

**CITY OF LAVON, TEXAS**

**ORDINANCE NO. 2019-08-02**

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

**WHEREAS**, the City of Lavon, Texas (the "City") is authorized by Chapter 372, Texas Local Government Code, as amended (the "PID Act") to create a public improvement district and to levy special assessments against property within the district to pay the costs of public improvement projects that confer a special benefit on property within the district;

**WHEREAS**, on or before January 14, 2019, there was submitted to and filed with the City Secretary of the City pursuant to the PID Act that certain "Petition for the Creation of a Public Improvement District Within the City of Lavon, Texas, for the LakePointe Development" (the "Petition") requesting the establishment of a public improvement district covering approximately 173.037 acres described in the Petition, and to be known as "LakePointe Public Improvement District" (the "District");

**WHEREAS**, the City Council of the City (the "City Council") received the Petition and determined that it satisfied the requirements of the PID Act;

**WHEREAS**, after providing the notices required by the PID Act and by the Texas Open Meetings Act, Chapter 551, Texas Government Code, as amended (the "Open Meetings Act"), on February 2, 2019 the City Council opened, conducted and continued a public hearing, on March 5, 2019 the City Council reopened, conducted and continued the public hearing, and on March 19, 2019 the City Council reopened, conducted and closed the public hearing, to determine the advisability of creating and establishing the District and undertaking the public improvement projects described in the Petition;

**WHEREAS**, all owners of property located within the District and all other interested persons were given the opportunity at such public hearing to speak for or against the creation of the District and the proposed public improvements;

**WHEREAS**, the City Council made findings based on the information contained in the Petition presented to the City Council and the comments received at the public hearing;

**WHEREAS**, the City Council adopted Resolution No. 2019-03-04 on March 19, 2019 (the "Original Authorization Resolution"), authorizing the creation of the District and ordering public improvements to be made for the benefit of such District; and

**WHEREAS**, on July 16, 2019, the City Council approved Resolution No. 2019-07-03 amending the Original Authorization Resolution (as amended, the "Authorization Resolution") regarding the estimated costs of authorized improvements to be assessed against the property in the District; and

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

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

**WHEREAS**, on July 16, 2019, the City Council adopted a resolution determining total costs of certain authorized public improvements, approving a preliminary service and assessment plan, including proposed assessment rolls, and directing the publication and mailing of notice of a public hearing (the "Assessment Hearing") to consider an ordinance levying assessments on property within the District (the "Assessments"); and

**WHEREAS**, the City Secretary filed the proposed Assessment Rolls (defined below) and made the same available for public inspection; and

**WHEREAS**, the City Secretary, pursuant to Section 372.016(c) of the PID Act, mailed the notice of the Assessment Hearing to the last known address of the owners of the property liable for the Assessments; and

**WHEREAS**, the City Secretary, pursuant to Section 372.016(b) of the PID Act, published notice of the Assessment Hearing on July 24, 2019 in the *Wylie News*, a newspaper of general circulation in the City; and

**WHEREAS**, the City Council convened the Assessment Hearing on August 22, 2019, at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Assessment Rolls, and the proposed Assessments, and to offer testimony pertinent to any issue presented on the amount of the Assessments, the allocation of the Actual Costs of the authorized public improvements to be undertaken for the benefit of property within the District (the "Authorized Improvements"), the purposes of the Assessments, the special benefits of the Assessments, and the penalties and interest on annual installments and on delinquent annual installments of the Assessments; and

**WHEREAS**, the owners of 100% of the property subject to the proposed assessment within the District (the "Landowners") had actual knowledge of the Assessment Hearing to be held on August 22, 2019, and support the creation of the District and the levy of assessments against the property in accordance with the Service and Assessment Plan to finance the Authorized Improvements for benefit of the property within the District; and

**WHEREAS**, the City Council finds and determines that the Assessment Rolls and the LakePointe Public Improvement District Service and Assessment Plan dated August 20, 2019 (the

"Service and Assessment Plan"), attached as **Exhibit A** and incorporated as a part of this Ordinance for all purposes, should be approved and that the Assessments should be levied as provided in this Ordinance and the Service and Assessment Plan, including the Assessment Rolls attached thereto as Exhibit F-1 and Exhibit G-1 (the "Assessment Rolls"); and

**WHEREAS**, the City Council further finds that there were no objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of the Actual Costs of the Authorized Improvements as described in the Service and Assessment Plan, the Assessment Rolls, and the levy of the Assessments; and

**WHEREAS**, at the Assessment Hearing, the Landowners, or their representatives, who are the persons to be assessed pursuant to this Ordinance, have indicated their approval and acceptance of the levy of the Assessments against their property located within the District; and

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

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

**Section 1.     Terms.**

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

**Section 2.     Findings.**

The City Council hereby finds, determines, and ordains, as follows:

(a) The recitals set forth in the WHEREAS clauses of this Ordinance are true and correct and are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section and constitute findings of the City Council acting in its discretionary, legislative capacity;

(b) All actions of the City in connection with the creation and establishment of the District and the approval of this Ordinance: (i) have been taken and performed in compliance with the PID Act and all other applicable laws, policies, and procedures; (ii) have been taken and performed in a regular, proper and valid manners; and (iii) are approved and ratified;

(c) The apportionment of the Actual Costs of the Authorized Improvements, including specifically the Improvement Area #1 Improvements and the Major Improvements (as reflected in the Service and Assessment Plan, and the Annual Collection Costs pursuant to the Service and Assessment Plan) is fair and reasonable, reflects an accurate presentation of the special benefit each assessed Parcel will receive from the construction of the Authorized Improvements identified in the Service and Assessment Plan, and is hereby approved;

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

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

(f) All of the Improvement Area #1 Assessed Property being assessed in the amounts shown on the Improvement Area #1 Assessment Roll will be benefited by the Improvement Area #1 Projects proposed to be constructed as described in the Service and Assessment Plan, and each assessed Parcel of Improvement Area #1 Assessed Property will receive special benefits equal to or greater than the total amount assessed for the Improvement Area #1 Projects;

(g) All of the Major Improvement Area Assessed Property being assessed in the amounts shown on the Major Improvement Area Assessment Roll will be benefited by the Major Improvement Area Projects proposed to be constructed as described in the Service and Assessment Plan, and each assessed Parcel of Major Improvement Area Assessed Property will receive special benefits equal to or greater than the total amount assessed for the Major Improvement Area Projects;

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

(i) The Service and Assessment Plan has been prepared on behalf of, presented to, and reviewed by the City Council and should be approved as the service plan and assessment plan for the District for all purposes as described in Sections 372.013 and 372.014 of the PID Act;

(j) The Assessment Rolls should be approved as the Assessment Rolls for the District;

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

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

**Section 3. Service and Assessment Plan.**

The Service and Assessment Plan is hereby accepted and approved pursuant to Sections 372.013 and 372.014 of the PID Act as the service plan and the assessment plan relating to the Authorized Improvements for the District. The Service and Assessment Plan shall be updated by the City Council no less frequently than annually as required by the PID Act and more frequently as may be required by the Service and Assessment Plan including upon the issuance of PID Bonds.

**Section 4. Assessment Rolls.**

The Assessment Rolls are hereby accepted and approved pursuant to Section 372.016 of the PID Act as the Assessment Rolls of the District for all purposes.

**Section 5. Levy and Payment of Assessments for Costs of the Authorized Improvements.**

(a) The City Council hereby levies the Assessments on each Parcel of property (excluding Non-Benefitted Property) located within the District, as shown and described in the Service and Assessment Plan and the Assessment Rolls, in the respective amounts shown in the Service and Assessment Plan as a special assessment as set forth in the Assessment Rolls. The amount of the Annual Installments shall be reviewed and determined annually by the City Council following the City Council's annual review of the Service and Assessment Plan for the District. Pursuant to Section 372.015(d), the amount of assessment for each property owner may be adjusted following the annual review of the Service and Assessment Plan.

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

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

(d) Each Assessment may be prepaid in whole or in part at any time without penalty or may be paid in Annual Installments pursuant to the terms of the Service and Assessment Plan.

(e) Each Assessment shall bear interest at the rate or rates specified in the Service and Assessment Plan.

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

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

**Section 6. Method of Assessment.**

The method of apportioning the Actual Costs of the Authorized Improvements and Annual Collection Costs are set forth in the Service and Assessment Plan.

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

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

**Section 8. Prepayments of Assessments.**

As provided in the Service and Assessment Plan, the owner of any Assessed Property may prepay the Assessments levied by this Ordinance.

**Section 9. Lien Priority.**

(a) The Assessments and Annual Installments levied and assessed against the property within the District as provided in this Ordinance and the Service and Assessment Plan, together with reasonable attorney's fees and costs of collection, if incurred, are, pursuant to the PID Act, a lien upon each tract of property within the District against which the same are levied and assessed, and a personal liability and charge against the owners of such lot, including the successors and assigns, whether such owners be named herein or not, and said liens shall be and constitute the first enforceable lien and claim against the lot on which such assessments are levied, and shall be a first and paramount lien thereon, superior to all other liens and claims except state, county, school district and municipal ad valorem taxes.

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

**Section 10. Applicability of Tax Code.**

To the extent not inconsistent with this Ordinance, and not inconsistent with the PID Act or the other laws governing public improvement districts, the provisions of the Texas Tax Code, as amended, governing enforcement of ad valorem tax liens (other than with respect to property subject to agriculture use valuation, including redemption rights following a tax sale) shall be applicable to the imposition and collection of Assessments by the City, and the Texas Tax Code shall otherwise be applicable to the extent provided by the PID Act.

**Section 11. Filing in Land Records.**

The City Secretary is directed to cause a copy of this Ordinance, including the Service and Assessment Plan and/or the Assessment Rolls, to be recorded in the real property records of Collin County, Texas. The City Secretary is further directed to similarly file each Annual Service Plan Update approved by the City Council.

**Section 12. Severability.**

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

**Section 13. Effective Date.**

This Ordinance shall take effect, and the levy of the Assessments, and the provisions and terms of the Service and Assessment Plan shall be and become effective upon passage and execution hereof.

*(Execution page follows.)*

**PASSED AND APPROVED** on this the 22nd day of August, 2019.

**CITY OF LAVON, TEXAS**



Vicki Sanson, Mayor

**ATTEST:**



Kim Dobbs, City Administrator





**EXHIBIT A**

**Service and Assessment Plan**



# LakePointe Public Improvement District

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## SERVICE AND ASSESSMENT PLAN

AUGUST 20, 2019



AUSTIN, TX | KELLER, TX

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## INTRODUCTION

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

On March 19, 2019, the City Council of the City of Lavon, Texas passed and approved Resolution No. 2019-03-04 authorizing the establishment of the LakePointe Public Improvement District in accordance with Chapter 372, Texas Local Government Code, and on July 16, 2019 the City Council passed and approved Resolution No. 2019-07-03 amending Resolution No. 2019-03-04, which authorization was effective upon publication as required by the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 173.037 acres located within the corporate limits of the City, as described by metes and bounds on **Exhibit A-1** and depicted on **Exhibit B-1**.

The PID Act requires a service plan covering a period of at least five years and defining the annual indebtedness and projected cost of the Authorized Improvements. The Service Plan is contained in **Section IV**.

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

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

## SECTION I: DEFINITIONS

**“Actual Costs”** mean with respect to Authorized Improvements, the Owner’s demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvements, as specified in a payment request in a form that has been reviewed and approved by the City. Actual Costs may include: (1) the costs incurred by or on behalf of the Owner (either directly or through affiliates) for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such Authorized Improvements; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for such Authorized Improvements; (3) construction management fees of up to 4% of costs, if the Owner is serving as the construction manager but not the general contractor; (4) the costs incurred by or on behalf of the Owner for external professional costs, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (5) all labor, bonds, and materials, including equipment and fixtures, by contractors, builders, and materialmen in connection with the acquisition, construction, or implementation of the Authorized Improvements; (6) all related permitting and public approval expenses, architectural, engineering, and consulting fees, taxes, and governmental fees and charges.

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

**“Additional Interest Rate”** means the 0.50% additional interest rate charged on Assessments pursuant to Section 372.018 of the PID Act.

**“Administrator”** means an employee or designee of the City who shall have the responsibilities provided in this Service and Assessment Plan, the Indenture, or any other agreement or document approved by the City related to the duties and responsibilities of the administration of the District. The initial Administrator is P3Works, LLC.

**“Annual Collection Costs”** mean the actual or budgeted costs and expenses related to the creation and operation of the District and the construction of the Authorized Improvements, including, but not limited to, costs and expenses for: (1) the Administrator; (2) City staff; (3) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (4) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (5) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (6) paying and redeeming PID Bonds; (7) investing or depositing Assessments and Annual Installments; (8) complying with this Service and Assessment Plan, the Indentures, and the PID Act with respect to the PID Bonds, including continuing disclosure requirements; (9) the paying agent/registrar and Bond Trustee in connection with PID Bonds, including their respective legal counsel; and (10) administering the construction of the

Authorized Improvements. Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

**“Annual Installment”** means the annual installment payment on the Assessment as calculated by the Administrator and approved by the City Council, that includes: (1) principal; (2) interest; (3) Annual Collection Costs; and (4) Additional Interest.

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

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

**“Assessment”** means an assessment levied against a Parcel within the District and imposed pursuant to an Assessment Ordinance and the provisions of this Service and Assessment Plan, as shown on an Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and in the PID Act.

**“Assessment Ordinance”** means an ordinance adopted by the City Council in accordance with the PID Act that levies an Assessment.

**“Assessment Plan”** assesses the Actual Costs of the Authorized Improvements against the District based on the special benefits conferred on the District by the Authorized Improvements, more specifically described in **Section V**.

**“Assessment Roll”** means the Improvement Area #1 Assessment Roll, and/or the Major Improvement Area Assessment Roll, or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan.

**“Authorized Improvements”** means public improvements of which estimated costs are shown on **Exhibit C**, depicted on **Exhibit H-1** and **Exhibit H-2**, and described in **Section III** as authorized by Section 372.003 of the PID Act.

**“Bond Trustee”** means a trustee (or successor trustee) under the applicable Indenture.

**“City”** means the City of Lavon, Texas.

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

**“County”** means Collin County, Texas.

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

**“District”** means the LakePointe Public Improvement District containing approximately 173.037 acres located within the corporate limits of the City, and more specifically described in **Exhibit A-1** and depicted on **Exhibit B-1**.

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

**“Improvement Area #1”** means approximately 53.425 acres located within the District, more specifically described in **Exhibit A-2** and depicted on **Exhibit B-2**.

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

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

**“Improvement Area #1 Assessment”** means an Assessment levied against a Parcel within Improvement Area #1 and imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on the Improvement Area #1 Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and in the PID Act.

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

**“Improvement Area #1 Bonds”** means those certain “City of Lavon, Texas Special Assessment Revenue Bonds, Series 2019 (LakePointe Public Improvement District Improvement Area #1 Project)” that are secured by Improvement Area #1 Assessments.

**“Improvement Area #1 Improvements”** means the Authorized Improvements which only benefit the Improvement Area #1 Assessed Property and are described in **Section III.A**, shown on **Exhibit C**, and depicted on **Exhibit H-1**.

**“Improvement Area #1 Initial Parcel”** means all Assessed Property located within Improvement Area #1, against which the entire Improvement Area #1 Assessment is levied, as shown on the Improvement Area #1 Assessment Roll.



**“Improvement Area #1 Projects”** means collectively: (1) the pro rata portion of the Major Improvements allocable to Improvement Area #1; (2) the Improvement Area #1 Improvements; and (3) Improvement Area #1’s pro rata share of District Formation and Bond Issuance Costs.

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

**“Lot”** means for any portion of the District for which a final subdivision plat has been recorded in the official public records of the County, a tract of land described by “lot” in such final and recorded subdivision plat.

**“Lot Type”** means a classification of final building Lots with similar characteristics (e.g. commercial, light industrial, multi-family, 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 of the Lot as of the date of the recorded subdivision plat as determined by the Administrator and confirmed by the City Council.

**“Major Improvement Area”** means approximately 119.612 acres located within the District, and more specifically described in **Exhibit A-3** and depicted on **Exhibit B-3**.

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

**“Major Improvement Area Assessed Property”** means any Parcel within the Major Improvement Area against which an Assessment is levied.

**“Major Improvement Area Assessment”** means an assessment levied against a Parcel within the Major Improvement Area and imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on the Major Improvement Area Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and in the PID Act.

**“Major Improvement Area Assessment Roll”** means the Assessment Roll for the Major Improvement Area Assessed Property within the District, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any Annual Service Plan Updates. The Major Improvement Area Assessment Roll is included in this Service and Assessment Plan as **Exhibit G-1**.

**“Major Improvement Area Bonds”** means those certain “City of Lavon, Texas Special Assessment Revenue Bonds, Series 2019 (LakePointe Public Improvement District Major Improvement Area Project)” that are secured by Major Improvement Area Assessments.

**“Major Improvement Area Initial Parcel”** means the all Assessed Property located within the Major Improvement Area, which is more particularly described by metes and bounds on **Exhibit A-3**, against which the entire Major Improvement Area Assessment is levied as shown on Major Improvement Area Assessment Roll.

**“Major Improvement Area Projects”** means collectively: (1) the pro rata portion of the Major Improvements allocable to the Major Improvement Area; and (2) the Major Improvement Area share of the District Formation and Bond Issuance Costs.

**“Major Improvements”** means those Authorized Improvements that confer special benefit to all the Assessed Property within the District, and as further described in **Section III.B.** and depicted on **Exhibit H-2**.

**“Maximum Assessment”** means, for each lot type, the highest practical amount that results in an equivalent tax rate of \$3.09 per \$100 of estimated buildout value for each new Lot Type, taking into consideration the tax rate of all taxing entities, as shown on **Exhibit I**. The Maximum Assessment shall only be calculated upon the filing of a final plat with the City.

**“Non-Benefitted Property”** means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements as determined by the City Council. Property is identified as Non-Benefitted Property at the time the Assessments are (1) imposed or (2) reallocated pursuant to a subdivision of a Parcel that is not assessed.

**“Owner”** means LDC Lavon, LLC, a Texas limited liability company, Lavon LakePointe Development, LLC, a Texas limited liability company, and any successor owner of property in the District or any portion thereof.

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

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

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

**“Prepayment”** means the payment of all or a portion of an Assessment before the due date thereof. Amounts received at the time of a Prepayment which represent a payment of principal,

interest, or penalties on a delinquent installment of an Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Assessment.

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

**“Service and Assessment Plan”** means this LakePointe Public Improvement District Service and Assessment Plan as updated, amended, or supplemented from time to time.

**“Service Plan”** covers a period of at least five years and defines the annual indebtedness and projected costs of the Authorized Improvements.

**“Water Improvements”** means the water facility improvements depicted on **Exhibit H-3-A** and **Exhibit H-3-B** that will serve the District, the cost of which is not reimbursable to the Developer through PID Bond proceeds. The Water Improvements will be owned by the Bear Creek Special Utility District.

## SECTION II: THE DISTRICT

The District includes approximately 173.037 contiguous acres located within the corporate limits of the City, as more particularly described by metes and bounds on **Exhibit A-1** and depicted on **Exhibit B-1**. Development of the District is anticipated to include approximately 700 single-family homes.

Improvement Area #1 includes approximately 53.425 contiguous acres located within the corporate limits of the City, as more particularly described by metes and bounds on **Exhibit A-2** and depicted on **Exhibit B-2**. Development of Improvement Area #1 is anticipated to include approximately 223 single-family homes.

The Major Improvement Area includes approximately 119.612 non-contiguous acres located within the corporate limits of the City, as more particularly described by metes and bounds on **Exhibit A-3** and depicted on **Exhibit B-3**. Development of the Major Improvement Area is anticipated to include approximately 477 single-family homes.

### SECTION III: AUTHORIZED IMPROVEMENTS

The City Council, based on information provided by the Owner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has determined that the costs described below are costs of Authorized Improvements, as defined by the PID Act, that confer a special benefit on the Assessed Property. Allocation of the Authorized Improvements is shown on **Exhibit C**.

#### **A. Improvement Area #1 Improvements**

All Improvement Area #1 Improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

- *Sewer*

Improvements including trench excavation and embedment, trench safety, PVC piping, ductile iron encasement, boring, manholes, service connections, testing, related earthwork, excavation, and erosion control all necessary appurtenances required to provide wastewater service to all Lots within Improvement Area #1.

- *Storm Sewer*

Improvements including earthen channels, swales, curb and drop inlets, RCP piping and boxes, headwalls, concrete flumes, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, and erosion control necessary to provide storm drainage for all Lots in Improvement Area #1.

- *Pavement*

Improvements including subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, testing, handicapped ramps, sidewalks, and streetlights. All related earthwork, excavation, erosion control, retaining walls, intersections, signage, lighting and re-vegetation of all disturbed areas within the right-of-way are included. The street improvements will provide street access to each Lot within the Improvement Area #1.

- *Engineering, Design, Fees, and Construction Management*

Improvements including a 4% construction management fee, and engineering and design (inclusive of any revisions that may be necessary for final approval by the City engineer) of the final construction plans necessary for construction of the Authorized Improvements in Improvement Area #1. Once the final plans are approved, the project engineer shall stamp and mark the plans ready for construction, and ready to be

submitted to duly authorized contractors for bids for the construction of such Authorized Improvements.

## **B. Major Improvements**

All Major Improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

### ▪ *Right of Way*

Within the dedicated streets, all related earthwork, excavation, erosion control, retaining walls, intersections, signage, lighting, sod and irrigation, and re-vegetation of all disturbed areas within the right-of-way are included.

### ▪ *Sewer*

Improvements including trench excavation and embedment, trench safety, PVC piping, ductile iron encasement, boring, manholes, service connections, testing, related earthwork, excavation, erosion control, and all necessary appurtenances required to provide wastewater service to all Lots within the District.

### ▪ *Storm Sewer*

Improvements including earthen channels, swales, curb and drop inlets, RCP piping and boxes, headwalls, concrete flumes, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, erosion control, and all necessary appurtenances to provide storm drainage for all Lots in the District.

### ▪ *Pavement*

Improvements including subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, testing, handicapped ramps, and streetlights. The pavement improvements will provide street access to each Lot within the District.

### ▪ *Engineering, Design, Fees, and Construction Management*

Improvements including a 4% construction management fee, and engineering and design (inclusive of any revisions that may be necessary for final approval by the City engineer) of the final construction plans necessary for construction of the Authorized Improvements constituting Major Improvements. Once the final plans are approved, the project engineer shall stamp and mark the plans ready for construction, and ready to be submitted to duly authorized contractors for bids for the construction of such Authorized Improvements.

- *Hardscape and Landscape*

Improvements consist of installation of landscaping, including irrigation, in open spaces, entryway monuments and signs, establishment and improvement of lakes, park and open space.

- *PID Creation Cost*

Includes legal fees, PID consultant fees, engineering fees and reimbursement of City consulting fees.

### **C. District Formation and Bond Issuance Costs**

- *First Year Annual Collection Costs*

Includes first year District administration reserves, and costs and expenses directly associated with forming the District.

- *Debt Service Reserve Fund*

Equals the amount required under an Indenture in connection with the issuance of a particular series of PID Bonds.

- *Capitalized Interest*

Equals the amount required under an Indenture in connection with the issuance of a particular series of PID Bonds.

- *Underwriter's Discount*

Equals a percentage of the par amount of a particular series of PID Bonds plus a fee for underwriter's counsel.

- *Cost of Issuance*

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

## **SECTION IV: SERVICE PLAN**

The PID Act requires the Service Plan to cover a period of at least five years. The Service Plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the District during the five-year period. The Service Plan must

be reviewed and updated at least annually and approved by the City Council. **Exhibit D** summarizes the Service Plan for the District.

**Exhibit E** summarizes the sources and uses of funds required to construct the Authorized Improvements and pay the District Formation and Bond Issuance Costs. The sources and uses of funds shown on **Exhibit E** shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

## **SECTION V: ASSESSMENT PLAN**

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

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 Owner and all future Owners and developers of the Assessed Property.

### **A. Assessment Methodology for Improvement Area #1**

The City Council, acting in its legislative capacity based on information provided by the Owner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has determined that the costs of the Improvement Area #1 Projects shall be allocated to the Improvement Area #1 Assessed Property by spreading the entire Improvement Area #1 Assessment across all Improvement Area #1 Assessed Property based on the ratio of the estimated build out value of each Parcel designated as Improvement Area #1 Assessed Property to the estimated build out value for all Improvement Area #1 Assessed Property. Currently, the Improvement Area #1 Initial Parcel is the only Parcel within Improvement Area #1, and as such, the Improvement Area #1 Initial Parcel is allocated 100% of the Improvement Area #1 Projects.



## **B. Assessment Methodology for the Major Improvement Area**

The City Council, acting in its legislative capacity based on information provided by the Owner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has determined that the costs of the Major Improvement Area Projects shall be allocated to the Major Improvement Area Assessed Property by spreading the entire Major Improvement Area Assessment across all Major Improvement Area Assessed Property based on the ratio of the estimated build out value of each Parcel designated as Major Improvement Area Assessed Property to the estimated build out value for all Major Improvement Area Assessed Property. Currently the Major Improvement Area Initial Parcel is the only Parcel within the Major Improvement Area, and as such, the Major Improvement Area Initial Parcel is allocated 100% of the Major Improvement Area Projects.

## **C. Assessments**

The Improvement Area #1 Assessment will be levied on the Improvement Area #1 Initial Parcel in the amount shown on the Improvement Area #1 Assessment Roll, attached hereto as **Exhibit F-1**. The projected Improvement Area #1 Annual Installments are shown on **Exhibit F-2**. Upon division or subdivision of the Improvement Area #1 Initial Parcel, Improvement Area #1 Assessment will be reallocated pursuant to **Section VI**.

The Major Improvement Area Assessment will be levied on the Major Improvement Area Initial Parcel in the amount shown on the Major Improvement Area Assessment Roll, attached hereto as **Exhibit G-1**. The projected Major Improvement Area Annual Installments are shown on **Exhibit G-2**. Upon division or subdivision of the Major Improvement Area Initial Parcel, the Major Improvement Area Assessment will be reallocated pursuant to **Section VI**.

## **D. Findings of Special Benefit**

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

- *Improvement Area #1*
  - The costs of the Improvement Area #1 Projects equal \$7,285,204 as shown on **Exhibit C**; and
  - The Improvement Area #1 Assessed Property receives special benefit from the Improvement Area #1 Projects equal to or greater than the Actual Cost of the Improvement Area #1 Projects; and
  - The Improvement Area #1 Initial Parcel will be allocated 100% of the Improvement Area #1 Assessment levied for the Improvement Area #1 Projects, which equals



\$5,365,000 as shown on the Improvement Area #1 Assessment Roll attached hereto as **Exhibit F-1**;

- The special benefit ( $\geq \$7,285,204$ ) received by the Improvement Area #1 Initial Parcel from the Improvement Area #1 Projects is equal to or greater than the amount of the Improvement Area #1 Assessment (\$5,365,000) levied on the Improvement Area #1 Initial Parcel for the Improvement Area #1 Projects; and
- At the time the City Council approved the Service and Assessment Plan, LDC Lavon, LLC owned 100% of the Improvement Area #1 Initial Parcel. LDC Lavon, LLC acknowledged that the Improvement Area #1 Projects confer a special benefit on the Improvement Area #1 Initial Parcel and consented to the imposition of the Improvement Area #1 Assessment to pay for the Actual Costs associated therewith. LDC Lavon, LLC ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described herein and the Assessment Ordinance; (2) the Service and Assessment Plan and the Assessment Ordinance, and (3) the levying of the Improvement Area #1 Assessment on the Improvement Area #1 Initial Parcel.
- *Major Improvement Area*
  - The costs of the Major Improvement Area Projects equal \$2,630,000, as shown on **Exhibit C**; and
  - The Major Improvement Area Assessed Property receives special benefit from the Major Improvement Area Projects equal to or greater than the Actual Cost of the Major Improvement Area Projects; and
  - The Major Improvement Area Initial Parcel will be allocated 100% of the Major Improvement Area Assessment levied for the Major Improvement Area Projects, which equal \$2,630,000 as shown on the Major Improvement Area Assessment Roll attached hereto as **Exhibit G-1**;
  - The special benefit ( $\geq \$2,630,000$ ) received by the Major Improvement Area Initial Parcel from the Major Improvement Area Projects is greater than or equal to the amount of the Major Improvement Area Assessment (\$2,630,000) levied on the Major Improvement Area Initial Parcel for the Major Improvement Area Projects; and
  - At the time the City Council approved the Service and Assessment Plan, LDC Lavon, LLC owned 100% of the Major Improvement Area Initial Parcel. LDC Lavon, LLC acknowledged that the Major Improvement Area Projects confer a special benefit on the Major Improvement Area Initial Parcel and consented to the imposition of

the Major Improvement Area Assessments to pay for the Actual Costs associated therewith. LDC Lavon, LLC has ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described herein and the Assessment Ordinance; (2) the Service and Assessment Plan and the Assessment Ordinance, and (3) the levying of Major Improvement Area Assessment on the Major Improvement Area Initial Parcel.

#### **E. Annual Collection Costs**

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

#### **F. Additional Interest**

The interest rate on Assessments levied on the Assessed Property may exceed the interest rate on the PID Bonds by the Additional Interest Rate. Additional Interest shall be collected as part of each Annual Installment and shall be deposited into a reserve account or accounts and segregated from other funds of the City, pursuant to the Indenture.

### **SECTION VI: TERMS OF THE ASSESSMENTS**

#### **A. Reallocation of Assessments**

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

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

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

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

C = the estimated buildout value of the newly divided Assessed Property

D = the sum of the estimated buildout value for all of the newly divided Assessed Properties

The calculation of the buildout value of an Assessed Property shall be performed by the Administrator and confirmed by the City Council based on information from the Owner, homebuilders, market studies, appraisals, official public records of the County, and any other relevant information regarding the Assessed Property. The calculation as confirmed by the City Council shall be conclusive.

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

## *2. Upon Subdivision by a Recorded Subdivision Plat*

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

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

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Parcel prior to subdivision

C = the sum of the estimated average buildout value of all newly subdivided Lots with same Lot Type

D = the sum of the estimated average buildout value for all of the newly subdivided Lots excluding Non-Benefitted Property

E = the number of Lots with same Lot Type

Prior to the recording of a subdivision plat, the Owner shall provide the City an estimated buildout value as of the date of the recorded subdivision plat for each Lot created by the recorded subdivision plat considering factors such as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, discussions with homebuilders, and any other factors that may impact value. The calculation of the estimated average buildout value for a Lot shall be performed by the Administrator and confirmed by the City Council based on information provided by the Owner, homebuilders, third party consultants, and/or the official public records of the County regarding the Lot.

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

*3. Upon Consolidation*

If two or more Lots or Parcels are consolidated, the Administrator shall allocate the Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be reflected in the next Annual Service Plan Update and approved by the City Council.

**B. Mandatory Prepayment of Assessments**

*1. Transfer to exempt person or entity*

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

*2. Maximum Assessment exceeded at plat*

Prior to the City approving a final subdivision plat, the Administrator will certify that such plat will not result in the Assessment per Lot for any Lot Type to exceed the Maximum Assessment. If the Administrator determines that the resulting Assessment per Lot for any Lot Type will exceed the Maximum Assessment, then (1) the Assessment applicable to each Lot Type shall each be reduced to the Maximum Assessment, and (2) the person or entity filing the plat shall pay to the City the amount the Assessment was reduced, plus Prepayment Costs and Delinquent Collection Costs, if any, prior to the City approving the final plat.

### **C. Reduction of Assessments**

If as a result of cost savings or an Authorized Improvement not being constructed, the Actual Costs of completed Authorized Improvements are less than the Assessments, the City Council shall reduce each Assessment levied to pay the costs of such Authorized Improvements on a pro-rata basis such that the sum of the resulting reduced Assessments for all Assessed Properties equals the reduced Actual Costs. Excess PID Bond proceeds shall be applied to redeem outstanding PID Bonds. The Assessments shall not, however, be reduced to an amount less than the outstanding PID Bonds payable out of such Assessments.

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

### **D. Prepayment of Assessments**

The Owner of the Assessed Property may pay, at any time, all or any part of an Assessment in accordance with the PID Act. Prepayment Costs, if any, may be paid from the Additional Interest. If an Annual Installment has been billed prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment is paid in full, with interest (including penalty interest): (1) the Administrator shall cause the Assessment to be reduced to zero and the Assessment Roll to be revised accordingly; (2) the Administrator shall cause the revised Assessment Roll to be approved by the City Council as part of the next Annual Service Plan Update; (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate; and (4) the City shall provide the Owner with a recordable "Notice of PID Assessment Termination," a form of which is attached hereto as **Exhibit J**.

If an Assessment is paid in part, with interest (including penalty interest): (1) the Administrator shall cause the Assessment to be reduced and the Assessment Roll revised accordingly; (2) the Administrator shall cause the revised Assessment Roll to be approved by the City Council as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment and corresponding Annual Installments shall be reduced.

### **E. Payment of Assessment in Annual Installments**

**Exhibit F-2** shows the estimated Annual Installments for Improvement Area #1, and **Exhibit G-2** shows the estimated Annual Installments for the Major Improvement Area. Assessments that are not paid in full shall be due and payable in Annual Installments. Annual Installments are subject to adjustment in each Annual Service Plan Update.

If any Parcel shown on the Assessment Roll is assigned multiple tax identification numbers, the Annual Installment shall be allocated pro rata based on the acreage of the property as shown by Collin Central Appraisal District for each tax identification number.

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

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

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

Each Annual Installment of an Assessment, including interest on the unpaid principal of the Assessment, shall be updated annually. Each Annual Installment shall be due when billed and shall be delinquent if not paid prior to February 1 of the following year. The initial Annual Installments relating to the PID Bonds shall be due when billed and shall be delinquent if not paid prior to February 1, 2020.

## **SECTION VII: ASSESSMENT ROLL**

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

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

## **SECTION VIII: ADDITIONAL PROVISIONS**

### **A. Calculation Errors**

If the Owner of a Parcel claims that an error has been made in any calculation required by this Service and Assessment Plan, including, but not limited to, any calculation made as part of any Annual Service Plan Update, the Owner's sole and exclusive remedy shall be to submit a written notice of error to the Administrator by December 1<sup>st</sup> of each year following City Council approval of the calculation; otherwise, the Owner shall be deemed to have unconditionally approved and accepted the calculation. Upon receipt of a written notice of error from an Owner the Administrator shall provide a written response to the City Council and the Owner within 30 days of such referral. The City Council shall consider the Owner's notice of error and the Administrator's response at a public meeting, and within 30 days after closing such meeting, the City Council shall make a final determination as to whether an error has been made. If the City Council determines that an error has been made, the City Council shall take such corrective action as is authorized by the PID Act, this Service and Assessment Plan, the Assessment Ordinance, the Indenture, or is otherwise authorized by the discretionary power of the City Council. The determination by the City Council as to whether an error has been made, and any corrective action taken by the City Council, shall be final and binding on the Owner and the Administrator.

### **B. Amendments**

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



### **C. Administration and Interpretation**

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

### **D. Severability**

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



## EXHIBITS

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

<b>Exhibit A-1</b>	District Legal Description
<b>Exhibit A-2</b>	Improvement Area #1 Legal Description
<b>Exhibit A-3</b>	Major Improvement Area Legal Description
<b>Exhibit B-1</b>	Map of the District
<b>Exhibit B-2</b>	Map of Improvement Area #1
<b>Exhibit B-3</b>	Map of Major Improvement Area
<b>Exhibit C</b>	Allocation of Authorized Improvements
<b>Exhibit D</b>	Service Plan
<b>Exhibit E</b>	Sources and Uses of Funds
<b>Exhibit F-1</b>	Improvement Area #1 Assessment Roll
<b>Exhibit F-2</b>	Improvement Area #1 Annual Installments
<b>Exhibit G-1</b>	Major Improvement Area Assessment Roll
<b>Exhibit G-2</b>	Major Improvement Area Annual Installments
<b>Exhibit H-1</b>	Maps of Improvement Area #1 Improvements
<b>Exhibit H-2</b>	Maps of Major Improvements
<b>Exhibit H-3A</b>	Map of Water Improvements 1
<b>Exhibit H-3B</b>	Map of Water Improvements 2
<b>Exhibit I</b>	Maximum Assessment and Tax Rate Equivalent
<b>Exhibit J</b>	Form of Notice of PID Assessment Termination
<b>Exhibit K-1</b>	Debt Service Schedule for Improvement Area #1 Bonds
<b>Exhibit K-2</b>	Debt Service Schedule for Major Improvement Area Bonds

## EXHIBIT A-1 – DISTRICT LEGAL DESCRIPTION

### LEGAL DESCRIPTION

BEING a tract of land situated in the Samuel M. Ranier Survey, Abstract Number 470, in the City of Lavon, Collin County, Texas, being part of a tract of land described in a deed to Meredith M. Roark and Margaret M. Arnold, recorded in Document No. 2010526000533270, in the Deed Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod found at the southeast corner of said Roark and Arnold tract, being the southwest corner of a called 140.22 acre tract of land described in a deed to Petro Hunt, LLC, as recorded in Document No. 20070208000186500, in said Deed Records, also being in the north line of a tract of land described in a deed to Northeast Texas Rural Rail Transportation District, recorded in Volume 5585, Page 2680, in said Deed Records;

THENCE South 72 degrees 03 minutes 07 seconds West, with the south line of said Roark and Arnold tract and the north line of said Northeast Texas Rural Rail Transportation District tract, a distance of 1,656.82 feet to a 1/2-inch iron rod with red cap stamped "PJB SURVEYING" set at the southwest corner of said Roark and Arnold tract, being southeast corner of a 0.478 acre tract of land described in a deed to North Texas Municipal Water District, recorded in Document No. 20121116001469900, in said Deed Records;

THENCE North 23 degrees 30 minutes 56 seconds West, departing the north line of said Northeast Texas Rural Rail Transportation District tract, with the west line of said Roark and Arnold tract, and with the east lines of said 0.478 acre tract and a called 0.91 acre tract described in a deed to Mary Evans, recorded in Document No. 200804070014460, in said Deed Records, a distance of 173.19 feet to a 1/2-inch iron rod found;

THENCE North 01 degree 53 minutes 11 seconds West, continuing with the west line of said Roark and Arnold tract, and with the east lines of said 0.91 acre tract and a called 2.062 acre tract of land described in a deed to Connie S. Miller, recorded in Volume 4001, Page 947, in said Deed Records, a distance of 530.40 feet to a 1/2-inch iron rod found at the northeast corner of said 2.062 acre tract;

THENCE South 84 degrees 43 minutes 14 seconds West, continuing with the west line of said Roark and Arnold tract and with the north line of said 2.062 acre tract, a distance of 236.18 feet to a 1/2-inch iron rod found at the northwest corner of said 2.062 acre tract, being in the east line of a tract of land described as Tract Two in a deed to 78 Straddle, LP, recorded in Volume 5571, Page 3351, in said Deed Records, also being the approximate center of Bois D'Arc Lane (no recording information found);

THENCE North 06 degrees 53 minutes 43 seconds West, continuing with the west line of said Roark and Arnold tract, with the east lines of said Tract Two and a tract of land described as Tract No. 2 in a deed to DPB Investments, LP, recorded in Document No. 20110606000576510, in said Deed Records, and along said Bois D'Arc Lane, a distance of 748.23 feet to a 1/2-inch iron rod with red cap stamped "PJB SURVEYING" set at the northeast corner of said Tract No. 2, being in the south line of a called 2.25 acre tract of land described in a deed to MJKMart, LLC, recorded in Document No. 20120906001115340, in said Deed Records;

THENCE South 89 degrees 16 minutes 47 seconds East, continuing with the west line of said Roark and Arnold tract and with the south line of said 2.25 acre tract, a distance of 64.98 feet to a 1/2-inch iron rod found at the southeast corner of said 2.25 acre tract;

THENCE North 11 degrees 02 minutes 32 seconds West, continuing with the west line of said Roark and Arnold tract and with the east line of said 2.25 acre tract, a distance of 490.85 feet to a 1/2-inch iron rod with red cap stamped "PJB SURVEYING" set at the north corner of said 2.25 acre tract, being in the east line of State Highway 78 (variable width right-of-way);

THENCE North 33 degrees 42 minutes 56 seconds East, continuing with the west line of said Roark and Arnold tract and with the east line of said State Highway 78, a distance of 1,298.45 feet to a 5/8-inch iron rod with TxDOT Aluminum cap found on a non-tangent curve to the left, having a radius of 5,729.57 feet and a central angle of 11 degrees 53 minutes 10 seconds;

THENCE continuing with the west line of said Roark and Arnold tract and the east line of said State Highway 78, and with said curve to the left, an arc distance of 1,188.61 feet (Chord Bearing North 27 degrees 54 minutes 44 seconds East – 1,186.48 feet);

THENCE, South 88 degrees 51 minutes 28 seconds East, departing said east and west lines, for a distance of 167.90 feet;

THENCE, North 33 degrees 46 minutes 49 seconds East, for a distance of 344.38 feet;

THENCE, South 88 degrees 51 minutes 28 seconds East, for a distance of 625.77 feet;

THENCE, North 01 degrees 01 minutes 20 seconds East, for a distance of 9.75 feet;

THENCE, South 88 degrees 58 minutes 40 seconds East, for a distance of 118.86 feet;

THENCE, South 01 degrees 01 minutes 20 seconds West, for a distance of 300.00 feet;

THENCE, South 88 degrees 51 minutes 28 seconds East, for a distance of 580.12 feet, in the east line of said Roark and Arnold tract, being in the west line of called 59.757 acre tract described in a deed to Petro Hunt LLC, records in Document No. 20070208000183240, in said Deed Records;

THENCE South 01 degree 00 minutes 58 seconds West, with the east line of said Roark and Arnold tract, and with the west line of said 59.757 acre tract, a distance of 1,450.63 feet to the southwest corner of said 59.757 acre tract, being in the north line of the aforementioned 140.22 acre tract;

THENCE North 88 degrees 51 minutes 38 seconds West, continuing with the east line of said Roark and Arnold tract and with the north line said 140.22 acre tract, a distance of 871.25 feet to a 1/2-inch iron rod found at the northwest corner of said 140.22 acre tract;

THENCE South 01 degree 09 minutes 20 seconds West, continuing with the east line of said Roark and Arnold tract and with the west line said 140.22 acre tract, a distance of 2,042.77 feet to the POINT OF BEGINNING and containing 173.037 acres of land.

## EXHIBIT A-2 – IMPROVEMENT AREA #1 LEGAL DESCRIPTION

### IMPROVEMENT AREA # 1 LEGAL DESCRIPTION - Lakepointe Phase I

WHEREAS, LDC LAVON, LLC., is the owner of a tract of land situated in the Samuel M. Ranier Survey, Abstract Number 740, in the City of Lavon, Collin County, Texas, being part of a 200.9089 acre tract of land described in Document No. 20180821001049570, in the Deed Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING, at a ½ inch iron rod found at the northerly corner of MJKART tract, as described in Doc. No. 20120906001115340 in said Deed Records, and being in the east line of said Highway 78 (120' R.O.W.) same being in the west line of said 200.9089 acre tract;

THENCE, North 33°42'56" East, along the east line of said Highway 78 and the west line of said 200.9089 acre tract, for a distance of 1289.45 feet, to a 5/8 inch iron found with a Txdot Aluminum cap at the point of curvature of a curve to the left, having a radius of 5729.58, a central angle of 01°15'53";  
THENCE, continuing along said east and west lines and with curve to the left for an arc distance of 126.48 feet (Chord Bearing North 33°13'22" East – 126.48 feet), to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.",

THENCE, South 56°17'04" East, departing said lines, for a distance of 103.06 feet, to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.", at the point of curvature of a curve to the left, having a radius of 975.00 feet, a central angle of 32°34'29";

THENCE, continuing along said curve to the left for an arc distance of 554.32 feet (Chord Bearing South 72°34'19" East – 546.89 feet), to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.", at the point of tangency;

THENCE, South 88°51'33" East, for a distance of 406.13 feet, to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.", at the point of curvature of a curve to the left for an arc distance of 480.00 feet, a central angle of 24°35'24";

THENCE, continuing along said curve to the left for an arc distance of 206.01 feet (Chord Bearing North 78°50'44" East – 204.43 feet), to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.";

THENCE, South 23°26'58" East, for a distance of 170.00 feet, to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.", on a non-tangent curve to the right, having a radius of 650.00 feet, a central angle of 02°37'39";

THENCE, continuing along said curve to the right for an arc distance of 29.81 feet (Chord Bearing South 67°51'51" West – 29.81 feet), to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.";

THENCE, South 07°55'56" East, for a distance of 108.68 feet, to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.",

THENCE, South 01°09'20" West, at 59.54 feet, passing a ½ inch iron rod found at an ell corner in the east line of said 200.9089 acre tract, for a total distance of 339.85 feet, to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.";

THENCE, North 88°51'33" West, departing said east line, for a distance of 120.00 feet, to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.";

THENCE, South 01°09'20" West, for a distance of 10.00 feet, to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.";

THENCE, North 88°51'33" West, for a distance of 546.28 feet, to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.", at the point of curvature of a curve to the right, having a radius of 1550.00 feet, a central angle of 12°48'41";

THENCE, along said curve to the right for an arc distance of 347.70 feet (Chord Bearing North 82°27'13" West – 346.98), to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.";

THENCE, South 14°52'24" West, for a distance of 680.06 feet, to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.", on a non-tangent curve to the left having a radius of 2235.00 feet, a central angle of 13°05'30";

THENCE, along said curve to the left for an arc distance of 510.69 feet (Chord Bearing South 82°18'48" East – 509.58 feet), to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.", at the point of tangency;

THENCE, South 88°51'33" East, for a distance of 365.88 feet, to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.";

THENCE, South 01°08'27" West, for a distance of 120.00 feet, to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.";

THENCE, South 88°51'33" East, for a distance of 7.73 feet, to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.";

THENCE, South 01°08'27" West, for a distance of 340.00 feet, to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.";

THENCE, North 88°51'33" West, for a distance of 7.65 feet, to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.";

THENCE, South 01°08'27" West, for a distance of 120.00 feet, to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.";

THENCE, North 88°51'33" West, for a distance of 365.96 feet, to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.", at the point of curvature of a curve to the right, having a radius of 2815.00 feet, a central angle of 13°57'50";

THENCE, continuing along said curve to the right for an arc distance of 686.07 feet (Chord Bearing North 81°52'38" West – 648.37 feet), to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.", on a non-tangent curve to the right, having a radius of 1800.00 feet, a central angle of 03°50'16";

THENCE, continuing along said curve to the right for an arc distance of 120.57 feet (Chord Bearing North 09°44'11" East – 120.55 feet), to a ½ inch iron rod set with a yellow cap stamped "Corwin Eng. Inc.", on a non-tangent curve to the right, having a radius of 2695.00 feet, a central angle of 04°09'55";

THENCE, continuing along said curve to the right for an arc distance of 195.92 feet (Chord Bearing North  $72^{\circ}34'22''$  West – 195.88 feet), to a ½ inch iron rod set with a yellow cap stamped “Corwin Eng. Inc.”, at the point of reverse curvature of a curve to the left, having a radius of 1200.00 feet, a central angle of  $08^{\circ}36'23''$ ;

THENCE, continuing along said curve to the left for an arc distance of 180.25 feet (Chord Bearing North  $74^{\circ}47'36''$  West – 180.08 feet), to a ½ inch iron rod set with a yellow cap stamped “Corwin Eng. Inc.”, on a non-tangent curve to the right, having a radius of 50.00 feet, a central angle of  $160^{\circ}28'31''$ ;

THENCE, continuing along said curve to the right for an arc distance of 140.04 feet (Chord Bearing North  $45^{\circ}16'41''$  West – 98.55 feet), to a ½ inch iron rod set with a yellow cap stamped “Corwin Eng. Inc.”;

THENCE, North  $89^{\circ}16'47''$  West, for a distance of 179.09 feet, to a ½ inch iron rod set with a yellow cap stamped “Corwin Eng. Inc.”, in the west line of said 200.9089 acre tract;

THENCE, North  $11^{\circ}02'32''$  West, along the west line of said 200.9089 acre tract, for a distance of 490.85 feet, to the POINT OF BEGINNING and containing 53.425 acres of land.



## EXHIBIT A-3 – MAJOR IMPROVEMENT AREA LEGAL DESCRIPTION

### MAJOR IMPROVEMENTS AREA LEGAL DESCRIPTION Lakepointe Phase II (North) & Phase III

WHEREAS, LDC LAVON, LLC., is the owner of a tract of land situated in the Samuel M. Ranier Survey, Abstract Number 740, in the City of Lavon, Collin County, Texas, being part of a 200.9089 acre tract of land described in Document No. 20180821001049570, in the Deed Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING, at a ½ inch iron rod found at the most easterly southeast corner of said 200.9089 acre tract; THENCE, North 88°51'38" West, along a south line of said 200.9089 acre tract, for a distance of 871.25 feet, to a ½ inch iron rod found at an interior ell corner of said 200.9089 acre tract;

THENCE, North 01°09'20" East, for a distance of 59.54 feet, to a point;

THENCE, North 07°55'56" West, for a distance of 108.68 feet, to a point on a non-tangent curve to the left, having a radius of 650.00 feet, a central angle of 02°37'39";

THENCE, along said curve to the left for an arc distance of 29.81 feet (Chord Bearing North 67°51'51" East – 29.81 feet), to a point;

THENCE, North 23°26'58" West, for a distance of 170.00 feet, to a point on a curve to the right, having a radius of 480.00 feet, a central angle of 24°35'24";

THENCE, along said curve to the right for an arc distance of 206.01 feet (Chord Bearing South 78°50'44" West – 204.43 feet), to a point at the point of tangency;

THENCE, North 88°51'33" West, for a distance of 406.13 feet, to a point at the point of curvature of a curve to the right, having a radius of 975.00 feet, a central angle of 32°34'29";

THENCE, with said curve to the right for an arc distance of 554.32 feet (Chord Bearing North 72°34'19" West – 546.89 feet), to a point at the point of tangency;

THENCE, North 56°17'04" West, for a distance of 103.06 feet, to a point in the east line of said Highway 78 (120' R.O.W.) and the west line of said 200.9089 acre tract, being on a curve to the left, having a radius of 5729.58 feet, a central angle of 10°36'49";

THENCE, continuing along said east and west lines and with said curve to the left for an arc distance of 1061.36 feet (Chord Bearing North 27°17'01" East – 1059.84 feet), to a point;

THENCE, South 88°51'33" East, departing said east and west lines, for a distance of 168.46 feet, to a point;

THENCE, North 33°46'44" East, for a distance of 344.38 feet, to a point;

THENCE, South 88°51'33" East, for a distance of 624.63 feet, to a point;

THENCE, North 01°01'15" East, for a distance of 9.75 feet, to a point;

THENCE, South 88°58'45" East, for a distance of 120.00 feet, to a point;

THENCE, South 01°01'15" West, for a distance of 300.00 feet, to a point;

THENCE, South 88°51'33" East, for a distance of 579.95 feet, to a point in the east line of said 200.9089 acre tract;

THENCE, South 01°00'58" West, along the east line of said 200.9089 acre tract, for a distance of 1449.67 feet, to the POINT OF BEGINNING and containing 62.157 acres of land.

**LEGAL DESCRIPTION**  
**Lakepointe Phase II (South)**

WHEREAS, LDC LAVON, LLC., is the owner of a tract of land situated in the Samuel M. Ranier Survey, Abstract Number 740, in the City of Lavon, Collin County, Texas, being part of a 200.9089 acre tract of land described in Document No. 20180821001049570, in the Deed Records of Collin County, Texas, and being more particularly described as follows:

BEGINNING, at a ½ inch iron rod found at the southeast corner of said 200.9089 acre tract, also being in the north line of a tract of land described in a deed to Northeast Texas Rural Rail Transportation District, recorded in Volume 5585, Page 2680, in said Deed Records;

THENCE, South 72°03'07" West, along the south line of said 200.9089 acre and the north line of said Northeast Texas Rural Rail Transportation District, for a distance of 1656.82 feet, to a ½ inch iron rod found at the most southerly southwest corner of said 200.9089 acre tract;

THENCE, North 23°30'56" West, departing said north line and along the west line of said 200.9089 acre tract, for a distance of 173.19 feet, to a ½ inch iron rod found;

THENCE, North 01°53'11" West, continuing along said west line, for a distance of 530.40 feet, to a ½ inch iron rod found;

THENCE, South 84°43'14" West, continuing along said west line, for a distance of 236.18 feet, to a ½ inch iron rod found;

THENCE, North 06°53'43" West, continuing along said west line, for a distance of 748.23 feet, to a ½ inch iron rod found;

THENCE, South 89°16'47" East, continuing along said west line, at 64.98 feet passing a ½ inch iron rod found at an interior ell corner of said 200.9089 acre tract and continuing for a total distance of 244.07 feet, to a point being on a non-tangent curve to the left, having a radius of 50.00 feet, a central angle of 160°28'31";

THENCE, continuing along said curve to the left for an arc distance of 140.04 feet (Chord Bearing South 45°16'41" East – 98.55 feet), to a point on a curve to the right, having a radius of 1200.00 feet, a central angle of 08°36'23";

THENCE, continuing along said curve to the right for an arc distance of 180.25 feet (Chord Bearing South 74°47'36" East – 180.08 feet), to a point at the point of reverse curvature of a curve to the left, having a radius of 2695.00 feet, a central angle of 04°09'55";

THENCE, continuing along said curve to the left for an arc distance of 195.92 feet (Chord Bearing South 72°34'22" East – 195.88 feet), to a point on a non-tangent curve to the left, having a radius of 1800.00 feet, a central angle of 03°50'16";

THENCE, continuing along said curve to the left for an arc distance of 120.57 feet (Chord Bearing South 09°44'11" West – 120.55 feet), to a point on a curve to the left, having a radius of 2815.00 feet, a central angle of 13°57'50";



THENCE, continuing along said curve to the left for an arc distance of 686.07 feet (Chord Bearing South 81°52'38" East – 648.37 feet), to a point at the point of tangency;

THENCE, South 88°51'33" East, for a distance of 365.96 feet, to a point;

THENCE, North 01°08'27" East, for a distance of 120.00 feet, to a point;

THENCE, South 88°51'33" East, for a distance of 7.65 feet, to a point;

THENCE, North 01°08'27" East, for a distance of 340.00 feet, to a point;

THENCE, North 88°51'33" West, for a distance of 7.73 feet, to a point;

THENCE, North 01°08'27" East, for a distance of 120.00 feet, to a point;

THENCE, North 88°51'33" West, for a distance of 365.88 feet, to a point of curvature of a curve to the right, having a radius of 2235.00 feet, a central angle of 13°05'30";

THENCE, along said curve to the right for an arc distance of 510.69 feet (Chord Bearing North 82°18'48" West – 509.58 feet), to a point;

THENCE, North 14°52'24" East, for a distance of 680.06 feet, to a point on a curve to the left, having a radius of 1550.00 feet, a central angle of 12°48'41";

THENCE, along said curve to the left for an arc distance of 347.70 feet (Chord Bearing South 82°27'13" East – 346.98 feet), to a point at the point of tangency;

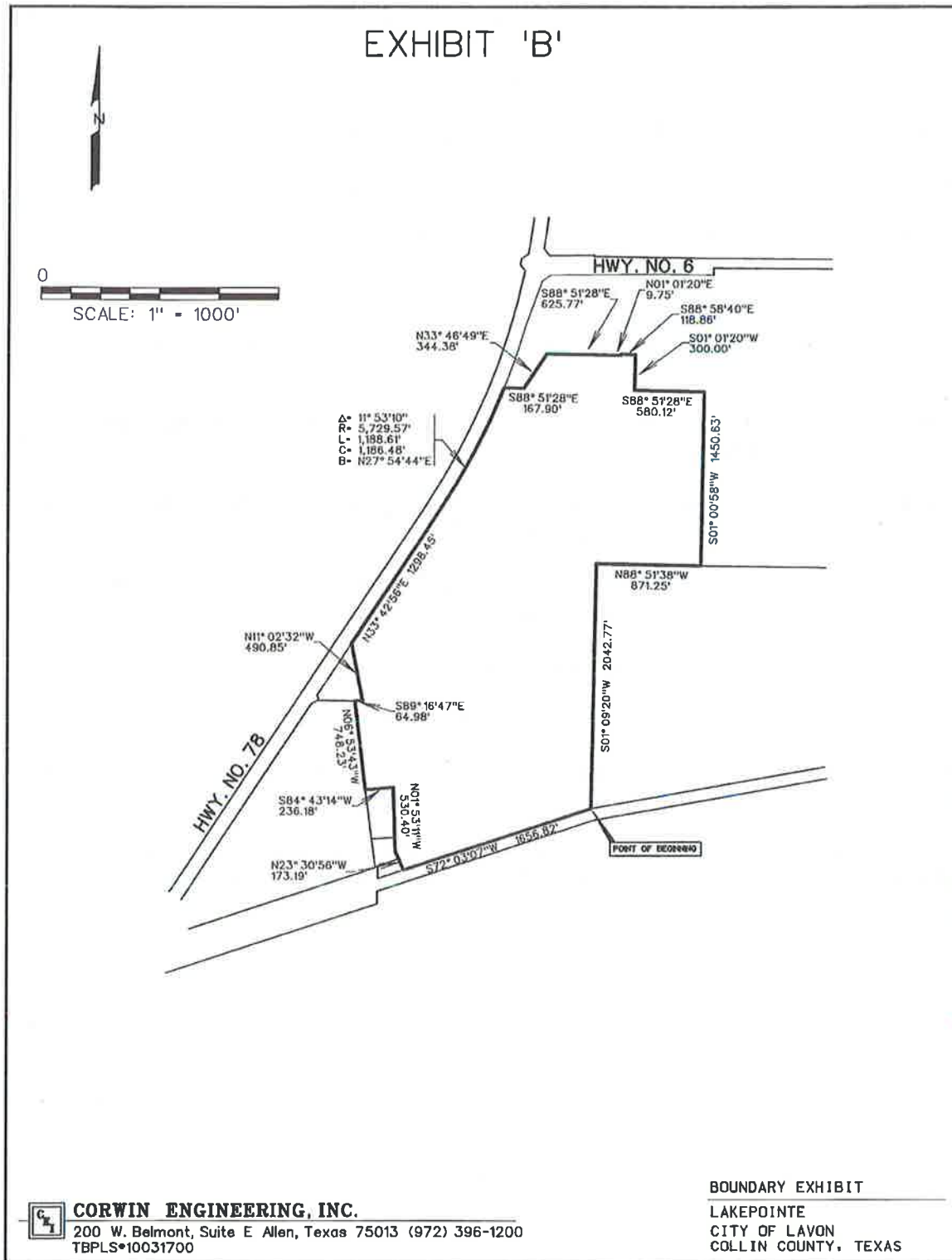
THENCE, South 88°51'33" East, for a distance of 546.28 feet, to a point;

THENCE, North 01°09'20" East, for a distance of 10.00 feet, to a point;

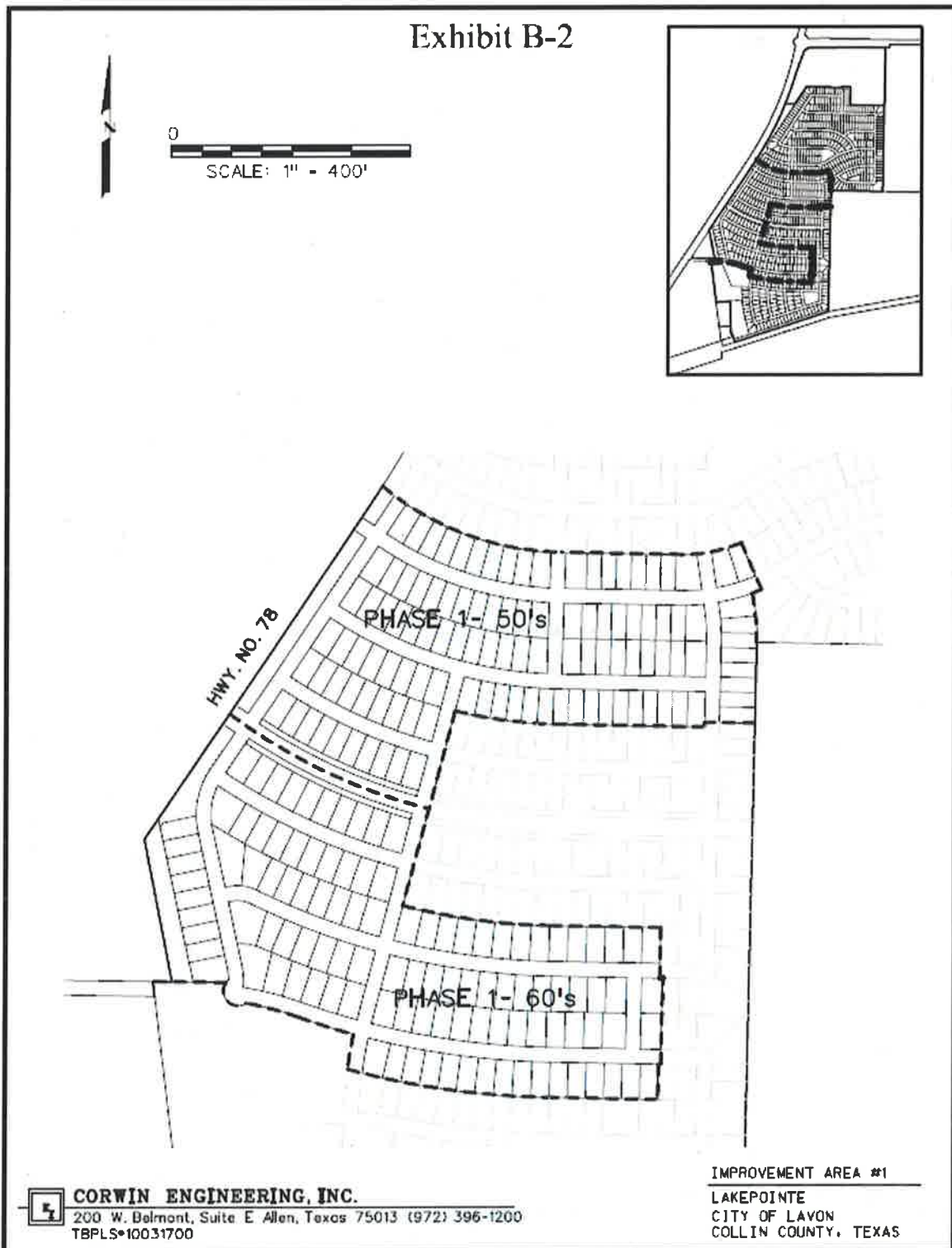
THENCE, South 88°51'33" East, for a distance of 120.00 feet, to a point in the east line of said 200.9089 acre tract;

THENCE, South 01°09'20" West, along the east line of said 200.9089 acre tract, for a distance of 1762.46 feet, to the POINT OF BEGINNING and containing 57.455 acres of land.

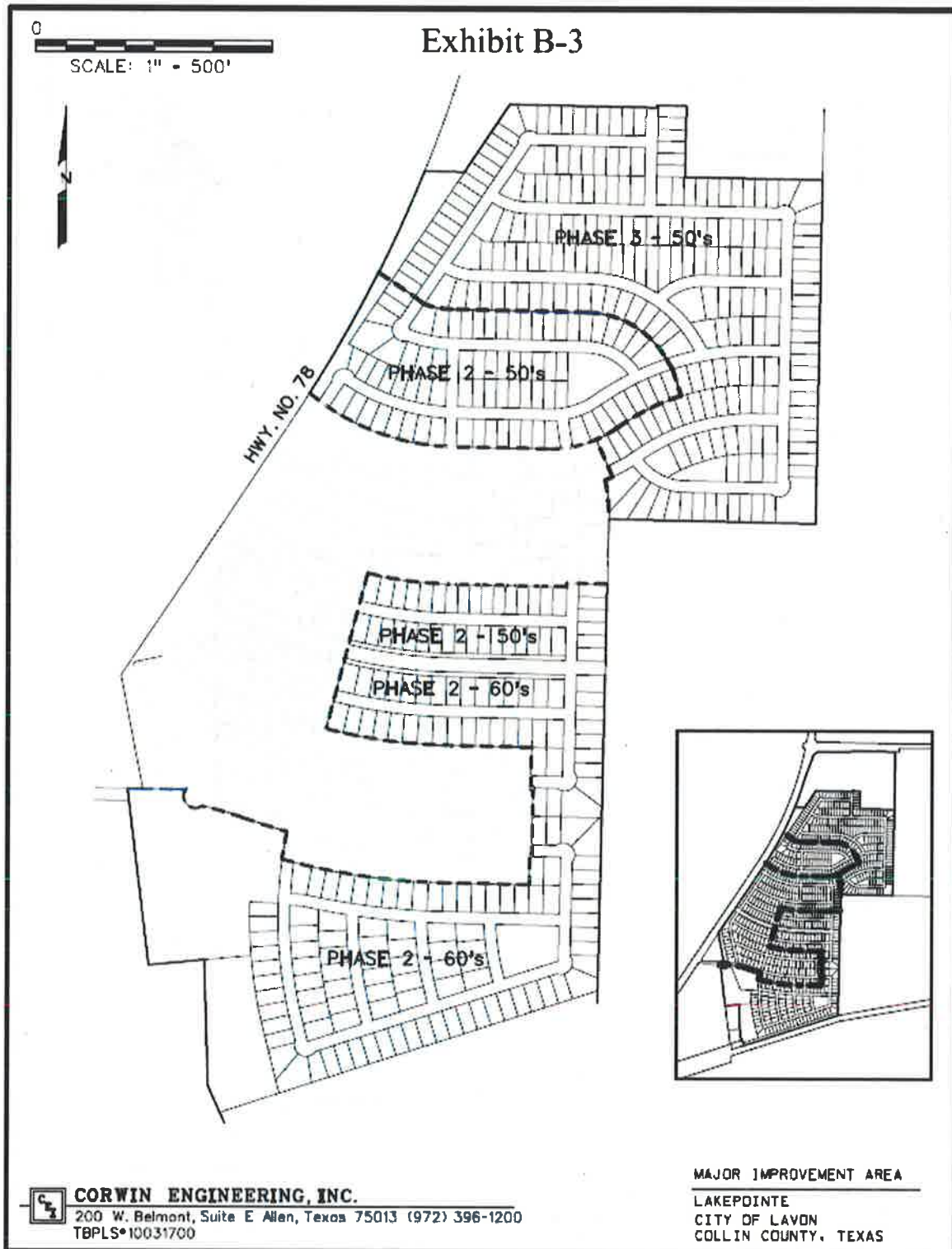
## EXHIBIT B-1 – MAP OF THE DISTRICT



## EXHIBIT B-2 – MAP OF IMPROVEMENT AREA #1



## EXHIBIT B-3 – MAP OF MAJOR IMPROVEMENT AREA



## EXHIBIT C – ALLOCATION OF AUTHORIZED IMPROVEMENTS

	Total Costs		Improvement Area #1		Major Improvement Area	
			%	Cost	%	Cost
<b>Improvement Area #1 Improvements</b>						
Sewer	\$ 538,770		100.00%	\$ 538,770	0.00%	\$ -
Storm Sewer	1,224,000		100.00%	1,224,000	0.00%	-
Pavement	1,761,738		100.00%	1,761,738	0.00%	-
Engineering, Design, Fees and Construction Management	1,250,054		100.00%	1,250,054	0.00%	-
	<u>\$ 4,774,562</u>			<u>\$ 4,774,562</u>		<u>\$ -</u>
<b>Major Improvements<sup>1</sup></b>						
Right of Way <sup>2</sup>	\$ 479,955		100.00%	\$ 479,955	0.00%	\$ -
Sewer <sup>3</sup>	1,038,148		32.22%	334,516	67.78%	703,632
Storm Sewer	30,000		32.22%	9,667	67.78%	20,333
Pavement	632,350		32.22%	203,758	67.78%	428,592
Engineering, Design, Fees and Construction Management	216,457		32.22%	69,748	67.78%	146,709
Hardscape and Landscape	621,000		32.22%	200,101	67.78%	420,899
PID Creation Cost	485,000		32.22%	156,278	67.78%	328,722
	<u>\$ 3,502,910</u>			<u>\$ 1,454,023</u>		<u>\$ 2,048,887.50</u>
<b>District Formation and Bond Issuance Costs</b>						
1st Year Collection Costs	\$ 60,000			\$ 30,000		\$ 30,000
Debt Service Reserve Fund	512,713			334,400		178,313
Capitalized Interest	354,532			226,932		127,600
Underwriter Discount	239,850			160,950		78,900
Cost of Issuance	466,295			300,936		165,359
Rounding Amount	4,343			3,401		942
	<u>\$ 1,637,732</u>			<u>\$ 1,056,619</u>		<u>\$ 581,113</u>
<b>Total</b>	<b>\$ 9,915,205</b>			<b>\$ 7,285,204</b>		<b>\$ 2,630,000</b>

**Notes:**

<sup>1</sup>Major Improvements are allocated to each Improvement Area based on that Improvement Area's pro rata share of the total buildout value.

<sup>2</sup>Right of Way cost in Improvement Area #1 per Appraisal of Real Property LakePointe Public Improvement District East side of SH-78, south of FM-6.

<sup>3</sup>The Bear Creek Trunk Sewer is oversized to provide sewer to property outside of the District, and the oversized portion is not allocated to Assessed Property. Per the Developer, of the entire cost of the sewer, only \$1,038,148 benefits the District and is considered an Authorized Improvement Cost.

# EXHIBIT D – SERVICE PLAN

Improvement Area #1		1/31/2020	1/31/2021	1/31/2022	1/31/2023	1/31/2024
<b>Installments Due</b>						
<i>Improvement Area #1 Bonds</i>						
Principal		\$ -	\$ 100,000	\$ 105,000	\$ 110,000	\$ 115,000
Interest		226,932	228,200	224,700	221,025	217,175
Capitalized Interest		(226,932)	-	-	-	-
Total Debt Service on IA #1 Bonds	(1)	\$ -	\$ 328,200	\$ 329,700	\$ 331,025	\$ 332,175
Annual Collection Costs	(2)	\$ 30,600	\$ 31,212	\$ 31,836	\$ 32,473	\$ 33,122
Additional Interest Reserve	(3)	\$ 27,925	\$ 26,825	\$ 26,325	\$ 25,800	\$ 25,250
<b>Total Improvement Area #1 Annual Installment</b>	<b>(4) = (1) + (2) + (3)</b>	<b>\$ 58,525</b>	<b>\$ 386,237</b>	<b>\$ 387,861</b>	<b>\$ 389,298</b>	<b>\$ 390,547</b>

Major Improvement Area		1/31/2020	1/31/2021	1/31/2022	1/31/2023	1/31/2024
<b>Installments Due</b>						
<i>Major Improvement Area Bonds</i>						
Principal		\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 55,000
Interest		127,600	128,313	126,125	123,938	121,750
Capitalized Interest		(127,600)	-	-	-	-
Total Debt Service on MIA Bonds	(1)	\$ -	\$ 178,313	\$ 176,125	\$ 173,938	\$ 176,750
Annual Collection Costs	(2)	\$ 30,600	\$ 31,212	\$ 31,836	\$ 32,473	\$ 33,122
Additional Interest Reserve	(3)	\$ 13,475	\$ 13,150	\$ 12,900	\$ 12,650	\$ 12,400
<b>Total Major Improvement Area Installment</b>	<b>(4) = (1) + (2) + (3)</b>	<b>\$ 44,075</b>	<b>\$ 222,675</b>	<b>\$ 220,861</b>	<b>\$ 219,060</b>	<b>\$ 222,272</b>



## EXHIBIT E – SOURCES AND USES OF FUNDS

	Improvement Area #1	Major Improvement Area
Sources of Funds		
Bond Par Amount	\$ 5,365,000	\$ 2,630,000
Original Issue Discount	(11,306)	-
Owner Contribution <sup>1</sup>	1,931,510	-
Owner Advance <sup>2</sup>	1,480,000	-
Developer Water Improvement Cash Contribution <sup>1</sup>	-	1,741,518
<b>Total Sources</b>	<b>\$ 8,765,204</b>	<b>\$ 4,371,518</b>
Uses of Funds		
Deposit to Project Fund	\$ 4,297,075	\$ 2,048,887
Deposit to Landowner Improvement Account	3,411,510	-
	<b>\$ 7,708,585</b>	<b>\$ 2,048,887</b>
Developer Water Improvement Private Cost	\$ -	\$ 1,741,518
	<b>\$ -</b>	<b>\$ 1,741,518</b>
<i>District Formation and Bond Issuance Costs</i>		
1st Year Annual Collection Costs	\$ 30,000	\$ 30,000
Debt Service Reserve Fund	334,400	178,313
Capitalized Interest	226,932	127,600
Underwriter Discount	160,950	78,900
Cost of Issuance	300,936	165,359
Rounding Amount	3,401	942
	<b>\$ 1,056,619</b>	<b>\$ 581,113</b>
<b>Total Uses</b>	<b>\$ 8,765,204</b>	<b>\$ 4,371,518</b>

**Notes:**

<sup>1</sup>Not reimbursable to Owner

<sup>2</sup>Reimbursable to Owner per the terms of the Improvement Area #1 Reimbursement Obligation.

## EXHIBIT F-1 – IMPROVEMENT AREA #1 ASSESSMENT ROLL

Parcel ID	Property Description	Outstanding Assessment	Annual Installment Due 1/31/20
2663916*	Improvement Area #1 Initial Parcel	\$ 5,365,000.00	\$ 58,525.00
	<b>Total</b>	<b>\$ 5,365,000.00</b>	<b>\$ 58,525.00</b>

\* 53.425 acres of Parcel ID 2663916 is the Improvement Area #1 Initial Parcel



## EXHIBIT F-2 – IMPROVEMENT AREA #1 ANNUAL INSTALLMENTS

Installments Due	Principal	Interest	Additional Interest Reserve	Capitalized Interest	Reserve Fund Release	Annual Collection Costs	Total Installment
1/31/2020	\$ -	\$ 226,932.22	\$ 27,925.00	\$ (226,932.22)	\$ -	\$ 30,600.00	\$ 58,525.00
1/31/2021	\$ 100,000.00	\$ 228,200.00	\$ 26,825.00	\$ -	\$ -	\$ 31,212.00	\$ 386,237.00
1/31/2022	\$ 105,000.00	\$ 224,700.00	\$ 26,325.00	\$ -	\$ -	\$ 31,836.24	\$ 387,861.24
1/31/2023	\$ 110,000.00	\$ 221,025.00	\$ 25,800.00	\$ -	\$ -	\$ 32,472.96	\$ 389,297.96
1/31/2024	\$ 115,000.00	\$ 217,175.00	\$ 25,250.00	\$ -	\$ -	\$ 33,122.42	\$ 390,547.42
1/31/2025	\$ 115,000.00	\$ 213,150.00	\$ 24,675.00	\$ -	\$ -	\$ 33,784.87	\$ 386,609.87
1/31/2026	\$ 120,000.00	\$ 208,837.50	\$ 24,100.00	\$ -	\$ -	\$ 34,460.57	\$ 387,398.07
1/31/2027	\$ 125,000.00	\$ 204,337.50	\$ 23,500.00	\$ -	\$ -	\$ 35,149.78	\$ 387,987.28
1/31/2028	\$ 130,000.00	\$ 199,650.00	\$ 22,875.00	\$ -	\$ -	\$ 35,852.78	\$ 388,377.78
1/31/2029	\$ 135,000.00	\$ 194,775.00	\$ 22,225.00	\$ -	\$ -	\$ 36,569.83	\$ 388,569.83
1/31/2030	\$ 140,000.00	\$ 189,712.50	\$ 21,550.00	\$ -	\$ -	\$ 37,301.23	\$ 388,563.73
1/31/2031	\$ 145,000.00	\$ 183,762.50	\$ 20,850.00	\$ -	\$ -	\$ 38,047.25	\$ 387,659.75
1/31/2032	\$ 150,000.00	\$ 177,600.00	\$ 20,125.00	\$ -	\$ -	\$ 38,808.20	\$ 386,533.20
1/31/2033	\$ 160,000.00	\$ 171,225.00	\$ 19,375.00	\$ -	\$ -	\$ 39,584.36	\$ 390,184.36
1/31/2034	\$ 165,000.00	\$ 164,425.00	\$ 18,575.00	\$ -	\$ -	\$ 40,376.05	\$ 388,376.05
1/31/2035	\$ 170,000.00	\$ 157,412.50	\$ 17,750.00	\$ -	\$ -	\$ 41,183.57	\$ 386,346.07
1/31/2036	\$ 180,000.00	\$ 150,187.50	\$ 16,900.00	\$ -	\$ -	\$ 42,007.24	\$ 389,094.74
1/31/2037	\$ 185,000.00	\$ 142,537.50	\$ 16,000.00	\$ -	\$ -	\$ 42,847.39	\$ 386,384.89
1/31/2038	\$ 195,000.00	\$ 134,675.00	\$ 15,075.00	\$ -	\$ -	\$ 43,704.34	\$ 388,454.34
1/31/2039	\$ 205,000.00	\$ 126,387.50	\$ 14,100.00	\$ -	\$ -	\$ 44,578.42	\$ 390,065.92
1/31/2040	\$ 210,000.00	\$ 117,675.00	\$ 13,075.00	\$ -	\$ -	\$ 45,469.99	\$ 386,219.99
1/31/2041	\$ 220,000.00	\$ 108,225.00	\$ 12,025.00	\$ -	\$ -	\$ 46,379.39	\$ 386,629.39
1/31/2042	\$ 230,000.00	\$ 98,325.00	\$ 10,925.00	\$ -	\$ -	\$ 47,306.98	\$ 386,556.98
1/31/2043	\$ 240,000.00	\$ 87,975.00	\$ 9,775.00	\$ -	\$ -	\$ 48,253.12	\$ 386,003.12
1/31/2044	\$ 255,000.00	\$ 77,175.00	\$ 8,575.00	\$ -	\$ -	\$ 49,218.18	\$ 389,968.18
1/31/2045	\$ 265,000.00	\$ 65,700.00	\$ 7,300.00	\$ -	\$ -	\$ 50,202.54	\$ 388,202.54
1/31/2046	\$ 280,000.00	\$ 53,775.00	\$ 5,975.00	\$ -	\$ -	\$ 51,206.59	\$ 390,956.59
1/31/2047	\$ 290,000.00	\$ 41,175.00	\$ 4,575.00	\$ -	\$ -	\$ 52,230.73	\$ 387,980.73
1/31/2048	\$ 305,000.00	\$ 28,125.00	\$ 3,125.00	\$ -	\$ -	\$ 53,275.34	\$ 389,525.34
1/31/2049	\$ 320,000.00	\$ 14,400.00	\$ 1,600.00	\$ -	\$ (334,400.00)	\$ 54,340.85	\$ 55,940.85
<b>Total</b>	<b>\$ 5,365,000.00</b>	<b>\$ 4,429,257.22</b>	<b>\$ 506,750.00</b>	<b>\$ (226,932.22)</b>	<b>\$ (334,400.00)</b>	<b>\$ 1,241,383.22</b>	<b>\$ 10,981,058.22</b>

Note: The figures shown above are estimates only and subject to change in annual service plan updates. Changes in administrative expenses, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT G-1 – MAJOR IMPROVEMENT AREA ASSESSMENT ROLL

Parcel ID	Property Description	Outstanding Assessment	Annual Installment Due 1/31/20
2663916*	Major Improvement Area Initial Parcel	\$ 2,630,000.00	\$ 44,075.00
	<b>Total</b>	<b>\$ 2,630,000.00</b>	<b>\$ 44,075.00</b>

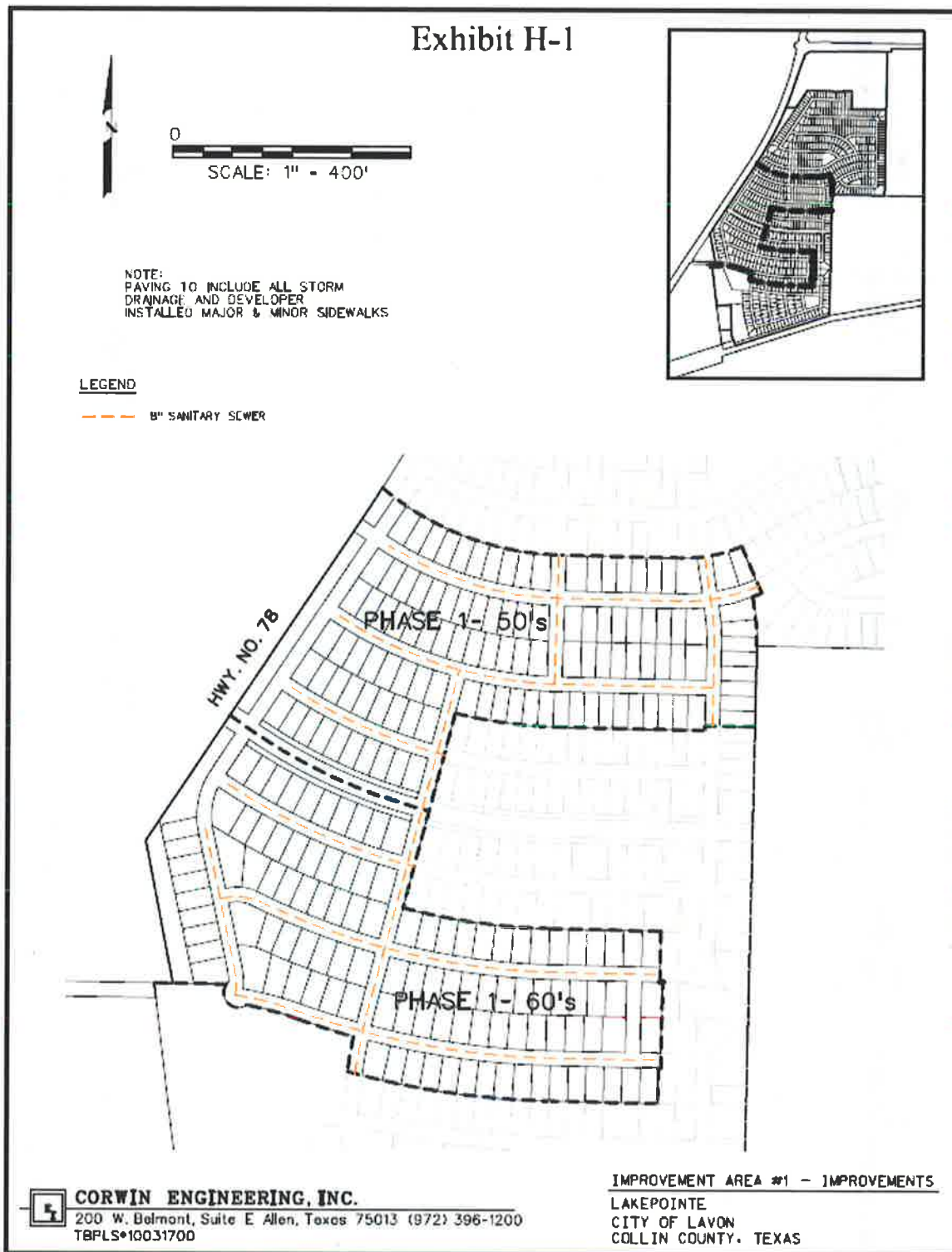
\* 119.612 acres of Parcel ID 2663916 is the Major Improvement Area Initial Parcel.

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

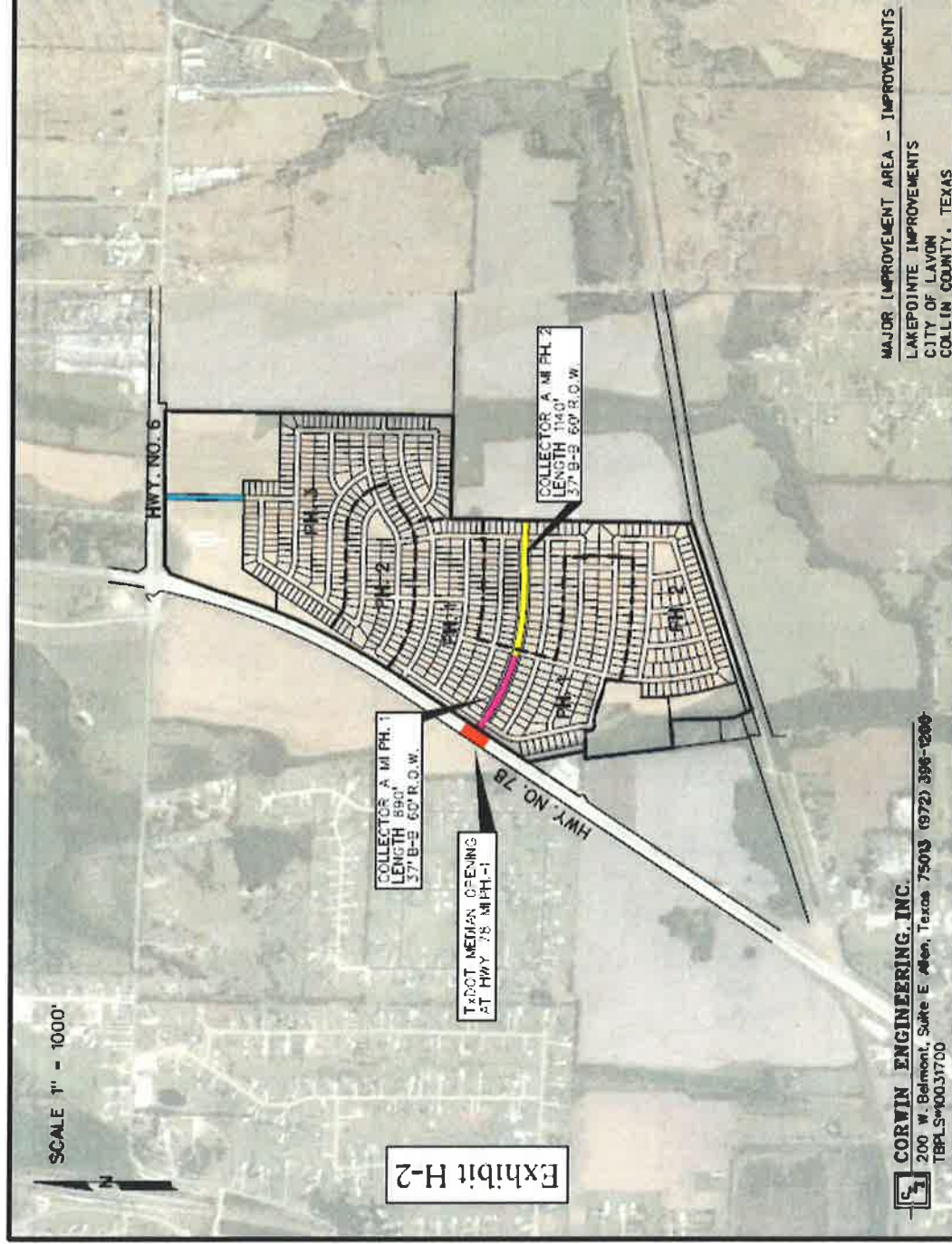
Installments Due	Principal	Interest	Additional Interest Reserve	Capitalized Interest	Reserve Fund Release	Annual Collection Costs	Total Installment
1/31/2020	\$ -	\$ 127,599.65	\$ 13,475.00	\$ (127,599.65)	-	\$ 30,600.00	\$ 44,075.00
1/31/2021	\$ 50,000.00	\$ 128,312.50	\$ 13,150.00	-	-	\$ 31,212.00	\$ 222,674.50
1/31/2022	\$ 50,000.00	\$ 126,125.00	\$ 12,900.00	-	-	\$ 31,836.24	\$ 220,861.24
1/31/2023	\$ 50,000.00	\$ 123,937.50	\$ 12,650.00	-	-	\$ 32,472.96	\$ 219,060.46
1/31/2024	\$ 55,000.00	\$ 121,750.00	\$ 12,400.00	-	-	\$ 33,122.42	\$ 222,272.42
1/31/2025	\$ 55,000.00	\$ 119,343.76	\$ 12,125.00	-	-	\$ 33,784.87	\$ 220,253.63
1/31/2026	\$ 60,000.00	\$ 116,937.50	\$ 11,850.00	-	-	\$ 34,460.57	\$ 223,248.07
1/31/2027	\$ 60,000.00	\$ 114,312.50	\$ 11,550.00	-	-	\$ 35,149.78	\$ 221,012.28
1/31/2028	\$ 65,000.00	\$ 111,687.50	\$ 11,250.00	-	-	\$ 35,852.78	\$ 223,790.28
1/31/2029	\$ 65,000.00	\$ 108,843.76	\$ 10,925.00	-	-	\$ 36,569.83	\$ 221,338.59
1/31/2030	\$ 65,000.00	\$ 106,000.00	\$ 10,600.00	-	-	\$ 37,301.23	\$ 218,901.23
1/31/2031	\$ 70,000.00	\$ 102,750.00	\$ 10,275.00	-	-	\$ 38,047.25	\$ 221,072.25
1/31/2032	\$ 75,000.00	\$ 99,250.00	\$ 9,925.00	-	-	\$ 38,808.20	\$ 222,983.20
1/31/2033	\$ 75,000.00	\$ 95,500.00	\$ 9,550.00	-	-	\$ 39,584.36	\$ 219,634.36
1/31/2034	\$ 80,000.00	\$ 91,750.00	\$ 9,175.00	-	-	\$ 40,376.05	\$ 221,301.05
1/31/2035	\$ 85,000.00	\$ 87,750.00	\$ 8,775.00	-	-	\$ 41,183.57	\$ 222,708.57
1/31/2036	\$ 85,000.00	\$ 83,500.00	\$ 8,350.00	-	-	\$ 42,007.24	\$ 218,857.24
1/31/2037	\$ 90,000.00	\$ 79,250.00	\$ 7,925.00	-	-	\$ 42,847.39	\$ 220,022.39
1/31/2038	\$ 95,000.00	\$ 74,750.00	\$ 7,475.00	-	-	\$ 43,704.34	\$ 220,929.34
1/31/2039	\$ 100,000.00	\$ 70,000.00	\$ 7,000.00	-	-	\$ 44,578.42	\$ 221,578.42
1/31/2040	\$ 105,000.00	\$ 65,000.00	\$ 6,500.00	-	-	\$ 45,469.99	\$ 221,969.99
1/31/2041	\$ 110,000.00	\$ 59,750.00	\$ 5,975.00	-	-	\$ 46,379.39	\$ 222,104.39
1/31/2042	\$ 115,000.00	\$ 54,250.00	\$ 5,425.00	-	-	\$ 47,306.98	\$ 221,981.98
1/31/2043	\$ 120,000.00	\$ 48,500.00	\$ 4,850.00	-	-	\$ 48,253.12	\$ 221,603.12
1/31/2044	\$ 125,000.00	\$ 42,500.00	\$ 4,250.00	-	-	\$ 49,218.18	\$ 220,968.18
1/31/2045	\$ 130,000.00	\$ 36,250.00	\$ 3,625.00	-	-	\$ 50,202.54	\$ 220,077.54
1/31/2046	\$ 140,000.00	\$ 29,750.00	\$ 2,975.00	-	-	\$ 51,206.59	\$ 223,931.59
1/31/2047	\$ 145,000.00	\$ 22,750.00	\$ 2,275.00	-	-	\$ 52,230.73	\$ 222,255.73
1/31/2048	\$ 150,000.00	\$ 15,500.00	\$ 1,550.00	-	-	\$ 53,275.34	\$ 220,325.34
1/31/2049	\$ 160,000.00	\$ 8,000.00	\$ 800.00	-	\$ (178,312.50)	\$ 54,340.85	\$ 44,828.35
<b>Total</b>	<b>\$ 2,630,000.00</b>	<b>\$ 2,471,599.67</b>	<b>\$ 249,550.00</b>	<b>\$ (127,599.65)</b>	<b>\$ (178,312.50)</b>	<b>\$ 1,241,383.22</b>	<b>\$ 6,286,620.74</b>

Note: The figures shown above are estimates only and subject to change in annual service plan updates. Changes in administrative expenses, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

## EXHIBIT H-1 – MAPS OF IMPROVEMENT AREA #1 IMPROVEMENTS



## EXHIBIT H-2 – MAPS OF MAJOR IMPROVEMENTS





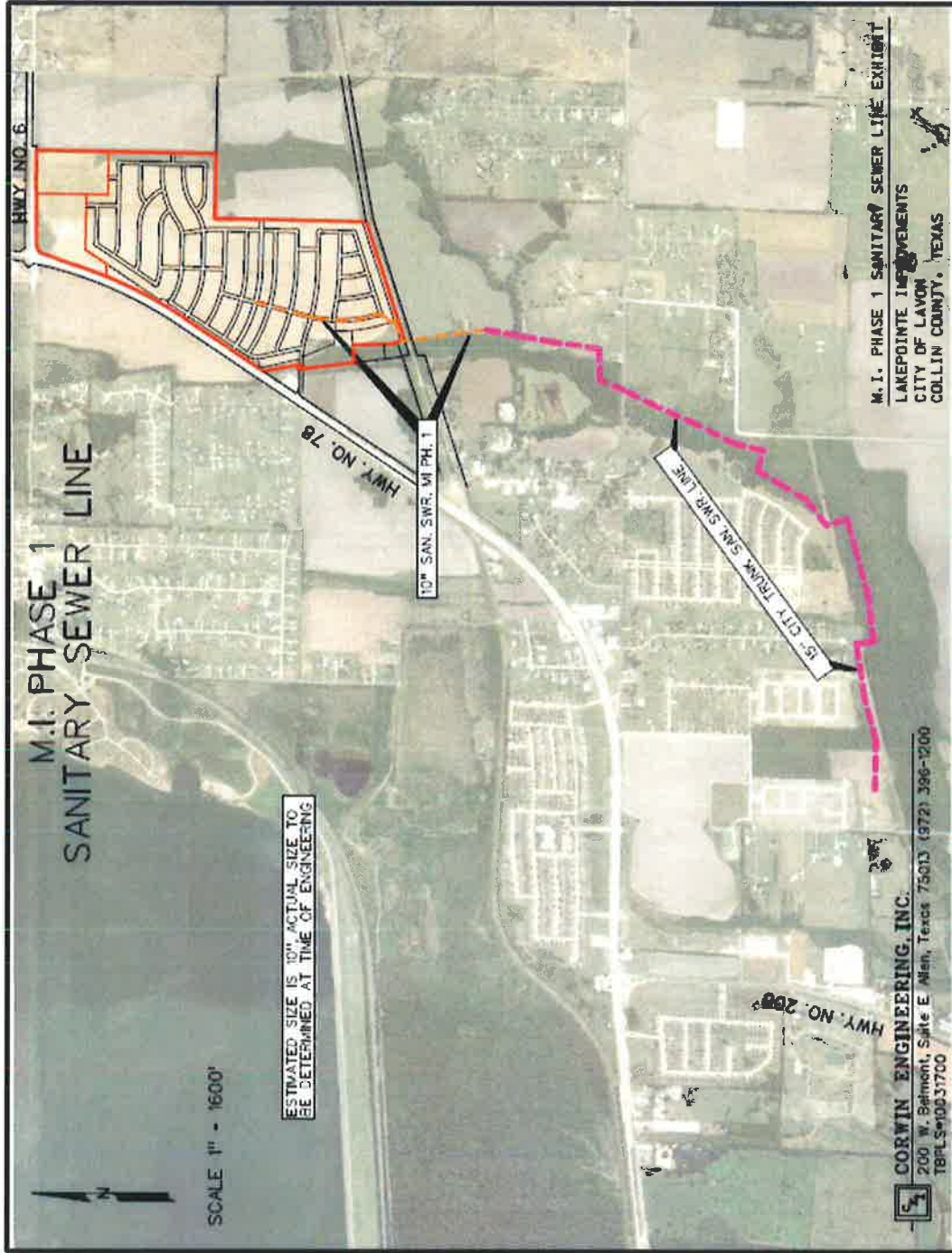
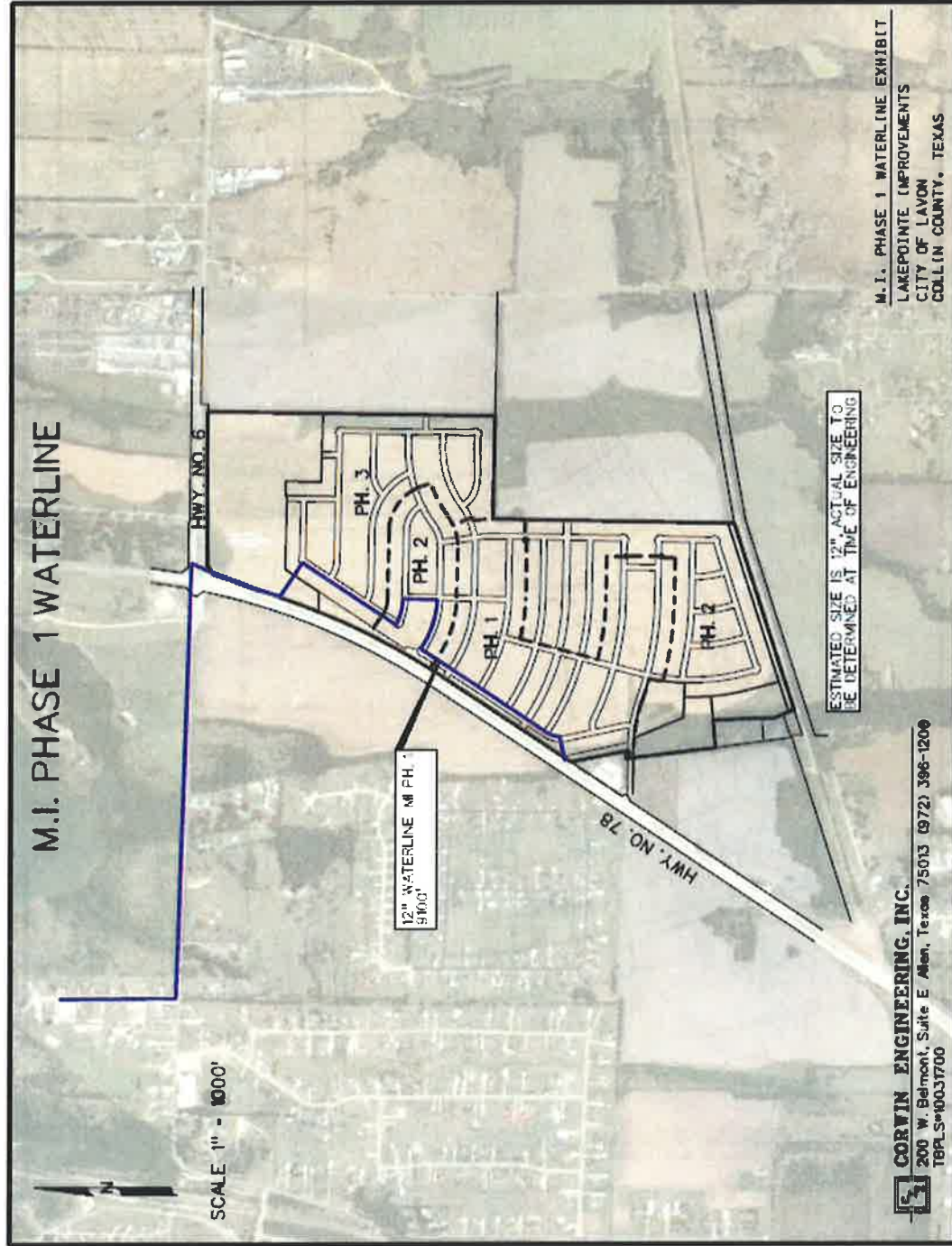
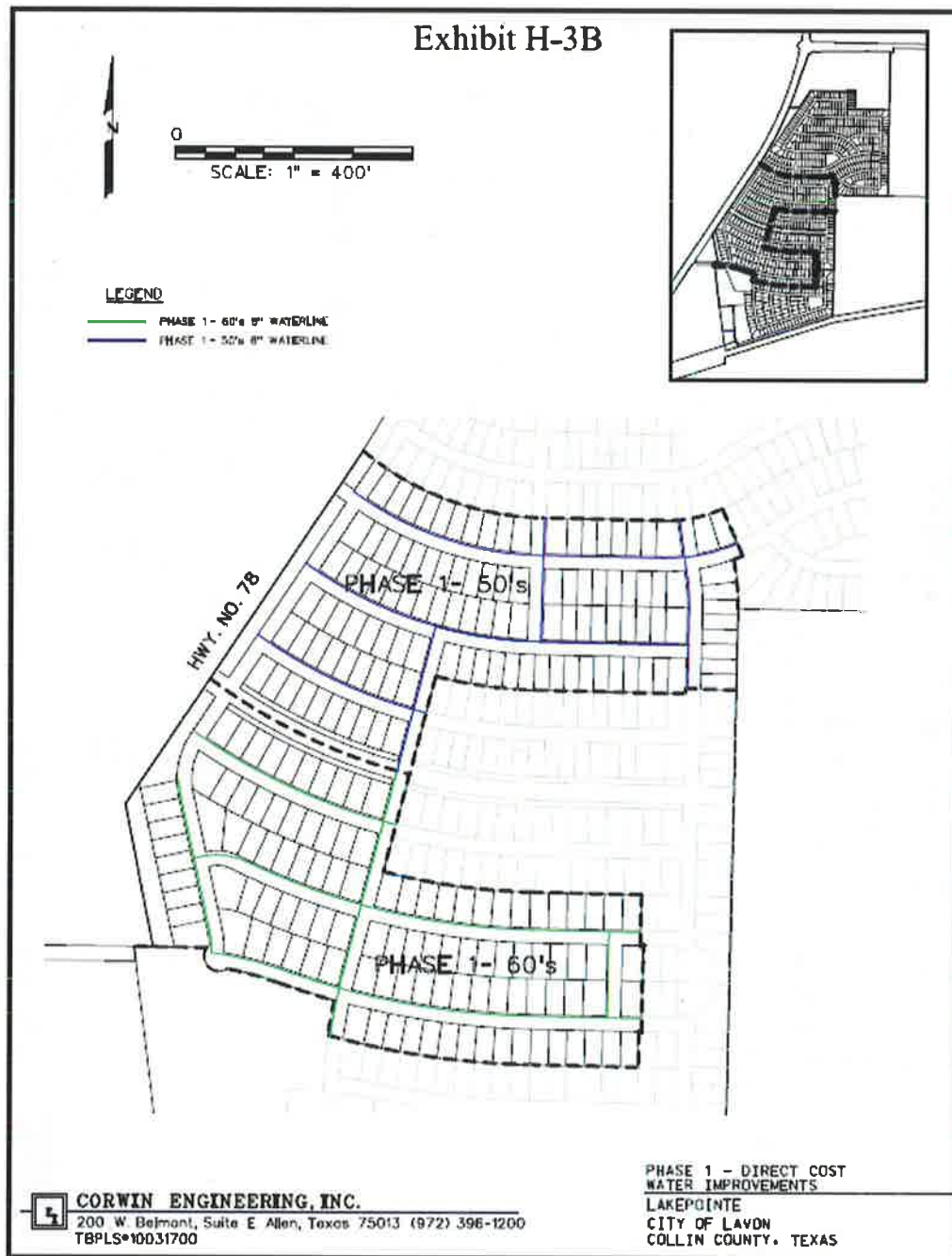


EXHIBIT H-3A – MAP OF WATER IMPROVEMENTS 1



## EXHIBIT H-3B – MAP OF WATER IMPROVEMENTS 2





# EXHIBIT I – MAXIMUM ASSESSMENT AND TAX RATE EQUIVALENT

Lot Type Units <sup>1</sup>			Estimated AV Per Unit <sup>1</sup>	Total/Assessed Value	% Allocation	Assessments		Projected Maximum Assessment Per Lot <sup>2</sup>		Average Annual Installment		Average Annual Installment Per Lot		MIA Bond Equivalent Tax Rate	IA Bond Equivalent Tax Rate
						Major Improvement Area Bond	Improvement Area Bond	Major Improvement Area Bond	Improvement Area Bond	Major Improvement Area Bond	Improvement Area Bond	Major Improvement Area Bond	Improvement Area Bond		
Improvement Area #1															
50'	114	\$ 275,000	\$ 31,350,000	15.77%	\$ -	\$ 2,625,960	\$ -	\$ 23,034.74	\$ -	\$ 189,956	\$ -	\$ 1,666.28	\$ -	\$ -	\$0.605921
60'	109	300,000	32,700,000	16.45%	-	2,739,040	-	25,128.81	-	198,136	-	1,817.76	-	-	\$0.605921
Subtotal	223		\$ 64,050,000	32.22%	\$ -	\$ 5,365,000				\$ -	\$ 388,093			\$ -	\$0.605921
Major Improvement Area															
50'	335	\$ 275,000	\$ 92,125,000	46.35%	\$ 1,798,395	\$ -	\$ 5,368.34	\$ -	\$ 151,357	\$ -	\$ 451.81	\$ -	\$ -	\$0.164295	\$ -
60'	142	300,000	42,600,000	21.43%	831,605	-	5,856.37	-	69,990	-	492.89	-	-	\$0.164295	\$ -
Subtotal	477		\$ 134,725,000	67.78%	\$ 2,630,000	\$ -			\$ 221,347	\$ -				\$0.164295	\$ -
Total	700		\$ 198,775,000		\$ 2,630,000	\$ 5,365,000			\$ 221,347	\$ 388,093					

Note:

<sup>1</sup>As reported by the Owner.

<sup>2</sup>Based on lot count projections. The actual Maximum Assessment shall only be calculated upon the filing of a final plat with the City.

**EXHIBIT J – FORM OF NOTICE OF PID ASSESSMENT TERMINATION**



P3Works, LLC  
350 Rufe Snow Drive, Suite 200  
Keller, TX 76248

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

**Re: City of Lavon Lien Release documents for filing**

Dear Ms./Mr. [County Clerk],

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

City of Lavon  
Attn: [City Secretary]  
PO Box 340  
120 School Road  
Lavon, TX 75166

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

Sincerely,  
[Signature]

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

**AFTER RECORDING RETURN TO:**

[City Secretary Name]  
[City Secretary Address]

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

**FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN**

STATE OF TEXAS	§	
	§	NOW ALL MEN BY THESE PRESENTS:
COUNTY OF COLLIN	§	

**THIS FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN** (this "Full Release") is executed and delivered as of the Effective Date by the City of Lavon, Texas, a Texas general law municipality.

**RECITALS**

**WHEREAS**, the governing body (hereinafter referred to as the "City Council") of the City of Lavon, Texas (hereinafter referred to as the "City"), is authorized by Chapter 372, Texas Local Government Code, as amended (hereinafter referred to as the "Act"), to create public improvement districts within the corporate limits and of the City; and

**WHEREAS**, on or about March 19, 2019, the City Council for the City, approved Resolution No. 2019-03-04, creating the LakePointe Public Improvement District; and

**WHEREAS**, the LakePointe Public Improvement District consists of approximately 173.037 contiguous acres within the and corporate limits of the City; and

**WHEREAS**, on or about \_\_\_\_\_, the City Council, approved Ordinance No. \_\_\_\_\_, (hereinafter referred to as the "Assessment Ordinance") approving a service and assessment plan and assessment roll for the Property within the LakePointe Public Improvement District; and

**WHEREAS**, the Assessment Ordinance imposed an assessment (the "Lien") in the amount of [amount] (hereinafter referred to as the "Lien Amount") for the following property:

[legal description], a subdivision in Collin County, Texas, according to the map or plat of record in Document/Instrument No. \_\_\_\_\_ of the Plat Records of Collin County, Texas (hereinafter referred to as the "Property"); and

**WHEREAS**, the property owners of the Property have paid unto the City the Lien Amount.

**RELEASE**

**NOW THEREFORE**, the City, the owner and holder of the Lien, Instrument No. \_\_\_\_\_, in the Real Property Records of Collin County, Texas, in the amount of the Lien Amount against the Property releases and discharges, and by these presents does hereby release and discharge, the above-described Property from said Lien held by the undersigned securing said indebtedness.

**EXECUTED** to be **EFFECTIVE** this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**CITY OF LAVON, TEXAS,**  
A Texas general law municipality,

By: \_\_\_\_\_  
[Manager Name], City Administrator

**ATTEST:**

\_\_\_\_\_  
[Secretary Name], City Secretary

**STATE OF TEXAS**                   §  
   §  
**COUNTY OF COLLIN**           §

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by [City Manager], City Administrator for the City of Lavon, Texas, a Texas general law municipality, on behalf of said municipality.

\_\_\_\_\_  
Notary Public, State of Texas

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

Final

City of Lavon

Lakepointe Public Improvement District

Special Assessment Revenue Bonds, Series 2019

(Improvement Area #1 Project)

### Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
09/15/2020	-	-	226,932.22	226,932.22
09/15/2021	100,000.00	3.500%	228,200.00	328,200.00
09/15/2022	105,000.00	3.500%	224,700.00	329,700.00
09/15/2023	110,000.00	3.500%	221,025.00	331,025.00
09/15/2024	115,000.00	3.500%	217,175.00	332,175.00
09/15/2025	115,000.00	3.750%	213,150.00	328,150.00
09/15/2026	120,000.00	3.750%	208,837.50	328,837.50
09/15/2027	125,000.00	3.750%	204,337.50	329,337.50
09/15/2028	130,000.00	3.750%	199,650.00	329,650.00
09/15/2029	135,000.00	3.750%	194,775.00	329,775.00
09/15/2030	140,000.00	4.250%	189,712.50	329,712.50
09/15/2031	145,000.00	4.250%	183,762.50	328,762.50
09/15/2032	150,000.00	4.250%	177,600.00	327,600.00
09/15/2033	160,000.00	4.250%	171,225.00	331,225.00
09/15/2034	165,000.00	4.250%	164,425.00	329,425.00
09/15/2035	170,000.00	4.250%	157,412.50	327,412.50
09/15/2036	180,000.00	4.250%	150,187.50	330,187.50
09/15/2037	185,000.00	4.250%	142,537.50	327,537.50
09/15/2038	195,000.00	4.250%	134,675.00	329,675.00
09/15/2039	205,000.00	4.250%	126,387.50	331,387.50
09/15/2040	210,000.00	4.500%	117,675.00	327,675.00
09/15/2041	220,000.00	4.500%	108,225.00	328,225.00
09/15/2042	230,000.00	4.500%	98,325.00	328,325.00
09/15/2043	240,000.00	4.500%	87,975.00	327,975.00
09/15/2044	255,000.00	4.500%	77,175.00	332,175.00
09/15/2045	265,000.00	4.500%	65,700.00	330,700.00
09/15/2046	280,000.00	4.500%	53,775.00	333,775.00
09/15/2047	290,000.00	4.500%	41,175.00	331,175.00
09/15/2048	305,000.00	4.500%	28,125.00	333,125.00
09/15/2049	320,000.00	4.500%	14,400.00	334,400.00
<b>Total</b>	<b>\$5,365,000.00</b>	<b>-</b>	<b>\$4,429,257.22</b>	<b>\$9,794,257.22</b>

### Yield Statistics

Bond Year Dollars	\$101,100.19
Average Life	18.844 Years
Average Coupon	4.3810571%
Net Interest Cost (NIC)	4.5514382%
True Interest Cost (TIC)	4.6270594%
Bond Yield for Arbitrage Purposes	4.3738347%
All Inclusive Cost (AIC)	5.6598847%

### IRS Form 8038

Net Interest Cost	4.4000341%
Weighted Average Maturity	18.851 Years

Series 2019 - Phase 1 Iss | SINGLE PURPOSE | 8/19/2019 | 11:02 AM

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Public Finance

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

Final

**City of Lavon**

Lakepointe Public Improvement District

Special Assessment Revenue Bonds, Series 2019

(Major Improvement Area Project)

### Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
09/15/2020	-	-	127,599.65	127,599.65
09/15/2021	50,000.00	4.375%	128,312.50	178,312.50
09/15/2022	50,000.00	4.375%	126,125.00	176,125.00
09/15/2023	50,000.00	4.375%	123,937.50	173,937.50
09/15/2024	55,000.00	4.375%	121,750.00	176,750.00
09/15/2025	55,000.00	4.375%	119,343.76	174,343.76
09/15/2026	60,000.00	4.375%	116,937.50	176,937.50
09/15/2027	60,000.00	4.375%	114,312.50	174,312.50
09/15/2028	65,000.00	4.375%	111,687.50	176,687.50
09/15/2029	65,000.00	4.375%	108,843.76	173,843.76
09/15/2030	65,000.00	5.000%	106,000.00	171,000.00
09/15/2031	70,000.00	5.000%	102,750.00	172,750.00
09/15/2032	75,000.00	5.000%	99,250.00	174,250.00
09/15/2033	75,000.00	5.000%	95,500.00	170,500.00
09/15/2034	80,000.00	5.000%	91,750.00	171,750.00
09/15/2035	85,000.00	5.000%	87,750.00	172,750.00
09/15/2036	85,000.00	5.000%	83,500.00	168,500.00
09/15/2037	90,000.00	5.000%	79,250.00	169,250.00
09/15/2038	95,000.00	5.000%	74,750.00	169,750.00
09/15/2039	100,000.00	5.000%	70,000.00	170,000.00
09/15/2040	105,000.00	5.000%	65,000.00	170,000.00
09/15/2041	110,000.00	5.000%	59,750.00	169,750.00
09/15/2042	115,000.00	5.000%	54,250.00	169,250.00
09/15/2043	120,000.00	5.000%	48,500.00	168,500.00
09/15/2044	125,000.00	5.000%	42,500.00	167,500.00
09/15/2045	130,000.00	5.000%	36,250.00	166,250.00
09/15/2046	140,000.00	5.000%	29,750.00	169,750.00
09/15/2047	145,000.00	5.000%	22,750.00	167,750.00
09/15/2048	150,000.00	5.000%	15,500.00	165,500.00
09/15/2049	160,000.00	5.000%	8,000.00	168,000.00
<b>Total</b>	<b>\$2,630,000.00</b>	<b>-</b>	<b>\$2,471,699.67</b>	<b>\$5,101,699.67</b>

#### Yield Statistics

Bond Year Dollars	\$49,830.39
Average Life	18.947 Years
Average Coupon	4.9600248%
Net Interest Cost (NIC)	5.1183620%
True Interest Cost (TIC)	5.2110101%
Bond Yield for Arbitrage Purposes	4.9453286%
All Inclusive Cost (AIC)	6.3446386%

#### IRS Form 8038

Net Interest Cost	4.9600248%
Weighted Average Maturity	18.947 Years

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