of 116.69 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the left having a central angle of 14 degrees 32 minutes 24 seconds, a radius of 150.00 feet and a chord bearing and distance of North 35 degrees 47 minutes 49 seconds East, 37.96 feet;

With said curve to the left, an arc distance of 38.07 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 28 degrees 35 minutes 41 seconds East, a distance of 56.83 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the left having a central angle of 35 degrees 16 minutes 49 seconds, a radius of 54.00 feet and a chord bearing and distance of North 10 degrees 58 minutes 58 seconds East, 32.73 feet;

With said curve to the left, an arc distance of 33.25 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the right having a central angle of 27 degrees 26 minutes 22 seconds, a radius of 92.00 feet and a chord bearing and distance of North 07 degrees 03 minutes 45 seconds East, 43.64 feet;

With said curve to the right, an arc distance of 44.06 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 20 degrees 46 minutes 56 seconds East, a distance of 177.30 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the right having a central angle of 80 degrees 13 minutes 35 seconds, a radius of 32.00 feet and a chord bearing and distance of North 60 degrees 53 minutes 43 seconds East, 41.24 feet;

With said curve to the right, an arc distance of 44.81 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 78 degrees 59 minutes 29 seconds East, a distance of 77.36 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the right having a central angle of 90 degrees 00 minutes 00 seconds, a radius of 32.00 feet and a chord bearing and distance of South 33 degrees 59 minutes 29 seconds East, 45.25 feet;

With said curve to the right, an arc distance of 50.27 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 11 degrees 00 minutes 31 seconds West, a distance of 255.67 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the left having a central angle of 51 degrees 05 minutes 51 seconds, a radius of 50.00 feet and a chord bearing and distance of South 14 degrees 32 minutes 24 seconds East, 43.13 feet;

With said curve to the left, an arc distance of 44.59 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the right having a central angle of 28 degrees 47 minutes 26 seconds, a radius of 152.00 feet and a chord bearing and distance of South 25 degrees 41 minutes 36 seconds East, 75.58 feet;

With said curve to the right, an arc distance of 76.38 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 78 degrees 44 minutes 55 seconds East, a distance of 205.04 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 00 degrees 50 minutes 24 seconds East, a distance of 220.27 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 65 degrees 36 minutes 08 seconds East, a distance of 143.50 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 44 degrees 58 minutes 18 seconds East, a distance of 274.69 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a non-tangent curve to the left having a central angle of 50 degrees 44 minutes 45 seconds, a radius of 1,355.00 feet and a chord bearing and distance of North 25 degrees 10 minutes 32 seconds East, 1161.26 feet;

With said curve to the left, an arc distance of 1200.10 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 00 degrees 11 minutes 51 seconds West, a distance of 340.33 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a non-tangent curve to the left having a central angle of 22 degrees 44 minutes 56 seconds, a radius of 190.50 feet and a chord bearing and distance of North 11 degrees 34 minutes 19 seconds West, 75.14 feet;

With said curve to the left, an arc distance of 75.64 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the right having a central angle of 45 degrees 29 minutes 52 seconds, a radius of 253.17 feet and a chord bearing and distance of North 00 degrees 11 minutes 51 seconds West, 195.80 feet;

With said curve to the right, an arc distance of 201.04 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the left having a central angle of 22 degrees 44 minutes 56 seconds, a radius of 190.50 feet and a chord bearing and distance of North 11 degrees 10 minutes 37 seconds East, 75.14 feet;

With said curve to the left, an arc distance of 75.64 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner

North 00 degrees 11 minutes 51 seconds West, a distance of 158.04 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 89 degrees 48 minutes 09 seconds West, a distance of 5.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 00 degrees 11 minutes 51 seconds West, a distance of 963.67 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner in the common north line of the above mentioned Celina 682 Partners, L.P. tract and south line of a tract of land described in Deed to Brinkmann Ranchers, LP, as recorded in Volume 6067, Page 1306, Deed Records, Collin County, Texas;

THENCE Easterly, continuing with said common line, the following four (4) courses and distances:

North 89 degrees 48 minutes 09 seconds East, a distance of 33.69 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "COLLIS RPLS 1764" found for corner;

North 89 degrees 49 minutes 55 seconds East, a distance of 465.82 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner from which point a 1/2 inch iron rod found bears South 35 degrees 46 minutes 01 seconds West, a distance of 0.39 feet;

North 89 degrees 47 minutes 20 seconds East, a distance of 305.39 feet to a 1/2 inch iron rod found for corner;

North 89 degrees 51 minutes 51 seconds East, a distance of 562.96 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

THENCE Southerly, leaving said common line, over and across the above mentioned Celina 682 Partners, L.P. tract, the following seventy-one (71) courses and distances:

South 00 degrees 17 minutes 18 seconds East, a distance of 122.57 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 89 degrees 42 minutes 42 seconds East, a distance of 60.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 00 degrees 17 minutes 18 seconds West, a distance of 10.50 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 89 degrees 42 minutes 42 seconds East, a distance of 50.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 00 degrees 17 minutes 18 seconds East, a distance of 350.50 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 89 degrees 42 minutes 42 seconds West, a distance of 60.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 00 degrees 17 minutes 18 seconds East, a distance of 120.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 89 degrees 42 minutes 42 seconds West, a distance of 610.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 00 degrees 17 minutes 18 seconds West, a distance of 120.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 89 degrees 42 minutes 42 seconds West, a distance of 144.96 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 00 degrees 17 minutes 18 seconds East, a distance of 187.42 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 12 degrees 50 minutes 57 seconds East, a distance of 54.88 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 25 degrees 26 minutes 07 seconds East, a distance of 54.88 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 37 degrees 59 minutes 21 seconds East, a distance of 54.88 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 50 degrees 34 minutes 40 seconds East, a distance of 54.88 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 63 degrees 09 minutes 54 seconds East, a distance of 54.88 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 75 degrees 42 minutes 38 seconds East, a distance of 54.87 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 88 degrees 45 minutes 30 seconds East, a distance of 62.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 89 degrees 56 minutes 03 seconds East, a distance of 60.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 89 degrees 42 minutes 42 seconds East, a distance of 420.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 00 degrees 17 minutes 18 seconds East, a distance of 125.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 89 degrees 42 minutes 42 seconds East, a distance of 60.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 00 degrees 17 minutes 18 seconds East, a distance of 401.47 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the right having a central angle of 100 degrees 50 minutes 48 seconds, a radius of 50.00 feet and a chord bearing and distance of South 50 degrees 08 minutes 04 seconds West, 77.08 feet;

With said curve to the right, an arc distance of 88.01 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 10 degrees 33 minutes 28 seconds West, a distance of 51.53 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 56 degrees 22 minutes 06 seconds East, a distance of 29.63 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the left having a central angle of 35 degrees 17 minutes 14 seconds, a radius of 1440.00 feet and a chord bearing and distance of South 74 degrees 00 minutes 43 seconds East, 872.91 feet.

With said curve to the left, an arc distance of 886.86 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 88 degrees 20 minutes 40 seconds East, a distance of 387.52 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner in the common east line of the above mentioned Celina 682 Partners, L.P. tract and west line of Farm to Market Road 2478, a variable with right-of-way for the beginning of a non-tangent curve to the right having a central angle of 00 degrees 36 minutes 19 seconds, a radius of 5679.58 feet and a chord bearing and distance of South 01 degrees 57 minutes 29 seconds East, 60.00 feet;

With said common line and said curve to the right, an arc distance of 60.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 88 degrees 20 minutes 40 seconds West, leaving said common line, a distance of 387.83 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the right having a central angle of 35 degrees 17 minutes 14 seconds, a radius of 1500.00 feet and a chord bearing and distance of North 74 degrees 00 minutes 43 seconds West, 909.28 feet;

With said curve to the right, an arc distance of 923.82 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 56 degrees 22 minutes 06 seconds West, a distance of 332.11 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

172.521 ACRES

335 RESIDENTIAL LOTS

20 HOA LOTS

FINAL PLAT

MUSTANG LAKES

PHASE ONE

AN ADDITION TO THE CITY OF CELINA

COLEMAN WATSON SURVEY, ABSTRACT NO. 945

COLLIN COUNTY, TEXAS

OCTOBER 2014

SCALE: 1"= 60'

OWNER

DEVELOPER

CELINA 682 PARTNERS, LP

THE CAMBRIDGE COMPANIES, INC.

8750 N. CENTRAL EXPRESSWAY

8750 N. CENTRAL EXPRESSWAY

STE. 1735

STE. 1735

DALLAS, TEXAS 75231

DALLAS, TEXAS 75231

214-691-2556

214-691-2556

CONTACT: MATT ALEXANDER P.E.

CONTACT: MATT ALEXANDER P.E.



ENGINEER/SURVEYOR

DOWDEY, ANDERSON & ASSOCIATES, INC.

5225 Village Creek Drive, Suite 200 Plano, Texas 75093 972-931-0694

STATE REGISTRATION NUMBER: F-399

SURVEY FIRM REGISTRATION NUMBER: 10077800

CONTACT: CASEY ROSS

South 33 degrees 37 minutes 54 seconds West, a distance of 75.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 24 degrees 07 minutes 26 seconds West, a distance of 67.75 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 08 degrees 38 minutes 59 seconds West, a distance of 89.77 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 18 degrees 12 minutes 56 seconds West, a distance of 239.98 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 12 degrees 47 minutes 43 seconds West, a distance of 58.02 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 08 degrees 52 minutes 51 seconds West, a distance of 57.99 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 05 degrees 09 minutes 04 seconds West, a distance of 75.40 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 03 degrees 35 minutes 02 seconds East, a distance of 50.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a non-tangent curve to the left having a central angle 03 degrees 54 minutes 50 seconds, a radius of 775.00 feet and a chord bearing and distance of South 84 degrees 27 minutes 33 seconds West, 52.93 feet;

With said curve to the left, an arc distance of 52.94 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a reverse curve to the right having a central angle of 06 degrees 01 minutes 47 seconds, a radius of 975.00 feet and a chord bearing and distance of South 85 degrees 31 minutes 02 seconds West, 102.56 feet;

With said curve to the right, an arc distance of 102.61 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 01 degrees 28 minutes 05 seconds East, a distance of 165.15 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 79 degrees 48 minutes 00 seconds West, a distance of 271.24 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 68 degrees 27 minutes 17 seconds West, a distance of 326.93 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 74 degrees 53 minutes 19 seconds West, a distance of 171.96 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the right having a central angle of 14 degrees 15 minutes 00 seconds, a radius of 1420.00 feet and a chord bearing and distance of South 34 degrees 56 minutes 03 seconds West, 1259.78 feet;

With said curve to the right, an arc distance of 1305.25 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the right having a central angle of 14 degrees 15 minutes 00 seconds, a radius of 640.00 feet and a chord bearing and distance of South 68 degrees 23 minutes 31 seconds West, 158.76 feet;

With said curve to the right, an arc distance of 159.17 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 75 degrees 31 minutes 01 seconds West, a distance of 182.53 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 14 degrees 28 minutes 59 seconds East, a distance of 61.54 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 42 degrees 35 minutes 41 seconds East, a distance of 67.20 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 53 degrees 16 minutes 30 seconds East, a distance of 375.61 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 57 degrees 59 minutes 38 seconds East, a distance of 50.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 32 degrees 00 minutes 22 seconds West, a distance of 15.42 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a curve to the right having a central angle of 16 degrees 42 minutes 12 seconds, a radius of 1,025.00 feet and a chord bearing and distance of South 40 degrees 21 minutes 28 seconds West, 297.76 feet;

With said curve to the right, an arc distance of 298.82 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 58 degrees 20 minutes 11 seconds East, a distance of 74.23 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 59 degrees 40 minutes 37 seconds East, a distance of 73.42 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 61 degrees 00 minutes 35 seconds East, a distance of 73.42 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 62 degrees 20 minutes 33 seconds East, a distance of 73.42 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 63 degrees 40 minutes 32 seconds East, a distance of 73.42 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 65 degrees 00 minutes 30 seconds East, a distance of 73.42 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 66 degrees 20 minutes 29 seconds East, a distance of 73.42 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 67 degrees 40 minutes 27 seconds East, a distance of 73.42 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 69 degrees 00 minutes 26 seconds East, a distance of 73.42 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 70 degrees 20 minutes 24 seconds East, a distance of 73.42 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 71 degrees 40 minutes 23 seconds East, a distance of 73.42 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 73 degrees 00 minutes 21 seconds East, a distance of 73.42 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 16 degrees 19 minutes 40 seconds West, a distance of 131.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner at the beginning of a non-tangent curve to the left having a central angle of 03 degrees 52 minutes 43 seconds, a radius of 3,287.00 feet and a chord bearing and distance of South 75 degrees 36 minutes 42 seconds East, 222.47 feet;

With said curve to the left, an arc distance of 222.51 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 12 degrees 26 minutes 57 seconds West, a distance of 50.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

Attachment: Mustang Lakes Phase 1 Final Plat (161)

South 14 degrees 27 minutes 02 seconds West, a distance of 48.47 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for the most northern west corner of a tract of land described in Deed to Prosper Independent School District , as recorded in Document Number 20081223001448050, Deed Records, Collin County, Texas;

THENCE South 00 degrees 52 minutes 41 seconds West, with the common south line of the above mentioned Celina 682 Partners, L.P. tract and said Prosper Independent School District tract, a distance of 421.13 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

THENCE South 89 degrees 27 minutes 07 seconds West, with said common line, a distance of 1,159.85 feet to a 1/2 inch square pipe found for corner;

THENCE South 89 degrees 24 minutes 47 seconds West, continuing with said common line, a distance of 281.99 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

THENCE Southerly, leaving said common line and with the common east line of said Celina 682 Partnership, L.P. and west line of said Prosper Independent School District tract, the following six (6) courses and distances:

South 00 degrees 55 minutes 08 seconds West, a distance of 420.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 14 degrees 29 minutes 02 seconds East, a distance of 241.26 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 00 degrees 55 minutes 08 seconds West, a distance of 320.00 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 12 degrees 45 minutes 08 seconds West, a distance of 449.55 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 19 degrees 10 minutes 32 seconds East, a distance of 436.57 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 33 degrees 22 minutes 42 seconds East, a distance of 288.40 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner in the common east line of said Celina 682 Partnership, L.P. tract and west line of a tract of land described in Deed to Prosper Independent School District, as recorded in Document Number 20081223001448040, Deed Records, Collin County, Texas;

THENCE South 01 degrees 56 minutes 48 seconds West, with said common line, a distance of 139.88 feet to a 5/8 inch iron rod found in the north line of the above mentioned Farm to Market Road No. 1461, for the common southeast corner of said Celina 682 Partnership, L.P. tract and southwest corner of said Prosper Independent School District tract;

THENCE South 89 degrees 41 minutes 18 seconds West, leaving said common line and with said north line, a distance of 750.84 feet to a 1/2 inch iron rod with a yellow plastic cap stamped "DAA" set for corner from which point a 1/2 inch iron rod bears South 76 degrees 31 minutes 14 seconds West, a distance of 2.08 feet;

THENCE South 89 degrees 16 minutes 18 seconds West, continuing with said north line, a distance of 231.01 feet to the POINT OF BEGINNING and containing 172.521 acres of land, more or less.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That CELINA 682 PARTNERS, LP, acting herein by and through his/her(its) duly authorized officer(s), does hereby adopt this plat designating the herein above described property as MUSTANG LAKES PHASE ONE addition, an addition to the City of Celina, Texas, and does hereby dedicate, in fee simple to the public use forever, the streets, rights-of-way, and other public improvements shown thereon. The streets and alleys, if any, are dedicated, for street purposes. The easements and public use areas, as shown, are dedicated, for the public use forever, for the purposes indicated on this plat. No buildings, fences, trees, shrubs or other improvements or growths shall be constructed or placed upon, over or across the easements as shown, except that landscape improvements may be placed on landscape easements, if approved by the City Council of the City of Celina. In addition, utility easements may also be used for the mutual use and accommodation of all public utilities desiring to use or using the same unless the easement limits the use to particular utilities, said use by public utilities being subordinate to the public's and City of Celina's use thereof. The City of Celina and public utility entities shall have the right to remove and keep removed all or parts of any buildings, fences, trees, shrubs or other improvements or growths which may in any way endanger or interfere with the construction, maintenance, or efficiency of their respective systems in said easements. The City of Celina and public utility entities shall at all times have the full right ingress and egress to or from their respective easements for the purpose of constructing, reconstructing, inspecting, patrolling, maintaining, reading meters, and adding to or removing all or parts of their respective systems without the necessity at any time procuring permission from anyone.

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

This plat is hereby adopted by the Owners and approved by the City of Celina (Called "City") subject to the following conditions which shall be binding upon the Owners, their heirs, grantees, successors, and assigns: The portion of Lots 1X and 3X Block E and Lot 1X Block C as shown on the plat is called "Drainage and Detention Easement." The Drainage and Detention Easement within the limits of this addition, will remain accessible at all times and will be maintained in a safe and sanitary condition by the owners of the lot or lots that are traversed by or adjacent to the Drainage and Detention Easement. The City will not be responsible for the maintenance and operation of said Easement or for any damage to private property or person that results from conditions in the Easement, or for the control of erosion. No construction of any type of building, fence or any other structure within the Drainage and Detention Easement, as herein above defined shall be permitted, unless approved by the City Engineer. Provided, however, it is understood that in the event it becomes necessary for the City to erect or consider erecting any type of drainage structure in order to improve the storm drainage that may be occasioned by drainage in or adjacent to the subdivision, then in such event, the city shall have the right to enter upon the Drainage and Detention Easement at any point, or points, to investigate, survey or to erect, construct, and maintain any drainage facility deemed necessary for drainage purposes. Each property owner shall keep the Drainage and Detention Easement clean and free of debris, silt, and any substance which would result in unsanitary conditions or obstruct the flow of water, and the city shall have the right of ingress and egress for the purpose of inspection and supervision of maintenance work by the property owner to alleviate any undesirable conditions which may occur. The natural drainage through the Drainage and Detention Easement is subject to storm water overflow and natural bank erosion to an extent which cannot be definitely defined. The City shall not be held liable for any damages of any nature resulting from the failure of any structure or structures, within the easement.

This plat approved subject to all platting ordinances, rules, regulations and resolutions of the City of Celina, Texas

WITNESS, my hand this the ____ day of _____, 2016.

CELINA 682 PARTNERS, LP

By: _____

Name: _____

Title: _____

STATE OF TEXAS §
COUNTY OF COLLIN §

Before me, the undersigned authority, a Notary public in and for the State of Texas, on this day personally appeared _____ of _____ known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and considerations therein expressed.

Given under me and seal of office, this ____ day of _____, 2016.

Notary Public in and for the State of Texas

SURVEYOR'S CERTIFICATE:

KNOW ALL MEN BY THESE PRESENTS:

That I, Sean Patton, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments shown thereon as "set" were properly placed under my personal supervision in accordance with the Subdivision Ordinance of the City of Celina.

Signature of the Registered Professional

Texas Registration No.

STATE OF TEXAS §
COUNTY OF COLLIN §

Before me, the undersigned authority, a Notary public in and for the State of Texas, on this day personally appeared Sean Patton, Registered Public Land Surveyor, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and considerations therein expressed.

Given under me and seal of office, this ____ day of _____, 2016.

Notary Public in and for the State of Texas

My Commission Expires On:

Approved for preparation of final plat following construction of all public improvements (or appropriate sureties thereof) necessary for the subdivision shown on this plat.

RECOMMENDED BY: Planning and Zoning Commission
City of Celina, Texas

Signature of Chairperson Date of Recommendation

APPROVED BY: City Council
City of Celina, Texas

Signature of Mayor Date of Approval

ATTEST:

City Secretary Date

172.521 ACRES
335 RESIDENTIAL LOTS
20 HOA LOTS
FINAL PLAT
MUSTANG LAKES
PHASE ONE
AN ADDITION TO THE CITY OF CELINA
COLEMAN WATSON SURVEY, ABSTRACT NO. 945
COLLIN COUNTY, TEXAS
OCTOBER 2014 SCALE: 1"= 60'
OWNER
CELINA 682 PARTNERS, LP
8750 N. CENTRAL EXPRESSWAY
STE. 1735
DALLAS, TEXAS 75231
214-691-2556
CONTACT: MATT ALEXANDER P.E.
DEVELOPER
THE CAMBRIDGE COMPANIES, INC.
8750 N. CENTRAL EXPRESSWAY
STE. 1735
DALLAS, TEXAS 75231
214-691-2556
CONTACT: MATT ALEXANDER P.E.



ENGINEER/SURVEYOR
DOWDEY, ANDERSON & ASSOCIATES, INC.
5225 Village Creek Drive, Suite 200 Plano, Texas 75093 972-931-0694
STATE REGISTRATION NUMBER: F-399
SURVEY FIRM REGISTRATION NUMBER: 10077800
CONTACT: CASEY ROSS



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Ben Rodriguez, Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: Celina Village Final Plat

Action Requested:

Consider and act upon a Final Plat for Celina Village, being approximately 3.596 acres situated in the John Willock Survey, Abstract No. 1055, and comprising eighteen (18) residential lots and one (1) HOA lot, the property is generally located north of FM 455, south of CR 994, east of North Florida Dr., and west of Business 289. (Celina Village)

Background Information:

Staff has reviewed the proposed Final Plat for Celina Village and has deemed it acceptable.

Unfortunately the recent rains have slowed the construction of the development however, weather permitting, staff anticipates the improvements being complete prior to the next City Council meeting in July.

Staff recommends that this plat be approved on the condition that all public improvements are inspected and accepted by the City prior to the plat being filed with the County.

Board Review/Citizen Input:

At the Planning and Zoning Commission meeting on May 17, 2016 the Planning and Zoning Commission Unanimously recommended their approval of the item.

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

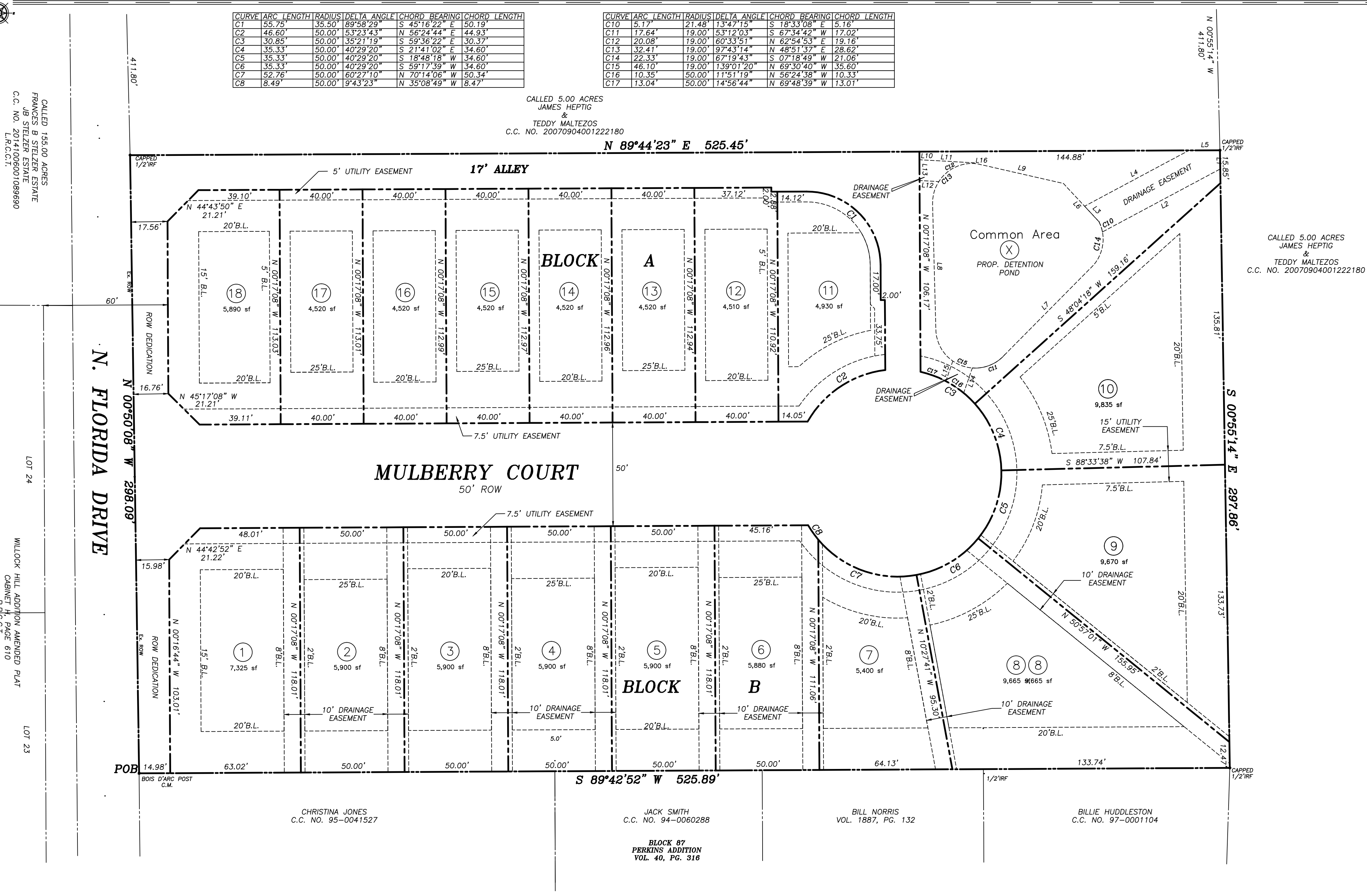
N/A

Supporting Documents:

- Final Plat

Staff Recommendation:

Staff recommends that this plat be approved on the condition that all public improvements are inspected and accepted by the City prior to the plat being filed with the County.



STANDARD NOTES

1) Selling a portion of this addition by metes and bounds is a violation of city ordinance and state law, and is subject to fines and withholding of utilities and building permits.

2) The undersigned does hereby covenant and agree that he or she or they shall construct upon the fire lane easements, as dedicated as shown hereon, a hard surface in accordance with the City of Celina's paving standards for fire lane, and that he or she or they shall maintain the same in a state of good repair at all times and keep the same free and clear of any structures, fences, trees, shrubs, or other improvements or obstructions, including but not limited to the parking of motor vehicles, trailers, boats or other impediments to the accessibility of fire apparatus. The maintenance of paving on the fire lane easements is the responsibility of the owner, and the owner shall post and maintain appropriate signs in conspicuous places along such fire lanes, stating "Fire Lane, No Parking." The local law enforcement agency(s) is hereby authorized to enforce parking regulations within the fire lanes, and to cause such fire lanes and utility easements to be maintained free and unobstructed at all times for Fire Department and emergency use.

3) The undersigned does hereby covenant and agree that the access easement may be utilized by any person or the general public for ingress and egress to public vehicular and pedestrian use and access, and for Fire Department and emergency use in, along, upon and across said premises, with the right and privilege at all times of the City of Celina, its agents, employees, workmen and representatives having ingress, egress, and regress in, along, upon and across said premises.

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

5) HOA lot - Block A, Lot X - The ownership care and maintenance, of the common area lot is the responsibility of the Homeowners Association.

FLOOD NOTE:

This property lies in Zone X and no portion of this property lies within a 100 year flood plane according to the Flood Insurance Rate Map, Panel No. 48085C0110 J, Map Revision Dated June 2, 2009 as published by the Federal Emergency Management Agency.

PROPERTY LOCATION STATEMENT:

This property is located in the corporate limits of the City of Celina, Collin County, Texas.

Signature of Mayor _____ Date of Approval _____

ATTEST: _____

City Secretary _____ Date _____

RECOMMENDED BY: _____ PLANNING AND ZONING COMMISSION
CITY OF CELINA, TEXAS

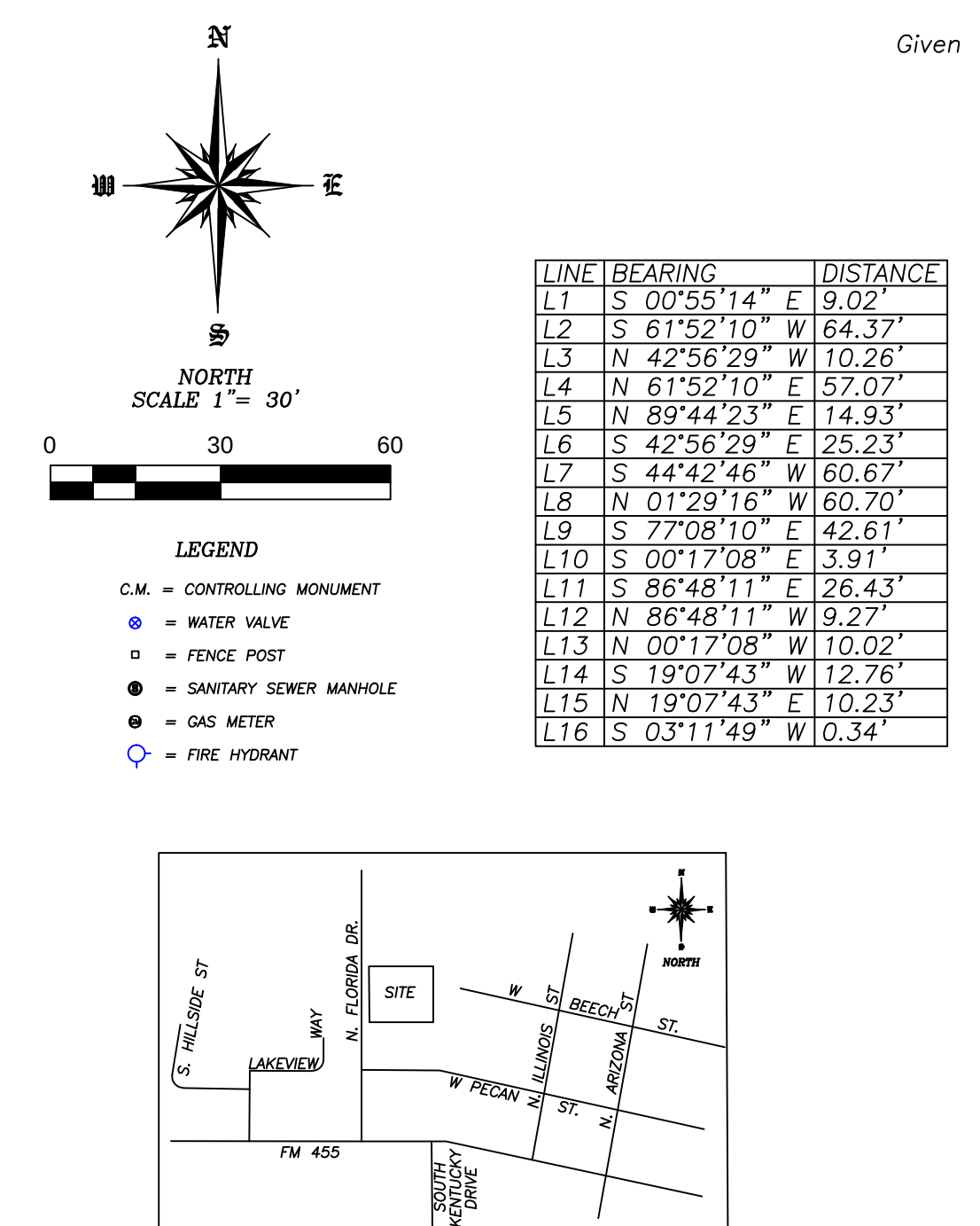
SIGNATURE OF CHAIRPERSON _____ DATE OF RECOMMENDATION _____

APPROVED BY: _____ CITY COUNCIL CITY OF CELINA, TEXAS

SIGNATURE OF MAYOR _____ DATE OF APPROVAL _____

ATTEST: _____

CITY SECRETARY _____ DATE _____



STATE OF TEXAS
COUNTY OF COLLIN

WHEREAS Assad Tajzoy is the Owners of a tract of land situated in the John Willock Survey, Abstract No. 1055, City of Celina, Collin County, Texas and also being all of a called 3.59 acre tract as conveyed to Santhosh Pillai and Renil Radhakrishnan and recorded in Volume 5956, Page 4626, Deed Records of Collin County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING at a bois d'arc post found for corner at the southwest corner of said 3.59 acre tract, said post being in the east ROW line of N. Florida Drive;

THENCE N 00°50'08" W following the east ROW line of N. Florida Drive a distance of a distance of 298.09' to a capped 1/2" iron rod found for corner in the south line of a called 5.00 acre tract as conveyed to James Heptig and Teddy Maltezos and recorded in C.C. No. 20070904001222180, Collin County, Texas;

THENCE N 89°44'23" E following the south line of said called 5.00 acre tract a distance of 525.45' to a capped 1/2" iron rod found for corner at the southeast corner of said 5.00 acre tract;

THENCE S 00°55'14" E a distance of 297.86' to a capped 1/2" iron rod found for corner in the north line of Block 87 of Perkins Addition as recorded in Volume 40, Page 316, D.R.C.C.T.;

THENCE S 89°42'52" W following the north line of said Block 87 a distance of 525.89' to the POINT OF BEGINNING and 156,626 square feet, 3.596 acres of land.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That Assad Tajzoy, does hereby adopt this plat designating the herein above described property as Celina Village, an addition to the City of Celina, Texas, and does hereby dedicate, in fee simple to the public use forever, the streets, rights-of-way, and there public improvements shown thereon. The streets and alleys, if any, are dedicated for street purposes. The easements and public use areas, as shown, are dedicated, for the public use forever, for the purposes indicated on this plat. No buildings, fences, trees, shrubs or other improvements or growths shall be constructed or placed upon, over or across the easements as shown, except that landscape improvements may be placed on landscape easements, if approved by the City Council of the City of Celina. In addition, utility easements may also be used for the mutual use and accommodation of all public utilities desiring to use or using the same unless the easement limits the use to particular utilities, said use by public utilities being subordinate to the public's and City of Celina's use thereof. The City of Celina and public utility entities shall have the right to remove and keep removed all or parts of any buildings, fences, trees, shrubs or other improvements or growths which may in any way endanger or interfere with the construction, maintenance, or efficiency of their respective systems in said easements. The City of Celina and public utility entities shall at all times have the full right ingress and egress to or from their respective easements for the purpose of constructing, constructing, inspecting, patrolling, maintaining, reading meters, and adding to or removing all or parts of their respective systems without the necessity at any time procuring permission from anyone. This plat approved subject to all platting ordinances, rules, regulations and resolutions of the City of Celina, Texas.

WITNESS, my hand this the ____ day of _____, 2016

BY: _____
Assad Tajzoy

STATE OF TEXAS
COUNTY OF COLLIN

Before me, the undersigned authority, a Notary public in and for the State of Texas, on this day personally appeared Assad Tajzoy, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and considerations therein expressed.

Given under my and seal of office, this ____ day of _____, 2016.

Notary Public in and for the State of Texas

My Commission Expires On: _____

KNOW ALL MEN BY THESE PRESENTS:

That I, David J. Surdukan, do hereby certify that I prepared this plat from an actual accurate survey of the land and that the corner monuments shown thereon as "set" were properly placed under my personal supervision in accordance with the Subdivision Ordinance of the City of Celina.

DAVID J. SURDUKAN
R.P.L.S. NO. 4613

STATE OF TEXAS
COUNTY OF COLLIN

Before me, the undersigned authority, a notary public in and for the State of Texas, on this day personally appeared David J. Surdukan, Registered Professional Land Surveyor, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledge to me that he executed the same for the purpose and considerations therein expressed.

Given under my seal of office, this ____ day of _____, 2016.

Notary Public in and for the State of Texas

My Commission Expires On: _____

**FINAL PLAT
CELINA VILLAGE
18 RESIDENTIAL LOTS
AND 1 HOA LOT
3.596 ACRES
JOHN WILLOCK SURVEY
ABSTRACT NO. 1055
CITY OF CELINA
COLLIN COUNTY, TEXAS**

OWNER
ASSAD TAJZOY
4804 BELLERIVE DR.
DALLAS TEXAS 75287
(214) 402-0963

SURVEYOR
SURDUKAN SURVEYING, INC.
P.O. BOX 126
ANNA, TEXAS 75409
(972) 924-8200
TEXAS FIRM NO. 10069500

CITY OF CELINA CASE NO. _____

SCALE 1" = 30'
DATE: MAY 9, 2016
JOB No. 2013-162



Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Ben Rodriguez, Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: Celina/Coit Road, LLC. Involuntary Annexation Resolution

Action Requested:

Consider and act upon a resolution setting a date, time and place (Tuesday, July 12, 2016 at 6:00 PM & Tuesday, July 12, 2016 at 6:05 PM @ 112 N. Colorado Dr., Celina, TX 75009) for public hearings on the proposed involuntary annexation of a ±119.244 acre tract of land situated in the Levin Routh Survey, Tract 2, Collin County Texas The property is contiguous to and adjoining the City and are generally located on the approximate Southeast corner of CR 87 & CR 90 (Celina/Coit Road, LLC. Annexation) Liebman

Background Information:

Below is the anticipated annexation schedule for the properties. The owner did not accept the offered pre-annexation agreement.

- June 12, 2016 - City Council acts on Resolution to set the public hearing dates.
- July 12, 2016 - First public hearing held. (6:00pm @ 112 N. Colorado Dr., Celina, Texas.)
- July 19, 2016 - Second public hearing held. (5:30pm @ 112 N. Colorado Dr., Celina, Texas.)
- August 09, 2015 - City Council acts on Ordinance annexing the property.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

This property is within the Marilee Special Utility District, upon development of the property a fee of \$1,250 per acre will be due to Marilee SUD.

Legal Review:

The City Attorney has reviewed the attached ordinance.

Supporting Documents:

- Proposed Resolution

Staff Recommendation:

**CITY OF CELINA
RESOLUTION NO. 2016-__**

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” attached hereto 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 Tuesday, the 12th day of July, 2016 at 6:00 p.m. and on Tuesday, the 12th day of July, 2016 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 in the attached Exhibit “A” and depicted in the attached Exhibit “B”.
- 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 14th day June, 2016.

SEAN TERRY, MAYOR

VICKI FAULKNER, CITY SECRETARY

Attachment: Celina-Coit Rd (Heatley Capital) annexations resolution (1637 : Celina/Coit Road, LLC. Involuntary Annexation Resolution)

EXHIBIT "A"**EXHIBIT A**

All that certain tract of land situated in the LEVIN ROUTH SURVEY, Abstract Number 779, Collin County, Texas, and being a called 119.0680 acre tract of land described in a deed from the Estate of Gladys Lewis to Paul W. Lewis as recorded in County Clerks File Number 06-842380, Official Public Records, Collin County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2 inch iron rod found for the Southwest corner of said 119.0680 acre tract, at the Northwest corner of a called 28.73 acre tract of land described in a deed to Scott A. Stone as recorded in Volume 5089, Page 442, Official Public Records, Collin County, Texas, and in a gravel road under apparent public use posted as County Road 87;

THENCE North 01 Degree 18 Minutes 51 Seconds West with said road and the West line of said 119.0680 acre tract, 2633.09 feet to a 3/8 inch iron rod found for the Northwest corner of said 119.0680 acre tract, in a gravel road under apparent public use posted as County Road 90, and in the recognized and occupied North line of said LEVIN ROUTH SURVEY;

THENCE South 89 Degrees 54 Minutes 41 Seconds East with said survey line and with a North line of said 119.0680 acre tract, 2087.40 feet to a capped 1/2 inch iron rod set for the most Northerly Northeast corner thereof;

THENCE South 00 Degrees 15 Minutes 41 Seconds East with an East line of said 119.0680 acre tract, 721.72 feet to a capped 1/2 inch iron rod set;

THENCE South 88 Degrees 47 Minutes 41 Seconds East with a North line of said 119.0680 acre tract, 97.14 feet to a 5/8 inch iron rod found for the most Easterly Northeast corner thereof;

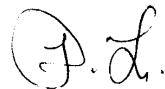
THENCE South 00 Degrees 55 Minutes 13 Seconds West with an East line of said 119.0680 acre tract, 91.16 feet to a 1 inch iron rod found;

THENCE South 54 Degrees 41 Minutes 19 Seconds West, 296.12 feet to a capped 1/2 inch iron rod set;

THENCE South 00 Degrees 16 Minutes 19 Seconds West with an East line of said 119.0680 acre tract, 360.44 feet to a capped 1/2 inch iron rod set;

THENCE South 00 Degrees 13 Minutes 41 Seconds East with an East line of said 119.0680 acre tract, 581.20 feet to a capped 1/2 inch iron rod set;

THENCE South 00 Degrees 30 Minutes 41 Seconds East with a East line of said 119.0680 acre tract, 709.10 feet o a capped 1/2 inch iron rod set for the Southeast corner thereof, and in the North line of a tract of land described in a deed to Belknap Fp. LTD. as recorded in Volume 4288, Page 162, Official Public Records, Collin County, Texas;

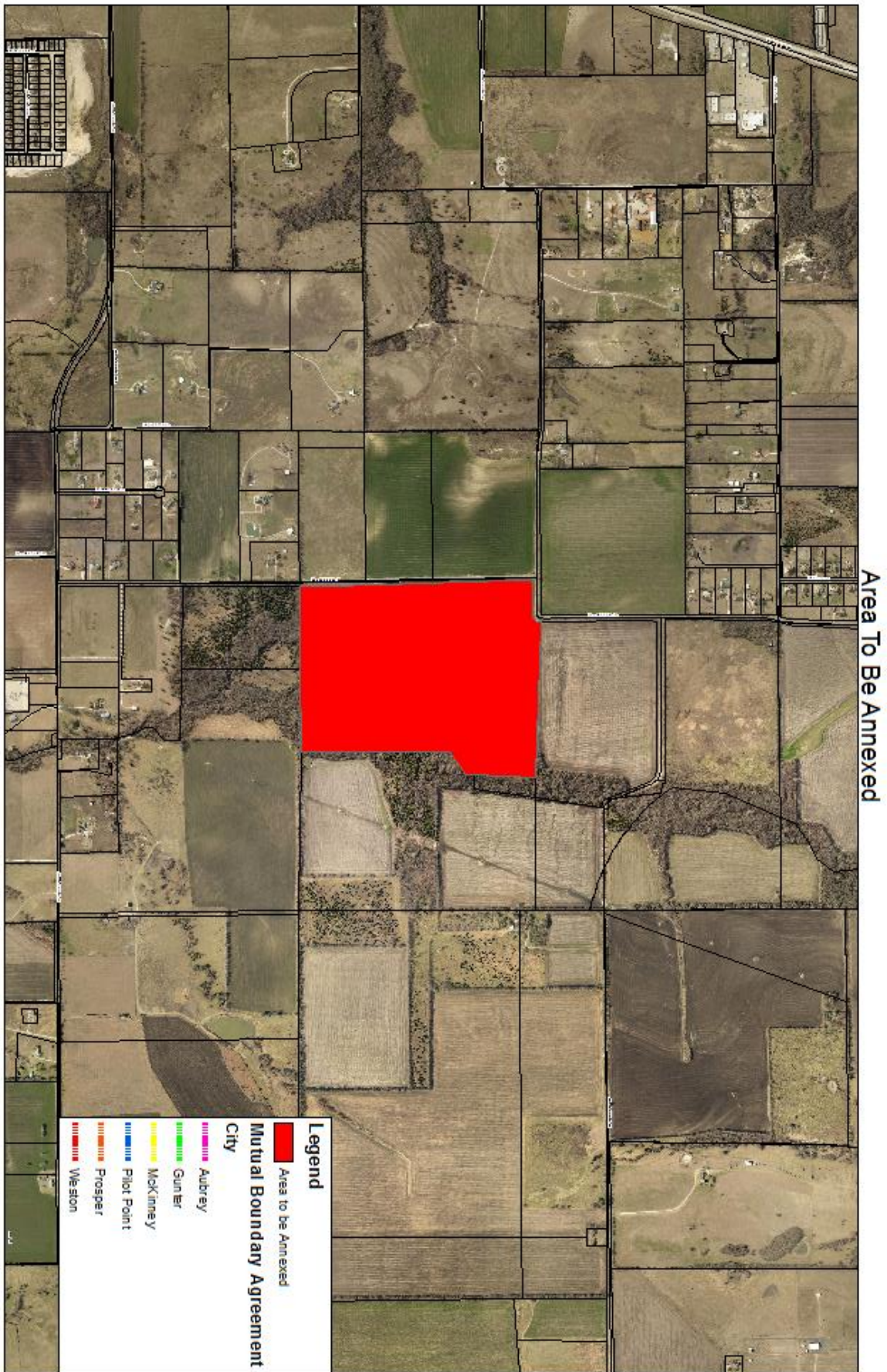


THENCE North 89 Degrees 49 Minutes 41 Seconds West with the North line thereof and the South line of said 119.0680 acre tract, 947.80 feet to 3/8 inch iron rod found for the Northwest corner of said Volume 4288, Page 162, and at the Northeast corner of said 28.73 acre tract;

THENCE North 89 Degrees 42 Minutes 41 Seconds West with the North line thereof and the South line of said 119.0680 acre tract, 943.46 feet to the POINT OF BEGINNING, containing 119.244 acres of land, more or less.



EXHIBIT "B"





Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Ben Rodriguez, Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: Involuntary Custer Road Annexations Resolution

Action Requested:

Consider and act upon a resolution setting a date, time and place (Tuesday, July 12, 2016 at 6:00 PM & Tuesday, July 19, 2016 at 5:30 PM at 112 N. Colorado Dr., Celina, Tx 75009) for public hearings on the proposed involuntary annexations of a ± 1.39 acre tract of land situated in the Swanner Addition, Block A, Lot 1, Collin County, Texas; a ± 4.563 acre tract of land situated in the Edgemon Addition Block A, Lots 1 & 2, Collin County, Texas; a ± 2.5 acre tract of land situated in the Coleman Watson Survey, Abstract No. 945, Collin County, Texas; and a ± 2.5 acre tract of land situated in the Coleman Watson Survey, Abstract No. 945, Collin County, Texas. The property is contiguous to and adjoining the City and are generally located on the Northwest corner of FM 1461 (Frontier Parkway) & FM 2478 (Custer Road) (Custer Road Annexations) Liebman

Background Information:

Below is the anticipated annexation schedule for the properties.

- June 12, 2016 - City Council acts on Resolution to set the public hearing dates.
- July 12, 2016 - First public hearing held. (6:00pm @ 112 N. Colorado Dr., Celina, Texas.)
- July 19, 2016 - Second public hearing held. (5:30pm @ 112 N. Colorado Dr., Celina, Texas.)
- August 09, 2016 - City Council acts on Ordinance annexing the property.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City Attorney has reviewed the proposed resolution.

Supporting Documents:

- Proposed Resolution

Staff Recommendation:

Staff recommends approval of the resolution as presented

**CITY OF CELINA
RESOLUTION NO. 2016-__**

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” attached hereto 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 Tuesday, the 12th day of July, 2016 at 6:00 p.m. and on Tuesday, the 19th day of July, 2016 at 5:30 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 in the attached Exhibit “A” and depicted in the attached Exhibit “B”.
- 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 14th day June, 2016.

SEAN TERRY, MAYOR

VICKI FAULKNER, CITY SECRETARY

Attachment: Custer Road Involuntary Annexations Resolution (1636 : Custer Road Involuntary Annexation Resolution)

Exhibit "A"

Tract 1 – Jeffrey A. Swanner

Swanner Addition, Block A, Lot 1, 1.39 Acres, Collin County, Texas

Tract 2- Southwest Custer, LLC.

WHEREAS, Southwest Custer, LLC, is the owner of a tract of land, situated in the Coleman Watson Survey, Abstract No. 945, in the Extra Territorial Jurisdiction (E.T.J.) of the City of Celina, Collin County, Texas and being all of Lot 2, Block A, of **SWANNER ADDITION**, an addition to said E.T.J. of the City of Celina, as recorded in Volume 2006, Page 65, of the Map Records, Collin County, Texas (M.R.C.C.T.), same being all of that tract of land described by deed to Matt Edgemon, as recorded under Document No. XXXX, of the Official Public Records, Collin County, Texas (O.P.R.C.C.T.), said tract being more particularly described as follows:

BEGINNING at a 1/2" iron rod with a yellow plastic cap stamped "RPLS 5686" found for the northeasterly corner of said Lot 2, same being the southeasterly corner of Lot 1, of said **SWANNER ADDITION**, said corner also being in the westerly monumented line of F.M. Highway No. 2478;

THENCE South 00°45'40" East, along said westerly monumented line of F.M. Highway No. 2478, same being the easterly line of Lot 2, a distance of 507.16' to a 1/2" iron rod with a yellow plastic cap stamped "RPLS 5686" found for the southeast corner of said Lot 2, said corner also being in the most easterly north line of a tract of land described by deed to Young Lei Kim, as recorded under Document No. 20121219001618900, O.P.R.C.C.T.;

THENCE South 89°16'20" West, along the southerly line of said Lot 2, same being the most easterly north line of said Kim tract, a distance of 392.50' to a 1/2" iron rod with a red plastic cap found for the southwest corner of said Lot 2, same being an "ell" corner of said Kim tract;

THENCE North 00°45'40" West, along a common line between said Lot 2 and Kim tract, a distance of 505.69' to a 1/2" iron rod with a yellow plastic cap stamped "RPLS 5686" found for the northwesterly corner of said Lot 2, same being the southwesterly corner of the aforementioned Lot 1;

THENCE North 89°03'27" East, along the common line between said Lots 1 and 2, a distance of 392.50' to the **POINT OF BEGINNING** and containing 198,771 square feet or 4.563 acres of land, more or less.

Tract 3- Bobcat Corporation

SITUATED in Collin County, Texas, a part of the Coleman Watson Survey Abstract #945 and being out of the East portion of a 115.9 acre tract described in a deed recorded in Volume 389 Page 236 of the Collin County Deed Records and being more particularly described by metes and bounds as follows:

BEGINNING at an iron stake in the West right of way line of F. M. Hwy 2479. Said stake bears North 0 deg 41 min West a distance of 462 feet from the North right of way line of F. M. Hwy #1461. Said stake also bears North 0 deg 41 min West a distance of 309 feet and South 89 deg 21 min West a distance of 50 feet from the Southeast corner of the said tract.

THENCE North 0 deg 41 min West with the West right of way line of the Highway a distance of 264.0 feet to an iron stake.

THENCE South 89 deg 21 min West a distance of 412.5 feet to an iron stake.

THENCE 0 deg 41 min East a distance of 264.0 feet to an iron stake.

THENCE North 89 deg 21 min East a distance of 412.5 feet to the place of beginning containing 2.50 acres of land.

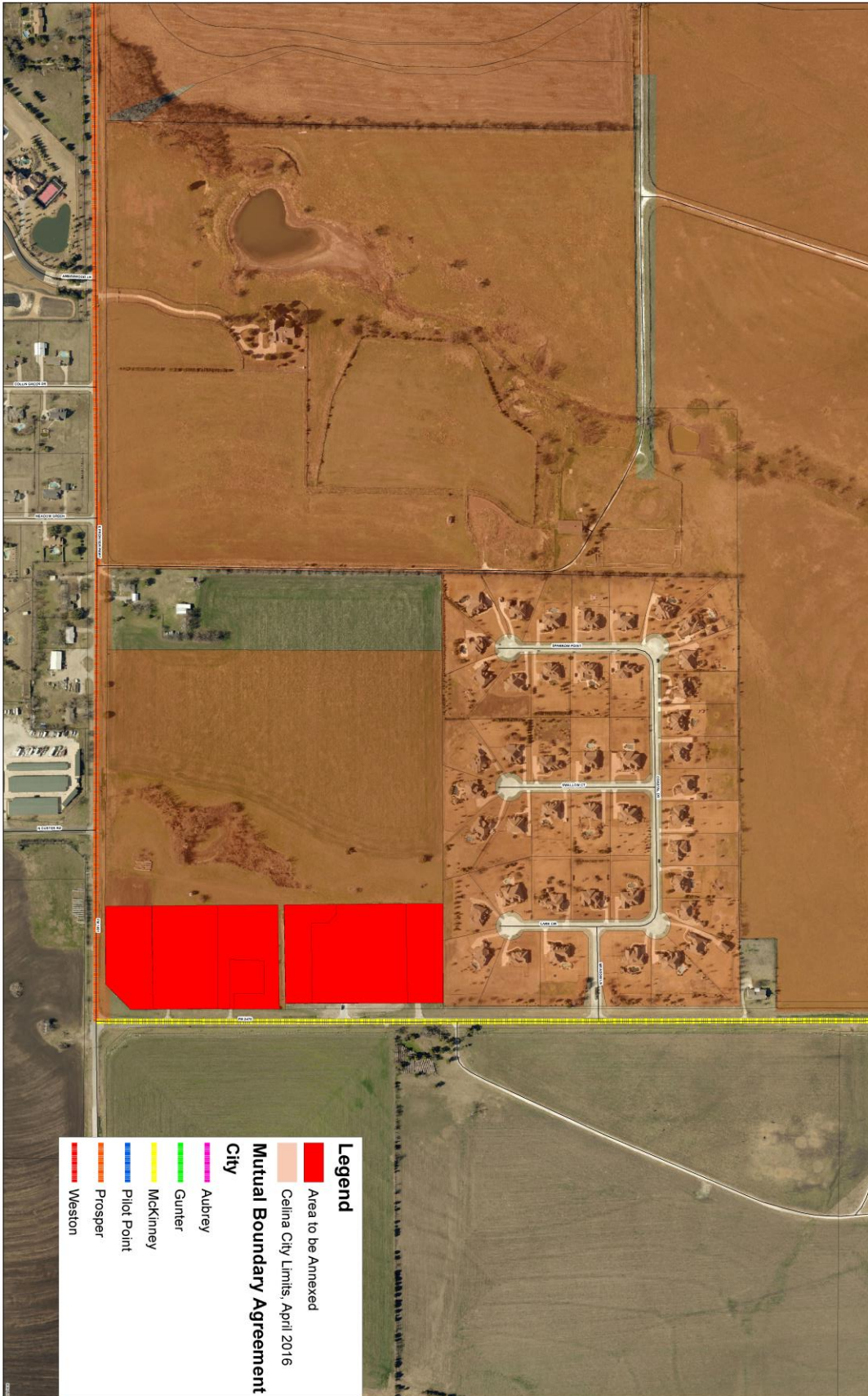
Tract 4- Bobcat Corporation

6079 FM 2478 N, McKinney, Texas, being Lot 39, Block 4 and situated in Collin County, Texas, a part of the Coleman Watson Survey, Abstract #945, and being out of the East portion of a 115.9 acre tract described in a deed recorded in Volume 399, Page 236 of the Collin County Deed Records and being more particularly described by metes and bounds as follows:

Beginning at an iron stake in the West right-of-way line of F. M. Highway #2478. Said stake bears North 0 deg. 41 min. West a distance of 198 feet from the North right-of-way line of F. M. Highway #1461. Said stake also bears North 0 deg. 41 min. West a distance of 243 feet and South 89 deg. 21 min. West a distance of 50 feet from the Southwest corner of the said tract;
Thence North 0 deg 41 min. West with the West right-of-way line of the Said Highway a distance of 264 feet to an iron stake;
Thence South 89 deg 21 min. West a distance of 412.5 feet to an iron stake;
Thence South 0 deg. 41 min. East a distance of 264 feet to an iron stake;
Thence North 89 deg. 21 min. East a distance of 412.5 feet to the Place of Beginning, containing 2.50 acres of land;

EXHIBIT "B"

Area To Be Annexed





Planning and Development Services
City of Celina, Texas

Memorandum

To: **Honorable Mayor Terry and the Celina City Council**
 From: Ben Rodriguez, Planner
 CC: Helen-Eve Liebman, Director of Planning and Development Services
 Date: June 14, 2016
 Re: Consider and act upon an ordinance amending the City's Code of Ordinances,; Chapter 1, Article 1.11, Parks and Recreation, Division 2, Park Rules, Section 1.11.035, Unlawful Acts; Chapter 4, Business Regulations, Article 4.02, Alcoholic Beverages; and Chapter 8, Offenses and Nuisances, to amend and consolidate the City's alcohol regulations. (Liebman)

Action Requested:

Consider and act upon an ordinance amending the City's Code of Ordinances,; Chapter 1, Article 1.11, Parks and Recreation, Division 2, Park Rules, Section 1.11.035, Unlawful Acts; Chapter 4, Business Regulations, Article 4.02, Alcoholic Beverages; and Chapter 8, Offenses and Nuisances, to amend and consolidate the City's alcohol regulations (Liebman).

Background Information:

Staff has been directed to propose an amendment to the City's alcohol regulations that prohibit the sale of alcoholic beverages within three hundred feet of a church, public or private school, and hospitals. The amendment removes this prohibition for properties within the downtown area. The intent is to promote the establishment of restaurants downtown while removing the requirement that restaurants receive a variance for the sale of alcohol on the downtown square additionally, this amendment will allow the city to provide alcohol during special events without needing a specific variance for each individual event.

Additionally, the ordinance revises the City's Park rules to allow the possession and consumption of alcoholic beverages in City Parks so long as it is during a special event sponsored or partnered by the City.

Currently the City's regulations pertaining to the sale and consumption of alcoholic beverages are scattered across several different sections of the City code. This ordinance revises the City's code to consolidate all of these various regulations into a single section of our code. This consolidation will make it easier for both residents and staff to navigate our alcohol regulations within the City code.

Board Review/Citizen Input:

N/A

Alternatives:

N/A

Financial Considerations:

N/A

Legal Review:

The City's Land Use attorney assisted staff with the drafting of this ordinance.

Supporting Documents:

- Proposed Ordinance

Staff Recommendation:

Staff recommends approval.

CITY OF CELINA, TEXAS

ORDINANCE 2016-____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CELINA, TEXAS, AMENDING THE CITY'S CODE OF ORDINANCES, CHAPTER 1: GENERAL PROVISIONS, ARTICLE 1.11: PARKS AND RECREATION, DIVISION 2. PARK RULES, SECTION 1.11.035 UNLAWFUL ACTS, CHAPTER 4: BUSINESS REGULATIONS, ARTICLE 4.02 ALCOHOLIC BEVERAGES, AND CHAPTER 8, OFFENSES AND NUISANCES; PROVIDING FOR INCORPORATION OF PREMISES; PROVIDING FINDINGS; PROVIDING FOR AMENDMENT TO THE CODE OF ORDINANCES; PROVIDING A CUMULATIVE REPEALER CLAUSE; PROVIDING FOR SAVINGS; PROVIDING FOR SEVERABILITY; PROVIDING FOR PENALTY, 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 County 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, the City Council has determined that regulation of the distance requirements for the sale of alcohol for businesses on the Historic Square and City parks, near churches, schools, hospitals, day care centers or child care facilities is not in the best interest of the public, constitutes waste or inefficient use of land or other resources, creates an undue hardship on an applicant for a license or permit to sell alcohol, does not serve its intended purpose, is not effective or necessary; and

WHEREAS, this adoption of this ordinance is consistent with and promotes the comprehensive plan and land use studies for the historic square by facilitating the creation of a mixed use, pedestrian-friendly, and attractive urban center that serves as a gathering spot for citizens and visitors by hosting activities and events; and

WHEREAS, the City Council has taken into consideration the health, safety, and welfare of the public and the equities of the various interests of the community and determined the adoption of this ordinance is in the best interest of the community.

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 **AMENDMENTS**

3.01 That the Celina Code of Ordinances, Chapter 1: General Provisions; Article 1.11: Parks and Recreation; Division 2. Park Rules; Section 1.11.035: Unlawful Acts; Subsection (13), shall be amended to read as follows:

“(13) The possession and consumption of alcoholic beverages is prohibited except during special events sponsored and/or organized by the City.”

3.02 That the Celina Code of Ordinances, Chapter 4: Business Regulations; Article 4.02: Alcoholic Beverages; shall be deleted in its entirety.

3.03 That the Celina Code of Ordinances, Chapter 8: Offenses and Nuisances; Article 8.01: General Provisions; Section 8.01.002: Consumption of alcoholic beverage in public place, shall be deleted in its entirety.

3.04 That the Celina Code of Ordinances, Chapter 8: Offenses and Nuisances; shall be amended to add Article 8.09: Alcoholic Beverages, to read as follows:

“ARTICLE 8.09 ALCOHOLIC BEVERAGES

Division 1. Sale of Alcoholic Beverages

Sec. 8.09.001 Penalty

(a) Any person, firm or corporation violating any part of this article shall be deemed guilty of a misdemeanor and, upon conviction, shall be subject to a fine not to exceed the sum of \$500.00 for each offense.

(b) Each and every day such offense shall continue shall be deemed to constitute a separate offense.

(c) Any person violating any of the provisions of section 4.02.004 shall be deemed guilty of a class C misdemeanor upon conviction and shall be fined, except as otherwise provided herein, in a sum not to exceed \$200.00 for each offense, and a separate offense shall be deemed committed upon each day during or on which a violation occurs or continues.

Sec. 8.09.002 Sale near church, school, hospital, day care center or child care facility

(a) The sale of alcoholic beverages is prohibited by a dealer whose premises are located within:

- (1) Three hundred feet of a church, public or private school, or public hospital;
- (2) One hundred feet of a public school, if the city council receives a request of a school district under section 38.007, Education Code; or
- (3) One thousand feet of a private school if the city council receives a request from the governing body of the private school.

(b) (1) The measurement of the distance between the place of business where alcoholic beverages are sold and the church or public hospital shall be along the property lines of the street front and from front door to front door, and in a direct line across intersections.

(2) The measurement of the distance between the place of business where alcoholic beverages are sold and the public or private school shall be in a direct line from the property line of the public or private school to the property line of the place of business, and in a direct line across intersections; or, if the permit or license holder is located on or above the fifth story of a multi-story building, in a direct line from the property line of the public or private school to the property line of the place of business, in a direct line across intersections, and vertically up the building at the property line to the base of the floor on which the permit or license holder is located.

(3) Every applicant for an original alcoholic beverage license or permit for a location with a door by which the public may enter the place of the business of the applicant that is within 1,000 feet of the nearest property line of a public or private school, measured along street lines and directly across intersections, must give written notice of the application to officials of the public or private school before filing the application with the state alcoholic beverage commission. A copy of the notice must be submitted to the state alcoholic beverage commission with the application. This requirement does not apply to a permit or license covering premises where minors are prohibited from entering the premises under section 109.53 of the Texas Alcoholic Beverage Code.

(c) The city council may allow variances to the regulations stated in subsection (a) above if it determines that enforcement of the regulation in a particular instance is not in the best interest of the public, constitutes a waste or inefficient use of land or other resources, creates an undue hardship on an applicant for a license or permit, does not serve its intended purpose, or is not effective or necessary, or for any other reason it, after consideration of the health, safety and welfare of the public and the equities of the situation, determines is in the best interest of the community.

(d) Except as provided by this section and by the zoning ordinance, the city may not impose stricter standards on premises or businesses required to have a private club registration permit than are imposed on similar premises or businesses that are not required to have such a permit.

(e) Subsections (a)(2) and (a)(3) do not apply to the holder of:

(1) A retail on-premises consumption permit or license if less than 50% of the gross receipts for the premises is from the sale or service of alcoholic beverages;

(2) A retail off-premises consumption permit or license if less than 50% of the gross receipts for the premises, excluding the sale of items subject to the motor fuels tax, is from the sale or service of alcoholic beverages; or

(3) A wholesaler's, distributor's, brewer's, distiller's and rectifier's, winery, wine bottler's, or manufacturer's permit or license, or any other license or permit held by a wholesaler or manufacturer as those words are ordinarily used and understood in chapter 102 of the Texas Alcoholic Beverage Code.

(f) Subsection (a)(3) does not apply to the holder of:

(1) A license or permit issued under chapter 27, 31, or 72 of the Texas Alcoholic Beverage Code who is operating on the premises of a private school; or

(2) A license or permit covering premises where minors are prohibited from entering under section 109.53 of the Texas Alcoholic Beverage Code and that is located within 1,000 feet of a private school.

(g) Subsection (a)(1) does not apply to the holder of:

(1) A licensee or permittee who also holds a food and beverage certificate covering premises that are located within 300 feet of a private school; or

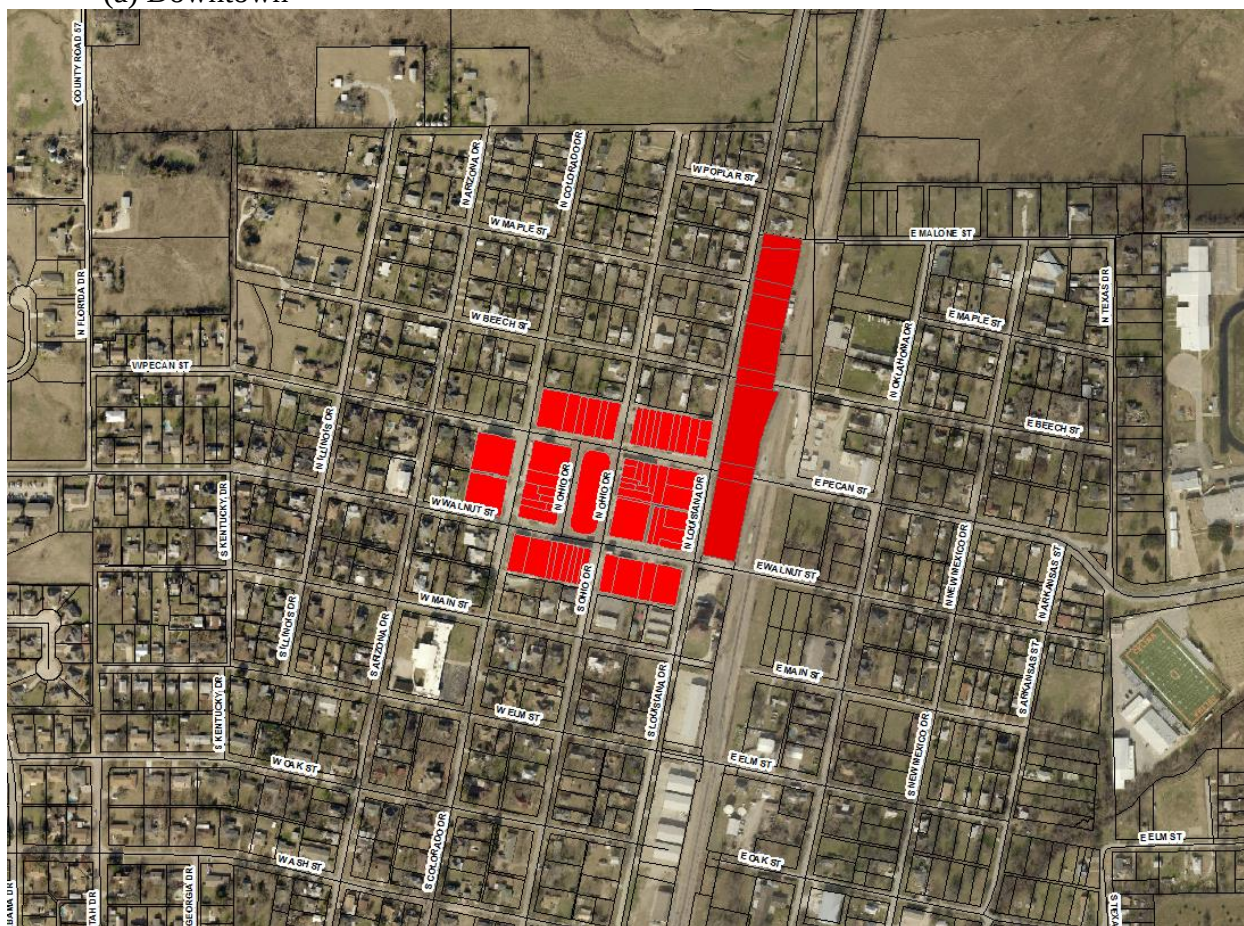
(2) A license or permit covering premises where minors are prohibited from entering under section 109.53 of the Texas Alcoholic Beverage Code and that is located within 1,000 feet of a private school.

(h) This section applies to a permit or license holder issued a permit under chapter 25 (Wine and Beer Retailer's Permit), chapter 28 (Mixed Beverage Permit), chapter 32 (Private Club Registration Permit), chapter 69 (Retail Dealer's On-Premise License) or chapter 74 (Brewpub License) of the Texas Alcoholic Beverage Code.

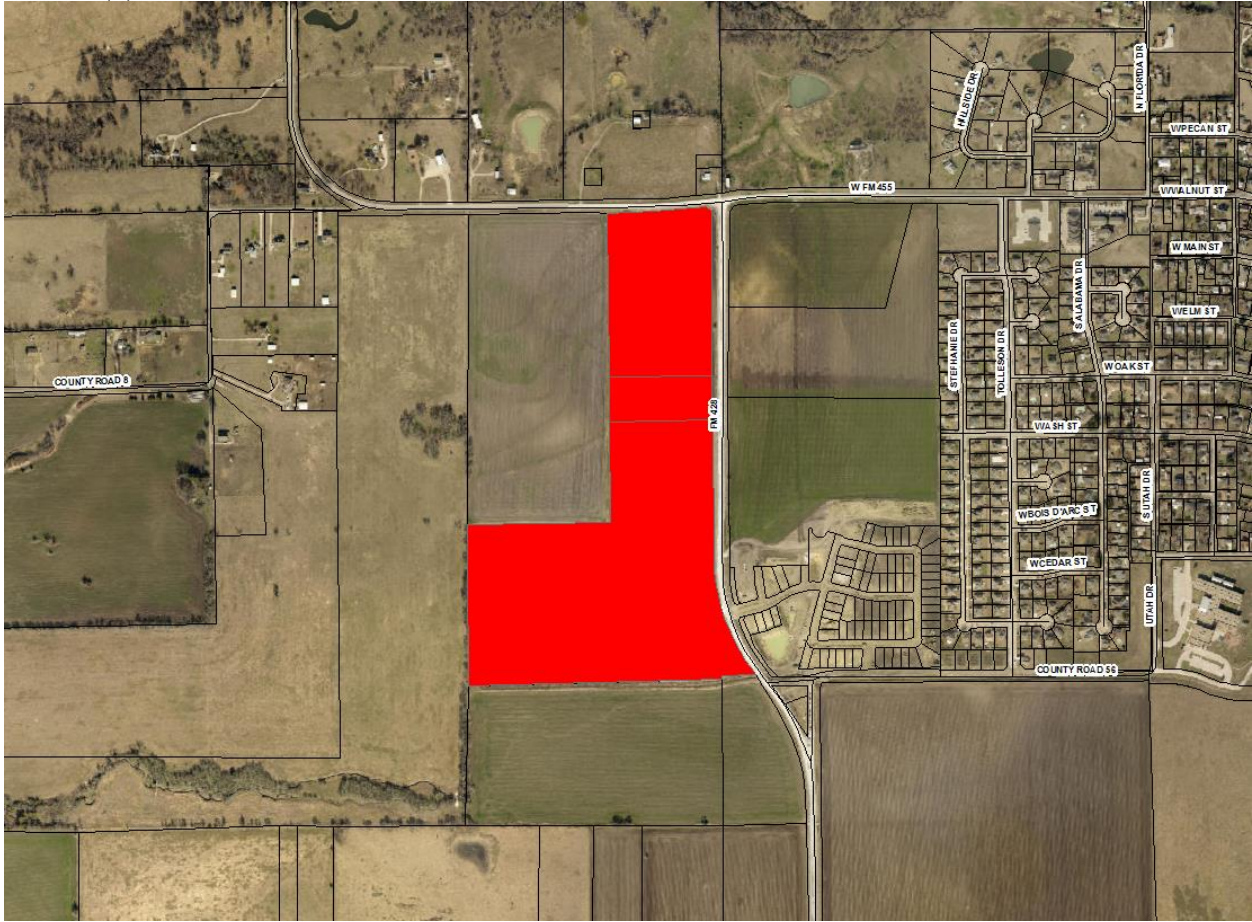
(1) Except as provided by this subsection, the provisions of subsections (a) and (b) relating to a public school also apply to a day care center and a child care facility as those terms are defined by section 42.002 of the Texas Human Resources Code. Subsections (a)(2) and (b)(3) do not apply to a day care center or child care facility.

- (2) This subsection does not apply to a permit or license holder who sells alcoholic beverages if:
- (A) The permit or license holder and the day care center or child care facility are located on different stories of a multi-story building; or
 - (B) The permit or license holder and the day care center or child care facility are located in separate buildings and either the permit or license holder or the day care center or child care facility is located on the second story or higher of a multi-story building.
- (3) This subsection does not apply to a foster group home, foster family home, family home, agency group home, or agency home as those terms are defined by section 42.002 of the Texas Human Resources Code.
- (i) This section does not apply to a place of business where alcoholic beverages are sold located with a postal address within the following blocks, or a special event sponsored by the city or for which the city is a partner and held within the following areas:
- (1) 100-300 Block of West Pecan
 - (2) 100-300 Block of West Walnut
 - (3) 100 Block of North Colorado
 - (4) 100 Block of North Ohio
 - (5) 100 Block of North Louisiana
 - (6) 200-300 Block of the eastern side of North Louisiana.
 - (7) Block 1, lot 1 of the Celina City Park Addition
 - (8) Abstract A0124, Henry Bentley Survey, Tract 30, 4.0 Acres
 - (9) Abstract A0124, Henry Bentley Survey, Tract 10, 14.974 Acres
 - (13) Graphical representations of above areas:

(a) Downtown



(b) Old Celina Park



Attachment: Alcohol Ordinance Amendment (1616 : Comprehensive Alcohol Ordinance)

Sec. 8.09.003 Hours of sale of beer

(a) The hours of sale for beer sold under a wine and beer retailer's permit or a wine and beer retailer's off-premises permit shall be the same as those prescribed for the sale of beer under subsection (b) below.

(b) No person may sell, offer for sale, or deliver beer at any time not permitted by this subsection.

(1) A person may sell, offer for sale, or deliver beer between 7:00 a.m. and 12:00 midnight on any day except Sunday.

(2) On Sunday, a person may sell, offer for sale, or deliver beer between 12:00 noon and 12:00 midnight.

(3) Any alcoholic beverage establishment that sells beer and has a drive-through facility as an accessory use to said alcoholic beverage establishment shall not sell, offer for sale, or deliver beer after 8:00 p.m. on any day of the week.

Sec. 8.09.004 Permit

(a) Required; application; issuance.

(1) It shall be unlawful for any person to manufacture, distill, brew, import, transport, store for purposes of sale, distribute or sell any beer, wine or mixed beverages within the city unless such person has obtained an alcoholic beverage permit from the office of the city secretary.

(2) Any person wishing to manufacture, distill, brew, import, transport, store for purposes of sale, distribute or sell any beer, wine or mixed beverages must complete an alcoholic beverage permit application and pay the permit fee.

(3) The city secretary shall submit each application to the appropriate city departments, as determined by the city administrator, to ensure that the application complies with all city ordinances and regulations, including this section.

(4) After approval by all necessary city departments, the application shall be deemed approved and the city secretary shall issue an alcoholic beverage permit upon payment by the applicant of the initial permit fee.

(5) Applications and permits shall be kept on file in the city secretary's office.

(b) Initial permit fee.

(1) The alcoholic beverage permit fee shall be equal to one-half of the state fee required by the state alcoholic beverage commission of every person that may be issued any state permit or license for the manufacture, distilling, brewing, importing, transporting, storing, distributing or sale of any beer, wine or mixed beverage, unless a different fee is allowed or required by state law. No alcoholic beverage permit shall be issued unless the permit fee is received.

(2) For purposes of administering these regulations, the current schedule of fees adopted by the state alcoholic beverage commission for the state permit or license fee for the manufacture, distilling, brewing, importing, transporting, storing, distributing or sale of any beer, wine or mixed beverage hereby is incorporated by reference.

(3) The city secretary shall issue a receipt for the permit fee and keep a record of the same in the city secretary's office.

(c) Renewal; renewal fee.

(1) All alcoholic beverage permits shall be renewed annually. All alcoholic beverage permits shall terminate at 12:00 midnight on the day before the anniversary date of their issuance, and no permit shall be issued covering a term longer than one year.

(2) The city shall require payment of an annual alcoholic beverage permit renewal fee [which] shall be equal to one-half of the state fee required by the state alcoholic beverage commission of every person that may be issued any state permit or license for the manufacture, distilling, brewing, importing, transporting, storing, distributing or sale of any beer, wine or mixed beverage, unless a different fee is allowed or required by state law. For purposes of administering these regulations, the current schedule of fees adopted by the state alcoholic beverage commission for the state renewal permit or license fee hereby is incorporated by reference.

(3) The city secretary may cancel a permit if a permittee fails to pay the alcoholic beverage permit renewal fee. The city secretary shall send notice of such cancellation to the address on file with the permit application.

Secs 8.09.005 - 8.09.099 Reserved

Division 2. Unlawful Acts

Sec. 8.09.100 Consumption of alcoholic beverage in public place

(a) Prohibited; enforcement.

- (1) It shall be unlawful for any person to consume any alcoholic beverage on any public street or alley in the city except during special events sponsored and/or organized by the City.
 - (2) It shall be unlawful for any person to consume any alcoholic beverage on any public place adjacent to any street or alley in the city except during special events sponsored and/or organized by the City.
 - (3) It shall be unlawful for any person to consume any alcoholic beverage in a City Park except during special events sponsored and/or organized by the City.
 - (4) The chief of police or other police officers of the city or any peace officer within the limits of the city may arrest, without warrant, any person who violates the terms of this section, and the officer or person making the arrest is justified in adopting all of the measures which he or she might adopt in cases of arrest under warrant. In all cases of arrest without warrant, the officer making the arrest shall immediately take the person arrested before the nearest or most accessible magistrate having jurisdiction.
- (b) Penalty. Any person, firm or corporation violating any part of this section shall be deemed guilty of a misdemeanor and, upon conviction, shall be subject to a fine not to exceed the sum of \$500.00 for each offense.

Sec. 8.09.101 Possession of Alcoholic beverage in public place.

(a) Prohibited

- (1) It shall be unlawful for any person to possess any alcoholic beverage in any City Park except during special events sponsored and/or organized by the City.

Secs. 8.09.102-8.09.145 Reserved”

3.05 All other articles, chapters, sections, paragraphs, sentences, phrases, charts, definitions and words are not amended but are hereby ratified and affirmed.

SECTION 4 **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 5 **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 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 6 **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 whole or 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 8 **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, and Effective Date Clause of this Ordinance as required by Section 52.013 of the Local Government Code.

SECTION 9 **ENGROSSMENT AND ENROLLMENT**

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

SECTION 10 **EFFECTIVE DATE**

This Ordinance shall become effective from and after its date of passage in accordance with law.

AND IT IS SO ORDAINED.

PASSED AND APPROVED by the City Council of the City of Celina, Texas this ____ day of _____, 2016.

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

Attachment: Alcohol Ordinance Amendment (1616 : Comprehensive Alcohol Ordinance)



Finance Department
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: June 14, 2016
Re: Delinquent Tax Properties

Action Requested:

Consider and act upon offers from Gene Grimes to purchase the following delinquent tax properties: 1) 601 W. Elm Street for \$5,000.00 and, 2) 204 S. Arkansas for \$15,000.00. (Toutouchian)

Background Information:

1) This property went to Sheriff's sale on May 1, 2012, for delinquent taxes with no bidders. There are a total of \$3,350.35 in total judgment fees due on this property. The most recent appraisal is \$4,000.00. An offer of \$5,000.00 is being made.

2) This property went to Sheriff's sale on February 7, 2012, for delinquent taxes with no bidders. There are a total of \$11,252.62 in total judgment fees due on this property. The most recent appraisal is \$4,000.00. An offer of \$15,000.00 is being made.

Board Review/Citizen Input:

N/A

Alternatives:

Deny offer.

Financial Considerations:

- 1) The city would receive 292% of judgment taxes.
- 2) The city would receive 135% of judgment taxes.

Legal Review:

The offer comes through the city's delinquent tax attorney firm Gay, McCall, Isaacks & Roberts, P.C.

Supporting Documents:

Offer letter, deed and distribution of proceeds summary

Staff Recommendation:

Approval

LAW OFFICES
GAY, McCALL, ISAACKS & ROBERTS, P.C.

A PROFESSIONAL CORPORATION

JOHN E. GAY
 DAVID McCALL +
 LEWIS L. ISAACKS ♦+
 WILLIAM J. ROBERTS +
 JENNIFER T. PETTIT
 ERIN MINETT
 JOHN RAPIER
 JAMES W. WILSON

777 E. 15TH STREET
 PLANO, TEXAS 75074
 (972) 424-8501 • Fax (972) 422-9322

♦ BOARD CERTIFIED -- CIVIL TRIAL LAW
 TEXAS BOARD OF LEGAL SPECIALIZATION
 +ATTORNEY - MEDIATOR

May 13, 2016

Ms. Vicki Faulkner
 City Secretary
 City of Celina
 142 N Ohio St
 Celina, TX 75009

Re: Offer from Gene Grimes to purchase
 601 W Elm St., Celina, Texas

Dear Ms. Faulkner:

Gene Grimes has offered to purchase 601 W Elm St., Celina, Collin County, Texas (601 W. ELM STREET, BEING LOT 5A, OF BATEMAN# 01 AND # 02, AN ADDITION TO THE CITY OF CELINA, COLLIN COUNTY, TEXAS, AS RECORDED IN THE COLLIN COUNTY DEED RECORDS.) for \$5,000.00.

This property was sold at a Sheriff's Sale on May 1, 2012 pursuant to delinquent tax collection suit number 380-02582-2010. There were no bidders and the property was struck off to the College for itself and on behalf of the other taxing jurisdictions.

The property's most recent value according to the Appraisal District is \$4,000.00. The property was struck off for the minimum amount, \$3,350.35, which includes taxes, penalties and interest, costs of court, and costs of sale.

As the offer is for more than the minimum bid at the Sheriff's Sale, if any taxing jurisdictions agree to accept \$5,000.00 for the property, the property may be sold for that amount. Each jurisdiction must execute the deed. A breakdown of amounts each taxing entity will receive is enclosed.

If your entity decides to accept this offer, enclosed for execution is a Deed Without Warranty our office prepared for this resale. When the Deed is executed, please return it in the enclosed self-addressed, stamped envelope.

If you have any questions or need additional information, please do not hesitate to call me.

Sincerely,



Erin Minett

Enclosure

Attachment: Offer Letter Deed-601 W Elm-City (1607 : Delinquent Tax Properties)

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER

DEED WITHOUT WARRANTY
(TAX FORECLOSED PROPERTY RESALE)

Date: _____, 2016

Grantor: CELINA INDEPENDENT SCHOOL DISTRICT, COLLIN COUNTY, COLLIN COUNTY COMMUNITY COLLEGE DISTRICT, and CITY OF CELINA

Grantor's Mailing Address (including county):

142 N Ohio St
Celina, TX 75009
Collin County

Grantee: Gene Grimes

Grantee's Mailing Address (including county):

911 Lindsey St.
McKinney, TX 75069
Collin County

Consideration: TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration.

Property (including any improvements):

Property described in Exhibit "A" attached hereto and made a part hereof for all purposes.

Reservations from and Exceptions to Conveyance and Warranty:

1. Rights of the public to any portion of the above described property lying within the boundaries of dedicated or existing roadways or which may be used for road or street purposes.
2. Visible and apparent easements over or across subject property.
3. Rights of parties in possession.
4. Any and all easements, restrictions, covenants, conditions and reservations of record, if any, applicable to the herein conveyed property or any part hereof.
5. Any right of redemption as specified in Chapter 34, Subchapter B, Texas Property Tax Code.
6. All oil, gas, and other minerals reserved by prior grantors.

By acceptance of this Deed, Grantee acknowledges and agrees that the Property is being purchased and conveyed "AS IS" with all faults and defects whether patent or latent as of the closing. Grantors, on behalf of themselves and the other taxing entities on whose behalf it holds title to the Property, specifically negates and disclaims any representations, warranties or guaranties of any kind or character, whether express or implied, oral or written, past, present, future or otherwise, of, as to, concerning or with respect to the Property, including without limitation (i) the nature and condition of the Property and the suitability thereof for any and

Attachment: Offer Letter Deed-601 W Elm-City (1607 : Delinquent Tax Properties)

all activities and uses which Grantee may elect to conduct thereon, (ii) the nature and extent of any right-of-way, lease, possession, lien, encumbrance, license, reservation, condition or any other matter relating in any way to the Property, (iii) the compliance of the Property or its operation with any laws, ordinances or regulations of any government or other authority or body, (iv) the existence of any toxic or hazardous substance or waste in, on, under the surface of or about the Property, (v) geological conditions, including, without limitation, subsidence, subsurface conditions, water table, underground water reservoirs, limitations regarding the withdrawal of water and faulting, (vi) whether or not and to the extent to which the Property or any portion thereof is affected by any stream (surface or underground), body of water, flood prone area, floodplain, floodway or special flood hazard, (vii) drainage, (viii) zoning or land use restrictions rules and regulations to which the Property or any portion thereof may be subject, (ix) the availability of any utilities to the Property or any portion thereof including, without limitation, water, sewage, gas and electric and including the utility availability capacities allocated to the Property by the relevant governmental or regulatory authority, (x) usages of adjoining property, (xi) access to the Property or any portion thereof, (xii) the value, compliance with the plans and specifications, size, location, age, use, design, quality, description, durability, structural integrity, operation, leasing, title to, or physical or financial condition of the Property or any portion thereof, or any income, expenses, charges, liens, encumbrances, rights or claims on or affecting or pertaining to the Property or any part thereof, (xiii) the potential for further development of the Property, or (xiv) the merchantability of the Property or fitness of the Property for any particular purpose (Grantee affirming that Grantee has not relied on Grantors' skill or judgment to select or furnish the Property for any particular purpose, and that Grantor makes no warranty that the Property is fit for any particular purpose).

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's successors, or assigns forever WITHOUT WARRANTY.

The intent of this Deed Without Warranty is to transfer the property foreclosed on by the Grantor taxing jurisdictions in Cause No. 380-02582-2010 in the 380th Judicial District Court, Collin County, Texas, and no more.

When the context requires, singular nouns and pronouns include the plural.

CELINA INDEPENDENT SCHOOL DISTRICT

By: _____

Title: _____

ATTEST:

(Acknowledgment)

THE STATE OF TEXAS §

COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of
 _____, 2016, by _____,

_____ of the Celina Independent School District as
 the act and deed of said Celina Independent School District.

Notary Public, State of Texas

Notary's name, (printed):

Notary's commission expires: _____

Attachment: Offer Letter Deed-601 W Elm-City (1607 : Delinquent Tax Properties)

COLLIN COUNTY, TEXAS

By: _____

Title: _____

ATTEST:

(Acknowledgment)

THE STATE OF TEXAS §

COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of
_____, 2016, by _____,
_____ of Collin County, Texas as the act and deed of
said Collin County, Texas.

Notary Public, State of Texas

Notary's name, (printed):

Notary's commission expires: _____

Attachment: Offer Letter Deed-601 W Elm-City (1607 : Delinquent Tax Properties)

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

By: _____

Title: _____

ATTEST:

(Acknowledgment)

THE STATE OF TEXAS §

COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of
 _____, 2016, by _____,

_____ of the Collin County Community College District as the act and
 deed of said Collin County Community College District.

Notary Public, State of Texas

Notary's name, (printed):

Notary's commission expires: _____

Attachment: Offer Letter Deed-601 W Elm-City (1607 : Delinquent Tax Properties)

CITY OF CELINA

By: _____

Title: _____

ATTEST:

(Acknowledgment)

THE STATE OF TEXAS §

COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of _____, 2016, by _____, _____ of the City of Celina as the act and deed of said City of Celina.

Notary Public, State of Texas

Notary's name, (printed):

Notary's commission expires: _____

EXHIBIT A

601 W. ELM STREET, BEING LOT 5A, OF BATEMAN# 01 AND # 02, AN ADDITION TO THE CITY OF CELINA, COLLIN COUNTY, TEXAS, AS RECORDED IN THE COLLIN COUNTY DEED RECORDS.

Attachment: Offer Letter Deed-601 W Elm-City (1607 : Delinquent Tax Properties)

Distribution of Proceeds

601 W Elm St., Celina, Texas

R1027000005A1

Cause no.: 380-02582-2010

Judgment date: July 18, 2011

Sheriff's sale: May 1, 2012

Taxes in Judgment:	CISD	\$530.82
	City	215.13
	County	82.63
	CCCCD	<u>29.52</u>
	Total	<u>\$858.10</u>

Other Judgment Amounts:	District Clerk Fees	\$1,787.00
-------------------------	---------------------	------------

Post Judgment Taxes/Costs:	705.25
----------------------------	--------

Minimum Bid at Sale:	\$3,350.35
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Resale price:	\$5,000.00
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Settlement Costs:	
Constable Fee	\$175.00
Publication Fee	530.25
District Clerk Fees	<u>1,787.00</u>

Total Costs:	<u>2,492.25</u>
--------------	-----------------

Proceeds to be Distributed:	<u>\$2,507.75</u>
-----------------------------	-------------------

Percentage of Judgment Taxes:	292%
-------------------------------	------

Distributed to Collin County Tax Assessor on Behalf of:

CISD	\$1,551.30
City	628.71
County	241.47
CCCCD	<u>86.27</u>
Total	<u>\$2,507.75</u>

LAW OFFICES
GAY, McCALL, ISAACKS & ROBERTS, P.C.

A PROFESSIONAL CORPORATION

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 TEXAS BOARD OF LEGAL SPECIALIZATION
 +ATTORNEY - MEDIATOR

May 13, 2016

Ms. Vicki Faulkner
 City Secretary
 City of Celina
 142 N Ohio St
 Celina, TX 75009

Re: Offer from Gene Grimes to purchase
 204 Arkansas St. S, Celina, Texas

Dear Ms. Faulkner:

Gene Grimes has offered to purchase 204 Arkansas St. S, Celina, Collin County, Texas (204 ARKANSAS STREET S.; BEING LOT 2C, BLOCK 69, OF CELINA ORIGINAL DONATION, AN ADDITION TO THE CITY OF CELINA, COLLIN COUNTY, TEXAS, AS RECORDED IN VOL.1, PAGE 114, OF THE COLLIN COUNTY DEED RECORDS.) for \$15,000.00.

This property was sold at a Sheriff's Sale on February 7, 2012 pursuant to delinquent tax collection suit number 401-2192-06. There were no bidders and the property was struck off to the College for itself and on behalf of the other taxing jurisdictions.

The property's most recent value according to the Appraisal District is \$10,000.00. The property was struck off for the minimum amount, \$11,252.62, which includes taxes, penalties and interest, costs of court, and costs of sale.

As the offer is for more than the minimum bid at the Sheriff's Sale, if any taxing jurisdictions agree to accept \$15,000.00 for the property, the property may be sold for that amount. Each jurisdiction must execute the deed. A breakdown of amounts each taxing entity will receive is enclosed.

If your entity decides to accept this offer, enclosed for execution is a Deed Without Warranty our office prepared for this resale. When the Deed is executed, please return it in the enclosed self-addressed, stamped envelope.

If you have any questions or need additional information, please do not hesitate to call me.

Sincerely,



Erin Minett

Enclosure

Attachment: Offer Letter Deed-204 Arkansas-City (1607 : Delinquent Tax Properties)

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER

DEED WITHOUT WARRANTY
(TAX FORECLOSED PROPERTY RESALE)

Date: _____, 2016

Grantor: CELINA INDEPENDENT SCHOOL DISTRICT, COLLIN COUNTY, COLLIN COUNTY COMMUNITY COLLEGE DISTRICT, and CITY OF CELINA

Grantor's Mailing Address (including county):

142 N Ohio St
Celina, TX 75009
Collin County

Grantee: Gene Grimes

Grantee's Mailing Address (including county):

911 Lindsey St.
McKinney, TX 75069
Collin County

Consideration: TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration.

Property (including any improvements):

Property described in Exhibit "A" attached hereto and made a part hereof for all purposes.

Reservations from and Exceptions to Conveyance and Warranty:

1. Rights of the public to any portion of the above described property lying within the boundaries of dedicated or existing roadways or which may be used for road or street purposes.
2. Visible and apparent easements over or across subject property.
3. Rights of parties in possession.
4. Any and all easements, restrictions, covenants, conditions and reservations of record, if any, applicable to the herein conveyed property or any part hereof.
5. Any right of redemption as specified in Chapter 34, Subchapter B, Texas Property Tax Code.
6. All oil, gas, and other minerals reserved by prior grantors.

By acceptance of this Deed, Grantee acknowledges and agrees that the Property is being purchased and conveyed "AS IS" with all faults and defects whether patent or latent as of the closing. Grantors, on behalf of themselves and the other taxing entities on whose behalf it holds title to the Property, specifically negates and disclaims any representations, warranties or guaranties of any kind or character, whether express or implied, oral or written, past, present, future or otherwise, of, as to, concerning or with respect to the Property, including without limitation (i) the nature and condition of the Property and the suitability thereof for any and

Attachment: Offer Letter Deed-204 Arkansas-City (1607 : Delinquent Tax Properties)

all activities and uses which Grantee may elect to conduct thereon, (ii) the nature and extent of any right-of-way, lease, possession, lien, encumbrance, license, reservation, condition or any other matter relating in any way to the Property, (iii) the compliance of the Property or its operation with any laws, ordinances or regulations of any government or other authority or body, (iv) the existence of any toxic or hazardous substance or waste in, on, under the surface of or about the Property, (v) geological conditions, including, without limitation, subsidence, subsurface conditions, water table, underground water reservoirs, limitations regarding the withdrawal of water and faulting, (vi) whether or not and to the extent to which the Property or any portion thereof is affected by any stream (surface or underground), body of water, flood prone area, floodplain, floodway or special flood hazard, (vii) drainage, (viii) zoning or land use restrictions rules and regulations to which the Property or any portion thereof may be subject, (ix) the availability of any utilities to the Property or any portion thereof including, without limitation, water, sewage, gas and electric and including the utility availability capacities allocated to the Property by the relevant governmental or regulatory authority, (x) usages of adjoining property, (xi) access to the Property or any portion thereof, (xii) the value, compliance with the plans and specifications, size, location, age, use, design, quality, description, durability, structural integrity, operation, leasing, title to, or physical or financial condition of the Property or any portion thereof, or any income, expenses, charges, liens, encumbrances, rights or claims on or affecting or pertaining to the Property or any part thereof, (xiii) the potential for further development of the Property, or (xiv) the merchantability of the Property or fitness of the Property for any particular purpose (Grantee affirming that Grantee has not relied on Grantors' skill or judgment to select or furnish the Property for any particular purpose, and that Grantor makes no warranty that the Property is fit for any particular purpose).

Grantor, for the consideration and subject to the reservations from and exceptions to conveyance and warranty, grants, sells and conveys to Grantee the property, together with all and singular the rights and appurtenances thereto in any wise belonging, to have and hold it to Grantee, Grantee's successors, or assigns forever WITHOUT WARRANTY.

The intent of this Deed Without Warranty is to transfer the property foreclosed on by the Grantor taxing jurisdictions in Cause No. 401-2192-06 in the 401st Judicial District Court, Collin County, Texas, and no more.

When the context requires, singular nouns and pronouns include the plural.

CELINA INDEPENDENT SCHOOL DISTRICT

By: _____

Title: _____

ATTEST:

(Acknowledgment)

THE STATE OF TEXAS §

COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of _____, 2016, by _____, _____ of the Celina Independent School District as the act and deed of said Celina Independent School District.

Notary Public, State of Texas
Notary's name, (printed):

Notary's commission expires: _____

COLLIN COUNTY, TEXAS

By: _____

Title: _____

ATTEST:

(Acknowledgment)

THE STATE OF TEXAS §

COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of _____, 2016, by _____, _____ of Collin County, Texas as the act and deed of said Collin County, Texas.

Notary Public, State of Texas

Notary's name, (printed):

Notary's commission expires: _____

Attachment: Offer Letter Deed-204 Arkansas-City (1607 : Delinquent Tax Properties)

COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

By: _____

Title: _____

ATTEST:

(Acknowledgment)

THE STATE OF TEXAS §

COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of
 _____, 2016, by _____,

_____ of the Collin County Community College District as the act and
 deed of said Collin County Community College District.

Notary Public, State of Texas

Notary's name, (printed):

Notary's commission expires: _____

Attachment: Offer Letter Deed-204 Arkansas-City (1607 : Delinquent Tax Properties)

CITY OF CELINA

By: _____

Title: _____

ATTEST:

(Acknowledgment)

THE STATE OF TEXAS §

COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of _____, 2016, by _____, _____ of the City of Celina as the act and deed of said City of Celina.

Notary Public, State of Texas

Notary's name, (printed):

Notary's commission expires: _____

Attachment: Offer Letter Deed-204 Arkansas-City (1607 : Delinquent Tax Properties)

EXHIBIT A

204 ARKANSAS STREET S.; BEING LOT 2C, BLOCK 69, OF CELINA ORIGINAL DONATION, AN ADDITION TO THE CITY OF CELINA, COLLIN COUNTY, TEXAS, AS RECORDED IN VOL.1, PAGE 114, OF THE COLLIN COUNTY DEED RECORDS.

Attachment: Offer Letter Deed-204 Arkansas-City (1607 : Delinquent Tax Properties)

Distribution of Proceeds

204 Arkansas St. S, Celina, Texas
R1023069002C1

Cause no.: 401-2192-06
Judgment date: February 5, 2007
Sheriff's sale: February 7, 2012

Taxes in Judgment:	CISD	\$5,761.19
	City	2,742.08
	County	863.66
	CCCCD	<u>312.39</u>
	Total	<u>\$9,679.32</u>

Other Judgment Amounts:	District Clerk Fees	\$1,573.30
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Post Judgment Taxes/Costs:	-
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Minimum Bid at Sale:	\$11,252.62
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Resale price:	\$15,000.00
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Settlement Costs:	
Constable Fee	\$245.62
Publication Fee	80.75
District Clerk Fees	<u>1,573.30</u>
Total Costs:	<u>1,899.67</u>

Proceeds to be Distributed:	<u>\$13,100.33</u>
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Percentage of Judgment Taxes:	135%
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Distributed to Collin County Tax Assessor on Behalf of:

CISD	\$7,797.40
City	3,711.22
County	1,168.91
CCCCD	<u>422.80</u>
Total	<u>\$13,100.33</u>