



**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LAGO VISTA, TEXAS:**

Section 1. All matters stated in the preamble of this Ordinance are found to be true and correct and are incorporated into the body of this Ordinance as if copied in their entirety.

Section 2. The SAP 09/15/2016 Update in substantially the form and content attached as Exhibit "A" hereto is hereby approved and the City Council hereby authorizes the associated estimated costs for the Major Improvement Area identified in Table III-A of the SAP 09/15/2016 Update. The assessment roll for the Major Improvement Area attached to the SAP Update as Appendix A thereto and the assessment roll for Improvement Area #1 attached to the SAP Update as Appendix B thereto is hereby ratified and approved by the City Council.

Section 3. The improvements benefitting and serving all of the property within the portion of the District identified as the Major Improvement Area are set forth in Section III-A of the SAP Update. The major improvements other than the major improvements allocable to Improvement Area #1 are referred to herein as the "Major Improvement Area Improvements." Improvements that will benefit and serve only the property within Improvement Area #1 are set forth in Section III-B of the SAP Update. The major improvements allocable to Improvement Area #1 and the improvements that benefit and serve only the property within Improvement Area #1 are referred to herein as the "Improvement Area #1 Improvements."

Section 4. The City Council hereby finds and determines that: (i) the enhancement and value to accrue to the Major Improvement Area and Improvement Area #1 and the real and true owner or owners thereof by virtue of construction of the Major Improvement Area Improvements and Improvement Area #1 Improvements will be equal to or in excess of the amount of the costs of the improvements; (ii) that the apportionment of the costs of the Major Improvement Area Improvements and the Improvement Area #1 Improvements and the assessments here and below made are just and equitable and produce substantial equality, considering the benefits received and the burdens imposed thereby, and result in imposing equal shares of the cost of the Major Improvement Area Improvements and the Improvement Area #1 Improvements on property similarly benefitted, and are in accordance with the laws of the State of Texas; (iii) the property assessed is specially benefitted by means of the said Major Improvement Area Improvements and Improvement Area #1 Improvements in the District in relation to the costs of such improvements; (iv) all procedures that have taken place heretofore with reference to the Major Improvement Area Improvements and Improvement Area #1 Improvements assessments are in all respects regular, proper, and valid; and (v) all prerequisites to the fixing of the assessment liens against the properties within the Major Improvement Area and Improvement Area #1, and the personal liability of the real and true owner or owners thereof, whether correctly named herein or not, have been in all things regularly and duly performed in compliance with the Act and the proceedings of the City Council.

Section 5. This ordinance incorporates by reference all provisions and requirements of the Act.

Section 6. If any section, article, paragraph, sentence, clause, phrase, or word in this Ordinance, or application thereof to any persons or circumstances is held invalid or unconstitutional by a court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance; and the City Council hereby declares it would have passed such remaining portion of this Ordinance, despite such invalidity, which remaining portions shall remain in full force and effect.

Section 7. This Ordinance shall take effect immediately from and after its passage and it is accordingly so ordained.

**PASSED, APPROVED, AND ADOPTED** on the 15<sup>th</sup> day of September, 2016.



ATTEST:

*Sandra Barton*

Sandra Barton, City Secretary

CITY OF LAGO VISTA, TEXAS

*Dale Mitchell*

Dale Mitchell, Mayor

**EXHIBIT "A"**

**AMENDED AND UPDATED ANNUAL SERVICE AND ASSESSMENT PLAN**

# Exhibit “A”

## Tessera on Lake Travis Public Improvement District

Service and Assessment Plan

## Section I

### PLAN DESCRIPTION AND DEFINED TERMS

#### A. Introduction

On August 16, 2012, (the “**Creation Date**”) the Lago Vista City Council approved that certain “Petition for the Creation of a Public Improvement District to Finance Improvements for the Tessera On Lake Travis Subdivision” which authorized the creation of the Tessera On Lake Travis Public Improvement District (the “**PID**”) to finance the Actual Costs for the benefit of certain property in the PID, all of which is located in the corporate limits of Lago Vista, Texas (the “**City**”).

Upon application of the current property owners, the property within the PID was zoned by Ordinance No. 09-12-17-01 (the “**Planned Development District Ordinance**”) adopted by the City of Lago Vista on December 17, 2009. The Planned Development District Ordinance was amended by Ordinance No. 12-07-19-01 and designates the type of land uses that are permitted within the project and include development standards for each land use type.

Chapter 372 of the Texas Local Government Code, Improvement Districts in Municipalities and Counties (as amended, the “**PID Act**”), governs the creation of public improvement districts within the State of Texas. This Service and Assessment Plan has been prepared pursuant to the PID Act. According to the PID Act, a service plan “must cover a period of five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements.” The service plan is described in Section V of this Service and Assessment Plan.

The Assessment Roll for the Major Improvement Area is attached hereto as **Appendix A** and the Assessment Roll for Improvement Area #1 is attached hereto as **Appendix B**, both of which are addressed in Section VII of this Service and Assessment Plan. The Assessments as shown on the Assessment Roll are based on the method of assessment described in Sections IV and VI of this Service and Assessment Plan.

#### B. Definitions

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

“**Actual Cost(s)**” means, with respect to an Authorized Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement, as specified in a Certification for Payment that has been reviewed and approved by the City. Actual Cost may include (a) the costs for the design, planning, financing, administration, management, acquisition, installation, construction and/or implementation of such Authorized Improvement, including general contractor construction management fees, if any, (b) the costs of preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs for external professional costs associated with such Authorized Improvement, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, taxes (property

and franchise) (e) the costs of all labor, bonds and materials, including equipment and fixtures, incurred by contractors, builders and materialmen in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, County permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses.

Actual Costs shall not include general contractor's fees in an amount that exceeds a percentage equal to the percentage of work completed and accepted by the City or construction management fees in an amount that exceeds 5.0% of the eligible Actual Costs described in a Certification for Payment. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated. Actual Costs also may be paid to the Developer or any other person or entity only in the capacity of construction manager or only in the capacity of general contractor but not both.

**“Administrator”** means an employee or designee of the City who shall have the responsibilities provided for herein, in the Indenture related to the Bonds, or in another agreement approved by the City Council.

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

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

**“Annual Service Plan Update”** has the meaning set forth in Section V of this Service and Assessment Plan.

**“Assessed Property”** means, for any year, Parcels within the PID other than Non-Benefited Property.

**“Assessment”** means the assessment levied against a Parcel imposed pursuant to the Assessment Ordinance and the provisions herein, as shown on the Assessment Roll, subject to reallocation upon the subdivision of such Parcel created by such subdivision or reduction according to the provisions hereof and the PID Act.

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

**“Assessment Revenues”** mean the revenues actually received by the City from Assessments.

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

**“Authorized Improvements”** mean those public improvements described in Section 372.003 of the PID Act designed, constructed, and installed in accordance with this Service and Assessment Plan, and any future amendments.

**“Bonds”** mean any bonds secured by all or a portion of the Assessment Revenues issued by the City in one or more series.

**“Certification for Payment”** means the document to be provided by the Developer or construction manager to substantiate the Actual Cost of one or more Authorized Improvements.

**“City”** means the City of Lago Vista, Texas.

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

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

**“Developer”** means Hines Lake Travis Land Limited Partnership, a Texas Domestic Limited Partnership, and Hines Lake Travis Land II Limited Partnership, a Texas Domestic Limited Partnership, or their assignees or successors.

**“Future Improvement Area”** means Improvement Areas that are developed after Improvement Area #1, as such areas are generally shown on Table II-C. The Future Improvement Areas are subject to adjustment and are shown for example only.

**“Homeowner Association Property”** means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive

use easement, a home owners' association established for the benefit of a group of homeowners or property owners within the PID.

**“Improvement Area”** means one or more Parcels within the PID that will be developed in the same general time period. The Parcels within an Improvement Area will be assessed in connection with the issuance of Phased PID Bonds for Authorized Improvements (or the portion thereof) designated in an update to this Service and Assessment Plan that specially benefit the Parcels within the Improvement Area.

**“Improvement Area #1”** means the initial Improvement Area to be developed, identified as “Phase 1 PID” and generally shown on Table II-B and as specifically depicted and described as the sum of all Parcels shown in Appendix F.

**“Improvement Area #1 Assessed Property”** means all Parcels within Improvement Area #1 other than Non-Benefited Property.

**“Improvement Area #1 Assessment Roll”** means the document included in this Service and Assessment Plan as Appendix B, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

**“Improvement Area #1 Improvements”** means Authorized Improvements which only benefit Improvement Area #1 Assessed Property and are described in Section III. C.

**“Indenture”** means any indenture, trust agreement, ordinance, or similar document setting forth the terms and provisions relating to any series of Bonds, as may be amended or supplemented.

**“Improvement Area #1 PID Bonds”** means those certain City of Lago Vista, Texas Special Assessment Revenue Bonds, Series 2012 (Tessera On Lake Travis Public Improvement District Improvement Area #1 Project) that are secured by Assessments levied on Improvement Area #1 Assessed Property.

**“Landowner’s Agreement”** means that certain Landowner Agreement by and between the City and Developer whereby Developer grants its consent for Assessments to be levied on the property within the PID, in addition to other matters.

**“Lot”** means a tract of land described as a “lot” in a subdivision plat recorded in the Official Public Records of Travis County, Texas.

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

**“Major Improvements”** means Authorized Improvements which benefit all Assessed Property within the PID and are described in Section III. B.

**“Major Improvement Area”** means the property within the PID not within Improvement Area #1, as generally shown on Table II-B and as specifically depicted and described as the sum of all Parcels shown in Appendix E.

**“Major Improvement Area Assessed Property”** means, for any year, all Parcels within the PID other than Non-Benefited Property and Improvement Area #1 Assessed Property.

**“Major Improvement Area Assessment Roll”** means the document included in this Service and Assessment Plan as Appendix A, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of Bonds or in connection with any Annual Service Plan Update.

**“Major Improvement Area Bonds”** means those certain City of Lago Vista, Texas Special Assessment Revenue Bonds, Series 2012 (Tessera On Lake Travis Public Improvement District Major Improvement Area Project) that are secured by Assessments levied on Major Improvement Area Assessed Property.

**“Non-Benefited Property”** means Parcels within the boundaries of the PID that accrue no special benefit from the Authorized Improvements as determined by the City Council, including Homeowner Association Property and Public Property. Property identified as Non-Benefited Property at the time the Assessments (i) are levied or (ii) are reallocated pursuant to a subdivision of a Parcel is not assessed. Assessed Property converted to Non-Benefited Property, if the Assessments may not be reallocated pursuant to Section VI.F, remains subject to the Assessments and requires the Assessments to be prepaid as provided for in Section VI.F.

**“Restated Development Agreement”** means the restated development agreement between the Developer and the City having an effective date of August 16, 2012.

**“Parcel”** means a property identified by either a tax map identification number assigned by the Travis Central Appraisal District for real property tax purpose, by metes and bounds description, by lot and block number in a final subdivision plat recorded in the Official Public Records of Travis County, or by any other means determined by the City.

**“Phase 1A”** means the area contained in Improvement Area #1 that is expected to contain 210 single family residential units, as shown in Appendix I.

**“Phase 1B”** means the area contained in Improvement Area #1 that is expected to contain 106 single family residential units, as shown in Appendix J.

**“Phased PID Bonds”** means bonds issued to fund Authorized Improvements (or a portion thereof) in an Improvement Area and to refinance any Major Improvement Area Bonds issued to fund Major Improvements within such Improvement Area. In connection with the Phased PID Bonds, Assessments will be levied only on Parcels located within the Improvement Area in question.

**“Phased PID Bond Authorized Improvements”** means those Authorized Improvements associated with any given Improvement Area and contained in any supplemental table referred to in Section III.D and IV.E hereof.

**“PID Act”** means Texas Local Government Code Chapter 372, Improvement Districts in Municipalities and Counties, Subchapter A, Public Improvement Districts, as amended.

**“PID”** means the Tesserera on Lake Travis Public Improvement District created by the City pursuant to Resolution No. 12-1551.

**“Planned Development District Ordinance”** has the meaning set forth in Section I.A of this Service and Assessment Plan.

**“Prepayment Costs”** mean interest and expenses to the date of prepayment (or in the case of capital appreciation bonds, the accreted value on the date of prepayment), plus any additional amounts due pursuant to the Indenture related to the Bonds and allowed by law, if any, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment and the Bonds secured by such Assessment.

**“Property”** has the meaning set forth in Section II.A of this Service and Assessment Plan.

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

**“Service and Assessment Plan”** means this Service and Assessment Plan prepared for the PID pursuant to the PID Act, as the same may be amended from time to time.

**“Tesserera on Lake Travis”** means the approximately 877 acres of land located in Travis County, Texas, contained within the area described on Table II-A. Tesserera on Lake Travis is located in the City’s corporate limits.

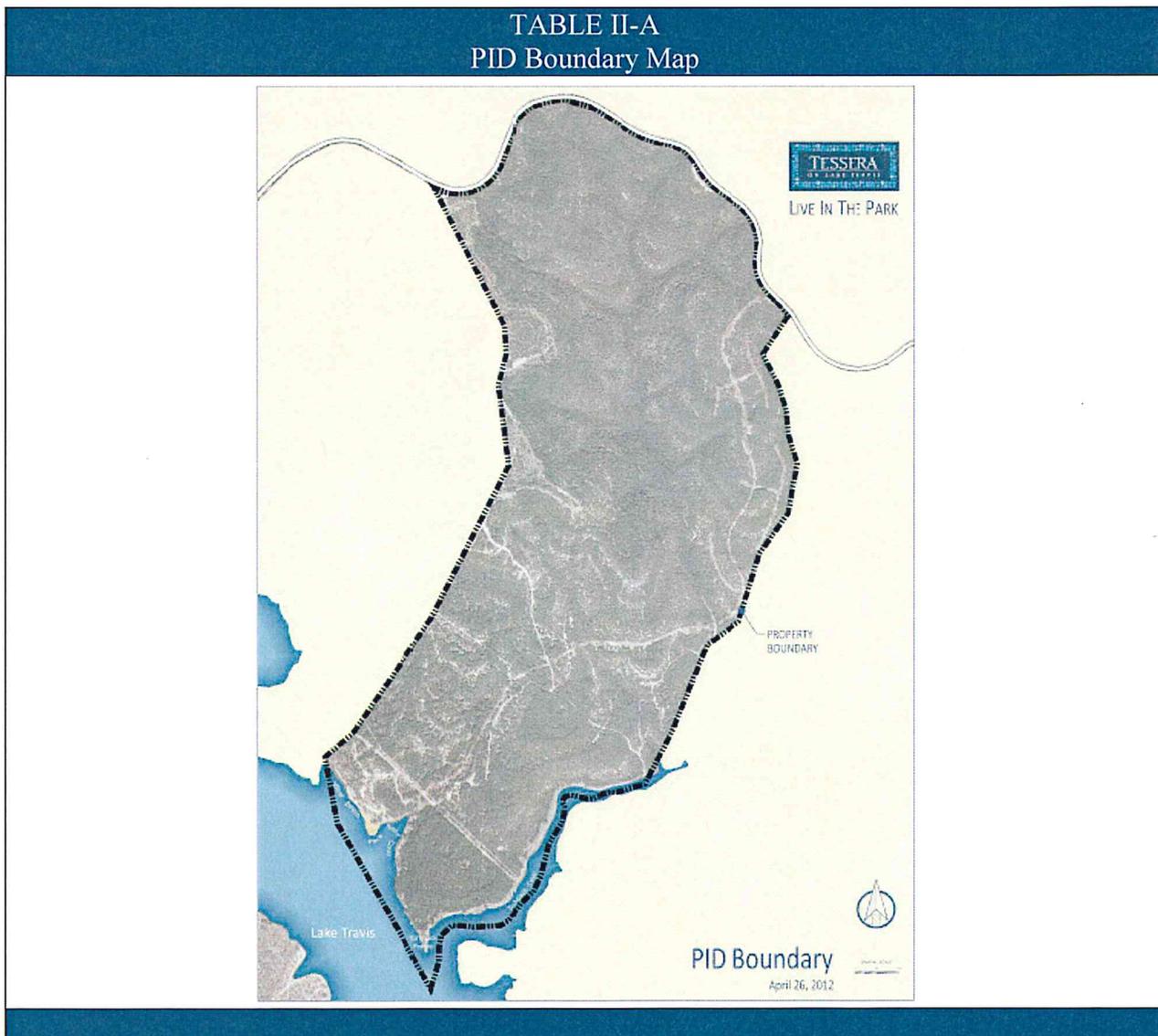
## Section II

### PROPERTY INCLUDED IN THE PID

#### A. Property Included in the PID

The area constituting the PID is depicted and described by metes and bounds on Exhibit A to Resolution No. 12-1551 adopted by the City Council (“Property”). The PID is located in the corporate limits of the City of Lago Vista, Texas, within Travis County, Texas. The PID contains approximately 877.2 acres. A map of the property within the PID is shown in Table II-A.

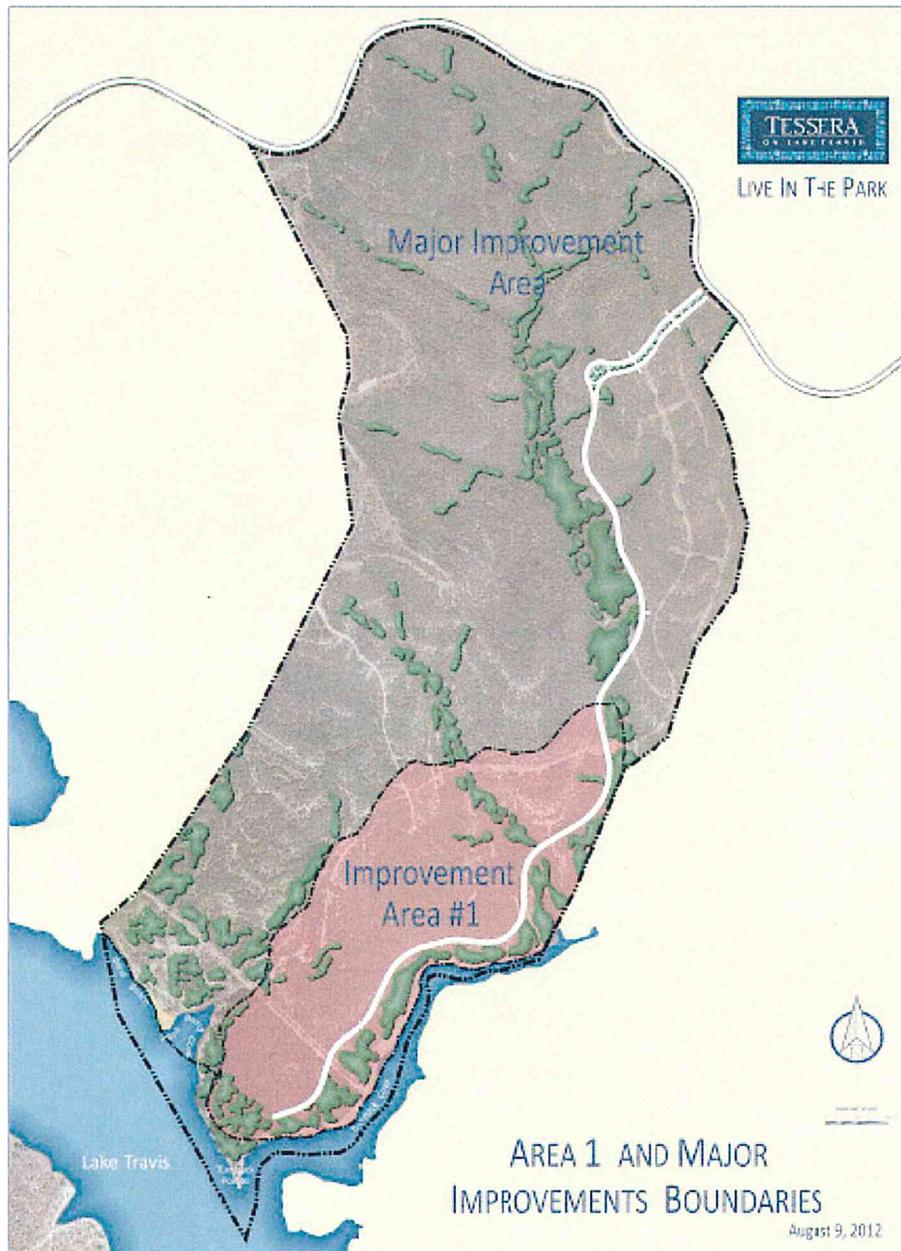
At completion, the PID is expected to consist of approximately 2,000 detached single family residential units, multifamily units, office, and retail uses, as well as parks, entry monuments, and associated rights-of-way, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. The estimated number of lots and the classification of each lot are based upon the Planned Development District Ordinance.



**B. Property Included in Major Improvement Area and Improvement Area #1**

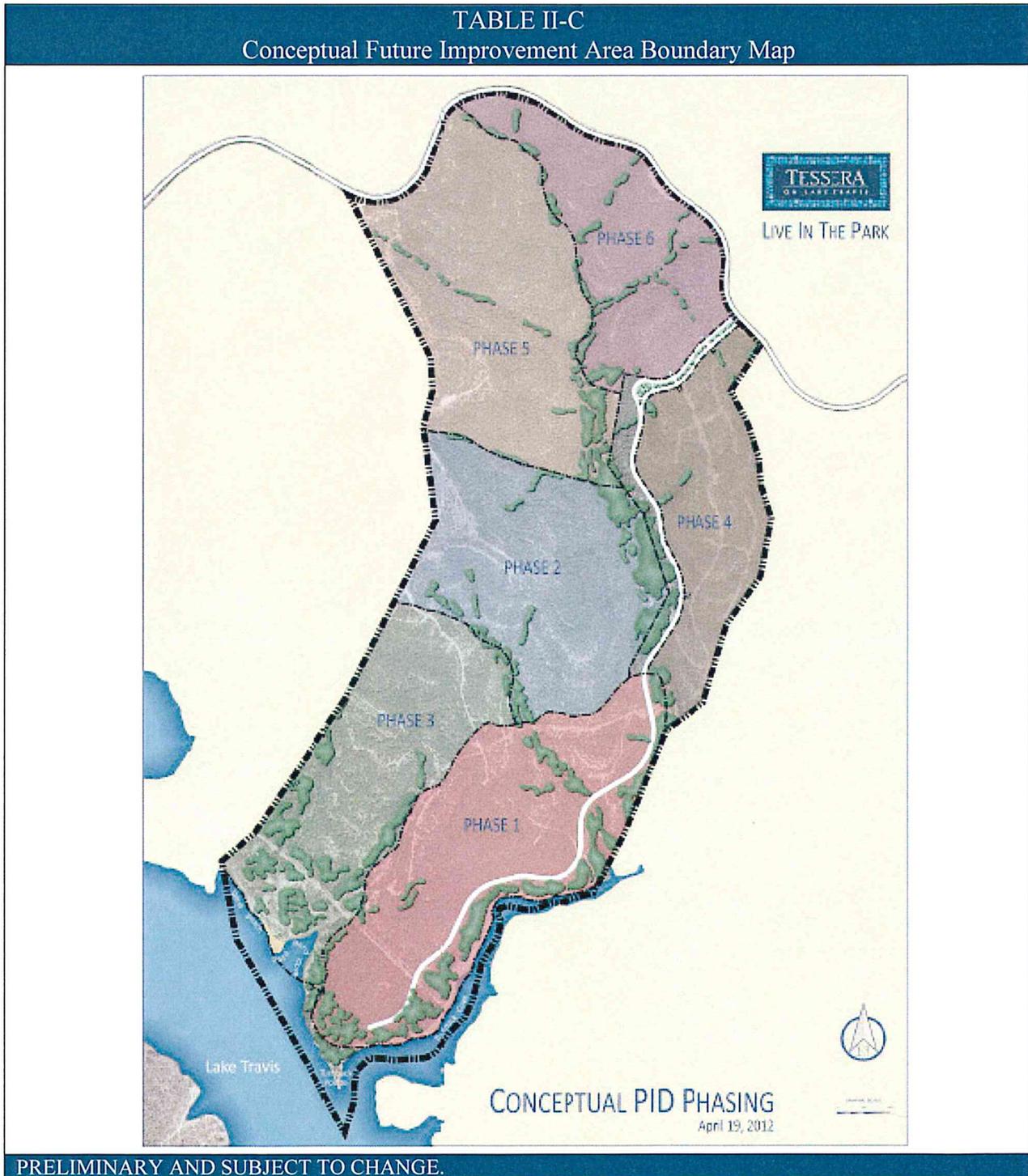
The Major Improvement Area consists of approximately 658.6 acres. Improvement Area #1 consists of approximately 218.6 acres projected to consist of approximately 300 single family residential units, to be developed in two phases (Phase 1A and Phase 1B), as further described in Section III.C. A map of the property within the Major Improvement Area and Improvement Area #1 is shown in Table II-B. Legal descriptions for all Parcels within the Major Improvement Area are included in **Appendix E**. Legal descriptions for all Parcels within Improvement Area #1 are included in **Appendix F**. A map depicting the estimated assessable acreage within each proposed Improvement Area is included in **Appendix G**.

TABLE II-B  
Major Improvement Area and Improvement Area #1 Boundary Map



**C. Property Included in Future Improvement Areas**

As Improvement Areas are developed, then in connection with the issuance of Phased PID Bonds, this Service and Assessment Plan will be amended to revise the table shown in Section II.B (e.g. Table II-B will be revised to show the addition of Improvement Area #2 and the corresponding reduction in the Major Improvement Area boundaries). A map of the projected property within each Future Improvement Area is shown in Table II-C. Legal Descriptions for Phases 2 through 6 are included in Exhibit E. The Future Improvement Areas are shown for illustrative purposes only and are subject to adjustment.



## Section III

### DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

#### A. Authorized Improvement Overview

Section 372.003 of the PID Act defines the Authorized Improvements that may be undertaken by a municipality or county through the establishment of a public improvement district. Authorized Improvements that may be undertaken pursuant to the PID Act include the following:

- (i) landscaping;
- (ii) erection of fountains, distinctive lighting, and signs;
- (iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;
- (iv) construction or improvement of pedestrian mall;
- (v) acquisition and installment of pieces of art;
- (vi) acquisition, construction or improvement of libraries;
- (vii) acquisition, construction or improvement of off-street parking facilities;
- (viii) acquisition, construction or improvement of rerouting of mass transportation facilities;
- (ix) acquisition, construction or improvement of water, wastewater, or drainage facilities or improvements;
- (x) the establishment or improvement of parks;
- (xi) projects similar to those listed in Subdivisions (i)-(x)
- (xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;
- (xiii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development recreation and cultural enhancement; and
- (xiv) payment of expenses incurred in the establishment, administration and operation of the district.

After analyzing the public improvement projects authorized by the PID Act, the City has determined that the Authorized Improvements described in Section III.B and Section III.C of this Service and Assessment Plan should be undertaken by the City.

#### B. Descriptions and Estimated Costs of Major Improvements

The Major Improvements benefit the entire PID. However, Major Improvement Area Assessed Property does not include Improvement Area #1 Assessed Property; therefore the costs of the Major Improvements are allocated proportionally between Major Improvement Area Assessed Property and Improvement Area #1 Assessed Property based on the projected number of residential units within their respective boundaries. Improvement Area #1 is projected to contain approximately 300 residential units and the Major Improvement Area is projected to contain approximately 1,700 residential units within their respective boundaries, resulting in approximately 15% of the Major Improvements allocated to Improvement Area #1 Assessed Property and approximately 85% to Major Improvement Area Assessed Property. Major Improvement Area Bonds will fund the Major Improvement Area's proportionate share of the

costs of the Major Improvements, and Improvement Area #1 Bonds will fund the Improvement Area #1's proportionate share of the costs of the Major Improvements.

The Major Improvements are described below. The costs of the Major Improvements are shown in Table III-A. The costs shown in Table III-A are estimates and may be revised in Annual Service Plan Updates.

- *Water*

- Water Treatment Plant #1 Upgrades

- The Lago Vista Water Treatment Plant No. 1 (WTP) will be upgraded for the first phase of 490 Living Unit Equivalents (LUE's) by adding two pumps next to the existing booster pump building at WTP; minimum capacity of each pump is 500 gpm; a scada system and control valves at City WTP. The upgrades will include limited site work, pumping equipment, piping, and electrical equipment improvements. Under the Restated Development Agreement these WTP upgrades will be constructed to City standards and specifications and will be owned and operated by the City.

- Water Line 1

- This project consists of constructing approximately 9,000 linear feet of 12" diameter water transmission main from the WTP. The project will be constructed within the existing right of way (ROW) of Seminole Drive, Clubhouse Drive, Bonanza Drive, Canyon Drive, Dawn Drive, Valleyview Drive, Park Drive, Verde Vista Drive and Brewer Lane and will end at the intersection of Brewer Lane and Deepwood Drive. The line will be designed and constructed in accordance with City of Lago Vista standards and specifications and will be owned and operated by the City. The line will have all the necessary appurtenances to be a fully operational transmission main. The line will provide service to Tessera on Lake Travis.

- Water Line 2

- This project consists of constructing approximately 8,000 linear feet of 14" diameter water transmission mains from a connection point in Water Line 1 at Brewer Lane and Deepwood Drive. The project will be constructed within the existing right of way (ROW) of Deepwood Drive, Ridgeview Road, Packsaddle Trail, Stable Lane, Bar-K-Ranch Road, Surrey Lane and include a 14" diameter water transmission main and a 16" diameter water transmission main crossing Lake Travis through Turnback Cove onto Tessera on Lake Travis. The line will be designed and constructed in accordance with City of Lago Vista standards and specifications and will be owned and operated by the City. The line will have all the necessary appurtenances to be fully operational transmission main. The line will provide service to Tessera on Lake Travis.

- Water Line 3

- This project consists of constructing approximately 1,000 linear feet of 14" diameter water transmission mains from a connection point in Water Line 2 at the westernmost point of Turnback Cove. The project will be constructed within an easement to the new right of way (ROW) of Burnet Route Trail and will tie into Water Line 1. The line will be designed and constructed in accordance with City of Lago Vista standards and specifications and will be owned and operated by the City. The line will have all the necessary appurtenances to be fully operational transmission main. The line will

provide service to Tessera on Lake Travis.

- Water Line 4

This project consists of constructing approximately 4,100 linear feet of 12” diameter water transmission mains from a connection point in Water Line 3 and then constructed within the new right of way (ROW) of Burnet Route Trail to the Tessera West Ground Storage Tank site described in the Restated Development Agreement. The line will be designed and constructed in accordance with City of Lago Vista standards and specifications and will be owned and operated by the City. The line will have all the necessary appurtenances to be fully operational transmission main. The line will provide service to Tessera on Lake Travis.

- Ground Storage Tank

The Ground Storage Tank (GST) shall be new construction onsite at the Tessera West Ground Storage Tank site described in the Restated Development Agreement on Lake Travis Water for a 125,000 gallon water capacity and include chlorination equipment and pump house to meet design requirements per the City of Lago Vista. Under the Restated Development Agreement this GST will be constructed to City standards and specifications and will be owned and operated by the City.

- **Wastewater**

- Wastewater Treatment Plant Improvements

This project will consist of cost participating with the City of Lago Vista on constructing a force main header to combine multiple force mains entering City’s Wastewater Treatment Plant, as described in the Restated Development Agreement.

- Wastewater Lines 1 and 2

This project will consist of over-sizing the force main from the Hollows, increase the force main to 14-inch in diameter for approximately 2,000 linear feet and 18-inches in diameter for approximately 1,650 linear feet. This project will tie into and utilize the City’s existing 12-inch wastewater force main from existing Bar-K Lift Station to Turner’s Lift Station and tie into and utilize the City’s existing 8-inch wastewater force main in Bar-K Ranch Road.

- Lift Station Pump Upgrades

This project will consist of upgrading the existing Bar-K Wastewater Lift Station and the Turner Lift Station with increased pump capacity, add odor control and add scada control.

- Wastewater Line 3

This project will consist of constructing an 8-inch HDPE force main approximately 6,500 l.f. from Tessera on Lake Travis to the City’s 8-inch force main in Bar-K Ranch Road. (WW-1.6 - 8" HDPE Force Mains in existing asphalt streets).

- Wastewater Line 4

This project will consist of constructing 3-8” HDPE low pressure wastewater force mains at the crossing of Turnback Cove into Tessera on Lake Travis and then continuing one of these force mains into Tessera on Lake Travis terminating at Burnet Route Trail. This project will also consist of constructing a multiple HDPE force mains connected to one of the Wastewater Line 4 force mains at the Turnback

Cove crossing into Tessera on Lake Travis. This line will be designed and constructed in accordance with City of Lago Vista standards and specifications. These lines will have all the necessary appurtenances to be fully operational sewer mains.

All wastewater projects will be constructed to City standards and specifications and will be owned and operated by the City.

- ***Electrical***

- Electrical Infrastructure

- The electrical costs are comprised of infrastructure materials and installation expenditures, collectively, the Improvements. The material components consist of electrical vaults, primary cables, primary connections, URD conductors, and infrastructure conduit. Installation components consist of trenching, labor and equipment. The Improvements provide electrical power to all entryway features, on site lift station, the Community Pool and Pavilion, landscape irrigation systems and will support decorative street lighting improvements. The associated Improvements are in excess of 12,100 linear feet of primary cable, over 33,800 linear feet of conduit, seven major electrical vaults and multiple primary connections.

- ***Roadway***

- TxDOT Turn Lane

- Project shall consist of funding the construction of approximately 1300 linear feet (LF) of the Texas Department of Transportation (“TxDOT”) highway in the right of way (ROW) for east bound traffic and conversion of existing traffic lane for eastbound traffic into a center lane for project entrance from F.M. 1431 into Tessera on Lake Travis. Project shall also include the addition of 1300 linear feet (LF) of an acceleration and deceleration lane onto the south side of the TxDOT highway for traffic entering project from F.M. 1431 into Tessera on Lake Travis. This project is subject to an Advanced Funding Agreement between TxDOT and the City of Lago Vista. This project will be owned and operated by TxDOT.

- Initial Entrance Road to Phase 1A and through Phase 1A to Park Area

- Project shall consist of the construction of 12,285 Linear Feet of roadway with retaining walls, turn lanes, curb and gutter systems, re-vegetation of all disturbed areas within the right of way, a structural crossing of two major flood plains and link to new F.M. 1431 acceleration and deceleration lane. This project will be constructed to City standards and specifications and will be owned and operated by the City.

- ***Drainage***

- Drainage

- Project shall consist of drainage improvements to support the installation of Tessera Pkwy from FM 1431 to the proposed amenity center. The main means of runoff conveyance along the roadway between FM 1431 and Improvement Area #1 will be roadside ditches that are relieved by drainage culverts crossing under the roadway. Some areas of the pavement section will require the use of a curb section to control runoff patterns. The project includes one minor waterway crossing that can be a multiple box culvert or a single arch span structure. The runoff along this section of roadway will be routed through water quality basins as required by the Lower Colorado River Authority. This project will be constructed to City standards and

specifications and will be owned and operated by the City.

- ***Entry Monuments/Hardscape/Landscape***

- Entryway monuments

Project shall consist of the construction of an entrance monument at the intersection of the TxDOT entrance and the Main Roadway in a parcel located adjacent to respective right of ways to be designed by consultants retained by the Developers. This project will be constructed to City standards and specifications and will be owned by the City. Under an agreement with the City, the Tessera on Lake Travis HOA will operate and maintain the facilities.

- Hardscape

Project shall consist of the installation of hardscaping to include sidewalks, fencing, driveway improvements, parking, lighting and signage within PID to be designed by consultants retained by the Developers. This project will be constructed to City standards and specifications and will be owned by the City. Under an agreement with the City, the Tessera on Lake Travis HOA will operate and maintain the facilities.

- Landscape

Project shall consist of the installation of landscaping along various right of ways and within park areas located in the PID that are to be designed by consultants. This project will be constructed to City standards and specifications and will be owned by the City. Under an agreement with the City, the Tessera on Lake Travis HOA will operate and maintain the facilities.

- ***Parks***

- Community Pool & Pavilion

The Community Swimming Pool will consist of a 60' by 40' pool and open pavilion. The Community Pool will be located near the Lake Travis shoreline near the intersection of Turnback Cove and the main body of Lake Travis. The open pavilion will be a non-air conditioned structure with a two bathroom facilities with adequate areas to serve as a changing room. In addition to the pool and pavilion, the Community Pool will consist of perimeter fencing, landscape improvements, playscapes, benches and areas that include bar-b-que grills. The Community Pool area will include surface parking improvements to accommodate up to 30 cars. This project will be constructed to City standards and specifications and will be owned by the City. Under an agreement with the City, the Tessera on Lake Travis HOA will operate and maintain the facilities.

- Hike and Bike Trail System

The Hike & Bike Trail improvements will be located along Turnback Cove. The Hike & Bike trail improvements will connect to the Community Pool and extend north along Turnback Cove. The Hike & Bike improvements will consist of a mixture of natural and improved pathways with several ancillary improvements (benches, playscapes, points of interest, etc.) along or near the pathways. This project will be constructed to City standards and specifications and will be owned by the City. Under an agreement with the City, the Tessera on Lake Travis HOA will operate and maintain the facilities.

**TABLE III-A**  
**Major Improvement Estimated Costs**

<u>Authorized Improvement</u>	<u>Hard+ Soft Costs</u>
<b><u>Critical Infrastructure</u></b>	
Subtotal - Critical Infrastructure	\$ 14,810,709
<b><u>Parks</u></b>	
Subtotal - Amenities and Parks	\$ 2,146,726
<b><u>Entryway/Hardscape/Landscape</u></b>	
Subtotal - Hardscape/Landscape	\$ 1,022,821
<b>TOTAL</b>	<b>\$ 17,980,256</b>
<b>Improvement Area #1</b>	
Approximate # of Residential Units (Rounded)	300
Approximate % of Total Units	15%
Proportionate Share of Costs	\$ 2,725,669
<b>Major Improvement Area</b>	
Approximate # of Residential Units (Rounded)	1,700
Approximate % of Total Units	85%
Proportionate Share of Costs	\$ 15,254,588

Notes: The figures shown in Table III-A are based on actual funds deposited into the Major Improvement Area Critical Infrastructure, Parks and Entryway/Landscape/Hardscape Subaccounts of the Major Improvement Area PID Bonds (\$15,254,588) and into the IA#1 Improvement Account and Critical Infrastructure, Parks and Entryway/Landscape/Hardscape Subaccounts of the IA#1 Bonds. Therefore, the percentage allocation of the total Major Improvement Costs between IA#1 and Major Improvement Area is rounded. Critical Infrastructure includes the costs of Offsite Water, Offsite Wastewater, Electrical, Roads and Drainage. This table will be updated in future SAP Annual Updates as the Project is completed and final trust account balances are determined. Costs assume hard and soft costs including engineering and construction fees and contingency.

**C. Descriptions and Estimated Costs of Improvement Area #1 Improvements**

Improvement Area #1 Bonds fund their proportionate share of the costs of the Major Improvements (as described above in Section III.B) as well as Improvement Area #1 Improvements, which only benefit Improvement Area #1 Assessed Property.

The Improvement Area #1 Improvements are described below. All of the Improvement Area #1 Improvements provide benefit to Phase 1A, and a portion of the Improvement Area #1 Improvements provide a benefit to Phase 1B, as described in Appendix H. The costs of the Improvement Area #1 Improvements are shown in Table III-B. The costs shown in Table III-B are estimates and may be revised in Annual Service Plan Updates.

o ***Water***

This portion of the Improvement Area #1 Improvements consists of constructing approximately 8,500 linear feet of multiple water lines that include water lines that connect to Water Line #2 at multiple points, some of which will extend water lines sized to provide water service to portions of Phase 1B. These lines will be designed and

constructed in accordance with City of Lago Vista standards and specifications and will be owned and operated by the City. These lines will include the necessary appurtenances to be fully operational transmission lines extending water service to the edge of Phase 1B and to be service lines to provide service to each Lot within Phase 1A.

○ ***Wastewater***

This portion of the Improvement Area #1 Improvements consists of constructing approximately 8,500 linear feet of multiple low pressure mains that include sewer lines that connect to Wastewater Line 1 at multiple points and appropriately sized lines that extend sewer service to portions of Phase 1B. These lines will be designed and constructed in accordance with City of Lago Vista standards and specifications and will be owned and operated by the City. These lines will have the necessary appurtenances to be fully operational sewer mains extending sewer service to the edge of Phase 1B and to provide service to each Lot within Phase 1A.

○ ***Roadway***

This portion of the Improvement Area #1 Improvements consists of constructing approximately 8,500 linear feet of roadways with retaining walls, turn lanes, curb and gutter systems and re-vegetation of all disturbed areas within the right of way. These roadway improvements include streets that will provide street access to each Lot within Phase 1A and will provide access to some portions of Phase 1B. This project will be designed and constructed in accordance with City of Lago Vista standards and specifications and will be owned and operated by the City.

○ ***Drainage***

This portion of the Improvement Area #1 Improvements shall consist of approximately 8,500 linear feet of drainage improvements to support the residential units in Phase 1A and to receive storm water from some Lots within Phase 1B. The main means of conveyance within Phase 1A is within or along roadways and underground storm drain pipes. The roadway pavement section will generally require the use of curbs with integrated drainage inlets to control runoff. This project includes one waterway crossing that can be a multiple box culvert or a single arch span structure. The runoff within this section of development is planned to be routed through water quality basins, as required by the PDD zoning ordinance. This project will be designed and constructed in accordance with City of Lago Vista standards and specifications and will be owned and operated by the City.

**TABLE III-B**  
**Improvement Area #1 Estimated Costs**

<u>Authorized Improvement</u>	<u>Hard + Soft Costs</u>
<b>Improvements that benefit Phase 1A and Phase 1B (See Appendix H)</b>	
Major Improvements	\$ 1,163,663
Critical Infrastructure	2,245,112
Parks	325,480
Entryway/Landscape/Hardscape	<u>155,077</u>
<b>Total</b>	<b>\$ 3,889,332</b>
<b>Improvements that only benefit Phase 1A (See Appendix H)</b>	
Major Improvements	\$ 785,301
Critical Infrastructure	\$ 1,515,120
Parks	\$ 219,651
Entryway/Landscape/Hardscape	<u>\$ 104,654</u>
<b>Total</b>	<b>\$ 2,624,727</b>
<b>Grand Total</b>	<b>\$ 6,514,059</b>

- (a) The figures shown in Table III-B are based on amounts deposited into the IA#1 Improvement Account (\$1,161,663), Critical Infrastructure Account (\$2,245,112), Parks Subaccount (\$325,480, and Entryway/ Landscape/ Hardscape Subaccount (\$155,077) of the IA#1 Bonds.
- (b) The total for Improvements that only benefit Phase IA is privately funded (\$2,624,727) and reflects the amount deposited into the Developer Improvement Account of the IA#1 Bonds.
- (c) The distribution of the total of Improvements that only benefit Phase 1A according to the different line items is an estimate and may be revised in Annual Service Plan Updates.
- (d) Estimated costs include hard and soft costs including engineering and construction fees and contingency.
- (e) Improvement Area #1 Estimated Costs represent approximately 15% of the total share of the Major Improvements based on the proportion of benefitted single family residential property in IA#1 relative to the MIA.
- (f) See Table III-A for details.

**D. Future Improvement Area Authorized Improvements**

As Improvement Areas are developed, then in association with issuing Phased PID Bonds this Service and Assessment Plan will be amended to identify the Phased PID Bond Authorized Improvements that benefit each Improvement Area (e.g., a Table III-C will be added to show the estimated costs for Improvement Area #2 Authorized Improvements, etc.).

## Section IV ASSESSMENT PLAN

### A. Introduction

The PID Act requires the City Council to apportion the Actual Cost of the Authorized Improvements on the basis of special benefits conferred upon the Property because of the Authorized Improvements. The PID Act provides that the Actual Costs may be assessed: (i) equally per front foot or square foot; (ii) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or (iii) in any other manner that results in imposing equal shares of the cost on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes or improvements.

Table IV-A provides the estimated allocation of costs of the Authorized Improvements constituting Major Improvements and Improvement Area #1 Improvements between the Major Improvement Area Assessed Property, Improvement Area #1 Assessed Property, and non-PID property.

At this time it is impossible to determine with absolute certainty the amount of special benefit each Parcel within Future Improvement Areas will receive from Phased PID Bond Authorized Improvements. Therefore, at this time Parcels will only be assessed for the special benefits conferred upon the Parcel because of the Major Improvements and Improvement Area #1 Improvements.

In connection with issuance of Phased PID Bonds, this Service and Assessment Plan will be updated to reflect the special benefit each Parcel of Assessed Property within a Future Improvement Area receives from the Phased PID Bond Authorized Improvements funded with those Phased PID Bonds issued with respect to that Future Improvement Area. Prior to assessing Parcels located within Future Improvement Areas in connection with issuance of Phased PID bonds, each owner of the Parcels to be assessed must acknowledge that the Phased PID Bond Authorized Improvements confer a special benefit on their Parcel and must consent to the imposition of the Assessments to pay for the Actual Costs.

This section of this Service and Assessment Plan currently describes the special benefit received by each Parcel within the PID as a result of the Major Improvements and Improvement Area #1 Improvements, provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments, and establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Major Improvements and Improvement Area #1 Improvements to Parcels in a manner that results in equal share of the Actual Cost being apportioned to Parcels similarly benefited. The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

As Future Improvement Areas are developed, then in connection with the issuance of Phased PID Bonds this Service and Assessment Plan will be updated based on the City's determination of the assessment methodology for each Future Improvement Area.

**B. Special Benefit**

Assessed Property must receive a direct and special benefit from the Authorized Improvements, and this benefit must be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described in line-item format on Table III-A and Table III-B to this Service and Assessment Plan) and the costs of issuance and payment of costs incurred in the establishment of the PID shown in Table IV-A are authorized by the Act.

Each of the owners of the Assessed Property has acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and has consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. Each of the owners is acting in its interest in consenting to this apportionment and levying of the Assessments because the special benefit conferred upon the Assessed Property by the Authorized Improvements exceeds the amount of the Assessments.

Pursuant to the Landowner's Agreement, each owner of the Assessed Property has ratified, confirmed, accepted, agreed to and approved; (i) the determinations and finding by the City Council as to the special benefits described in this Service and Assessment Plan and the Assessment Ordinance; (ii) the Service and Assessment Plan and the Assessment Ordinance, and (iii) the levying of Assessments on the Assessed Property. Use of the Assessed Property as described in this Service and Assessment Plan and as authorized by the Planned Development District Ordinance requires that Authorized Improvements be acquired, constructed, installed, and/or improved. Funding the Actual Costs through the PID has been determined by the City Council to be the most beneficial means of doing so. As a result, the Assessments result in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, information, and testimony provided to the City Council.

**C. Allocation of Actual Costs of Major Improvements**

The Major Improvements will provide a special benefit to Major Improvement Area Assessed Property and Improvement Area #1 Assessed Property. Accordingly, the Actual Costs of the Major Improvements must be allocated between Major Improvement Area Assessed Property and Improvement Area #1 Assessed Property based on the special benefit each receives. Table IV-A summarizes the allocation of Actual Costs for each Major Improvement. The costs shown in Table IV-A are estimates and may be revised in Annual Service Plan Updates, but may not result in increased Assessments without consent by each of the owners of the Parcels to the imposition of the increased Assessments to pay for the Actual Costs.

**D. Allocation of Actual Costs of Improvement Area #1 Authorized Improvements**

The Improvement Area #1 Improvements will provide a special benefit to Improvement Area #1 Assessed Property only. Accordingly, the Actual Costs of the Improvement Area #1 are allocated entirely to Improvement Area #1 Assessed Property based on the special benefit it receives.

Table IV-A summarizes the allocation of Actual Costs for each Improvement Area #1 Authorized Improvement. The costs shown in Table IV-A are estimates and may be revised in Annual Service Plan Updates, but may not result in increased Assessments without consent by each of the owners of the Parcels to the imposition of the increased Assessments to pay for the Actual Costs.

**E. Allocation of Actual Costs of Phased PID Bond Authorized Improvements**

As Future Improvement Areas are developed, then in connection with issuance of Phased PID Bonds this Service and Assessment Plan will be amended to identify the Authorized Improvements that confer a special benefit to property inside the Future Improvement Area resulting from the Phased PID Bond Authorized Improvements (e.g. Table IV-A will be amended to show the estimated allocation of Actual Costs for Improvement Area #2 Authorized Improvements, etc.).

**TABLE IV-A**  
**Allocation of Authorized Improvement Costs**

	Total Construction Cost (a)	Funded Through PID Bonds				Privately Funded Property in Whole (d)	
		Major Improvement PID Assessed Property (b)		Improvement Area #1 Assessed Property (c)		% Allocation	Share of Costs
		% Allocation	Share of Costs	% Allocation	Share of Costs		
<b>Major Improvements (Hard + Soft Costs)</b>							
Critical Infrastructure	\$ 14,810,709	85%	\$ 12,565,598	15%	2,245,112	0%	\$ -
Parks	2,146,726	85%	1,821,246	15%	325,480	0%	-
Entryway/Hardscape/Landscape	1,022,821	85%	867,744	15%	155,077	0%	-
<b>Total Major Improvements</b>	<b>\$ 17,980,256</b>	<b>85%</b>	<b>\$ 15,254,588</b>	<b>15%</b>	<b>\$ 2,725,669</b>		<b>\$ -</b>
<b>Improvement Area #1 Improvements that benefit Phase 1A and Phase 1B (e)</b>							
Major Improvements	\$ 1,163,663	0%	\$ -	100%	\$ 1,163,663	0%	\$ -
Critical Infrastructure	2,245,112	0%	-	100%	2,245,112	0%	-
Parks	325,480	0%	-	100%	325,480	0%	-
Entryway/Landscape/Hardscape	155,077	0%	-	100%	155,077	0%	-
	\$ 3,889,332		\$ -		\$ 3,889,332		\$ -
<b>Improvement Area #1 Improvements that only benefit Phase 1A (e)</b>							
Major Improvements	\$ 785,301	0%	\$ -	0%	\$ -	100%	\$ 785,301
Critical Infrastructure	1,515,120	0%	-	0%	-	100%	1,515,120
Parks	219,651	0%	-	0%	-	100%	219,651
Entryway/Landscape/Hardscape	104,654	0%	-	0%	-	100%	104,654
	\$ 2,624,727		\$ -		\$ -		\$ 2,624,727
<b>Total Improvement Area #1 Improvements</b>	<b>\$ 6,514,059</b>		<b>\$ -</b>		<b>\$ 3,889,332</b>		<b>\$ 2,624,727</b>
<b>PID Formation/Bond Cost of Issuance</b>							
Reserve Fund	\$ 2,343,888		\$ 1,989,000		\$ 354,888		\$ -
Capitalized Interest	1,565,498		1,346,062		219,436		-
Developer Ad Valorem Tax Payment	4,000		-		-		4,000
Original Discount	298,449		298,449		-		-
Cost of Issuance (f)	702,832		534,487		168,345		-
Underwriters Discount	635,415		467,415		168,000		-
<b>PID Formation/Bond Cost of Issuance</b>	<b>\$ 5,550,081</b>		<b>\$ 4,635,412</b>		<b>\$ 910,668</b>		<b>\$ 4,000</b>
<b>GRAND TOTAL</b>	<b>\$ 27,318,727</b>		<b>\$ 19,890,000</b>		<b>\$ 4,800,000</b>		<b>\$ 2,628,727</b>

- (a) See Table III-A and Table III-B for details. The PID Bond Issuance costs for each Bond are each 100% allocated to Assessed Property covered by the respective Bond issue. Costs include hard and soft costs (engineering and design fees, construction management and contingency). The figures shown are based on funds deposited into the Major Improvement Area Critical Infrastructure, Parks and Entryway/Landscape/Hardscape Subaccounts of the Major Improvement Area PID Bonds and IA#1 Improvement Account, Critical Infrastructure, Parks and Entryway/Landscape/Hardscape of the Improvement Area #1 Bonds.
- (b) It is currently estimated that approximately 85% of the total lots in the PID will be within the Major Improvement Area Assessed Property. Therefore, approximately 85% of Major Improvements, which benefit the entire PID, are allocated to Major Improvement Area Assessed Property. The MIA Bond pays for these costs. Thus benefitted properties in the MIA are assessed only for MIA Bonds. The percentage is rounded and is based on the actual amounts deposited into the MIA Trust Project Fund subaccounts divided by the sum of the Total Construction Cost.
- (c) The Improvement Area #1 Improvements only specially benefit Parcels within Improvement Area #1. Therefore no allocation is made to Major Improvement Area Assessed Property. The IA#1 Bonds pays for Authorized Improvement Costs attributable to approximately 15% of the Major Improvements (costs reflected in brown) and an additional \$1,163,663 in Critical Infrastructure for IA#1. Thus benefitted property in IA#1 are assessed only for IA#1 Bonds.
- (d) It is currently estimated that approximately 15% of the total lots within the PID will be within Improvement Area #1 Assessed Property. Therefore, approximately 15% of Major Improvements, which benefit the entire PID, are allocated to Improvement Area #1 Assessed Property. The Improvement Area #1 Improvements only specially benefit Parcels within Improvement Area #1. Therefore 100% allocation is made to Improvement Area #1 Assessed Property. The percentage is rounded and is based on the actual amounts deposited into the IA#1 Trust Project Fund subaccounts divided by the sum of the Total Construction Cost.
- (e) Improvement Area #1 Improvements that benefit Phase 1A only are paid entirely by the Developer.
- (f) Only Improvement Area #1 Improvements that benefit both Phase 1A and Phase 1B are allocated to Improvement Area #1 Assessed Property. Improvement Area #1 Improvements that benefit Phase 1A only are paid entirely by the Developer. The total amount of Developer-funded improvements (\$2,624,727) reflects the amount deposited into the Developer Improvement Trust Account of the IA#1 Bonds. The amount allocated to the different line items making up the total are estimates and will be revised in future Annual Updates.
- (g) Includes structuring fee and costs to create the District.

**F. Assessment Methodology**

The Actual Costs may be assessed by the City Council against the Assessed Property so long as the special benefit conferred upon the Assessed Property by the Authorized Improvements equals or exceeds the amount of the Assessments. The Actual Costs may be assessed using any methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited.

**1. Assessment Methodology for the Major Improvement Area**

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the portion of the Major Improvements to be financed with the Major Improvement Area Bonds shall be allocated to the Major Improvement Assessed Property by spreading the entire Assessment across all Parcels within the Major Improvement Area based on the ratio of the assessable area of each Parcel of Major Improvement Area Assessed Property to the total assessable area within the Major Improvement Area.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the assessable area of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the estimated average Lot value for the Lot Type at the time residential Lots are platted to the total value of all residential Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council. The result of this approach is that each final residential Lot within a recorded subdivision plat with similar values will have the same Assessment, with larger, more valuable Lots having a proportionately larger share of the Assessments than smaller, less valuable Lots. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption, and larger, more expensive homes are likely to be built on larger, more valuable lots.

The Assessment and Annual Installments for each Parcel or Lot located within the Major Improvement Area is shown on the Major Improvement Area Assessment Roll, attached as **Appendix A**, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

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

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the portion of the Improvement Area #1 Improvements and the portion of the Major Improvements to be financed with the Improvement Area #1 Bonds shall be allocated to the Improvement Area #1 Assessed Property by spreading the entire Assessment across all Parcels within the Improvement Area #1 based on the ratio of the assessable area of each Parcel to the total assessable area within Improvement Area #1.

Based on the estimates provided by Adams Engineering of the costs of the Improvement Area #1 Improvements and the portion of the Improvement Area #1 Improvements that benefit Phase 1B, as set forth in Table III-B, the City Council has determined that the benefit to Phase 1B property

of the Improvement Area #1 Improvements is at least equal to the Assessments levied on the Phase 1B property, and has further determined that, taking into consideration the Improvement Area #1 Improvement costs to be paid by the Developer and that Improvement Area #1 Improvement costs would have been less if they had not been designed to also benefit Phase 1B, Phase 1A and Phase 1B property should pay equal shares of the costs of the Improvement Area #1 Improvements that benefit both Phase 1A and Phase 1B.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the assessable area of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Lot Type based on the ratio of the estimated average Lot value for the Lot Type at the time the residential Lots are platted to the total value of residential Lots in the platted Parcel, as determined by the Administrator and confirmed by the City Council. The result of this approach is that each final residential Lot within a recorded subdivision plat with similar Lot values will have the same Assessment, with more valuable Lots having a proportionately larger share of the Assessments than less valuable Lots. As part of the determination as to the ability of different Lot Types to utilize and benefit from the Authorized Improvements, the City Council has taken into consideration that larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption and larger, more expensive homes are likely to be built on larger, more valuable lots.

The Assessment and Annual Installments for each Parcel or Lot located within Improvement Area #1 is shown on the Improvement Area #1 Assessment Roll, attached as Appendix B, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

### **3. Assessment Methodology for Future Improvement Areas**

When any given Future Improvement Area is developed, and Phased PID Bonds for that Future Improvement Area are to be issued, this Service and Assessment Plan will be amended to determine the assessment methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited within that Improvement Area.

#### **G. Assessments**

The Assessments for the Major Improvement Area Bonds and the Improvement Area #1 Bonds will be levied on each Parcel according to the Major Improvement Area Assessment Roll and the Improvement Area #1 Assessment Roll, attached hereto as Appendix A and Appendix B, respectively. The Annual Installments for the Major Improvement Area Bonds and the Improvement Area #1 Bonds will be collected on the dates and in the amounts shown on the Major Improvement Area Assessment Roll and the Improvement Area #1 Assessment Roll, respectively, subject to any revisions made during an Annual Service Plan Update.

#### **H. Administrative Expenses**

The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of Assessment levied against the Parcel. The Administrative Expenses shall be collected as part of and in the same manner as Annual

Installments in the amounts shown on the Major Improvement Area Assessment Roll and the Improvement Area #1 Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

As detailed in **Appendix A** and **Appendix B**, the expected annual administrative expenses for the PID are shown on **Table IV-B** below.

TABLE IV-B Annual Administrative Expenses				
Year Ending September 30	Major Improvement Area	Improvement Area #1	Total Administrative Expenses	
2017	\$ 42,745	\$ 10,316	\$ 53,060	
2018	43,600	10,522	54,122	
2019	44,472	10,732	55,204	
2020	45,361	10,947	56,308	
2021	46,268	11,166	57,434	
2022	47,194	11,389	58,583	
<b>Total</b>	<b>\$ 269,640</b>	<b>\$ 65,071</b>	<b>\$ 334,711</b>	

**I. Prepayment Reserve**

Pursuant to the PID Act, the interest rate for Assessments may exceed the actual interest rate per annum paid on the related Bonds by no more than one half of one percent (0.50%). The interest rate used to determine the Assessments is one half of one percent (0.50%) per annum higher than the actual rate paid on the Bonds, with 0.20% allocated to fund the associated interest charged between the date of prepayment of an Assessment and the date on which Bonds are prepaid, and 0.30% allocated to fund a delinquency reserve account as described below.

**J. Delinquency Reserve**

The City has allocated up to 0.30% of the interest rate component of the Annual Installments to offset any possible delinquent payments. The additional reserve shall be funded up to 10% of the next year’s debt service for the related Bonds, but in no event will the annual collection be more than 0.30% higher than the actual interest rate paid on the Bonds. If in a given year the additional reserve is fully funded at 10% of the next year’s debt service, the City can allocate up to 0.30% of the interest rate component of the Annual Installments to any other use that benefits the Assessed Property, as determined by the City Council.

## Section V

### SERVICE PLAN

The PID Act requires the service plan to cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during the five year period. It is anticipated that it will take approximately 24 months for the Major Improvements to be constructed and approximately 24 months for the Improvement Area #1 Improvements to be constructed. At some point after the Major Improvements and Improvement Area #1 Improvements are constructed, Improvement Area #2 will begin development. After Improvement Area #2 is developed, it is anticipated that Improvement Area #3 will begin development, and so on, with each Future Improvement Area to be subsequently developed corresponding to the Service and Assessment Plan to be updated with that development.

The estimated Actual Costs for Major Improvements and Improvement Area #1 Improvements plus costs related to the issuance of the Bonds, and payment of expenses incurred in the establishment, administration and operation of the PID is \$27,640,978 as shown in Table IV-A. The service plan shall be reviewed and updated at least annually at the first regularly scheduled City Council meeting in May of each year for the purpose of determining the annual budget for Administrative Expenses, updating the estimated Authorized Improvement costs, and updating the Assessment Roll. Any update to this Service and Assessment Plan is herein referred to as an "Annual Service Plan Update."

Table V-A summarizes the sources and uses of funds required to construct the Major Improvements and Improvement Area #1 Improvements, establish the PID, and issue the Improvement Area #1 PID Bonds and Major Improvement Area Bonds. The sources and uses of funds shown in Table V-A shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

As Future Improvement Areas are developed in connection with the issuance of Phased PID Bonds, this Service and Assessment Plan will be amended (e.g. Table V-A will be amended to add Improvement Area #2, etc.).

**TABLE V-A**  
**Sources and Uses of Funds**

Sources and Uses of Funds	Major Improvement Area Bonds	Improvement Area #1 Bonds and Developer Equity (*)	Summary
<b>Sources of Funds</b>			
Par Bond Amount	\$ 19,890,000	\$ 4,800,000	\$ 24,690,000
Original Issue Discount	\$ (298,449)	\$ -	\$ (298,449)
Developer Funds	\$ 3,360	\$ 2,625,367	\$ 2,628,727
<b>Total Sources of Funds</b>	<b>\$ 19,594,911</b>	<b>\$ 7,425,367</b>	<b>\$ 27,020,278</b>
<b>Uses of Funds</b>			
Deposit to Improvement Accounts of Project Fund	\$ 15,254,588	\$ 6,514,059	\$ 21,768,646
Deposit to Capitalized Interest Account of Bond Fund	\$ 1,346,062	\$ 219,436	\$ 1,565,498
Deposit to Reserve Fund	\$ 1,989,000	\$ 354,888	\$ 2,343,888
Cost of Issuance	\$ 534,487	\$ 168,345	\$ 702,832
Underwriters Discount	\$ 467,415	\$ 168,000	\$ 635,415
Property Tax Reserve Fund	\$ 3,360	\$ 640	\$ 4,000
<b>Total Uses of Funds</b>	<b>\$ 19,594,912</b>	<b>\$ 7,425,367</b>	<b>\$ 27,020,278</b>

(\*) The deposit into the Improvement Area #1 Improvement Accounts of the Project Fund at closing consists of two components: (1) Project Fund Bond proceeds totaling \$3,889,331.56, and (2) Project Fund Developer funds totaling \$2,624,727.00

The annual projected installments for both the Major Improvement Area bond and the Improvement Area #1 bond are shown by both Table V-B1 and Table V-B2. The annual projected installments are subject to revision and each shall be updated in the Annual Service Plan Update to reflect any changes in the indebtedness expected for each year.

**TABLE V-B1**  
**Annual Projected Installments –Major Improvement Area– Initial Bond Issue**

Year Ending September 30	Principal Payments	Interest Expense	Administrative Expenses	Prepayment Reserve	Delinquency Reserve	Capitalized Interest	Annual PID Installments
2017	\$ 970,000	\$ 1,321,663	\$ 42,745	\$ 39,380	\$ 59,070	\$ -	\$ 2,432,858
2018	1,120,000	1,258,613	43,600	1,280	92,320	-	2,515,813
2019	1,300,000	1,185,813	44,472	-	88,000	-	2,618,285
2020	1,400,000	1,101,313	45,361	-	81,500	-	2,628,174
2021	1,730,000	1,010,313	46,268	-	74,500	-	2,861,081
2022	1,855,000	895,700	47,194	-	65,850	-	2,863,744
<b>Total</b>	<b>\$ 8,375,000</b>	<b>\$ 6,773,415</b>	<b>\$ 269,640</b>	<b>\$ 40,660</b>	<b>\$ 461,240</b>	<b>\$ -</b>	<b>\$ 15,919,955</b>

Note: The Annual Projected Costs shown are the annual expenditures relating to the Major Improvement Area Authorized Improvements shown in Table III-A, the Improvement Area #1 Authorized Costs shown in Table III-B, and the costs associated with setting up the PID, issuance costs, interest reserves, and reserve fund requirements shown in Table V-A. The difference between the total projected cost and the total projected indebtedness is the amount contributed by the Developer. As Future Improvement Areas are developed, then in association with issuing Phased PID Bonds this Table V-B will be amended to identify the Phased PID Bond Authorized Improvements and the projected indebtedness resulting from the Phased PID Bonds.

**TABLE V-B2**  
**Annual Projected Installments –Improvement Area #1– Initial Bond Issue**

<b>Year Ending September 30</b>	<b>Principal Payments</b>	<b>Interest Expense</b>	<b>Administrative Expenses</b>	<b>Prepayment Reserve</b>	<b>Delinquency Reserve</b>	<b>Capitalized Interest</b>	<b>Annual PID Installments</b>
2017	\$ 85,000	\$ 268,850	\$ 10,316	\$ -	\$ -	\$ -	\$ 364,166
2018	90,000	264,600	10,522	-	-	-	365,122
2019	95,000	259,875	10,732	-	-	-	365,607
2020	100,000	254,888	10,947	-	-	-	365,835
2021	105,000	249,638	11,166	-	-	-	365,804
2022	110,000	244,125	11,389	-	-	-	365,514
<b>Total</b>	<b>\$ 585,000</b>	<b>\$ 1,541,976</b>	<b>\$ 65,071</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,192,047</b>

Note: The Annual Projected Costs shown are the annual expenditures relating to the Major Improvement Area Authorized Improvements shown in Table III-A, the Improvement Area #1 Authorized Costs shown in Table III-B, and the costs associated with setting up the PID, issuance costs, interest reserves, and reserve fund requirements shown in Table V-A. The difference between the total projected cost and the total projected indebtedness is the amount contributed by the Developer. As Future Improvement Areas are developed, then in association with issuing Phased PID Bonds this Table V-B will be amended to identify the Phased PID Bond Authorized Improvements and the projected indebtedness resulting from the Phased PID Bonds.

## Section VI

### TERMS OF THE ASSESSMENTS

**A. Amount of Assessments and Annual Installments for Parcels Located Within Major Improvement Area**

The Assessment and Annual Installments for each Assessed Property located within the Major Improvement Area is shown on the Major Improvement Area Assessment Roll, attached as **Appendix A**, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act. The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Major Improvement Area Bonds, to fund the prepayment reserve and delinquency reserve described in Section IV, and to cover Administrative Expenses of the Major Improvement Area.

**B. Amount of Assessments and Annual Installments for Parcels Located Within Improvement Area #1**

The Assessment and Annual Installments for each Assessed Property located within Improvement Area #1 is shown on the Improvement Area #1 Assessment Roll, attached as **Appendix B**, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act. The Annual Installments shall be collected in an amount sufficient to pay principal and interest on the Improvement Area #1 Bonds, to fund the prepayment reserve and delinquency reserve described in Section IV, and to cover Administrative Expenses of Improvement Area #1.

**C. Amount of Assessments and Annual Installments for Parcels Located Within Future Improvement Areas**

As Future Improvement Areas are developed, this Service and Assessment Plan will be amended to determine the Assessment and Annual Installments for each Assessed Property located within Future Improvement Areas (e.g. an Appendix will be added as the Assessment Roll for Improvement Area #2, etc.). The Assessments shall not exceed the benefit received by the Assessed Property.

**D. Reallocation of Assessments for Parcels Located Within the Major Improvement Area and Improvement Area #1**

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

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

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

Where the terms have the following meanings:

A = the Assessment for the new divided Assessed Property

B = the Assessment for the Assessed Property prior to division

C = the acreage of the new divided Assessed Property

D = the sum of the acreage for all of the new divided Assessed Properties

The calculation of the acreage of an Assessed Property shall be performed by the Administrator based on information available in the Official Public Records of Travis County, Texas regarding the Assessed Property. The calculation as confirmed by the City Council shall be conclusive.

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in an update to this Service and Assessment Plan approved by the City Council. A hypothetical example of how assessments are reallocated upon division prior to the recording of a subdivision Plat is attached as [Appendix C](#).

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

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

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

Where the terms have the following meanings:

A = the Assessment for the new subdivided Lot

B = the Assessment for the Parcel prior to subdivision

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

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

E = the number of Lots with same Lot Type

Prior to the recording of a subdivision plat, the Developer shall provide the City an estimated Lot 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 Lot value and any other information available to the Developer. The calculation of the estimated average Lot value for a Lot shall be performed by the Administrator and confirmed by the City Council based on information provided by the Developer, homebuilders, third party consultants, and/or the Official Public Records of Travis County, Texas regarding the Lot.

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

A hypothetical example of how assessments are reallocated upon subdivision by a subdivision plat is attached as **Appendix D.**

### **3. Upon Consolidation**

Upon the consolidation of two or more Assessed Properties, the Assessment for the consolidated Assessed Property shall be the sum of the Assessments for the Assessed Properties prior to consolidation. The reallocation of an Assessment for an Assessed Properties that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be calculated by the Administrator and reflected in an update to this Service and Assessment Plan approved by the City Council.

### **E. Reallocation of Assessments for Parcels Located Within Future Improvement Areas**

As Future Improvement Areas are developed, this Service and Assessment Plan will be amended to determine the assessment reallocation methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited within each Future Improvement Area.

### **F. Mandatory Prepayment of Assessments**

If Assessed Property or portion thereof is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel or portion thereof to become Non-Benefited Property, the owner of such Parcel or portion thereof shall pay to the Administrator the full amount of the Assessment, plus all Prepayment Costs, for such Parcel or portion thereof prior to any such transfer or act; provided, however that such mandatory prepayment of assessment shall not be required for portions of a Parcel that are dedicated for use as internal roads, parks and other similar, public improvements prior to the recording of the plat for a Parcel that has been subdivided, in which case the Assessment that was allocated to that

certain Parcel in which the public improvement is located will be reallocated to similarly benefitted Parcels, as more fully described in Section VI.D; provided, however, that reallocation of an Assessment for a Parcel that is a homestead under Texas Law may not exceed the Assessment prior to reallocation.

**G. Reduction of Assessments**

1. If after all Authorized Improvements to be funded with a series of Bonds have been completed, including any additional Authorized Improvements described in Section VI.J and Section VI.K, and Actual Costs for such Authorized Improvements are less than the Actual Costs used to calculate the Assessments securing such series of Bonds, resulting in excess Bond proceeds being available to redeem Bonds of such series, then the Assessment securing such series of Bonds for each Assessed Property shall be reduced by the City Council prorate such that the sum of the resulting reduced Assessments for all Assessed Properties equals the actual reduced Actual Costs and such excess Bond proceeds shall applied to redeem Bonds of such series. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds.
2. If the Authorized Improvements to be funded with a series of Bonds, including any additional Authorized Improvements described in Section VI.J and Section VI.K, are not undertaken by the City, resulting in excess Bond proceeds being available to redeem Bonds of such series, the Assessment securing such series of Bonds for each Assessed Property shall be reduced by the City Council to reflect only the Actual Costs that were expended and such excess Bond proceeds shall be applied to redeem Bonds of such series. The City Council shall reduce such Assessments for each Assessed Property prorate such that the sum of the resulting reduced Assessments equals the Actual Costs with respect to such Authorized Improvements that were undertaken. The Assessments shall not be reduced to an amount less than the related outstanding series of Bonds.

**H. Payment of Assessments**

**1. Payment in Full**

- (a) The Assessment for any Parcel may be paid in full at any time in accordance with applicable laws. Payment shall include all Prepayment Costs. If prepayment in full will result in redemption of Bonds, the payment amount shall receive credit from any proceeds from the reserve fund applied to the redemption under the Indenture, net of any other costs applicable to the redemption of Bonds.
- (b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.
- (c) Upon payment in full of an Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the related Indenture; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the

Assessment and Annual Installments thereof shall automatically terminate. The City shall provide the owner of the affected Assessed Property a recordable "Notice of PID Assessment Termination."

- (d) At the option of the Parcel owner, the Assessment on any Parcel may be paid in part in an amount equal to the amount of prepaid Assessments plus Prepayment Costs with respect thereto. Upon the payment of such amount for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

## **2. Payment in Annual Installments**

The Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the Act authorizes the City to collect interest and collection costs on the outstanding Assessment. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown in the Major Improvement Area Assessment Roll and Improvement Area #1 Assessment Roll, which includes interest on the outstanding Assessment and Administrative Expenses.

Each Assessment for a Future Improvement Area shall bear interest at a rate of interest on the Bonds approved and issued by the City to fund all or a portion of the Authorized Improvements for such Future Improvement Area plus up to 0.5%. The Annual Installments as listed on the Major Improvement Area Assessment Roll and Improvement Area #1 Assessment Roll have been calculated assuming a weighted average interest rate on the Bonds of 6.75% and 5.88%, respectively. The Annual Installments may not exceed the amounts shown on the Major Improvement Area Assessment Roll and Improvement Area #1 Assessment Roll except as pursuant to any amendment or update to this Service and Assessment Plan.

The Annual Installments shall be reduced to equal the actual costs of repaying the related series of Bonds and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

The City reserves and shall have the right and option to refund the Bonds in accordance with Section 372.027 of the PID Act. In the event of such refunding, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of the Annual Installment so that total Annual Installments of Assessments will be produced in annual amounts that are required to pay the refunding bonds when due and payable as required by and established in the ordinance and/or the indenture authorizing and securing the refunding bonds, and such refunding bonds shall constitute "Bonds" for purposes of this Service and Assessment Plan.

**I. Collection of Annual Installments**

No less frequently than annually, the Administrator shall prepare, and submit to the City Council for its approval; an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Major Improvement Area Assessment Roll and Improvement Area #1 Assessment Roll and a calculation of the Annual Installment for each Assessed Property. Administrative Expenses shall be allocated among Assessed Properties in proportion to the amount of the Annual Installments for the Assessed Property. Each Annual Installment shall be reduced by any credits applied under the applicable Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose, and existing deposits for a prepayment reserve. Annual Installments may be collected by the City (or such entity to whom the City directs) in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the PID Act. The City Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the PID Act.

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

Each Annual Installment, including the interest on the unpaid amount of an Assessment, shall be assessed on September 1 and shall be due on October 1 of that year. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year.

Annual Installments are the personal obligation of the person who owns or acquires the Assessed Property on September 1 of the year for which the annual installment is imposed. The annual installment imposed as of September 1 of the current year is for the upcoming year's payment. A person is not relieved of the obligation because he or she no longer owns the Assessed Property.

**J. Surplus Funds Remaining in Major Improvement Area Bond Account**

If Major Improvement Area Bond proceeds still remain after all of the Major Improvements are constructed and accepted by the City, the proceeds may be utilized to finance other Authorized Improvements that specially benefit all Major Improvement Area Assessed Property.

**K. Surplus Funds Remaining in Improvement Area #1 Bond Account**

If Improvement Area #1 Bond proceeds still remain after all of the Improvement Area #1 Improvements (including Improvement Area #1's share of the Major Improvements) are constructed and accepted by the City, the proceeds may be utilized to finance other Authorized Improvements that specially benefit all Improvement Area #1 Assessed Property.

## Section VII

### THE ASSESMENT ROLL

#### A. Major Improvement Area Assessment Roll

Each Parcel within the Major Improvement Area has been evaluated by the City Council (based on the Planned Development District Ordinance, developable area, proposed Homeowner Association Property and Public Property, the Major Improvements, best and highest use of land, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within the Parcel.

Major Improvement Area Assessed Property will be assessed for the special benefits conferred upon the property because of the Major Improvements. Table IV-A summarizes the \$19,890,000 in special benefit received by Major Improvement Area Assessed Property from the Major Improvements, the costs of the PID formation, and Bond issuance costs. The amount of Major Improvement Area Bonds is \$19,890,000, which is equal to the benefit received by Major Improvement Area Assessed Property, and as such the total Assessment for all Assessed Property within the Major Improvement Area is \$19,890,000 plus annual Administrative Expenses. The Assessment for each Assessed Property within the Major Improvement Area is calculated based on the allocation methodologies described in Section IV.F of this Service and Assessment Plan. The Major Improvement Area Assessment Roll is attached hereto as Appendix A.

#### B. Improvement Area #1 Assessment Roll

Each Parcel within Improvement Area #1 has been evaluated by the City Council (based on the Planned Development District Ordinance, developable area, proposed Homeowner Association Property and Public Property, the Improvement Area #1 Improvements, a proportionate share of the Major Improvements, best and highest use of land, and other development factors deemed relevant by the City Council) to determine the amount of Assessed Property within the Parcel.

Improvement Area #1 Assessed Property will be assessed for the special benefits conferred upon the property because of the Improvement Area #1 Improvements that benefit Phase 1A and Phase 1B, and a proportionate share of the Major Improvements. Table IV-A summarizes the \$6,514,059 in special benefit received by Improvement Area #1 Assessed Property from the Improvement Area #1 Improvements that benefit Phase 1A and 1B, a proportionate share of the Major Improvements, the costs of the PID formation, and Bond issuance costs. The amount of Improvement Area #1 Bonds is \$4,800,000, which is less than the benefit received by Improvement Area #1 Assessed Property, and as such the total assessment for all Assessed Property within Improvement Area #1 is \$4,800,000 plus annual Administrative Expenses. The Assessment for each Assessed Property within Improvement Area #1 is calculated based on the allocation methodologies described in Section IV.F of this Service and Assessment Plan. The Improvement Area #1 Assessment Roll is attached hereto as Appendix B.

**C. Future Improvement Area Assessment Roll**

As Future Improvement Areas are developed, this Service and Assessment Plan will be amended to determine the Assessment for each Parcel located within Future Improvement Areas (e.g. an appendix will be added as the Assessment Roll for Improvement Area #2, etc.).

**D. Annual Assessment Roll Updates**

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Major Improvement Area Assessment Roll and Improvement Area #1 Assessment Roll in conjunction with the Annual Service Plan Update to reflect the following matters, together with any other changes helpful to the Administrator or the City and permitted by the Act: (i) the identification of each Parcel (ii) the Assessment for each Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.H of this Service and Assessment Plan.

Once Bonds are issued in addition to the Major Improvement Area Bonds and the Improvement Area #1 Bonds, the Assessment Roll shall be updated, which update may be done in the next Annual Service Plan Update, to reflect any changes resulting from the issuance of the Bonds. This update shall reflect the actual interest on the Bonds on which the Annual Installments shall be paid, any reduction in the Assessments, and any revisions in the Actual Costs to be funded by the Bonds and Developer funds.

**E. Replatted Lots in Improvement Area #1 Along Tessera Pkwy.**

Recently lots located within Improvement Area #1 along Tessera Parkway were re-platted from two (2) (Final Plat – 14 in Preliminary Plat) lots to eleven (11) lots as approved by City Council on September 1, 2016. These were not included with this updated Service and Assessment Plan but will be included in the next update of the Service and Assessment Plan, including Appendices G, H, I & J.

## Section VIII

### MISCELLANEOUS PROVISIONS

#### A. Administrative Review

The City may elect to designate a third party to serve as Administrator. The City shall notify Developer in writing at least thirty (30) days in advance before appointing a third party Administrator.

To the extent consistent with the PID Act, an owner of an Assessed Property claiming that a calculation error has been made in the Major Improvement Area Assessment Roll and/or Improvement Area #1 Assessment Roll, including the calculation of the Annual Installment, must send a written notice describing the error to the City no later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. If an owner fails to give such notice, such owner shall be deemed to have accepted the calculation of the Major Improvement Assessment Roll and/or Improvement Area #1 Assessment Roll (including the Annual Installments) and to have waived any objection to the calculation. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Property owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Major Improvement Area Assessment Roll and/or Improvement Area #1 Assessment Roll should be modified or changed in favor of the Assessed Parcel owner, such change or modification shall be presented to the City Council for approval, to the extent permitted by the PID Act. A cash refund may not be made for any amount previously paid by the Assessed Parcel owner (except for the final year during which the Annual Installment shall be collected), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Major Improvement Area Assessment Roll and/or Improvement Area #1 Assessment Roll may be appealed to the City Council for determination. Any amendments made to the Major Improvement Area Assessment Roll and/or Improvement Area #1 Assessment Roll pursuant to calculation errors shall be made pursuant to the PID Act.

#### B. Termination of Assessments

Each Assessment shall terminate on the date the Assessment is paid in full, including payment of any unpaid Annual Installments and Delinquent Collection Costs, if any. After the termination of an Assessment, and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the City shall provide the owner of the affected Parcel a recordable "Notice of the PID Assessment Termination."

**C. Amendments**

Amendments to the Service and Assessment Plan can be made as permitted or required by the PID Act and under Texas law.

**D. Administration and Interpretation of Provisions**

The City Council shall administer (or cause the administration of) the PID, this Service and Assessment Plan, and all Annual Service Plan Updates consistent with the PID Act, and shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein or in the Indenture, such determinations shall be conclusive.

**E. Severability**

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

If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the City.

# Appendix A

## Major Improvement Area Assessment Roll

Appendix A  
Assessment by Parcel

Parcel	Gross		Estimated		Major Improvement		Assessment per Assessable Acre
	Acres	Acres	Assessable Acres	Area Bond Assessment	Assessment	Assessable Acre	
Tessera Phase 2 PID Tract	141.26	101.60	101.60	4,673,506.01		45,999.07	
Tessera Phase 3 PID Tract	165.92	80.50	80.50	3,702,925.53		45,999.07	
Tessera Phase 4 PID Tract	84.88	64.47	64.47	2,965,560.36		45,999.07	
Tessera Phase 4A PID Tract	5.23	5.23	5.23	240,575.16		45,999.07	
Tessera Phase 5 PID Tract	167.67	126.10	126.10	5,800,483.35		45,999.07	
Tessera Phase 6 PID Tract	91.09	51.90	51.90	2,387,351.99		45,999.07	
Tessera Phase 6A PID Tract	2.60	2.60	2.60	119,597.59		45,999.07	
<b>Total</b>	<b>658.65</b>	<b>432.40</b>	<b>432.40</b>	<b>19,890,000.00</b>			

**PRELIMINARY AND SUBJECT TO CHANGE.**

Legal descriptions for each Parcel in the Major Improvement Area are shown in Appendix E.  
Assessment for Administrative Expenses is shown in Annual Installment schedules for each Parcel.

Appendix A  
Annual Installments – ALL PARCELS

Installment Due Date (a)	Major Improvement Area Bonds			Administrative Expenses (d)	Prepayment Reserve	Delinquency Reserve	Annual Installment
	Principal	Interest (b)	Net Debt Service (c)				
01/31/13	\$ -	\$ 1,060,315.00	\$ 1,060,315.00	\$ -	\$ -	\$ -	\$ 1,060,315.00
01/31/14	\$ -	\$ 1,334,663.00	\$ 1,334,663.00	\$ 40,279.47	\$ 39,780.00	\$ 59,670.00	\$ 1,474,392.47
01/31/15	\$ -	\$ 1,334,663.00	\$ 1,334,663.00	\$ 41,085.05	\$ 39,780.00	\$ 59,670.00	\$ 1,475,198.05
01/31/16	\$ 200,000.00	\$ 1,334,663.00	\$ 1,534,663.00	\$ 41,906.76	\$ 39,780.00	\$ 59,670.00	\$ 1,676,019.76
01/31/17	\$ 970,000.00	\$ 1,321,663.00	\$ 2,291,663.00	\$ 42,744.89	\$ 39,380.00	\$ 59,070.00	\$ 2,432,857.89
01/31/18	\$ 1,120,000.00	\$ 1,258,613.00	\$ 2,378,613.00	\$ 43,599.79	\$ 1,280.00	\$ 92,320.00	\$ 2,515,812.79
01/31/19	\$ 1,300,000.00	\$ 1,185,813.00	\$ 2,485,813.00	\$ 44,471.78	\$ -	\$ 88,000.00	\$ 2,618,284.78
01/31/20	\$ 1,400,000.00	\$ 1,101,313.00	\$ 2,501,313.00	\$ 45,361.22	\$ -	\$ 81,500.00	\$ 2,628,174.22
01/31/21	\$ 1,730,000.00	\$ 1,010,313.00	\$ 2,740,313.00	\$ 46,268.44	\$ -	\$ 74,500.00	\$ 2,861,081.44
01/31/22	\$ 1,855,000.00	\$ 895,700.00	\$ 2,750,700.00	\$ 47,193.81	\$ -	\$ 65,850.00	\$ 2,863,743.81
01/31/23	\$ 1,975,000.00	\$ 772,806.00	\$ 2,747,806.00	\$ 48,137.69	\$ -	\$ 56,575.00	\$ 2,852,518.69
01/31/24	\$ 2,105,000.00	\$ 639,494.00	\$ 2,744,494.00	\$ 49,100.44	\$ -	\$ 46,700.00	\$ 2,840,294.44
01/31/25	\$ 2,250,000.00	\$ 497,406.00	\$ 2,747,406.00	\$ 50,082.45	\$ -	\$ 36,175.00	\$ 2,833,663.45
01/31/26	\$ 2,405,000.00	\$ 342,719.00	\$ 2,747,719.00	\$ 51,084.10	\$ -	\$ 24,925.00	\$ 2,823,728.10
01/31/27	\$ 2,580,000.00	\$ 177,375.00	\$ 2,757,375.00	\$ 52,105.78	\$ -	\$ 12,900.00	\$ 2,822,380.78
	\$ 19,890,000.00	\$ 14,267,519.00	\$ 34,157,519.00	\$ 643,421.69	\$ 160,000.00	\$ 817,525.00	\$ 35,778,465.69

**PRELIMINARY AND SUBJECT TO CHANGE.**

(a) The 1/31/XX dates represent Installment due dates for the Bonds which are intended to cover the March 1 and September 1 payments.

(b) Gross of Capitalized Interest.

(c) Does not include reserve fund earnings or any other funds which could reduce net debt service.

(d) Preliminary Estimate. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

Appendix A  
Annual Installments – Tessera Phase 2 PID Tract

Installment Due Date (a)	Major Improvement Area Bonds			Administrative Expenses (d)	Prepayment Reserve	Delinquency Reserve	Annual Installment
	Principal	Interest (b)	Net Debt Service (c)				
01/31/13	\$ -	\$ 249,139.69	\$ 249,139.69	\$ -	\$ -	\$ -	\$ 249,139.69
01/31/14	\$ -	\$ 313,602.59	\$ 313,602.59	\$ 9,464.37	\$ 9,347.01	\$ 14,020.52	\$ 346,434.49
01/31/15	\$ -	\$ 313,602.59	\$ 313,602.59	\$ 9,653.66	\$ 9,347.01	\$ 14,020.52	\$ 346,623.78
01/31/16	\$ 46,993.52	\$ 313,602.59	\$ 360,596.12	\$ 9,846.73	\$ 9,347.01	\$ 14,020.52	\$ 393,810.38
01/31/17	\$ 227,918.59	\$ 310,548.01	\$ 538,466.61	\$ 10,043.67	\$ 9,253.02	\$ 13,879.54	\$ 571,642.83
01/31/18	\$ 263,163.74	\$ 295,733.30	\$ 558,897.04	\$ 10,244.54	\$ 300.76	\$ 21,692.21	\$ 591,134.55
01/31/19	\$ 305,457.91	\$ 278,627.66	\$ 584,085.57	\$ 10,449.43	\$ -	\$ 20,677.15	\$ 615,212.15
01/31/20	\$ 328,954.67	\$ 258,772.90	\$ 587,727.57	\$ 10,658.42	\$ -	\$ 19,149.86	\$ 617,535.85
01/31/21	\$ 406,493.99	\$ 237,390.84	\$ 643,884.83	\$ 10,871.59	\$ -	\$ 17,505.09	\$ 672,261.51
01/31/22	\$ 435,864.94	\$ 210,460.50	\$ 646,325.44	\$ 11,089.02	\$ -	\$ 15,472.62	\$ 672,887.08
01/31/23	\$ 464,061.05	\$ 181,584.39	\$ 645,645.44	\$ 11,310.80	\$ -	\$ 13,293.29	\$ 670,249.53
01/31/24	\$ 494,606.85	\$ 150,260.38	\$ 644,867.23	\$ 11,537.01	\$ -	\$ 10,972.99	\$ 667,377.23
01/31/25	\$ 528,677.15	\$ 116,874.31	\$ 645,551.46	\$ 11,767.75	\$ -	\$ 8,499.95	\$ 665,819.16
01/31/26	\$ 565,097.13	\$ 80,527.87	\$ 645,625.00	\$ 12,003.11	\$ -	\$ 5,856.57	\$ 663,484.68
01/31/27	\$ 606,216.47	\$ 41,677.38	\$ 647,893.85	\$ 12,243.17	\$ -	\$ 3,031.08	\$ 663,168.10
	\$ 4,673,506.01	\$ 3,352,405.02	\$ 8,025,911.03	\$ 151,183.26	\$ 37,594.82	\$ 192,091.91	\$ 8,406,781.02

**PRELIMINARY AND SUBJECT TO CHANGE.**

(a) The 1/31/XX dates represent installment due dates for the Bonds which are intended to cover the March 1 and September 1 payments.

(b) Gross of Capitalized Interest.

(c) Does not include reserve fund earnings or any other funds which could reduce net debt service.

(d) Preliminary Estimate. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

Appendix A  
Annual Installments – Tessera Phase 3 PID Tract

Installment Due Date (a)	Major Improvement Area Bonds			Administrative Expenses (d)	Prepayment Reserve	Delinquency Reserve	Annual Installment
	Principal	Interest (b)	Debt Service (c)				
01/31/13	\$ -	\$ 197,399.07	\$ 197,399.07	\$ -	\$ -	\$ -	\$ 197,399.07
01/31/14	\$ -	\$ 248,474.49	\$ 248,474.49	\$ 7,498.84	\$ 7,405.85	\$ 11,108.78	\$ 274,487.96
01/31/15	\$ -	\$ 248,474.49	\$ 248,474.49	\$ 7,648.81	\$ 7,405.85	\$ 11,108.78	\$ 274,637.94
01/31/16	\$ 37,234.04	\$ 248,474.49	\$ 285,708.54	\$ 7,801.79	\$ 7,405.85	\$ 11,108.78	\$ 312,024.95
01/31/17	\$ 180,585.11	\$ 246,054.28	\$ 426,639.39	\$ 7,957.83	\$ 7,331.38	\$ 10,997.07	\$ 452,925.67
01/31/18	\$ 208,510.64	\$ 234,316.25	\$ 442,826.89	\$ 8,116.98	\$ 238.30	\$ 17,187.23	\$ 468,369.40
01/31/19	\$ 242,021.28	\$ 220,763.06	\$ 462,784.34	\$ 8,279.32	\$ -	\$ 16,382.98	\$ 487,446.64
01/31/20	\$ 260,638.30	\$ 205,031.68	\$ 465,669.97	\$ 8,444.91	\$ -	\$ 15,172.87	\$ 489,287.75
01/31/21	\$ 322,074.47	\$ 188,090.19	\$ 510,164.65	\$ 8,613.81	\$ -	\$ 13,869.68	\$ 532,648.14
01/31/22	\$ 345,345.74	\$ 166,752.66	\$ 512,098.40	\$ 8,786.08	\$ -	\$ 12,259.31	\$ 533,143.80
01/31/23	\$ 367,686.17	\$ 143,873.46	\$ 511,559.63	\$ 8,961.80	\$ -	\$ 10,532.58	\$ 531,054.01
01/31/24	\$ 391,888.30	\$ 119,054.73	\$ 510,943.03	\$ 9,141.04	\$ -	\$ 8,694.15	\$ 528,778.22
01/31/25	\$ 418,882.98	\$ 92,602.18	\$ 511,485.16	\$ 9,323.86	\$ -	\$ 6,734.71	\$ 527,543.73
01/31/26	\$ 447,739.36	\$ 63,804.07	\$ 511,543.43	\$ 9,510.34	\$ -	\$ 4,640.29	\$ 525,694.06
01/31/27	\$ 480,319.15	\$ 33,021.94	\$ 513,341.09	\$ 9,700.54	\$ -	\$ 2,401.60	\$ 525,443.23
	\$ 3,702,925.53	\$ 2,656,187.05	\$ 6,359,112.58	\$ 119,785.95	\$ 29,787.23	\$ 152,198.80	\$ 6,660,884.57

PRELIMINARY AND SUBJECT TO CHANGE.

(a) The 1/31/XX dates represent Installment due dates for the Bonds which are intended to cover the March 1 and September 1 payments.

(b) Gross of Capitalized Interest.

(c) Does not include reserve fund earnings or any other funds which could reduce net debt service.

(d) Preliminary Estimate. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

Appendix A  
Annual Installments – Tesserera Phase 4 PID Tract

Installment Due Date (a)	Major Improvement Area Bonds			Administrative Expenses (d)	Prepayment Reserve	Delinquency Reserve	Annual Installment
	Principal	Interest (b)	Debt Service (c)				
01/31/13	\$ -	\$ 158,090.91	\$ 158,090.91	\$ -	\$ -	\$ -	\$ 158,090.91
01/31/14	\$ -	\$ 198,995.66	\$ 198,995.66	\$ 6,005.59	\$ 5,931.12	\$ 8,896.68	\$ 219,829.05
01/31/15	\$ -	\$ 198,995.66	\$ 198,995.66	\$ 6,125.70	\$ 5,931.12	\$ 8,896.68	\$ 219,949.16
01/31/16	\$ 29,819.61	\$ 198,995.66	\$ 228,815.27	\$ 6,248.22	\$ 5,931.12	\$ 8,896.68	\$ 249,891.29
01/31/17	\$ 144,625.12	\$ 197,057.39	\$ 341,682.50	\$ 6,373.18	\$ 5,871.48	\$ 8,807.22	\$ 362,734.39
01/31/18	\$ 166,989.82	\$ 187,656.75	\$ 354,646.58	\$ 6,500.64	\$ 190.85	\$ 13,764.73	\$ 375,102.80
01/31/19	\$ 193,827.47	\$ 176,802.41	\$ 370,629.89	\$ 6,630.66	\$ -	\$ 13,120.63	\$ 390,381.17
01/31/20	\$ 208,737.28	\$ 164,203.63	\$ 372,940.91	\$ 6,763.27	\$ -	\$ 12,151.49	\$ 391,855.67
01/31/21	\$ 257,939.64	\$ 150,635.71	\$ 408,575.34	\$ 6,898.54	\$ -	\$ 11,107.81	\$ 426,581.69
01/31/22	\$ 276,576.90	\$ 133,547.13	\$ 410,124.03	\$ 7,036.51	\$ -	\$ 9,818.11	\$ 426,978.64
01/31/23	\$ 294,468.66	\$ 115,223.87	\$ 409,692.54	\$ 7,177.24	\$ -	\$ 8,435.22	\$ 425,305.00
01/31/24	\$ 313,851.41	\$ 95,347.31	\$ 409,198.72	\$ 7,320.78	\$ -	\$ 6,962.88	\$ 423,482.38
01/31/25	\$ 335,470.63	\$ 74,162.27	\$ 409,632.90	\$ 7,467.20	\$ -	\$ 5,393.62	\$ 422,493.72
01/31/26	\$ 358,580.83	\$ 51,098.74	\$ 409,679.57	\$ 7,616.54	\$ -	\$ 3,716.27	\$ 421,012.37
01/31/27	\$ 384,672.99	\$ 26,446.27	\$ 411,119.26	\$ 7,768.87	\$ -	\$ 1,923.36	\$ 420,811.49
	\$ 2,965,560.36	\$ 2,127,259.37	\$ 5,092,819.73	\$ 95,932.92	\$ 23,855.69	\$ 121,891.39	\$ 5,334,499.73

**PRELIMINARY AND SUBJECT TO CHANGE.**

(a) The 1/31/XX dates represent installment due dates for the Bonds which are intended to cover the March 1 and September 1 payments.

(b) Gross of Capitalized Interest.

(c) Does not include reserve fund earnings or any other funds which could reduce net debt service.

(d) Preliminary Estimate. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

Appendix A  
Annual Installments – Tessera Phase 4A PID Tract

Installment Due Date (a)	Major Improvement Area Bonds			Administrative Expenses (d)	Prepayment Reserve	Delinquency Reserve	Annual Installment
	Principal	Interest (b)	Debt Service (c)				
01/31/13	\$ -	\$ 12,824.81	\$ 12,824.81	\$ -	\$ -	\$ -	\$ 12,824.81
01/31/14	\$ -	\$ 16,143.13	\$ 16,143.13	\$ 487.19	\$ 481.15	\$ 721.73	\$ 17,833.19
01/31/15	\$ -	\$ 16,143.13	\$ 16,143.13	\$ 496.94	\$ 481.15	\$ 721.73	\$ 17,842.94
01/31/16	\$ 2,419.06	\$ 16,143.13	\$ 18,562.18	\$ 506.87	\$ 481.15	\$ 721.73	\$ 20,271.93
01/31/17	\$ 11,732.42	\$ 15,985.89	\$ 27,718.31	\$ 517.01	\$ 476.31	\$ 714.47	\$ 29,426.10
01/31/18	\$ 13,546.72	\$ 15,223.28	\$ 28,770.00	\$ 527.35	\$ 15.48	\$ 1,116.64	\$ 30,429.47
01/31/19	\$ 15,723.87	\$ 14,342.74	\$ 30,066.61	\$ 537.90	\$ -	\$ 1,064.38	\$ 31,668.89
01/31/20	\$ 16,933.40	\$ 13,320.69	\$ 30,254.09	\$ 548.66	\$ -	\$ 985.77	\$ 31,788.51
01/31/21	\$ 20,924.84	\$ 12,220.02	\$ 33,144.86	\$ 559.63	\$ -	\$ 901.10	\$ 34,605.59
01/31/22	\$ 22,436.75	\$ 10,833.74	\$ 33,270.49	\$ 570.82	\$ -	\$ 796.47	\$ 34,637.79
01/31/23	\$ 23,888.18	\$ 9,347.31	\$ 33,235.49	\$ 582.24	\$ -	\$ 684.29	\$ 34,502.02
01/31/24	\$ 25,460.57	\$ 7,734.86	\$ 33,195.43	\$ 593.88	\$ -	\$ 564.85	\$ 34,354.16
01/31/25	\$ 27,214.38	\$ 6,016.27	\$ 33,230.65	\$ 605.76	\$ -	\$ 437.55	\$ 34,273.96
01/31/26	\$ 29,089.15	\$ 4,145.28	\$ 33,234.44	\$ 617.88	\$ -	\$ 301.47	\$ 34,153.79
01/31/27	\$ 31,205.83	\$ 2,145.40	\$ 33,351.23	\$ 630.23	\$ -	\$ 156.03	\$ 34,137.49
	\$ 240,575.16	\$ 172,569.67	\$ 413,144.83	\$ 7,782.37	\$ 1,935.25	\$ 9,888.20	\$ 432,750.64

**PRELIMINARY AND SUBJECT TO CHANGE.**

- (a) The 1/31/XX dates represent Installment due dates for the Bonds which are intended to cover the March 1 and September 1 payments.
- (b) Gross of Capitalized Interest.
- (c) Does not include reserve fund earnings or any other funds which could reduce net debt service.
- (d) Preliminary Estimate. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

**Appendix A**  
**Annual Installments – Tessera Phase 5 PID Tract**

Installment Due Date (a)	Major Improvement Area Bonds			Administrative Expenses (d)	Prepayment Reserve	Delinquency Reserve	Annual Installment
	Principal	Interest (b)	Debt Service (c)				
01/31/13	\$ -	\$ 309,217.67	\$ 309,217.67	\$ -	\$ -	\$ -	\$ 309,217.67
01/31/14	\$ -	\$ 389,225.26	\$ 389,225.26	\$ 11,746.62	\$ 11,600.97	\$ 17,401.45	\$ 429,974.31
01/31/15	\$ -	\$ 389,225.26	\$ 389,225.26	\$ 11,981.56	\$ 11,600.97	\$ 17,401.45	\$ 430,209.24
01/31/16	\$ 58,325.62	\$ 389,225.26	\$ 447,550.89	\$ 12,221.19	\$ 11,600.97	\$ 17,401.45	\$ 488,774.49
01/31/17	\$ 282,879.28	\$ 385,434.10	\$ 668,313.38	\$ 12,465.61	\$ 11,484.32	\$ 17,226.47	\$ 709,489.78
01/31/18	\$ 326,623.50	\$ 367,046.95	\$ 693,670.44	\$ 12,714.92	\$ 373.28	\$ 26,923.11	\$ 733,681.76
01/31/19	\$ 379,116.56	\$ 345,816.42	\$ 724,932.98	\$ 12,969.22	\$ -	\$ 25,663.27	\$ 763,565.47
01/31/20	\$ 408,279.37	\$ 321,173.84	\$ 729,453.21	\$ 13,228.61	\$ -	\$ 23,767.69	\$ 766,449.51
01/31/21	\$ 504,516.65	\$ 294,635.68	\$ 799,152.33	\$ 13,493.18	\$ -	\$ 21,726.30	\$ 834,371.81
01/31/22	\$ 540,970.17	\$ 261,211.31	\$ 802,181.48	\$ 13,763.04	\$ -	\$ 19,203.71	\$ 835,148.23
01/31/23	\$ 575,965.54	\$ 225,371.96	\$ 801,337.50	\$ 14,038.30	\$ -	\$ 16,498.86	\$ 831,874.67
01/31/24	\$ 613,877.20	\$ 186,494.43	\$ 800,371.63	\$ 14,319.07	\$ -	\$ 13,619.03	\$ 828,309.73
01/31/25	\$ 656,163.27	\$ 145,057.58	\$ 801,220.85	\$ 14,605.45	\$ -	\$ 10,549.65	\$ 826,375.95
01/31/26	\$ 701,365.63	\$ 99,946.50	\$ 801,312.13	\$ 14,897.56	\$ -	\$ 7,268.83	\$ 823,478.52
01/31/27	\$ 752,400.56	\$ 51,727.54	\$ 804,128.09	\$ 15,195.51	\$ -	\$ 3,762.00	\$ 823,085.61
	\$ 5,800,483.35	\$ 4,160,809.77	\$ 9,961,293.12	\$ 187,639.86	\$ 46,660.50	\$ 238,413.28	\$ 10,434,006.76

**PRELIMINARY AND SUBJECT TO CHANGE.**

(a) The 1/31/XX dates represent installment due dates for the Bonds which are intended to cover the March 1 and September 1 payments.

(b) Gross of Capitalized Interest.

(c) Does not include reserve fund earnings or any other funds which could reduce net debt service.

(d) Preliminary Estimate. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

**Appendix A**  
**Annual Installments – Tessera Phase 6 PID Tract**

Installment Due Date (a)	Major Improvement Area Bonds			Administrative Expenses (d)	Prepayment Reserve	Delinquency Reserve	Annual Installment
	Principal	Interest (b)	Debt Service (c)				
01/31/13	\$ -	\$ 127,267.23	\$ 127,267.23	\$ -	\$ -	\$ -	\$ 127,267.23
01/31/14	\$ -	\$ 160,196.60	\$ 160,196.60	\$ 4,834.65	\$ 4,774.70	\$ 7,162.06	\$ 176,968.01
01/31/15	\$ -	\$ 160,196.60	\$ 160,196.60	\$ 4,931.35	\$ 4,774.70	\$ 7,162.06	\$ 177,064.71
01/31/16	\$ 24,005.55	\$ 160,196.60	\$ 184,202.15	\$ 5,029.97	\$ 4,774.70	\$ 7,162.06	\$ 201,168.88
01/31/17	\$ 116,426.92	\$ 158,636.24	\$ 275,063.16	\$ 5,130.57	\$ 4,726.69	\$ 7,090.04	\$ 292,010.46
01/31/18	\$ 134,431.08	\$ 151,068.49	\$ 285,499.57	\$ 5,233.18	\$ 153.64	\$ 11,080.96	\$ 301,967.35
01/31/19	\$ 156,036.08	\$ 142,330.47	\$ 298,366.55	\$ 5,337.85	\$ -	\$ 10,562.44	\$ 314,266.84
01/31/20	\$ 168,038.85	\$ 132,188.12	\$ 300,226.98	\$ 5,444.61	\$ -	\$ 9,782.26	\$ 315,453.84
01/31/21	\$ 207,648.01	\$ 121,265.60	\$ 328,913.61	\$ 5,553.50	\$ -	\$ 8,942.07	\$ 343,409.17
01/31/22	\$ 222,651.48	\$ 107,508.86	\$ 330,160.34	\$ 5,664.57	\$ -	\$ 7,903.83	\$ 343,728.73
01/31/23	\$ 237,054.81	\$ 92,758.17	\$ 329,812.98	\$ 5,777.86	\$ -	\$ 6,790.57	\$ 342,381.41
01/31/24	\$ 252,658.42	\$ 76,757.03	\$ 329,415.45	\$ 5,893.42	\$ -	\$ 5,605.30	\$ 340,914.16
01/31/25	\$ 270,062.44	\$ 59,702.52	\$ 329,764.97	\$ 6,011.28	\$ -	\$ 4,342.00	\$ 340,118.25
01/31/26	\$ 288,666.74	\$ 41,135.79	\$ 329,802.53	\$ 6,131.51	\$ -	\$ 2,991.69	\$ 338,925.74
01/31/27	\$ 309,671.60	\$ 21,289.92	\$ 330,961.52	\$ 6,254.14	\$ -	\$ 1,548.36	\$ 338,764.02
	\$ 2,387,351.99	\$ 1,712,498.23	\$ 4,099,850.22	\$ 77,228.46	\$ 19,204.44	\$ 98,125.69	\$ 4,294,408.81

**PRELIMINARY AND SUBJECT TO CHANGE.**

- (a) The 1/31/XX dates represent installment due dates for the Bonds which are intended to cover the March 1 and September 1 payments.
- (b) Gross of Capitalized Interest.
- (c) Does not include reserve fund earnings or any other funds which could reduce net debt service.
- (d) Preliminary Estimate. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

Appendix A  
Annual Installments – Tessera Phase 6A PID Tract

Installment Due Date (a)	Major Improvement Area Bonds			Administrative Expenses (d)	Prepayment Reserve	Delinquency Reserve	Annual Installment
	Principal	Interest (b)	Debt Service (c)				
01/31/13	\$ -	\$ 6,375.62	\$ 6,375.62	\$ -	\$ -	\$ -	\$ 6,375.62
01/31/14	\$ -	\$ 8,025.26	\$ 8,025.26	\$ 242.20	\$ 239.20	\$ 358.79	\$ 8,865.45
01/31/15	\$ -	\$ 8,025.26	\$ 8,025.26	\$ 247.04	\$ 239.20	\$ 358.79	\$ 8,870.29
01/31/16	\$ 1,202.59	\$ 8,025.26	\$ 9,227.85	\$ 251.98	\$ 239.20	\$ 358.79	\$ 10,077.82
01/31/17	\$ 5,832.56	\$ 7,947.09	\$ 13,779.66	\$ 257.02	\$ 236.79	\$ 355.19	\$ 14,628.66
01/31/18	\$ 6,734.51	\$ 7,567.98	\$ 14,302.48	\$ 262.16	\$ 7.70	\$ 555.12	\$ 15,127.46
01/31/19	\$ 7,816.84	\$ 7,130.24	\$ 14,947.07	\$ 267.41	\$ -	\$ 529.14	\$ 15,743.62
01/31/20	\$ 8,418.13	\$ 6,622.14	\$ 15,040.27	\$ 272.75	\$ -	\$ 490.06	\$ 15,803.08
01/31/21	\$ 10,402.41	\$ 6,074.96	\$ 16,477.37	\$ 278.21	\$ -	\$ 447.96	\$ 17,203.54
01/31/22	\$ 11,154.02	\$ 5,385.80	\$ 16,539.82	\$ 283.77	\$ -	\$ 395.95	\$ 17,219.55
01/31/23	\$ 11,875.58	\$ 4,646.84	\$ 16,522.42	\$ 289.45	\$ -	\$ 340.18	\$ 17,152.06
01/31/24	\$ 12,657.26	\$ 3,845.25	\$ 16,502.51	\$ 295.24	\$ -	\$ 280.80	\$ 17,078.55
01/31/25	\$ 13,529.14	\$ 2,990.88	\$ 16,520.02	\$ 301.14	\$ -	\$ 217.52	\$ 17,038.68
01/31/26	\$ 14,461.15	\$ 2,060.75	\$ 16,521.90	\$ 307.17	\$ -	\$ 149.87	\$ 16,978.94
01/31/27	\$ 15,513.41	\$ 1,066.55	\$ 16,579.96	\$ 313.31	\$ -	\$ 77.57	\$ 16,970.84
	\$ 119,597.59	\$ 85,789.89	\$ 205,387.49	\$ 3,868.86	\$ 962.07	\$ 4,915.74	\$ 215,134.16

**PRELIMINARY AND SUBJECT TO CHANGE.**

- (a) The 1/31/XX dates represent Installment due dates for the Bonds which are intended to cover the March 1 and September 1 payments.
- (b) Gross of Capitalized Interest.
- (c) Does not include reserve fund earnings or any other funds which could reduce net debt service.
- (d) Preliminary Estimate. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

# Appendix B

## Improvement Area #1 Assessment Roll

Appendix B Assessment by Parcel –Improvement Area #1						
Parcel	Gross Acres	Estimated Assessable Acres	Improvement Area #1 Bond Assessment	Assessment per Assessable Acre/Parcel		
Tessera Phase 1A PID Tract	192.12	52.81	\$ 3,269,917.48	See Appendix B-1		
Tessera Phase 1B PID Tract	26.51	17.55	\$ 1,530,082.52	\$ 87,184.19		
Total	218.63	70.36	\$ 4,800,000.00			

PRELIMINARY AND SUBJECT TO CHANGE.  
 Legal descriptions of each Parcel in Improvement Area #1 are included in Appendix F.  
 Assessment for Administrative Expenses is shown in annual installment schedules for each Parcel.

# Appendix B Annual Installments – Improvement Area #1 – ALL PARCELS

Installment Due Date (a)	Improvement Area Bonds			Administrative Expenses (d)	Prepayment Reserve	Delinquency Reserve	Annual Installment
	Principal	Interest (b)	Net Debt Service (c)				
01/31/13	\$ -	\$ 219,743.00	\$ 219,743.00	\$ -	\$ -	\$ -	\$ 219,743.00
01/31/14	\$ -	\$ 276,600.00	\$ 276,600.00	\$ 9,720.53	\$ 9,600.00	\$ 14,400.00	\$ 310,320.53
01/31/15	\$ 75,000.00	\$ 276,600.00	\$ 351,600.00	\$ 9,914.95	\$ 8,144.40	\$ 3,344.40	\$ 373,003.75
01/31/16	\$ 80,000.00	\$ 272,850.00	\$ 352,850.00	\$ 10,113.24	\$ -	\$ -	\$ 362,963.24
01/31/17	\$ 85,000.00	\$ 268,850.00	\$ 353,850.00	\$ 10,315.51	\$ -	\$ -	\$ 364,165.51
01/31/18	\$ 90,000.00	\$ 264,600.00	\$ 354,600.00	\$ 10,521.82	\$ -	\$ -	\$ 365,121.82
01/31/19	\$ 95,000.00	\$ 259,875.00	\$ 354,875.00	\$ 10,732.26	\$ -	\$ -	\$ 365,607.26
01/31/20	\$ 100,000.00	\$ 254,888.00	\$ 354,888.00	\$ 10,946.90	\$ -	\$ -	\$ 365,834.90
01/31/21	\$ 105,000.00	\$ 249,638.00	\$ 354,638.00	\$ 11,165.84	\$ -	\$ -	\$ 365,803.84
01/31/22	\$ 110,000.00	\$ 244,125.00	\$ 354,125.00	\$ 11,389.16	\$ -	\$ -	\$ 365,514.16
01/31/23	\$ 115,000.00	\$ 238,350.00	\$ 353,350.00	\$ 11,616.94	\$ -	\$ -	\$ 364,966.94
01/31/24	\$ 120,000.00	\$ 232,025.00	\$ 352,025.00	\$ 11,849.28	\$ -	\$ -	\$ 363,874.28
01/31/25	\$ 125,000.00	\$ 225,425.00	\$ 350,425.00	\$ 12,086.26	\$ -	\$ -	\$ 362,511.26
01/31/26	\$ 135,000.00	\$ 218,550.00	\$ 353,550.00	\$ 12,327.99	\$ -	\$ -	\$ 365,877.99
01/31/27	\$ 140,000.00	\$ 211,125.00	\$ 351,125.00	\$ 12,574.55	\$ -	\$ -	\$ 363,699.55
01/31/28	\$ 150,000.00	\$ 203,425.00	\$ 353,425.00	\$ 12,826.04	\$ -	\$ -	\$ 366,251.04
01/31/29	\$ 155,000.00	\$ 194,800.00	\$ 349,800.00	\$ 13,082.56	\$ -	\$ -	\$ 362,882.56
01/31/30	\$ 165,000.00	\$ 185,888.00	\$ 350,888.00	\$ 13,344.21	\$ -	\$ -	\$ 364,232.21
01/31/31	\$ 175,000.00	\$ 176,400.00	\$ 351,400.00	\$ 13,611.10	\$ -	\$ -	\$ 365,011.10
01/31/32	\$ 185,000.00	\$ 166,338.00	\$ 351,338.00	\$ 13,883.32	\$ -	\$ -	\$ 365,221.32
01/31/33	\$ 195,000.00	\$ 155,700.00	\$ 350,700.00	\$ 14,160.98	\$ -	\$ -	\$ 364,860.98
01/31/34	\$ 210,000.00	\$ 144,000.00	\$ 354,000.00	\$ 14,444.20	\$ -	\$ -	\$ 368,444.20
01/31/35	\$ 220,000.00	\$ 131,400.00	\$ 351,400.00	\$ 14,733.09	\$ -	\$ -	\$ 366,133.09
01/31/36	\$ 235,000.00	\$ 118,200.00	\$ 353,200.00	\$ 15,027.75	\$ -	\$ -	\$ 368,227.75
01/31/37	\$ 250,000.00	\$ 104,100.00	\$ 354,100.00	\$ 15,328.30	\$ -	\$ -	\$ 369,428.30
01/31/38	\$ 265,000.00	\$ 89,100.00	\$ 354,100.00	\$ 15,634.87	\$ -	\$ -	\$ 369,734.87
01/31/39	\$ 280,000.00	\$ 73,200.00	\$ 353,200.00	\$ 15,947.57	\$ -	\$ -	\$ 369,147.57
01/31/40	\$ 295,000.00	\$ 56,400.00	\$ 351,400.00	\$ 16,266.52	\$ -	\$ -	\$ 367,666.52
01/31/41	\$ 315,000.00	\$ 38,700.00	\$ 353,700.00	\$ 16,591.85	\$ -	\$ -	\$ 370,291.85
01/31/42	\$ 330,000.00	\$ 19,800.00	\$ 349,800.00	\$ 16,923.69	\$ -	\$ -	\$ 366,723.69
	\$ 4,800,000.00	\$ 5,570,695.00	\$ 10,370,695.00	\$ 377,081.26	\$ 17,744.40	\$ 17,744.40	\$ 10,783,265.06

PRELIMINARY AND SUBJECT TO CHANGE.

(a) The 1/31/XX dates represent Installment due dates for the Bonds which are intended to cover the March 1 and September 1 payments.

(b) Gross of Capitalized Interest.

(c) Does not include reserve fund earnings or any other funds which could reduce debt service.

(d) Preliminary Estimate. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

**Appendix B**  
**Annual Installments –Improvement Area #1 –PARCEL 1A**

Installment Due Date (a)	Parcel 1A Portion of Improvement Area Bonds		Administrative Expenses (d)	Prepayment Reserve	Delinquency Reserve	Annual Installment
	Principal	Interest (b)				
01/31/13	\$ -	\$ 149,696.14	\$ -	\$ -	\$ -	\$ 149,696.14
01/31/14	\$ -	\$ 188,428.99	\$ 6,621.95	\$ 6,539.83	\$ 9,809.75	\$ 211,400.53
01/31/15	\$ 51,092.46	\$ 188,428.99	\$ 6,754.39	\$ 5,548.23	\$ 2,278.32	\$ 254,102.39
01/31/16	\$ 54,498.62	\$ 185,874.37	\$ 6,889.47	\$ -	\$ -	\$ 247,262.47
01/31/17	\$ 57,904.79	\$ 183,149.44	\$ 7,027.26	\$ -	\$ -	\$ 248,081.49
01/31/18	\$ 61,310.95	\$ 180,254.20	\$ 7,167.81	\$ -	\$ -	\$ 248,732.96
01/31/19	\$ 64,717.12	\$ 177,035.38	\$ 7,311.16	\$ -	\$ -	\$ 249,063.66
01/31/20	\$ 68,123.28	\$ 173,638.07	\$ 7,457.39	\$ -	\$ -	\$ 249,218.74
01/31/21	\$ 71,529.44	\$ 170,061.60	\$ 7,606.54	\$ -	\$ -	\$ 249,197.58
01/31/22	\$ 74,935.61	\$ 166,305.96	\$ 7,758.67	\$ -	\$ -	\$ 249,000.23
01/31/23	\$ 78,341.77	\$ 162,371.84	\$ 7,913.84	\$ -	\$ -	\$ 248,627.45
01/31/24	\$ 81,747.94	\$ 158,063.04	\$ 8,072.12	\$ -	\$ -	\$ 247,883.10
01/31/25	\$ 85,154.10	\$ 153,566.91	\$ 8,233.56	\$ -	\$ -	\$ 246,954.57
01/31/26	\$ 91,966.43	\$ 148,883.43	\$ 8,398.23	\$ -	\$ -	\$ 249,248.09
01/31/27	\$ 95,372.59	\$ 143,825.28	\$ 8,566.19	\$ -	\$ -	\$ 247,764.06
01/31/28	\$ 102,184.92	\$ 138,579.78	\$ 8,737.52	\$ -	\$ -	\$ 249,502.22
01/31/29	\$ 105,591.09	\$ 132,704.15	\$ 8,912.27	\$ -	\$ -	\$ 247,207.51
01/31/30	\$ 112,403.41	\$ 126,633.00	\$ 9,090.51	\$ -	\$ -	\$ 248,126.93
01/31/31	\$ 119,215.74	\$ 120,169.47	\$ 9,272.32	\$ -	\$ -	\$ 248,657.53
01/31/32	\$ 126,028.07	\$ 113,314.90	\$ 9,457.77	\$ -	\$ -	\$ 248,800.74
01/31/33	\$ 132,840.40	\$ 106,067.95	\$ 9,646.93	\$ -	\$ -	\$ 248,555.27
01/31/34	\$ 143,058.89	\$ 98,097.52	\$ 9,839.87	\$ -	\$ -	\$ 250,996.28
01/31/35	\$ 149,871.22	\$ 89,513.99	\$ 10,036.66	\$ -	\$ -	\$ 249,421.87
01/31/36	\$ 160,089.71	\$ 80,521.72	\$ 10,237.40	\$ -	\$ -	\$ 250,848.82
01/31/37	\$ 170,308.20	\$ 70,916.34	\$ 10,442.14	\$ -	\$ -	\$ 251,666.68
01/31/38	\$ 180,526.69	\$ 60,697.84	\$ 10,650.99	\$ -	\$ -	\$ 251,875.52
01/31/39	\$ 190,745.19	\$ 49,866.24	\$ 10,864.01	\$ -	\$ -	\$ 251,475.43
01/31/40	\$ 200,963.68	\$ 38,421.53	\$ 11,081.29	\$ -	\$ -	\$ 250,466.50
01/31/41	\$ 214,588.33	\$ 26,363.71	\$ 11,302.91	\$ -	\$ -	\$ 252,254.96
01/31/42	\$ 224,806.83	\$ 13,488.41	\$ 11,528.97	\$ -	\$ -	\$ 249,824.21
	\$ 3,269,917.48	\$ 3,794,940.20	\$ 256,880.13	\$ 12,088.07	\$ 12,088.07	\$ 7,345,913.94

**PRELIMINARY AND SUBJECT TO CHANGE.**

- (a) The 1/31/XX dates represent Installment due dates for the Bonds which are intended to cover the March 1 and September 1 payments.
- (b) Gross of Capitalized Interest.
- (c) Does not include reserve fund earnings or any other funds which could reduce debt service.
- (d) Preliminary Estimate. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

**Appendix B**  
**Annual Installments –Improvement Area #1 –PARCEL 1B**

Installment Due Date (a)	Parcel 1B Portion of Improvement Area Bonds		Administrative Expenses (d)	Prepayment Reserve	Delinquency Reserve	Annual Installment
	Principal	Interest (b)				
01/31/13	\$ -	\$ 70,046.86	\$ -	\$ -	\$ -	\$ 70,046.86
01/31/14	\$ -	\$ 88,171.01	\$ 3,098.59	\$ 3,060.17	\$ 4,590.25	\$ 98,920.01
01/31/15	\$ 23,907.54	\$ 88,171.01	\$ 3,160.56	\$ 2,596.17	\$ 1,066.08	\$ 118,901.36
01/31/16	\$ 25,501.38	\$ 86,975.63	\$ 3,223.77	\$ -	\$ -	\$ 115,700.77
01/31/17	\$ 27,095.21	\$ 85,700.56	\$ 3,288.25	\$ -	\$ -	\$ 116,084.02
01/31/18	\$ 28,689.05	\$ 84,345.80	\$ 3,354.01	\$ -	\$ -	\$ 116,388.86
01/31/19	\$ 30,282.88	\$ 82,839.62	\$ 3,421.09	\$ -	\$ -	\$ 116,543.60
01/31/20	\$ 31,876.72	\$ 81,249.93	\$ 3,489.51	\$ -	\$ -	\$ 116,616.16
01/31/21	\$ 33,470.56	\$ 79,576.40	\$ 3,559.30	\$ -	\$ -	\$ 116,606.26
01/31/22	\$ 35,064.39	\$ 77,819.04	\$ 3,630.49	\$ -	\$ -	\$ 116,513.92
01/31/23	\$ 36,658.23	\$ 75,978.16	\$ 3,703.10	\$ -	\$ -	\$ 116,339.49
01/31/24	\$ 38,252.06	\$ 73,961.96	\$ 3,777.16	\$ -	\$ -	\$ 115,991.18
01/31/25	\$ 39,845.90	\$ 71,858.09	\$ 3,852.70	\$ -	\$ -	\$ 115,556.70
01/31/26	\$ 43,033.57	\$ 69,666.57	\$ 3,929.76	\$ -	\$ -	\$ 116,629.90
01/31/27	\$ 44,627.41	\$ 67,299.72	\$ 4,008.35	\$ -	\$ -	\$ 115,935.48
01/31/28	\$ 47,815.08	\$ 64,845.22	\$ 4,088.52	\$ -	\$ -	\$ 116,748.82
01/31/29	\$ 49,408.91	\$ 62,095.85	\$ 4,170.29	\$ -	\$ -	\$ 115,675.05
01/31/30	\$ 52,596.59	\$ 59,255.00	\$ 4,253.70	\$ -	\$ -	\$ 116,105.28
01/31/31	\$ 55,784.26	\$ 56,230.53	\$ 4,338.77	\$ -	\$ -	\$ 116,353.56
01/31/32	\$ 58,971.93	\$ 53,023.10	\$ 4,425.55	\$ -	\$ -	\$ 116,420.57
01/31/33	\$ 62,159.60	\$ 49,632.05	\$ 4,514.06	\$ -	\$ -	\$ 116,305.71
01/31/34	\$ 66,941.11	\$ 45,902.48	\$ 4,604.34	\$ -	\$ -	\$ 117,447.92
01/31/35	\$ 70,128.78	\$ 41,886.01	\$ 4,696.42	\$ -	\$ -	\$ 116,711.22
01/31/36	\$ 74,910.29	\$ 37,678.28	\$ 4,790.35	\$ -	\$ -	\$ 117,378.93
01/31/37	\$ 79,691.80	\$ 33,183.66	\$ 4,886.16	\$ -	\$ -	\$ 117,761.62
01/31/38	\$ 84,473.31	\$ 28,402.16	\$ 4,983.88	\$ -	\$ -	\$ 117,859.35
01/31/39	\$ 89,254.81	\$ 23,333.76	\$ 5,083.56	\$ -	\$ -	\$ 117,672.13
01/31/40	\$ 94,036.32	\$ 17,978.47	\$ 5,185.23	\$ -	\$ -	\$ 117,200.02
01/31/41	\$ 100,411.67	\$ 12,336.29	\$ 5,288.94	\$ -	\$ -	\$ 118,036.89
01/31/42	\$ 105,193.17	\$ 6,311.59	\$ 5,394.72	\$ -	\$ -	\$ 116,899.48
	\$ 1,530,082.52	\$ 1,775,754.80	\$ 120,201.13	\$ 5,656.33	\$ 5,656.33	\$ 3,437,351.12

**PRELIMINARY AND SUBJECT TO CHANGE.**

(a) The 1/31/XX dates represent Installment due dates for the Bonds which are intended to cover the March 1 and September 1 payments.

(b) Gross of Capitalized Interest.

(c) Does not include reserve fund earnings or any other funds which could reduce debt service.

(d) Preliminary Estimate. The administrative charges will be revised in Annual Service Plan Updates based on actual costs.

**Appendix B-1**  
**Assessment by Lot Type –Improvement Area #1 – PARCEL 1A**

<b>Lot Type</b>	<b>Lot Value</b>	<b>Principal Assessment Due</b>	<b>Annual Installment Due</b>
1	< \$65,000	\$ 10,089.73	\$ 791.03
2	\$65,001 - \$85,000	\$ 12,954.45	\$ 1,015.62
3	\$85,001 - \$105,000	\$ 16,779.71	\$ 1,315.52
4	\$105,001 - \$120,000	\$ 20,725.84	\$ 1,624.89
5	> \$120,000	\$ 22,641.29	\$ 1,775.06

**PRELIMINARY AND SUBJECT TO CHANGE.**

Legal descriptions of each Parcel in Improvement Area #1 are included in Appendix F. Assessment for Administrative Expenses is shown in annual installment schedules for each Parcel. Lot Types have been established for Parcel 1A and can be seen addressed on Appendix B-1 below.

# Appendix B-1 Assessment by Address – Improvement Area #1 – PARCEL 1A

Block	Lot	Address	Street	Principal		Lot Type	Assessment	2017	Assessments	2017	Assessments	Principal	2017		
				Lot Type	Assessment										
BLOCK E	2	8105	CANNON COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK F	5	22117	CROSS TIMBERS BEND	1	\$ 10,090	\$ 791
BLOCK E	3	8109	CANNON COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK F	6	22121	CROSS TIMBERS BEND	1	\$ 10,090	\$ 791
BLOCK E	4	8113	CANNON COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK F	7	22201	CROSS TIMBERS BEND	1	\$ 10,090	\$ 791
BLOCK E	5	8117	CANNON COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK F	8	22205	CROSS TIMBERS BEND	1	\$ 10,090	\$ 791
BLOCK E	6	8201	CANNON COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK F	9	22209	CROSS TIMBERS BEND	1	\$ 10,090	\$ 791
BLOCK E	7	8205	CANNON COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK F	10	22213	CROSS TIMBERS BEND	1	\$ 10,090	\$ 791
BLOCK E	8	8209	CANNON COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK F	11	22217	CROSS TIMBERS BEND	1	\$ 10,090	\$ 791
BLOCK G	34	8012	ARBOR KNOLL COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK G	24	7901	ARBOR KNOLL COURT	1	\$ 10,090	\$ 791
BLOCK G	35	8008	ARBOR KNOLL COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK G	25	7905	ARBOR KNOLL COURT	1	\$ 10,090	\$ 791
BLOCK G	36	8004	ARBOR KNOLL COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK G	26	7909	ARBOR KNOLL COURT	1	\$ 10,090	\$ 791
BLOCK G	37	8000	ARBOR KNOLL COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK G	29	8009	ARBOR KNOLL COURT	1	\$ 10,090	\$ 791
BLOCK G	38	7916	ARBOR KNOLL COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK G	30	8013	ARBOR KNOLL COURT	1	\$ 10,090	\$ 791
BLOCK G	39	7912	ARBOR KNOLL COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK G	33	8016	ARBOR KNOLL COURT	1	\$ 10,090	\$ 791
BLOCK G	40	7908	ARBOR KNOLL COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK G	46	7913	SUNRISE RAVINE PASS	1	\$ 10,090	\$ 791
BLOCK G	41	7904	ARBOR KNOLL COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK G	27	7913	SUNRISE RAVINE PASS	1	\$ 10,090	\$ 791
BLOCK G	42	7900	ARBOR KNOLL COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK G	28	8001	ARBOR KNOLL COURT	1	\$ 10,090	\$ 791
BLOCK G	43	7901	SUNRISE RAVINE PASS	1	\$ 10,090	1	\$ 10,090	791	BLOCK E	1	8101	CANNON COURT	1	\$ 10,090	\$ 791
BLOCK G	44	7905	SUNRISE RAVINE PASS	1	\$ 10,090	1	\$ 10,090	791	BLOCK E	16	22108	CROSS TIMBERS BEND	1	\$ 10,090	\$ 791
BLOCK G	45	7909	SUNRISE RAVINE PASS	1	\$ 10,090	1	\$ 10,090	791	BLOCK F	13	8112	TURNING LEAF CIRCLE	1	\$ 10,090	\$ 791
BLOCK G	7	7912	SUNRISE RAVINE PASS	1	\$ 10,090	1	\$ 10,090	791	BLOCK I	4	7900	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016
BLOCK G	8	7908	SUNRISE RAVINE PASS	1	\$ 10,090	1	\$ 10,090	791	BLOCK I	5	7820	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016
BLOCK G	9	7904	SUNRISE RAVINE PASS	1	\$ 10,090	1	\$ 10,090	791	BLOCK I	6	7816	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016
BLOCK G	10	7900	SUNRISE RAVINE PASS	1	\$ 10,090	1	\$ 10,090	791	BLOCK I	7	7812	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016
BLOCK E	9	8213	CANNON COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK I	8	7808	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016
BLOCK E	12	8200	CANNON COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK I	9	7804	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016
BLOCK E	13	8116	CANNON COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK J	63	7501	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791
BLOCK E	14	8112	CANNON COURT	1	\$ 10,090	1	\$ 10,090	791	BLOCK J	64	7505	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791
BLOCK E	17	22112	CROSS TIMBERS BEND	1	\$ 10,090	1	\$ 10,090	791	BLOCK J	65	7509	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791
BLOCK E	18	22116	CROSS TIMBERS BEND	1	\$ 10,090	1	\$ 10,090	791	BLOCK J	66	7513	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791
BLOCK E	19	22120	CROSS TIMBERS BEND	1	\$ 10,090	1	\$ 10,090	791	BLOCK J	67	7517	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791
BLOCK E	20	22200	CROSS TIMBERS BEND	1	\$ 10,090	1	\$ 10,090	791	BLOCK J	68	7601	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791
BLOCK F	1	22101	CROSS TIMBERS BEND	1	\$ 10,090	1	\$ 10,090	791	BLOCK J	69	7605	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791
BLOCK F	2	22105	CROSS TIMBERS BEND	1	\$ 10,090	1	\$ 10,090	791	BLOCK J	70	7609	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791
BLOCK F	3	22109	CROSS TIMBERS BEND	1	\$ 10,090	1	\$ 10,090	791	BLOCK J	71	7613	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791
BLOCK F	4	22113	CROSS TIMBERS BEND	1	\$ 10,090	1	\$ 10,090	791	BLOCK J	74	7709	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791

**PRELIMINARY AND SUBJECT TO CHANGE.**

# Appendix B-1 Assessment by Address –Improvement Area #1–PARCEL 1A

		2017				2017																	
Block	Lot	Address	Street	Lot Type	Principal Assessment	Block	Lot	Address	Street	Lot Type	Principal Assessment	Block	Lot	Address	Street	Lot Type	Principal Assessment	Block	Lot	Address	Street	Lot Type	Principal Assessment
BLOCK J	75	7713	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791	BLOCK D	3	22020	CROSS TIMBERS BEND	2	\$ 12,954	\$ 1,016										
BLOCK J	76	7717	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791	BLOCK D	4	22016	CROSS TIMBERS BEND	2	\$ 12,954	\$ 1,016										
BLOCK J	77	7801	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791	BLOCK D	6	22001	CROSS TIMBERS BEND	2	\$ 12,954	\$ 1,016										
BLOCK J	78	7805	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791	BLOCK D	7	22005	CROSS TIMBERS BEND	2	\$ 12,954	\$ 1,016										
BLOCK J	80	7813	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791	BLOCK D	8	22009	CROSS TIMBERS BEND	2	\$ 12,954	\$ 1,016										
BLOCK J	81	7817	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791	BLOCK D	9	22013	CROSS TIMBERS BEND	2	\$ 12,954	\$ 1,016										
BLOCK J	82	7821	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791	BLOCK D	10	22017	CROSS TIMBERS BEND	2	\$ 12,954	\$ 1,016										
BLOCK J	83	7901	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791	BLOCK D	11	22025	CROSS TIMBERS BEND	2	\$ 12,954	\$ 1,016										
BLOCK J	84	7905	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791	BLOCK F	16	8100	TURNING LEAF CIRCLE	2	\$ 12,954	\$ 1,016										
BLOCK J	85	7909	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791	BLOCK F	17	8016	TURNING LEAF CIRCLE	2	\$ 12,954	\$ 1,016										
BLOCK J	86	7913	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791	BLOCK J	47	7413	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK F	14	8108	TURNING LEAF CIRCLE	1	\$ 10,090	\$ 791	BLOCK J	48	7417	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK F	15	8104	TURNING LEAF CIRCLE	1	\$ 10,090	\$ 791	BLOCK J	50	7421	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK F	20	8004	TURNING LEAF CIRCLE	1	\$ 10,090	\$ 791	BLOCK J	51	7425	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK F	21	8000	TURNING LEAF CIRCLE	1	\$ 10,090	\$ 791	BLOCK J	52	7429	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK J	72	7617	TURNBACK LEDGE TRAIL	3	\$ 16,780	\$ 1,316	BLOCK J	53	7420	TURNBACK LEDGE TRAIL	3	\$ 16,780	\$ 1,316										
BLOCK J	73	7701	TURNBACK LEDGE TRAIL	1	\$ 10,090	\$ 791	BLOCK J	54	7412	TURNBACK LEDGE TRAIL	3	\$ 16,780	\$ 1,316										
BLOCK J	79	7809	TURNBACK LEDGE TRAIL	3	\$ 16,780	\$ 1,316	BLOCK L	2	7612	TURNBACK LEDGE TRAIL	3	\$ 16,780	\$ 1,316										
BLOCK K	2	7712	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016	BLOCK L	3	7606	TURNBACK LEDGE TRAIL	3	\$ 16,780	\$ 1,316										
BLOCK K	3	7708	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016	BLOCK L	4	7600	TURNBACK LEDGE TRAIL	3	\$ 16,780	\$ 1,316										
BLOCK K	4	7704	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016	BLOCK L	5	7516	TURNBACK LEDGE TRAIL	3	\$ 16,780	\$ 1,316										
BLOCK K	1	7716	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016	BLOCK L	6	7508	TURNBACK LEDGE TRAIL	3	\$ 16,780	\$ 1,316										
BLOCK K	5	7700	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016	BLOCK L	11	7513	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK I	1	7920	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016	BLOCK L	12	7519	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK I	2	7912	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016	BLOCK L	13	7601	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK I	3	7906	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016	BLOCK L	14	7607	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK I	10	7800	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016	BLOCK D	28	7426	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK J	87	7917	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016	BLOCK D	29	7430	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK J	88	7921	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016	BLOCK D	30	7500	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK J	59	7409	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016	BLOCK D	31	7504	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK J	60	7413	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016	BLOCK D	32	7508	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK J	61	7417	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016	BLOCK D	33	7512	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK J	62	7421	TURNBACK LEDGE TRAIL	2	\$ 12,954	\$ 1,016	BLOCK D	34	7516	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK D	1	22028	CROSS TIMBERS BEND	2	\$ 12,954	\$ 1,016	BLOCK D	35	7520	PACE RAVINE DRIVE	3	\$ 16,780	\$ 1,316										
BLOCK D	2	22024	CROSS TIMBERS BEND	2	\$ 12,954	\$ 1,016	BLOCK L	1	7618	TURNBACK LEDGE TRAIL	3	\$ 16,780	\$ 1,316										

**PRELIMINARY AND SUBJECT TO CHANGE.**

# Appendix B-1 Assessment by Address –Improvement Area #1–PARCEL 1A

Block	Lot	Address	Street	2017		Block	Lot	Address	Street	2017		Block	Lot	Address	Street	2017	
				Lot Type	Assessment					Lot Type	Assessment					Lot Type	Assessment
BLOCK L	7	7500	TURNBACK LEDGE TRAIL	3	\$ 16,780	BLOCK J	21	7516	TESSERA PARKWAY	5	\$ 22,641	BLOCK J	21	7516	TESSERA PARKWAY	5	\$ 22,641
BLOCK L	9	7501	PACE RAVINE DRIVE	3	\$ 16,780	BLOCK J	22	7508	TESSERA PARKWAY	5	\$ 22,641	BLOCK J	22	7508	TESSERA PARKWAY	5	\$ 22,641
BLOCK L	10	7507	PACE RAVINE DRIVE	3	\$ 16,780	BLOCK J	23	7500	TESSERA PARKWAY	5	\$ 22,641	BLOCK J	23	7500	TESSERA PARKWAY	5	\$ 22,641
BLOCK L	15	7613	PACE RAVINE DRIVE	3	\$ 16,780	BLOCK J	25	7432	TESSERA PARKWAY	5	\$ 22,641	BLOCK J	25	7432	TESSERA PARKWAY	5	\$ 22,641
BLOCK J	55	7400	TURNBACK LEDGE TRAIL	3	\$ 16,780	BLOCK J	26	7424	TESSERA PARKWAY	5	\$ 22,641	BLOCK J	26	7424	TESSERA PARKWAY	5	\$ 22,641
BLOCK J	56	7401	TURNBACK LEDGE TRAIL	3	\$ 16,780	BLOCK J	27	7416	TESSERA PARKWAY	5	\$ 22,641	BLOCK J	27	7416	TESSERA PARKWAY	5	\$ 22,641
BLOCK J	57	7405	TURNBACK LEDGE TRAIL	3	\$ 16,780	BLOCK J	28	7408	TESSERA PARKWAY	5	\$ 22,641	BLOCK J	28	7408	TESSERA PARKWAY	5	\$ 22,641
BLOCK J	2	7816	TESSERA PARKWAY	4	\$ 20,726	BLOCK J	29	7400	TESSERA PARKWAY	5	\$ 22,641	BLOCK J	29	7400	TESSERA PARKWAY	5	\$ 22,641
BLOCK J	3	7812	TESSERA PARKWAY	4	\$ 20,726	BLOCK J	31	7324	TESSERA PARKWAY	5	\$ 22,641	BLOCK J	31	7324	TESSERA PARKWAY	5	\$ 22,641
BLOCK J	4	7808	TESSERA PARKWAY	4	\$ 20,726	BLOCK J	32	7316	TESSERA PARKWAY	5	\$ 22,641	BLOCK J	32	7316	TESSERA PARKWAY	5	\$ 22,641
BLOCK J	5	7804	TESSERA PARKWAY	4	\$ 20,726	BLOCK J	33	7308	TESSERA PARKWAY	5	\$ 22,641	BLOCK J	33	7308	TESSERA PARKWAY	5	\$ 22,641
BLOCK J	6	7800	TESSERA PARKWAY	4	\$ 20,726	BLOCK J	34	7300	TESSERA PARKWAY	5	\$ 22,641	BLOCK J	34	7300	TESSERA PARKWAY	5	\$ 22,641
BLOCK J	7	7724	TESSERA PARKWAY	4	\$ 20,726	BLOCK J	35	7216	TESSERA PARKWAY	5	\$ 22,641	BLOCK J	35	7216	TESSERA PARKWAY	5	\$ 22,641
BLOCK J	8	7720	TESSERA PARKWAY	4	\$ 20,726	BLOCK J	36	7208	TESSERA PARKWAY	5	\$ 22,641	BLOCK J	36	7208	TESSERA PARKWAY	5	\$ 22,641
BLOCK J	9	7716	TESSERA PARKWAY	4	\$ 20,726	BLOCK J	37	7200	TESSERA PARKWAY	5	\$ 22,641	BLOCK J	37	7200	TESSERA PARKWAY	5	\$ 22,641
BLOCK J	11	7712	TESSERA PARKWAY	4	\$ 20,726	BLOCK J	44	22312	CAPE TRAVIS BEND	4	\$ 20,726	BLOCK J	44	22312	CAPE TRAVIS BEND	4	\$ 20,726
BLOCK J	12	7708	TESSERA PARKWAY	4	\$ 20,726	BLOCK J	45	22318	CAPE TRAVIS BEND	4	\$ 20,726	BLOCK J	45	22318	CAPE TRAVIS BEND	4	\$ 20,726
BLOCK J	13	7704	TESSERA PARKWAY	4	\$ 20,726	BLOCK M	2	22301	CAPE TRAVIS BEND	4	\$ 20,726	BLOCK M	2	22301	CAPE TRAVIS BEND	4	\$ 20,726
BLOCK J	14	7700	TESSERA PARKWAY	4	\$ 20,726	BLOCK M	3	22219	CAPE TRAVIS BEND	4	\$ 20,726	BLOCK M	3	22219	CAPE TRAVIS BEND	4	\$ 20,726
BLOCK J	1	7820	TESSERA PARKWAY	4	\$ 20,726	BLOCK M	4	22207	CAPE TRAVIS BEND	4	\$ 20,726	BLOCK M	4	22207	CAPE TRAVIS BEND	4	\$ 20,726
BLOCK F	18	8012	TURNING LEAF CIRCLE	2	\$ 12,954	BLOCK M	5	7201	PACE RAVINE DRIVE	5	\$ 22,641	BLOCK M	5	7201	PACE RAVINE DRIVE	5	\$ 22,641
BLOCK F	19	8008	TURNING LEAF CIRCLE	2	\$ 12,954	BLOCK M	6	7207	PACE RAVINE DRIVE	5	\$ 22,641	BLOCK M	6	7207	PACE RAVINE DRIVE	5	\$ 22,641
BLOCK D	18	7220	PACE RAVINE DRIVE	5	\$ 22,641	BLOCK M	7	7213	PACE RAVINE DRIVE	5	\$ 22,641	BLOCK M	7	7213	PACE RAVINE DRIVE	5	\$ 22,641
BLOCK D	19	7300	PACE RAVINE DRIVE	5	\$ 22,641	BLOCK M	8	7219	PACE RAVINE DRIVE	5	\$ 22,641	BLOCK M	8	7219	PACE RAVINE DRIVE	5	\$ 22,641
BLOCK D	20	7306	PACE RAVINE DRIVE	5	\$ 22,641	BLOCK J	43	22306	CAPE TRAVIS BEND	4	\$ 20,726	BLOCK J	43	22306	CAPE TRAVIS BEND	4	\$ 20,726
BLOCK D	21	7312	PACE RAVINE DRIVE	5	\$ 22,641	BLOCK J	38	22206	CAPE TRAVIS BEND	4	\$ 20,726	BLOCK J	38	22206	CAPE TRAVIS BEND	4	\$ 20,726
BLOCK D	22	7318	PACE RAVINE DRIVE	5	\$ 22,641	BLOCK J	39	22212	CAPE TRAVIS BEND	4	\$ 20,726	BLOCK J	39	22212	CAPE TRAVIS BEND	4	\$ 20,726
BLOCK D	23	7324	PACE RAVINE DRIVE	5	\$ 22,641	BLOCK J	40	22218	CAPE TRAVIS BEND	4	\$ 20,726	BLOCK J	40	22218	CAPE TRAVIS BEND	4	\$ 20,726
BLOCK D	24	7400	PACE RAVINE DRIVE	5	\$ 22,641	BLOCK J	41	22224	CAPE TRAVIS BEND	4	\$ 20,726	BLOCK J	41	22224	CAPE TRAVIS BEND	4	\$ 20,726
BLOCK D	25	7406	PACE RAVINE DRIVE	5	\$ 22,641	BLOCK J	42	22300	CAPE TRAVIS BEND	4	\$ 20,726	BLOCK J	42	22300	CAPE TRAVIS BEND	4	\$ 20,726
BLOCK J	16	7624	TESSERA PARKWAY	5	\$ 22,641	BLOCK J	46	22324	CAPE TRAVIS BEND	4	\$ 20,726	BLOCK J	46	22324	CAPE TRAVIS BEND	4	\$ 20,726
BLOCK J	17	7616	TESSERA PARKWAY	5	\$ 22,641	BLOCK M	1	22313	CAPE TRAVIS BEND	5	\$ 22,641	BLOCK M	1	22313	CAPE TRAVIS BEND	5	\$ 22,641
BLOCK J	18	7608	TESSERA PARKWAY	5	\$ 22,641	BLOCK M	9	7301	PACE RAVINE DRIVE	5	\$ 22,641	BLOCK M	9	7301	PACE RAVINE DRIVE	5	\$ 22,641
BLOCK J	19	7600	TESSERA PARKWAY	5	\$ 22,641	BLOCK M	10	7307	PACE RAVINE DRIVE	5	\$ 22,641	BLOCK M	10	7307	PACE RAVINE DRIVE	5	\$ 22,641
BLOCK J	20	7524	TESSERA PARKWAY	5	\$ 22,641	BLOCK M	11	7313	PACE RAVINE DRIVE	5	\$ 22,641	BLOCK M	11	7313	PACE RAVINE DRIVE	5	\$ 22,641

PRELIMINARY AND SUBJECT TO CHANGE.

# Appendix C

## Reallocation of Assessments Assuming Subdivision of Parcel Prior to Recording of Subdivision Plat

(HYPOTHETICAL - FOR ILLUSTRATIVE PURPOSES ONLY)

### Reallocation of Assessments Assuming Subdivision of Parcel Prior to Recording of Subdivision Plat (HYPOTHETICAL - FOR ILLUSTRATIVE PURPOSES ONLY)

The table below summarizes a hypothetical scenario in which \$7,500,000 in assessments levied against Parcel A, which consists of 300 acres, are reallocated when Parcel A is subdivided into 6 smaller Parcels (but prior to recording of a subdivision plat). The scenario assumes 5 parcels totaling 295 acres are classified as Assessable Property, while 1 Parcel consisting of 5 acres is classified as Non-Benefited property.

Prior to Subdivision					
Parcel	Acreage	Total Assessment			
Parcel A	300	\$	7,500,000		

After Subdivision					
Parcel	Assessable or Non-Benefitted Property?	A = B x (C ÷ D) Assessment for the New Divided Assessed Property	B Assessment for the Assessed Property Prior to Division	C Acreage of the New Divided Assessed Property	D Sum of Acreage for All New Divided Assessed properties
Parcel A-1	Assessable Property	\$2,542,373	\$7,500,000	100	295
Parcel A-2	Assessable Property	\$1,906,780	\$7,500,000	75	295
Parcel A-3	Assessable Property	\$1,271,186	\$7,500,000	50	295
Parcel A-4	Assessable Property	\$1,271,186	\$7,500,000	50	295
Parcel A-5	Assessable Property	\$508,475	\$7,500,000	20	295
Parcel A-6*	Non-Benefitted Property	\$0	\$7,500,000	0	295
		\$7,500,000		295	

\* Parcel A-6 consists of 5 acres of Non-Benefitted Property, therefore the Acreage of Parcel A-6 excluding Non Benefitted Property is 0.

# Appendix D

## Reallocation of Assessments Assuming Subdivision by a Recorded Subdivision Plat

(HYPOTHETICAL - FOR ILLUSTRATIVE PURPOSES ONLY)

The table below summarizes a hypothetical scenario in which \$500,000 in assessments levied against Parcel A, which consists of 20 acres, are reallocated when Parcel A is subdivided by a Recorded Subdivision Plat into 12 residential Lots. The scenario assumes the Lots will be classified into 4 Lot Types, with the assessment per Lot Type ranging from \$30,335 for Lot Type 1 to \$53,417 for Lot Type IV.

<b>Prior to Subdivision</b>		
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Parcel	Acres	Total Assessment
Parcel A	20	\$ 500,000

<b>After Subdivision</b>	
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Lot Types	Estimated Lot Price Range for Lot Type
I	Less than \$80,000
II	\$80,001 - \$100,000
III	\$100,001 - \$120,000
IV	Greater than \$120,001

Parcel	Estimated Lot Price	Lot Type	$A = [B \times (C \div D)] \div E$				
			Assessment For New Subdivided Lot	Assessment for the Parcel Prior to Subdivision	Sum of Estimated Lot Prices for All Lots in Lot Type	Sum of Estimated Lot Price For all Lots	Number of Lots with Same Lot Type
Lot A-1	\$ 75,000	I	\$ 30,335	\$500,000	\$145,000	\$ 1,195,000	2
Lot A-2	\$ 70,000	I	\$ 30,335	\$500,000	\$145,000	\$ 1,195,000	2
	\$ 145,000		\$ 60,669				
Lot A-3	\$ 95,000	II	\$ 37,573	\$500,000	\$449,000	\$ 1,195,000	5
Lot A-4	\$ 84,000	II	\$ 37,573	\$500,000	\$449,000	\$ 1,195,000	5
Lot A-5	\$ 88,000	II	\$ 37,573	\$500,000	\$449,000	\$ 1,195,000	5
Lot A-6	\$ 92,000	II	\$ 37,573	\$500,000	\$449,000	\$ 1,195,000	5
Lot A-7	\$ 90,000	II	\$ 37,573	\$500,000	\$449,000	\$ 1,195,000	5
	\$ 449,000		\$ 187,866				
Lot A-8	\$ 106,000	III	\$ 45,607	\$500,000	\$218,000	\$ 1,195,000	2
Lot A-9	\$ 112,000	III	\$ 45,607	\$500,000	\$218,000	\$ 1,195,000	2
	\$ 218,000		\$ 91,213				
Lot A-10	\$ 125,000	IV	\$ 53,417	\$500,000	\$383,000	\$ 1,195,000	3
Lot A-11	\$ 130,000	IV	\$ 53,417	\$500,000	\$383,000	\$ 1,195,000	3
Lot A-12	\$ 128,000	IV	\$ 53,417	\$500,000	\$383,000	\$ 1,195,000	3
	\$ 383,000		\$ 160,251				
<b>Total</b>	<b>\$ 1,195,000</b>		<b>\$ 500,000</b>				

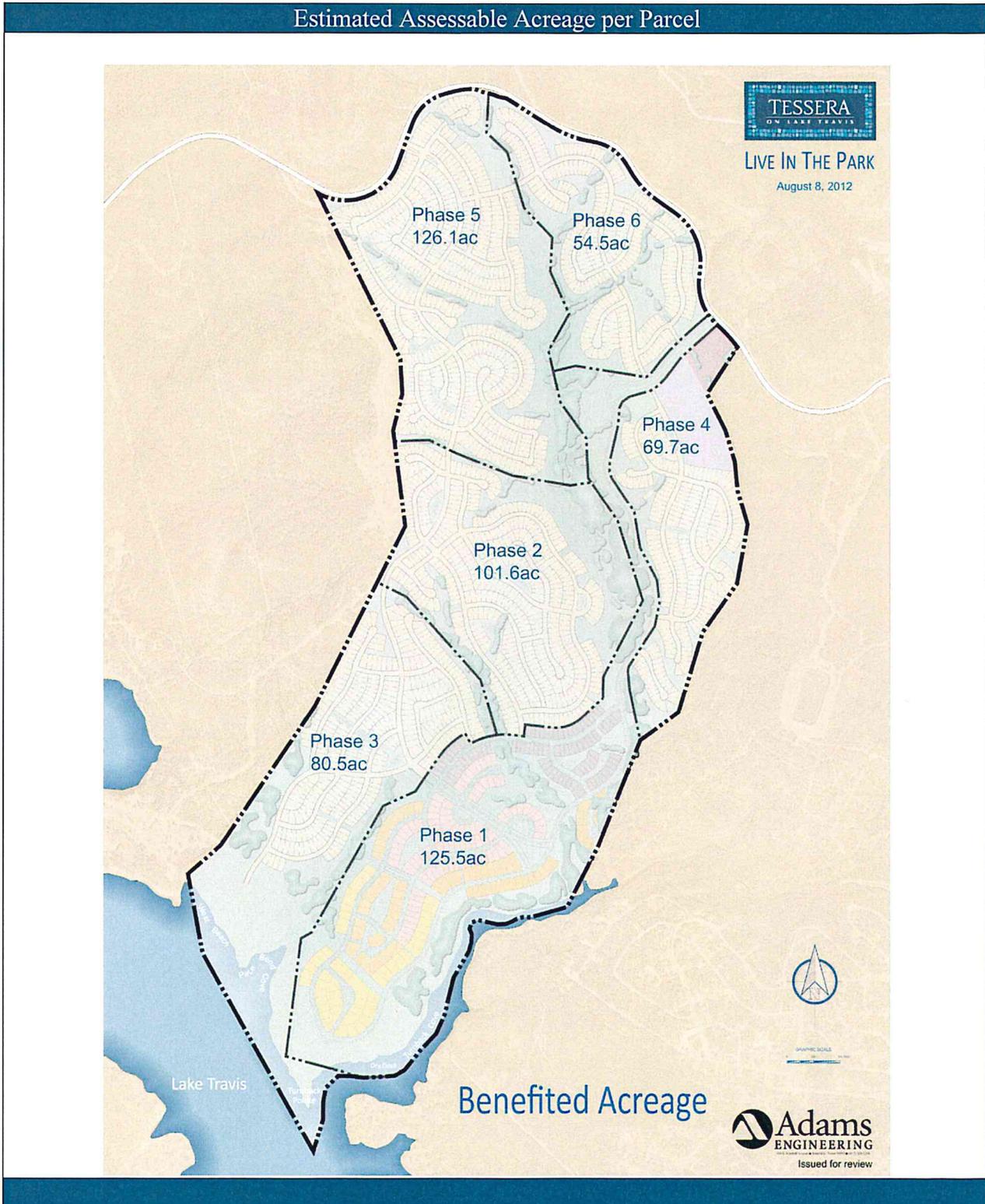
# **Appendix E**

Legal Descriptions for Parcels within Major Improvement Area

# **Appendix F**

Legal Descriptions for Parcels within Improvement Area #1

# Appendix G

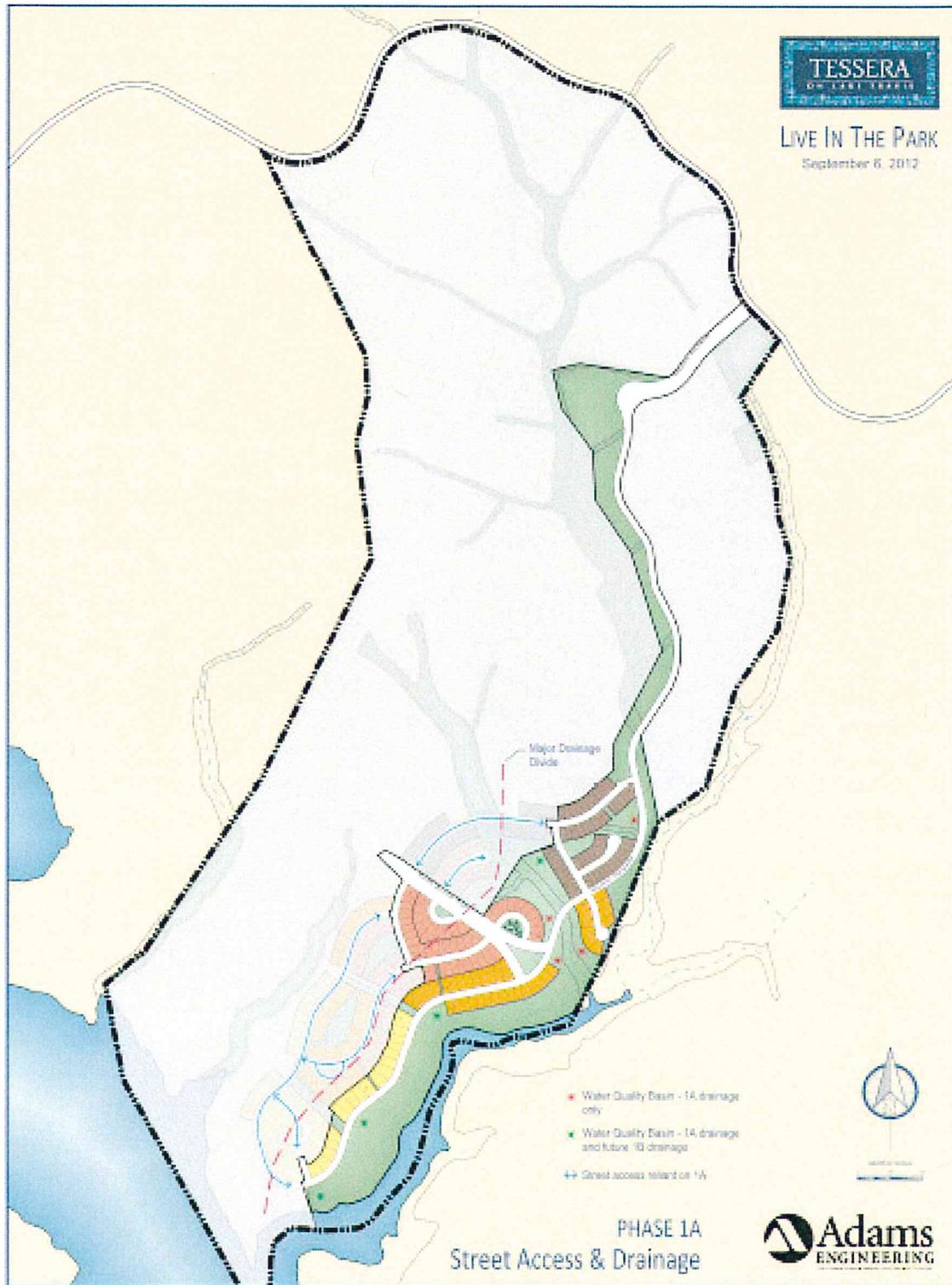


# Appendix H

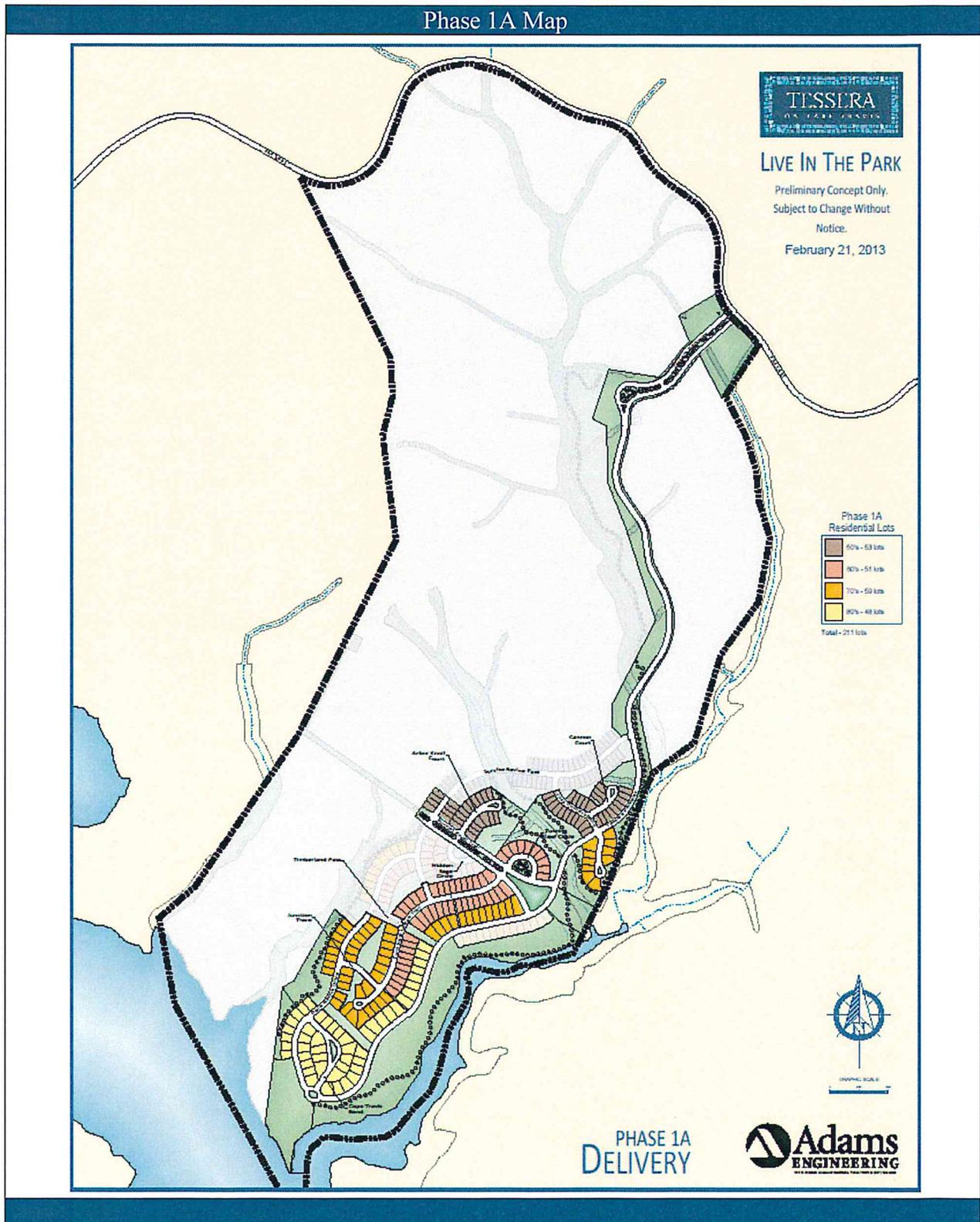
## Improvement Area #1 Phase 1A/Phase 1B Benefit Allocation (Water & Wastewater)



Improvement Area #1 Phase 1A/Phase 1B Benefit Allocation (Paving and Drainage)



# Appendix I



# Appendix J

