

RESOLUTION NO. 36-2019

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, ACCEPTING THE PRELIMINARY SERVICE AND ASSESSMENT PLAN FOR AUTHORIZED IMPROVEMENTS WITHIN THE IRON HORSE PUBLIC IMPROVEMENT DISTRICT; SETTING A DATE FOR PUBLIC HEARING ON THE PROPOSED LEVY OF ASSESSMENTS; AUTHORIZING THE PUBLICATION AND MAILING OF NOTICE; AND ENACTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, on December 17, 2018, MM Mesquite 50, LLC, a Texas Limited Liability Company, submitted and filed with the City Secretary of the City of Mesquite, Texas (the “City”), a petition (the “Petition”) requesting the establishment of the Iron Horse Public Improvement District (the “District”) within the corporate limits of the City; and

WHEREAS, the City is authorized under Chapter 372 of the Texas Local Government Code (the “Act”) to create a public improvement district within its extraterritorial jurisdiction and its corporate limits; and

WHEREAS, on January 7, 2019, the City Council of the City (the “City Council”) accepted the Petition and called a public hearing for February 4, 2019, on the advisability of the improvements; and

WHEREAS, notice of the hearing was mailed on January 14, 2019, to the property owners within the District and was published on January 17, 2019, in the *Daily Commercial Record*, a newspaper of general circulation in the City in which the District is located; and

WHEREAS, the owners of 100% of the property subject to assessment under the proposed District had actual knowledge of the public hearing to be held on February 4, 2019, have waived notice of such public hearing, and have consented to the creation of the proposed District; and

WHEREAS, the City Council opened and conducted such public hearing on the advisability of the improvements, and closed such hearing on February 4, 2019; and

WHEREAS, on February 4, 2019, after due notice, the City Council held the public hearing in the manner required by law on the advisability of the Authorized Improvements described in the Petition (the “Authorized Improvements”) as required by Section 372.009 of the Act and made the findings required by Section 372.009(b) of the Act and, by Resolution adopted by a majority of the members of the City Council, authorized the District in accordance with its finding as to the advisability of certain public improvement projects and services; and

WHEREAS, on February 14, 2019, the City published notice of its authorization of the District in the *Daily Commercial Record*, a newspaper of general circulation in the City in which the District is located; and

WHEREAS, no written protests of the District from any owners of record of property within the District were filed with the City within 20 days after publication; and

WHEREAS, the City has agreed to facilitate the development of approximately 58.213 acres of real property located within the District as a mixed use development consisting of approximately 336 single-family lots and 130,000 square feet of restaurant and retail space (the “Iron Horse Village Development”) through the financing and reimbursement of the Authorized Improvements from the Assessment revenues within the District; and

WHEREAS, the payment and reimbursement for the Authorized Improvements shall be solely from the proceeds of assessment revenue bonds issued by the City (the “PID Bonds”) and the City shall never be responsible for the payment of the Authorized Improvements or the PID Bonds from its general fund or its ad valorem taxes; and

WHEREAS, pursuant to Sections 372.013, 372.014, and 372.016 of the Act, the City Council has directed the preparation of a Preliminary Service and Assessment Plan for Authorized Improvements for the District (the “Preliminary Plan”), such Preliminary Plan attached hereto as Exhibit B, covers a period of at least five years and defines the annual indebtedness and the projected costs of the Authorized Improvements; and

WHEREAS, the Preliminary Plan also includes assessment plans that apportion the cost of an Authorized Improvement to be assessed against property in the District and such apportionment is made on the basis of special benefits accruing to the assessed property in the District because of the Authorized Improvements; and

WHEREAS, the City Council also directed the preparation of an assessment roll for the District that states the assessment against each parcel of land in the District (the “Assessment Roll”) and such Assessment Roll is attached to and a part of the Preliminary Plan; and

WHEREAS, after determining the total costs of the Authorized Improvements for the District, the City Council notes that the Preliminary Plan and proposed Assessment Roll may be amended with such changes as the City Council deems appropriate before such Preliminary Plan and Assessment Roll are adopted as final by the City Council; and

WHEREAS, the City has determined to call a public hearing regarding the proposed levy of assessments pursuant to the Preliminary Plan and the proposed Assessment Roll on property in the District, pursuant to Section 372.016 of the Act; and

WHEREAS, the City desires to publish and mail notice of such public hearing in order to provide notice to all interested parties of the City's proposed levy of assessments against property in the District, pursuant to Section 372.016 of the Act; and

WHEREAS, the City desires to file the Preliminary Plan and Assessment Roll with the City Secretary such that they are available for public inspection pursuant to Section 372.016 of the Act.

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

Section 1. Findings. The findings and determinations set forth in the preambles hereto are hereby incorporated by reference for all purposes.

Section 2. Calling Public Hearing. The City Council hereby calls a public hearing (the “Public Hearing”) for 7:00 p.m. on June 3, 2019, at the regular meeting place of the City, the City Council Chamber at Mesquite City Hall, 757 North Galloway Avenue, Mesquite, Texas 75149, to consider approving the Preliminary Plan, with such changes and amendments as the City Council deems necessary, and the proposed Assessment Roll with such amendments to the assessments on any parcel as the City Council deems necessary, as the final Service and Assessment Plan and final Assessment Roll for the District (collectively, the “Final Plan”). After all objections made at such hearing have been heard, the City Council may (i) levy the assessments as special assessments against each parcel of property in the District as set forth in the Final Plan, including a final Assessment Roll; (ii) specify the method of payment of the assessments; and (iii) provide that assessments be paid in periodic installments. Notice of the Public Hearing setting out the matters required by Section 372.016 of the Act shall be given by publication at least eleven (11) days before the date of the hearing, in a newspaper of general circulation in the City. Notice of such hearing shall also be given by the City Secretary, by mailing a copy of the notice containing the information required by Section 372.016(b) of the Act to the last known address of each owner of property liable for an assessment in the proposed Assessment Roll as reflected on the tax rolls of the Dallas County Appraisal District. All residents and property owners within the District, and all other persons, are hereby invited to appear in person, or by their attorney, and contend for or contest the Preliminary Plan and the Assessment Roll, and the proposed assessments and offer testimony pertinent to any issue presented on the amount of the assessments, purpose of the assessments, special benefit of the assessments, and the costs of collection and the penalties and interest on delinquent assessments. At or on the adjournment of the hearing conducted pursuant to Section 372.016 on the proposed assessments, the City Council must hear and pass on any objection to a proposed assessment. The City Council may amend a proposed assessment on any parcel in the District. The failure of a property owner to receive notice does not invalidate the proceeding.

Section 3. Publication of Notice. The City Council hereby directs the City Secretary to cause the publication and mailing of notice of the Public Hearing substantially in the form attached as Exhibit A. Such publication shall occur before the 10th day before the date of the Public Hearing.

Section 4. Conduct of Public Hearing. The City Council shall convene at the location and at the time specified in the notice described above for the Public Hearing and shall conduct the Public Hearing in connection with its consideration of the Final Plan, including the final

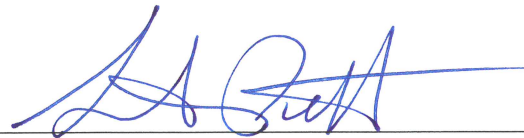
Assessment Roll, for the District and the levy of the proposed assessments, including costs of collection, penalties and interest on delinquent assessments. At the Public Hearing, the City Council will hear and pass on any objections to the Preliminary Service and Assessment Plan and the proposed Assessment Roll and the levy of the proposed assessments (which objections may be written or oral). At or on the adjournment of the Public Hearing, the City Council may amend a proposed assessment on any parcel in the District. After all objections, if any, have been heard and passed upon, the City may (i) levy the assessments as special assessments against each parcel of property in the District as set forth in the Service and Assessment Plan and Assessment Roll for the District, (ii) specify the method of payment of the assessments, and (iii) provide that the assessments be paid in periodic installments.

Section 5. Filing of Proposed Assessment Roll. The proposed Assessment Roll shall be filed in the office of the City Secretary and be made available to any member of the public who wishes to inspect the same.

Section 6. Further Action. The City Secretary is hereby authorized and directed to take such other actions as are required, including providing notice of the Public Hearing as required by the Texas Open Meetings Act and placing the Public Hearing on the agenda for the June 3, 2019 meeting of the City Council.

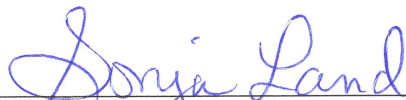
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DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 6th day of May, 2019.



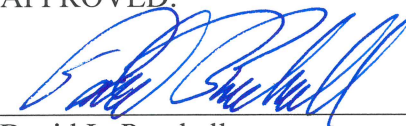
Stan Pickett
Mayor

ATTEST:



Sonja Land
City Secretary

APPROVED:



David L. Paschall
City Attorney

Signature Page to Resolution Accepting SAP

EXHIBIT A

CITY OF MESQUITE NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT a public hearing will be conducted by the City Council of the City of Mesquite, Texas on June 3, 2019, at 7:00 p.m. in the City Council Chamber at Mesquite City Hall, 757 North Galloway Avenue, Mesquite, Texas 75149. The public hearing will be held to consider proposed assessments to be levied against the assessable property in the Iron Horse Public Improvement District (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended (the "Act").

The general nature of the proposed public improvements are: (i) street and roadway improvements, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, off-street parking and right-of-way; (ii) establishment or improvement of parks and open space, together with the design, construction and maintenance of any ancillary structures, features or amenities such as trails, playgrounds, walkways, lighting and any similar items located therein; (iii) sidewalks and landscaping, including entry monuments and features, fountains, lighting and signage; (iv) acquisition, construction, and improvement of water, wastewater and drainage improvements and facilities; (v) projects similar to those listed in subsections (i) - (iv) above authorized by the Act, including similar off-site projects that provide a benefit to the property within the District; ((i) through (v) collectively, the "Authorized Improvements"); (vi) special supplemental services for improvement and promotion of the District; (vii) payment of costs associated with operating and maintaining the public improvements listed in subparagraphs (i) - (vi) above; and (viii) payment of costs associated with developing and financing the public improvements listed in subparagraphs (i) - (v) above, and costs of establishing, administering and operating the District. These Authorized Improvements shall promote the interests of the City and confer a special benefit upon the property within the District.

The estimated cost to design, acquire and construct the Authorized Improvements, together with bond issuance costs, eligible legal and financial fees, eligible credit enhancement costs and eligible costs incurred in establishment, administration and operation of the District is \$9,765,000 plus the annual cost of supplemental services and operation and maintenance costs, if any. The City will pay no costs of the Authorized Improvements, supplemental services or operation and maintenance costs from funds other than assessments levied on property within the District and/or from revenues received from a Tax Increment Reinvestment Zone ("TIRZ") established by the City which boundaries include the property within the District. The remaining costs of the proposed improvements will be paid from sources other than those described above.

The boundaries of the District include approximately 58.213 acres of land generally located north of Rodeo Drive, south of Scyene Road (also known as Highway 352), east of Stadium Drive and west of Rodeo Center Boulevard, in the City. A metes and bounds description of the boundaries of the District are available for inspection at the office of the City Secretary, 1515 North Galloway Avenue, Mesquite, Texas 75149.

All written or oral objections relating to the levy of the proposed assessments will be considered at the public hearing.

A copy of the Preliminary Service and Assessment Plan, including the proposed Assessment Roll, for the District, which includes the assessments to be levied against each parcel in the District is available for public inspection at the office of the City Secretary, 1515 North Galloway Avenue, Mesquite, Texas 75149.

WITNESS MY HAND AND THE OFFICIAL SEAL OF THE CITY, this ____ day of May,
2019.

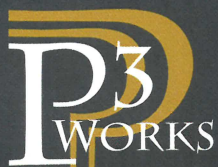
/s/
Secretary

EXHIBIT B
PRELIMINARY SERVICE AND ASSESSMENT PLAN

Iron Horse Public Improvement District

PRELIMINARY SERVICE AND ASSESSMENT PLAN

VERSION 6
04/29/2019



AUSTIN, TX | KELLER, TX

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INTRODUCTION

On February 4, 2019, the City of Mesquite, Texas (the “City”) passed and approved Resolution No. 15-2019 authorizing the establishment of the Iron Horse Public Improvement District (the “District”) in accordance with Chapter 372, Texas Local Government Code, as amended (the “PID Act”), which authorization was effective upon publication as required by the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 58.213 acres located within the City, as depicted and described by metes and bounds on **Exhibit A**. The District is zoned under Ordinance No. 4595 (“PD 4595”) adopted by the City Council of the City (the “City Council”) on September 4, 2018 and shall be constructed according to the development standards as described by Resolution No. 69-2018 adopted by the City Council on November 19, 2018, and that certain Iron Horse Development Agreement (the “Development Agreement”) between the City and MM Mesquite 50, LLC (the “Developer”) dated as of November 19, 2018, as amended by the First Amendment to the Iron Horse Development Agreement between the City and the Developer, effective as of March 18, 2019. The District will consist of residential uses containing 40.3487 acres as depicted and described on **Exhibit B** (the “Residential Tracts”) and general retail uses containing 17.8643 acres as depicted and described on **Exhibit C** (the “General Retail Tracts”).

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

The PID Act requires a service plan covering a period of at least five years and defining the annual indebtedness and projected cost of the Authorized Improvements (as updated, from time to time, a “Service Plan”). The Service Plan is contained in **Section IV**.

The PID Act requires that the Service Plan include an assessment plan that assesses the Actual Costs of the Authorized Improvements against the District based on the special benefits conferred on the District by the Authorized Improvements (as updated, from time to time, an "Assessment Plan"). The Assessment Plan is contained in **Section V**.

The PID Act requires an assessment roll (as updated from time to time and which may be in one or more parts, the “Assessment Roll”), that states the assessment against each parcel determined by the method chosen by the City Council. The Assessment against each Parcel must be sufficient to pay the share of the Actual Costs apportioned to the Parcel and cannot exceed the special

benefit conferred on the Parcel by the Authorized Improvements. The Assessment Roll is included as **Exhibit D**.

SECTION I: DEFINITIONS

“Actual Costs” mean, with respect to Authorized Improvements, the Owner’s demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvements, as specified in a payment request in a form that has been reviewed and approved by the City and in an amount not to exceed the amount for each Authorized Improvement as set forth in this Service and Assessment Plan, except for authorized reallocations, which include cost underruns (as defined in the Development Agreement) in any category of Authorized Improvements being reallocated to cover cost overruns (as defined in the Development Agreement) in any different category of Authorized Improvements as approved by the City. Actual Costs may include: (1) the costs incurred by, caused to be incurred by, or on behalf of the Owner (either directly or through affiliates) for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such Authorized Improvements; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for such Authorized Improvements; (3) construction management fees equal to 1% of costs; (4) the costs incurred by or on behalf of the Owner for external professional costs, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (5) all labor, bonds, and materials, including equipment and fixtures, by contractors, builders, and materialmen in connection with the acquisition, construction, or implementation of the Authorized Improvements; and (6) all related permitting and public approval expenses, architectural, engineering, and consulting fees, taxes, and governmental fees and charges.

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

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

“Administrative Expense Fund” means the fund established pursuant to the Indenture where the funds to pay the Annual Collection Costs will be deposited.

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

“Annual Collection Costs” mean the actual or budgeted costs and expenses related to the creation and operation of the District, the issuance and sale of PID Bonds, and the construction,

operation, and maintenance of the Authorized Improvements, including, but not limited to, costs and expenses for: (1) the Administrator; (2) City staff; (3) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (4) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments, including the costs of foreclosure; (5) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (6) issuing, paying, and redeeming PID Bonds; (7) investing or depositing Assessments and Annual Installments; (8) complying with this Service and Assessment Plan and the PID Act with respect to the issuance and sale of PID Bonds, including continuing disclosure requirements; (9) the paying agent/registrar and Bond Trustee in connection with PID Bonds, including their respective legal counsel; and (10) administering the construction of the Authorized Improvements. Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

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

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

“Assessed Property” means any Parcel within the District against which an Assessment is levied, and does not include Non-Benefitted Parcels.

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

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

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

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

“Authorized Improvements” means improvements whose costs are shown on **Exhibit E**, depicted on **Exhibit F**, and described in **Section III** as authorized by Section 372.003 of the PID Act, including

District Formation and Bond Issuance Costs. In addition, the engineer's opinion of probable costs is included as **Exhibit E-1**.

"Bond Trustee" means a trustee (or successor trustee) under the applicable Indenture.

"City" means the City of Mesquite, Texas.

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

"County" means Dallas County, Texas.

"Delinquency and Prepayment Reserve Fund" means the fund established pursuant to the Indenture where the Additional Interest will be deposited.

"Delinquent Collection Costs" mean costs related to the foreclosure of the lien on Assessed Property and the costs of collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under this Service and Assessment Plan including penalties and reasonable attorney's fees to the extent permitted by law, but excluding amounts representing interest and penalty interest.

"Developer" means MM Mesquite 50, LLC.

"Development Agreement" means that certain Iron Horse Development Agreement between the City and the Developer dated as of November 19, 2018, as amended by the First Amendment to the Iron Horse Development Agreement between the City and the Developer, effective as of March 18, 2019.

"District" means the Iron Horse Public Improvement District containing approximately 58.213 acres located within the City, and more specifically described on **Exhibit A**.

"District Formation and Bond Issuance Costs" means the costs associated with forming the District and issuing PID Bonds, including but not limited to attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City costs, capitalized interest, reserve fund requirements, first year District administration reserves, underwriter discount, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the establishment of the District and/or the issuance of PID Bonds.

"General Retail Tracts" means approximately 17.8643 acres located within the District, and more specifically described on **Exhibit C**.

"General Retail Maximum Assessment" means for each Parcel within the General Retail Tracts, an amount equal to \$19.68 per square foot of building area, as calculated on **Exhibit J**. The General Retail Maximum Assessment shall be calculated by the Administrator prior to the approval by the City of a site plan submittal that revises or amends the approved PD Site Plan.

"Indenture" means one or more Indentures of Trust entered into in connection with the issuance

of each series of PID Bonds, as amended from time to time, between the City and a Bond Trustee setting forth terms and conditions related to a series of PID Bonds.

“Lot” means a tract of land upon which the levy of Assessments is based in this Service and Assessment Plan, that is (1) a “lot” in a subdivision plat recorded in the official records of the County, (2) a development/concept plan or (3) a preliminary plat.

“Lot Type” means a classification of final building Lots with similar characteristics (e.g. general retail, light industrial, multi-family, single family residential, etc.), as determined by the Administrator and confirmed by the City Council in an Annual Service Plan Update. In the case of Residential Lots, the Lot Type shall be further defined by classifying the Residential Lots by the type of Lot as shown on **Exhibit L** attached hereto.

“Lot Type 1” means a Residential Lot designated as such on the Assessment Roll, being a single family townhome with a minimum lot size of 1,400 sq. ft. and a minimum dwelling size of 1,200 sq. ft.

“Lot Type 2” means a Residential Lot designated as such on the Assessment Roll, being a single family zero lot line home with a minimum lot size of 1,296 sq. ft. and a minimum dwelling size of 1,200 sq. ft.

“Lot Type 3” means a Residential Lot designated as such on the Assessment Roll, being a single family bungalow with a minimum lot size of 2,600 sq. ft. and a minimum dwelling size of 1,250 sq. ft. for single family one-story bungalows and 1,600 sq. ft. for single-family two-story bungalows.

“Lot Type 4” means a Residential Lot designated as such on the Assessment Roll, being a single family villa with a minimum lot size of 4,000 sq. ft. and a minimum dwelling size of 1,800 sq. ft.

“Lot Type General Retail” means a Lot within the General Retail Tract designated as such on the Assessment Roll.

“Non-Benefited Property” means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements. Property is identified as Non-Benefitted Property at the time the Assessments (1) are imposed or (2) are reallocated pursuant to a subdivision of a Parcel that is not assessed. Assessed Property converted to Non-Benefitted Property, if the Assessments are not reallocated pursuant to the provisions herein, remain subject to the Assessments and requires the Assessments to be prepaid as provided herein.

“Owner” means the Developer and any successor owner of property in the District or any portion thereof.

“Parcel” or **“Parcels”** means a specific property within the District identified by either a tax map identification number assigned by the Dallas Central Appraisal District for real property tax purpose, by metes and bounds description, or by lot and block number in a final subdivision plat

recorded in the official public records of the County, or by any other means determined by the City.

“PD Site Plan” means the concept plan adopted by the City Council on September 4, 2018 by Ordinance No. 4595, as shown on **Exhibit L**.

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

“PID Bonds” means bonds, notes or other obligations, if any, issued by the City, in one or more series, to finance the Authorized Improvements and secured by Assessments, including Annual Installments thereof.

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

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

“Residential Lot” means a Lot within the Residential Tracts.

“Residential Tracts” means approximately 40.3487 acres located within the District, and more specifically described on **Exhibit B**.

“Residential Maximum Assessment” means, for each Residential Lot, a principal amount that will not exceed the amount shown on **Exhibit J** for each Lot Type. In the event a final plat creates a new Lot Type that differs from what is shown on **Exhibit J**, this Service and Assessment Plan will be updated to reflect the new Lot Type, and the Residential Maximum Assessment for the new Lot Type created by the revised plat shall be the highest practical amount that results in the average Annual Installment not exceeding the amount of ad valorem taxes that would be produced by applying a tax rate of \$0.741 per \$100 of estimated buildout value to such new Lot Type. The Residential Maximum Assessment shall only be calculated upon the filing of a final plat with the City.

“Service and Assessment Plan” means this Service and Assessment Plan as updated and amended from time to time.

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

“Tax Year” means a 12 month period beginning January 1 of a given year, when assessed values are determined and taxes are levied on property, with the taxes becoming delinquent if not paid

by the January 31 of the following year (e.g. Tax Year 2020 taxes are delinquent if not paid by January 31st, 2021).

“**TCEQ**” means the Texas Commission on Environmental Quality.

“**TIRZ No. 1**” means the *Rodeo City Tax Reinvestment Zone Number One, City of Mesquite, Texas*.

“**TIRZ No. 1 Agreement**” means the *TIRZ Agreement – Iron Horse PID*, effective as of _____.

“**TIRZ No. 1 Annual Credit Amount**” is defined in **Section V.F**.

“**TIRZ No. 1 Amended Project Plan**” means the *Rodeo City Tax Reinvestment Zone Number One, City of Mesquite, Texas Amended Project and Financing Plan* dated _____.

“**TIRZ No. 1 Fund**” means the tax increment fund created pursuant to the TIRZ No. 1 Ordinance where TIRZ No. 1 Revenues are deposited annually.

“**TIRZ No. 1 Ordinance**” means Ordinance No. 4634 adopted by the City Council approving the TIRZ No. 1 Amended Project Plan and authorizing the use of TIRZ No. 1 Revenues for project costs under the Chapter 311, Texas Tax Code as amended, and related to certain public improvements as provided for in the TIRZ No. 1 Amended Project Plan, as amended.

“**TIRZ No. 1 Revenues**” mean, for each year, the amounts which are deposited in the TIRZ No. 1 Fund pursuant to the TIRZ No. 1 Ordinance, TIRZ No. 1 Amended Project Plan, and TIRZ No. 1 Agreement.

SECTION II: THE DISTRICT

The District includes approximately 58.213 contiguous acres located within the City, as more particularly described by metes and bounds on **Exhibit A**. The Residential Tracts includes approximately 40.3487 contiguous acres located within the City, as more particularly described on **Exhibit B**. Development of the Residential Tracts is anticipated to include approximately 198 single family townhomes, 57 single family zero lot line homes, 51 single family bungalows, and 30 single family villas. The General Retail Tracts includes approximately 17.8643 acres located within the City, as more particularly described on **Exhibit C**. Development of the General Retail Tracts is anticipated to include approximately 130,000 square feet of general retail and light commercial uses.

SECTION III: AUTHORIZED IMPROVEMENTS

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

A. Authorized Improvements

▪ *Street Improvements*

Improvements including subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, testing, handicapped ramps, sidewalks, traffic signals, and street lights. All related earthwork, excavation, erosion control, retaining walls, intersections, signage, lighting and re-vegetation of all disturbed areas within the right-of-way are included. The street improvements will provide street access to each Lot within the District. All street improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

▪ *Water Improvements*

Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, service connections, water mains, valves, fire hydrants, testing, related earthwork, excavation, erosion control, and all necessary appurtenances required to provide water service to each Lot within the District. The water improvements will be designed and constructed in accordance with City and TCEQ standards and specifications and will be owned and operated by the City.

▪ *Sanitary Sewer Improvements*

Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, service connections, sewer mains, testing, related earthwork, excavation, erosion control, and all necessary appurtenances required to provide wastewater service to each Lot within the District. The sanitary sewer improvements will be designed and constructed in accordance with City and TCEQ standards and specifications and will be owned and operated by the City.

▪ *Storm Drainage Improvements:*

Improvements including earthen channels, swales, curb and drop inlets, storm sewer mains, RCP piping and boxes, headwalls, concrete flumes, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, and erosion control necessary to

provide storm drainage for each Lot within the District. The storm drainage collection system improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

- *Soft Costs*

Costs incurred in the establishment, administration and operation of the PID; costs related to designing, constructing, and installing the Authorized Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, and contingency; and, costs associated with financing the Authorized Improvements.

B. District Formation and Bond Issuance Costs

- *Debt Service Reserve Fund*

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

- *Capitalized Interest*

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

- *Underwriter's Discount*

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

- *Deposit to Delinquency and Prepayment Reserve Fund*

Includes initial deposit to Delinquency and Prepayment Reserve Fund.

- *Deposit to Administrative Expense Fund*

Includes first year Annual Collection Costs.

- *Cost of Issuance*

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

SECTION IV: SERVICE PLAN

The PID Act requires the Service Plan to cover a period of at least five years. The Service Plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the District during the five-year period. The Service Plan must be reviewed and updated, at least annually, and approved by the City Council. The Service Plan for the District is summarized on **Exhibit G**.

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

SECTION V: ASSESSMENT PLAN

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

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

A. Assessment Methodology

The City Council, acting in its legislative capacity based on information provided by the Owner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has determined that the Authorized Improvements shall be allocated to Assessed Property by spreading the entire Assessment across all Assessed Property based on the ratio of the estimated build out value of each Parcel to the estimated build out value for all Assessed Property within the District, as shown on **Exhibit I**.

B. Assessments

Assessments will be levied on each Assessed Property as shown on the Assessment Roll, attached hereto as **Exhibit D**. The projected Annual Installments for the District are shown on **Exhibit D**. Upon subdivision of an Assessed Property by final plat, Assessments will be reallocated pursuant to **Section VI**.

The estimated Assessment for each Lot Type is shown on **Exhibit J**. In no case will the Assessment for Lot Type 1, Lot Type 2, Lot Type 3, or Lot Type 4 exceed the Residential Maximum Assessment, nor will the Assessment for Lot Type General Retail exceed the General Retail Maximum Assessment.

C. Findings of Special Benefit

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

- The Authorized Improvement costs equal \$9,809,999 as shown on **Exhibit E**; and
- The Assessed Property receives special benefit from the Authorized Improvements equal to or greater than the Actual Cost of the Authorized Improvements; and
- The Assessed Property will be allocated 100% of the Assessments levied for the Authorized Improvements, which equal \$9,809,999 as shown on the Assessment Roll attached hereto on **Exhibit D**;
- The special benefit (\geq \$9,809,999) received by the Assessed Property from the Authorized Improvements is equal or greater than the amount of the Assessments (\$9,765,000) levied on the Assessed Property for the Authorized Improvements; and
- At the time the City Council approved the Service and Assessment Plan, the Owner owned, or will own, 100% of the Assessed Property, except for Tract 2B, which was sold to Bluewater. The Owner has acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. The Owner has ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described herein and the Assessment Ordinance; (2) the Service and Assessment Plan and the Assessment Ordinance, and (3) the levying of Assessments on the Assessed Property.

D. Annual Collection Costs

The Annual Collection Costs shall be paid for on a pro rata basis by each Assessed Property based on the amount of outstanding Assessment remaining on the Assessed Property. The Annual Collection Costs shall be collected as part of Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on Actual Costs incurred in Annual Service Plan Updates.

E. Additional Interest

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

F. TIRZ No. 1 Annual Credit Amount

The City Council, in accordance with the TIRZ No. 1 Agreement, has agreed to use a portion of TIRZ No. 1 Revenues generated (the "TIRZ No. 1 Annual Credit Amount") to reduce the Annual Installment for all Assessed Property based on the desire of the City Council to maintain a competitive, composite equivalent ad valorem tax rate taking into consideration the tax rates of all applicable taxing units and the equivalent tax rate of the Annual Installments based on assumed buildout values.

1. The Annual Installment for an Assessed Property shall receive a TIRZ No. 1 Annual Credit Amount equal to the TIRZ No. 1 Revenue generated by the Assessed Property for the previous Tax Year (i.e. TIRZ No. 1 Revenue collected from the Assessed Property for Tax Year 2020 shall be applied as the TIRZ No. 1 Annual Credit Amount applicable to the Assessed Property's Annual Installment to be collected in Tax Year 2021), but in no event shall the TIRZ No. 1 Annual Credit Amount exceed the amounts shown in **Section V.F.2** as calculated on **Exhibit K** for each Assessed Property.
2. The TIRZ No. 1 Annual Credit Amount available to reduce the Annual Installment for an Assessed Property is calculated for each Lot Type, as shown on **Exhibit K**. The TIRZ No. 1 Annual Credit Amount is calculated so that the average Annual Installment minus the TIRZ No. 1 Annual Credit Amount for each Lot Type does not produce an equivalent tax rate which exceeds the competitive, composite equivalent ad valorem tax rate (\$3.14 per \$100 of Assessed Value) taking into consideration the tax rates of all applicable taxing units and the equivalent tax rate of the Annual Installments based on assumed buildout values at the time Assessment Ordinance is approved. The resulting maximum TIRZ No. 1 Annual Credit Amount for each Lot Type is shown below:

i.	Lot Type 1:	\$1,296
ii.	Lot Type 2:	\$1,414
iii.	Lot Type 3:	\$1,590
iv.	Lot Type 4:	\$1,708
v.	General Retail (Per Building Sq/Ft):	\$1.2937

3. If the application of the TIRZ No. 1 Annual Credit Amount results in excess TIRZ No. 1 Revenues available from the Iron Horse PID Account of the TIRZ No. 1 Fund, such excess TIRZ No. 1 Revenues shall be held in a segregated account by the City and shall be used either (1) to prepay a portion of all Assessments on the Assessed Property, and to redeem bonds pursuant to the extraordinary redemption provisions of the Indenture, (2) to optionally redeem the outstanding PID Bonds pursuant to the provisions of the Indenture, or (3) to be applied in future years in an effort to maintain a level Annual Installment schedule.

SECTION VI: TERMS OF THE ASSESSMENTS

A. Reallocation of Assessments for the General Retail Tracts

In general, the sum of the Assessments for all newly subdivided Assessed Properties shall equal the Assessment for the subdivided Assessed Property in the General Retail Tracts prior to subdivision. The Assessment initially applicable to each Assessed Property within the General Retail Tracts is equal to the Assessment shown on the Assessment Roll, attached hereto as **Exhibit D**. If an Assessed Property within the General Retail Tracts is subsequently platted, subdivided, re-subdivided or re-platted, the Assessment applicable to each resulting new Assessed Property in the General Retail Tracts shall be equal to formula below.

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

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Assessed Property

B = the Assessment for the Assessed Property prior to subdivision

C = the estimated building square footage of the newly divided Assessed Property

D = the sum of the estimated building square footage for all of the newly divided Assessed Properties

In order to prevent over or under-burdening due to density changes, the reallocation of an Assessment for an Assessed Property in the General Retail Tracts may not exceed the General Retail Maximum Assessment, as measured by square footage, and compliance may require a mandatory Prepayment pursuant to **Section VI.D**. Any reallocation pursuant to this section shall

be calculated by the Administrator and reflected in an Annual Service Plan Update approved by the City. The reallocation of any Assessments as described herein shall be considered an administrative action and will not require any notice or public hearing, as defined in the PID Act, by the City.

B. Reallocation of Assessments for the Residential Tracts

In general, the sum of the Assessments for all newly subdivided Assessed Properties shall equal the Assessment for the subdivided Assessed Property in the Residential Tracts prior to subdivision. The Assessment initially applicable to each Assessed Property in the Residential Tracts, based on the number of Residential Lots of each Lot Type, is equal to the Assessment shown on the Assessment Roll, attached hereto as **Exhibit D**. If an Assessed Property within the Residential Tracts is subsequently platted into Lots, subdivided, re-subdivided or re-platted, the Assessment applicable to each resulting new Assessed Property in the Residential Tracts shall be equal to the Assessment that corresponds to the Lot Type for such Assessed Property. The reallocation of an Assessment for an Assessed Property in the Residential Tracts may not exceed the Residential Maximum Assessment, and compliance may require a mandatory Prepayment pursuant to **Section VI.D**. Any reallocation pursuant to this section shall be calculated by the Administrator and reflected in an Annual Service Plan Update approved by the City. The reallocation of any Assessments as described herein shall be considered an administrative action and will not require any notice or public hearing, as defined in the PID Act, by the City.

However, the reallocation of an Assessment for an Assessed Property in the Residential Tracts may not exceed the Residential Maximum Assessment, and compliance may require a mandatory Prepayment pursuant to **Section VI.D**. Any reallocation pursuant to this section shall be calculated by the Administrator and reflected in an Annual Service Plan Update approved by the City. The reallocation of any Assessments as described herein shall be considered an administrative action and will not require any notice or public hearing, as defined in the PID Act, by the City.

1. Upon Division Prior to Recording of Subdivision Plat

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

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

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

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

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

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

2. Upon Subdivision by a Recorded Subdivision Plat

Upon the subdivision of any Assessed Property based on a recorded subdivision plat, the Administrator shall reallocate the Assessment for the Assessed Property prior to the subdivision among the new subdivided Lots based on the Lot Type and the associated buildout value set forth in **Exhibit I**, according to the following formula:

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

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Assessed Property prior to subdivision

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

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

E = the number of Lots with same Lot Type

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

C. Upon Consolidation

If two or more Assessed Properties are consolidated, the Administrator shall allocate the Assessments against the Assessed Properties before the consolidation to the consolidated Assessed Property, which allocation shall be approved by the City Council in

the next Annual Service Plan Update. The Assessment for any resulting Lot will not exceed the Residential Maximum Assessment or the General Retail Maximum Assessment for Lots in the Residential Tracts or the General Retail Tract, as applicable, shown on **Exhibit J** for the applicable Lot Type, and compliance may require a mandatory prepayment of Assessments pursuant to **Section VI.D**.

D. Mandatory Prepayment of Assessments

1. Transfer to exempt person or entity

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

2. Residential Maximum Assessment exceeded at plat

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

3. General Retail Maximum Assessment exceeded at plat

Prior to the City approving revisions or amendments to the PD Site Plan for Assessed Properties located within the General Retail Tracts, the Administrator will certify that such revisions or amendments will not cause the Assessment for the Assessed Property to exceed the General Retail Maximum Assessment. If the Administrator determines that the resulting Assessment will exceed the General Retail Maximum Assessment, then (1) the Assessment applicable to the Assessed Property shall be reduced to the General Retail Maximum Assessment, and (2) the person or entity requesting the revision or amendment to the PD Site Plan shall pay to the City the amount the Assessment was reduced, plus Prepayment Costs and Delinquent Collection Costs, if any, prior to the City approving the amendment to the PD Site Plan.

E. Non-Benefited Property to Assessed Property

In the case it has been determined that a Non-Benefited Property shall be classified as an Assessed Property (i.e. it has been determined that the Assessed Property now receives benefit from Authorized Improvements), an Assessment is hereby levied against such Assessed Property in accordance to the methodology described in this Assessment Plan, and the Assessment Roll shall be amended in the next Annual Service Plan Update.

F. Reduction of Assessments

If, as a result of cost savings or an Authorized Improvement not being constructed, the Actual Costs of completed Authorized Improvements are less than the costs estimated herein, each Assessment shall be reduced on a pro-rata basis such that the sum of the resulting reduced Assessments for all Assessed Properties equals the reduced Actual Costs. Excess PID Bond proceeds shall be applied to redeem outstanding PID Bonds. The Assessments shall not, however, be reduced to an amount less than the outstanding PID Bonds, and/or any related reimbursement agreement.

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

Similarly, if a portion of the Authorized Improvements to be funded with a series of PID Bonds are not undertaken resulting in excess PID Bond proceeds, then the City may, in its discretion and in accordance with the applicable Indenture, reduce the Assessment for each Assessed Property securing such PID Bonds on a pro-rata basis, or as otherwise determined by the City in accordance with the Indenture, to reflect only the Actual Costs that were expended and deposit and apply such excess PID Bond proceeds as described in the paragraph above or as authorized in the Indenture.

The Assessments shall not be reduced to an amount less than the amount due on the related outstanding series of PID Bonds and any related reimbursement agreement. If all of the Authorized Improvements are not completed, the City may reduce the Assessments in another method if it determines such method would better reflect the benefit received by the Assessed Properties from the Authorized Improvements completed.

If all the Authorized Improvements are not undertaken resulting in excess PID Bonds proceeds, then the City shall, at its discretion and in accordance with the applicable Indenture, reduce Assessments and Annual Installments for each applicable Assessed Property on a pro-rata basis to reflect only the amounts required to repay the PID Bonds, including interest on the PID Bonds, Additional Interest, Annual Collection Costs, and amounts due pursuant to a reimbursement

agreement, if any, and such excess PID Bond proceeds shall be applied to redeem PID Bonds as set forth in the applicable Indenture. The Assessments shall not, however, be reduced to an amount less than the amount due on the related outstanding PID Bonds.

The City Council may reduce the Assessments and the Annual Installments for Assessed Property (1) in an amount that represents the Authorized Improvements provided for each property; (2) by an equal percentage calculated based on Lot size; or (3) In any other manner determined by the City Council to be the most fair and practical means of reducing the Assessments for Assessed Property, such that the sum of the resulting reduced Assessments equals the amount required to repay the PID Bonds, including interest on the PID Bonds, Additional Interest, the Annual Collection Costs portion of the Assessment, and the amount owed under any reimbursement agreement, if any.

G. Prepayment of Assessments

The Owner of the Assessed Property may pay, at any time, all or any portion of an Assessment in accordance with the PID Act, including all Prepayment Costs. If prepayments in full will result in redemption of PID Bonds, the payment amount shall be reduced by the amount, if any, of reserve funds applied to the redemption under the Indenture, net of any other costs applicable to the redemption of PID Bonds as set forth in the applicable Indenture. If an Annual Installment has been billed prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment is paid in full, with interest: (1) the Administrator shall cause the Assessment to be reduced to zero and the Assessment Roll to be revised accordingly; (2) the Administrator shall cause the revised Assessment Roll to be approved by the City Council as part of the next Annual Service Plan Update; (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate; and (4) the City shall provide the Owner with a recordable "Notice of PID Assessment Termination." The City Manager or their designee is hereby authorized to execute any such notice or other lien release document.

If an Assessment is paid in part, with interest: (1) the Administrator shall cause the Assessment to be reduced in the amount of such partial prepayment in a manner conforming to the provisions of the Indenture, and the Assessment Roll revised accordingly; (2) the Administrator shall cause the revised Assessment Roll to be approved by the City Council as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment and corresponding Annual Installments shall be reduced to the extent the partial payment is made.

H. Payment of Assessment in Annual Installments

The Annual Installments for the District and for each Assessed Property is shown on the Assessment Roll attached hereto as **Exhibit D**. In no case will the Assessment for Lot Type 1, Lot Type 2, Lot Type 3, or Lot Type 4 exceed the Residential Maximum Assessment, nor will the Assessment for Lot Type General Retail exceed the General Retail Maximum Assessment, as shown on **Exhibit J**. Assessments that are not paid in full shall be due and payable in Annual Installments. Annual Installments are subject to adjustment in each Annual Service Plan Update.

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

The Administrator shall prepare and submit to the City Council for its review and approval an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls and updated calculations of Annual Installments. Annual Collection Costs shall be allocated equally or proportionally among Assessed property for which the total Assessments remain unpaid in proportion to the amount of the Annual Installments for the Assessed Property. Annual Installments shall be reduced by any credits applied under an applicable Indenture, such as capitalized interest, interest earnings on account balances, and any other funds available to the Bond Trustee for such purposes, including funds available as set forth in this SAP. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the PID Act and in the same manner as ad valorem taxes for the City. The City Council may provide for other means of collecting Annual Installments. Assessments shall have the lien priority specified in the PID Act.

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

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

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

Failure of an Owner to receive an invoice for an Annual Installment on the property tax bill shall not relieve the Owner of the responsibility for payment of the Assessment. Assessments, or Annual Installments thereof, that are delinquent shall incur Delinquent Collection Costs. The City may provide for other means of collecting the Annual Installments to the extent permitted by the Act.

SECTION VII: ASSESSMENT ROLL

The Assessment Roll is attached on **Exhibit D**. The Administrator shall prepare and submit to the City Council for review and approval, proposed revisions to the Assessment Roll and Annual Installments for each Parcel as part of each Annual Service Plan Update.

SECTION VIII: ADDITIONAL PROVISIONS

A. Administrative Review

To the extent consistent with the PID Act, an Owner of Assessed Property claiming that a calculation error has been made in the Assessment Roll, including the calculation of the Annual Installment, shall send a written notice describing the error to the City not later than thirty (30) days after the date the invoice or other bill for the Annual Installment is received. If the Owner fails to give such notice, such Owners shall be deemed to have accepted the calculation of the Assessment Roll (including the Annual Installments) and to have waived any objection to the calculation. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Parcel owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred. The City may elect to designate a third party who is not an officer or employee of the City to serve as administrator of the District.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Property Owner, such change or modification shall be presented to the City Council for approval to the extent permitted by the PID Act. A cash refund may not be made for any amount previously paid by the Assessed Property owner (except for the final year during which the Annual Installment shall be collected or if it is determined there are sufficient funds to meet the expenses of the District for the current year), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the City Council. Any amendments made to the Assessment Roll pursuant to calculation errors shall be made pursuant to the PID Act.

The decision of the Administrator, or if such decision is appealed to the City Council, the decision of the City Council, shall be conclusive as long as there is a reasonable basis for such

determination. This procedure shall be exclusive and its exhaustion by any property Owner shall be a condition precedent to any other appeal or legal action by such Owner.

B. Termination of Assessments

Each Assessment shall be extinguished on the date the Assessment is paid in full, including unpaid Annual Installments and Delinquent Collection Costs, if any. After the extinguishment of an Assessment and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the City shall provide the Owner of the affected Assessed Property a recordable “Notice of the PID Assessment Termination,” attached hereto as **Exhibit M**.

C. Amendments

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

D. Administration and Interpretation

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

E. Severability

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

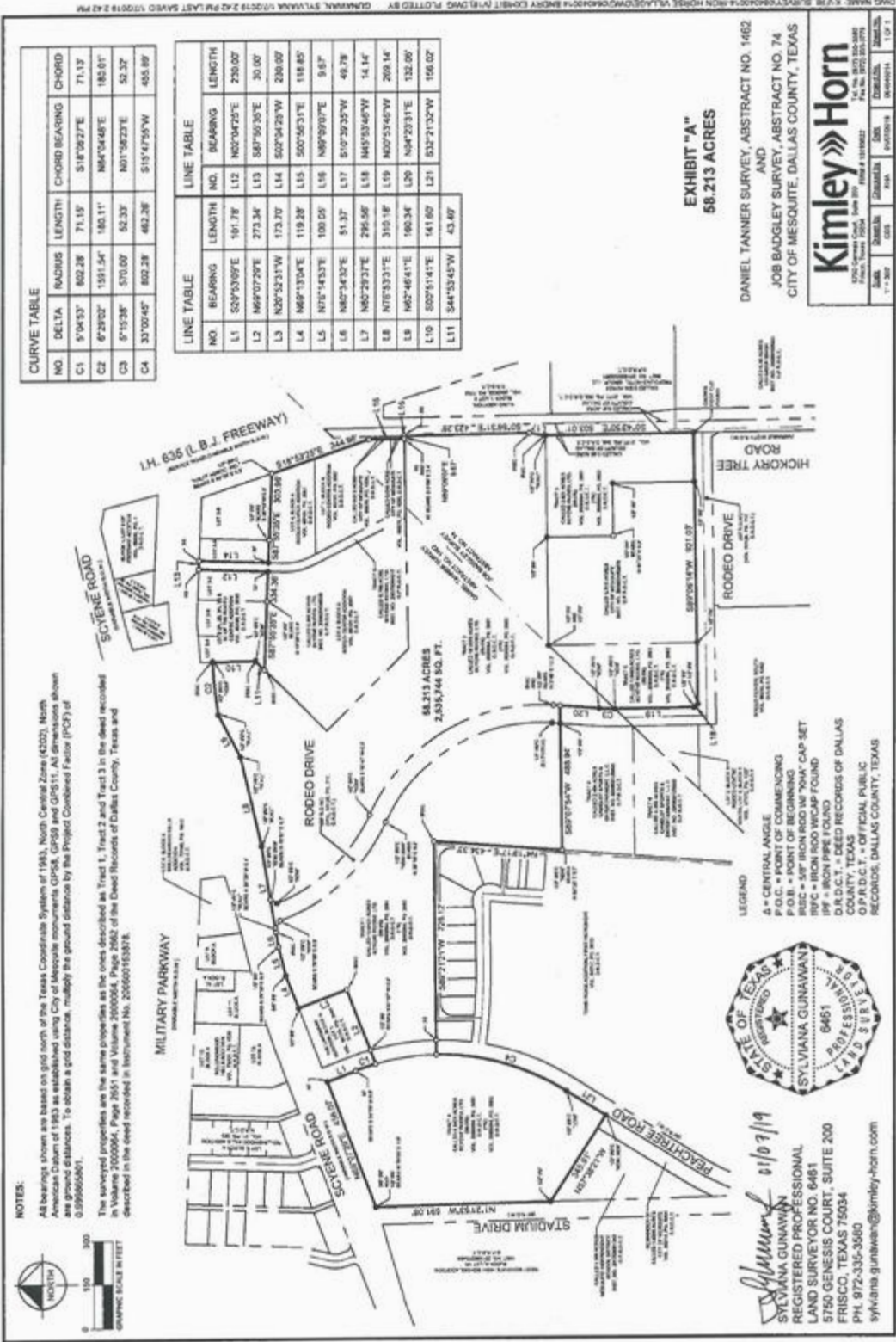
LIST OF EXHIBITS

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

Exhibit A	District Map and Legal Description
Exhibit B	Residential Tracts Map and Legal Description
Exhibit C	General Retail Tracts Map and Legal Description
Exhibit D	Assessment Roll
Exhibit E	Cost of Authorized Improvements and District Formation and Bond Issuance Costs
Exhibit E-1	Engineer's Opinion of Probable Costs
Exhibit F	Authorized Improvements Map
Exhibit G	Service Plan
Exhibit H	Sources and Uses of PID Bond Funds
Exhibit I	Allocation of Principal Amount of Assessment Calculation
Exhibit J	Maximum Principal Assessment by Lot Type
Exhibit K	TIRZ No. 1 Annual Credit Amount by Lot Type
Exhibit L	PD Site Plan
Exhibit M	Notice of PID Assessment Termination

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EXHIBIT A – DISTRICT MAP AND LEGAL DESCRIPTION



CURVE TABLE

NO.	DELTA	RADIUS	LENGTH	CHORD BEARING	CHORD
C1	5°04'33"	802.28'	71.15'	S18°26'27"E	71.13'
C2	6°29'02"	1591.54'	180.11'	N68°04'48"E	180.01'
C3	5°15'58"	570.00'	62.33'	N01°58'27"E	62.33'
C4	33°00'45"	802.28'	482.26'	S15°47'55"W	455.89'

LINE TABLE

NO.	BEARING	LENGTH	BEARING	LENGTH
L1	S02°53'09"E	101.78'	N02°04'25"E	230.00'
L2	N69°07'20"E	273.34'	S87°50'30"E	30.00'
L3	N20°52'31"W	173.70'	S02°04'20"W	230.00'
L4	N89°13'04"E	119.28'	S00°46'31"E	188.80'
L5	N76°14'53"E	100.05'	N89°59'07"E	9.87'
L6	N82°44'32"E	51.37'	S10°29'35"W	49.78'
L7	N02°29'37"E	295.56'	M45°53'46"W	14.14'
L8	N82°46'41"E	180.34'	N04°20'31"E	132.00'
L9	S00°51'41"E	141.80'	S32°21'32"W	156.00'
L11	S44°53'45"W	43.40'		

EXHIBIT "A"
58.213 ACRES

DANIEL TANNER SURVEY, ABSTRACT NO. 1462
AND
JOB BADGLEY SURVEY, ABSTRACT NO. 74
CITY OF MESQUITE, DALLAS COUNTY, TEXAS

Kimley»Horn
15025 North Stemmons Freeway, Suite 1000
Frisco, Texas 75034
Phone: 972.335.3660
Fax: 972.335.3675
www.kimleyhorn.com

NOTES:
All bearings shown are based on grid north of the Texas Coordinate System of 1983, North Central Zone (4202). North American Datum of 1983 as established with City of Mesquite monuments, GPSA, GP58 and GP511. All dimensions shown are ground distances. To obtain a grid distance, multiply the ground distance by the Project Combined Factor (PCF) of 0.999955801.
The surveyed properties are the same properties as the ones described as Tract 1, Tract 2 and Tract 3 in the deed recorded in Volume 2000064, Page 2651 and Volume 2000064, Page 2662 of the Deed Records of Dallas County, Texas and described in the deed recorded in Instrument No. 2006015381X.

LEGEND
A = CENTRAL ANGLE
P.O.C. = POINT OF COMMENCING
P.O.B. = POINT OF BEGINNING
I.V.C. = IRON ROD VERTICAL CAP SET
I.P.F. = IRON ROD W/CLAP FOUND
D.R.D.C.T. = DEED RECORDS OF DALLAS COUNTY, TEXAS
O.P.R.D.C.T. = OFFICIAL PUBLIC RECORDS, DALLAS COUNTY, TEXAS



Sylvia Gunawan 8/10/19
SYLVIA GUNAWAN
REGISTERED PROFESSIONAL
LAND SURVEYOR NO. 6461
6750 GENESIS COURT, SUITE 200
FRISCO, TEXAS 75034
PH: 972-335-3660
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BEING a tract of land situated in the Daniel Tanner Survey, Abstract No. 1462, and the Job Badgley Survey, Abstract No. 74, City of Mesquite, Dallas County, Texas and being all of a called 12.9421 acre tract of land described as Tract 1, all of a called 18.3003 acre tract of land described as Tract 2, all of a called 2.821 acre tract of land described as Tract 3, all of a called 8.3421 acre tract of land described as Tract 4, and all of a called 1.9483 acre tract of land described as Tract 5 in General Warranty Deed to Scyene Rodeo, LTD., recorded in Volume 2000064, Page 2651 and Volume 2000064, Page 2662, of the Deed Records, Dallas County, Texas, and being all of a called 5.309 acre tract of land described in Special Warranty Deed to Scyene Rodeo, LTD., recorded in Instrument No. 200600158939, Official Public Records, Dallas County, Texas, and being all of a called 2.897 acre tract of land described as Tract 1 and all of a called 0.766 acre tract of land described as Tract II in Special Warranty Deed to Scyene Rodeo, LTD., recorded in Instrument No. 20070091617, Official Public Records, Dallas County, Texas, same being all of Lots 1 and 4, Block A of Rodeo Center Addition, according to the Final Plat thereof recorded in Volume 85101, Page 2067 of the Deed Records, Dallas County, Texas, and also being all of a called 5.315 acre tract of land described in Special Warranty Deed to City of Mesquite, as recorded in Instrument No. 200600163878 of the Official Public Records of Dallas County, Texas, and also being portions of Rodeo Drive, a 60 foot wide right-of-way as created in Volume 93128, Page 717 of the Deed Records of Dallas County, Texas, and Peachtree Road, a 50 foot wide right-of-way, and being more particularly described as follows:

BEGINNING at a 3/8-inch iron rod found for the intersection of the east right-of-way line of Stadium Drive (a 60-foot wide right-of-way) with the southeast right-of-way line of Scyene Road (a variable width right-of-way) and being the northwest corner of said 8.3421 acre tract, from which a 1/2-inch iron rod found for witness bears North 70°05' East, a distance of 1.0 feet;

THENCE along said southeast right-of-way line of Scyene Road and the northwest line of said 8.3421 acre tract, North 69°07'29" East, a distance of 456.07 feet to an "X" cut in concrete found at the intersection of said southeast right-of-way line of Scyene Road with the west right-of-way line of said Peachtree Road and being the northeast corner of said 8.3421 acre tract;

THENCE departing said southeast right-of-way line of Scyene Road and along said west right-of-way line of Peachtree Road and the east line of said 8.3421 acre tract, the following courses and distances:

South 20°53'09" East, a distance of 101.78 feet to a point for corner, from which an "X" cut in concrete found for witness bears South 54°09' West, a distance of 0.9' and at the beginning of a non-tangent curve to the right having a central angle of 5°04'53", a radius of 802.28 feet, a chord bearing and distance of South 18°06'27" East, 71.13 feet;

In a southeasterly direction, with said curve to the right, an arc distance of 71.15 feet to a point for corner;

THENCE departing said west right-of-way line of Peachtree Road and the east line of said 8.3421 acre tract, and crossing said Peachtree Road, North 69°07'29" East, passing en route a 1/2 inch iron rod found for witness on the east right-of-way line of said Peachtree Road for the southerly

northwest corner of said 12.9421 acre tract, common to the southwest corner of Lot 1, Block A, of The Landmark Addition, an addition to the City of Mesquite, Texas, according to the plat thereof recorded in Volume 85135, Page 3484, Deed Records, Dallas County, Texas, and continuing along the same course and along the north line of said 12.9421 acre tract and the south line of said Lot 1, Block A, for a total distance of 273.34 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for the southeast corner of said Lot 1, Block A, common to an ell corner of said 12.9421 acre tract;

THENCE along the west line of said 12.9421 acre tract and the east line of said Lot 1, Block A, North 20°52'31" West, a distance of 173.70 feet to a 1/2-inch iron rod found for the northerly northwest corner of said 12.9421 acre tract, common to the northeast corner of said Lot 1, Block A, being on said southeast right-of-way line of Scyene Road;

THENCE along said southeast right-of-way line of Scyene Road, the north line of said 12.9421 acre tract, the northerly terminus of said Rodeo Drive, and the north line of aforesaid 18.3003 acre tract, the following courses and distances:

North 69°13'04" East, a distance of 119.28 feet to a 5/8-inch iron rod found for corner;

North 76°14'53" East, a distance of 100.05 feet to a point for corner, from which a 1/2-inch iron rod found bears South 76°33' east, a distance of 0.3 feet;

North 80°34'32" East, a distance of 51.37 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for corner;

North 80°29'37" East, a distance of 295.56 feet to a 1/2-inch iron rod with plastic cap stamped "W.A.I." found for corner;

North 76°53'31" East, a distance of 310.18 feet to a 1/2-inch iron rod with plastic cap stamped "W.A.I." found for corner;

North 62°46'41" East, a distance of 160.34 feet to a 1/2-inch iron rod with plastic cap stamped "W.A.I." found at the beginning of a non-tangent curve to the right having a central angle of 6°29'02", a radius of 1591.54 feet, a chord bearing and distance of North 84°04'48" East, 180.01 feet;

In a northeasterly direction, with said curve to the right, an arc distance of 180.11 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set on the west line of Lot 3A of Lots 2A, 2B, 3A, 3B & 3C of the Rodeo Centre Addition, according to the Replat thereof recorded in Volume 85186, Page 2020 of the Deed Records, Dallas County, Texas;

THENCE departing said southeast right-of-way line of Scyene Road, along the west line of said Lot 3A, the following courses and distances:

South 0°51'41" East, a distance of 141.60 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for corner;

South 44°53'45" West, a distance of 43.40 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for the southwest corner of said Lot 3A, common to the southerly northwest corner of said Lot 4;

THENCE along the south lines of said Lot 3A and Lots 3B and 3C of said Rodeo Centre Addition, according to the plat thereof recorded in Volume 85186, Page 2020, Deed Records, Dallas County, Texas, South 87°55'35" East, a distance of 334.36 feet to an "X" cut in concrete found for the southeast corner of said Lot 3C, common to an ell corner of said Lot 4;

THENCE along the east line of said Lot 3C and the west line of said Lot 4, North 2°04'25" East, a distance of 230.00 feet to an "X" cut in concrete set for the northerly northwest corner of said Lot 4, common to the northeast corner of said Lot 3C in said southeast right-of-way line of Scyene Road;

THENCE along said southeast right-of-way line of Scyene Road and the north line of said Lot 4, South 87°55'35" East, a distance of 30.00 feet to an "X" cut in concrete set for the northerly northeast corner of said Lot 4, common to the northwest corner of Lot 2A of said Rodeo Centre Addition;

THENCE departing said southeast right-of-way line of Scyene Road, and along the east line of said Lot 4 and the west line of said Lot 2A, South 2°04'25" West, a distance of 230.00 feet to an "X" cut in concrete found for the southwest corner of said Lot 2A, common to an ell corner of said Lot 4;

THENCE along the north line of said Lot 4 and the south lines of said Lot 2A and Lot 2B of said Rodeo Centre Addition, South 87°55'35" East, a distance of 303.96 feet to the southerly northeast corner of said lot 4, common to the southeast corner of said Lot 2B, in the west right-of-way line of Interstate Highway 635 (a variable width right-of-way), from which, a 1/2-inch iron rod with plastic cap stamped "HALFF ASSOC. INC." found bears South 40°35' east, a distance of 0.3 feet;

THENCE along said west right-of-way line of Interstate Highway 635 and the east lines of said Lot 4 and aforesaid Lot 1, South 18°53'25" East, a distance of 344.96 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set at the intersection of said west right-of-way line of Interstate Highway 635 with the west right-of-way line of Hickory Tree Road (a variable width right-of-way);

THENCE departing said west right-of-way line of Interstate Highway 635, along the west right-of-way line of said Hickory Tree Road and the east lines of aforesaid 18.3003 acre tract and aforesaid 2.821 acre tract, the following courses and distances:

South 0°56'31" East, a distance of 118.85 feet to an "X" cut in concrete set for corner, from which a "X" cut in concrete found bears South 00°56' East, a distance of 2.4 feet;

North 89°09'07" East, a distance of 9.67 feet to an "X" cut in concrete set for corner;

South 0°56'31" East, a distance of 423.28 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set;

South $10^{\circ}39'35''$ West, a distance of 49.78 feet to 5/8-inch iron rod with plastic cap stamped "KHA";

South $0^{\circ}43'50''$ East, a distance of 503.01 feet to crow's foot cut in concrete found for the southeast corner of said 2.821 acre tract, common to the intersection of the west right-of-way line of said Hickory Tree Road with the north right-of-way line of aforesaid Rodeo Drive;

THENCE departing said west right-of-way line of Hickory Tree Road, along the north right-of-way line of said Rodeo Drive and the south line of said 2.821 acre tract, the south line of aforesaid 5.315 acre tract, and the south line of aforesaid 1.9483 acre tract, South $89^{\circ}06'14''$ West, a distance of 921.03 feet to a 1/2-inch iron rod found for the southerly southwest corner of said 1.9483 acre tract, common to the southeast corner of a right-of-way corner clip for said east right-of-way line of Rodeo Drive;

THENCE along the west line of said 1.9483 acre tract and along said corner clip, North $45^{\circ}53'46''$ West, a distance of 14.14 feet to a 1/2-inch iron rod found for the northerly southwest corner of said 1.9483 acre tract, common to the northwest corner of said right-of-way corner clip;

THENCE continuing along the east right-of-way line of said Rodeo Drive and the west line of said 1.9483 acre tract, North $0^{\circ}53'46''$ West, a distance of 269.14 feet to a 1/2-inch iron rod with plastic cap stamped "NDM" found for the northwest corner of said 1.9483 acre tract, and at the beginning of a non-tangent curve to the right having a central angle of $5^{\circ}15'38''$, a radius of 570.00 feet, a chord bearing and distance of North $1^{\circ}58'23''$ East, 52.32 feet;

THENCE continuing along said east right-of-way line of Rodeo Drive and along the west line of said 18.3003 acre tract, the following courses and distances:

In a northeasterly direction, with said curve to the right, an arc distance of 52.33 feet to a 1/2-inch iron rod with plastic cap stamped "NDM" found;

North $4^{\circ}23'31''$ East, a distance of 132.06 feet to a point for corner;

THENCE departing said east right-of-way line of Rodeo Drive and the west line of said 18.3003 acre tract, and crossing said Rodeo Drive, South $89^{\circ}07'54''$ West, passing en route the southeast corner of said 12.9421 acre tract, common to the northeast corner of a called 2.404 acre tract of land described in a deed to Camelot Sports & Entertainment, L.L.C., as recorded in Instrument No. 200900125900 of the Official Public Records of Dallas County, Texas, being on the west right-of-way line of said Rodeo Drive, and continuing along the same course and along the south line of said 12.9421 acre tract and the north line of said 2.404 acre tract, for a total distance of 488.94 feet to the south southwest corner of said 12.9421 acre tract, common to the northwest corner of said 2.404 acre tract, in the east right-of-way line of an 18-foot alley shown on the plat of Town Ridge Addition, First Increment, an addition to the City of Mesquite, Texas, according to the plat thereof recorded in Volume 84217, Page 3610, Deed Records, Dallas County, Texas, from which a 1/2-inch iron rod with plastic cap stamped "NDM 2609" bears North $88^{\circ}25'$ East, a distance of 0.7 feet;

THENCE along said east right-of-way line of the 18-foot alley and the west line of said 12.9421 acre tract, North 4°19'17" East, a distance of 434.33 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for the northeast corner of said Town Ridge Addition, common to an ell corner of said Town Ridge Addition;

THENCE along the north right-of-way line of said 18-foot alley and the south line of said 12.9421 acre tract, South 89°21'21" West, passing en route an "X" cut in concrete set for the northerly southwest corner of said 12.9421 acre tract in aforesaid east right-of-way line of Peachtree Road, and continuing along the same course and crossing said Peachtree Road, for a total distance of 726.12 feet to a point for corner on aforesaid west right-of-way line of Peachtree Road and the east line of aforesaid 8.3421 acre tract, and at the beginning of a non-tangent curve to the right having a central angle of 33°00'45", a radius of 802.28 feet, a chord bearing and distance of South 15°47'55" West, 455.89 feet;

THENCE along said west right-of-way line of Peachtree Road and the east line of said 8.3421 acre tract, the following courses and distances:

In a southwesterly direction, with said curve to the right, an arc distance of 462.26 feet to a 1/2-inch iron rod with plastic cap stamped "JDM" found for corner;

South 32°21'32" West, a distance of 156.02 feet to a 1/2-inch iron rod with plastic cap stamped "NDM 2609" found for the southeast corner of said 8.3421 acre tract, common to the northeast corner of a called 1.9020 acre tract of land described in a deed to City of Mesquite, as recorded in Volume 86214, Page 5994 of the Deed records, Dallas County, Texas;

THENCE departing said west right-of-way line of Peachtree Road and along the southwest line of said 8.3421 acre tract, the northeast line of said 1.9020 acre tract and the northeast line of a called 1.506 acre tract of land described in a deed to Mesquite Independent School District, as recorded in Instrument No. 201700091343 of the Official Public Records, Dallas County, Texas, North 57°38'21" West, a distance of 345.91 feet to a 1/2-inch iron rod found for the southwest corner of said 8.3421 acre tract, common to the northwest corner of said 1.506 acre tract, being on aforesaid east right-of-way line of Stadium Drive;

THENCE along said east right-of-way line of Stadium Drive and the west line of said 8.3421 acre tract, North 1°21'53" West, a distance of 591.06 feet to the **POINT OF BEGINNING** and containing 58.213 acres (2,535,744 square feet) of land, more or less.

EXHIBIT B – RESIDENTIAL TRACTS MAP AND LEGAL DESCRIPTION

**LEGAL DESCRIPTION
TRACT 1C**

To be provided

**LEGAL DESCRIPTION
TRACT 2A**

To be provided

**LEGAL DESCRIPTION
TRACT 3**

BEING a tract of land situated in the DANIEL TANNER SURVEY, ABSTRACT NO. 1462, in the City of Mesquite, Dallas County, Texas, and being all of a tract of land described in deed to Scyene Rodeo, Ltd. (Tract 4) as recorded in Volume 2000064, Page 2651, Official Public Records, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod with red plastic cap stamped "WAI" set for corner at the intersection of the Southerly right-of-way of W. Scyene Road, a variable width right-of-way, with the Westerly right-of-way of Peachtree Road, a 50-foot right-of-way;

THENCE departing the Southerly right-of-way of said Scyene Road, along the Westerly right-of-way of said Peachtree Road, the following courses and distances:
South 21 deg 07 min 13 sec East, a distance of 93.79 feet to a 1/2-inch iron rod with red plastic cap stamped "WAI" set for corner, said point being the beginning of a curve to the right having a radius of 802.28 feet, a central angle of 53 deg 29 min 33 sec, a chord bearing of South 05 deg 37 min 22 sec West, and a chord length of 722.12 feet;

Along said curve to the right, an arc distance of 749.03 feet, to a point for corner from which a 1/2-inch iron rod with plastic cap stamped "2609" found bears
South 53 deg 21 min 57 sec East, a distance of 0.85 feet;
South 32 deg 22 min 08 sec West, a distance of 156.02 feet to a point for corner from which a 1/2-inch iron rod with plastic cap stamped "2609" found bears
South 39 deg 10 min 48 sec East, a distance of 0.82 feet;

THENCE North 57 deg 37 min 45 sec West, departing the Westerly right-of-way of said Peachtree Road, a distance of 344.87 feet to a point for corner from which a 1/2-inch iron rod found bears South 22 deg 34 min 42 sec East, a distance of 0.54 feet, on the Easterly right-of-way of Stadium Drive, a 60-foot right-of-way;

THENCE North 01 deg 18 min 44 sec West, along the Easterly right-of-way of said Stadium Drive, a distance of 589.15 feet to a point for corner on the southerly right-ofway of said W. Scyene Road from which a 1 /2-inch iron rod with plastic cap stamped "LJA" found bears South 68 deg 52 min 47 sec West, a distance of 0.30 feet;

THENCE North 68 deg 52 min 47 sec East, along the Southerly right-of-way of said W. Scyene Road, a distance of 455.88 feet to the POINT OF BEGINNING.

CONTAINING within these metes and bounds 8.318 acres or 362,320 square feet of land, more or less. Bearings shown hereon are based upon an on-the-ground Survey performed in the field on the 29th day of August, 2017, utilizing a G.P.S. bearing related to the Texas Coordinate System, North Texas Central Zone (4202), NAO 83, grid values from the GeoShack VRS Network

EXHIBIT C – GENERAL RETAIL TRACTS MAP AND LEGAL DESCRIPTION

LEGAL DESCRIPTION TRACT 1A – 14.7657 ACRES

BEING a tract of land situated in the Daniel Tanner Survey, Abstract No. 1462, and the Job Badgley Survey, Abstract No. 74, City of Mesquite, Dallas County, Texas and being part of a called 18.3003 acre tract of land described as Tract 2, and being part of a called 2.821 acre tract of land described as Tract 3, and being part of a called 1.9483 acre tract of land described as Tract 5 in General Warranty Deed to Scyene Rodeo, LTD., recorded in Volume 2000064, Page 2651 and Volume 2000064, Page 2662, of the Deed Records, Dallas County, Texas, and being part of a called 5.309 acre tract of land described in Special Warranty Deed to Scyene Rodeo, LTD., recorded in Instrument No. 200600158939, Official Public Records, Dallas County, Texas, and being part of a called 2.897 acre tract of land described as Tract 1 and part of a called 0.766 acre tract of land described as Tract II in Special Warranty Deed to Scyene Rodeo, LTD., recorded in Instrument No. 20070091617, Official Public Records, Dallas County, Texas, and being part of Lot 1 and all of Lot 4, Block A of Rodeo Center Addition, according to the Final Plat thereof recorded in Volume 85101, Page 2067 of the Deed Records, Dallas County, Texas, and being part of a called 5.315 acre tract of land described in Special Warranty Deed to City of Mesquite, as recorded in Instrument No. 200600163878 of the Official Public Records of Dallas County, Texas, and being more particularly described as follows:

BEGINNING at an “X” cut in concrete set in the southeast right-of-way line of Scyene Road (a variable width right-of-way), for the northeast corner of Lot 3C of Lots 2A, 2B, 3A, 3B & 3C of the Rodeo Centre Addition, according to the Replat thereof recorded in Volume 85186, Page 2020 of the Deed Records, Dallas County, Texas, common to the northerly northeast corner of said Lot 4;

THENCE along said southeast right-of-way line of Scyene Road, South 87°55'35" East, a distance of 30.00 feet to an “X” cut in concrete set for the northwest corner of Lot 2A of said Rodeo Centre Addition, common to the northerly northeast corner of said Lot 4;

THENCE departing said southeast right-of-way line of Scyene Road, and along the west line of said Lot 2A, South 2°04'25" West, a distance of 230.00 feet an “X” cut in concrete found for southwest corner of said Lot 2A, and being an inner ell corner of said Lot 4;

THENCE along the north line of said Lot 4, South 87°55'35" East, a distance of 303.96 feet to a point in the west right-of-way line of Interstate Highway 635 (a variable width right-of-way), from which, a 1/2-inch iron rod with plastic cap stamped “HALFF ASSOC. INC.” found bears South 40°35'09" East, a distance of 0.30 feet;

THENCE along said west right-of-way line of Interstate Highway 635, South 18°53'25" East, a distance of 344.96 feet to a 5/8-inch iron rod with plastic cap stamped “KHA” set at the intersection

of said west right-of-way line of Interstate Highway 635 and the west right-of-way line of Hickory Tree Road (a variable width right-of-way);

THENCE departing said west right-of-way line of Interstate Highway 635, along the west right-of-way line of said Hickory Tree Road, the following courses and distances:

South 0°56'31" East, a distance of 118.85 feet to an "X" cut in concrete set for corner, from which a "X" cut in concrete found bears South 00°56'31" East, a distance of 2.44 feet;
North 89°09'07" East, a distance of 9.67 feet to an "X" cut in concrete set for corner;
South 0°56'31" East, a distance of 423.28 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set;
South 10°39'35" West, a distance of 49.78 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set;
South 0°43'50" East, a distance of 503.01 feet to crow's foot cut in concrete found for the southeast corner of said 2.821 acre tract, common to the intersection of the west right-of-way line of said Hickory Tree Road with the north right-of-way line of aforesaid Rodeo Drive (a 60 foot wide right-of-way);

THENCE departing said west right-of-way line of Hickory Tree Road, along the north right-of-way line of said Rodeo Drive, South 89°06'14" West, a distance of 921.03 feet to a 1/2-inch iron rod found for the southerly southwest corner of said 1.9483 acre tract, common to the southeast corner of a right-of-way corner clip for said east right-of-way line of Rodeo Drive;

THENCE along said corner clip, North 45°53'46" West, a distance of 14.14 feet to a 1/2-inch iron rod found for the northerly southwest corner of said 1.9483 acre tract, common to the northwest corner of said right-of-way corner clip;

THENCE continuing along the east right-of-way line of said Rodeo Drive, North 0°53'46" West, a distance of 243.98 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for corner;

THENCE departing said east right-of-way line of Rodeo Drive, crossing said 1.9483 acre tract, said 5.315 acre tract, said 2.821 acre tract, said 18.3003 acre tract, and aforesaid Lots 1 and 4, the following courses and distances:

North 44°04'51" East, a distance of 21.22 feet to a point for corner;
North 89°03'29" East, a distance of 339.17 feet to a point at the beginning of a tangent curve to the left having a central angle of 73°51'34", a radius of 60.50 feet, a chord bearing and distance of North 52°07'42" East, 72.70 feet;
In a northeasterly direction, with said curve to the left, an arc distance of 77.99 feet to a point for corner;
North 89°03'29" East, a distance of 220.38 feet to a point for corner;
North 0°56'31" West, a distance of 401.06 feet to a point for corner;
South 89°03'29" West, a distance of 55.00 feet to a point for corner;
North 0°56'31" West, a distance of 239.60 feet to a point for corner;
North 89°03'29" East, a distance of 157.00 feet to a point for corner;
North 0°56'31" West, a distance of 154.54 feet to a point for corner;

South 89°03'29" West, a distance of 235.00 feet to a point for corner;
North 0°56'31" West, a distance of 240.00 feet to a point at the beginning of a tangent curve to the left having a central angle of 33°24'47", a radius of 58.00 feet, a chord bearing and distance of North 17°38'55" West, 33.35 feet;

In a northwesterly direction, with said curve to the left, an arc distance of 33.82 feet to a point for corner on the west line of aforesaid 0.766 acre tract;

THENCE North 2°04'25" East, along the west line of said 0.766 acre tract, passing en route an "X" cut in concrete found for the southwest corner of aforesaid Lot 3C, common to an ell corner of said Lot 4, and continuing along the same course and along the east line of said Lot 3C and the west line of said Lot 4, for a total distance of 289.19 feet to the **POINT OF BEGINNING** and containing 14.766 acres (643,192 square feet) of land, more or less.

LEGAL DESCRIPTION TRACT 1D – 1.8762 ACRES

BEING a tract of land situated in the Daniel Tanner Survey, Abstract No. 1462, City of Mesquite, Dallas County, Texas and being part of a called 18.3003 acre tract of land described as Tract 2 in General Warranty Deed to Scyene Rodeo, LTD., recorded in Volume 2000064, Page 2651 and Volume 2000064, Page 2662, of the Deed Records, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod with plastic cap stamped "NDM" found at the south end of a right-of-way corner clip at the intersection of southeast right-of-way line of Scyene Road (a variable width right-of-way) and the east right-of-way of Rodeo Drive (a 60-foot wide right-of-way);

THENCE along said right-of-way corner clip, North 30°05'32" East, a distance of 25.18 feet to the south north end of said right-of-way corner clip, from which a 1/2-inch iron rod with plastic cap stamped "NDM" found for witness bears North 70°51'36" East, a distance of 0.66 feet;

THENCE along said southeast right-of-way line of Scyene Road, the following courses and distances:

North 80°29'37" East, a distance of 182.12 feet to a 1/2-inch iron rod with plastic cap stamped "W.A.I." found for corner;

North 76°53'31" East, a distance of 310.18 feet to a 1/2-inch iron rod with plastic cap stamped "W.A.I." found for corner;

THENCE departing said southeast right-of-way line of Scyene Road, and crossing said 18.3003 acre tract, the following courses and distances:

South 10°22'45" East, a distance of 43.85 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 34°43'29", a radius of 58.00 feet, a chord bearing and distance of South 62°15'30" West, 34.62 feet;

In a southwesterly direction, with said curve to the left, an arc distance of 35.15 feet to a point for corner;

South 44°53'45" West, a distance of 422.67 feet to a point for corner in said east right-of-way line of Rodeo Drive, and at the beginning of a non-tangent curve to the right having a central angle of 29°48'05", a radius of 570.00 feet, a chord bearing and distance of North 36°14'01" West, 293.14 feet;

THENCE along said east right-of-way line of Rodeo Drive, in a northwesterly direction with said curve to the right, an arc distance of 296.48 feet to the **POINT OF BEGINNING** and containing 1.876 acres (81,725 square feet) of land, more or less.

LEGAL DESCRIPTION **TRACT 2B – 1.2224 ACRES**

BEING a tract of land situated in the Daniel Tanner Survey, Abstract No. 1462, City of Mesquite, Dallas County, Texas and being part of a called 12.9421 acre tract of land described as Tract 1 in General Warranty Deed to Scyene Rodeo, LTD., recorded in Volume 2000064, Page 2651 and Volume 2000064, Page 2662, of the Deed Records, Dallas County, Texas, and being more particularly described as follows:

BEGINNING at the north end of a right-of-way corner clip at the intersection of southeast right-of-way line of Scyene Road (a variable width right-of-way) and the west right-of-way of Rodeo Drive (a 60-foot wide right-of-way), from which a 1/2-inch iron rod with plastic cap stamped "W.A.I." found for witness bears North 28°33'41" West, a distance of 0.36 feet;

THENCE along said corner clip, South 59°23'16" East, a distance of 30.09 feet to the south end of said right-of-way corner clip, and at the beginning of a non-tangent curve to the left having a central angle of 10°52'49", a radius of 630.00 feet, a chord bearing and distance of South 25°38'13" East, 119.46 feet, from which a 1/2-inch iron rod with plastic cap stamped "NDM" found for witness bears South 79°55'49" West, a distance of 0.35 feet;

THENCE along said west right-of-way line of Rodeo Drive, in a southeasterly direction, with said curve to the left, an arc distance of 119.64 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for corner;

THENCE departing said west right-of-way line of Rodeo Drive, and crossing said 12.9421 acre tract, the following courses and distances:

South 13°29'08" West, a distance of 21.11 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 7°02'03", a radius of 129.00 feet, a chord bearing and distance of South 65°36'27" West, 15.83 feet;

In a southwesterly direction, with said curve to the right, an arc distance of 15.84 feet to a point for corner;

South 69°07'29" West, a distance of 182.85 feet to a point at the beginning of a tangent curve to the right having a central angle of 14°28'02", a radius of 179.00 feet, a chord bearing and distance of South 76°21'30" West, 45.08 feet;

In a southwesterly direction, with said curve to the right, an arc distance of 45.20 feet to a point at the beginning of a reverse curve to the left having a central angle of 14°28'02", a radius of 221.00 feet, a chord bearing and distance of South 76°21'30" West, 55.65 feet;

In a southwesterly direction, with said curve to the left, an arc distance of 55.80 feet to a point for the southeast corner of Lot 1, Block A, of The Landmark Addition, an addition to the City of Mesquite, Texas, according to the plat thereof recorded in Volume 85135, Page 3484, Deed Records, Dallas County, Texas;

THENCE along the east line of said Lot 1, Block A, North 20°52'31" West, a distance of 173.70 feet to a 1/2-inch iron rod found in said southeast right-of-way line of Scyene Road, for the northeast corner of said Lot 1, Block A;

THENCE along said southeast right-of-way line of Scyene Road, the following courses and distances:

North 69°13'04" East, a distance of 119.28 feet to a 5/8-inch iron rod found for corner;

North 76°14'53" East, a distance of 100.05 feet to a point for corner, from which a 1/2-inch iron rod found bears South 76°33' east, a distance of 0.3 feet;

North 80°34'32" East, a distance of 51.37 feet to a 5/8-inch iron rod with plastic cap stamped "KHA" set for corner;

North 80°29'37" East, a distance of 13.20 feet to the **POINT OF BEGINNING** and containing 1.222 acres (53,247 square feet) of land, more or less.

EXHIBIT D – ASSESSMENT ROLL

Assessment Roll - 1 of 5

Annual Installment Due January 31,	Summary of Annual Installments on all Parcels									
	Principal	Interest ¹	Annual Collection Costs	Additional Interest ²	Capitalized Interest	Reserve Fund	Total Annual Installment			
2020	\$ -	\$ 846,300.00	\$ 45,900.00	\$ 65,100.00	\$ 846,300.00	\$ -	\$ 111,000.00			
2021	\$ -	\$ 634,725.00	\$ 46,818.00	\$ 48,825.00	\$ -	\$ -	\$ 730,368.00			
2022	\$ 130,000.00	\$ 634,725.00	\$ 47,754.36	\$ 48,825.00	\$ -	\$ -	\$ 861,304.36			
2023	\$ 135,000.00	\$ 626,275.00	\$ 48,709.45	\$ 48,175.00	\$ -	\$ -	\$ 858,159.45			
2024	\$ 145,000.00	\$ 617,500.00	\$ 49,683.64	\$ 47,500.00	\$ -	\$ -	\$ 859,683.64			
2025	\$ 155,000.00	\$ 608,075.00	\$ 50,677.31	\$ 46,775.00	\$ -	\$ -	\$ 860,527.31			
2026	\$ 165,000.00	\$ 598,000.00	\$ 51,690.86	\$ 46,000.00	\$ -	\$ -	\$ 860,690.86			
2027	\$ 175,000.00	\$ 587,275.00	\$ 52,724.67	\$ 45,175.00	\$ -	\$ -	\$ 860,174.67			
2028	\$ 190,000.00	\$ 575,900.00	\$ 53,779.17	\$ 44,300.00	\$ -	\$ -	\$ 863,979.17			
2029	\$ 200,000.00	\$ 563,550.00	\$ 54,854.75	\$ 43,350.00	\$ -	\$ -	\$ 861,754.75			
2030	\$ 215,000.00	\$ 550,550.00	\$ 55,951.84	\$ 42,350.00	\$ -	\$ -	\$ 863,851.84			
2031	\$ 225,000.00	\$ 536,575.00	\$ 57,070.88	\$ 41,275.00	\$ -	\$ -	\$ 859,920.88			
2032	\$ 240,000.00	\$ 521,950.00	\$ 58,212.30	\$ 40,150.00	\$ -	\$ -	\$ 860,312.30			
2033	\$ 260,000.00	\$ 506,350.00	\$ 59,376.54	\$ 38,950.00	\$ -	\$ -	\$ 864,676.54			
2034	\$ 275,000.00	\$ 489,450.00	\$ 60,564.08	\$ 37,650.00	\$ -	\$ -	\$ 862,664.08			
2035	\$ 295,000.00	\$ 471,575.00	\$ 61,775.36	\$ 36,275.00	\$ -	\$ -	\$ 864,625.36			
2036	\$ 315,000.00	\$ 452,400.00	\$ 63,010.86	\$ 34,800.00	\$ -	\$ -	\$ 865,210.86			
2037	\$ 335,000.00	\$ 431,925.00	\$ 64,271.08	\$ 33,225.00	\$ -	\$ -	\$ 864,421.08			
2038	\$ 360,000.00	\$ 410,150.00	\$ 65,556.50	\$ 31,550.00	\$ -	\$ -	\$ 867,256.50			
2039	\$ 380,000.00	\$ 386,750.00	\$ 66,867.63	\$ 29,750.00	\$ -	\$ -	\$ 863,367.63			
2040	\$ 405,000.00	\$ 362,050.00	\$ 68,204.99	\$ 27,850.00	\$ -	\$ -	\$ 863,104.99			
2041	\$ 435,000.00	\$ 335,725.00	\$ 69,569.09	\$ 25,825.00	\$ -	\$ -	\$ 866,119.09			
2042	\$ 465,000.00	\$ 307,450.00	\$ 70,960.47	\$ 23,650.00	\$ -	\$ -	\$ 867,060.47			
2043	\$ 495,000.00	\$ 277,225.00	\$ 72,379.68	\$ 21,325.00	\$ -	\$ -	\$ 865,929.68			
2044	\$ 530,000.00	\$ 245,050.00	\$ 73,827.27	\$ 18,850.00	\$ -	\$ -	\$ 867,727.27			
2045	\$ 565,000.00	\$ 210,600.00	\$ 75,303.82	\$ 16,200.00	\$ -	\$ -	\$ 867,103.82			
2046	\$ 605,000.00	\$ 173,875.00	\$ 76,809.89	\$ 13,375.00	\$ -	\$ -	\$ 869,059.89			
2047	\$ 645,000.00	\$ 134,550.00	\$ 78,346.09	\$ 10,350.00	\$ -	\$ -	\$ 868,246.09			
2048	\$ 690,000.00	\$ 92,625.00	\$ 79,913.01	\$ 7,125.00	\$ -	\$ -	\$ 869,663.01			
2049	\$ 735,000.00	\$ 47,775.00	\$ 81,511.27	\$ 3,675.00	\$ -	\$ 782,775.00	\$ 85,186.27			
Total	\$ 9,765,000.00	\$ 13,236,925.00	\$ 1,862,074.84	\$ 1,018,225.00	\$ 846,300.00	\$ 782,775.00	\$ 24,253,149.84			

¹Interest is calculated at a 6.50% rate.

²Additional interest is calculated at 0.5% of the remaining principal amount due on the PID Bonds.

Assessment Roll - 2 of 5

Annual Installment Due January 31,	Parcel 1A (General Retail) Annual Installments							Total Annual Installment
	Principal	Interest ¹	Annual Collection Costs	Additional Interest ²	Capitalized Interest	Reserve Fund		
2020	\$ -	\$ 182,249.86	\$ 9,884.52	\$ 14,019.22	\$ 182,249.86	\$ -	\$ 23,903.74	
2021	\$ -	\$ 136,687.39	\$ 10,082.21	\$ 10,514.41	\$ -	\$ -	\$ 157,284.02	
2022	\$ 27,995.37	\$ 136,687.39	\$ 10,283.85	\$ 10,514.41	\$ -	\$ -	\$ 185,481.03	
2023	\$ 29,072.12	\$ 134,867.70	\$ 10,489.53	\$ 10,374.44	\$ -	\$ -	\$ 184,803.78	
2024	\$ 31,225.61	\$ 132,978.01	\$ 10,699.32	\$ 10,229.08	\$ -	\$ -	\$ 185,132.01	
2025	\$ 33,379.10	\$ 130,948.34	\$ 10,913.31	\$ 10,072.95	\$ -	\$ -	\$ 185,313.70	
2026	\$ 35,532.59	\$ 128,778.70	\$ 11,131.57	\$ 9,906.05	\$ -	\$ -	\$ 185,348.92	
2027	\$ 37,686.08	\$ 126,469.08	\$ 11,354.21	\$ 9,728.39	\$ -	\$ -	\$ 185,237.76	
2028	\$ 40,916.31	\$ 124,019.49	\$ 11,581.29	\$ 9,539.96	\$ -	\$ -	\$ 186,057.05	
2029	\$ 43,069.80	\$ 121,359.93	\$ 11,812.92	\$ 9,335.38	\$ -	\$ -	\$ 185,578.02	
2030	\$ 46,300.04	\$ 118,560.39	\$ 12,049.17	\$ 9,120.03	\$ -	\$ -	\$ 186,029.63	
2031	\$ 48,453.53	\$ 115,550.89	\$ 12,290.16	\$ 8,888.53	\$ -	\$ -	\$ 185,183.10	
2032	\$ 51,683.76	\$ 112,401.41	\$ 12,535.96	\$ 8,646.26	\$ -	\$ -	\$ 185,267.39	
2033	\$ 55,990.74	\$ 109,041.97	\$ 12,786.68	\$ 8,387.84	\$ -	\$ -	\$ 186,207.23	
2034	\$ 59,220.98	\$ 105,402.57	\$ 13,042.41	\$ 8,107.89	\$ -	\$ -	\$ 185,773.85	
2035	\$ 63,527.96	\$ 101,553.20	\$ 13,303.26	\$ 7,811.78	\$ -	\$ -	\$ 186,196.21	
2036	\$ 67,834.94	\$ 97,423.89	\$ 13,569.33	\$ 7,494.15	\$ -	\$ -	\$ 186,322.29	
2037	\$ 72,141.92	\$ 93,014.62	\$ 13,840.71	\$ 7,154.97	\$ -	\$ -	\$ 186,152.22	
2038	\$ 77,525.64	\$ 88,325.39	\$ 14,117.53	\$ 6,794.26	\$ -	\$ -	\$ 186,762.82	
2039	\$ 81,832.62	\$ 83,286.23	\$ 14,399.88	\$ 6,406.63	\$ -	\$ -	\$ 185,925.36	
2040	\$ 87,216.35	\$ 77,967.11	\$ 14,687.88	\$ 5,997.47	\$ -	\$ -	\$ 185,868.80	
2041	\$ 93,676.82	\$ 72,298.04	\$ 14,981.63	\$ 5,561.39	\$ -	\$ -	\$ 186,517.88	
2042	\$ 100,137.29	\$ 66,209.05	\$ 15,281.27	\$ 5,093.00	\$ -	\$ -	\$ 186,720.60	
2043	\$ 106,597.76	\$ 59,700.13	\$ 15,586.89	\$ 4,592.32	\$ -	\$ -	\$ 186,477.09	
2044	\$ 114,134.97	\$ 52,771.27	\$ 15,898.63	\$ 4,059.33	\$ -	\$ -	\$ 186,864.20	
2045	\$ 121,672.19	\$ 45,352.50	\$ 16,216.60	\$ 3,488.65	\$ -	\$ -	\$ 186,729.94	
2046	\$ 130,286.15	\$ 37,443.81	\$ 16,540.93	\$ 2,880.29	\$ -	\$ -	\$ 187,151.18	
2047	\$ 138,900.11	\$ 28,975.21	\$ 16,871.75	\$ 2,228.86	\$ -	\$ -	\$ 186,975.93	
2048	\$ 148,590.81	\$ 19,946.70	\$ 17,209.19	\$ 1,534.36	\$ -	\$ -	\$ 187,281.06	
2049	\$ 158,281.52	\$ 10,288.30	\$ 17,553.37	\$ 791.41	\$ -	\$ 168,569.81	\$ 18,344.78	
Total	\$ 2,102,882.99	\$ 2,850,558.57	\$ 400,995.95	\$ 219,273.74	\$ 182,249.86	\$ 168,569.81	\$ 5,222,891.58	

¹Interest is calculated at a 6.50% rate.

²Additional interest is calculated at 0.5% of the remaining principal amount due on the PID Bonds.

Assessment Roll - 3 of 5

Annual Installment Due January 31,	Parcels 1C, 2A, & 3 (Residential) Annual Installments							Reserve Fund	Total Annual Installment
	Principal	Interest ¹	Annual Collection Costs	Additional Interest ²	Capitalized Interest				
2020	\$ -	\$ 619,101.77	\$ 33,577.66	\$ 47,623.21	\$ 619,101.77	\$ -	\$ 81,200.87		
2021	\$ -	\$ 464,326.33	\$ 34,249.21	\$ 35,717.41	\$ -	\$ -	\$ 534,292.95		
2022	\$ 95,100.12	\$ 464,326.33	\$ 34,934.19	\$ 35,717.41	\$ -	\$ -	\$ 630,078.05		
2023	\$ 98,757.82	\$ 458,144.82	\$ 35,632.88	\$ 35,241.91	\$ -	\$ -	\$ 627,777.42		
2024	\$ 106,073.21	\$ 451,725.56	\$ 36,345.54	\$ 34,748.12	\$ -	\$ -	\$ 628,892.43		
2025	\$ 113,388.60	\$ 444,830.80	\$ 37,072.45	\$ 34,217.75	\$ -	\$ -	\$ 629,509.61		
2026	\$ 120,704.00	\$ 437,460.55	\$ 37,813.90	\$ 33,650.81	\$ -	\$ -	\$ 629,629.25		
2027	\$ 128,019.39	\$ 429,614.79	\$ 38,570.17	\$ 33,047.29	\$ -	\$ -	\$ 629,251.64		
2028	\$ 138,992.48	\$ 421,293.52	\$ 39,341.58	\$ 32,407.19	\$ -	\$ -	\$ 632,034.78		
2029	\$ 146,307.87	\$ 412,259.01	\$ 40,128.41	\$ 31,712.23	\$ -	\$ -	\$ 630,407.53		
2030	\$ 157,280.97	\$ 402,749.00	\$ 40,930.98	\$ 30,980.69	\$ -	\$ -	\$ 631,941.64		
2031	\$ 164,596.36	\$ 392,525.74	\$ 41,749.60	\$ 30,194.29	\$ -	\$ -	\$ 629,065.98		
2032	\$ 175,569.45	\$ 381,826.98	\$ 42,584.59	\$ 29,371.31	\$ -	\$ -	\$ 629,352.32		
2033	\$ 190,200.24	\$ 370,414.96	\$ 43,436.28	\$ 28,493.46	\$ -	\$ -	\$ 632,544.94		
2034	\$ 201,173.33	\$ 358,051.95	\$ 44,305.01	\$ 27,542.46	\$ -	\$ -	\$ 631,072.74		
2035	\$ 215,804.12	\$ 344,975.68	\$ 45,191.11	\$ 26,536.59	\$ -	\$ -	\$ 632,507.49		
2036	\$ 230,434.90	\$ 330,948.41	\$ 46,094.93	\$ 25,457.57	\$ -	\$ -	\$ 632,935.81		
2037	\$ 245,065.69	\$ 315,970.14	\$ 47,016.83	\$ 24,305.40	\$ -	\$ -	\$ 632,358.06		
2038	\$ 263,354.17	\$ 300,040.87	\$ 47,957.16	\$ 23,080.07	\$ -	\$ -	\$ 634,432.28		
2039	\$ 277,984.96	\$ 282,922.85	\$ 48,916.31	\$ 21,763.30	\$ -	\$ -	\$ 631,587.42		
2040	\$ 296,273.45	\$ 264,853.83	\$ 49,894.63	\$ 20,373.37	\$ -	\$ -	\$ 631,395.28		
2041	\$ 318,219.63	\$ 245,596.06	\$ 50,892.52	\$ 18,892.00	\$ -	\$ -	\$ 633,600.21		
2042	\$ 340,165.81	\$ 224,911.78	\$ 51,910.38	\$ 17,300.91	\$ -	\$ -	\$ 634,288.87		
2043	\$ 362,111.99	\$ 202,801.00	\$ 52,948.58	\$ 15,600.08	\$ -	\$ -	\$ 633,461.65		
2044	\$ 387,715.87	\$ 179,263.72	\$ 54,007.55	\$ 13,789.52	\$ -	\$ -	\$ 634,776.66		
2045	\$ 413,319.75	\$ 154,062.19	\$ 55,087.71	\$ 11,850.94	\$ -	\$ -	\$ 634,320.58		
2046	\$ 442,581.32	\$ 127,196.41	\$ 56,189.46	\$ 9,784.34	\$ -	\$ -	\$ 635,751.53		
2047	\$ 471,842.90	\$ 98,428.62	\$ 57,313.25	\$ 7,571.43	\$ -	\$ -	\$ 635,156.20		
2048	\$ 504,762.17	\$ 67,758.83	\$ 58,459.51	\$ 5,212.22	\$ -	\$ -	\$ 636,192.73		
2049	\$ 537,681.44	\$ 34,949.29	\$ 59,628.70	\$ 2,688.41	\$ -	\$ 572,630.73	\$ 62,317.11		
Total	\$ 7,143,481.98	\$ 9,683,331.82	\$ 1,362,181.06	\$ 744,871.68	\$ 619,101.77	\$ 572,630.73	\$ 17,742,134.02		

¹Interest is calculated at a 6.50% rate.

²Additional interest is calculated at 0.5% of the remaining principal amount due on the PID Bonds.

Assessment Roll - 4 of 5

Annual Installment Due January 31,	Parcel 1D (General Retail) Annual Installments							Reserve Fund	Capitalized Interest	Total Annual Installment
	Principal	Interest ¹	Annual Collection Costs	Additional Interest ²	Capitalized Interest	Reserve Fund	Total Annual Installment			
2020	\$ -	\$ 32,837.04	\$ 1,780.95	\$ 2,525.93	\$ 32,837.04	\$ -	\$ 4,306.88			
2021	\$ -	\$ 24,627.78	\$ 1,816.57	\$ 1,894.44	\$ -	\$ -	\$ 28,338.80			
2022	\$ 5,044.09	\$ 24,627.78	\$ 1,852.90	\$ 1,894.44	\$ -	\$ -	\$ 33,419.22			
2023	\$ 5,238.10	\$ 24,299.92	\$ 1,889.96	\$ 1,869.22	\$ -	\$ -	\$ 33,297.20			
2024	\$ 5,626.10	\$ 23,959.44	\$ 1,927.76	\$ 1,843.03	\$ -	\$ -	\$ 33,356.34			
2025	\$ 6,014.11	\$ 23,593.74	\$ 1,966.32	\$ 1,814.90	\$ -	\$ -	\$ 33,389.07			
2026	\$ 6,402.12	\$ 23,202.83	\$ 2,005.64	\$ 1,784.83	\$ -	\$ -	\$ 33,395.42			
2027	\$ 6,790.12	\$ 22,786.69	\$ 2,045.75	\$ 1,752.82	\$ -	\$ -	\$ 33,375.39			
2028	\$ 7,372.14	\$ 22,345.33	\$ 2,086.67	\$ 1,718.87	\$ -	\$ -	\$ 33,523.01			
2029	\$ 7,760.14	\$ 21,866.14	\$ 2,128.40	\$ 1,682.01	\$ -	\$ -	\$ 33,436.70			
2030	\$ 8,342.15	\$ 21,361.73	\$ 2,170.97	\$ 1,643.21	\$ -	\$ -	\$ 33,518.07			
2031	\$ 8,730.16	\$ 20,819.49	\$ 2,214.39	\$ 1,601.50	\$ -	\$ -	\$ 33,365.54			
2032	\$ 9,312.17	\$ 20,252.03	\$ 2,258.68	\$ 1,557.85	\$ -	\$ -	\$ 33,380.73			
2033	\$ 10,088.19	\$ 19,646.74	\$ 2,303.85	\$ 1,511.29	\$ -	\$ -	\$ 33,550.07			
2034	\$ 10,670.20	\$ 18,991.01	\$ 2,349.93	\$ 1,460.85	\$ -	\$ -	\$ 33,471.98			
2035	\$ 11,446.21	\$ 18,297.45	\$ 2,396.93	\$ 1,407.50	\$ -	\$ -	\$ 33,548.08			
2036	\$ 12,222.22	\$ 17,553.44	\$ 2,444.87	\$ 1,350.26	\$ -	\$ -	\$ 33,570.80			
2037	\$ 12,998.24	\$ 16,759.00	\$ 2,493.76	\$ 1,289.15	\$ -	\$ -	\$ 33,540.15			
2038	\$ 13,968.26	\$ 15,914.11	\$ 2,543.64	\$ 1,224.16	\$ -	\$ -	\$ 33,650.17			
2039	\$ 14,744.27	\$ 15,006.18	\$ 2,594.51	\$ 1,154.32	\$ -	\$ -	\$ 33,499.28			
2040	\$ 15,714.29	\$ 14,047.80	\$ 2,646.40	\$ 1,080.60	\$ -	\$ -	\$ 33,489.09			
2041	\$ 16,878.31	\$ 13,026.37	\$ 2,699.33	\$ 1,002.03	\$ -	\$ -	\$ 33,606.04			
2042	\$ 18,042.33	\$ 11,929.28	\$ 2,753.32	\$ 917.64	\$ -	\$ -	\$ 33,642.57			
2043	\$ 19,206.35	\$ 10,756.53	\$ 2,808.38	\$ 827.43	\$ -	\$ -	\$ 33,598.69			
2044	\$ 20,564.38	\$ 9,508.11	\$ 2,864.55	\$ 731.39	\$ -	\$ -	\$ 33,668.44			
2045	\$ 21,922.40	\$ 8,171.43	\$ 2,921.84	\$ 628.57	\$ -	\$ -	\$ 33,644.25			
2046	\$ 23,474.43	\$ 6,746.47	\$ 2,980.28	\$ 518.96	\$ -	\$ -	\$ 33,720.14			
2047	\$ 25,026.46	\$ 5,220.64	\$ 3,039.88	\$ 401.59	\$ -	\$ -	\$ 33,688.57			
2048	\$ 26,772.49	\$ 3,593.92	\$ 3,100.68	\$ 276.46	\$ -	\$ -	\$ 33,743.55			
2049	\$ 28,518.52	\$ 1,853.70	\$ 3,162.70	\$ 142.59	\$ -	\$ 30,372.23	\$ 3,305.29			
Total	\$ 378,888.97	\$ 513,602.14	\$ 72,249.83	\$ 39,507.86	\$ 32,837.04	\$ 30,372.23	\$ 941,039.53			

¹Interest is calculated at a 6.50% rate.

²Additional interest is calculated at 0.5% of the remaining principal amount due on the PID Bonds.

Assessment Roll - 5 of 5

Annual Installment Due January 31,	Parcel 2B (General Retail) Annual Installments								Reserve Fund	Total Annual Installment
	Principal	Interest ¹	Annual Collection Costs	Additional Interest ²	Capitalized Interest					
2020	\$ -	\$ 12,111.33	\$ 656.87	\$ 931.64	\$ 12,111.33	\$ -	\$ -	\$ -	\$ 1,588.51	
2021	\$ -	\$ 9,083.49	\$ 670.01	\$ 698.73	\$ 9,083.49	\$ -	\$ -	\$ -	\$ 10,452.23	
2022	\$ 1,860.42	\$ 9,083.49	\$ 683.41	\$ 698.73	\$ 9,083.49	\$ -	\$ -	\$ -	\$ 12,326.05	
2023	\$ 1,931.97	\$ 8,962.57	\$ 697.08	\$ 689.43	\$ 8,962.57	\$ -	\$ -	\$ -	\$ 12,281.04	
2024	\$ 2,075.08	\$ 8,836.99	\$ 711.02	\$ 679.77	\$ 8,836.99	\$ -	\$ -	\$ -	\$ 12,302.86	
2025	\$ 2,218.19	\$ 8,702.11	\$ 725.24	\$ 669.39	\$ 8,702.11	\$ -	\$ -	\$ -	\$ 12,314.93	
2026	\$ 2,361.30	\$ 8,557.93	\$ 739.74	\$ 658.30	\$ 8,557.93	\$ -	\$ -	\$ -	\$ 12,317.27	
2027	\$ 2,504.41	\$ 8,404.44	\$ 754.54	\$ 646.50	\$ 8,404.44	\$ -	\$ -	\$ -	\$ 12,309.88	
2028	\$ 2,719.07	\$ 8,241.65	\$ 769.63	\$ 633.97	\$ 8,241.65	\$ -	\$ -	\$ -	\$ 12,364.33	
2029	\$ 2,862.18	\$ 8,064.91	\$ 785.02	\$ 620.38	\$ 8,064.91	\$ -	\$ -	\$ -	\$ 12,332.50	
2030	\$ 3,076.85	\$ 7,878.87	\$ 800.72	\$ 606.07	\$ 7,878.87	\$ -	\$ -	\$ -	\$ 12,362.51	
2031	\$ 3,219.96	\$ 7,678.88	\$ 816.74	\$ 590.68	\$ 7,678.88	\$ -	\$ -	\$ -	\$ 12,306.25	
2032	\$ 3,434.62	\$ 7,469.58	\$ 833.07	\$ 574.58	\$ 7,469.58	\$ -	\$ -	\$ -	\$ 12,311.85	
2033	\$ 3,720.84	\$ 7,246.33	\$ 849.73	\$ 557.41	\$ 7,246.33	\$ -	\$ -	\$ -	\$ 12,374.31	
2034	\$ 3,935.50	\$ 7,004.48	\$ 866.73	\$ 538.81	\$ 7,004.48	\$ -	\$ -	\$ -	\$ 12,345.51	
2035	\$ 4,221.72	\$ 6,748.67	\$ 884.06	\$ 519.13	\$ 6,748.67	\$ -	\$ -	\$ -	\$ 12,373.58	
2036	\$ 4,507.94	\$ 6,474.26	\$ 901.74	\$ 498.02	\$ 6,474.26	\$ -	\$ -	\$ -	\$ 12,381.96	
2037	\$ 4,794.16	\$ 6,181.24	\$ 919.78	\$ 475.48	\$ 6,181.24	\$ -	\$ -	\$ -	\$ 12,370.65	
2038	\$ 5,151.93	\$ 5,869.62	\$ 938.17	\$ 451.51	\$ 5,869.62	\$ -	\$ -	\$ -	\$ 12,411.23	
2039	\$ 5,438.15	\$ 5,534.75	\$ 956.94	\$ 425.75	\$ 5,534.75	\$ -	\$ -	\$ -	\$ 12,355.58	
2040	\$ 5,795.92	\$ 5,181.27	\$ 976.08	\$ 398.56	\$ 5,181.27	\$ -	\$ -	\$ -	\$ 12,351.82	
2041	\$ 6,225.25	\$ 4,804.53	\$ 995.60	\$ 369.58	\$ 4,804.53	\$ -	\$ -	\$ -	\$ 12,394.95	
2042	\$ 6,654.57	\$ 4,399.89	\$ 1,015.51	\$ 338.45	\$ 4,399.89	\$ -	\$ -	\$ -	\$ 12,408.43	
2043	\$ 7,083.90	\$ 3,967.34	\$ 1,035.82	\$ 305.18	\$ 3,967.34	\$ -	\$ -	\$ -	\$ 12,392.24	
2044	\$ 7,584.78	\$ 3,506.89	\$ 1,056.54	\$ 269.76	\$ 3,506.89	\$ -	\$ -	\$ -	\$ 12,417.97	
2045	\$ 8,085.67	\$ 3,013.88	\$ 1,077.67	\$ 231.84	\$ 3,013.88	\$ -	\$ -	\$ -	\$ 12,409.05	
2046	\$ 8,658.10	\$ 2,488.31	\$ 1,099.22	\$ 191.41	\$ 2,488.31	\$ -	\$ -	\$ -	\$ 12,437.04	
2047	\$ 9,230.54	\$ 1,925.53	\$ 1,121.20	\$ 148.12	\$ 1,925.53	\$ -	\$ -	\$ -	\$ 12,425.39	
2048	\$ 9,874.53	\$ 1,325.55	\$ 1,143.63	\$ 101.97	\$ 1,325.55	\$ -	\$ -	\$ -	\$ 12,445.67	
2049	\$ 10,518.52	\$ 683.70	\$ 1,166.50	\$ 52.59	\$ 683.70	\$ -	\$ -	\$ 11,202.22	\$ 1,219.09	
Total	\$ 139,746.06	\$ 189,432.48	\$ 26,647.99	\$ 14,571.73	\$ 189,432.48	\$ 12,111.33	\$ -	\$ 11,202.22	\$ 347,084.71	

¹Interest is calculated at a 6.50% rate.

²Additional interest is calculated at 0.5% of the remaining principal amount due on the PID Bonds.

**EXHIBIT E – COST OF AUTHORIZED IMPROVEMENTS AND DISTRICT FORMATION
AND BOND ISSUANCE COSTS**

	Total Costs¹
Authorized Improvements	
Street	\$ 2,888,267
Water	1,021,836
Sanitary Sewer	783,883
Storm Drainage	1,443,677
Soft Costs	939,707
Subtotal	\$ 7,077,370
District Formation and Bond Issuance Costs	
Debt Service Reserve Fund	\$ 782,775
Capitalized Interest	846,300
Underwriter Discount	292,950
Deposit to Delinquency and Prepayment Reserve Fund	205,329
Deposit to Administrative Expense Fund	45,000
Costs of Issuance	560,275
Subtotal	\$ 2,732,629
Total	\$ 9,809,999

Notes:

¹Cost per the engineer's opinion of probable cost

EXHIBIT E-1 – ENGINEER'S OPINION OF PROBABLE COSTS



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST
IRON HORSE DEVELOPMENT AT MESQUITE - PUBLIC IMPROVEMENT DISTRICT
DIRECT PUBLIC IMPROVEMENTS - CITY OF MESQUITE

OCTOBER 10, 2018

PROJECT NAME: Iron Horse Development - Direct Public Improvements	CREATED BY: TLF	NO. OF LOTS: 165	2	3	4	5	TOTAL
CITY: City of Mesquite, Dallas County, Texas	CHECKED BY: TLF	GROSS AC: 37	81	90	0	0	306
JOB NUMBER:	REVISED BY: KSL	NET AC: 16	11	8	0	0	56.5
			9	7	0	0	32.0

DESCRIPTION	UNIT	UNIT PRICE	1		2		3		4		5		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL		
CLEARING / GRUBBING	AC	\$800.00	5.5	\$4,360	2.5	\$2,000	2.4	\$1,920	0.0	\$0	0.0	\$0	10.4	\$8,280
STREET / ROW EXCAVATION	CY	\$2.25	15,387	\$34,621	7,058	\$15,881	5,804	\$13,310	0	\$0	0	\$0	29,250	\$65,812
TOTAL CLEARING & EXCAVATION				\$38,981		\$17,881		\$17,230		\$0		\$0		\$74,100

DESCRIPTION	UNIT	UNIT PRICE	1		2		3		4		5		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL		
8" P.V.C. WATERLINE	LF	\$25.00	4,090	\$102,250	3,100	\$77,500	1,710	\$42,750	0	\$0	0	\$0	8,890	\$222,250
8" GATE VALVE & BOX	EA	\$1,250.00	23	\$28,750	21	\$26,250	8	\$10,000	0	\$0	0	\$0	52	\$65,000
12" P.V.C. WATERLINE	LF	\$38.00	2,346	\$89,328	0	\$0	0	\$0	0	\$0	0	\$0	2,346	\$89,328
12" GATE VALVE & BOX	EA	\$2,250.00	7	\$15,750	0	\$0	0	\$0	0	\$0	0	\$0	7	\$15,750
SOPE & CASING PIPE	LF	\$480.00	126	\$60,480	425	\$66,000	0	\$0	0	\$0	0	\$0	240	\$120,000
1" WATER SERVICE	EA	\$900.00	169	\$148,500	81	\$72,900	90	\$81,000	0	\$0	0	\$0	336	\$302,400
FIRE HYDRANT ASSEMBLY	EA	\$4,100.00	16	\$65,600	8	\$32,800	7	\$28,700	0	\$0	0	\$0	30	\$127,100
CONNECT TO EXISTING 8" LINE	EA	\$1,000.00	1	\$1,000	0	\$0	0	\$0	0	\$0	0	\$0	1	\$1,000
CONNECT TO EXISTING 12" LINE	EA	\$5,500.00	1	\$5,500	0	\$0	2	\$11,000	0	\$0	0	\$0	3	\$16,500
CONNECT TO EXISTING 18" LINE	EA	\$4,250.00	500	\$4,250	200	\$3,000	400	\$6,000	0	\$0	0	\$0	1,100	\$17,250
4" PVC SLEEVES	LF	\$15.00	6,426	\$96,390	3,100	\$46,500	1,710	\$25,665	0	\$0	0	\$0	11,236	\$168,555
TRENCH SAFETY	LF	\$6.00	6,426	\$38,556	3,100	\$18,600	1,710	\$10,251	0	\$0	0	\$0	11,236	\$67,407
TESTING (EXCLUDING GEOTECH)	LF	\$6.00	6,426	\$38,556	3,100	\$18,600	1,710	\$10,251	0	\$0	0	\$0	11,236	\$67,407
SONGS	%	2.00%	\$34,096	\$10,665	\$266,500	\$6,731	\$181,160	\$1,622	\$0	\$0	\$0	\$0	\$1,001,800	\$20,036
TOTAL WATER				\$444,772		\$292,281		\$184,782		\$0		\$0		\$1,071,836



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST
 IRON HORSE DEVELOPMENT AT MESQUITE - PUBLIC IMPROVEMENT DISTRICT
 DIRECT PUBLIC IMPROVEMENTS - CITY OF MESQUITE

OCTOBER 10, 2018

PROJECT NAME: Iron Horse Development - Direct Public Improvements	CREATED BY: TLF	NO. OF LOTS: 150	1	2	3	4	5	TOTAL
CITY: City of Mesquite, Dallas County, Texas	CHECKED BY: TLF	GROSS AC: 37	150	81	90	0	0	356
JOB NUMBER:	REVISED BY: KSL	NET AC: 16	37	11	8	0	0	55.5
			16	9	7	0	0	32.0

DESCRIPTION	UNIT	UNIT PRICE	1		2		3		4		5		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL
8" SDR-35 P.V.C. SEWERLINE	LF	\$28.00	3,650	\$102,200	2,270	\$63,560	1,550	\$44,500	0	\$0	0	\$0	7,510	\$210,260
10" SDR-35 P.V.C. SEWERLINE	LF	\$40.00	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
12" SDR-35 P.V.C. SEWERLINE	LF	\$50.00	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0
15" SDR-35 P.V.C. SEWERLINE	LF	\$88.00	600	\$42,160	0	\$0	0	\$0	0	\$0	0	\$0	600	\$42,160
BOMB & CASING PIPE	LF	\$500.00	60	\$30,000	0	\$0	60	\$30,000	0	\$0	0	\$0	120	\$60,000
4" DIAMETER MANHOLE (ALL DEPTHS)	EA	\$3,000.00	18	\$54,000	15	\$45,000	8	\$24,000	0	\$0	0	\$0	41	\$123,000
6" DIAMETER MANHOLE (ALL DEPTHS)	EA	\$5,500.00	5	\$27,500	0	\$0	0	\$0	0	\$0	0	\$0	5	\$27,500
CONCRETE ENCASMENT	LF	\$38.00	120	\$4,560	120	\$4,560	120	\$4,560	0	\$0	0	\$0	360	\$13,680
4" SERVICE	EA	\$600.00	160	\$96,000	81	\$48,840	90	\$54,000	0	\$0	0	\$0	336	\$198,840
CONNECT TO EXISTING MANHOLE	EA	\$3,000.00	0	\$0	0	\$0	1	\$3,000	0	\$0	0	\$0	1	\$3,000
CONSTRUCT MANHOLE ON EXISTING LINE	EA	\$6,500.00	3	\$19,500	0	\$0	0	\$0	0	\$0	0	\$0	3	\$19,500
BYPASS PUMPING FOR REALIGNMENT	LS	\$20,000.00	1	\$20,000	0	\$0	0	\$0	0	\$0	0	\$0	1	\$20,000
REMOVE AND DISPOSE EXISTING SEWER	LF	\$18.00	660	\$11,880	0	\$0	0	\$0	0	\$0	0	\$0	660	\$11,880
TRENCH SAFETY	LF	\$11.00	4,270	\$47,370	2,270	\$24,970	1,690	\$18,590	0	\$0	0	\$0	8,130	\$89,930
TESTING EXCLUDING GEOTECH-1	LF	\$1.25	4,270	\$5,338	2,270	\$2,838	1,590	\$1,988	0	\$0	0	\$0	8,130	\$10,164
BONDS	%	2.00%	\$427,348	\$8,547	\$171,968	\$3,439	\$167,298	\$3,345	\$0	\$0	\$0	\$0	\$768,603	\$15,375
TOTAL SEWER				\$455,792		\$177,447		\$170,643		\$0		\$0		\$783,883

DESCRIPTION	UNIT	UNIT PRICE	1		2		3		4		5		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL
STORM SEWER ALLOWANCE AS PERCENT OF PAVING	%	60.00%	537,149	\$562,269	674,629	\$344,822	455,435	\$271,261	0	\$0	0	\$0	1,667,213	\$1,180,370
RETENTION POND	EA	\$25,000.00	1	\$25,000	0	\$0	0	\$0	0	\$0	0	\$0	1	\$25,000
OVERSIZE FOR OFF-SITE AREAS	LS	\$50,000.00	1	\$50,000	1	\$50,000	1	\$50,000	0	\$0	0	\$0	3	\$150,000
EXISTING STORM RECONSTRUCTION	LS	\$45,000.00	1	\$45,000	0	\$0	0	\$0	0	\$0	0	\$0	1	\$45,000
BONDS	%	2.00%	\$722,389	\$14,448	\$394,820	\$7,896	\$259,251	\$5,185	\$0	\$0	\$0	\$0	\$1,415,370	\$28,327
TOTAL STORM SEWER				\$736,735		\$402,718		\$304,236		\$0		\$0		\$1,443,877



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST
IRON HORSE DEVELOPMENT AT MESQUITE - PUBLIC IMPROVEMENT DISTRICT
DIRECT PUBLIC IMPROVEMENTS - CITY OF MESQUITE

OCTOBER 10, 2018

PROJECT NAME	Iron Horse Development - Direct Public Improvements	TLF	1	2	3	4	5	TOTAL
CITY	City of Mesquite, Dallas County, Texas	TLF	165	81	90	0	0	336
JOB NUMBER		NET AC	37	11	8	0	0	56.5
		NET AC	16	9	7	0	0	32.0



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST
IRON HORSE DEVELOPMENT AT MESQUITE - PUBLIC IMPROVEMENT DISTRICT
DIRECT PUBLIC IMPROVEMENTS - CITY OF MESQUITE

OCTOBER 10, 2018

PROJECT NAME	Iron Horse Development - Direct Public Improvements	TLF	1	2	3	4	5	TOTAL
CITY	City of Mesquite, Dallas County, Texas	TLF	165	81	90	0	0	336
JOB NUMBER		NET AC	37	11	8	0	0	56.5
		NET AC	16	9	7	0	0	32.0

DESCRIPTION	UNIT	UNIT PRICE	1	2	3	4	5	TOTAL
DESCRIPTION	UNIT	UNIT PRICE	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL
6" REINF CONCRETE STREET PAVEMENT	SY	\$33.50	14,040	\$470,340	8,290	\$277,715	5,510	\$184,085
6" REINF CONCRETE ALLEY PAVEMENT - FIRELANE	SY	\$38.00	0	\$0	975	\$37,050	0	\$0
6" REINF CONCRETE ALLEY PAVEMENT	SY	\$38.00	5,065	\$192,470	875	\$33,255	3,535	\$134,330
6" LIME STABILIZED SUBGRADE PREPARATION	SY	\$3.25	20,840	\$67,930	10,952	\$35,694	9,825	\$32,256
HYDRATED LIME FOR STREET (60%5)	TON	\$110.00	372	\$40,920	197	\$21,642	178	\$19,584
LONGITUDINAL BUTT JOINT	LF	\$15.00	231	\$3,465	451	\$6,765	0	\$0
SAWCUT & REMOVE CURB	LF	\$15.00	231	\$3,465	451	\$6,765	0	\$0
SAWCUT & REMOVE EXISTING DRIVEWAY	SY	\$26.00	0	\$0	790	\$20,660	0	\$0
BARRIER FREE PEDESTRIAN RAMP	EA	\$1,230.00	10	\$12,300	14	\$17,220	9	\$11,200
5" CONCRETE SIDEWALK	LF	\$22.50	1,392	\$31,320	1,440	\$32,400	640	\$14,400
10" CONCRETE SIDEWALK	LF	\$36.00	1,610	\$57,960	1,100	\$39,600	0	\$0
5" CONCRETE TRAIL ALONG HWY 382	LF	\$50.00	0	\$0	0	\$0	410	\$20,500
STREET SIGN	EA	\$500.00	8	\$4,000	10	\$5,000	6	\$3,000
STOP SIGN	EA	\$100.00	5	\$500	7	\$700	4	\$400
4" PVC SLEEVES	LF	\$15.00	782	\$11,730	510	\$7,650	800	\$12,000
TRAFFIC CONTROL	LS	VARIES	1	\$5,000	1	\$5,000	0	\$0
SONGS	%	2.00%	\$918,772	\$18,375	\$653,431	\$11,205	\$446,505	\$8,300
TOTAL PAVEMENT				\$897,146		\$574,695		\$455,430
								\$0
								\$1,967,281



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST
 IRON HORSE DEVELOPMENT AT MESQUITE - PUBLIC IMPROVEMENT DISTRICT
 DIRECT PUBLIC IMPROVEMENTS - CITY OF MESQUITE

OCTOBER 10, 2018

PROJECT NAME: Iron Horse Development - Direct Public Improvements	CREATED BY: TLF	NO. OF LOTS: 165	2	3	4	5	TOTAL
CITY: City of Mesquite, Dallas County, Texas	CHECKED BY: TLF	GROSS AC: 37	81	90	0	0	306
JOB NUMBER:	REVISED BY: KSL	NET AC: 16	11	8	0	0	58.8
			9	7	0	0	32.0

DESCRIPTION	UNIT	UNIT PRICE	1		2		3		4		5		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL
SIGNALIZATION - RODEO AT SCYENE (4 WAY SIGNAL)	EA	\$228,000.00	1	\$228,000.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	1	\$228,000.00
RIGHT TURN FROM SCYENE TO RODEO	EA	\$60,000.00	1	\$60,000.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	1	\$60,000.00
LEFT TURN LANE IMPROVEMENTS - SCYENE TO RODEO	EA	\$168,000.00	1	\$168,000.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	1	\$168,000.00
STRIPING	LS	\$7,600.00	1	\$7,600.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	1	\$7,600.00
TRAFFIC CONTROL	LS	\$12,000.00	2	\$24,000.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	2	\$24,000.00
BONDS	%	2.00%	\$512,500.00	\$10,250.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$512,500.00	\$10,250.00
TOTAL PAVEMENT - MAJOR TRANSPORTATION IMPROVEMENTS				\$522,790.00		\$0.00		\$0.00		\$0.00		\$0.00		\$522,790.00

DESCRIPTION	UNIT	UNIT PRICE	1		2		3		4		5		TOTAL	
			QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL	QUANTITY	TOTAL
INLET PROTECTION	LS	\$5,000.00	1	\$5,000.00	1	\$5,000.00	1	\$5,000.00	0	\$0.00	0	\$0.00	3	\$15,000.00
CURLEX AFTER PAVING (4' WIDE)	LF	\$2.70	13,780	\$36,966.00	6,120	\$16,524.00	7,720	\$20,964.00	0	\$0.00	0	\$0.00	27,620	\$74,454.00
EROSION CONTROL INSPECTION & MAINTENANCE	LOT	\$50.00	165	\$8,250.00	81	\$4,050.00	90	\$4,500.00	0	\$0.00	0	\$0.00	336	\$16,800.00
TOTAL EROSION CONTROL				\$49,216.00		\$14,574.00		\$14,504.00		\$0.00		\$0.00		\$78,294.00



PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST
 IRON HORSE DEVELOPMENT AT MESQUITE - PUBLIC IMPROVEMENT DISTRICT
 DIRECT PUBLIC IMPROVEMENTS - CITY OF MESQUITE

OCTOBER 10, 2018

PROJECT NAME	Iron Horse Development - Direct Public Improvements	CREATED BY:	TLF	NO. OF LOTS	165	1	2	3	4	5	TOTAL
CITY:	City of Mesquite, Dallas County, Texas	CHECKED BY:	TLF	GROSS AC	37	11	8	0	0	0	336
JOB NUMBER		REVISIONS BY:	NBL	NET AC	16	9	7	0	0	0	55.6
											32.0

	7	2	3	4	5	TOTAL
SUMMARY - DIRECT PUBLIC IMPROVEMENTS - CITY OF MESQUITE						
A. CLEARING & EXCAVATION	\$38,981	\$17,361	\$17,238	\$0	\$0	\$74,100
B. WATER	\$544,272	\$282,201	\$194,753	\$0	\$0	\$1,021,836
C. SEWER	\$435,792	\$177,441	\$170,643	\$0	\$0	\$783,883
D. STORM SEWER	\$736,735	\$402,715	\$304,276	\$0	\$0	\$1,443,677
E1. PAVEMENT	\$937,145	\$574,605	\$485,028	\$0	\$0	\$1,997,283
E2. PAVEMENT - MAJOR TRANSPORTATION IMPROVEMENTS	\$532,750	\$0	\$0	\$0	\$0	\$532,750
F. EROSION CONTROL	\$22,896	\$13,334	\$14,904	\$0	\$0	\$51,134
G. FRANCHISE UTILITIES	\$136,500	\$81,500	\$53,000	\$0	\$0	\$273,000
H. MISCELLANEOUS & OTHER	\$186,921	\$54,252	\$43,793	\$0	\$0	\$284,966
SUB-TOTAL	\$3,554,456	\$1,614,110	\$1,243,622	\$0	\$0	\$6,422,228
KIMLEY-HORN CONTRACTS FOR TRACTS 1, 2 & 3 (DOES NOT INCLUDE FEASIBILITY/DESIGN)	\$363,172	\$115,372	\$115,372	\$0	\$0	\$593,916
CONSTRUCTION MANAGEMENT (1%)	\$35,648	\$15,141	\$12,436	\$0	\$0	\$64,225
TOTAL COST	\$3,983,314	\$1,745,622	\$1,371,432	\$0	\$0	\$7,077,371

EXHIBIT F – AUTHORIZED IMPROVEMENTS MAP

EXHIBIT G – SERVICE PLAN

5 Year Service Plan

Annual Indebtedness	2019	2020	2021	2022	2023	2024
Principal	\$ -	\$ -	\$ -	\$ 130,000	\$ 135,000	\$ 145,000
Interest	-	846,300	634,725	634,725	626,275	617,500
Capitalized Interest	-	(846,300)	-	-	-	-
Total Debt Service	\$ -	\$ -	\$ 634,725	\$ 764,725	\$ 761,275	\$ 762,500
Annual Collection Costs	\$ -	\$ 45,900	\$ 46,818	\$ 47,754	\$ 48,709	\$ 49,684
Total Annual Collection Costs	\$ -	\$ 45,900	\$ 46,818	\$ 47,754	\$ 48,709	\$ 49,684
Additional Interest Reserve	\$ -	\$ 68,033	\$ 51,025	\$ 51,025	\$ 50,350	\$ 49,625
Total Reserve Requirements	\$ -	\$ 68,033	\$ 51,025	\$ 51,025	\$ 50,350	\$ 49,625
Total Budget	\$ -	\$ 113,933	\$ 732,568	\$ 863,504	\$ 860,334	\$ 861,809

Projected Costs¹

Authorized Improvements						
Street	\$ 1,444,133.50	\$ 1,444,134	\$ -	\$ -	\$ -	\$ -
Water	510,918	510,918	-	-	-	-
Sanitary Sewer	391,942	391,942	-	-	-	-
Storm Drainage	721,839	721,839	-	-	-	-
Soft Costs	469,854	469,854	-	-	-	-
Subtotal	\$ 3,538,685	\$ 3,538,685	\$ -	\$ -	\$ -	\$ -

PID Formation and Bond Issuance Costs

Debt Service Reserve Fund	\$ 782,775	\$ -	\$ -	\$ -	\$ -	\$ -
Capitalized Interest	846,300	-	-	-	-	-
Underwriter Discount	292,950	-	-	-	-	-
Delinquency and Prepayment Interest Reserve	205,329	-	-	-	-	-
Costs of Issuance	560,275	-	-	-	-	-
Subtotal	\$ 2,687,629	\$ -	\$ -	\$ -	\$ -	\$ -

Total	\$ 6,226,314	\$ 3,538,685	\$ -	\$ -	\$ -	\$ -
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Notes:

¹Per the engineer's opinion of probable costs.

EXHIBIT H – SOURCES AND USES OF PID BOND FUNDS

Sources of Funds		
Gross Bond Amount	\$	9,765,000
Owner Contribution - PID Improvements		44,999
Owner Contribution - Non-PID Improvements ^{1,2}		1,507,058
Total Sources	\$	11,317,057

Uses of Funds		
Authorized Improvements	\$	7,077,370
	\$	7,077,370
Non-PID Improvements ²	\$	1,507,058
Debt Service Reserve Fund	\$	782,775
Capitalized Interest		846,300
Underwriter Discount		292,950
Deposit to Delinquency and Prepayment Reserve Fund		205,329
Deposit to Administrative Expense Fund		45,000
Cost of Issuance		560,275
	\$	2,732,629
Total Uses	\$	11,317,057

Notes:

¹Non-reimbursable to Developer - non-PID Improvements

²Amount subject to qualified engineers certification per section 3.03 of Development Agreement dated xx-xx-xxxx and subject to terms of the Indenture

EXHIBIT I – ALLOCATION OF PRINCIPAL AMOUNT OF ASSESSMENT CALCULATION

Parcel	Units ¹	Assessed Value per Unit ^{1,2}	Projected AV	Total Principal Assessment	Average Annual Installment	Principal Assessment Per Unit ²	Average Annual Installment per Unit ²
RESIDENTIAL TRACT							
<u>Tract 1C</u>							
Lot Type 1 (townhomes)	108	235,400	25,423,200	2,129,333	188,390	19,716	1,744
Lot Type 3 (bungalows)	27	288,900	7,800,300	653,318	57,802	24,197	2,141
Lot Type 4 (villas)	30	310,300	9,309,000	779,680	68,981	25,989	2,299
	<u>165</u>		<u>42,532,500</u>	<u>3,562,331</u>	<u>315,173</u>		
<u>Tract 2A</u>							
Lot Type 2 (row homes)	57	256,800	14,637,600	1,225,980	108,467	21,508	1,903
Lot Type 3 (bungalows)	24	288,900	6,933,600	580,727	51,379	24,197	2,141
	<u>81</u>		<u>21,571,200</u>	<u>1,806,707</u>	<u>159,846</u>		
<u>Tract 3</u>							
Lot Type 1 (townhomes)	90	235,400	21,186,000	1,774,444	156,992	19,716	1,744
	<u>90</u>		<u>21,186,000</u>	<u>1,774,444</u>	<u>156,992</u>		
	492		85,289,700	7,143,482	632,012		
GENERAL RETAIL TRACT							
Tract 1A	106,840	\$	25,107,400	2,102,883	186,050	19.68	1.74
Tract 1D	19,250		4,523,750	378,889	33,522	19.68	1.74
Tract 2B	7,100		1,668,500	139,746	12,364	19.68	1.74
	<u>133,190</u>		<u>31,299,650</u>	<u>2,621,518</u>	<u>231,936</u>		
DISTRICT TOTAL			<u>116,589,350</u>	<u>9,765,000</u>	<u>863,948</u>		

Notes:

¹As reported by the Owner.

²Residential Tract "Units" shown per Residential Lot. General Retail Tract "Units" shown per square foot.

EXHIBIT J – MAXIMUM PRINCIPAL ASSESSMENT BY LOT TYPE

Lot Type	Units ¹	Estimated AV Per Unit ^{1,2}	Total Assessed Value	Allocation of Improvement Area #1 Assessments	Total Principal Assessment	Maximum Principal Assessment Per Unit ²
Lot Type 1 (townhomes)	198	\$ 235,400	\$ 46,609,200	39.98%	\$ 3,903,777	\$ 19,716.05
Lot Type 2 (row homes)	57	\$ 256,800	\$ 14,637,600	12.55%	\$ 1,225,980	\$ 21,508.41
Lot Type 3 (bungalows)	51	\$ 288,900	\$ 14,733,900	12.64%	\$ 1,234,045	\$ 24,196.97
Lot Type 4 (villas)	30	\$ 310,300	\$ 9,309,000	7.98%	\$ 779,680	\$ 25,989.33
General Retail	133,190	\$ 235	\$ 31,299,650	26.85%	\$ 2,621,518	\$ 19.68
			\$ 116,589,350	100.00%	\$ 9,765,000	

Notes:

¹As reported by the Owner.

²Shown per single family unit for residential Lots, and per square foot for General Retail Lot

EXHIBIT K – TIRZ NO. 1 ANNUAL CREDIT AMOUNT BY LOT TYPE

Lot Type	Estimated AV Per Unit ^{1,2}	Principal Assessment Per Unit ²	Avg. Annual Installment per Unit ²	Equivalent PID Tax Rate	Equivalent Total Tax Rate	Maximum Annual TIRZ No. 1 Credit Per Unit ²	Net Annual Installment Per Unit ²	Net Equivalent PID Tax Rate	Net Equivalent Total Tax Rate
Residential Tract									
Lot Type 1 (townhomes)	\$ 235,400	\$ 19,716	\$ 1,745	0.741	\$ 3,652	(\$ 1,296)	\$ 449	0.191	\$ 3.101
Lot Type 2 (row homes)	\$ 256,800	\$ 21,508	\$ 1,904	0.741	\$ 3,652	(\$ 1,414)	\$ 490	0.191	\$ 3.101
Lot Type 3 (bungalows)	\$ 288,900	\$ 24,197	\$ 2,142	0.741	\$ 3,652	(\$ 1,590)	\$ 551	0.191	\$ 3.101
Lot Type 4 (villas)	\$ 310,300	\$ 25,989	\$ 2,300	0.741	\$ 3,652	(\$ 1,708)	\$ 592	0.191	\$ 3.101
General Retail Tract									
Future General Retail	\$ 235	\$ 19.68	\$ 1,7420	0.741	\$ 3,652	(\$ 1,2937)	\$ 0.4483	0.191	\$ 3.101

Notes:

¹As reported by the Owner.

²Residential Tract "Units" shown per Lot. General Retail Tract "Units" shown per square foot.

EXHIBIT M – NOTICE OF PID ASSESSMENT TERMINATION



757 N. Galloway Ave.
Mesquite, TX 75149
P: (972) 288-7711
<https://www.cityofmesquite.com/>

[Date]
Dallas County Clerk's Office
Honorable John F. Warren
Renaissance Tower
1201 Elm Street
21st Floor, Suite 2100
Dallas, TX 75270

Re: City of Mesquite Lien Release documents for filing

Dear Mr. Warren

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

City of Mesquite
Attn: [City Secretary]
757 N Galloway Ave
Mesquite, TX 75149

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

Sincerely,
[Signature]
[City Secretary]
City Secretary

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

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

RELEASE

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

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

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

By: _____
[Manager Name], City Manager

ATTEST:

[Secretary Name], City Secretary

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

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

Notary Public, State of Texas