

ORDINANCE NO. 3627

AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, APPROVING THE 2004 AMENDED AND RESTATED PROJECT AND FINANCING PLAN FOR FALCON'S LAIR TAX INCREMENT FINANCE REINVESTMENT ZONE NUMBER FOUR, CITY OF MESQUITE, TEXAS; MAKING A FINDING OF FEASIBILITY; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EMERGENCY.

WHEREAS, the City established Falcon's Lair Tax Increment Finance Reinvestment Zone Number Four, City of Mesquite, Texas (the "Zone"), and established a Board of Directors for the Zone to promote development or redevelopment in the Zone pursuant to Ordinance No. 3303 approved by the City Council on June 7, 1999, in accordance with the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code, Vernon's Texas Codes Annotated (the "Act"); and

WHEREAS, the Board of Directors of Falcon's Lair Tax Increment Finance Reinvestment Zone Number Four, City of Mesquite, Texas (the "Board"), on August 2, 1999, prepared and adopted a Project Plan and Financing Plan for the Zone pursuant to Ordinance No. 3314 approved by the City Council on August 16, 1999; and

WHEREAS, the Board, on August 2, 2000, prepared and adopted a Revised Project Plan and Financing Plan pursuant to Ordinance No. 3380 approved by the City Council on August 7, 2000; and

WHEREAS, the Board, on May 1, 2002, prepared and adopted an Amended and Restated Project and Financing Plan pursuant to Ordinance No. 3503 approved by the City Council on May 20, 2002; and

WHEREAS, the Board, on January 27, 2003, prepared and adopted a Revision of the Amended and Restated Project and Financing Plan pursuant to Ordinance No. 3558 approved by the City Council on February 17, 2003; and

WHEREAS, the Board, on July 21, 2003, prepared and adopted amendments to the Amended and Restated Project and Financing Plan pursuant to Ordinance No. 3590 approved by the City Council on July 21, 2003; and

WHEREAS, the Board, on January 5, 2004, and prior to City Council consideration, has approved the 2004 Amended and Restated Project and Financing Plan (the "Plan"), a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference for the Zone, and is hereby submitted by the Board for approval; and

WHEREAS, the Plan is substantially consistent with the adopted original and revised plans for the Zone which were approved by the City Council on August 16, 1999, August 7, 2000, May 20, 2002, February 17, 2003, and July 21, 2003, respectively.

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

SECTION 1. That the facts and recitations contained in the preamble of this ordinance are hereby found and declared to be true and correct, and are incorporated herein for all purposes.

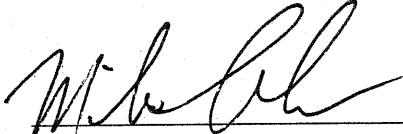
SECTION 2. That the City Council has reviewed the 2004 Amended and Restated Project and Financing Plan (the "Plan"), attached hereto as Exhibit "A," and finds the Plan to be feasible and hereby approves the Plan and its amendments.

SECTION 3. That all ordinances or portions thereof in conflict with the provisions of this ordinance, to the extent of such conflict, are hereby repealed. To the extent that such ordinances or portions thereof are not in conflict herewith, the same shall remain in full force and effect.

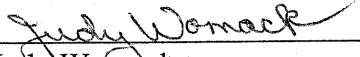
SECTION 4. That should any word, sentence, clause, paragraph or provision of this ordinance be held to be invalid or unconstitutional, the validity of the remaining provisions of this ordinance shall not be affected and shall remain in full force and effect.

SECTION 5. That the need to regulate the Plan and its amendments for Falcon's Lair Tax Increment Finance Reinvestment Zone Number Four of the City of Mesquite, and the need to protect the public interest, comfort and general welfare of the citizens of the City of Mesquite, creates an urgency and emergency for the preservation of the public health, safety and welfare, requires that this ordinance shall take effect immediately from and after its passage and publication of said ordinance as the law in such cases provides.

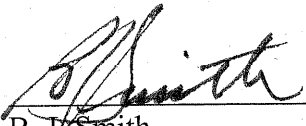
DULY PASSED AND APPROVED by the City Council of the City of Mesquite, Texas, on the 5th day of January, 2004.

  
\_\_\_\_\_  
Mike Anderson  
Mayor

ATTEST:

  
\_\_\_\_\_  
Judy Womack  
City Secretary

APPROVED:

  
\_\_\_\_\_  
B. J. Smith  
City Attorney

# **2004 Amended and Restated**

# **Project and Finance Plan**

## Falcon's Lair Tax Increment Finance Reinvestment Zone Number Four, City of Mesquite, Texas

January 5, 2004

## Contents

	<b>Page</b>
Section 1 Overview of Tax Increment Financing.....	1
Section 2 Falcon's Lair TIF Background.....	2
Section 3 Boundaries and Appraised Value.....	5
Section 4 Development Proposals .....	6
Section 5 Cash Flow .....	8
Section 6 Agreements .....	12

## Exhibits

- Exhibit A:** Real Property Tax Flow with Tax Increment Financing
- Exhibit B:** Assignment of Excess Tax Increment Revenues
- Exhibit C:** Partial Assignment of Right to Excess Tax Increment Revenues
- Exhibit D:** Expanded Zone
- Exhibit E:** Modified Concept Plan

## Schedules

- Schedule 1:** Summary of Building Areas and Cash Flows (2001 through 2035)
- Schedule 2:** Base Value of Expanded Zone
- Schedule 3:** Estimated Development in Original Zone
- Schedule 4:** Estimated Development in Expanded Zone
- Schedule 5:** Estimated Timing of Taxable Development
- Schedule 6:** Estimated Annual Appraised Values
- Schedule 7:** Estimated Real Property Tax Collected, Contributed to TIF and Retained if No Fill, No Development
- Schedule 8:** Estimated Real Property Tax Collected, Contributed to TIF and Retained if Developed as Planned
- Schedule 9.1:** Estimated Public Improvement Costs – Cash Advanced by TIF Bondholders, Utility District, Owner or Developer
- Schedule 9.2:** Estimated Public Improvement Costs – Cash Advanced by the City
- Schedule 10:** TIF Reimbursement Schedule for TIF Bondholders
- Schedule 10.1:** TIF Reimbursement Schedule for City
- Schedule 10.2:** TIF Reimbursement Schedule for Utility District, Owner or Developer Project Costs
- Schedule 11:** TIF Revenues Retained by MISD and City

**Section 1**  
**Overview of Tax Increment Financing**

1. Tax increment financing is a method to finance public improvements within a defined area called a "reinvestment zone". These public improvements are intended to attract new development and increase the taxable value of real property within the zone. The primary statute governing tax increment financing is Chapter 311 of the Texas Tax code; however, Section 403.302 of the Texas Local Government Code addresses tax increment financing as a factor in defining school district property values for purposes of equalizing wealth per student.
2. Only a municipality may designate a defined area as a reinvestment zone; however, once the designation has been made, other taxing jurisdictions (e.g., counties, hospital districts, and college districts) may elect to participate in the tax increment financing. Until September 1, 1999, an independent school district could also elect to participate without such participation having an adverse impact on its school equalization revenue from the state. Participation by other taxing jurisdictions is normally evidenced by a written participation agreement.
3. Taxes generated by the municipality and the other participating taxing jurisdictions due to the growth of real property value within a reinvestment zone are called "tax increments". These tax increments flow into a dedicated tax increment fund for a specified term of years. The tax increment fund is used to pay for, or reimburse the expense of constructing public improvements within the reinvestment zone. Money from the tax increment fund is disbursed according to the plan approved by the board of directors of the reinvestment zone. This board consists of five to 15 people appointed by the municipality and the participating taxing jurisdictions. The governing body of the municipality that designated the reinvestment zone must approve the plan after it is approved by the board. Exhibit A shows how taxes due to growth of real property values within a reinvestment zone flow to the municipality and other participating taxing jurisdictions and then into the tax increment finance fund.
4. The inclusion of real property within a reinvestment zone does not change the tax rates of any taxing jurisdiction or the amount of taxes paid to any taxing jurisdiction. Tax rates for each taxing jurisdiction are the same inside and outside the reinvestment zone.

**Section 2**  
**Falcon's Lair TIF Background**

1. Original Zone. The City Council (the "Council") of the City of Mesquite, Texas (the "City") designated the original boundaries of the Falcon's Lair Tax Increment Finance Reinvestment Zone Number Four (the "Original Zone") by Ordinance No. 3303 on June 7, 1999. The Council approved a Project and Finance Plan for the construction of public improvements within the Original Zone (the "Original Plan") on August 16, 1999. The board of the Mesquite Independent School District ("MISD") voted on August 30, 1999 to participate with respect to its tax increment from the Original Zone with 100% of its tax increment generated by the growth of real property values within the Original Zone. The agreement with MISD to participate was entered into before September 1, 1999; therefore, the district's participation will not adversely affect its school equalization revenue from the state because the participation will not count as "taxable value" for purposes of determining wealth per student (i.e. the state's education equalization formula protects the participation).

2. 2000 Amended and Restated Project and Finance Plan. The Original Plan was amended and restated in July 2000 the "2000 Plan"). The 2000 Plan reflected a revised land use plan and new zoning for the property within the Original Zone (which revised land use plan and zoning were approved by the Council on July 17, 2000). The 2000 Plan also reflected updated development and revenue forecasts consistent with the revised land use plan and zoning (including updated floor area ratio estimates, updated appraised value estimates per square foot of improvements, updated public improvement cost estimates, and updated estimates of construction timing). The 2000 Plan did not, however, modify the boundaries of the Original Zone. The 2000 Plan was approved by the Council on August 7, 2000 as Ordinance No. 3380, and it superseded and replaced, in its entirety, the Original Plan.

3. 2002 Amended and Restated Project and Finance Plan. The 2002 Amended and Restated Project and Finance Plan (the "2002 Plan") reflected the following changes.

(a) The boundaries of the Original Zone are unaffected by the 2002 Plan; however, the overall boundaries of the Falcon's Lair Tax Increment Finance Reinvestment Zone Number Four were expanded to include additional area (the "Expansion Area"), as more particularly described in Section 3 of the 2002 Plan (the Original Zone together with the Expansion Area are hereinafter referred to as the "Expanded Zone");

(b) The public infrastructure improvements to be constructed to attract new development within the Expanded Zone were revised and expanded, as more particularly described in Section 4 of the 2002 Plan;

(c) Revenue forecasts were updated to reflect revised land uses;

(d) Estimates of floor area ratios were updated;

(e) Estimates of appraised value per square foot of improvements were updated; and



- (f) Estimates of costs and constructing timing were updated.

The 2002 Plan was approved by the Council on May 5, 2002 and superseded and replaced, in its entirety, the 2000 Plan. The Falcon's Lair Tax Increment Finance Reinvestment Zone Number Four, as represented by the Expanded Zone and described by this 2002 Plan, shall be referred to as the "Expanded TIF".

4. 2003 Amended and Restated Project and Finance Plan. The 2003 Amended and Restated Project and Finance Plan (the "2003 Plan") reflected the following changes:

- (a) The estimated project cost of the Owner, Developer or Utility District (all as defined in Section 4 herein) for the Earthwork was increased \$6,910,820. Total Project Costs for the Owner, Developer or Utility District shown on Schedule 9.2 increased from \$18,372,209 to \$25,283,029;
- (b) Dates for advancement of cash by the Owner, Developer or Utility District for Public Improvement Projects shown on Schedule 9.2 were revised;
- (c) The interest rate assumed for reimbursement to the Owner, Developer or Utility District was revised from 5.5% to 7.5%;
- (d) The net present value interest rate was revised from 5% to 5.5%;
- (e) Reimbursement pay out to the Owner, Developer or Utility District for its expanded Zone Project costs increased 4 years – from 2016 to 2020; and
- (f) Changes also occurred on Schedule 1 in the amount of Estimated Cumulative Receipts paid to the City and MISD and the Net Present Value of those Receipts.

5. On July 21, 2003, the City Council approved Ordinance No. 3590 which amended and restated Sections 1 through 6 of the 2002 Plan.

6. The 2004 Amended and Restated Project and Finance Plan for Falcon's Lair Tax Increment Finance Reinvestment Zone Number Four, City of Mesquite, Texas, January 5, 2004 (the "2004 TIF Plan") reflects the following major changes:

- (a) The estimated project costs of the Owner, Developer or Utility District as shown on Schedule 9.1 (which replaced Schedule 9.2 of the 2003 Plan) increased \$3,175,450 to \$28,458,479 on account of 1) the increase of \$1.5 million in the Interchange Reimbursement Amount, specified as a "project cost" for which the Utility District is entitled to reimbursement plus interest as stated in Paragraph 4.f of the Addendum to the Master Development Agreement dated July 21, 2003; and 2) the increase in estimated costs at a factor of 3% annually for inflation (as approved in all TIF Plans) caused by revising the assumption for Utility District Expenditures to occur in relation to 2004 dollars.
- (b) The term of the Expanded Zone is extended a maximum of five years from its existing term. This extension does not apply to the length of MISD participation.

(c) The Series C TIF Bond Investors (the TIF Bondholders) are introduced as new creditors for all the public improvements in the Original Zone except the portion of interchange costs advanced by the City. The TIF Bondholders have senior claim to all TIF fund cash flow except for the City's administrative fees.

(d) The City becomes second in priority for all TIF fund cash flow, ahead of any cash flow to the Utility District, Landowner or Developer. The City begins receiving TIF cash later, but is no longer limited to fixed dollar amounts from the TIF fund for particular years.

(e) After the TIF Bondholders are paid, the City is paid for its Interchange Costs per Schedule 9.2, and any interchange cost overruns are paid pursuant to Section 5.2.(b) herein, all Landowner advances, if any, will be reimbursed. After Landowner, the Utility District will next receive any funds it is then entitled to receive as reimbursement for project costs on Schedule 9.1, but only to the extent needed (after depleting all applicable reserve funds) to pay the Series A Assessment Bonds then outstanding;

(f) The balance of all TIF cash flow to which the Utility District is entitled will then be paid 50% to the Owner pursuant to that certain Assignment of Excess Tax Increment Revenues Agreement (a fully executed copy of which is attached hereto as Exhibit B and incorporated herein for all purposes), which Agreement assigns 100% of such funds (the "Owner's Funds") from the Utility District to the Owner for matters described in Exhibit B; and 50% to the TIF Bondholders per that certain Partial Assignment of Rights to Excess Tax Increment Revenues (attached hereto as Exhibit C and incorporated herein for all purposes), which assignment assigns 50% of the Owner's Funds from Owner to the TIF Bondholders. Exhibits B & C may be revised in the future, however, in regards to any revisions that affect other provisions of the 2004 TIF Plan, such revisions will require the consent of the City and MISD, such consent to not be unreasonably withheld, delayed or denied.

To the extent that any party is entitled to receive TIF funds as set forth herein, appropriate funds will be paid to that party whether or not the party is designated as the expected recipient of funds on Schedules 10.0, 10.1 or 10.2.

Nothing in this paragraph shall be construed to eliminate the City's authority, with TIF Board approval, to add additional optional public improvement projects and receive reimbursement pursuant to Section 6, Paragraph 5 of this Plan.

7. MISD Participation. The MISD will only participate with respect to its tax increment due to the growth of real property values within the Original Zone (as approved by its Board on August 30, 1999).

8. City Participation. The City will participate with respect to its tax increment due to growth of real property values within the Expanded Zone (including both the Original Zone and the Expansion Area).

**Section 3**  
**Boundaries and Appraised Value**

1. Original Zone. The boundaries of the Original Zone shown on the attached Exhibit D are the same as approved by the City on June 7, 1999 by Ordinance No. 3303 and by the MISD Board on August 30, 1999. The Original Zone boundaries were unaffected by the 2000 Plan, the 2002 Plan, the 2003 Plan or this 2004 Plan.

2. Expanded Zone. The Expanded TIF set forth in the 2002 Plan includes all the property within the Expanded Zone. The Expanded Zone includes the Original Zone and the Expansion Area, as shown on the attached Exhibit D. The Expansion Area includes:

(a) An approximately 88-acre tract owned by the City (the "Lawson Road Tract") and located on both sides of Lawson Road just north of the intersection of I-20 and Lawson Road;

(b) An approximately 39-acre tract owned by the City (the "39-Acre Tract") and generally located between the Original Zone and the City's wastewater treatment facility;

(c) An approximately 86-acre tract that is privately owned by Falcon's Lair, L.P. (the "86-Acre Tract") and located south of the Original Zone (which 86-Acre Tract was then zoned for single-family uses);

(d) Additional land that is privately owned, that is contiguous to the Original Zone, and that may be developed under the existing "404 Fill Permit" (the "Additional Developed Land"); and

(e) At the request of the City, additional land owned by the City (the "Additional City Land") that may (in the future when the projects costs set forth in this 2004 Plan have been fully reimbursed to the parties that have advanced such costs or their successors or assigns) be developed using tax increments from the Original Zone or Expansion Area, as permitted by law.

(f) The Expanded Zone boundaries were unaffected by the 2003 Plan or the 2004 Plan.

3. Current Appraised Value. Schedule 2, "Base Value of Expanded Zone", identifies taxable real property accounts that are wholly or partly within the Expanded Zone. The estimated value of the property within the Expanded Zone assumes that the property within these accounts has a uniform value. All property within the Expanded Zone, except a portion of the City-owned tracts and Interstate Highway I-20, is currently undeveloped and being used for agriculture (including an agricultural exemption from taxes). Based on appraisals by the Dallas Central Appraisal District (as of July 2004), the real property within the Expanded Zone has an estimated value of \$44,177.00.

## Section 4 Development Proposals

1. Development Opportunity. The Expanded TIF includes property located on the north and south sides of Interstate Highway I-20 in the general vicinity of Lawson Road in the southeast part of the City. Interstate I-20 is a major part of the NAFTA trade corridor and is the primary east-west interstate highway from far east to far west Texas, passing through both Dallas and Fort Worth. The City, the landowner, Falcon's Lair, LP (the "Owner" or "Landowner"), and the developer, Koll Development Company (the "Developer") believe there is a current demand along this portion of the I-20 corridor for retail, office, warehouse, light industrial, and other commercial uses that require freeway visibility and freeway access.

2. Need for Public Infrastructure. Notwithstanding the high freeway visibility offered by property within the Expanded TIF, direct access to I-20 is very limited. The Original Zone does not contain an interchange or frontage roads. In addition, a significant portion of the property is located within the 100-year flood plain and requires reclamation in accordance with an existing "404 Fill Permit" that has been approved and issued by the U.S. Army Corps of Engineers. Additional roadway, water, sewer, and drainage improvements must also be constructed. The needed infrastructure will require a significant commitment of funds from one or more of the City, Owner, Developer, or the Falcon's Lair Utility and Reclamation District (the "Utility District"), and without such commitment, the property will not be developed in the foreseeable future (perhaps for 20 years or more). If the needed infrastructure is not constructed, the commercial users that are expected to develop within the Expanded TIF will be forced to alternative locations along the I-20 corridor.

3. Public Infrastructure Improvements. The public infrastructure improvements necessary to develop the property within the Expanded TIF include, but are not limited to, the following: (i) a four-lane, divided main road that will provide north-south arterial access to the property on both sides of I-20; (ii) an interchange at the intersection of the main road and I-20; (iii) on and off ramp frontage roads for direct east-bound and west-bound access to I-20 at the interchange; (iv) internal roads to collect traffic within the property and direct it to the main road and to the I-20 interchange and frontage roads; (v) water, wastewater, drainage, and other utility improvements; (vi) floodplain reclamation and other related drainage improvements contemplated by the "404 Fill Permit"; and (vii) other site-specific public improvements, including utilities. The exact design of the public improvements will be determined by the City, Owner, Developer and Utility District as reasonably necessary to achieve the objectives of this 2004 Plan; however, all improvements must be generally consistent with those described in this Section 4.3. The cost of the public infrastructure improvements will be advanced by the TIF Bondholders, the City, Owner, Developer, or Utility District, as set forth on Schedule 9.1 and Schedule 9.2.

(a) Public improvements funded by the City. Schedule 9.2 "Estimated Public Improvement Costs – Cash advanced by the City", identifies the I-20 interchange improvements within the Original Zone for which the City has financial responsibility. The estimated costs for the improvements are shown in 2004 dollars, however the out-year timing of the costs is shown in inflated dollars. All costs shown on Schedule 9.2

are "project" costs for which the City will receive reimbursement from the tax increment funds for the Original Zone, as more fully described in Section 5 of this 2004 Plan. The costs shown on Schedule 9.2 are estimates only, and if they are exceeded, the excess will also be a "project" cost eligible for reimbursement. The City is not, however, obligated for any costs in excess of the Schedule 9.2 amounts (see Section 6.2, "City Cost Cap").

(b) Public improvements, generally as shown on revised Exhibit "E", funded by Bondholders, Owner, Developer or Utility District. Schedule 9.1, "Estimated Public Improvement Costs – Cash advanced by Developer or District", identifies the public improvements for which Owner, Developer, or Utility District has financial responsibility. The public improvements are separately identified for the Original Zone and the Expansion Area. The estimated costs for the improvements are shown in 2004 dollars, however the out-year timing of the costs is shown in inflated dollars. All costs shown on Schedule 9.1 are "project" costs for which TIF Bondholders, Owner, Developer, or Utility District will receive reimbursement from the tax increment funds for the Original Zone and Expansion Area, as more fully described in Section 5 of this 2004 Plan. The costs shown on Schedule 9.1 are estimates only, and if they are exceeded, the excess will also be a "project" cost eligible for reimbursement subject to limitations specified in Section 11(a) of the Master Development Agreement.

#### 4. Private Taxable Improvements.

(a) Modified Concept Plan. Developer has prepared a modified conceptual development plan for the Expanded TIF, which plan is attached herewith as Exhibit E (the "Modified Concept Plan"). The Modified Concept plan reflects the uses for which there is a current demand along the I-20 corridor, including retail, office, warehouse, light industrial, and other commercial uses. These uses will be attracted to the Expanded TIF due to the high visibility from I-20, direct access to I-20, and the availability of all necessary utilities. All property within the Expanded TIF is currently zoned to allow the uses shown on the Modified Concept Plan.

(b) Estimate of Anticipated Development. Schedule 3, "Estimated Development in original Zone", and Schedule 4, "Estimated Development in Expanded Zone" provide a detailed estimate of anticipated private, taxable development within the Original Zone and Expanded Zone. Based on these schedules, it is estimated that approximately 21.4 million square feet of land will be available for development if the above-described public improvements are constructed. It is further estimated that approximately 8.4 million square feet of development valued at over \$673 million in 2003 dollars) will occur (including retail, office, flex, and industrial) within the Expanded Zone at an average floor area ratio of 0.39 and an average value of \$80 per square foot. Schedule 5, "Estimated Timing of Taxable Development", estimates the timing of the anticipated taxable development for both the Original Zone and Expanded Zone. Schedule 6, "Estimated Annual Appraised Value", estimates the increase in appraised value of real property within the Original Zone and Expanded Zone from the base year of 1999 through 2034 (with a total appraised value of \$1.219 billion in 2034).

**Section 5**  
**Cash Flow**

1. Revenue to Tax Increment Fund. The 2004 Plan contemplates that the City, Owner, Developer, or Utility District will advance funds for the construction of the public infrastructure improvements necessary to attract new private development to the Expanded TIF. The ability of TIF Bondholders, City, Owner, Developer or Utility District to be reimbursed for such costs will depend on future revenues into the tax increment funds for the Original Zone and the Expansion Area. The actual amount of such future revenues will depend on the growth of appraised value of real property within the Expanded TIF, on the tax rates of the City and MISD, upon collection rates, and upon the duration of the Expanded TIF. Only tax on real property values in excess of the values as of the taxable base year will be available for the tax increment funds (the funds cannot receive personal property tax or sales tax).

(a) Appraised value. Schedule 6, "Estimated Annual Appraised Value," provides an estimate of how the appraised value of real property within the Original Zone and Expanded Zone will increase from the base year of 1999 through 2034. In 2034, the Expanded Zone is estimated to have an appraised value in excess of \$1.219 billion (contrasted with approximately \$110,000 under the "no-fill" scenario).

(b) Tax rate. It has been assumed that 2003 tax rates for the City and MISD will remain constant for the duration of the Expanded TIF.

(c) Tax collection. It has been assumed that 99% of taxes will be collected.

(d) Duration. The duration of the Expanded TIF (i.e., January 1, 2000 through December 31, 2035) is changed from the Original Plan provided by Ordinance 3303 on June 7, 1999. If all the reimbursement obligations to the TIF Bondholders, the City, Owner, Developer, and Utility District are satisfied before 2035, the City may terminate the Expanded TIF.

2. Reimbursements from Tax Increment Fund. Pursuant to the 2004 Plan (and subject to future revisions pursuant to Section 6, Paragraph 5, herein), the TIF Board and/or the City will distribute any cash available in the TIF Fund for reimbursement for the public improvements and/or project costs identified in Schedules 9.1 and 9.2, plus interest thereon at the rate of interest described in Paragraph 10. (b) of the MDA for the City and the Effective Interest Rate as defined in the Master Development Agreement for all other parties.

Principal costs for public improvements in Schedules 9.1 and 9.2 are estimates. Actual costs may be more or less. The TIF plan may be modified from time to time to reflect actual costs and for additional City projects pursuant to Section 6, Paragraph 5 of this Plan.

Investors, other than the City, will earn interest on cash advances for public improvements that are approved project costs at the Effective Interest Rate as defined in the Master Development

Agreement. The interest rates in the Schedules to this plan are estimates of such rates at the time of plan preparation.

Before any investor is reimbursed interest or principal, the City's administrative fees through the current year shall be paid from the TIF fund. The administrative fee is \$30,000 annually. Deficits in City administrative fee payments carry forward until the TIF fund has sufficient cash to pay them.

(a) TIF Bondholders. (First Priority). After payment of City administrative fees, the TIF Bondholders shall have claim to cash from the TIF fund senior to all other claimants until such time as the bond proceeds of \$9,685,348 and interest thereon at the Effective Interest Rate described shall have been reimbursed.

(b) City. (Second Priority). The City has committed to advance a maximum of \$10,000,000 for the Interstate 20 interchange improvements within the Original Zone (See Section 4 and Schedule 9.2). After the tax increment fund has disbursed cash due for City administrative fees and TIF Bondholders, the City will be entitled to all cash available to the tax increment fund until full reimbursement of the principal actually advanced by the City for the I-20 Interchange improvements in the Original Zone and interest thereon equal to the rate of interest the City pays on its bonds for this project. The Utility District, the Landowner, the Developer or any of their successors or assigns who advance funds for the Interstate interchange improvements in excess of the City's maximum of \$10,000,000 ("Excess Interchange Costs") shall be reimbursed for same out of the next available funds from the tax increment fund. Schedule 10.1, "TIF Reimbursement Schedule for City," is an estimated reimbursement schedule. The amount of City reimbursement shall be reduced by any payments made by Landowner toward the Landowner Reimbursement Amount as set forth in the Master Development Agreement.

(c) Landowner and Utility District. (Third Priority). Cash advances for the public improvement project costs in the Expanded Zone and the Landowner Reimbursement Amount will come from the Landowner and Utility District. The exact costs of such improvements and the Landowner funding may change from the estimates in Schedule 9.1 and the Master Development Agreement; and, to the extent actual costs exceed the estimates, the excess will still be considered a "project cost" and will be eligible for reimbursement plus interest at the Effective Interest Rate described herein below (subject to the limitations set forth in Paragraph 11 (a) of the Master Development Agreement). It is anticipated that the Utility District will raise capital for some of the Schedule 9.1 project cost public improvements through sale of bonds backed by assessments on property in the Utility District (Series A bonds) and that collected assessments will be sufficient to recover all amounts related to these bonds. After the tax increment fund has disbursed cash due for City administrative fees, TIF Bondholders (in repayment of \$9,685,348 in principal plus applicable interest), the City and any party having advanced Excess Interchange Costs, Landowner and Utility District will be entitled to reimbursement of interest and principal advanced for approved project costs as specified herein and in the Master Development Agreement, which specifies the interest rate to be the Effective Interest Rate defined as the same rate the Utility District is required to pay

for debt service on Utility District Bonds. Reimbursements pursuant to this sub-paragraph will flow first to Landowner for Landowner Reimbursements, if any, then to the Utility District as provided in Section 2, Paragraph 6 (e) if applicable, until all reimbursements which the Utility District is eligible to receive will have been paid as provided in this Section and Section 2, Paragraph 6 (f) hereto. Landowner and Utility District may assign reimbursements from the tax increment fund to other parties, in which case the TIF board or City will pay Utility District's share of reimbursements to such parties. Utility District has heretofore assigned to Landowner 100% of reimbursement to which Utility District is duly entitled, (after payment of amounts required for Series A Bondholders, City for its Interchange Costs, any interchange costs overruns, and Landowner advances as provided in Section 2, Paragraph 6 (e) hereof). Landowner, in turn has assigned to TIF Bondholders 50% of all such Utility District reimbursements flowing to Landowner pursuant to this Assignment. The Utility District, the TIF Board, MISD and the City agree to reasonably cooperate to execute any documents necessary to effectuate this sub-paragraph.

(d) Revenues Retained by Taxing Jurisdictions. If and when all obligations of the tax increment fund to repay interest and principal for all project costs for the Original Zone have been satisfied prior to December 31, 2025, all unspent funds contributed to the fund by the MISD shall be refunded to the MISD. If and when all obligations of the tax increment fund to repay interest and principal for all project costs for the total Expanded Zone have been satisfied prior to December 31, 2030, the City may, by ordinance, dissolve the TIF zone and all unspent funds contributed to the fund by the City shall revert to the City general fund. Schedule 1, "Summary of Building Areas and Cash Flows, 2001 through 2035," compares estimated total anticipated revenues (including real property, business personal property and sales tax) generated in the zone for the City (apart from the TIF fund) and the MISD. The City's estimated revenues (in inflated dollars, net of cash to the tax increment fund) increase from less than \$13,000 to approximately \$183 million. MISD's estimated revenues (in inflated dollars, net of cash to the tax increment fund) increase from less than \$17,000 to approximately \$168 million. Supporting schedules estimate amounts retained for the City and MISD from various tax sources in individual years.

Nothing in this section shall be construed to eliminate the City's authority, with TIF Board approval, to add additional optional public improvement projects and receive reimbursement pursuant to the provisions of Section 6, Paragraph 5 of this Plan.

3. Procedures for Reimbursement. Parties seeking reimbursement for project costs as provided hereunder or under the Master Development Agreement and the TIF board shall adhere to the following procedures in making, considering, and approving or disapproving requests for reimbursement:

(a) The TIF board shall approve all submitted invoices or requests for payment of project costs to the full extent permitted by law as specified in this 2004 TIF Plan within 30 days of being submitted, unless the TIF board decides to question such invoice or request for payment;



(b) In the event the TIF board questions the invoice or request for payment, the board shall state its questions, in writing, to the party having submitted such request within 30 days of its receipt specifying the reason or reasons for withholding payment;

(c) The submitting party then has 30 days to file a written contest to the questioned payment, in which event the TIF board shall promptly convene a public hearing to consider the reasons for payment or non-payment of the invoice or request for payment;

(d) If after such hearing the parties do not reach an accommodation as to the amount to be paid, the matter may be submitted by either party to binding arbitration as provided in the Master Development Agreement;

(e) The TIF board may delegate to an individual or individuals their duties under this subsection with regard to approval of payment, with the exception of subsection (c) that provides for a public hearing, and subsection (d) which provides for arbitration.

In the event funds are not available in the TIF bank account for payment of an invoice, such invoice shall be subject to payment when funds become available in the order in which the expenditure was incurred and consistent with the priority payment methodology outlined in Paragraph 2 above.

## **Section 6** **Agreements**

The City, MISD, Owner, Developer, and Utility District have entered into a Master Development Agreement (the "Master Development Agreement") to implement the provisions and intent of the previously approved 2002 Plan (including the provisions and intent of the Exhibits and Schedules) and to incorporate revisions required as a result of amendments made in the 2003 Amended Financing Plan that contain provisions necessary for the City and Utility District to issue bonds to fund their obligations to construct public improvements (as generally described in Schedule 9.2 and Schedule 9.1 respectively). The Master Development Agreement also includes provisions to address the following:

1. City Funding.

(a) Funding method. The City will determine the method by which it will fund its obligations to construct the I-20 interchange improvements contemplated by this 2004 Plan (as described in Section 4 and Schedule 9.2).

(b) Funding benchmark. The City has agreed to fund up to \$10,000,000 for the design and construction of the I-20 interchange. The City's funding obligations for design and construction of the I-20 interchange are set forth in the Master Development Agreement as are certain conditions to such funding.

(c) Interchange pre-design costs. The Master Development Agreement having been approved, the City is and will continue to fund the I-20 interchange pre-design activities identified in the Master Development Agreement as necessary to obtain governmental approvals for the interchange.

2. City Cost Cap. The City will not be obligated to fund the cost of the I-20 interchange improvements in excess of the amount set forth on Schedule 9.2. If the cost exceeds the Schedule 9.2 amount, the City will have no obligation to fund the excess, and Owner is responsible for any excess pursuant to the terms of the Master Development Agreement.

3. Interchange Construction Fund. Owner, Developer, or Utility District will reimburse the City for a portion of the City's cost for the design and construction of the I-20 interchange improvements, in the amount of \$3,233,004, as specified in the Master Development Agreement.

4. Land Transfers. When Utility District issues bonds to fund its obligations to construct the public improvements required by the 2004 Plan (as described in Section 4 and Schedule 9.1), the City will transfer ownership of the 39-Acre Tract and the 88-Acre Tract as provided in Section 8 of the Master Development Agreement. The transfers will be free and clear of all liens and encumbrances except easements and other standard matters of record. In addition, at the time of the transfer the Lawson Road Tract shall be zoned or encumbered by deed restrictions that establish minimum development standards comparable to those contained in the PD zoning for the Falcon's Lair-South Tract (Mesquite City Ordinance No. 3379).

5. Additional Optional Improvements. The City reserves the right, subject to any required approval of the board of directors of the Expanded TIF, to revise the 2004 Plan to include additional public improvements that the City will fund as "project" costs and for which the City will seek reimbursement from tax increment revenues. The City shall not, however, have a right to reimbursement for the cost of such additional improvements until the tax increment revenues from the Original Zone and Expansion Area have first been used to fully reimburse the TIF Bondholders, City for the I-20 Interchange, Landowner, Developer, and Utility District for the principal and interest for all the "project" costs for which they are entitled to reimbursement.

6. Additional Required Improvements. The City agrees to pay for the following as stated in the Master Development Agreement:

- ◆ \$1.5 million for the construction of water and sewer improvements to serve the initial development within the Expanded Zone.
- ◆ \$1.733 million for the construction of additional water and sewer improvements to serve development within the Expanded Zone on or before May 2008 (or earlier as provided in the Master Development Agreement).

7. Drainage Variance. The City will not be obligated to issue any bonds for the design or construction of the I-20 interchange improvements until Landowner, Developer or Utility District has complied with the City's drainage regulations or as set forth in the Master Development Agreement.

8. City Dedications. The City will convey to the State of Texas (or otherwise dedicate to the public) any City-owned land that is required for the public improvements to be constructed pursuant to the 2004 Plan as set forth in the Master Development Agreement.

9. Arbitration. The Master Development Agreement provides that all disputes in connection with the Expanded TIF, the 2004 Plan and the Master Development Agreement shall be subject to binding arbitration.

10. Benefited Party. Any party, including the City, TIF Bondholders, Owner, Developer, and Utility District, who provides funding for any of the public improvements contemplated by the 2004 Plan to be constructed as a "project cost" will be entitled to reimbursement as set forth in the 2004 Plan and, to the extent applicable, the Master Development Agreement. The 2004 Plan and the Master Development Agreement shall inure to the benefit of any party who provides such project cost funding (and to their respective heirs, successors, and assigns). Any such benefited party may assign to any third party (or to any trustee on behalf of Bondholders or other similarly situated beneficiaries), in whole or in part, the rights of such party to reimbursement under the 2004 Plan and the Master Development Agreement. An assignment of such reimbursement rights (which may occur without the consent of any other party) shall not release the assignor of its duties and obligations under the 2004 Plan or the Master Development Agreement and shall not obligate the assignee to perform such duties and obligations or to be responsible for the assignor's failure to perform such duties and obligations.

## Schedule 1: Summary of Building Areas and Cash Flows, 2001 through 2035

Assumptions:  
 Average total value per SF of building: \$80  
 Construction period, in years: 10  
 Land maintains agricultural valuation until built? yes

Reimbursement horizons for P&I:  
 TIF bondholders 2014  
 City of Mesquite 2016  
 FLURD or developer 2029

Program	Buildings SF in Original Zone	Buildings SF in Zone, Expanded	Actual to TIF Fund	Cumulative Receipts (1)	
				Actual to MISD Net of Cash to TIF Fund (2)	Actual to City General Fund, Net of Cash to TIF Fund (2)
If no fill, no development	0	0	\$0	\$16,631	\$12,856
If developed as planned (3) NPV at 3.00%	2,742,146	8,414,109	\$103,658,040 \$64,287,000	\$167,938,124 \$86,772,000	\$182,750,662 \$94,766,000

**Notes:**

The geography is greater than the original Zone boundaries. The MISD contributes tax increments generated within the original boundaries only.

(1) Receipts are adjusted for return of tax increments in the final year of contributions in excess of amount required for project costs.

(2) Real property tax retained, plus all business personal property tax and (for the City) sales tax. Does not include value of public improvements & administrative fees earned by City.

(3) Plan according to mix of land uses, floor area ratios, timing and appraisals anticipated by developer and other assumptions as stated in support schedules.

**Schedule 2:  
Base Value of Expanded Zone**

DCAD Account	Site Address	Record Owner	Base Year Value For Entire Tract		Base Year Value For Part of Tract in Zone		Assessed Values, 2000 and 2001		Assessed Values, 2002 and 2003			
			Market Value	Assessed Value	Market Value	Assessed Value	Entire Tract	Part in Zone	Entire Tract	Part in Zone		
<b>For Original Zone (Base year valuation is 1/1/1999.)</b>												
65056870010030100	1400 IH 20	Falcon's Lair L. P.	207.37	\$331,790	\$20,737	101	\$161,599	\$10,100	\$19,690	\$9,590	\$20,727	\$10,095
65056870010030400	1401 IH 20	Falcon's Lair L. P.	418.24	\$669,180	\$41,823	81	\$129,599	\$8,100	\$39,732	\$7,695	\$41,823	\$6,100
N. A.		City of Mesquite	N. A.	N. A.	\$0	2	N. A.	\$0	N. A.	\$0	N. A.	\$0
IH 20		State of Texas	N. A.	N. A.	\$0	N. A.	N. A.	\$0	N. A.	\$0	N. A.	\$0
Subtotal			184	\$291,198	\$18,200					\$17,285		\$18,195
<b>For Expansion Area (Base year valuation is 1/1/1999.)</b>												
65056870010030100	1400 IH 20	Falcon's Lair L. P.	207.37	\$331,790	\$20,737	172	\$275,198	\$17,200	\$20,727	\$17,192	\$20,727	\$17,192
65056870010030400	1401 IH 20	Falcon's Lair L. P.	418.24	\$669,180	\$41,823	55	\$67,999	\$5,500	\$41,823	\$5,500	\$41,823	\$5,500
65056970510040200	1551 IH 20	Falcon's Lair L. P.	0.63	\$630	\$630	1	\$3,290	\$3,290	\$3,290	\$3,290	\$3,290	\$3,290
65000101510200000	4300 Lawson	City of Mesquite	34	N. A.	\$0	34	N. A.	\$0	N. A.	\$0	N. A.	\$0
65000101510210000	3400 McKenzie	City of Mesquite	54	N. A.	\$0	54	N. A.	\$0	N. A.	\$0	N. A.	\$0
N. A.		City of Mesquite	38	N. A.	\$0	38	N. A.	\$0	N. A.	\$0	N. A.	\$0
Subtotal			354	\$366,488	\$25,990							\$25,982
<b>For Total Expanded Zone</b>												
Original Zone			184	\$291,198	\$18,200							\$18,195
Expansion Area			354	\$366,488	\$25,990							\$25,982
Total Expanded Zone			538	\$657,686	\$44,190							\$44,177

Assessed value reflects agricultural use. Assessed value is total appraised value, the determinant of base value.

Acreage figures are approximate and subject to verification by survey.

### Schedule 3: Estimated Development in Original Zone

Acreage in original boundaries: 184  
 Total acreage in Zone, excluding IH 20 23 less developer's estimated dedications  
167 net acres for development

Anticipated Land Use	Est. Floor Area Ratio	Est. Appraisal Increase per Building SF, in 2003 Dollars	"No Fill" Scenario				Development Scenario			
			% of Net Acreage for This Use	Estimated Net Land SF for This Use	Est. Building SF	Est. Appraisal Increase, in 2003 Dollars	% of Net Acreage for This Use	Estimated Net Land SF for This Use	Est. Building SF	Est. Appraisal Increase, in 2003 Dollars
Unimproved land	0	\$0	100%	7,013,160	0	\$0	0%	0	0	\$0
Retail	0.25	\$80	0%	0	0	\$0	14%	981,842	245,461	\$19,636,848
Office	0.35	\$80	0%	0	0	\$0	19%	1,332,500	466,375	\$37,310,011
Flex	0.33	\$80	0%	0	0	\$0	10%	701,316	231,434	\$18,514,742
Industrial	0.45	\$80	0%	0	0	\$0	57%	3,997,501	1,798,876	\$143,910,043
<b>Total or Average</b>	<b>0.39</b>	<b>\$80</b>	<b>100%</b>	<b>7,013,160</b>	<b>0</b>	<b>\$0</b>	<b>100%</b>	<b>7,013,160</b>	<b>2,742,146</b>	<b>\$219,371,645</b>

Land area figures are approximate, subject to verification by survey.

Floor area ratio (FAR) relates gross floor area, excluding garage space, to land area. Ratios are the developer's estimates for the site, at completion.

Appraised value per building SF is the approximate average DCAD total appraisal per building SF for taxable commercial construction in Mesquite since 1990.

**Schedule 4:  
Estimated Development in Expanded Zone**

Acreage: Total acreage in Zone, excluding IH 20 538  
 -47 less estimated deductions  
 491 net acres for development

Anticipated Land Use	Est. Floor Area Ratio	Est. Real Ppty. Appraisal Increase per Building SF, in 2003 Dollars	Development Scenario				Est. Real Ppty. Appraisal Increase, in 2003 Dollars
			% of Net Acreage for This Use	Estimated Net Land SF for This Use	Est. Building SF	Est. Building SF	
Unimproved land	0	\$0	0%	0	0	\$0	
Retail	0.25	\$80	8.68%	1,855,060	463,765	\$37,101,208	
Office	0.35	\$80	8.36%	1,786,671	625,335	\$50,026,790	
Flex	0.33	\$80	25.48%	5,445,500	1,797,015	\$143,761,195	
Industrial	0.45	\$80	57.48%	12,284,432	5,527,994	\$442,239,555	
Residential	0.04	\$80	0.00%	0	0	\$0	
<b>Total or Average</b>	<b>0.39</b>	<b>\$80</b>	<b>100%</b>	<b>21,371,663</b>	<b>8,414,109</b>	<b>\$673,128,747</b>	

Land area figures are approximate, subject to verification by survey.

Floor area ratio (FAR) relates gross floor area, excluding garage space, to land area. Ratios are the d

Appraised value per building SF is the approximate average DCAD total appraisal per building SF for t

## Schedule 5: Estimated Timing of Taxable Development

Assumption:

With fill, development build-out spans  years.

5% of development completed by 2007, enters roll 1/1/2007, then 10% development increments each year until last 5% enters roll 1/1/2017.

Appraisals as of 1/1/	1	2	3	4	5	6	7	8	9	10	11	12	
Year: Base	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011

**"No Fill" Scenario**

Original Zone	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Net land inventory	-	-	-	-	-	-	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160
Floor area added this year	-	-	-	-	-	-	-	-	-	-	-	-	-
Retail	-	-	-	-	-	-	-	-	-	-	-	-	-
Office	-	-	-	-	-	-	-	-	-	-	-	-	-
Flex	-	-	-	-	-	-	-	-	-	-	-	-	-
Industrial	-	-	-	-	-	-	-	-	-	-	-	-	-
Total GFA added this year	-	-	-	-	-	-	-	-	-	-	-	-	-

**Development Scenario**

Original Zone	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Net land inventory	-	-	-	-	-	-	7,013,160	7,013,160	6,662,502	5,961,186	5,259,870	4,558,554	3,857,238
Floor area added this year	-	-	-	-	-	-	-	-	12,273	24,546	24,546	24,546	24,546
Retail	-	-	-	-	-	-	-	-	23,319	46,638	46,638	46,638	46,638
Office	-	-	-	-	-	-	-	-	11,572	23,143	23,143	23,143	23,143
Flex	-	-	-	-	-	-	-	-	89,944	179,888	179,888	179,888	179,888
Industrial	-	-	-	-	-	-	-	-	137,107	274,215	274,215	274,215	274,215
Total GFA added this year	-	-	-	-	-	-	-	-	-	-	-	-	-

**Entire Zone as Expanded**

Original Zone	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Net land inventory	-	-	-	-	-	-	21,371,663	21,371,663	20,303,080	18,165,914	16,028,747	13,891,581	11,754,415
Floor area added this year	-	-	-	-	-	-	-	-	23,188	46,377	46,377	46,377	46,377
Retail	-	-	-	-	-	-	-	-	31,267	62,533	62,533	62,533	62,533
Office	-	-	-	-	-	-	-	-	89,851	179,701	179,701	179,701	179,701
Flex	-	-	-	-	-	-	-	-	276,400	552,799	552,799	552,799	552,799
Industrial	-	-	-	-	-	-	-	-	0	0	0	0	0
Residential	-	-	-	-	-	-	-	-	0	0	0	0	0
Total GFA added this year	-	-	-	-	-	-	-	0	420,705	841,411	841,411	841,411	841,411



Schedule 5:

Estimated Timing of Taxable Development

Year: 13 14 15 16 17 18 19 20 21 22 23 24  
 Appraisals as of 1/1/ 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023

"No Fill" Scenario

Original Zone	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	
Net land inventory	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160
Floor area added this year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Office	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Flex	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Industrial	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total GFA added this year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Development Scenario

Original Zone	3,155,922	2,454,606	1,753,290	1,051,974	350,658	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Net land inventory	3,155,922	2,454,606	1,753,290	1,051,974	350,658	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Floor area added this year	24,546	24,546	24,546	24,546	24,546	12,273	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Retail	24,546	24,546	24,546	24,546	24,546	12,273	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office	46,638	46,638	46,638	46,638	46,638	23,319	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Flex	23,143	23,143	23,143	23,143	23,143	11,572	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Industrial	179,888	179,888	179,888	179,888	179,888	89,944	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total GFA added this year	274,215	274,215	274,215	274,215	274,215	137,107	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Entire Zone as Expanded

Original Zone	9,617,248	7,480,082	5,342,916	3,205,749	1,068,583	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net land inventory	9,617,248	7,480,082	5,342,916	3,205,749	1,068,583	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Floor area added this year	46,377	46,377	46,377	46,377	46,377	23,188	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Retail	46,377	46,377	46,377	46,377	46,377	23,188	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Office	62,533	62,533	62,533	62,533	62,533	31,267	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Flex	179,701	179,701	179,701	179,701	179,701	89,851	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Industrial	552,799	552,799	552,799	552,799	552,799	276,400	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residential	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total GFA added this year	841,411	841,411	841,411	841,411	841,411	420,705	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**Schedule 5:  
Estimated Timing of Taxable Development**

	Year:						Cumulative Total
	25 2024	26 2025	27 2026	28 2027	29 2028	30 2029	
<b>"No Fill" Scenario</b>							
Original Zone							
Net land inventory	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	7,013,160	
Floor area added this year							
Retail	-	-	-	-	-	-	-
Office	-	-	-	-	-	-	-
Flex	-	-	-	-	-	-	-
Industrial	-	-	-	-	-	-	-
Total GFA added this year	-	-	-	-	-	-	-
<b>Development Scenario</b>							
Original Zone							
Net land inventory	0	0	0	0	0	0	0
Floor area added this year							
Retail	0	0	0	0	0	0	245,461
Office	0	0	0	0	0	0	466,375
Flex	0	0	0	0	0	0	231,434
Industrial	0	0	0	0	0	0	1,798,876
Total GFA added this year	0	0	0	0	0	0	2,742,146
<b>Entire Zone as Expanded</b>							
Net land inventory	0	0	0	0	0	0	0
Floor area added this year							
Retail	0	0	0	0	0	0	463,765
Office	0	0	0	0	0	0	625,335
Flex	0	0	0	0	0	0	1,797,015
Industrial	0	0	0	0	0	0	5,527,994
Residential	0	0	0	0	0	0	0
Total GFA added this year	0	0	0	0	0	0	8,414,109

## Schedule 6: Estimated Annual Appraised Values

Assumptions: Development quantities and timing are from separate schedules.  
 City-owned tracts will become taxable before 1/1/2005 at: \$1,050,000 Tract remains tax-exempt in "no Fill" scenario.  
 Agricultural valuation continues indefinitely in "No Fill" scenario. Agricultural valuation status ends by 1/1/2004 in development scenario.  
 In "No Fill" scenario, annual land appreciation: 3.0%

Development scenario only:  
 All anticipated dedications are deducted from unimproved land inventory on 1/1/2005.  
 Annual pre-construction inflation after 1/1/02:  
     Annual vacant land inflation: 3.0% Applied to new construction only  
     Post-construction annual appraisal change: 1.5% Applied to prior development

Appraisals as of 1/1/	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>"No Fill" Scenario</b>												
Original Zone												
Floodplain/agriculture	\$18,200	\$17,285	\$17,285	\$18,195	\$18,195	\$18,741	\$19,303	\$19,882	\$20,479	\$21,093	\$21,726	\$22,377
Retail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Office	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flex	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Industrial	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total appraised value	\$18,200	\$17,285	\$17,285	\$18,195	\$18,195	\$18,741	\$19,303	\$19,882	\$20,479	\$21,093	\$21,726	\$22,377
Captured appraised value	\$0	\$0	\$0	\$0	\$0	\$541	\$1,103	\$1,682	\$2,279	\$2,893	\$3,526	\$4,178
Zone as Expanded (starting 2002)												
Floodplain/agriculture	\$18,200	\$17,285	\$17,285	\$44,177	\$44,177	\$45,502	\$46,867	\$48,273	\$49,722	\$51,213	\$52,750	\$54,332
Retail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Office	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flex	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Industrial	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total appraised value	\$18,200	\$17,285	\$17,285	\$44,177	\$44,177	\$45,502	\$46,867	\$48,273	\$49,722	\$51,213	\$52,750	\$54,332
Captured appraised value	\$0	\$0	\$0	\$0	\$0	\$1,313	\$2,678	\$4,084	\$5,532	\$7,023	\$8,560	\$10,142
<b>Development Scenario</b>												
Original Zone												
Unimproved land	\$18,200	\$17,285	\$17,285	\$18,195	\$18,195	\$18,741	\$19,303	\$19,882	\$19,455	\$17,929	\$16,294	\$14,545
Retail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,105,072	\$3,398,097	\$5,793,811	\$8,295,803
Office	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,099,637	\$6,456,385	\$11,008,241	\$15,762,025
Flex	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,041,925	\$3,203,920	\$5,462,736	\$7,821,757
Industrial	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,098,601	\$24,903,198	\$42,460,358	\$60,796,384
Total appraised value	\$18,200	\$17,285	\$17,285	\$18,195	\$18,195	\$18,741	\$19,303	\$19,882	\$12,364,691	\$37,979,530	\$64,741,440	\$92,690,514
Captured appraised value	\$0	\$0	\$0	\$0	\$0	\$541	\$1,103	\$1,682	\$2,346,491	\$37,961,330	\$64,723,241	\$92,672,314
Zone as Expanded (starting 2002)												
Unimproved land	\$18,200	\$17,285	\$17,285	\$44,177	\$44,177	\$45,502	\$1,096,867	\$1,129,773	\$1,105,483	\$1,018,790	\$925,900	\$826,520
Retail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,087,887	\$6,420,252	\$10,946,634	\$15,673,814
Office	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,815,280	\$8,656,985	\$14,760,300	\$21,134,368
Flex	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,090,225	\$24,877,441	\$42,416,441	\$60,733,501
Industrial	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,887,226	\$76,528,219	\$130,481,858	\$186,828,973
Residential	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total appraised value	\$18,200	\$17,285	\$17,285	\$44,177	\$44,177	\$45,502	\$1,096,867	\$1,129,773	\$38,986,100	\$117,501,687	\$199,531,133	\$285,197,177
Captured appraised value	\$0	\$0	\$0	\$0	\$0	\$1,313	\$1,052,678	\$1,085,584	\$38,941,910	\$117,457,497	\$199,486,943	\$285,152,987

Schedule 6:  
Estimated Annual Appraised Values

Year: \_\_\_\_\_ Appraisals as of 1/1/ \_\_\_\_\_

2011 2012 2013 2014 2015 2016 2017 2018 2019 2020

**"No Fill" Scenario**

Original Zone	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Floodplain/agriculture	\$23,049	\$23,740	\$24,452	\$25,186	\$25,942	\$26,720	\$27,521	\$28,347	\$29,198	\$30,073
Retail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Office	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flex	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Industrial	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total appraised value	\$23,049	\$23,740	\$24,452	\$25,186	\$25,942	\$26,720	\$27,521	\$28,347	\$29,198	\$30,073
Captured appraised value	\$4,849	\$5,540	\$6,253	\$6,986	\$7,742	\$8,520	\$9,322	\$10,147	\$10,998	\$11,874

**Zone as Expanded (starting 2002)**

Floodplain/agriculture	\$55,962	\$57,641	\$59,370	\$61,151	\$62,986	\$64,875	\$66,822	\$68,826	\$70,891	\$73,018
Retail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Office	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flex	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Industrial	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total appraised value	\$55,962	\$57,641	\$59,370	\$61,151	\$62,986	\$64,875	\$66,822	\$68,826	\$70,891	\$73,018
Captured appraised value	\$11,772	\$13,451	\$15,180	\$16,962	\$18,796	\$20,686	\$22,632	\$24,637	\$26,701	\$28,828

**Development Scenario**

Original Zone	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Unimproved land	\$12,677	\$10,683	\$8,558	\$6,297	\$3,891	\$1,336	\$0	\$0	\$0	\$0
Retail	\$10,907,777	\$13,633,557	\$16,477,088	\$19,442,444	\$22,533,825	\$25,755,570	\$27,627,028	\$28,041,434	\$28,462,055	\$28,888,986
Office	\$20,724,776	\$25,903,758	\$31,306,468	\$36,940,643	\$42,814,268	\$48,935,583	\$52,491,354	\$53,278,724	\$54,077,905	\$54,889,074
Flex	\$10,284,475	\$12,854,497	\$15,535,541	\$18,331,447	\$21,246,178	\$24,283,823	\$26,048,341	\$26,439,066	\$26,835,652	\$27,238,187
Industrial	\$79,938,423	\$99,914,496	\$120,753,520	\$142,485,338	\$165,140,749	\$188,751,536	\$202,466,651	\$205,503,651	\$208,586,206	\$211,714,999
Total appraised value	\$121,868,129	\$152,316,991	\$184,081,175	\$217,206,169	\$251,738,913	\$287,727,848	\$308,633,375	\$313,262,875	\$317,961,818	\$322,731,246
Captured appraised value	\$121,849,929	\$152,288,791	\$184,062,975	\$217,187,969	\$251,720,713	\$287,709,648	\$308,615,175	\$313,244,676	\$317,943,619	\$322,713,046

**Zone as Expanded (starting 2002)**

Unimproved land	\$720,344	\$607,054	\$486,318	\$357,791	\$221,115	\$75,916	\$0	\$0	\$0	\$0
Retail	\$20,608,791	\$25,758,789	\$31,131,263	\$36,733,907	\$42,574,660	\$48,661,718	\$52,197,589	\$52,980,553	\$53,775,261	\$54,581,890
Office	\$27,788,628	\$34,732,819	\$41,976,993	\$49,531,526	\$57,407,123	\$65,614,832	\$70,382,555	\$71,438,293	\$72,509,868	\$73,597,516
Flex	\$79,855,742	\$99,811,153	\$120,628,623	\$142,337,964	\$164,969,942	\$188,556,307	\$202,257,237	\$205,291,096	\$208,370,462	\$211,496,019
Industrial	\$245,652,991	\$307,040,018	\$371,078,916	\$437,861,397	\$507,482,104	\$580,038,705	\$622,185,636	\$631,518,420	\$640,991,197	\$650,606,065
Retail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total appraised value	\$374,626,497	\$467,949,832	\$565,302,112	\$666,822,584	\$772,654,944	\$882,947,478	\$947,023,017	\$961,228,362	\$975,646,788	\$990,281,489
Captured appraised value	\$374,582,307	\$467,905,642	\$565,257,923	\$666,778,394	\$772,610,754	\$882,903,289	\$946,978,827	\$961,184,173	\$975,602,598	\$990,237,300

Schedule 6:  
Estimated Annual Appraised Values

Year:	22	23	24	25	26	27	28	29
Appraisals as of 1/1/	2021	2022	2023	2024	2025	2026	2027	2028
<b>"No Fill" Scenario</b>								
Original Zone								
Floodplain/agriculture	\$30,976	\$31,905	\$32,862	\$33,848	\$34,863	\$35,909	\$36,987	\$38,096
Retail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Office	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flex	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Industrial	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total appraised value	\$30,976	\$31,905	\$32,862	\$33,848	\$34,863	\$35,909	\$36,987	\$38,096
Captured appraised value	\$12,776	\$13,705	\$14,662	\$15,648	\$16,664	\$17,709	\$18,787	\$19,896
<b>Zone as Expanded (starting 2002)</b>								
Floodplain/agriculture	\$75,208	\$77,465	\$79,788	\$82,182	\$84,648	\$87,187	\$89,803	\$92,497
Retail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Office	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flex	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Industrial	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total appraised value	\$75,208	\$77,465	\$79,788	\$82,182	\$84,648	\$87,187	\$89,803	\$92,497
Captured appraised value	\$31,019	\$33,275	\$35,599	\$37,992	\$40,458	\$42,997	\$45,613	\$48,307
<b>Development Scenario</b>								
Original Zone								
Unimproved land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retail	\$29,322,321	\$29,762,156	\$30,208,588	\$30,661,717	\$31,121,643	\$31,588,467	\$32,062,294	\$32,543,229
Office	\$55,712,410	\$56,548,096	\$57,396,317	\$58,257,262	\$59,131,121	\$60,018,088	\$60,918,359	\$61,832,135
Flex	\$27,646,760	\$28,061,461	\$28,482,383	\$28,909,619	\$29,343,263	\$29,783,412	\$30,230,163	\$30,683,616
Industrial	\$214,890,724	\$218,114,085	\$221,385,796	\$224,706,583	\$228,077,182	\$231,498,339	\$234,970,814	\$238,495,377
Total appraised value	\$327,572,214	\$332,485,798	\$337,473,085	\$342,535,181	\$347,673,209	\$352,886,307	\$358,181,631	\$363,554,356
Captured appraised value	\$327,554,015	\$332,467,598	\$337,454,885	\$342,516,981	\$347,655,009	\$352,870,107	\$358,163,432	\$363,536,156
<b>Zone as Expanded (starting 2002)</b>								
Unimproved land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retail	\$55,400,618	\$56,231,627	\$57,075,102	\$57,931,228	\$58,800,197	\$59,682,200	\$60,577,433	\$61,486,094
Office	\$74,701,479	\$75,822,001	\$76,959,331	\$78,113,721	\$79,285,427	\$80,474,708	\$81,681,829	\$82,907,056
Flex	\$214,668,460	\$217,888,466	\$221,156,814	\$224,474,166	\$227,841,278	\$231,258,898	\$234,727,781	\$238,249,698
Industrial	\$660,365,156	\$670,270,633	\$680,324,692	\$690,529,563	\$700,887,506	\$711,400,819	\$722,071,831	\$732,902,909
Residential	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total appraised value	\$1,005,135,712	\$1,020,212,747	\$1,035,515,939	\$1,051,048,678	\$1,066,814,408	\$1,082,816,624	\$1,099,058,873	\$1,115,544,756
Captured appraised value	\$1,005,091,522	\$1,020,168,558	\$1,035,471,749	\$1,051,004,488	\$1,066,770,218	\$1,082,772,434	\$1,099,014,684	\$1,115,500,567

**Schedule 6:  
Estimated Annual Appraised Values**

Year:	30	31	32	33	34	35
Appraisals as of 1/1/	2029	2030	2031	2032	2033	2034
<b>"No Fill" Scenario</b>						
Original Zone						
Floodplain/agriculture	\$39,239	\$40,416	\$41,629	\$42,878	\$44,164	\$45,489
Retail	\$0	\$0	\$0	\$0	\$0	\$0
Office	\$0	\$0	\$0	\$0	\$0	\$0
Flex	\$0	\$0	\$0	\$0	\$0	\$0
Industrial	\$0	\$0	\$0	\$0	\$0	\$0
Total appraised value	\$39,239	\$40,416	\$41,629	\$42,878	\$44,164	\$45,489
Captured appraised value	\$21,039	\$22,216	\$0	\$0	\$0	\$0
<b>Zone as Expanded (starting 2002)</b>						
Floodplain/agriculture	\$95,272	\$98,130	\$101,074	\$104,106	\$107,229	\$110,446
Retail	\$0	\$0	\$0	\$0	\$0	\$0
Office	\$0	\$0	\$0	\$0	\$0	\$0
Flex	\$0	\$0	\$0	\$0	\$0	\$0
Industrial	\$0	\$0	\$0	\$0	\$0	\$0
Total appraised value	\$95,272	\$98,130	\$101,074	\$104,106	\$107,229	\$110,446
Captured appraised value	\$51,082	\$53,940	\$0	\$0	\$0	\$0
<b>Development Scenario</b>						
Original Zone						
Unimproved land	\$0	\$0	\$0	\$0	\$0	\$0
Retail	\$33,031,377	\$33,526,848	\$34,029,751	\$34,540,197	\$35,056,300	\$35,584,174
Office	\$62,759,617	\$63,701,011	\$64,656,526	\$65,626,374	\$66,610,770	\$67,609,931
Flex	\$31,143,870	\$31,611,028	\$32,085,193	\$32,568,471	\$33,054,968	\$33,550,793
Industrial	\$242,072,807	\$245,703,899	\$249,389,458	\$253,130,300	\$256,927,254	\$260,781,163
Total appraised value	\$369,007,671	\$374,542,786	\$380,160,928	\$385,863,342	\$391,651,292	\$397,526,061
Captured appraised value	\$368,989,471	\$374,524,566	\$0	\$0	\$0	\$0
<b>Zone as Expanded (starting 2002)</b>						
Unimproved land	\$0	\$0	\$0	\$0	\$0	\$0
Retail	\$62,408,386	\$63,344,511	\$64,294,679	\$65,259,099	\$66,237,986	\$67,231,555
Office	\$64,150,662	\$65,412,922	\$66,694,116	\$67,994,527	\$69,314,445	\$70,654,162
Flex	\$241,822,428	\$245,449,765	\$249,131,511	\$252,868,484	\$256,661,511	\$260,511,434
Industrial	\$743,896,452	\$755,054,899	\$766,380,722	\$777,876,433	\$789,544,580	\$801,387,748
Residential	\$0	\$0	\$0	\$0	\$0	\$0
Total appraised value	\$1,132,277,928	\$1,149,262,097	\$1,166,501,028	\$1,183,998,544	\$1,201,758,522	\$1,219,784,900
Captured appraised value	\$1,132,233,738	\$1,149,217,907	\$0	\$0	\$0	\$0

**Schedule 7:  
Estimated Real Property Tax Collected,  
Contributed to TIF and Retained,  
If No Fill, No Development**

Assumptions:  
 Property tax rates per \$100  
 MISD: \$1.67000  
 City: \$0.54148  
 Tax collection rate: 99%

Year:	Base	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Valuations for Jan. 1,	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Collections by May 1,	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020

Est. real property tax collected by:		\$269	\$277	\$292	\$301	\$310	\$319	\$329	\$339	\$349	\$359	\$370	\$381	\$392	\$404	\$416	\$429	\$442	\$455	\$469	\$483	
MISD		\$93	\$93	\$98	\$98	\$100	\$103	\$107	\$110	\$113	\$116	\$120	\$124	\$127	\$131	\$135	\$139	\$143	\$148	\$152	\$157	
City, from original Zone		\$93	\$93	\$237	\$237	\$244	\$251	\$259	\$267	\$275	\$283	\$291	\$300	\$309	\$318	\$328	\$338	\$348	\$358	\$369	\$380	
City from total expanded Zone		\$361	\$370	\$529	\$538	\$554	\$570	\$587	\$605	\$623	\$642	\$661	\$681	\$701	\$723	\$744	\$767	\$790	\$813	\$838	\$863	
Total (MISD original, City revised)																						
Est. property tax dedicated to TIF by:		\$0	\$0	\$0	\$0	\$9	\$18	\$28	\$38	\$48	\$58	\$69	\$80	\$92	\$103	\$116	\$128	\$141	\$154	\$168	\$182	
MISD		\$0	\$0	\$0	\$0	\$3	\$6	\$9	\$12	\$16	\$19	\$22	\$26	\$30	\$34	\$37	\$42	\$46	\$50	\$54	\$59	
City, from original Zone*		\$0	\$0	\$0	\$0	\$7	\$14	\$22	\$30	\$38	\$46	\$54	\$63	\$72	\$81	\$91	\$101	\$111	\$121	\$132	\$143	
City from total expanded Zone		\$0	\$0	\$0	\$0	\$16	\$33	\$50	\$67	\$85	\$104	\$123	\$143	\$164	\$185	\$206	\$229	\$252	\$275	\$300	\$325	
Total (MISD original, City revised)																						
Est. real property tax retained by:		\$269	\$277	\$292	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301
MISD		\$93	\$93	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98
City, from original Zone		\$93	\$93	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	
City from total expanded Zone		\$361	\$370	\$529	\$538	\$538	\$538	\$538	\$538	\$538	\$538	\$538	\$538	\$538	\$538	\$538	\$538	\$538	\$538	\$538	\$538	
Total (MISD original, City revised)																						

Schedule 7:

**Estimated Real Property Tax Collected,  
Contributed to TIF and Retained,  
If No Fill, No Development**

Year:	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	Est. Adjustment	
Valuations for Jan. 1,	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	3031	2032	2033	2034	2035	at End of Term
Collections by May 1,	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035		if No Spending

Est. real property tax collected by:																	
MISD	\$497	\$512	\$527	\$543	\$560	\$576	\$594	\$611	\$630	\$649	\$668	\$688	\$709	\$730	\$752		
City, from original Zone	\$161	\$166	\$171	\$176	\$181	\$187	\$192	\$198	\$204	\$210	\$217	\$223	\$230	\$237	\$244		
City from total expanded Zone	\$391	\$403	\$415	\$428	\$441	\$454	\$467	\$481	\$496	\$511	\$526	\$542	\$558	\$575	\$592		
Total (MISD original, City revised)	\$889	\$915	\$943	\$971	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126	\$1,159	\$1,194	\$1,230	\$1,267	\$1,305	\$1,344		

Est. property tax dedicated to TIF by:																	
MISD	\$196	\$211	\$227	\$242	\$259	\$275	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
City, from original Zone*	\$64	\$68	\$73	\$79	\$84	\$89	\$95	\$101	\$107	\$113	\$119	\$0	\$0	\$0	\$0		
City from total expanded Zone	\$155	\$166	\$178	\$191	\$204	\$217	\$230	\$245	\$259	\$274	\$289	\$0	\$0	\$0	\$0		
Total (MISD original, City revised)	\$351	\$378	\$405	\$433	\$462	\$492	\$230	\$245	\$259	\$274	\$289	\$0	\$0	\$0	\$0		

Est. real property tax retained by:																	
MISD	\$301	\$301	\$301	\$301	\$301	\$301	\$594	\$611	\$630	\$649	\$668	\$688	\$709	\$730	\$752		
City, from original Zone	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$223	\$230	\$237	\$244		
City from total expanded Zone	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$542	\$558	\$575	\$592		
Total (MISD original, City revised)	\$538	\$538	\$538	\$538	\$538	\$538	\$831	\$848	\$867	\$886	\$905	\$1,230	\$1,267	\$1,305	\$1,344		



**Schedule 7:**  
**Estimated Real Property Tax Collected,**  
**Contributed to TIF and Retained,**  
**If No Fill, No Development**

	Year: Valuations for Jan. 1, Collections by May 1,	Cumulative, 35 Years	While MISD Contributes, Est. % of Total Contributions from	
			Original Zone	Revised Zone
Est. real property tax collected by:				
MISD		\$16,631		
City, from original Zone		\$5,404		
City from total expanded Zone		\$12,856		
<b>Total (MISD original, City revised)</b>		<b>\$29,487</b>		
Est. property tax dedicated to TIF by:				
MISD		\$0	76%	56%
City, from original Zone*		\$0	24%	44%
City from total expanded Zone		\$0		
<b>Total (MISD original, City revised)</b>		<b>\$0</b>	<b>100%</b>	<b>100%</b>
Est. real property tax retained by:				
MISD		\$16,631		
City, from original Zone		\$5,404		
City from total expanded Zone		\$12,856		
<b>Total (MISD original, City revised)</b>		<b>\$29,487</b>		

Schedule 8:

# Estimated Real Property Tax Collected, Contributed to TIF and Retained, If Developed as Planned

Taxes do not include payments for rollback of agricultural valuations to market appraisals for five preceding years. First rollback payment is received in 2006. Rollback payments will flow to TIF fund, although rollback payments due to residential development (est. 3%) will flow to City general fund.

Assumptions:

Property tax rates per \$100

MISD: \$1.67000  
City: \$0.54148

Tax collection rate: 99%

Year:	Base	1	2	3	4	5	6	7	8	9	10	11	12	13
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<i>Valuations for Jan. 1,</i>														
<i>Collections by May 1,</i>														

Est. real property tax collected by:

MISD	\$269	\$277	\$292	\$301	\$310	\$319	\$329	\$204,425	\$627,916	\$1,070,370	\$1,532,452	\$2,014,846	\$2,518,257
City, from original Zone	\$93	\$93	\$98	\$98	\$100	\$103	\$107	\$66,283	\$203,595	\$347,056	\$496,882	\$653,293	\$816,518
City from total expanded Zone	\$93	\$93	\$237	\$237	\$244	\$5,880	\$6,056	\$208,991	\$629,886	\$1,069,617	\$1,528,843	\$2,008,242	\$2,508,516
Total (MISD original, City revised)	\$361	\$370	\$529	\$538	\$554	\$6,199	\$6,385	\$413,416	\$1,257,801	\$2,139,987	\$3,061,295	\$4,023,088	\$5,026,773

Est. property tax dedicated to TIF by:

MISD	\$0	\$0	\$0	\$0	\$9	\$18	\$28	\$204,125	\$627,615	\$1,070,069	\$1,532,151	\$2,014,545	\$2,517,956
City, from original Zone	\$0	\$0	\$0	\$0	\$3	\$6	\$9	\$66,185	\$203,497	\$346,959	\$496,784	\$653,195	\$816,421
City from total expanded Zone	\$0	\$0	\$0	\$0	\$7	\$5,643	\$5,819	\$208,754	\$629,649	\$1,069,380	\$1,528,606	\$2,008,005	\$2,508,279
Total (MISD original, City revised)	\$0	\$0	\$0	\$0	\$16	\$5,661	\$5,847	\$412,879	\$1,257,263	\$2,139,449	\$3,060,757	\$4,022,550	\$5,026,235

Est. real property tax retained by:

MISD	\$269	\$277	\$292	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301
City, from original Zone	\$93	\$93	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98
City from total expanded Zone	\$93	\$93	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237
Total (MISD original, City revised)	\$361	\$370	\$529	\$538	\$538	\$538	\$538	\$538	\$538	\$538	\$538	\$538	\$538

Tax estimates do not include tax recaptured when land is converted from agricultural production value to market value (rollback).

Schedule 8:

**Estimated Real Property Tax Collected,  
Contributed to TIF and Retained,  
If Developed as Planned**

Year:	14	15	16	17	18	19	20	21	22	23
Valuations for Jan. 1,	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Collections by May 1,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023

Est. real property tax collected by:

MISD	\$3,043,414	\$3,591,070	\$4,161,999	\$4,757,005	\$5,102,636	\$5,179,175	\$5,256,863	\$5,335,716	\$5,415,751	\$5,496,988
City, from original Zone	\$986,795	\$1,164,367	\$1,349,485	\$1,542,409	\$1,654,476	\$1,679,293	\$1,704,483	\$1,730,050	\$1,756,001	\$1,782,341
City from total expanded Zone	\$3,030,388	\$3,574,604	\$4,141,934	\$4,733,174	\$5,076,661	\$5,152,811	\$5,230,103	\$5,308,554	\$5,388,183	\$5,469,006
Total (MISD original, City revised)	\$6,073,802	\$7,165,673	\$8,303,934	\$9,490,179	\$10,179,296	\$10,331,986	\$10,486,966	\$10,644,270	\$10,803,934	\$10,965,993

Est. property tax dedicated to TIF by:

MISD	\$3,043,113	\$3,590,769	\$4,161,699	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City, from original Zone	\$986,698	\$1,164,269	\$1,349,387	\$1,542,311	\$1,654,379	\$1,679,196	\$1,704,385	\$1,729,952	\$1,755,903	\$1,782,243
City from total expanded Zone	\$3,030,151	\$3,574,367	\$4,141,697	\$4,732,937	\$5,076,424	\$5,152,574	\$5,229,866	\$5,308,318	\$5,387,946	\$5,468,769
Total (MISD original, City revised)	\$6,073,264	\$7,165,136	\$8,303,396	\$4,732,937	\$5,076,424	\$5,152,574	\$5,229,866	\$5,308,318	\$5,387,946	\$5,468,769

Est. real property tax retained by:

MISD	\$301	\$301	\$301	\$4,757,005	\$5,102,636	\$5,179,175	\$5,256,863	\$5,335,716	\$5,415,751	\$5,496,988
City, from original Zone	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98
City from total expanded Zone	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237
Total (MISD original, City revised)	\$538	\$538	\$538	\$4,757,241	\$5,102,872	\$5,179,412	\$5,257,100	\$5,335,953	\$5,415,988	\$5,497,225

**Schedule 8:**  
**Estimated Real Property Tax Collected,**  
**Contributed to TIF and Retained,**  
**If Developed as Planned**

	24	25	26	27	28	29	30	31	32	33
Year:	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Valuations for Jan. 1,	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Collections by May 1,	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033

Est. real property tax collected by:										
MISD	\$5,579,443	\$5,663,134	\$5,748,081	\$5,834,302	\$5,921,817	\$6,010,644	\$6,100,804	\$6,192,316	\$6,285,201	\$6,379,479
City, from original Zone	\$1,809,076	\$1,836,212	\$1,863,755	\$1,891,711	\$1,920,087	\$1,948,888	\$1,978,122	\$2,007,794	\$2,037,910	\$2,068,479
City from total expanded Zone	\$5,551,041	\$5,634,306	\$5,718,821	\$5,804,603	\$5,891,672	\$5,980,047	\$6,069,748	\$6,160,794	\$6,253,206	\$6,347,004
Total (MISD original, City revised)	\$11,130,483	\$11,297,440	\$11,466,902	\$11,638,905	\$11,813,489	\$11,990,691	\$12,170,552	\$12,353,110	\$12,538,407	\$12,726,483

Est. property tax dedicated to TIF by:										
MISD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
City, from original Zone	\$1,808,978	\$1,836,114	\$1,863,658	\$1,891,614	\$1,919,990	\$1,948,791	\$1,978,122	\$2,007,794	\$2,037,910	\$2,068,479
City from total expanded Zone	\$5,550,804	\$5,634,069	\$5,718,584	\$5,804,366	\$5,891,435	\$5,979,810	\$6,069,748	\$6,160,794	\$6,253,206	\$6,347,004
Total (MISD original, City revised)	\$5,550,804	\$5,634,069	\$5,718,584	\$5,804,366	\$5,891,435	\$5,979,810	\$6,069,748	\$6,160,794	\$6,253,206	\$6,347,004

Est. real property tax retained by:										
MISD	\$5,579,443	\$5,663,134	\$5,748,081	\$5,834,302	\$5,921,817	\$6,010,644	\$6,100,804	\$6,192,316	\$6,285,201	\$6,379,479
City, from original Zone	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98	\$98
City from total expanded Zone	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237
Total (MISD original, City revised)	\$5,579,679	\$5,663,371	\$5,748,318	\$5,834,539	\$5,922,054	\$6,010,881	\$6,100,552	\$6,192,552	\$6,285,437	\$6,379,714

**Schedule 8:**  
**Estimated Real Property Tax Collected,**  
**Contributed to TIF and Retained,**  
**If Developed as Planned**

	Year:		35	Est. Adjustment in Final Year for MISD	Est. Adjustment in Final Year for City	Cumulative, 35 Years
	34	35				
Valuations for Jan. 1,	2033	2034	2034			
Collections by May 1,	2034	2034	2035			
<b>Est. real property tax collected by:</b>						
MISD	\$6,475,171	\$6,475,171	\$6,572,298			\$128,073,668
City, from original Zone	\$2,099,506	\$2,099,506	\$2,130,999			\$41,526,556
City from total expanded Zone	\$6,442,209	\$6,442,209	\$6,538,842			\$127,464,645
Total (MISD original, City revised)	\$12,917,380	\$12,917,380	\$13,111,141			\$255,538,313
<b>Est. property tax dedicated to TIF by:</b>						
MISD	\$0	\$0	\$0	(\$1,013,093)		\$17,749,003
City, from original Zone	\$0	\$0	\$0			\$29,200,926
City from total expanded Zone	\$0	\$0	\$0		(\$3,737,223)	\$85,909,037
Total (MISD original, City revised)	\$0	\$0	\$0	(\$1,013,093)	(\$3,737,223)	\$103,658,040
<b>Est. real property tax retained by:</b>						
MISD	\$6,475,171	\$6,475,171	\$6,572,298	\$1,013,093		\$110,324,665
City, from original Zone	\$2,099,506	\$2,099,506	\$2,130,999			\$12,325,629
City from total expanded Zone	\$6,442,209	\$6,442,209	\$6,538,842		\$3,737,223	\$41,555,608
Total (MISD original, City revised)	\$12,917,380	\$12,917,380	\$13,111,141	\$1,013,093	\$3,737,223	\$151,880,273

**Schedule 9.1:**  
**Estimated Public Improvement Costs,**  
**Cash Advanced by TIF Bondholders, Utility District, Owner or Developer**

	2004 Cost Estimate	Cash Advance by May, 2003		Cash Advance by May, 2004		Cash Advance by May, 2005		Cash Advance by May, 2006	
		Capital Cost	% of Cost, with Inflation	Capital Cost	% of Cost, with Inflation	Capital Cost	% of Cost, with Inflation	Capital Cost	% of Cost, with Inflation
<b>For Original Zone:</b>									
(Cash advances from TIF bond proceeds)									
Capital costs, in 2004 dollars									
IH 20 interchange and frontage roads	\$3,233,004	0%	\$0	100%	\$3,233,004	0%	\$0	0%	\$0
Main road (4-lane divided, w utilities)	\$3,180,578	0%	\$0	10%	\$318,058	30%	\$982,799	30%	\$1,012,283
Ring road (with utilities)	\$3,271,766	0%	\$0	10%	\$327,177	30%	\$1,010,976	30%	\$1,041,305
Subtotal	\$9,685,348		\$0		\$3,878,238		\$1,993,774		\$2,053,588
Interest costs									
(from reimbursement schedule)									
City administrative fees									
Total project costs for original Zone									
<b>For Expanded Part of Zone Only:</b>									
(Cash advances from District, Owner or Developer)									
Earthwork	\$14,757,989	0%	\$0	50%	\$7,378,994	50%	\$7,600,364	0%	\$0
Additional ring road	\$2,277,387	0%	\$0	0%	\$0	10%	\$234,571	30%	\$724,824
Roads/utilities	\$1,737,754	0%	\$0	0%	\$0	10%	\$178,989	30%	\$553,075
Subtotal	\$18,773,130		\$0		\$7,378,994		\$8,013,924		\$1,277,899
Interest costs									
(from reimbursement schedule)									
City administrative fees									
Total for expanded part only									
<b>For All of Expanded Zone</b>									
Capital costs, in 2003 dollars									
Interest costs	\$28,458,479								
City administrative fees									
Total for all of expanded Zone									

Assumed annual inflation of construction costs: 3.0%

**Schedule 9.1:  
Estimated Public Improvement Costs,  
Cash Advanced by TIF Bondholders, Utility District, Owner or Developer**

	Cash Advance by May, 2007		Cash Advance by May, 2008		Total Cost Advanced, With Inflation
	% of Capital Cost	Cost, with Inflation	% of Capital Cost	Cost, with Inflation	
<b>For Original Zone:</b>					
(Cash advances from TIF bond proceeds)					
Capital costs, in 2004 dollars					
IH 20 interchange and frontage roads	0%	\$0	0%	\$0	\$3,233,004
Main road (4-lane divided, w utilities)	30%	\$1,042,651	0%	\$0	\$3,355,790
Ring road (with utilities)	30%	\$1,072,544	0%	\$0	\$3,452,001
Subtotal		\$2,115,195		\$0	\$10,040,796
Interest costs					\$8,691,895
(from reimbursement schedule)					\$420,000
City administrative fees					\$19,152,690
Total project costs for original Zone					
<b>For Expanded Part of Zone Only:</b>					
(Cash advances from District, Owner or Developer:					
Earthwork	0%	\$0	0%	\$0	\$14,979,359
Additional ring road	30%	\$746,569	30%	\$768,966	\$2,474,930
Roads/utilities	30%	\$569,667	30%	\$586,757	\$1,888,488
Subtotal		\$1,316,236		\$1,355,723	\$19,342,777
Interest costs					\$48,476,651
(from reimbursement schedule)					\$390,000
City administrative fees					\$68,209,428
Total for expanded part only					
<b>For All of Expanded Zone</b>					
Capital costs, in 2003 dollars					
Interest costs					\$29,383,572
City administrative fees					\$57,168,545
Subtotal					\$810,000
Total for all of expanded Zone					
					\$87,362,118

**Schedule 9.2:  
Estimated Public Improvement Costs,  
Cash Advanced by City**

2004 Cost Estimate	Cash Advance by May, 2003		Cash Advance by May, 2004		Cash Advance by May, 2005		Cash Advance by May, 2006		Cash Advance by May, 2007	
	Capital Cost	% of Cost, with Inflation	Capital Cost	% of Cost, with Inflation	Capital Cost	% of Cost, with Inflation	Capital Cost	% of Cost, with Inflation	Capital Cost	% of Cost, with Inflation
Capital costs, in 2004 dollars										
IH 20 interchange and frontage roads	\$9,485,834	0%	\$0	10%	\$1,000,000	30%	\$3,000,000	30%	\$3,000,000	30%
Subtotal	\$9,485,834	\$0	\$0	\$1,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	
Interest costs (from reimbursement schedule)										
City administrative fees										
Total project costs for original Zone										
<b>For Expanded Part of Zone Only</b>										
Capital costs, in 2004 dollars										
Interest costs	\$0	0%	\$0	0%	\$0	0%	\$0	0%	\$0	0%
(from reimbursement schedule)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total for expanded part only										
<b>For All of Expanded Zone</b>										
Capital costs, in 2004 dollars	\$9,485,834									
Interest costs										
City administrative fees										
Total for all of expanded Zone										

Assumed annual inflation of construction costs: 3.0%



**Schedule 9.2:  
Estimated Public Improvement Costs,  
Cash Advanced by City**

	Cash Advance by May, 2008 % of Cost, with Capital Cost Inflation	Total Cost Advanced, With Inflation
<b>For Original Zone</b>		
Capital costs, in 2004 dollars	0%	\$10,000,000
IH 20 interchange and frontage roads	\$0	\$10,000,000
Subtotal		
Interest costs (from reimbursement schedule)		\$6,561,370
City administrative fees		\$90,000
Total project costs for original Zone		\$16,651,370
<b>For Expanded Part of Zone Only</b>		
Capital costs, in 2004 dollars	0%	\$0
Subtotal		\$0
Interest costs (from reimbursement schedule)		\$0
Total for expanded part only		\$0
<b>For All of Expanded Zone</b>		
Capital costs, in 2004 dollars		\$10,000,000
Interest costs		\$6,561,370
City administrative fees		\$90,000
Total for all of expanded Zone		\$16,651,370

**Schedule 10:  
TIF Reimbursement Schedule for Series C TIF Bondholders**

Assumptions:

Public improvement capital costs are imported from the a separate schedule.  
Interest on advances, if compounded annually: 8.50% Actual interest terms are to be determined.  
No interest has been credited to TIF cash balances.

	Year: Base	1	2	3	4	5	6	7	8	9	10	11	
Appraisal and Levy:	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2010
Expenses during year ended May 31,	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2010	2011
<b>Cash available to tax increment fund</b>													
Real property tax to Fund	\$0	\$0	\$0	\$0	\$0	\$16	\$5,661	\$5,847	\$412,879	\$1,257,263	\$2,139,449	\$3,060,757	
Less administrative fees (1)	\$0	\$0	\$0	\$0	\$0	\$16	\$5,661	\$5,847	\$228,475	\$30,000	\$30,000	\$30,000	
Net funds for debt service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$184,403	\$1,227,263	\$2,109,449	\$3,030,757	
<b>Advances and debt service</b>													
Principal carried from previous year	\$0	\$0	\$0	\$0	\$0	\$9,685,348	\$9,685,348	\$9,685,348	\$9,685,348	\$9,685,348	\$9,685,348	\$9,685,348	
New principal advanced (2)	\$0	\$0	\$0	\$0	\$9,685,348	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Less principal repaid this year	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Net reimbursable principal	\$0	\$0	\$0	\$0	\$0	\$9,685,348	\$9,685,348	\$9,685,348	\$9,685,348	\$9,685,348	\$9,685,348	\$9,685,348	
Interest carried from previous year	\$0	\$0	\$0	\$0	\$0	\$0	\$823,255	\$1,716,486	\$2,685,642	\$3,552,773	\$3,450,750	\$2,457,869	
Interest accrued this period	\$0	\$0	\$0	\$0	\$0	\$823,255	\$893,231	\$969,156	\$1,051,534	\$1,125,240	\$1,116,568	\$1,032,173	
Total interest before reduction this period	\$0	\$0	\$0	\$0	\$0	\$823,255	\$1,716,486	\$2,685,642	\$3,737,176	\$4,678,013	\$4,567,318	\$3,490,042	
Less interest repaid this year	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$184,403	\$1,227,263	\$2,109,449	\$3,030,757	
Net reimbursable interest	\$0	\$0	\$0	\$0	\$0	\$823,255	\$1,716,486	\$2,685,642	\$3,552,773	\$3,450,750	\$2,457,869	\$459,285	
Total principal and interest owed by Fund	\$0	\$0	\$0	\$0	\$9,685,348	\$10,508,603	\$11,401,834	\$12,370,990	\$13,238,121	\$13,136,098	\$12,143,217	\$10,144,633	
<b>Cum. fund balance at EOP (3)</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

(1) Annual administrative fees to the City will be paid before any debt service. City earns missed fees from Year 1 forward when available.  
 (2) 100% of Series C bond proceeds when issued. Interest may be earned on balance held. Earned interest is not shown.  
 (3) Balance after debt service on this schedule flows to next priority claimant.

**Schedule 10:  
TIF Reimbursement Schedule for Series C TIF Bondholders**

Year: Appraisal and Levy: Receipts by May 1, Expenses during year ended May 31,	12 2011	13 2012	14 2013	15 2014	16 2015	17 2016	18 2017	19 2018	20 2019	21 2020	2021
<b>Cash available to tax increment fund</b>											
Real property tax to Fund	\$4,022,550	\$5,026,235	\$6,073,264	\$7,165,136	\$8,303,396	\$4,732,937	\$5,076,424	\$5,152,574	\$5,229,866	\$5,308,318	\$5,308,318
Less administrative fees (1)	\$30,000	\$30,000	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net funds for debt service	\$3,992,550	\$4,996,235	\$6,043,264	\$7,165,136	\$8,303,396	\$4,732,937	\$5,076,424	\$5,152,574	\$5,229,866	\$5,308,318	\$5,308,318
<b>Advances and debt service</b>											
Principal carried from previous year	\$9,685,348	\$7,014,376	\$2,614,363	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New principal advanced (2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less principal repaid this year	\$2,670,972	\$4,400,013	\$2,614,363	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net reimbursable principal	\$7,014,376	\$2,614,363	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest carried from previous year	\$459,285	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest accrued this period	\$862,294	\$596,222	\$222,221	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total interest before reduction this period	\$1,321,578	\$596,222	\$222,221	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less interest repaid this year	\$1,321,578	\$596,222	\$222,221	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net reimbursable interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total principal and interest owed by Fund	\$7,014,376	\$2,614,363	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Cum. fund balance at EOP (3)</b>	\$0	\$0	\$3,206,680	\$10,371,816	\$18,675,212	\$23,408,149	\$28,484,573	\$33,637,147	\$38,867,013	\$44,175,330	\$44,175,330

Fund balances at EOP are not adjusted for return to MISD of dollars in excess of original zone project costs.

**Schedule 10:  
TIF Reimbursement Schedule for Series C TIF Bondholders**

	Year: Appraisal and Levy: Receipts by May 1, Expenses during year ended May 31,	22 2021	23 2022	24 2023	25 2024	26 2025	27 2026	28 2027	29 2028	30 2029
<b>Cash available to tax increment fund</b>										
Real property tax to Fund		\$5,387,946	\$5,468,769	\$5,550,804	\$5,634,069	\$5,718,584	\$5,804,366	\$5,891,435	\$5,979,810	\$0
Less administrative fees (1)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net funds for debt service		\$5,387,946	\$5,468,769	\$5,550,804	\$5,634,069	\$5,718,584	\$5,804,366	\$5,891,435	\$5,979,810	\$0
<b>Advances and debt service</b>										
Principal carried from previous year		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New principal advanced (2)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less principal repaid this year		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net reimbursable principal		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest carried from previous year		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest accrued this period		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total interest before reduction this period		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less interest repaid this year		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net reimbursable interest		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total principal and interest owed by Fund		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Cum. fund balance at EOP (3)</b>		\$49,563,276	\$55,032,045	\$60,582,849	\$66,216,918	\$71,935,502	\$77,739,868	\$83,631,303	\$89,611,114	\$89,611,114

Cash available to fund is unadjusted for return to MISD of funds in excess of project cost needs

**Schedule 10:  
TIF Reimbursement Schedule for Series C TIF Bondholders**

	Year: 31	Total
<i>Appraisal and Levy:</i>	2030	
<i>Receipts by May 1,</i>		<i>Uses</i>
<i>Expenses during year ended May 31,</i>	2031	<i>of Funds</i>
<b>Cash available to tax increment fund</b>		
Real property tax to Fund	\$0	\$108,408,356
Less administrative fees (1)	\$0	\$420,000
Net funds for debt service	\$0	\$107,988,356
<b>Advances and debt service</b>		
Principal carried from previous year	\$0	
New principal advanced (2)	\$0	\$9,685,348
Less principal repaid this year	\$0	\$9,685,348
Net reimbursable principal	\$0	
Interest carried from previous year	\$0	
Interest accrued this period	\$0	\$8,691,895
Total interest before reduction this period	\$0	
Less interest repaid this year	\$0	\$8,691,895
Net reimbursable interest	\$0	
Total principal and interest owed by Fund	\$0	
<b>Cum. fund balance at EOP (3)</b>		<b>\$89,611,114</b>

## Schedule 10.1: TIF Reimbursement Schedule for City

**Assumptions:**

Public improvement capital costs are imported from the a separate schedule.  
 All cash advanced by the City of Mesquite is for interchange improvements in original reinvestment zone.  
 Interest on advances, if compounded annually: 5.5% Actual interest terms are to be determined.  
 No interest has been credited to TIF cash balances.

Year:	Base	1	2	3	4	5	6	7	8	9	10	11	
Appraisal and Levy:	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Receipts by May 1,	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	
Expenses during year ended May 31,	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	
<b>Cash available to tax increment fund</b>													
Real property tax to Fund	\$0	\$0	\$0	\$0	\$16	\$16	\$5,661	\$5,847	\$412,879	\$1,257,263	\$2,139,449	\$3,060,757	
Less priority deductions (1)	\$0	\$0	\$0	\$0	\$16	\$16	\$5,661	\$5,847	\$412,879	\$1,257,263	\$2,139,449	\$3,060,757	
Less administrative fees (2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Net funds for debt service	\$0	\$0	\$0	\$0	(\$30,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Advances and debt service</b>													
Principal carried from previous year	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$4,000,000	\$7,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	
New principal advanced	\$0	\$0	\$0	\$0	\$1,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$0	\$0	\$0	\$0	
Less principal repaid this year	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Net reimbursable principal	\$0	\$0	\$0	\$0	\$1,000,000	\$4,000,000	\$7,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	
Interest accrued from previous year	\$0	\$0	\$0	\$0	\$30,000	\$30,000	\$86,650	\$311,416	\$713,544	\$1,302,789	\$1,924,442	\$2,580,286	
Interest accrued this period	\$0	\$0	\$0	\$0	\$56,650	\$56,650	\$224,766	\$402,128	\$589,245	\$621,653	\$655,844	\$691,916	
Interest before reduction this period	\$0	\$0	\$0	\$0	\$86,650	\$86,650	\$311,416	\$713,544	\$1,302,789	\$1,924,442	\$2,580,286	\$3,272,202	
Less interest repaid this year	\$0	\$0	\$0	\$0	(\$30,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Net reimbursable interest	\$0	\$0	\$0	\$0	\$30,000	\$86,650	\$311,416	\$713,544	\$1,302,789	\$1,924,442	\$2,580,286	\$3,272,202	
Total principal and interest owed by Fund	\$0	\$0	\$0	\$0	\$1,030,000	\$4,086,650	\$7,311,416	\$10,713,544	\$11,302,789	\$11,924,442	\$12,580,286	\$13,272,202	
<b>Cum. fund balance at EOP (3)</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

(1) Estimated deductions for senior claims and annual administrative fees in a year senior claims are paid

(2) Administrative fees to the City for year when no senior claim is paid

(3) Balance after debt service on this schedule flows to next priority claimant.

**Schedule 10.1:  
TIF Reimbursement Schedule for City**

	12	13	14	15	16	17	18	19	20	21
Year:	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Appraisal and Levy:	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Receipts by May 1,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses during year ended May 31,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Cash available to tax increment fund</b>										
Real property tax to Fund	\$4,022,550	\$5,026,235	\$6,073,264	\$7,165,136	\$8,303,396	\$4,732,937	\$5,076,424	\$5,152,574	\$5,229,866	\$5,308,318
Less priority deductions (1)	\$4,022,550	\$5,026,235	\$2,866,584	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less administrative fees (2)	\$0	\$0	\$0	\$30,000	\$30,000	\$0	\$0	\$0	\$0	\$0
Net funds for debt service	\$0	\$0	\$3,206,680	\$7,135,136	\$8,273,396	\$4,732,937	\$5,076,424	\$5,152,574	\$5,229,866	\$5,308,318
<b>Advances and debt service</b>										
Principal carried from previous year	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$5,923,748	\$0	\$0	\$0	\$0	\$0
New principal advanced	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less principal repaid this year	\$0	\$0	\$0	\$4,076,252	\$5,923,748	\$0	\$0	\$0	\$0	\$0
Net reimbursable principal	\$10,000,000	\$10,000,000	\$10,000,000	\$5,923,748	\$0	\$0	\$0	\$0	\$0	\$0
Interest carried from previous year	\$3,272,202	\$4,002,173	\$4,772,293	\$2,378,089	\$0	\$0	\$0	\$0	\$0	\$0
Interest accrued this period	\$729,971	\$770,120	\$812,476	\$680,795	\$325,806	\$0	\$0	\$0	\$0	\$0
Total interest before reduction this period	\$4,002,173	\$4,772,293	\$5,584,769	\$3,058,883	\$325,806	\$0	\$0	\$0	\$0	\$0
Less interest repaid this year	\$0	\$0	\$3,206,680	\$3,058,883	\$325,806	\$0	\$0	\$0	\$0	\$0
Net reimbursable interest	\$4,002,173	\$4,772,293	\$2,378,089	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total principal and interest owed by Fund	\$14,002,173	\$14,772,293	\$12,378,089	\$5,923,748	\$0	\$0	\$0	\$0	\$0	\$0
<b>Cum. fund balance at EOP (3)</b>	\$0	\$0	\$0	\$0	\$2,023,842	\$6,756,779	\$11,833,203	\$16,985,777	\$22,215,643	\$27,523,961

Fund balances at EOP are not adjusted for return to MISD of dollars in excess of original zone project costs.

**Schedule 10.1:  
TIF Reimbursement Schedule for City**

	22	23	24	25	26	27	28	29	30
Year:	2021	2022	2023	2024	2025	2026	2027	2028	2029
Appraisal and Levy:	2022	2023	2024	2025	2026	2027	2028	2029	2030
Receipts by May 1,	2022	2023	2024	2025	2026	2027	2028	2029	2030
Expenses during year ended May 31,	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>Cash available to tax increment fund</b>									
Real property tax to Fund	\$5,387,946	\$5,468,769	\$5,550,804	\$5,634,069	\$5,718,584	\$5,804,366	\$5,891,435	\$5,979,810	\$0
Less priority deductions (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less administrative fees (2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net funds for debt service	\$5,387,946	\$5,468,769	\$5,550,804	\$5,634,069	\$5,718,584	\$5,804,366	\$5,891,435	\$5,979,810	\$0
<b>Advances and debt service</b>									
Principal carried from previous year	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New principal advanced	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less principal repaid this year	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net reimbursable principal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest carried from previous year	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest accrued this period	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total interest before reduction this period	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less interest repaid this year	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net reimbursable interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total principal and interest owed by Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Cum. fund balance at EOP (3)</b>	<b>\$32,911,907</b>	<b>\$38,380,676</b>	<b>\$43,931,480</b>	<b>\$49,565,549</b>	<b>\$55,284,133</b>	<b>\$61,088,499</b>	<b>\$66,979,934</b>	<b>\$72,959,744</b>	<b>\$72,959,744</b>



**Schedule 10.1:  
TIF Reimbursement Schedule for City**

ii

	Year: 31	Total
<i>Appraisal and Levy: Receipts by May 1, Expenses during year ended May 31,</i>	2030	Uses of Funds
<b>Cash available to tax increment fund</b>		
Real property tax to Fund	\$0	\$108,408,356
Less priority deductions (1)	\$0	\$18,797,243
Less administrative fees (2)	\$0	\$90,000
Net funds for debt service	\$0	\$89,521,114
<b>Advances and debt service</b>		
Principal carried from previous year	\$0	\$0
New principal advanced	\$0	\$10,000,000
Less principal repaid this year	\$0	\$10,000,000
Net reimbursable principal	\$0	\$0
Interest carried from previous year	\$0	\$0
Interest accrued this period	\$0	\$6,561,370
Total interest before reduction this period	\$0	\$6,561,370
Less interest repaid this year	\$0	\$6,561,370
Net reimbursable interest	\$0	\$0
Total principal and interest owed by Fund	\$0	\$0
<b>Cum. fund balance at EOP (3)</b>	<b>\$72,959,744</b>	

**Schedule 10.2:**  
**TIF Reimbursement Schedule for Utility District, Owner or Developer,**  
**Project Costs for Expanded Part of Zone**

Assumptions:

Public improvement capital costs are imported from the a separate schedule.  
 Interest on advances, if compounded annually:  Actual interest terms are to be determined.  
 No interest has been credited to TIF cash balances.

	Year	Base	1	2	3	4	5	6	7	8	9	10
	Appraisal and Levy:	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
	Receipts by May 1,	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
	Expenses during year ended May 31,	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Cash available to tax increment fund</b>												
Real property tax to Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$16	\$5,661	\$5,847	\$412,879	\$1,257,263	\$2,139,449
Less priority deductions (1)	\$0	\$0	\$0	\$0	\$0	\$0	\$16	\$5,661	\$5,847	\$412,879	\$1,257,263	\$2,139,449
Less administrative fees (2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less rebate of excess increment to MISD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net funds for debt service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Advances and debt service</b>												
Principal carried from previous year	\$0	\$0	\$0	\$0	\$0	\$0	\$7,378,994	\$15,392,918	\$16,670,817	\$17,987,054	\$19,342,777	\$19,342,777
New principal advanced	\$0	\$0	\$0	\$0	\$0	\$0	\$7,378,994	\$8,013,924	\$1,277,899	\$1,316,236	\$1,355,723	\$0
Less principal repaid this year	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net reimbursable principal	\$0	\$0	\$0	\$0	\$0	\$0	\$7,378,994	\$15,392,918	\$16,670,817	\$17,987,054	\$19,342,777	\$19,342,777
Interest carried from previous year	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$553,425	\$1,749,400	\$3,130,917	\$4,714,764	\$6,519,080
Interest accrued this period	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$553,425	\$1,195,976	\$1,381,516	\$1,583,848	\$1,804,316
Total interest before reduction this period	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$553,425	\$1,749,400	\$3,130,917	\$4,714,764	\$6,519,080
Less interest repaid this year	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net reimbursable interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$553,425	\$1,749,400	\$3,130,917	\$4,714,764	\$6,519,080
Total principal and interest owed by Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$7,378,994	\$15,946,343	\$18,420,218	\$21,117,970	\$24,057,541	\$25,861,857
<b>Cum. fund balance at EOP (3)</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

- (1) Estimated deductions for senior claims and annual administrative fees in a year senior claims are paid
- (2) Administrative fees to the City for year when no senior claim is paid
- (3) Fund balance after all TIF project costs, including interest and administrative costs, may be prorated to taxing units.

**Schedule 10.2:**  
**TIF Reimbursement Schedule for Utility District, Owner or Developer,**  
**Project Costs for Expanded Part of Zone**

	Year:	11	12	13	14	15	16	17	18	19	20
	Appraisal and Levy:	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
	Receipts by May 1,										
	Expenses during year ended May 31,	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Cash available to tax increment fund</b>											
Real property tax to Fund		\$3,060,757	\$4,022,550	\$5,026,235	\$6,073,264	\$7,165,136	\$8,303,396	\$4,732,937	\$5,076,424	\$5,152,574	\$5,229,866
Less priority deductions (1)		\$3,060,757	\$4,022,550	\$5,026,235	\$6,073,264	\$7,165,136	\$6,279,554	\$0	\$0	\$0	\$0
Less administrative fees (2)		\$0	\$0	\$0	\$0	\$0	\$0	\$30,000	\$30,000	\$30,000	\$30,000
Less rebate of excess increment to MISD		\$0	\$0	\$0	\$0	\$0	\$1,013,093	\$0	\$0	\$0	\$0
Net funds for debt service		\$0	\$0	\$0	\$0	\$0	\$1,010,749	\$4,702,937	\$5,046,424	\$5,122,574	\$5,199,866
<b>Advances and debt service</b>											
Principal carried from previous year		\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777
New principal advanced		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less principal repaid this year		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net reimbursable principal		\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777
Interest carried from previous year		\$8,458,719	\$10,543,831	\$12,785,327	\$15,194,935	\$17,785,263	\$20,569,866	\$22,552,565	\$20,991,779	\$18,970,447	\$16,721,364
Interest accrued this period		\$2,085,112	\$2,241,496	\$2,409,608	\$2,590,328	\$2,784,603	\$2,993,448	\$3,142,151	\$3,025,092	\$2,873,492	\$2,704,811
Total interest before reduction this period		\$10,543,831	\$12,785,327	\$15,194,935	\$17,785,263	\$20,569,866	\$23,563,314	\$25,694,716	\$24,016,871	\$21,843,938	\$19,426,175
Less interest repaid this year		\$0	\$0	\$0	\$0	\$0	\$1,010,749	\$4,702,937	\$5,046,424	\$5,122,574	\$5,199,866
Net reimbursable interest		\$10,543,831	\$12,785,327	\$15,194,935	\$17,785,263	\$20,569,866	\$22,552,565	\$20,991,779	\$18,970,447	\$16,721,364	\$14,226,309
Total principal and interest owed by Fund		\$29,886,608	\$32,128,104	\$34,537,711	\$37,128,040	\$39,912,643	\$41,895,342	\$40,334,556	\$38,313,223	\$36,064,141	\$33,569,086
<b>Cum. fund balance at EOP (3)</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Fund balances at EOP are not adjusted for return to MISD of dollars in excess of original zone project costs.

**Schedule 10.2:**  
**TIF Reimbursement Schedule for Utility District, Owner or Developer,**  
**Project Costs for Expanded Part of Zone**

	Year:	21	22	23	24	25	26	27	28	29	30
	Appraisal and Levy:	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
	Receipts by May 1,										
	Expenses during year ended May 31,	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
<b>Cash available to tax increment fund</b>											
Real property tax to Fund		\$5,308,318	\$5,387,946	\$5,468,769	\$5,550,804	\$5,634,069	\$5,718,584	\$5,804,366	\$5,891,435	\$5,979,810	\$0
Less priority deductions (1)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less administrative fees (2)		\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$0
Less rebate of excess increment to MISD		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net funds for debt service		\$5,278,318	\$5,357,946	\$5,438,769	\$5,520,804	\$5,604,069	\$5,688,584	\$5,774,366	\$5,861,435	\$5,949,810	\$0
<b>Advances and debt service</b>											
Principal carried from previous year		\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777	\$16,663,464	\$12,224,640	\$7,367,122	\$2,058,221	\$0
New principal advanced		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less principal repaid this year		\$0	\$0	\$0	\$0	\$2,679,313	\$4,438,824	\$4,857,518	\$5,308,901	\$2,058,221	\$0
Net reimbursable principal		\$19,342,777	\$19,342,777	\$19,342,777	\$19,342,777	\$16,663,464	\$12,224,640	\$7,367,122	\$2,058,221	\$0	\$0
Interest carried from previous year		\$14,226,309	\$11,465,673	\$8,418,361	\$5,061,677	\$1,371,208	\$0	\$0	\$0	\$0	\$0
Interest accrued this period		\$2,517,681	\$2,310,634	\$2,082,085	\$1,830,334	\$1,553,549	\$1,249,760	\$916,848	\$552,534	\$154,367	\$0
Total interest before reduction this period		\$16,743,990	\$13,776,307	\$10,500,446	\$6,892,012	\$2,924,757	\$1,249,760	\$916,848	\$552,534	\$154,367	\$0
Less interest repaid this year		\$5,278,318	\$5,357,946	\$5,438,769	\$5,520,804	\$2,924,757	\$1,249,760	\$916,848	\$552,534	\$154,367	\$0
Net reimbursable interest		\$11,465,673	\$8,418,361	\$5,061,677	\$1,371,208	\$0	\$0	\$0	\$0	\$0	\$0
Total principal and interest owed by Fund		\$30,808,450	\$27,761,137	\$24,404,454	\$20,713,984	\$16,663,464	\$12,224,640	\$7,367,122	\$2,058,221	\$0	\$0
<b>Cum. fund balance at EOP (3)</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,737,223	\$3,737,223

\*Cash available to fund is unadjusted for return to MISD of funds in excess of project cost needs

**Schedule 10.2:**  
**TIF Reimbursement Schedule for Utility District, Owner or Developer,**  
**Project Costs for Expanded Part of Zone**

	Year:	31	Total
	Appraisal and Levy:	2030	
	Receipts by May 1,		Uses
	Expenses during year ended May 31,	2031	of Funds
<b>Cash available to tax increment fund</b>			
Real property tax to Fund		\$0	\$108,408,356
Less priority deductions (1)		\$0	\$35,448,612
Less administrative fees (2)		\$0	\$390,000
Less rebate of excess increment to MISD		\$0	\$1,013,093
Net funds for debt service		\$0	\$71,556,651
<b>Advances and debt service</b>			
Principal carried from previous year		\$0	\$0
New principal advanced		\$0	\$19,342,777
Less principal repaid this year		\$0	\$19,342,777
Net reimbursable principal		\$0	\$0
Interest carried from previous year		\$0	\$0
Interest accrued this period		\$0	\$48,476,651
Total interest before reduction this period		\$0	\$0
Less interest repaid this year		\$0	\$48,476,651
Net reimbursable interest		\$0	\$0
Total principal and interest owed by Fund		\$0	\$0
<b>Cum. fund balance at EOP (3)</b>		<b>\$3,737,223</b>	

## Schedule 11: Revenues Retained by MISD and City

**Assumptions:**

Personal property appraisal per retail bldg. SF:	\$35	(2003 dollars)
Personal property appraisal per office bldg. SF:	\$15	(2003 dollars)
Personal property appraisal per flex/industrial bldg. SF:	\$40	(2003 dollars)
Average sales subject to sales tax per retail SF:	\$150	(2003 dollars)
City sales tax as percentage of sales:	2.0%	Includes property tax relief and 4B
% of added value taxable as construction materials:	30%	If sale delivered in Mesquite
Annual inflation rate of BPP:	2.0%	
Annual inflation rate of sales:	3.0%	

Constant property tax rates per \$100:	
City:	\$0.58148
MISD:	\$1.67000
	constant rate
	99%
	property tax collection

Year:	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Calendar year of receipt:	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016

**MISD (original Zone only)**

Real property taxes retained (1)	\$269	\$277	\$292	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$301	\$1,013,394
Business personal property tax (2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$88,347	\$270,343	\$459,583	\$656,285	\$860,671	\$1,072,970	\$1,293,417	\$1,522,252	\$1,759,723	
<b>Total</b>	<b>\$269</b>	<b>\$277</b>	<b>\$292</b>	<b>\$301</b>	<b>\$301</b>	<b>\$301</b>	<b>\$301</b>	<b>\$88,648</b>	<b>\$270,644</b>	<b>\$459,884</b>	<b>\$656,586</b>	<b>\$860,972</b>	<b>\$1,073,271</b>	<b>\$1,293,717</b>	<b>\$1,522,553</b>	<b>\$2,773,117</b>	

**City (entire Zone after 2002)**

Real property tax retained (1)	\$93	\$93	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237
Business personal property tax (2)	\$0	\$0	\$0	\$0	\$0	\$0	\$99,267	\$303,756	\$516,385	\$737,397	\$967,044	\$1,205,582	\$1,453,274	\$1,710,391	\$1,977,212	\$2,016,757	
Sales tax from vendors, on-site (3)	\$0	\$0	\$0	\$0	\$0	\$76,015	\$234,887	\$403,223	\$581,448	\$770,003	\$969,348	\$1,179,981	\$1,402,338	\$1,636,996	\$1,686,106	\$1,941,006	
Sales tax on construction materials (4)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$234,102	\$482,251	\$496,718	\$511,620	\$526,988	\$542,777	\$559,061	\$575,832	\$593,107	
Sales tax subtotal	\$0	\$0	\$0	\$0	\$0	\$76,015	\$234,887	\$637,325	\$1,063,698	\$1,266,721	\$1,480,968	\$1,706,929	\$1,945,116	\$2,196,057	\$2,261,939	\$2,534,113	
<b>Total</b>	<b>\$93</b>	<b>\$93</b>	<b>\$237</b>	<b>\$237</b>	<b>\$237</b>	<b>\$237</b>	<b>\$334,391</b>	<b>\$941,318</b>	<b>\$1,580,320</b>	<b>\$2,004,355</b>	<b>\$2,448,249</b>	<b>\$2,912,748</b>	<b>\$3,398,626</b>	<b>\$3,906,685</b>	<b>\$4,239,388</b>	<b>\$4,551,107</b>	

- (1) From separate schedule
- (2) Cumulative floor area from separate schedule, times estimated BPP appraisal per SF, times annual adjustment, times tax rate, times collection rate.
- (3) Cumulative retail floor area from separate schedule, times sales per SF, times tax rate, times collection rate. City only.
- (4) Appraised value added by construction during the year, times portion on which Mesquite collects sales tax, times sales tax rate.

**Schedule 11:  
Revenues Retained by MISD and City**

	Year:	17	18	19	20	21	22	23	24	25	26	27	28	29
	Calendar year of receipt:	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>MISD (original Zone only)</b>														
Real property taxes retained (1)		\$4,757,005	\$5,102,636	\$5,179,175	\$5,256,863	\$5,335,716	\$5,415,751	\$5,496,988	\$5,579,443	\$5,663,134	\$5,748,081	\$5,834,302	\$5,921,817	\$6,010,644
Business personal property tax (2)		\$2,006,084	\$2,153,901	\$2,196,979	\$2,240,919	\$2,285,737	\$2,331,452	\$2,378,081	\$2,425,642	\$2,474,155	\$2,523,638	\$2,574,111	\$2,625,593	\$2,678,105
<b>Total</b>		<b>\$6,763,089</b>	<b>\$7,256,537</b>	<b>\$7,376,154</b>	<b>\$7,497,781</b>	<b>\$7,621,453</b>	<b>\$7,747,203</b>	<b>\$7,875,068</b>	<b>\$8,005,085</b>	<b>\$8,137,289</b>	<b>\$8,271,720</b>	<b>\$8,408,413</b>	<b>\$8,547,410</b>	<b>\$8,686,749</b>
<b>City (entire Zone after 2002)</b>														
Real property tax retained (1)		\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237	\$237
Business personal property tax (2)		\$2,299,103	\$2,468,510	\$2,517,880	\$2,568,238	\$2,619,603	\$2,671,995	\$2,725,435	\$2,779,943	\$2,835,542	\$2,892,253	\$2,950,098	\$3,009,100	\$3,069,282
Sales tax from vendors, on-site (3)		\$2,104,459	\$2,167,593	\$2,232,620	\$2,299,599	\$2,368,587	\$2,439,645	\$2,512,634	\$2,588,219	\$2,665,866	\$2,745,842	\$2,828,217	\$2,913,063	\$3,000,455
Sales tax on construction materials (4)		\$610,901	\$314,614	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Sales tax subtotal</b>		<b>\$2,715,360</b>	<b>\$2,482,207</b>	<b>\$2,232,620</b>	<b>\$2,299,599</b>	<b>\$2,368,587</b>	<b>\$2,439,645</b>	<b>\$2,512,634</b>	<b>\$2,588,219</b>	<b>\$2,665,866</b>	<b>\$2,745,842</b>	<b>\$2,828,217</b>	<b>\$2,913,063</b>	<b>\$3,000,455</b>
<b>Total</b>		<b>\$5,014,699</b>	<b>\$4,950,954</b>	<b>\$4,750,738</b>	<b>\$4,868,074</b>	<b>\$4,988,427</b>	<b>\$5,111,876</b>	<b>\$5,238,506</b>	<b>\$5,368,399</b>	<b>\$5,501,645</b>	<b>\$5,638,332</b>	<b>\$5,778,552</b>	<b>\$5,922,400</b>	<b>\$9,807,198</b>

**Schedule 11:  
Revenues Retained by MISD and City**

Year:	30	31	32	33	34	35	Cumulative, 2001-2035
	Calendar year of receipt:						
	2030	2031	2032	2033	2034	2035	
<b>MISD (original Zone only)</b>							
Real property taxes retained (1)	\$6,100,804	\$6,192,316	\$6,285,201	\$6,379,479	\$6,475,171	\$6,572,298	\$110,324,665
Business personal property tax (2)	\$2,731,667	\$3,200,760	\$3,200,760	\$3,200,760	\$3,200,760	\$3,200,760	\$57,613,459
<b>Total</b>	<b>\$8,832,471</b>	<b>\$9,393,076</b>	<b>\$9,485,961</b>	<b>\$9,580,239</b>	<b>\$9,675,931</b>	<b>\$9,773,059</b>	<b>\$167,938,124</b>
<b>City (entire Zone after 2002)</b>							
Real property tax retained (1)	\$6,069,748	\$6,160,794	\$6,253,206	\$6,347,004	\$6,442,209	\$6,538,842	\$41,555,608
Business personal property tax (2)	\$3,130,668	\$3,668,279	\$3,668,279	\$3,668,279	\$3,668,279	\$3,668,279	\$67,866,109
Sales tax from vendors, on-site (3)	\$6,180,938	\$2,782,591	\$2,782,591	\$2,782,591	\$2,782,591	\$2,782,591	\$63,842,222
Sales tax on construction materials (4)	\$0	\$4,038,772	\$0	\$0	\$0	\$0	\$9,486,723
<b>Sales tax subtotal</b>	<b>\$6,180,938</b>	<b>\$6,821,363</b>	<b>\$2,782,591</b>	<b>\$2,782,591</b>	<b>\$2,782,591</b>	<b>\$2,782,591</b>	<b>\$73,328,945</b>
<b>Total</b>	<b>\$15,381,354</b>	<b>\$16,650,436</b>	<b>\$12,704,075</b>	<b>\$12,797,874</b>	<b>\$12,893,079</b>	<b>\$12,989,712</b>	<b>\$182,750,662</b>



Exhibit A  
Real Property Tax Flow with Tax Increment Financing

Exhibit A:  
Real Property Tax Flow with Tax Increment Financing

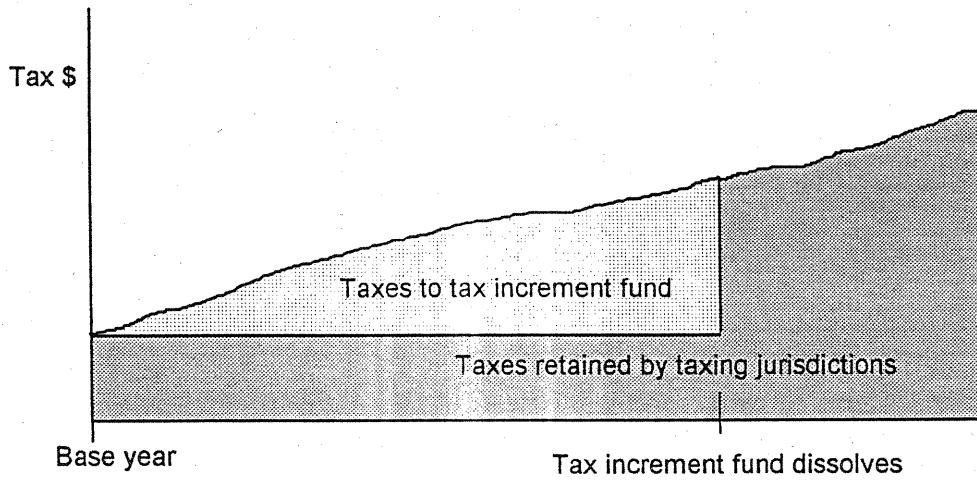


Exhibit "A"

Exhibit B  
Assignment of Excess Tax Increment Revenues

## ASSIGNMENT OF EXCESS TAX INCREMENT REVENUES

This *Conveyance, Transfer, and Assignment of Excess Tax Increment Revenues* (the "Assignment") is executed among the Falcon's Lair Utility and Reclamation District (the "District"), Falcon's Lair, LP ("Landowner"), and The Alpert Capital Corporation, dba Alpert Capital, Ltd. ("Consultant") to be effective the 13<sup>th</sup> day of January, 2004.

WHEREAS, the District is a political subdivision of the State of Texas created in 1985 pursuant to special legislation (Chapter 935, Acts of the Legislature, Regular Session 1985), as amended in 1997 (Chapter 1213, Acts of the Legislature, Regular Session 1977);

WHEREAS, a purpose of the District is to finance the construction of public infrastructure that will allow land within the District to be developed, including, but not limited to, floodplain reclamation and the construction of water, wastewater, roadway, and storm water drainage improvements;

WHEREAS, Landowner is a Delaware limited partnership;

WHEREAS, Landowner is the owner of approximately 626 acres of land commonly known as the South Tract of Falcon's Lair ("Falcon's Lair South") and generally located along both sides of Interstate Highway I-20 ("I-20") in the southeast part of the City of Mesquite, Texas (the "City");

WHEREAS, Landowner and the District entered into that certain "Project Agreement" dated October 15, 1997 pursuant to which Landowner is entitled to reimbursement in the amount of \$1,663,876 for expenditures advanced on behalf of the District prior to the District's 1997 bond issue, and pursuant to which Landowner may be entitled to further reimbursement as provided in said agreement (all amounts for which Landowner is entitled to reimbursement under said agreement shall be referred to as "Landowner's Reimbursement Amount");

WHEREAS, Consultant is an affiliate of Landowner that has provided consulting services to the District (pursuant to a written agreement with the District) in connection with the development of Falcon's Lair South and other services related to the Falcon's Lair development;

WHEREAS, pursuant to the written agreement between Consultant and the District, Consultant is currently owed approximately \$732,290 by the District for services rendered through October 2002, the termination date for the agreement (plus interest on such obligation) (all funds due Consultant from the District pursuant to said agreement shall be referred to as the "Consultant's Amount");

WHEREAS, in addition to the Consultant's Amount, on or before March 2002 Landowner has advanced approximately \$948,427.62 for or on behalf of the District for engineering, legal and other professional services, including applicable interest pursuant to TCEQ regulations, which amounts are set forth on Exhibit A attached to and made a part of this Assignment (collectively, the "District Expenses");

WHEREAS, the parties acknowledge that the District Expenses may, from time to time, be increased with the approval of the District;

WHEREAS, the District Expenses do not include amounts that may be paid to Landowner for costs or expenses paid or incurred by Landowner in connection with the issuance of the District Bonds (hereinafter defined);

WHEREAS, I-20 is part of the NAFTA trade corridor and is the primary east-west interstate highway from far east to far west Texas, passing through both Dallas and Fort Worth;

WHEREAS, there is a current demand along the I-20 corridor for retail, office, warehouse, light industrial, and other commercial uses that require freeway visibility and freeway access;

WHEREAS, Landowner has caused Falcon's Lair South to be rezoned to allow retail, office, warehouse, light industrial, and other commercial uses;

WHEREAS, a large portion of Falcon's Lair South is located within a floodplain and must be reclaimed before any significant development can occur;

WHEREAS, Falcon's Lair South has high freeway visibility from I-20; however, the property does not include an interchange or frontage roads to provide direct freeway access;

WHEREAS, additional water, wastewater, roadway, and storm water drainage improvements must be constructed before any significant development can occur within Falcon's Lair South;

WHEREAS, Landowner has caused a "404 Fill Permit" issued by the U.S. Army Corps of Engineers to be renewed and revised in order to allow the Falcon's Lair South floodplain to be reclaimed for development;

WHEREAS, in June 1999, Landowner caused the City to create the Falcon's Lair Tax Increment Finance Reinvestment Zone Number Four (the "Falcon's Lair TIF") and to adopt a corresponding TIF Project and Finance Plan to use tax increment funds from the City and the Mesquite Independent School District ("MISD") for the construction of infrastructure improvements within Falcon's Lair South;

WHEREAS, in August 2000, Landowner caused the City to revise the Falcon's Lair TIF and to adopt an amended and restated TIF Project and Finance Plan to enhance the construction of infrastructure improvements within Falcon's Lair South;

WHEREAS, in May 2002, Landowner caused the Board of Directors of the Falcon's Lair TIF to unanimously recommend to the City Council of the City that the Falcon's Lair TIF should again be revised and that the TIF Project and Finance Plan should be amended and restated (the "2002 TIF Plan") to further enhance the construction of infrastructure improvements within Falcon's Lair South, which 2002 TIF Plan includes the following provisions:

- a. The City will transfer to Landowner approximately 118 acres of land that will be included within the Falcon's Lair TIF and within the District and that will be subject to future assessments by the District;
- b. The Falcon's Lair TIF will be expanded to include additional developable land owned by Landowner, including an approximately 86-acre tract within Falcon's Lair South that is currently zoned single-family residential and that Landowner will cause to be rezoned to allow the same commercial uses that are allowed in the remainder of Falcon's Lair South;
- c. The City will contribute up to \$10 million for the construction of I-20 interchange improvements within Falcon's Lair South, which costs will be reimbursed to the City, on a priority basis, from tax increment funds generated solely within the original boundaries of the Falcon's Lair TIF;
- d. The City will contribute an additional \$1.5 million for the construction of water and wastewater improvements to serve initial development within Falcon's Lair South, none of which funds shall be reimbursed from the Falcon's Lair TIF;
- e. The City will contribute an additional \$1.733 million for the construction of additional water and wastewater improvements to serve later development within Falcon's Lair South, none of which funds shall be reimbursed from the Falcon's Lair TIF; and
- f. The District will contribute approximately \$18.372 million for floodplain reclamation and for the construction of additional water, wastewater, roadway, and storm water drainage improvements, which costs will be reimbursed to the District from the tax increment funds generated within the original boundaries of the Falcon's Lair TIF after the City receives its priority reimbursement and from all the tax increment funds generated with the expanded boundaries of the Falcon's Lair TIF.

WHEREAS, on May 7, 2002, Landowner caused the 2002 TIF Plan to be reviewed by the City Council of the City in anticipation of the final public hearing on the plan to be held May 20, 2002;

WHEREAS, on May 20, 2002, Landowner caused the 2002 TIF Plan to be approved by the City Council of the City;

WHEREAS, effective October 7th, 2002, Landowner caused the City, the District, the MISD and Koll Development Co. (the "Developer") to enter into that certain Master Development Agreement (the "Master Agreement") with Landowner, which Master Agreement sets forth the respective rights and obligations of the parties with respect to the development of Falcon's Lair South (including the obligation of the City to fund \$10,000,000 for the I-20 Interchange Improvements, to fund \$1,500,000 for the Phase I Utility Improvements, to fund \$1,733,000 for the Phase 2 Utility Improvements, and to transfer 126 acres to Landowner, all as defined in the Master Agreement);

WHEREAS, pursuant to the terms of the Master Agreement, Landowner has the obligation to fund the amount, if any, by which the cost of designing and constructing the I-20 Interchange Improvements exceeds the funds provided by the City and the District for such purposes;

WHEREAS, pursuant to the terms of the Master Agreement, Landowner and the District have the obligation to indemnify the City against claims by third parties arising as a result of claims which may be made against the City by property owners for damages occasioned, or claimed to be occasioned, by flooding due to the Reclamation Work (as defined in the Master Agreement);

WHEREAS, the District has heretofore prepared the District's Preliminary Official Statement dated February 6, 2003 for the issuance by the District of approximately \$28.230 million in Special Assessment and Tax Increment Contract Revenue Bonds, Series 2003A and approximately \$22.950 million in Tax Increment Contract Revenue Bonds, Senior Lien Capital Appreciation Bonds, Series 2003C (the "District POS") and intends to revise the District POS and/or privately place all or a portion of the District's financing through the formulation and distribution of a Private Placement Memorandum ("PPM") to fund the obligations of the District pursuant to the Amended Master Agreement (hereinafter defined) and the 2004 TIF Plan (hereinafter defined) (collectively, the "District Bonds");

WHEREAS, pursuant to the terms of the PPM, Landowner has made numerous agreements which are necessary for the issuance of the District Bonds, including, but not limited to, Landowner's agreement to assign to certain holders of the District Bonds certain rights of Landowner to receive (i) future net sales proceeds from the sale of its land, and (ii) excess TIF revenues pursuant to this Assignment (collectively, the "Landowner Enhancements");

WHEREAS, in February 2003, Landowner caused the Board of Directors of the Falcon's Lair TIF to unanimously recommend to the City Council of the City that the Falcon's Lair TIF should again be revised and that the TIF Project and Finance Plan should be amended and restated (the "2003 TIF Plan") to further enhance the construction of infrastructure improvements within Falcon's Lair South, which 2003 TIF Plan includes the following provisions:

- a. An increase from 118 to 126 acres the amount of land to be transferred from the City to Landowner, all of which will be included within the Falcon's Lair TIF and within the District and the developable portion of which will be subject to future assessments by the District;
- b. The approximately 86-acre tract owned by Landowner and located within Falcon's Lair South and the approximately 126 acres owned by the City have been rezoned to allow the same commercial uses that are allowed in the remainder of Falcon's Lair South;
- c. The City, as part of the Phase 2 Utility Improvements, will fund the construction of certain roadway improvements; and

d. The total estimated costs of public improvement projects to be reimbursed by the Falcon's Lair TIF to the District, Landowner or Developer have been increased from \$18.372 million (plus interest) to \$25.283 million (plus interest);

WHEREAS, on February 17, 2003, Landowner caused the Schedules to 2003 TIF Plan to be approved by the City Council of the City;

WHEREAS, on July 21, 2003, Landowner caused the 2003 TIF Plan to be approved by the City Council of the City;

WHEREAS, it is contemplated that the District's contribution for infrastructure improvements will be financed through the issuance of the District Bonds secured, in part, by District assessments against property within the District, including Falcon's Lair South, which assessments will exceed the assessments currently applicable to Falcon's Lair South and which assessments will apply to the developable portion of the approximately 126 acres referenced above that the City is transferring to Landowner and that is not currently encumbered by District assessments;

WHEREAS, Landowner agrees to the imposition of the additional assessments against property described in the 2003 TIF Plan owned by Landowner and now or hereafter located within District to secure the issuance of the District Bonds;

WHEREAS, Schedule 10.2 and Schedule 11 of the 2003 TIF Plan provide that tax increment revenues (from the "Original Zone" and "Expansion Area" respectively, as defined in the 2003 TIF Plan) will be made available to reimburse the District, including interest, for the funds contributed by the District for infrastructure improvements, which reimbursed amounts will then be available for debt service on the District Bonds;

WHEREAS, it was contemplated in December, 2003 that the City could further revise the Falcon's Lair TIF by adopting the proposed 2003-A Amended and Restated Project and Finance Plan (the "2003-A TIF Plan") formulated by Landowner and in the future could from time to time further revise the 2003 TIF Plan, the 2003-A TIF Plan or other successor TIF Plans for the Falcon's Lair TIF which would benefit the District (collectively, the "TIF Plans").

WHEREAS, assessments against Landowner's property within the District will also be available for debt service on the District Bonds;

WHEREAS, depending on the rate at which private development occurs within the District and the assessed value of that development, it is possible that the District Bonds (issued to perform the District's obligations under the 2004 TIF Plan) will be paid off before the District has received all of the funds to which it is entitled under the 2004 TIF Plan;

WHEREAS, if the District Bonds (issued to perform the District's obligations under the Amended Master Agreement) are paid off before the District has received all of the funds to which it is entitled under the 2004 TIF Plan, then all excess funds received by the District under the 2004 TIF Plan after the District Bonds are paid off and after the District has deducted from such funds a reasonable amount not to exceed \$10,000 annually to compensate the District for



administrative costs and expenses (the "Excess TIF Revenues") will be paid by the District to Landowner pursuant to the terms of this Assignment;

WHEREAS, the parties hereto acknowledge the prior execution by them of that certain Assignment of Excess Tax Increment Revenues effective May 8th, 2002 (the "Original Assignment");

WHEREAS, the parties hereto further acknowledge that since the execution of the Original Assignment, numerous circumstances had changed that required the execution of the 2003 Assignment (hereinafter defined) including, but not limited to, the fact that the right of Landowner to the Excess TIF Revenues under the Original Assignment was not subordinate to the Series 2003C District Bonds and that at the request of the District, Landowner and Consultant had provided substantial additional cash advances and consulting services that significantly benefit the District.

WHEREAS, in November, 2003, Landowner oversaw the preparation and submission to the City of the 2003-A TIF Plan, the major features of which were as follows:

- a. Increase the estimated project costs for public improvements by \$3,174,450 to \$28,458,479.
- b. Extend the term of City participation in the Falcon's Lair TIF five years to December 31, 2030.
- c. Introduce the Series C TIF Bondholders as new creditors for public improvements with a senior claim to all TIF find cash flow except for the City's administrative fees.
- d. Subordinate the City's I-20 Interchange reimbursement to second priority position for TIF cash flow, junior to the Series C TIF Bondholders.
- e. Placing Landowner (for Landowner advances) and Series A Assessment Bondholders ahead of tax increment revenues received pursuant to this Assignment (which are to be disbursed 50% to Landowner and 50% to Series C TIF Bondholders pursuant to a sub-assignment from Landowner); and

WHEREAS, the approval by City and MISD of the 2003-A TIF Plan was required in order for the District to complete its contemplated refinancing of existing Certificates of Participation and future financing for additional infrastructure for the Falcon's Lair project; and

WHEREAS, on December 1, 2003, the TIF Board and the City Council tabled the proposed 2003-A TIF Plan;

WHEREAS, on December 15, 2003, the TIF Board denied the 2003-A TIF Plan and the City Council subsequently agreed to table, but not deny, the 2003-A TIF Plan when Landowner agreed to advance \$3.5 million to reimburse the City's Interchange and other roadway expenses on behalf of the District (subject to approval by the District pursuant to the Project Agreement) (the "Landowner/City Obligation");

WHEREAS, on January 5, 2004, the terms and conditions under which Landowner would make such advance and provide the City with security therefor were incorporated into the 2004 TIF Plan (which replaced the 2003-A TIF Plan) and an Amended and Restated Master Development Agreement (the Amended Master Agreement);

WHEREAS, on January 5, 2004, Landowner caused the City to approve the 2004 TIF Plan and the Amended Master Agreement;

WHEREAS, on January 12, 2004, Landowner caused MISD to approve the 2004 TIF Plan and the Amended Master Agreement;

WHEREAS, on January 13, 2004 the District approved the 2004 TIF Plan and the Amended Master Agreement and agreed to reimburse Landowner pursuant to the terms of the Project Agreement for any and all expenditures made by Landowner or its successors or assigns pursuant to the 2004 TIF Plan and/or the Amended Master Agreement.

WHEREAS, the parties hereto acknowledge the prior execution by them of that certain Assignment of Excess Tax Increment Revenues effective November 11, 2003 (the "2003 Assignment"); and

WHEREAS, the parties hereto further acknowledge that since the execution of the 2003 Assignment numerous circumstances have changed that require the execution of this Assignment including, but not limited to, the fact that Landowner had not assigned 50% of its tax increment revenues and 50% of general net proceeds from sale of its land to the Series C TIF Bondholders in order for the District to complete its financing, and Landowner had not agreed to advance \$3.5 Million to reimburse the City's Interchange and other roadway expenses on behalf of the District until the District could reimburse Landowner;

NOW THEREFORE, for and in consideration of the following:

- a. The diligent efforts and further funding, advances and obligations of Landowner on behalf of the District as described above (in addition to the work for which Consultant has been compensated), including, but not limited to, the efforts of Landowner to rezone Falcon's Lair South to allow it to be developed to meet current market demands, to create and modify the Falcon's Lair TIF to provide millions of dollars in tax increment revenue from the City and MISD to the District through 2030 and 2025 respectively to assist the District in its financing of public infrastructure improvements, and to cause the City to agree to contribute over \$13.2 million toward the construction of public infrastructure including water, wastewater, drainage facilities, roadway facilities, and the I-20 Interchange Improvements (without which improvements, substantial development within the District will not occur);
- b. The agreement of Landowner to encumber its land by additional and/or new District assessments that will secure the issuance of the District Bonds to perform the District's obligations under the 2004 TIF Plan;

- c. The agreement by Landowner to include within the District and encumber with assessments to secure payment of the District Bonds the 126 acres of land not previously part of Falcon's Lair South that will be transferred by the City to Landowner, pursuant to the terms of the Amended Master Agreement;
- d. The agreement by Landowner and Consultant that the Excess TIF Revenues first paid to Landowner will be credited to District by Landowner, as received toward the District's obligation to pay the Landowner's Reimbursement Amount and, in the event such obligation is fully satisfied as provided above, to be credited toward the Consultant's Amount in the same manner if such amounts have not been paid from other non-TIF related District funds;
- e. The agreement by Landowner to fund the amount, if any, by which the cost of designing and constructing the I-20 Interchange Improvements exceeds the funds provided by the City and the District for such purposes (the "Excess Interchange Amount");
- f. The agreement by Landowner and the District to indemnify the City against claims by third parties arising as a result of claims that may be made against the City by property owners for damages occasioned, or claimed to be occasioned, by flooding due to the Reclamation Work (as defined in the Amended Master Agreement);
- g. The agreement by Landowner to provide to the District fill dirt from land within Falcon's Lair South that is owned by Landowner, pursuant to regulations of the Texas Commission on Environmental Quality ("TCEQ"), which fill dirt is essential to the completion of the Reclamation Work as defined in the Amended Master Agreement;
- h. The agreement by Landowner to dedicate to the District pursuant to regulations of the TCEQ or to such other political subdivision as may be appropriate on a commercially reasonable basis right-of-way over and across land within Falcon's Lair South that is owned by Landowner, which right-of-way is essential to the development of Falcon's Lair South as contemplated by the Amended Master Agreement;
- i. The agreement by Landowner that the additional estimated \$10 million in revenues pursuant to the 2004 TIF Plan (versus the 2002 TIF Plan) will be available to secure the District Bonds and that the total currently estimated at approximately \$9.6 million (plus interest) in revenues pursuant to the 2004 TIF Plan (or such amounts that are available pursuant to the TIF Plans) will be available to secure the District Bonds before such monies are paid to Landowner or Consultant;
- j. The agreement by Landowner to pledge, subordinate and/or assign to certain holders of the District Bonds net sales proceeds otherwise due Landowner from the sale of land within Falcon's Lair South;
- k. The agreement by Landowner to provide the Landowner Enhancements and other enhancements and incentives for investors to acquire the District Bonds, including without limitation, the sub-assignment of tax increment revenues and the agreement to provide a net profits interest in sales revenues from Landowner's property in the District;

1. All other representations, warranties, and covenants of Landowner as set forth in the Amended Master Agreement, which Amended Master Agreement is incorporated herein by reference;

the District, Landowner, and Consultant agree as follows:

1. Due to the changes in circumstances as recited above, the parties execute this Assignment for the purpose of amending, and replacing in its entirety, the 2003 Assignment.

2. The District unconditionally conveys, transfers, and assigns to Landowner all of the District's right, title and interest in and to the Excess TIF Revenues.

3. The Excess TIF Revenues paid to Landowner will be credited to the District by Landowner when received to satisfy, in whole or in part, as received, up to the amount of the obligation of the District to pay the Landowner's Reimbursement Amount if the Landowner's Reimbursement Amount has not otherwise been paid to or on behalf of Landowner from other non-TIF related District funds.

4. The Excess TIF Revenues paid to Landowner will also be credited to the District by Landowner when received to satisfy District obligations to Landowner, in whole or in part, as received, up to the amount of the obligation of the District to pay the Consultant's Amount, the District Expenses and any other amounts owed by the District to Consultant or Landowner, if such amounts and expenses have not otherwise been paid to or on behalf of Consultant and Landowner from other non-TIF related District funds at that time.

5. The District represents and warrants to Landowner that from and after the execution of the Original Assignment, and through and including the date of this Assignment, the District has not conveyed, transferred, assigned, pledged, or otherwise encumbered the Excess TIF Revenues, or any part thereof.

6. The District covenants and agrees that from and after the effective date of this Assignment it will not convey, transfer, assign, pledge, or otherwise encumber the Excess TIF Revenues, except to make principal and interest payments on the District Bonds pursuant to the terms of the PPM, without the express prior written consent of Landowner, which consent Landowner may withhold in its sole discretion.

7. The District covenants and agrees to provide Landowner with reasonable access to all books and records of the District related to the 2004 TIF Plan or any successor plans (the "TIF Plans") and the determination of the Excess TIF Revenues and to reasonably cooperate with Landowner to cause the Excess TIF Revenues to be promptly paid to Landowner, its successors and assigns, including, without limitation, the execution of necessary additional documents required to effectuate such payment.

8. Landowner reserves the right (without the consent of the District) to convey, transfer, assign, pledge, or otherwise encumber, in whole or in part, Landowner's right, title and interest to this Assignment and/or to the Excess TIF Revenues to any person or entity; provided, however, Landowner shall give written notice of any such conveyance, transfer, assignment, pledge, or other encumbrance within 30 days after the effective date thereof. No such person or

entity shall, by reason of such conveyance, transfer, assignment, pledge, or other encumbrance, assume or otherwise become responsible for or liable for the performance of any obligation of Landowner.

9. Landowner reserves the right to negotiate directly with any person or entity (including, but not limited to, District bondholders) that has any right, title, or claim, directly or indirectly, to tax increment revenues from the Falcon's Lair TIF in order to cause such person or entity to release its right, title, or claim to such tax increment revenues prior to the time that the District Bonds (issued to perform the District's obligations under the TIF Plans) are paid off. In the event Landowner successfully negotiates such an early release, as evidenced by a written agreement between Landowner and such persons or entities, this Assignment will apply to all tax increment revenues paid to the District from and after the date of such release. The District will cooperate with Landowner to implement the terms and provisions of such agreement.

10. The District agrees to execute, and Landowner reserves the right to record, a memorandum of this Assignment in the deed records of Dallas County and Kaufman County.

11. The District agrees to execute from time to time, in recordable form, such instruments as Landowner may request to evidence the rights of Landowner under this Assignment including, but not limited to, UCC financing statements or similar instruments; and the District further agrees to execute, from time to time, such amendments or renewals to such instruments as may be requested by Landowner; and the District further agrees that Landowner may record any and all such instruments as provided by law.

12. This Assignment constitutes the entire agreement between the parties as to the subject matter hereof and supersedes any prior understandings or agreements, whether oral or in writing, between the parties with respect to the tax increment revenues from the Falcon's Lair TIF. This Assignment may only be amended in writing, and it shall inure to the benefit of the parties hereto and to their successors and assigns as permitted by this Assignment.

13. In the event any provision of this Assignment is held to be unenforceable for any reason, such unenforceable provision shall be deemed deleted from this Assignment, and the remaining provisions of this Assignment shall be enforced to give effect to the intent of this Assignment to the maximum extent allowed by law.

14. No party to this Assignment shall be in default under this Assignment unless written notice of the alleged default has been given and the default has not been cured within a reasonable period of time.

15. Any notices contemplated by this Assignment or given in connection with this Assignment shall be in writing and shall be deemed given (a) if by registered or certified mail, five business days after deposited in the U.S. mail, return receipt requested or (b) if by any other method, when actually received by the person or entity to whom the notice is addressed. Each party shall provide to the other its address for purposes of notices given under this Assignment.

16. If it shall become necessary for either party to enforce any provision of this Assignment through any legal proceeding, the prevailing party shall be entitled to recover from the non-

prevailing party the reasonable costs and expenses incurred by the prevailing party in connection with such enforcement.

17. The District covenants and agrees to cooperate with Landowner to promptly execute such further documents as are reasonably requested by Landowner to effectuate the intent of this Assignment including, but not limited to, documents that acknowledge the right, title, and interest of Landowner under this Assignment and documents that evidence and/or perfect the rights of any person or entity to whom or to which Landowner may convey, transfer, assign, pledge, or otherwise encumber, in whole or in part, any of Landowner's right, title, or interest under this Assignment and/or to the Excess TIF Revenues.

18. All references herein to the 2004 TIF Plan shall include references to any previous or successor plans as necessary to effect this assignment.

19. All references herein to the District POS shall include reference to the PPM; all references to the Master Agreement shall include reference to the Amended Master Agreement; all references to any of the TIF Plans shall include reference to the 2004 TIF Plan; and all references to the District POS, the PPM, the Master Agreement, the Amended Master Agreement, the 2003-A TIF Plan, the 2004 TIF Plan, the District Bonds, the Series C TIF Bondholders, the Series A Assessment Bondholders and all other documents and parties shall include reference to all successor documents and parties.

**LANDOWNER**

Falcon's Lair, LP

By: Alpert Development Company, L.L.C.

By: /s/ Spencer Alpert

Title: President

Date: January 13, 2004

**CONSULTANT**

The Alpert Capital Corporation,  
a Texas corporation,  
dba Alpert Capital, Ltd.

By: /s/ Spencer Alpert

Spencer Alpert, President

Date:: January 13, 2004

**DISTRICT**

Falcon's Lair Utility and Reclamation District

By: /s/ Jimmy Tishlias  
Title: President, Board of Directors  
Date: January 13, 2004

Acknowledgment of Assignment by City.

The City of Mesquite, Texas in the 2004 Amended and Restated Project and Finance Plan for Falcon's Lair Tax Increment Finance Reinvestment Zone No. 4, City of Mesquite, Texas, dated January 5, 2004 (the "TIF Plan"), in Section 5.2(c) acknowledged it would execute documents necessary to effectuate the intent of said subparagraph (c) and does so by its acknowledgment and agreement hereto. The City of Mesquite hereby agrees it will pay directly to Agent for the TIF Bondholders 50% of any and all funds which become due to be paid to the Utility District and which Utility District has assigned to Landowner, pursuant to Section 5.2(c) entitled ""Landowner and Utility District" and Exhibits B and C of the TIF Plan entitled "Assignment of Excess Tax Increment Revenues" and "Partial Assignment of Rights to Excess Tax Increment Revenues", respectively, under the TIF Plan if, as and when same become due.

CITY OF MESQUITE, TEXAS:

\_\_\_\_\_  
\_\_\_\_\_

Acknowledgment of Assignment by  
The Falcon's Lair Tax Increment Reinvestment Zone Number Four Board ("TIF Board").

The TIF Board hereby agrees it will pay directly to Agent for the Bondholders 50% of any and all funds which come into its possession and which became due to be paid to the Utility District and which Utility District has assigned to Landowner pursuant to Section 5.2(c) entitled "Landowner and Utility District" and Exhibits B and C of the TIF Plan entitled "Assignment of Excess Tax Increment Revenues" and "Partial Assignment of Rights to Excess Tax Increment Revenues", respectively, under the TIF Plan if, as and when same become due.

THE FALCON'S LAIR TAX INCREMENT  
REINVESTMENT ZONE NUMBER FOUR BOARD:

\_\_\_\_\_  
\_\_\_\_\_



**Exhibit A**  
**Falcon's Lair District Expenses Paid by Alpert**  
**1998 - 2002**

Ref #	Date	Payee	Description	Amount
1169	8/19/1998	City of Mesquite	Zoning Application	9,890.00
1229	9/14/1998	Sidney Stahl, Attorney	Legal/Consulting	45,000.00
1245	6/15/1999	Stein Planning & Management	TIF Planning	7,070.79
	6/15/1999	Hughes & Luce	Legal	2,853.27
	6/15/1999	Hughes & Luce	Legal	15,102.14
1253	6/30/1999	Hughes & Luce	Legal	3,732.76
	7/15/1999	Hughes & Luce	Legal	2,853.27
1249	9/3/1999	Stein Planning & Management	TIF Planning	7,135.55
	11/11/1999	Hughes & Luce	Legal	49,225.78
Close	12/15/1999	Hughes & Luce	Legal	32,015.67
1541	3/24/2000	Hughes & Luce	Legal	47,241.74
1543	4/10/2000	Sidney Stahl, Attorney	Legal / Consulting	20,000.00
1544	5/22/2000	Sidney Stahl, Attorney	Legal / Consulting	20,000.00
1581	6/6/2000	Sidney Stahl, Attorney	Legal / Consulting	20,000.00
1549	7/2/2000	Sidney Stahl, Attorney	Legal / Consulting	20,000.00
1550	7/18/2000	TBG Partners	Infrastructure Planning	5,228.45
1553	7/28/2000	William R. Hough	Investment Banking	15,000.00
	11/21/2000	Hughes & Luce	Legal	939.80
1593	12/31/2000	Hughes & Luce	Legal	71,374.06
1503	2/13/2001	TBG Partners	Infrastructure Planning	2,553.92
1506	3/7/2001	Hughes & Luce	Legal	4,696.87
1519	8/16/2001	Hughes & Luce	Legal	9,784.05
	9/30/2001	Hughes & Luce	Legal	29,452.35
Close	10/1/2001	Hughes & Luce	Legal	50,000.00
Close	10/1/2001	Coats Rose, et al	Legal	15,000.00
Close	10/1/2001	Carter & Burgess	Engineering	4,936.67
Close	10/1/2001	TBG Partners	Infrastructure Planning	5,475.02
Close	10/1/2001	FLURD	Admin Expenses	9,906.96
Close	10/1/2001	Craig Hamilton & Co.	Dist Accounting	15,000.00
Close	10/1/2001	Huitt - Zollars	Engineering	18,047.74
Close	10/31/2001	Hughes & Luce	Legal	60,378.40
Close	10/31/2001	Coats Rose, et al	Legal	20,000.00
Close	10/31/2001	Craig Hamilton & Co.	Dist Accounting	20,000.00
Close	10/31/2001	Carter & Burgess	Engineering	25,000.00
1137	12/21/2001	Hughes & Luce	Legal	28,720.90
	2/28/2002	Hughes & Luce	Legal	4,172.51
Close	3/1/2002	Hughes & Luce	Legal	3,777.74
Close	3/1/2002	FLURD	Admin Expenses	9,573.63
Close	3/1/2002	Craig Hamilton & Co.	Dist Accounting	7,500.00
Close	3/1/2002	Huitt - Zollars	Engineering	17,500.00
Close	3/1/2002	TBG Partners	Infrastructure Planning	<u>2,852.52</u>
District Expenses Paid by Alpert				758,992.56
Interest on Advances @ 8.5% thru 11/30/03				<u>189,435.06</u>
Total Due Alpert				<u><u>948,427.62</u></u>

Exhibit C  
Partial Assignment of Right to Excess Tax Increment Revenues

## PARTIAL ASSIGNMENT OF RIGHTS TO EXCESS TAX INCREMENT REVENUES

This *Partial Assignment of Rights to Excess Tax Increment Revenues* (the "Assignment") is made this \_\_\_\_\_ day of \_\_\_\_\_, 2004 (the "Effective Date") by and between Falcon's Lair, LP, a Delaware limited partnership ("Landowner"), and Republic Title Company, Disbursement Agent ("Agent") for the Investors who purchase and hold Tax Increment Contract Revenue Bonds, Senior Lien, Capital Appreciation Series 2004-C ("Series 2004-C Bonds") (Bondholders) as more particularly described in the Preliminary Official Statement ("POS") and Private Placement Memorandum ("PPM") for the issuance of said Series 2004-C Bonds dated \_\_\_\_\_, 2004, attached hereto as Exhibit "A."

### RECITALS

A. Landowner is the Assignee under that certain Assignment of Excess Tax Increment Revenues from Falcon's Lair Utility & Reclamation District (the "District") effective January 13, 2004, and attached hereto as Exhibit "B."

B. As additional consideration of the Bondholders' purchase of the aforesaid Series 2004-C Bonds, the Landowner has agreed to assign to the Bondholders 50% of any and all payments to which the Landowner would otherwise be entitled under the Assignment of Excess Tax Increment Revenues attached hereto as Exhibit "B," but only if, as, and when such payments are received by Agent on behalf of Landowner (the "Bondholder Funds").

### AGREEMENTS

1. Landowner hereby assigns to the Agent for the benefit of the Series 2004-C Bondholders the Bondholder Funds.

2. The Agent agrees, pursuant to the terms of the Escrow Agreement described below, to pay over any and all Bondholder Funds received from the City of Mesquite, Texas (the "City"), or the Mesquite Independent School District (the "MISD"), directly or through the Falcon's Lair Tax Increment Reinvestment Zone Number Four (the "TIF Zone") pursuant to this Assignment to the appropriate Series 2004-C Bondholders in the appropriate amounts, so that their payments prorate precisely to the ratio of their bondholdings to the total issue.

3. Agent shall have no duties hereunder other than to correctly determine who the Bondholders are and to distribute the assigned excess tax increment revenues when it receives them appropriately to the Series 2004-C Bondholders obtaining a receipt therefore in the form described in Paragraph 9 hereof. However, Agent shall have no responsibility for securing the payment by the City or MISD to the Agent or for securing the payments due Landowner under the Assignment of Excess Tax Increment Revenues, attached hereto as Exhibit "B." Agent's rights and responsibilities are described more fully in the Escrow Agreement, attached hereto as Exhibit "C."

4. It is acknowledged and agreed that the Landowner has no duties hereunder other than to use its best efforts to reasonably cooperate in any efforts by Bondholders to see to it that

such payments are made by Agent to the Bondholders pursuant to Paragraph 2 hereof. To the extent such funds are not paid to Agent pursuant to the provisions of Paragraph 2 hereof or otherwise, Landowner is under no duty to attempt to collect such revenues, or make the assignor under the Assignment of Excess Tax Increment Revenues attached hereto as Exhibit "B" pay over any such revenues to it or to the Bondholders.

5. Assignment. Agent may not assign its rights, interest and liabilities under this Agreement without the prior written consent of the Landowner and Bondholders, which consent may be withheld in the sole discretion of each, and any purported assignment without the prior written consent of Landowner and Bondholders shall be void *ab initio*.

6. No Partnership. Nothing contained in this Agreement is intended, nor shall it be construed, to create a partnership or joint venture between the parties hereto or to render either of the parties liable or responsible for the debts or obligations of the other, including, but not limited to, interest, taxes, losses, or any other liability.

7. Binding Effect. This Agreement shall be binding upon and shall insure to the benefit of Landowner and Bondholder and their respective successors and assigns, subject to the prohibitions on assignment contained herein.

8. Governing Law and Venue. The laws of the State of Texas and applicable federal law shall govern the validity, enforcement and interpretation of this Agreement. The obligations of the parties are performable and venue for any legal action arising out of this Agreement shall lie in Dallas County, Texas.

9. Representations and Warranties of Bondholder. Agent agrees to obtain from any Series 2004-C Bondholder to which Agent is obligated to make a payment, a written receipt for such payment in the form attached as Exhibit "D" confirming the representations and warranties of Bondholder contained in Exhibit "D" (the terms of which are hereby incorporated herein by reference for all purposes) before making said payment.

EXECUTED as of the Effective Date.

LANDOWNER:

Falcon's Lair, LP, a Delaware limited partnership

By: Alpert Development Company, LLC,  
a Delaware limited liability company,  
its general partner

By: \_\_\_\_\_  
Spencer W. Alpert, President

DISBURSEMENT AGENT:

\_\_\_\_\_  
\_\_\_\_\_

Acknowledgment of Assignment by City.

The City of Mesquite, Texas in the 2004 Amended and Restated Project and Finance Plan for Falcon's Lair Tax Increment Finance Reinvestment Zone No. 4, City of Mesquite, Texas, dated January 5, 2004 (the "TIF Plan"), in Section 5.2(c) acknowledged it would execute documents necessary to effectuate the intent of said subparagraph (c) and does so by its acknowledgment and agreement hereto. The City of Mesquite hereby agrees it will promptly pay directly to Agent for the TIF Bondholders 50% of any and all funds which become due to be paid to the Utility District and which Utility District has assigned to Landowner, pursuant to Section 5.2(c) entitled "Landowner and Utility District" and Exhibits B and C of the TIF Plan entitled "Assignment of Excess Tax Increment Revenues" and "Partial Assignment of Rights to Excess Tax Increment Revenues," respectively, under the TIF Plan if, as and when same become due.

CITY OF MESQUITE, TEXAS:

\_\_\_\_\_  
\_\_\_\_\_

Acknowledgment of Assignment by

The Falcon's Lair Tax Increment Reinvestment Zone Number Four Board ("TIF Board").

The TIF Board hereby agrees it will promptly pay directly to Agent for the Bondholders 50% of any and all funds which come into its possession and which became due to be paid to the Utility District and which Utility District has assigned to Landowner, pursuant to Section 5.2(c) entitled "Utility District" and Exhibits B and C of the TIF Plan entitled "Assignment of Excess Tax Increment Revenues" and "Partial Assignment of Rights to Excess Tax Increment Revenues," respectively, under the TIF Plan if, as and when same become due.

THE FALCON'S LAIR TAX INCREMENT  
REINVESTMENT ZONE NUMBER FOUR BOARD:

\_\_\_\_\_  
\_\_\_\_\_

EXHIBIT "D"

RECEIPT

Bondholder hereby accepts a payment of \_\_\_\_\_ from Disbursement Agent and acknowledges and agrees:

1. Bondholder is an "accredited investor," as such term is defined in Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act"), and shall execute and deliver such documents in evidence thereof as Landowner shall reasonably request;

2. Bondholder has reviewed the Partial Assignment of Rights to Excess Tax Increment and its attachments and understands and acknowledges that there has not been, nor is there any guaranty by Landowner, Agent or any other person or entity, that there will ever be any payments at all made pursuant to the Partial Assignment, or that once a payment is made there will be any subsequent payments.

3. Bondholder understands that whatever rights there are hereunder, if any, are inseparable from the rights described in the POS and/or PPM for purchasers of Series 2004-C Bonds and that any such rights may not be sold, pledged or hypothecated separate or apart from the ownership interests in the Series 2004-C Bonds except as set forth in the POS or PPM.

4. Bondholder understands and acknowledges that the Partial Assignment has not been registered under the Securities Act or the laws of any state, and that the Partial Assignment may not be transferred without compliance with its provisions, the Securities Act, and applicable state securities laws;

5. Bondholder has sufficient knowledge and experience in financial or business matters to evaluate the merits and risks of an investment in the Partial Assignment. Bondholder understands that due to the lack of a public market, it may not be possible for Bondholder to liquidate the Partial Assignment of Rights to Excess Tax Increment Revenues in the case of emergency, if at all.

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Bondholder

Exhibit D  
Expanded Zone

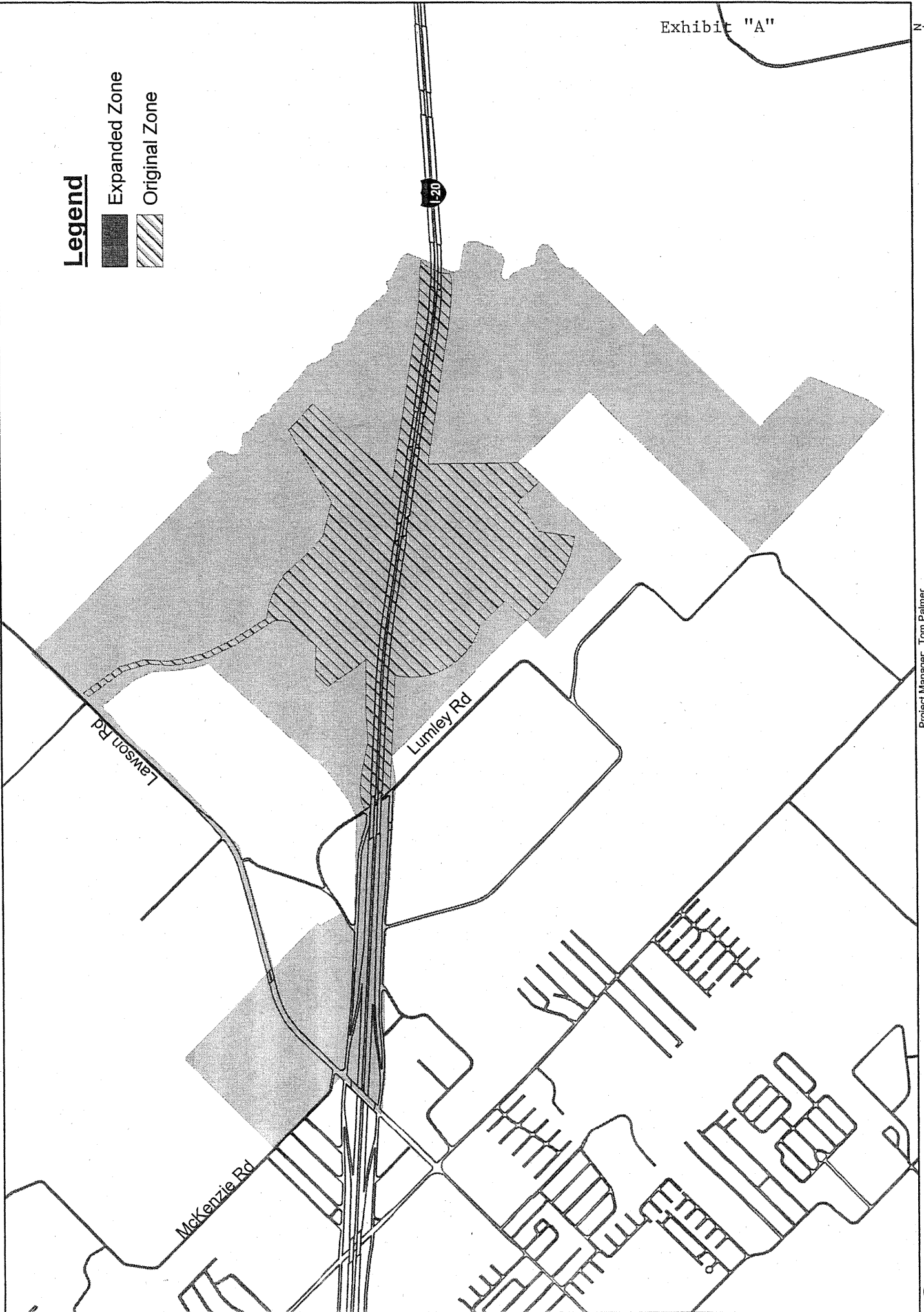
# FALCON'S LAIR TIF ZONE

Exhibit "A"



## Legend

- Expanded Zone
- Original Zone

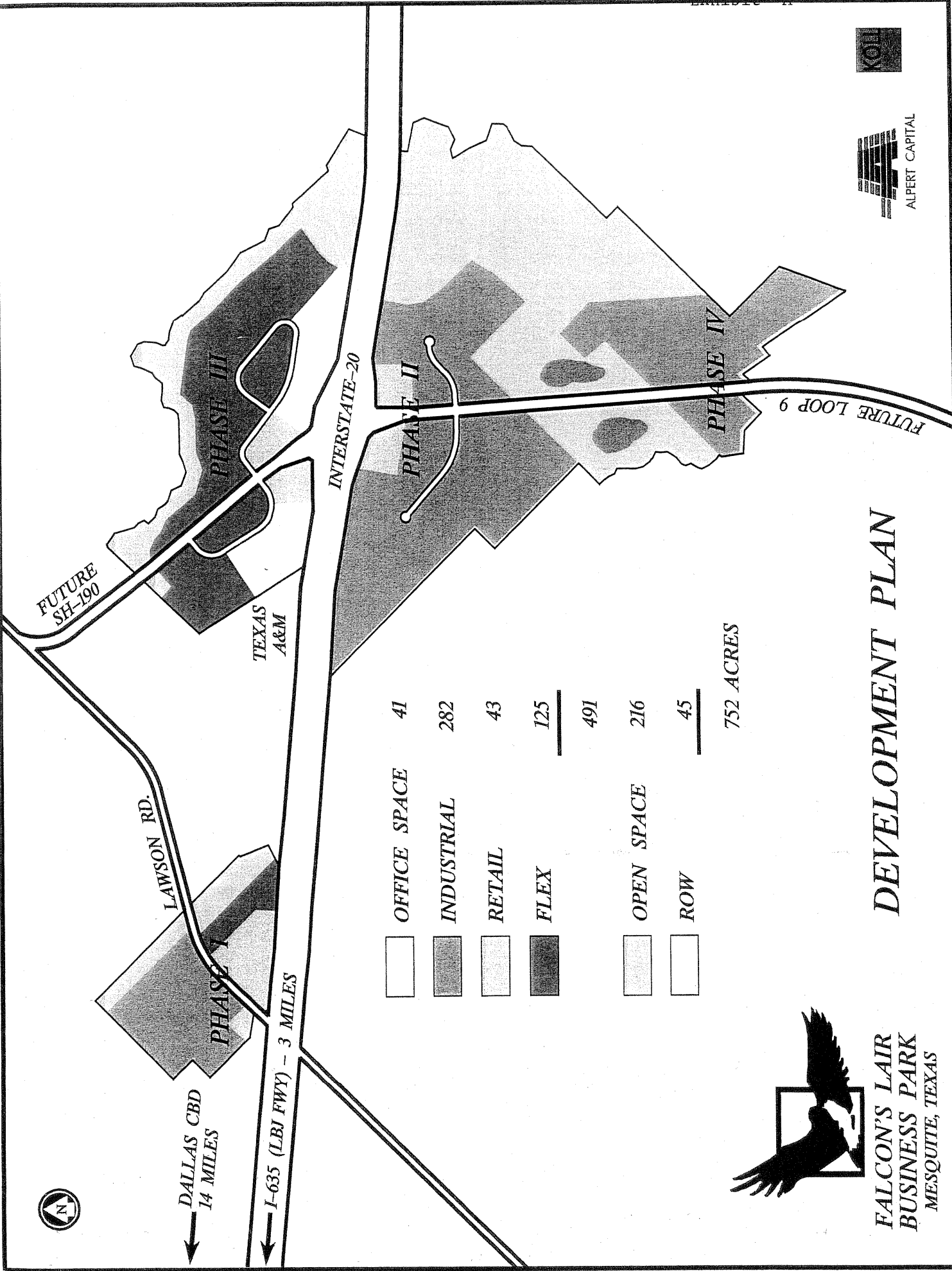


Project Manager: Tom Palmer  
Drawn by: Tim Carpenter  
Date: 1/26/2004  
Path: J:\eng...eng\_drw.../loc.../Palmer/tifzone





Exhibit E  
Modified Concept Plan



# DEVELOPMENT PLAN



**FALCON'S LAIR  
BUSINESS PARK**  
MESQUITE, TEXAS



DALLAS CBD  
14 MILES

I-635 (LBJ FWY) - 3 MILES

LAWSON RD.

TEXAS  
A&M

INTERSTATE-20

FUTURE LOOP 9

FUTURE  
SH-190

PHASE III

PHASE II

PHASE IV

PHASE I