

HILLSTONE POINTE PUBLIC IMPROVEMENT DISTRICT NO. 2

TOWN OF LITTLE ELM, TX

SERVICE AND ASSESSMENT PLAN

OCTOBER 17, 2017

HILLSTONE POINTE PUBLIC IMPROVEMENT DISTRICT NO. 2

SERVICE AND ASSESSMENT PLAN

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Section I PLAN DESCRIPTION AND DEFINED TERMS

A. Introduction

On April 4, 2017, (the “Creation Date”) the Town Council of the Town of Little Elm (the “Town Council”) passed and approved Resolution No. 04041709 approving and authorizing the creation of Hillstone Pointe Public Improvement District No. 2 (the “PID”) to finance the costs of certain public improvements for the benefit of property in the PID, all of which is presently located within the Town of Little Elm (the “Town”).

The property in the PID is proposed to be developed in approximately three phases, and the PID will finance improvements that benefit the entire property in the PID and improvements that benefit each phase as each phase is developed. Assessments will be imposed on all property in the PID for the improvements that benefit the entire PID and on the property in each phase for the public improvements to be provided for that phase.

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 Sections 372.013, 372.014, 372.015 and 372.016 of the PID Act. According to Section 372.013 of the PID Act, a service plan “must cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements.” The service plan is described in Section IV of this Service and Assessment Plan. Section 372.014 of the PID Act states that “an assessment plan must be included in the annual service plan.” The assessment plan is described in Section V.

Section 372.015 of the PID Act states that “the governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district.” The method of assessing the costs of the Authorized Improvements to the property in the PID is included in Section V of this Service and Assessment Plan.

Section 372.016 of the PID Act states that “after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed assessment roll. The roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter.” The Assessment Roll for the Phases #1-1A Assessed Property is attached hereto as Appendix E of this Service and Assessment Plan. The Assessments as shown on the Assessment Roll are based on the method of assessment described in Section V of this Service and Assessment Plan.

B. Definitions

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

“**Actual Cost(s)**” means, with respect to an Authorized Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement, as specified in a Certification for Payment that has been reviewed and approved by the Town. Actual Costs 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 and real estate acquisition costs, 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, plan review fees, County permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses.

Actual Costs may include general contractor's fees in an amount up to a percentage equal to the percentage of work completed and accepted by the Town or construction management fees in an amount up to five percent of the eligible Actual Costs described in a Certification for Payment. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated. 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 the employee or designee of the Town who shall have the responsibilities provided for herein, or in another agreement approved by the Town 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 Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Assessments and the system of registration and transfer of the Bonds, (v) issuing, paying and redeeming the Bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and codes with respect to the Bonds, (viii) the Trustee fees and expenses relating to the Bonds, including reasonable fees, (ix) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Authorized Improvements. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on the Bonds. Administrative Expenses collected in a year and not expended for actual Administrative Expenses in such year shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of amounts to pay 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 E, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) the interest on the outstanding Assessment amount, and (iii) Administrative Expenses as described in this Service and Assessment Plan.

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

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

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

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

“Assessment Revenues” mean the revenues actually received by the Town from Assessments levied within the PID.

“Assessment Roll” means, as applicable, the Phases #1-1A Assessment Roll and an Assessment Roll for any Future Phase related to future phases of development 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 updates and/or amendments, including improvements for Future Phases described in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update.

“Bonds” mean any bonds issued for financing the Authorized Improvements, including the Phases #1-1A Bonds and the Phased PID Bonds, in one or more series and secured in whole or in part by the Assessment Revenues.

“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.

“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 CADG Lincoln Park, LLC.

“Development Agreement” means that certain Second Amended and Restated Keck Development Agreement and Public Improvement District Agreement relating to the PID executed by and between the Developer and the Town, as the same may be amended from time to time.

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

“Future Phase” means Phase(s) that are fully developed after Phases #1-1A, as such areas are generally shown in Appendix A. The Future Phase(s) 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 homeowners’ association established for the benefit of a group of homeowners or property owners within the PID.

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

“Non-Benefited Property” means Parcels within the boundaries of the PID that accrue no special benefit from the Authorized Improvements, including Homeowner Association Property, Public Property and easements that create an exclusive use for a public utility provider. Property identified as Non-Benefited Property at the time the Assessments (i) are imposed or (ii) are reallocated pursuant to a subdivision of a Parcel is not assessed. Assessed Property converted to Non-Benefited Property, if the Assessments may not be reallocated pursuant to the applicable provisions herein, remains subject to the Assessments and requires the Assessments to be prepaid as provided for in Section VI-D.

“Parcel” means a property identified by either a tax map identification number assigned by the Denton 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 Denton County, or by any other means determined by the Town.

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

“Phases #1-1A” means the initial Phases to be developed as Phase #1 and Phase #1A, collectively identified as “Phases #1-1A” and generally shown in Appendix A and as specifically depicted and described as the sum of all Parcels shown in Appendix E.

“Phases #1-1A Assessed Property” means all Parcels within Phases #1-1A other than Non-Benefited Property.

“Phases #1-1A Assessment Roll” means the document included in this Service and Assessment Plan as Appendix E, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act or in connection with any Annual Service Plan Update.

“Phases #1-1A Bonds” mean the bonds to be issued by the City to finance the Phases #1-1A Improvements.

“Phases #1-1A Improvements” means Authorized Improvements which are located Phases #1 and Phase #1A, benefit the Phases #1-1A Assessed Property and are described in Section III.B.

“Phases #1-1A Revenues” mean the revenues received by the Town from the collection of Assessments and Annual Installments for the Phases #1-1A Assessed Property.

“Phased PID Bonds” mean bonds issued to fund Authorized Improvements (or a portion thereof) in and benefitting a Phase. In connection with the Phased PID Bonds, Assessments will be levied only on Parcels, other than Non-Benefited Property, located within the respective Phase.

“PID” has the meaning set forth in Section I.A of this Service and Assessment Plan.

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

“Prepayment Costs” mean interest and expenses to the date of prepayment, plus any additional expenses related to the prepayment, reasonably expected to be incurred by or imposed upon the Town as a result of any prepayment of an Assessment.

“Prepayment and Delinquency Reserve” has the meaning set forth in Section I.A of this Service and Assessment Plan.

“Property” has the meaning set forth in Section V.C of this Service and Assessment Plan.

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

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

“Town” means the Town of Little Elm, Texas.

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

“Trust Indenture” means an indenture of trust, ordinance or similar document setting forth the terms and other provisions relating to the Bonds, as modified, amended, and/or supplemented from time to time.

“Trustee” means the fiscal agent or trustee as specified in a Trust Indenture, including a substitute fiscal agent or trustee.

Section II

PROPERTY INCLUDED IN THE PID

A. Property Included in the PID

The PID is presently located within the Town and contains approximately 107.7 acres of land. A map of the property within the PID is shown in Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 609 detached single family residential units, and infrastructure necessary to provide roadways, drainage, water and wastewater to the property within the PID.

B. Property Included in Phases #1-1A

The property within the PID consists of approximately 107.7 acres. Phases #1-1A consists of approximately 54.3 acres projected to consist of 337 single family residential units to be developed as Phase #1 and Phase #1A, as shown in Appendix A. A map of the property within the PID and Phases #1-1A is shown in Appendix A. A list of the Parcels within Phases #1-1A is included in Appendix E. A map depicting the boundaries of each proposed Phase is also included in Appendix A.

C. Property Included in Future Phases

The Future Phases consist of the remainder of the property in the PID, approximately 54.4 acres, not included in Phases #1-1A and projected to consist of 272 single family residential units to be developed as part of the Future Phases. A map of the property within the PID and Future Phases is shown in Appendix A. As Phases are developed, this Service and Assessment Plan will be updated to add additional details of each new Phase as shown above for Phases #1-1A. A map of the projected property within each Future Phase is shown in Appendix A. The Future Phases are shown for illustrative purposes only and are subject to adjustment.

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Section III DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. Authorized Improvement Overview

Section 372.003 of the PID Act defines the improvements that may be undertaken by a municipality or county through the establishment of a public improvement district, as follows:

372.003. Authorized Improvements

- (a) If the governing body of a municipality or county finds that it promotes the interests of the municipality or county, the governing body may undertake an improvement project that confers a special benefit on a definable part of the municipality or county or the municipality's extraterritorial jurisdiction. A project may be undertaken in the municipality or county or the municipality's extraterritorial jurisdiction.
- (b) A public improvement may include:
 - (i) landscaping;
 - (ii) erection of fountains, distinctive lighting, and signs;
 - (iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;
 - (iv) construction or improvement of pedestrian malls;
 - (v) acquisition and installation of pieces of art;
 - (vi) acquisition, construction, or improvement of libraries;
 - (vii) acquisition, construction, or improvement of off-street parking facilities;
 - (viii) acquisition, construction, improvement, or rerouting of mass transportation facilities;
 - (ix) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements;
 - (x) the establishment or improvement of parks;
 - (xi) projects similar to those listed in Subdivisions (i)-(x);
 - (xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;
 - (xiii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement; and

- (xiv) payment of expenses incurred in the establishment, administration and operation of the district.

After analyzing the public improvement projects authorized by the PID Act, the Town has determined that the Authorized Improvements described Section III.B and Section III.C should be undertaken by the Town for the benefit of the property within the PID.

B. Description and Estimated Costs of Phases #1-1A Improvements

The Phases #1-1A Revenues (excluding amounts collected for Administrative Expenses) will fund a portion of the costs of the Phases #1-1A Improvements, which only benefit the Phases #1-1A Assessed Property.

The Phases #1-1A Improvements are described below. All of the Phases #1-1A Improvements provide benefit to Phases #1-1A. The costs of the Phases #1-1A 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.

Roadway improvements: The road improvements includes construction of perimeter road and thoroughfare improvements, including related paving, drainage, curbs, gutters, sidewalks, retaining walls, signage, and traffic control devices. The road improvements will provide street access to the PID as well as access to community roadways and state highways. All roadway projects will be designed and constructed in accordance with Town standards and specifications and will be owned and operated by the Town.

Water distribution system improvements: The water distribution system improvements consist of construction and installation of water lines, mains, pipes, valves and appurtenances, necessary for the water distribution system, as well as related testing, trench safety and erosion protection. These water distribution system improvements will be designed and constructed in accordance with the Mustang Special Utility District (“MSUD”) standards and specifications and will be owned and operated by MSUD.

Sanitary sewer collection system improvements: The sanitary sewer collection system improvements consist of construction and installation of sewer pipes, service lines, manholes, encasements and appurtenances. The sanitary sewer collection system improvements will be designed and constructed in accordance with MSUD standards and specifications and will be owned and operated by the MSUD.

Storm drainage collection system improvements: The storm drainage collection system improvements consist of construction and installation of pipes, service lines, encasements and appurtenances. The storm drainage collection system improvements will be designed and constructed in accordance with Town standards and specifications and will be owned and operated by the Town.

Table III-A below shows the estimated costs of the Phases #1-1A Improvements.

Table III-A
Estimated Phases #1-1A Improvement Costs

Authorized Improvements	Phase 1	Phase 1A	Estimated Cost
Roadway improvement costs	\$1,585,415	\$1,596,551	\$3,181,966
Water distribution system improvement costs	\$629,582	\$389,845	\$1,019,427
Sanitary sewer collection system improvement costs	\$246,320	\$345,985	\$592,305
Storm drainage collection system improvements	\$619,203	\$485,000	\$1,104,203
Screening and Landscape improvements	\$533,500	\$0	\$533,500
Other soft and miscellaneous costs	\$1,331,947	\$271,919	\$1,603,866
Total Estimated Phases #1-1A Improvement Costs	\$4,945,967	\$3,089,300	\$8,035,267

The costs shown in Tables III-A are estimates and may be revised in Annual Service Plan Updates. The detailed costs of the Authorized Improvements are shown in Appendix B to this Service and Assessment Plan. Savings from one line item may be applied to a cost increase in another line item. These savings may be applied only to increases in costs of the Authorized Improvements (i.e., the improvements for the benefit of property within the PID).

C. Future Phase Authorized Improvements

As Phases are developed, in association with issuance of Phased PID Bonds and/or execution of a reimbursement agreement for such Future Phase, this Service and Assessment Plan will be updated to identify the Authorized Improvements that benefit each Phase (e.g., a Table III-B will be added to show the estimated costs for the Authorized Improvements for Phase #2, etc.).

Section IV SERVICE PLAN

The PID Act requires the service plan to cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during a five-year period. The portion of the Phases #1-1A Improvements to be constructed in Phase #1 has been completed. It is anticipated that it will take approximately 18 months for portion of the Phases #1-1A Improvements located in Phase #1A to be constructed. At some point after some or all of the Phases #1-1A Improvements are constructed, Phase #2 will begin development with each Future Phase to be subsequently developed corresponding with a Service and Assessment Plan update for that Future Phase.

The estimated costs for the Phases #1-1A Improvements plus costs related to the issuance of the Phases #1-1A Bonds, in one or more series, and payment of expenses incurred in the establishment, administration and operation of the PID are \$9,499,680 as shown in Table IV-A. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the Actual Costs of the Authorized Improvements, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an “Annual Service Plan Update.”

Table IV-A summarizes the sources and uses of funds required to construct the Phases #1-1A Improvements to be financed with the proceeds from the Phases #1-1A Bonds, including estimated costs related to establishing the PID and issuing the Phases #1-1A Bonds. The sources and uses of funds shown in Table IV-A shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and changes in Actual Costs.

As Phase #2 is developed in connection with the issuance of Phased PID Bonds, this Service and Assessment Plan will be amended (i.e. Table IV-B will be added for Phase #2).

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Table IV-A
Estimated Sources and Uses of Funds

Sources of Funds	Phase #1	Phase #1A	Total Phases #1-1A Bonds
Bond par	\$2,434,492	\$3,565,508	\$6,000,000
Other funding sources	\$3,105,658	\$394,021	\$3,499,680
Total Sources	\$5,540,150	\$3,959,529	\$9,499,680
Uses of Funds			
<i><u>Phases #1-1A Improvements</u></i>			
Road improvements	\$1,585,415	\$1,596,551	\$3,181,966
Water distribution system improvements	\$629,582	\$389,845	\$1,019,427
Sanitary sewer improvements	\$246,320	\$345,985	\$592,305
Storm drainage improvements	\$619,203	\$485,000	\$1,104,203
Screening and landscape improvements	\$533,500	\$0	\$533,500
Other soft and miscellaneous costs	\$1,331,947	\$271,919	\$1,603,866
Subtotal	\$4,945,967	\$3,089,300	\$8,035,267
<i><u>Estimated Bond Issuance Costs</u></i>			
Capitalized interest	\$144,350	\$211,412	\$355,763
Debt service reserve	\$221,498	\$324,402	\$545,900
Administrative Expense Fund	\$16,230	\$23,770	\$40,000
Other bond issuance costs	\$212,105	\$310,645	\$522,750
Subtotal	\$594,183	\$870,229	\$1,464,413
Total Uses	\$5,540,150	\$3,959,529	\$9,499,680

The total projected costs and total projected indebtedness are shown in Table IV-B. The total projected costs and indebtedness are subject to revision and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year. The project indebtedness will either reflect anticipated or outstanding Assessments.

Table IV-B
Total Projected Costs and Total Projected Indebtedness

Year	Total Projected Cost	Total Projected Indebtedness	Other Funding Sources
2017	\$9,499,680	\$6,000,000	\$3,499,680
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
2021	\$0	\$0	\$0
	\$9,499,680	\$6,000,000	\$3,499,680

The total projected costs shown in Table IV-B are the total expenditures relating to the Phases #1-1A Improvements shown in Table III-A herein. The difference between the total projected cost and the total projected indebtedness, if any, is an amount contributed by the Developer. As Future Phases are developed, this Table IV-A and IV-B will be updated to identify the Future Phase Authorized Improvements and the projected indebtedness. The project indebtedness will reflect either anticipated or outstanding Assessments.

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Section V

ASSESSMENT PLAN

A. Introduction

The PID Act requires the Town Council to apportion the Actual Cost of the Authorized Improvements on the basis of special benefits conferred upon the Property by 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.

For purposes of this Service and Assessment Plan, the Town Council has determined that the costs of the Phases #1-1A Improvements shall be allocated to the Phases #1-1A Assessed Property in a manner consistent with the projected benefit received by each Parcel within Phases #1-1A from the Phases #1-1A Improvements. Accordingly, the costs of Phases #1-1A Improvements funded through the Phases #1-1A Bonds shall be allocated to the Phases #1-1A Assessed Property on the basis of the Equivalent Units to be developed within Phases #1-1A, and that such method of allocation will result in the imposition of equal shares of applicable Phases #1-1A Improvement costs to Parcels similarly benefited.

At this time it is impossible to determine with absolute certainty the amount of special benefit each Parcel within Future Phases will receive from Authorized Improvements for such Future Phases. Therefore, at this time Parcels will only be assessed for the special benefits conferred upon the Parcel because of the Phases #1-1A Improvements.

In connection with the issuance of Phased PID Bonds and/or execution of related reimbursement agreements, this Service and Assessment Plan will be updated to reflect the special benefit each Parcel of Assessed Property within a Future Phase receives from Authorized Improvements for the Future Phase funded through the Assessments with respect to that Future Phase or pursuant to a Phased PID Bond or reimbursement agreement for that Future Phase. Prior to assessing Parcels located within Future Phase(s), each owner of the Parcels to be assessed must acknowledge that the 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 Phases #1-1A 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 Town Council allocates and reallocates the special benefit of the Phases #1-1A Improvements to Parcels in a manner that results in equal shares of the Actual Costs being apportioned to Parcels similarly benefited. The determination by the Town Council of the assessment methodologies set forth below is the result of the discretionary exercise by the Town 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 Phases are developed, this Service and Assessment Plan will be updated based on the Town's determination of the assessment methodology for each Future Phase.

B. Special Benefit

Assessed Property must receive a direct and special benefit from the Authorized Improvements, and this benefit must be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described in line-item format in Appendix B to this Service and Assessment Plan) and the costs 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.

Each owner of the Assessed Property has ratified, confirmed, accepted, agreed to and approved; (i) the determinations and finding by the Town 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 requires that Authorized Improvements be acquired, constructed, installed, and/or improved. Funding the Actual Costs using Bond proceeds has been determined by the Town 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 Town Council.

In summary, the Assessments result in a special benefit to the Assessed Property for the following reasons:

1. The Authorized Improvements are being provided specifically for the use of the Assessed Property, are necessary for the proposed best use of the property and provide a special benefit to the Assessed Property as a result;
2. The Developer has consented to the imposition of the Assessments for the purpose of providing the Authorized Improvements and the Developer is acting in its interest by consenting to this imposition;
3. The Authorized Improvements are required for the highest and best use of the Assessed Property;
4. The highest and best use of the Assessed Property is the use of the Assessed Property that

is most valuable (including any costs associated with the use of the Assessed Property);

5. Financing of the Authorized Improvement costs using Bond proceeds is determined to be the most beneficial means of providing for the Authorized Improvements; and,
6. As a result, the special benefits to the Assessed Property from the Authorized Improvements will be equal to or greater than the Assessments.

C. Assessment Methodology

The Actual Costs may be assessed by the Town 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 Phases #1-1A

For purpose of this Service and Assessment Plan, the Town Council has determined that the Actual Costs of the Phases #1-1A Improvements shall be allocated to the Phases #1-1A Assessed Property by spreading the entire Assessment across the Parcels based on the estimated number of units anticipated to be developed on each Parcel.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the estimated Equivalent Units to be constructed on each newly created Parcel, as determined by the Administrator and confirmed by the Town Council. The result of this approach is that each final residential Lot Type within a recorded subdivision plat will have the same Assessment.

As shown in Section IV, Table IV-A of this Service and Assessment Plan, the total par amount of the Phases #1-1A Bonds is \$6,000,000. The total amount of Phases #1-1A Assessments is, therefore, \$6,000,000. The total Equivalent Units planned to be developed in Phases #1-1A is 299.20. As a result, the Phases #1-1A Assessment per Equivalent Unit is \$20,053 ($\$6,000,000 \div 299.20 = \$20,053$).

A summary of the Assessment per Equivalent Unit of each Phases #1-1A lot is shown in Table V-A below.

Table V-A
Phases #1-1A Assessment per unit

Description	Total Assessment
Phases #1-1A Improvements Funded through the Phases #1-1A Bonds	\$6,000,000
Estimated total Equivalent Units in Phases #1- 1A lots	299.20
Phases #1-1A Assessment per Equivalent Unit	\$20,053

2. Assessments

The Assessments for the applicable Phase #1-1A Authorized Improvements will be levied on each Parcel according to the Phases #1-1A Assessment Roll attached hereto as Appendix E. The Annual Installments will be collected at the time and in the amounts shown on the Phases #1-1A Assessment Roll, subject to any revisions made during an Annual Service Plan Update.

3. 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 Phases #1-1A Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

4. Prepayment and Delinquency 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 such additional interest rate component of the Annual Installments allocated initially to fund a Prepayment and Delinquency Reserve. The Prepayment and Delinquency Reserve Fund shall be funded until it reaches 5% of the outstanding Bonds as stipulated in the Bond documents. Once the Prepayment and Delinquency Reserve is funded in full, the Town may allocate the additional interest to pay Administrative Expenses or other uses as authorized by the PID Act.

Section VI
TERMS OF THE ASSESSMENTS

A. Amount of Assessments and Annual Installments for Parcels Located within Phases #1-1A

The Assessment and Annual Installments for each Parcel of Assessed Property located within Phases #1-1A are shown on the Phases #1-1A Assessment Roll, attached as Appendix E, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay (i) principal and interest required on the Phases #1-1A Bonds, and (ii) to fund the prepayment reserve and delinquency reserve described in Section V, and (iii) to cover Administrative Expenses of Phases #1-1A. The Annual Installment for each Parcel shall be calculated by taking into consideration any available funds applicable to the Parcel.

B. Reallocation of Assessments for Parcels Located Within the PID

1. Upon Subdivision Prior to Recording of Subdivision Plat

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

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

Where the terms have the following meanings:

A = the Assessment for the new subdivided Parcel

B = the Assessment for the Parcel prior to subdivision

C = the estimated Equivalent Units to be built on the newly subdivided Parcel

D = the sum of the estimated Equivalent Units for all of the newly subdivided Parcels.

The calculation of the estimated units of a Parcel shall be performed by the Administrator and confirmed by the Town Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcels prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. 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 Town Council.

2. Upon Subdivision by a Recorded Subdivision Plat

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

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

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 estimated Equivalent Units to be built on the newly subdivided Parcel

D = the sum of the estimated Equivalent Units for all of the newly subdivided Parcels.

The calculation of the estimated number of units and related Equivalent Units to be built on a Parcel shall be performed by the Administrator and confirmed by the Town Council based on the information available regarding the use of the Parcel. The Equivalent Unit calculations for the PID are shown in Appendix D. The estimate as confirmed shall be conclusive. The number of units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcel prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the subdivision of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the Town Council.

3. Upon Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be calculated by the Administrator and reflected in an update to this Service and Assessment Plan approved by the Town Council.

4. Reallocation of Assessments for Parcels Located Within Future Phases

As Future Phases are developed, this Service and Assessment Plan will be updated 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 Phase.

C. Mandatory Prepayment of Assessments

1. If a Parcel subject to Assessments is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel subject to Assessments to become Non-Benefited Property, the owner of such Parcel shall pay to the Town the full amount of the Principal Portion of the Assessment on such Parcel, plus all Prepayment Costs, prior to any such transfer or act.
2. The payments required above shall be treated the same as any Assessment that is due and owing under the Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the Act.

D. Reduction of Assessments

1. If after all Authorized Improvements to be funded with the Assessments have been completed, including any additional Authorized Improvements described herein, and Actual Costs for such Authorized Improvements are less than the Actual Costs used to calculate the Assessments securing such Bonds, then the Assessments securing such Bonds for each Parcel of Assessed Property shall be reduced by the Town Council prorata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the total reduced Actual Costs. The Assessments shall not be reduced to an amount less than the outstanding Bonds pursuant to the applicable Bonds and/or reimbursement agreement(s). If all of the Authorized Improvements are not completed, the Town may reduce the Assessments in another method if it determines such method would better reflect the benefit received by the Parcels from the Authorized Improvements completed.
2. If the Authorized Improvements to be funded with the respective Assessments including any additional Authorized Improvements described herein, are not undertaken by the Town, the Assessments securing such Bonds for each Assessed Property shall be reduced by the Town Council to reflect only the Actual Costs that were expended. The Town Council shall reduce such Assessments for each Assessed Property pro rata 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 Bonds pursuant to the applicable Bonds.

E. Payment of Assessments

1. Payment in Full

- (a) The Assessment for any Parcel may be paid in full at any time. Payment shall include all Prepayment Costs. If prepayment in full will result in redemption of Bonds, the payment amount shall be reduced by the amount, if any, of interest through the date of redemption of Bonds and reserve funds applied to the redemption under the Trust Indenture, net of any other costs applicable to the redemption of such Bonds.

(b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.

(c) Upon payment in full of an Assessment and all Prepayment Costs, the Town shall deposit the payment in accordance with this Service and Assessment Plan and/or the applicable Trust Indenture; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.

(d) At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part as determined by the Administrator. Upon the payment of such amounts for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

2. Payment in Annual Installments

The 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 Town 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 Phases #1-1A Assessment Roll, which includes interest on the outstanding Assessment and Administrative Expenses.

Each Assessment shall be paid with interest of no more than the actual interest rate paid on the Bonds. The Assessment Roll sets forth for each year the Annual Installment for each Parcel based on interest rate of 5.25% and 6.00% for Bonds maturing through 2027 and 2047, respectively (and an additional interest at the rate of 0.5% for Prepayment and Delinquency Reserve as described in Section V). Furthermore, the Assessments may not exceed the amounts shown on the Assessment Rolls. The Assessment Roll, shown as Appendix E, will be updated with the actual interest rates on the Bonds.

The Annual Installments shall be reduced to equal the actual costs of repaying the 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 Town reserves and shall have the right and option to refund the Bonds in accordance with Section 372.027 of the PID Act, Chapter 1207 of the Texas Government Code or any other applicable authority provided by the laws of the State of Texas. In the event of such refunding, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of the Annual Installments so that total Annual Installments of Assessments will be produced in annual amounts that are required to pay the refunding bonds when due and payable as required by and established in the ordinance and/or the indenture authorizing and securing the refunding bonds, and such refunding bonds shall constitute Bonds for purposes of this Service and Assessment Plan.

F. Collection of Annual Installments

No less frequently than annually, the Administrator shall prepare, and the Town Council shall approve, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Phases #1-1A Assessment Roll and a calculation of the Annual Installment for each Parcel. Administrative Expenses shall be allocated among Parcels in proportion to the amount of the Annual Installments for the Parcels. Each Annual Installment shall be reduced by any credits applied under this Service and Assessment Plan and applicable Trust Indenture, such as available capitalized interest and any other funds available to the Town for such purpose. Annual Installments shall be collected by the Town in the same manner and at the same time as ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the Town. The Town Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the Act.

Any sale of property for nonpayment of the Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such property and such 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 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.

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Section VII THE ASSESSMENT ROLL

A. Phases #1-1A Assessment Roll

Each Parcel within the Phases #1-1A has been evaluated by the Town Council (based on the developable area, proposed Homeowner Association Property and Public Property, the Phases #1-1A Improvements and highest use of land, and other development factors deemed relevant by the Town Council) to determine the Assessed Property within the Parcel.

Phases #1-1A Assessed Property will be assessed for the special benefits conferred upon the property as a result of the Phases #1-1A Improvements. Table IV-A summarizes the \$9,499,680 in special benefit received by the Phases #1-1A Assessed Property from the Phases #1-1A Improvements, the estimated PID establishment costs and the estimated costs related to the issuance of the Phases #1-1A Bonds. The total Assessment for all Assessed Property within Phases #1-1A is \$6,000,000 plus the applicable interest component and the annual Administrative Expenses. The Assessment for each Parcel of Assessed Property within the Phases #1-1A is calculated based on the allocation methodologies described in Section V.C of this Service and Assessment Plan. The Phases #1-1A Assessment Roll is attached hereto as Appendix E.

B. Annual Assessment Roll Updates

The Administrator shall prepare, and shall submit to the Town Council for approval, annual updates to the Phases #1-1A 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 Town and permitted by the Act: (i) the identification of each Parcel (ii) the Assessment for each Parcel of 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.F of this Service and Assessment Plan.

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Section VIII MISCELLANEOUS PROVISIONS

A. Administrative Review

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

To the extent consistent with the Act, an owner of an Assessed Property claiming that a calculation error has been made in the Assessment Roll, including the calculation of the Annual Installment, shall send a written notice describing the error to the Town not later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed 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 Assessment Roll should be modified or changed in favor of the Assessed Parcel owner, such change or modification shall be presented to the Town Council for approval, to the extent permitted by the Act. A cash refund may not be made for any amount previously paid by the Assessed Parcel owner (except for the final year during which the Annual Installment shall be collected or if it is determined there are sufficient funds to meet the expenses of the PID for the current year), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the Town Council. Any amendments made to the Assessment Roll pursuant to calculations errors shall be made pursuant to the PID Act.

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

B. Termination of Assessments

The Assessment on a Parcel shall be extinguished on the date the Assessment is paid in full, including unpaid Annual Installments and Delinquent Collection Costs, if any. After the extinguishment of an Assessment, and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the Town 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.

The Town Council reserves the right to the extent permitted by the Act to amend this Service and Assessment Plan without notice under the Act and without notice to property owners of Parcels: (i) to correct mistakes and clerical errors; (ii) to clarify ambiguities; and (iii) to provide

procedures for the collection and enforcement of Assessments, Prepayment Costs, Collection Costs, and other charges imposed by the Service and Assessment Plan.

D. Administration and Interpretation of Provisions

The Town 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 Trust Indenture, such determination shall be conclusive.

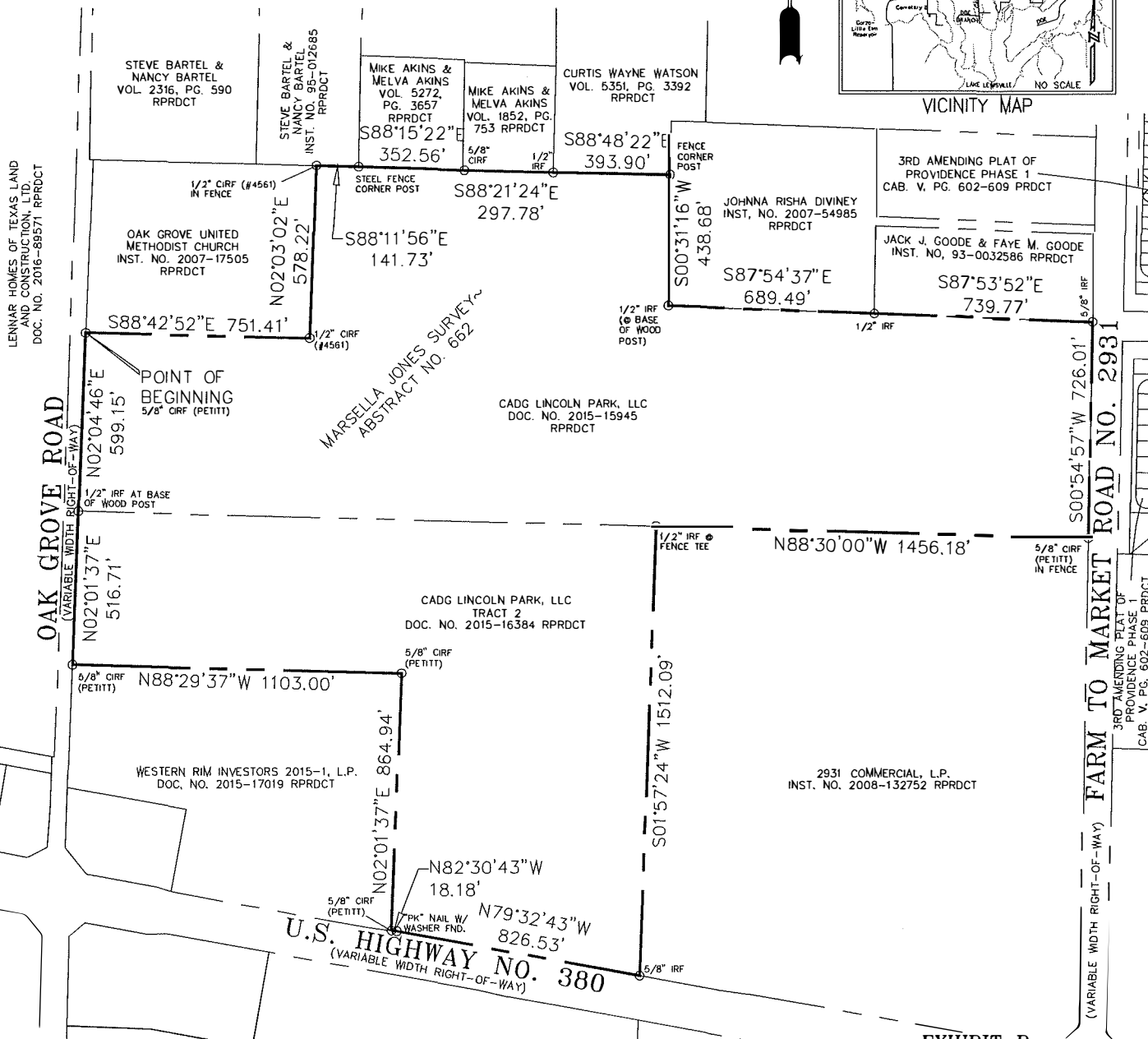
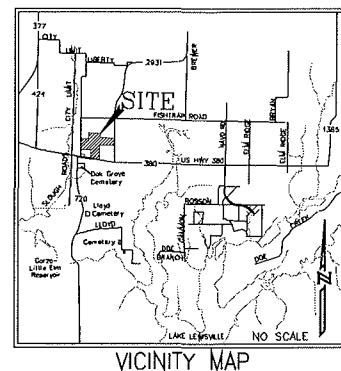
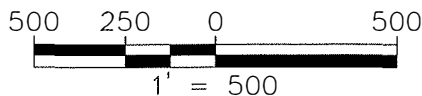
E. Severability

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 Town Council in adopting this Service and Assessment Plan that no part hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other part hereof, and all provisions of this Service and Assessment Plan are declared to be severable for that purpose.

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

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Appendix A
PID and Phase MAPs



NOTES:

1. NO IMPROVEMENTS OR EASEMENTS ARE SHOWN.
2. THE BEARINGS SHOWN AND RECITED HEREON ARE NAD83 (CORS 96, EPOCH 2002) REFERENCED TO THE TEXAS COORDINATE SYSTEM OF 1983, NORTH CENTRAL ZONE (4202) USING VRS. ALL DISTANCES ARE SURFACE DISTANCES WITH A SURFACE TO GRID SCALE FACTOR OF 0.999849392677
3. THIS DOCUMENT WAS PREPARED UNDER 22 TAC §663.21. DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY, AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE BOUNDARY OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED.

LEGEND:

- IRF - IRON ROD FOUND
- CIRF - CAPPED IRON ROD FOUND
- DOC. NO. - DOCUMENT NUMBER
- PRDCT - PLAT RECORDS OF DENTON COUNTY, TEXAS
- RPRDCT - REAL PROPERTY RECORDS OF DENTON COUNTY, TEXAS



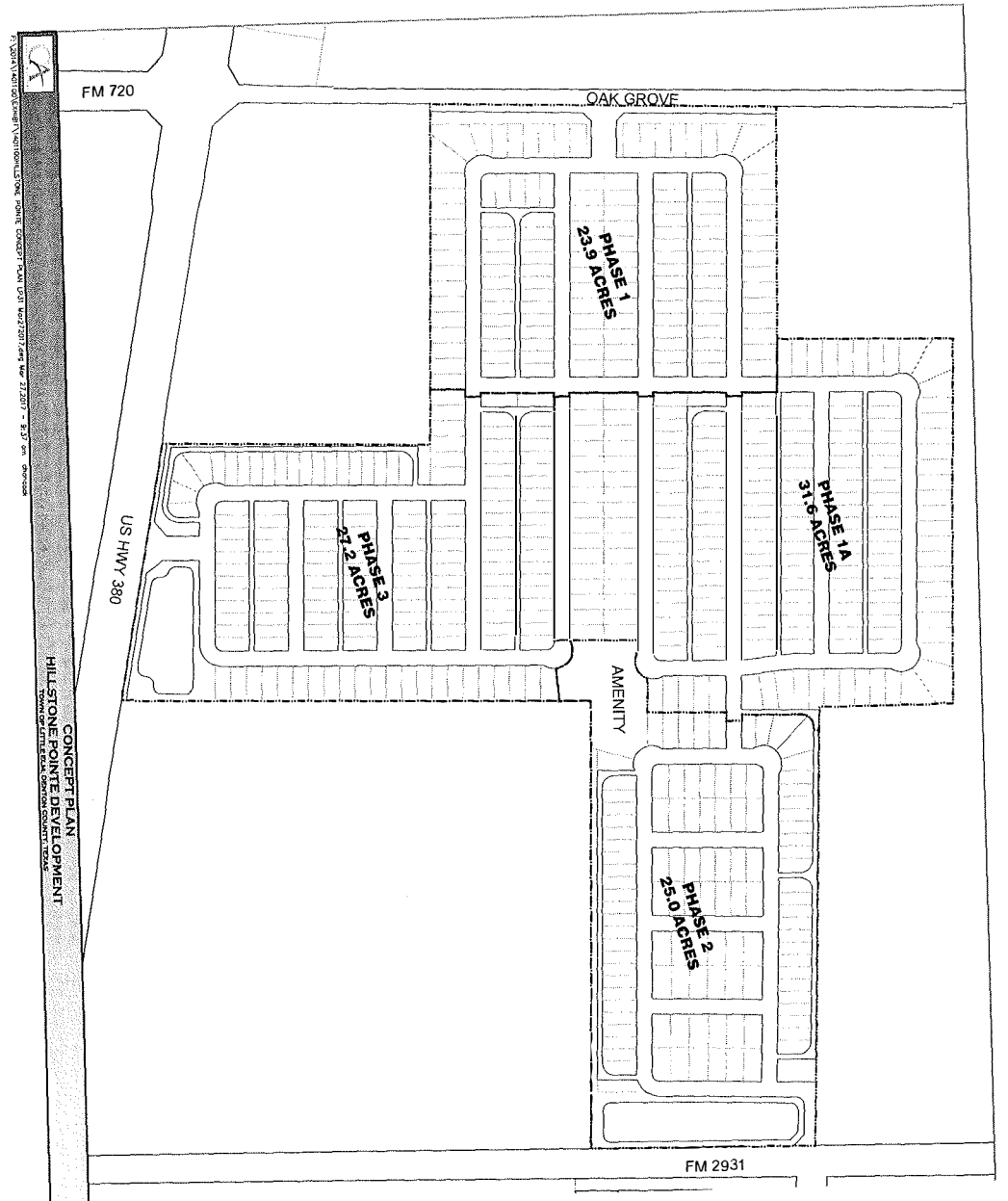
1651 Glenville Drive, Suite 212
Richardson, Texas 75081

Tel. No. (214) 221-9955
Fax No. (214) 340-3550

**EXHIBIT B
HILLSTONE POINTE
PUBLIC IMPROVEMENT
DISTRICT NO. 2**

**107.692 ACRES
SITUATED IN THE
MARSELLA JONES SURVEY
~ ABSTRACT NO. 662
TOWN OF LITTLE ELM
DENTON COUNTY, TEXAS**

DATE: FEBRUARY 2017 SCALE: 1"=500'
JOB NO. 140118-00



CONCEPT PLAN (2018) HILLSTONE POINTE DEVELOPMENT

HILLSTONE POINTE DEVELOPMENT

CONCEPT PLAN

TOWN OF LITTLE ROCK, ARKANSAS

EXHIBIT A

LEGAL DESCRIPTION
HILLSTONE POINTE
PUBLIC IMPROVEMENT DISTRICT NO. 2
107.692 ACRES

BEING THAT CERTAIN TRACT OF LAND SITUATED IN THE **MARSELLA JONES SURVEY ~ ABSTRACT NUMBER 662**, IN DENTON COUNTY, TEXAS, AND BEING ALL OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO CADG LINCOLN PARK, LLC, RECORDED IN DOCUMENT NUMBER 2015-15945, OF THE REAL PROPERTY RECORDS OF DENTON COUNTY, TEXAS (RPRDCT), AND ALL OF THAT CERTAIN TRACT OF LAND DESCRIBED AS TRACT 2 IN DEED TO CADG LINCOLN PARK, LLC, RECORDED IN DOCUMENT NO. 2015-16384, RPRDCT, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND ON THE EAST RIGHT-OF-WAY LINE OF OAK GROVE ROAD (VARIABLE WIDTH RIGHT-OF-WAY), AND BEING THE SOUTHWEST CORNER OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO OAK GROVE UNITED METHODIST CHURCH, RECORDED IN INSTRUMENT NUMBER 2007-17505, RPRDCT, SAID IRON ROD ALSO BEING THE MOST WESTERLY NORTHWEST CORNER OF SAID CADG LINCOLN PARK, LLC TRACT, RECORDED IN DOCUMENT NUMBER 2015-15945, RPRDCT;

THENCE SOUTH 88°42'52" EAST, WITH THE SOUTH LINE OF SAID OAK GROVE UNITED METHODIST CHURCH TRACT, A DISTANCE OF 751.41 FEET TO A 1/2-INCH IRON ROD WITH CAP MARKED "#4561" FOUND FOR CORNER AT THE SOUTHEAST CORNER OF SAID OAK GROVE UNITED METHODIST CHURCH TRACT;

THENCE NORTH 02°03'02" EAST, WITH THE EAST LINE OF SAID OAK GROVE UNITED METHODIST CHURCH TRACT, A DISTANCE OF 578.22 FEET TO A 1/2-INCH IRON ROD WITH CAP MARKED "#4561" FOUND FOR CORNER AT THE NORTHEAST CORNER OF SAID OAK GROVE UNITED METHODIST CHURCH TRACT, SAID IRON ROD ALSO BEING LOCATED ON THE SOUTH LINE OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO STEVE BARTEL AND NANCY BARTEL, RECORDED IN INSTRUMENT NUMBER 95-012685, RPRDCT;

THENCE SOUTH 88°11'56" EAST, WITH SAID SOUTH LINE, A DISTANCE OF 141.73 FEET TO A STEEL FENCE CORNER POST FOUND FOR CORNER, SAID POST BEING THE SOUTHWEST CORNER OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO MIKE AKINS AND MELVA AKINS, RECORDED IN VOLUME 5272, PAGE 3657, RPRDCT;

THENCE SOUTH 88°15'22" EAST, WITH THE SOUTH LINE OF SAID AKINS TRACT, A DISTANCE OF 352.56 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR CORNER, SAID IRON ROD BEING LOCATED AT THE SOUTHEAST CORNER OF SAID AKINS TRACT, AND THE SOUTHWEST CORNER OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO MIKE AKINS AND MELVA AKINS, RECORDED IN VOLUME 1852, PAGE 753, RPRDCT;

THENCE SOUTH 88°21'24" EAST, WITH THE SOUTH LINE OF SAID AKINS TRACT RECORDED IN VOLUME 1852, PAGE 753, RPRDCT, A DISTANCE OF 297.78 FEET TO A 1/2-INCH IRON ROD FOUND FOR CORNER, SAID IRON ROD BEING THE SOUTHWEST CORNER OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO CURTIS WAYNE WATSON, RECORDED IN VOLUME 5351, PAGE 3392, RPRDCT;

THENCE SOUTH 88°48'22" EAST, WITH THE SOUTH LINE OF SAID CURTIS WAYNE WATSON TRACT, A DISTANCE OF 393.90 FEET TO A FENCE CORNER POST FOUND FOR CORNER, SAID POST BEING THE MOST NORTHERLY NORTHEAST CORNER OF SAID CADG LINCOLN PARK, LLC TRACT, RECORDED IN DOCUMENT NUMBER 2015-15945, RPRDCT, AND THE MOST SOUTHERLY SOUTHEAST CORNER OF SAID CURTIS WAYNE WATSON TRACT, ALSO BEING LOCATED ON THE WEST LINE OF

THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO JOHNNA RISHA DIVINEY, RECORDED IN INSTRUMENT NUMBER 2007-54985, RPRDCT;

THENCE SOUTH 00°31'16" WEST, WITH THE WEST LINE OF SAID DIVINEY TRACT, A DISTANCE OF 438.68 FEET TO A 1/2-INCH IRON ROD FOUND FOR CORNER, SAID IRON ROD BEING LOCATED AT THE SOUTHWEST CORNER OF SAID DIVINEY TRACT, AND BEING LOCATED AT AN INTERIOR "ELL" CORNER OF SAID CADG LINCOLN PARK, LLC TRACT, RECORDED IN DOCUMENT NUMBER 2015-15945, RPRDCT;

THENCE SOUTH 87°54'37" EAST, WITH THE SOUTH LINE OF SAID DIVINEY TRACT, A DISTANCE OF 689.49 FEET TO A 1/2-INCH IRON ROD FOUND FOR CORNER, SAID IRON ROD BEING LOCATED AT THE SOUTHERNMOST SOUTHEAST CORNER OF SAID DIVINEY TRACT;

THENCE SOUTH 87°53'52" EAST, WITH THE SOUTH LINE OF THE REMAINDER OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO JACK J. GOODE AND FAYE M. GOODE, RECORDED IN INSTRUMENT NUMBER 93-0032586, RPRDCT, A DISTANCE OF 739.77 FEET TO A 5/8-INCH IRON ROD FOUND FOR CORNER, SAID IRON ROD BEING LOCATED ON THE WEST RIGHT-OF-WAY LINE OF FARM TO MARKET ROAD NUMBER 2931 (VARIABLE WIDTH RIGHT-OF-WAY), SAID IRON ROD ALSO BEING THE SOUTHEAST CORNER OF SAID GOODE TRACT, AND BEING THE EASTERNMOST NORTHEAST CORNER OF SAID CADG LINCOLN PARK, LLC TRACT RECORDED IN DOCUMENT NUMBER 2015-15945, RPRDCT;

THENCE SOUTH 00°54'57" WEST, WITH THE WEST RIGHT-OF-WAY LINE OF SAID FARM TO MARKET ROAD NUMBER 2931, A DISTANCE OF 726.01 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR CORNER, SAID IRON ROD BEING THE SOUTHEAST CORNER OF SAID CADG LINCOLN PARK, LLC, RECORDED IN DOCUMENT NUMBER 2015-15945, RPRDCT, AND BEING THE NORTHEAST CORNER OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO 2931 COMMERCIAL, L.P., RECORDED IN INSTRUMENT NUMBER 2008-132752, RPRDCT,

THENCE NORTH 88°30'00" WEST, LEAVING THE WEST RIGHT-OF-WAY LINE OF FARM TO MARKET ROAD NUMBER 2931, AND WITH THE COMMON SOUTH LINE OF SAID CADG LINCOLN PARK, LLC, RECORDED IN DOCUMENT NUMBER 2015-15945, RPRDCT, AND THE NORTH LINE OF SAID 2931 COMMERCIAL, L.P. TRACT, A DISTANCE OF 1456.18 FEET TO A 1/2-INCH IRON ROD FOUND FOR CORNER, SAID IRON ROD BEING THE NORTHWEST CORNER OF SAID 2931 COMMERCIAL, L.P. TRACT, AND THE NORTHEAST CORNER OF SAID CADG LINCOLN PARK, LLC, RECORDED IN DOCUMENT NUMBER 2015-16384, RPRDCT;

THENCE SOUTH 01°57'24" WEST, WITH THE COMMON EAST LINE OF SAID CADG LINCOLN PARK, LLC TRACT, RECORDED IN DOCUMENT NUMBER 2015-16384, RPRDCT, AND THE WEST LINE OF SAID 2931 COMMERCIAL, L.P. TRACT, A DISTANCE OF 1512.09 FEET TO A 5/8-INCH IRON ROD FOUND FOR CORNER, SAID IRON ROD BEING LOCATED ON THE NORTH RIGHT-OF-WAY LINE OF U.S. HIGHWAY NUMBER 380 (VARIABLE WIDTH RIGHT-OF-WAY), AND BEING THE SOUTHEAST CORNER OF SAID CADG LINCOLN PARK, LLC TRACT, RECORDED IN DOCUMENT NUMBER 2015-16384, RPRDCT;

THENCE NORTH 79°32'43" WEST, WITH THE NORTH RIGHT-OF-WAY LINE OF SAID U.S. HIGHWAY NUMBER 380, A DISTANCE OF 826.53 FEET TO A P/K NAIL WITH WASHER FOUND FOR CORNER;

THENCE NORTH 82°30'43" WEST, CONTINUING WITH SAID NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 18.18 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR CORNER AT THE SOUTHERNMOST SOUTHWEST CORNER OF SAID CADG LINCOLN PARK, LLC TRACT, RECORDED IN DOCUMENT NUMBER 2015-16384, RPRDCT, SAME BEING THE SOUTHEAST CORNER OF THAT CERTAIN TRACT OF LAND DESCRIBED IN DEED TO WESTERN RIM INVESTORS 2015-1, L.P., RECORDED IN DOCUMENT NUMBER 2015-17019, RPRDCT;

THENCE NORTH 02°01'37" EAST, LEAVING SAID NORTH RIGHT-OF-WAY LINE AND WITH THE EAST LINE OF SAID WESTERN RIM INVESTORS 2015-1, L.P. TRACT, A DISTANCE OF 864.94 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR CORNER LOCATED AT THE NORTHEAST CORNER OF SAID WESTERN RIM INVESTORS 2015-1, L.P. TRACT;

THENCE NORTH 88°29'37" WEST, WITH THE NORTH LINE OF SAID WESTERN RIM INVESTORS 2015-1, L.P. TRACT, A DISTANCE OF 1103.00 FEET TO A 5/8-INCH IRON ROD WITH CAP MARKED "PETITT-RPLS 4087" FOUND FOR CORNER, SAID IRON ROD BEING LOCATED ON THE EAST RIGHT-OF-WAY LINE OF SAID OAK GROVE ROAD, AND BEING THE WESTERNMOST SOUTHWEST CORNER OF SAID CADG LINCOLN PARK, LLC TRACT, RECORDED IN DOCUMENT NUMBER 2015-16384, RPRDCT, AND BEING THE NORTHWEST CORNER OF SAID WESTERN RIM INVESTORS 2015-1, L.P. TRACT;

THENCE NORTH 02°01'37" EAST, WITH SAID EAST RIGHT-OF-WAY LINE, A DISTANCE OF 516.71 FEET TO A 1/2-INCH IRON ROD FOUND AT THE NORTHWEST CORNER OF SAID CADG LINCOLN PARK, LP TRACT, RECORDED IN DOCUMENT NUMBER 2015-16384, RPRDCT, SAID IRON ROD ALSO BEING THE SOUTHWEST CORNER OF SAID CADG LINCOLN PARK, LP TRACT, RECORDED IN DOCUMENT NUMBER 2015-15945, RPRDCT;

THENCE NORTH 02°04'46" EAST, CONTINUING WITH SAID EAST RIGHT-OF-WAY LINE, A DISTANCE OF 599.15 FEET TO THE **POINT OF BEGINNING** AND CONTAINING A CALCULATED AREA OF **107.692 ACRES** OF LAND, MORE OR LESS.

NOTES:

THE BEARINGS SHOWN AND RECITED HEREON ARE NAD83 (CORS 96, EPOCH 2002) REFERENCED TO THE TEXAS COORDINATE SYSTEM OF 1983, NORTH CENTRAL ZONE (4202) USING VRS, ALL DISTANCES ARE SURFACE DISTANCES WITH A SURFACE TO GRID SCALE FACTOR OF 0.999849392677

THIS DOCUMENT WAS PREPARED UNDER 22 TAC §663.21, DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY, AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE BOUNDARY OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED.

Appendix B
Estimated Costs of the Authorized Improvements

**THIS ESTIMATE HAS BEEN COMPLETED ON LIMITED INFORMATION AND SHOULD BE USED
FOR PROJECT EVALUATION. PRIOR TO MAKING FINANCIAL COMMITMENTS BASED ON THIS
ESTIMATE, THESE NUMBERS SHOULD BE VERIFIED BY PETITT BARRAZA LLC.**

PROJECT NAME: HILLSTONE POINTE	ACREAGE: 107.7	NO. OF LOTS: 609
SUMMARY: PHASE 1 & 1A	CREATED: 3/27/2017	BY CDH
CITY: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	
UTIL. PROVIDER: TLE		FILE NAME: CONCEPT 31

PHASE 1 & 1A IMPROVEMENTS SUMMARY	DEVELOPER COST	PID DIRECT COST	TOTAL COST BY CATEGORY	337 LOTS BY LOT
A. ROADWAY IMPROVEMENTS	\$ -	\$ 3,181,966	\$ 3,181,966	\$ 9,442
B. WATER SYSTEM	\$ -	\$ 1,019,427	\$ 1,019,427	\$ 3,025
C. SANITARY SEWER SYSTEM	\$ -	\$ 583,212	\$ 583,212	\$ 1,731
D. STORM DRAINAGE SYSTEM	\$ -	\$ 1,104,203	\$ 1,104,203	\$ 3,277
E. LOT PREPARATION	\$ 361,344	\$ -	\$ 361,344	\$ 1,072
F. RETAINING WALLS	\$ 262,000	\$ -	\$ 262,000	\$ 777
G. FRANCHISE UTILITIES	\$ 474,379	\$ -	\$ 474,379	\$ 1,408
H. SCREENING & LANDSCAPE IMPROVEMENTS		\$ 533,500	\$ 533,500	\$ 1,583
I. AMENITIES	\$ -	\$ -	\$ -	\$ -
J. DEV. PROFESSIONAL & MISC. FEES	\$ 172,142	\$ -	\$ 172,142	\$ 511
K. PID PROFESSIONAL & MISC. FEES	\$ -	\$ 1,331,947	\$ 1,331,947	\$ 3,952.4
SUB-TOTAL ON-SITE COSTS	\$ 1,269,866	\$ 7,754,254	\$ 9,024,120	\$ 26,778

FUTURE PHASES IMPROVEMENTS SUMMARY	DEVELOPER COST	PID DIRECT COST	TOTAL COST BY CATEGORY	272 LOTS BY LOT
A. ROADWAY IMPROVEMENTS	\$ -	\$ 3,111,272	\$ 3,111,272	\$ 11,439
B. WATER SYSTEM	\$ -	\$ 505,467	\$ 505,467	\$ 1,858
C. SANITARY SEWER SYSTEM	\$ -	\$ 1,094,679	\$ 1,094,679	\$ 4,025
D. STORM DRAINAGE SYSTEM	\$ -	\$ 888,208	\$ 888,208	\$ 3,265
E. LOT PREPARATION	\$ 206,720	\$ -	\$ 206,720	\$ 760
F. RETAINING WALLS	\$ 272,000	\$ -	\$ 272,000	\$ 1,000
G. FRANCHISE UTILITIES	\$ 542,000	\$ -	\$ 542,000	\$ 1,993
H. SCREENING & LANDSCAPE IMPROVEMENTS		\$ 535,200	\$ 535,200	\$ 1,968
I. AMENITIES	\$ 600,000		\$ 600,000	\$ 2,206
J. DEV. PROFESSIONAL & MISC. FEES	\$ 96,970	\$ -	\$ 96,970	\$ 357
K. PID PROFESSIONAL & MISC. FEES	\$ -	\$ 905,340	\$ 905,340	\$ 3,328
SUB-TOTAL ON-SITE COSTS	\$ 1,717,690	\$ 7,040,167	\$ 8,757,856	\$ 32,198

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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 107.7	NO. OF LOTS: 609
SUMMARY: PHASE 1 & 1A	CREATED: 3/27/2017	BY CDH
CITY: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	
UTIL. PROVIDER: TLE		FILE NAME: CONCEPT 31

TOTAL DEVELOPMENT IMPROVEMENTS SUMMARY	DEVELOPER COST	PID DIRECT COST	TOTAL COST BY CATEGORY	609 LOTS BY LOT
A. ROADWAY IMPROVEMENTS	\$ -	\$ 6,293,238	\$ 6,293,238	\$ 10,334
B. WATER SYSTEM	\$ -	\$ 1,524,894	\$ 1,524,894	\$ 2,504
C. SANITARY SEWER SYSTEM	\$ -	\$ 1,677,891	\$ 1,677,891	\$ 2,755
D. STORM DRAINAGE SYSTEM	\$ -	\$ 1,992,411	\$ 1,992,411	\$ 3,272
E. LOT PREPARATION	\$ 568,064	\$ -	\$ 568,064	\$ 933
F. RETAINING WALLS	\$ 534,000	\$ -	\$ 534,000	\$ 877
G. FRANCHISE UTILITIES	\$ 1,016,379	\$ -	\$ 1,016,379	\$ 1,669
H. SCREENING & LANDSCAPE IMPROVEMENTS	\$ -	\$ 1,068,700	\$ 1,068,700	\$ 1,755
I. AMENITIES	\$ 600,000	\$ -	\$ 600,000	\$ 985
J. DEV. PROFESSIONAL & MISC. FEES	\$ 269,112	\$ -	\$ 269,112	\$ 442
K. PID PROFESSIONAL & MISC. FEES	\$ -	\$ 2,237,287	\$ 2,237,287	\$ 3,674
SUB-TOTAL ON-SITE COSTS	\$ 2,987,555	\$ 14,794,421	\$ 17,781,976	\$ 29,199

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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 54.3	NO. OF LOTS: 337
SUMMARY: PHASE 1 & 1A	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 10,920
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

SUMMARY	TOTAL COST	
	BY CATEGORY	BY LOT
A. ROADWAY IMPROVEMENTS	\$ 2,788,490	\$ 8,274
B. WATER SYSTEM	\$ 661,487	\$ 1,963
C. SANITARY SEWER SYSTEM	\$ 505,716	\$ 1,501
D. STORM DRAINAGE SYSTEM	\$ 1,104,203	\$ 3,277
E. LOT PREPARATION	\$ 361,344	\$ 1,072
F. RETAINING WALLS	\$ 262,000	\$ 777
G. FRANCHISE UTILITIES	\$ 474,379	\$ 1,408
H. DEV. PROFESSIONAL & MISC. FEES	\$ 172,142	\$ 511
I. PID PROFESSIONAL & MISC. FEES	\$ 869,916	\$ 2,581
SUB-TOTAL ON-SITE COSTS	\$ 7,199,678	\$ 21,364

OTHER IMPROVEMENTS SUMMARY	TOTAL COST	
	BY CATEGORY	BY LOT
A. OAK GROVE ROADWAY IMPROVEMENTS (1,116LF)	\$ 393,476	\$ 1,168
B. WATER SYSTEM	\$ 357,940	\$ 1,062
C. SANITARY SEWER SYSTEM	\$ 21,894	\$ 65
D. SHARED SANITARY SEWER SYSTEM - 59% PID; 41% OTHERS	\$ 55,602	\$ 165
E. SCREENING & LANDSCAPE IMPROVEMENTS	\$ 533,500	\$ 1,583
F. PID PROFESSIONAL & MISC. FEES	\$ 462,031	\$ 1,371
SUB-TOTAL OTHER IMPROVEMENTS COSTS	\$ 1,824,442	\$ 5,414

TOTAL PHASE 1 IMPROVEMENTS	TOTAL COST	
	BY CATEGORY	BY LOT
TOTAL DEVELOPMENT COSTS	\$ 9,024,120	\$ 26,778

NOTES:

1. DEVELOPMENT COST DOES NOT INCLUDE: CITY/DISTRICT/COUNTY FEES, BONDS, & PERMITS, ROCK EXCAVATION, MONUMENTS, OR COMMON AREA AMENITIES.
2. PROFESSIONAL FEES DO NOT INCLUDE: LAND ENTITLEMENTS, FEASIBILITY, BOUNDARY SURVEY, TOPOGRAPHIC SURVEY, FLOOD STUDIES, GEOTECHNICAL, ENVIRONMENTAL, WETLANDS, SWPPP ADMINISTRATION, OR TRAFFIC STUDIES.

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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 54.3	NO. OF LOTS: 337
SUMMARY: PHASE 1 & 1A	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 10,920
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
A. ROADWAY IMPROVEMENTS				
MOBILIZATION	LS	1	\$ 3,500.00	\$ 3,500
CREW & EQUIPMENT	HR	20	\$ 315.00	\$ 6,300
ROW CLEARING & GRUBBING (Full Area Heavily Tre	ACRE	55.70	\$ 5,959.12	\$ 331,923
TREE REMOVAL	LS	1	\$ 2,500.00	\$ 2,500
TRAFFIC CONTROL	LS	1	\$ 2,500.00	\$ 2,500
CONSTRUCTION ENTRANCE	EA	2	\$ 2,000.00	\$ 4,000
SILT FENCE	LF	11,036	\$ 1.63	\$ 17,998
UNCLASSIFIED EXCAVATION OF STREET R.O.W.	CY	155,541	\$ 1.83	\$ 285,314
HAUL & DISPOSE EXCAVATED MATERIAL TO PHASE	CY	44,250	\$ 1.04	\$ 46,020
OVER SEEDING LOTS	ACRE	39	\$ 455.34	\$ 17,537
CONNECT TO EX. PAVEMENT	EA	6	\$ 450.00	\$ 2,700
6-INCH CONC. PAVEMENT (3,600 PSI)	SY	37,659	\$ 33.95	\$ 1,278,576
6" LIME STABILIZED SUBGRADE PREPARATION	SY	44,521	\$ 3.79	\$ 168,844
8-INCH CONC. ALLEY PAVEMENT (3,600 PSI)	SY	5,888	\$ 43.64	\$ 256,952
6" LIME STABILIZED SUBGRADE PREPARATION	SY	2,466	\$ 4.00	\$ 9,864
LIME FOR SUBGRADE PREPARATION	TON	863	\$ 160.00	\$ 138,080
TEMP. NON. REIN. CONC. PAVEMENT	SY	872	\$ 35.00	\$ 30,520
STAMPED CONC. IN MEDIAN	SF	180	\$ 16.50	\$ 2,970
PAVEMENT BARRICADE	EA	8	\$ 2,350.00	\$ 18,800
ROCK RIP RAP (8" TO 12")	SY	61	\$ 65.00	\$ 3,965
BARRIER FREE RAMPS	EA	38	\$ 1,413.16	\$ 53,700
CURLEX EROSION CONTROL MATTING	LF	32,512	\$ 0.81	\$ 26,433
STORM DRAIN INLET PROTECTION	EA	22	\$ 91.82	\$ 2,020
COMBO STREET NAME & STOP SIGN	EA	21	\$ 725.00	\$ 15,225
5' REINFORCED CONCRETE SIDEWALK (5-INCH)	SY	170	\$ 45.00	\$ 7,650
STREET LIGHTS (Standard Lights)	EA	22	\$ 2,500.00	\$ 54,600
SUB - TOTAL				\$ 2,788,490

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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 54.3	NO. OF LOTS: 337
SUMMARY: PHASE 1 & 1A	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 10,920
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
B. WATER SYSTEM				
CONNECT TO EXIST. WATER LINE	EA	5	\$ 1,210.00	\$ 6,050
12" WATER LOWERING	EA	2	\$ 5,000.00	\$ 10,000
12" P.V.C. WATERLINE	LF	2,046	\$ 38.54	\$ 78,855
12" GATE VALVE & BOX	EA	10	\$ 2,500.00	\$ 25,000
8" P.V.C. WATERLINE	LF	7,958	\$ 27.37	\$ 217,789
8" GATE VALVE & BOX	EA	30	\$ 1,575.83	\$ 47,275
FIRE HYDRANT ASSEMBLY (INCLUDING 6" GATE VAL)	EA	24	\$ 4,250.00	\$ 102,000
1" DOMESTIC SERVICE	EA	2	\$ 675.00	\$ 1,350
1" SINGLE WATER SERVICE	EA	14	\$ 564.29	\$ 7,900
BULLHEAD WATER SERVICE	EA	162	\$ 650.93	\$ 105,450
2" RURAL FLUSH VALVE	EA	6	\$ 3,100.00	\$ 18,600
4" CONDUIT (SCHEDULE 40) AT INTERSECTIONS	LF	1,742	\$ 11.60	\$ 20,212
TRENCH SAFETY	LF	10,004	\$ 1.30	\$ 13,004
TESTING (EXCLUDING GEOTECH)	LF	10,004	\$ 0.80	\$ 8,002
SUB - TOTAL				\$ 661,487

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
C. SANITARY SEWER SYSTEM				
CONNECT TO EXIST. SEWER LINE	EA	6	\$ 1,196.67	\$ 7,180
8" P.V.C. PIPE (SDR 26: Over 11.5' Depth)	LF	363	\$ 26.00	\$ 9,438
8" P.V.C. PIPE (SDR 35: 0' to 11.5' Depth)	LF	7,819	\$ 27.53	\$ 215,278
4' DIAMETER MANHOLE W/RAIN PANS	EA	18	\$ 3,237.50	\$ 58,275
4" SINGLE SEWER SERVICE	EA	321	\$ 572.80	\$ 183,868
WATER CROSSING PER TCEQ REQUIREMENTS	EA	13	\$ 519.23	\$ 6,750
STORM DRAIN CROSSING REINFORCEMENT	EA	4	\$ 875.00	\$ 3,500
TESTING (EXCLUDING GEOTECH)	LF	8,182	\$ 1.62	\$ 13,245
TRENCH SAFETY	LF	8,182	\$ 1.00	\$ 8,182
SUB - TOTAL				\$ 505,716

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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 54.3	NO. OF LOTS: 337
SUMMARY: PHASE 1 & 1A	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 10,920
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
D. STORM DRAINAGE SYSTEM				
PHASE 1A STORM DRAINAGE SYSTEM	LOT	194	\$ 2,500.00	\$ 485,000
18" R.C.P. (ALL DEPTHS)	LF	250	\$ 40.00	\$ 10,000
21" R.C.P. (ALL DEPTHS)	LF	177	\$ 46.00	\$ 8,142
24" R.C.P. (ALL DEPTHS)	LF	1,190	\$ 53.00	\$ 63,070
27" R.C.P. (ALL DEPTHS)	LF	555	\$ 61.00	\$ 33,855
30" R.C.P. (ALL DEPTHS)	LF	23	\$ 80.00	\$ 1,840
33" R.C.P. (ALL DEPTHS)	LF	434	\$ 86.00	\$ 37,324
36" R.C.P. (ALL DEPTHS)	LF	97	\$ 91.00	\$ 8,827
42" R.C.P. (ALL DEPTHS)	LF	558	\$ 122.00	\$ 68,076
48" R.C.P. (ALL DEPTHS)	LF	172	\$ 165.00	\$ 28,380
54" R.C.P. (ALL DEPTHS)	LF	90	\$ 190.00	\$ 17,100
60" R.C.P. (ALL DEPTHS)	LF	8	\$ 223.00	\$ 1,784
7' x 5' RCB (ALL DEPTHS)	LF	203	\$ 517.00	\$ 104,951
4' x 2' RCB FITTINGS NOT USED	LS	1	\$ 2,841.00	\$ 2,841
8' x 8' STORM MANHOLE	EA	1	\$ 12,650.00	\$ 12,650
10' x 10' STORM MANHOLE	EA	1	\$ 16,000.00	\$ 16,000
10' INLET	EA	6	\$ 3,000.00	\$ 18,000
10' REC. INLET	EA	2	\$ 3,250.00	\$ 6,500
12' INLET	EA	6	\$ 3,275.00	\$ 19,650
15' REC. INLET	EA	1	\$ 3,900.00	\$ 3,900
4' x 4' DROP INLET	EA	1	\$ 4,500.00	\$ 4,500
DEBRIS SEPARATOR	EA	1	\$ 35,000.00	\$ 35,000
7' x 5' HEADWALL W/ DISSIPATER	EA	1	\$ 25,000.00	\$ 25,000
SAFETY GATE	EA	1	\$ 2,500.00	\$ 2,500
INLET PROTECTION	EA	16	\$ 150.00	\$ 2,400
12" X 18" ROCK RIP RAP	CY	236	\$ 105.00	\$ 24,780
REMOVE & DISPOSE EX. 54" RCP	LF	90	\$ 45.00	\$ 4,050
GRADE TO DRAIN	CY	7,204	\$ 6.50	\$ 46,826
BACKFILL/ COMPACT TEMP. DRAIN DITCH	CY	5,000	\$ 1.50	\$ 7,500
TRENCH SAFETY	LF	3,757	\$ 1.00	\$ 3,757
SUB - TOTAL				\$ 1,104,203

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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 54.3	NO. OF LOTS: 337
SUMMARY: PHASE 1 & 1A	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 10,920
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
F. LOT PREPARATION				
LOT GRADING (ROUGH)	EA	321	\$ 185.30	\$ 59,481
LOT GRADING (FINAL)	EA	321	\$ 92.65	\$ 29,741
WRAP LOTS w/ 6 MIL PLASTIC SHEETING	EA	321	\$ 485.73	\$ 155,919
FILL/ COMPACT PONDS	CY	24,851	\$ 3.00	\$ 74,553
BUILD PADS	EA	16	\$ 300.00	\$ 4,800
RESTORE/ FINAL LOT GRADING	EA	134	\$ 275.00	\$ 36,850

SUB - TOTAL	\$ 361,344
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DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
F. RETAINING WALLS				
RETAINING WALL (4' Top of Wall to Bottom)	LOT	321	\$ 816.20	\$ 262,000

SUB - TOTAL, DEVELOPER COST	\$ 262,000
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DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
G. FRANCHISE UTILITIES				
ELECTRIC SERVICE	LOT	194	\$ 1,000.00	\$ 194,000
GAS SERVICE	LOT	194	\$ 1,000.00	\$ 194,000
COSERV SERVICE	LS	1	\$ 43,896.88	\$ 43,897
3" ELEC. SLEEVE	LF	32	\$ 20.00	\$ 640
2" ELEC. SLEEVE	LF	758	\$ 24.00	\$ 18,192
6" GAS SLEEVE	LF	150	\$ 30.00	\$ 4,500
4" GAS SLEEVE	LF	416	\$ 26.50	\$ 11,024
2" GAS SLEEVE	LF	478	\$ 17.00	\$ 8,126

SUB - TOTAL, DEVELOPER COST	\$ 474,379
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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 54.3	NO. OF LOTS: 337
SUMMARY: PHASE 1 & 1A	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 10,920
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
E. DEV. PROFESSIONAL & MISC. FEES				
ENGINEERING & SURVEYING	LS	1	\$ 154,543	\$ 154,543
CONSTRUCTION INSPECTION	LS	1	\$ 8,579	\$ 8,579
MATERIAL TESTING	LS	1	\$ 5,019	\$ 5,019
SWPPP ADMINISTRATION	LS	1	\$ 4,000	\$ 4,000

SUB - TOTAL				\$ 172,142
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<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
F. PID PROFESSIONAL & MISC. FEES				
ENGINEERING & SURVEYING	LS	1	\$ 587,622	\$ 587,622
CONSTRUCTION INSPECTION	LS	1	\$ 151,797	\$ 151,797
MATERIAL TESTING	LS	1	\$ 126,497	\$ 126,497
SWPPP ADMINISTRATION	LS	1	\$ 4,000	\$ 4,000

SUB - TOTAL				\$ 869,916
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**THIS ESTIMATE HAS BEEN COMPLETED ON LIMITED INFORMATION AND SHOULD BE USED
FOR PROJECT EVALUATION. PRIOR TO MAKING FINANCIAL COMMITMENTS BASED ON THIS
ESTIMATE, THESE NUMBERS SHOULD BE VERIFIED BY PETITT BARRAZA LLC.**

PROJECT NAME:	HILLSTONE POINTE	ACREAGE:	54.3	NO. OF LOTS:	337
SUMMARY:	PHASE 1 & 1A	CREATED:	3/27/2017	BY:	CDH
DISTRICT:	TLE	REVISED:	4/5/2017	CHECKED:	AB
JOB NUMBER:	14011-00	REVISED:	8/16/2017	ROADWAY LF:	10,920
UTIL. PROVIDER:	TLE	REVISED:		FILE NAME:	CONCEPT 31

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
A OAK GROVE ROADWAY IMPROVEMENTS (1.1.16LF)				
MOBILIZATION	LS	1	\$ 3,500.00	\$ 3,500
CREW & EQUIPMENT	HR	30	\$ 315.00	\$ 9,450
9-INCH CONC. PAVEMENT (3,600 PSI)	SY	4,900	\$ 44.00	\$ 215,600
8" LIME STABILIZED SUBGRADE PREPARATION	TON	5,280	\$ 3.50	\$ 18,480
6-INCH TEMP. ASPHALT	SY	756	\$ 30.00	\$ 22,680
6" LIME STABILIZED SUBGRADE PREPARATION	TON	815	\$ 3.50	\$ 2,853
LIME FOR SUBGRADE PREPARATION (36LBS/SY)	TON	114	\$ 150.00	\$ 17,100
STORM DRAIN INLET PROTECTION	EA	4	\$ 85.00	\$ 340
5' REINFORCED CONCRETE SIDEWALK (5-INCH)	SY	1,158	\$ 33.50	\$ 38,793
HMAC STREET REPAIR	SY	82	\$ 40.00	\$ 3,280
REMOVE & DISPOSE SIDEWALK	LS	1	\$ 1,800.00	\$ 1,800
8-INCH FLEX FOR TEMP. HMAC	SY	902	\$ 10.00	\$ 9,020
PAVEMENT BARRICADE	EA	1	\$ 2,350.00	\$ 2,350
BARRIER FREE RAMPS	EA	7	\$ 1,350.00	\$ 9,450
STREET SIGN	EA	2	\$ 500.00	\$ 1,000
TEMP. ROAD	LS	1	\$ 3,500.00	\$ 3,500
TRAFFIC CONTROL	LS	1	\$ 5,000.00	\$ 5,000
UNCLASSIFIED EXCAVATION OF STREET R.O.W.	CY	3,000	\$ 6.75	\$ 20,250
GRADE/ COMPACT SUBGRADE	SY	4,200	\$ 2.15	\$ 9,030
SUB - TOTAL				\$ 393,476

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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 54.3	NO. OF LOTS: 337
SUMMARY: PHASE 1 & 1A	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 10,920
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
B. WATER SYSTEM				
CONNECT TO EXIST. WATER LINE (WET TAP)	EA	3	\$ 900.00	\$ 2,700
16" P.V.C. WATERLINE	LF	1,621	\$ 76.00	\$ 123,196
16" GATE VALVE & BOX	EA	4	\$ 3,675.00	\$ 14,700
12" P.V.C. WATERLINE	LF	2,503	\$ 35.00	\$ 87,605
12" GATE VALVE & BOX	EA	10	\$ 2,500.00	\$ 25,000
8" P.V.C. WATERLINE	LF	36	\$ 35.00	\$ 1,260
8" GATE VALVE & BOX	EA	2	\$ 1,400.00	\$ 2,800
6" P.V.C. WATERLINE	LF	10	\$ 59.00	\$ 590
FIRE HYDRANT ASSEMBLY (INCLUDING 6" GATE VAL)	EA	6	\$ 4,000.00	\$ 24,000
24" STEEL CASING PIPE	LF	100	\$ 410.00	\$ 41,000
TRENCH SAFETY	LF	4,170	\$ 1.00	\$ 4,170
TESTING (EXCLUDING GEOTECH)	LF	4,170	\$ 0.50	\$ 2,085
OPEN CUT EX. PAVEMENT	SY	74	\$ 78.00	\$ 5,772
TREE REMOVAL & POND DEWATERING	LS	1	\$ 4,000.00	\$ 4,000
8" GATE VALVE & BOX PER MSUD	EA	1	\$ 1,400.00	\$ 1,400
EMERGENCY FORCE MAIN REPAIR	LS	1	\$ 5,100.00	\$ 5,100
ROW CONCRETE REMOVAL	LS	1	\$ 3,500.00	\$ 3,500
CONSTRUCTION ENTRANCE	EA	1	\$ 2,500.00	\$ 2,500
SILT FENCE	EA	3,860	\$ 1.70	\$ 6,562
SUB - TOTAL				\$ 357,940

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
C. SANITARY SEWER SYSTEM				
10" P.V.C. PIPE (SDR 26: Over 11.5' Depth)	LF	491	\$ 32.00	\$ 15,712
5' DIAMETER MANHOLE	EA	1	\$ 5,200.00	\$ 5,200
TESTING (EXCLUDING GEOTECH)	LF	491	\$ 1.00	\$ 491
TRENCH SAFETY	LF	491	\$ 1.00	\$ 491
SUB - TOTAL				\$ 21,894

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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 54.3	NO. OF LOTS: 337
SUMMARY: PHASE 1 & 1A	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 10,920
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
D. SHARED SANITARY SEWER SYSTEM - 59% PID, 41% OTHERS				
10" P.V.C. PIPE (SDR 35: 0' to 11.5' Depth)	LF	100	\$ 35.00	\$ 3,500
10" P.V.C. PIPE (SDR 26: Over 11.5' Depth)	LF	1,500	\$ 37.00	\$ 55,500
15" P.V.C. PIPE (SDR 35: 0' to 11.5' Depth)	LF	97	\$ 44.00	\$ 4,268
15" P.V.C. PIPE (SDR 35: 0' to 11.5' Depth)	LF	163	\$ 44.00	\$ 7,172
4' DIAMETER MANHOLE	EA	4	\$ 3,100.00	\$ 12,400
5' DIAMETER MANHOLE	EA	2	\$ 5,700.00	\$ 11,400
TESTING (EXCLUDING GEOTECH)	LF	1,860	\$ -	\$ -
TRENCH SAFETY	LF	1,860	\$ -	\$ -

SUB - TOTAL **\$ 94,240**

SUB - TOTAL, 41% OTHER'S SHARE \$ 38,638

SUB - TOTAL, 59% PID'S SHARE **\$ 55,602**

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
E. SCREENING & LANDSCAPE IMPROVEMENTS				
GENERAL LANDSCAPING & IRRIGATION	LS	1	\$ 100,000.00	\$ 100,000
SCREENING WALL	LF	2,890	\$ 150.00	\$ 433,500

SUB - TOTAL **\$ 533,500**

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
F. PID PROFESSIONAL & MISC. FEES				
ENGINEERING & SURVEYING	%	13%	\$ 838,005	\$ 108,941
PID CREATION/ ADMINISTRATION	LS	1	\$ 300,000	\$ 300,000
CONSTRUCTION INSPECTION	%	3%	\$ 838,005	\$ 25,140
MATERIAL TESTING	%	2.5%	\$ 838,005	\$ 20,950
SWPPP ADMINISTRATION	LS	1	\$ 7,000	\$ 7,000

SUB - TOTAL **\$ 462,031**

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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 25	NO. OF LOTS: 111
SUMMARY: PHASE 2	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 3,970
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

ON-SITE SUMMARY	TOTAL COST BY CATEGORY	BY LOT
A. ROADWAY IMPROVEMENTS	\$ 1,072,635	\$ 9,663
B. WATER SYSTEM	\$ 234,326	\$ 2,111
C. SANITARY SEWER SYSTEM	\$ 209,150	\$ 1,884
D. STORM DRAINAGE SYSTEM	\$ 277,500	\$ 2,500
E. LOT PREPARATION	\$ 84,360	\$ 760
F. RETAINING WALLS	\$ 111,000	\$ 1,000
G. FRANCHISE UTILITIES	\$ 220,000	\$ 1,982
H. DEV. PROFESSIONAL & MISC. FEES	\$ 39,940	\$ 360
I. PID PROFESSIONAL & MISC. FEES	\$ 256,049	\$ 2,307
SUB-TOTAL ON-SITE COSTS	\$ 2,504,960	\$ 22,567
OTHER IMPROVEMENTS SUMMARY	TOTAL COST BY CATEGORY	BY LOT
A. FM 2931 ROADWAY IMPROVEMENTS	\$ 350,000	\$ 3,153
B. SHARED SANITARY SEWER SYSTEM - 21% PID; 79% OTHERS	\$ 135,584	\$ 1,221
C. RETENTION PONDS	\$ 117,909	\$ 1,062
D. SCREENING IMPROVEMENTS	\$ 264,000	\$ 2,378
E. AMENITY IMPROVEMENTS	\$ 600,000	\$ 5,405
F. PID PROFESSIONAL & MISC. FEES	\$ 118,646	\$ 1,069
SUB-TOTAL MAJOR IMPROVEMENTS COSTS	\$ 1,586,140	\$ 14,290
TOTAL PHASE 3 IMPROVEMENTS	TOTAL COST BY CATEGORY	BY LOT
TOTAL DEVELOPMENT COSTS	\$ 4,091,099	\$ 36,857

NOTES:

1. DEVELOPMENT COST DOES NOT INCLUDE: CITY/DISTRICT/COUNTY FEES, BONDS, & PERMITS, ROCK EXCAVATION, MONUMENTS, OR COMMON AREA AMENITIES.
2. PROFESSIONAL FEES DO NOT INCLUDE: LAND ENTITLEMENTS, FEASIBILITY, BOUNDARY SURVEY, TOPOGRAPHIC SURVEY, FLOOD STUDIES, GEOTECHNICAL, ENVIRONMENTAL, WETLANDS, SWPPP ADMINISTRATION, OR TRAFFIC STUDIES.

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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 25	NO. OF LOTS: 111
SUMMARY: PHASE 2	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 3,970
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
A. ROADWAY IMPROVEMENTS				
ROW CLEARING & GRUBBING (Full Area Heavily Treed)	ACRE	8.0	\$ 6,000.00	\$ 48,000
CLEARING & GRUBBING (1/4 Area Heavily Treed)	ACRE	17.0	\$ 2,000.00	\$ 2,000
CONSTRUCTION ENTRANCE	EA	1	\$ 2,000.00	\$ 2,000
SILT FENCE	LF	4,605	\$ 1.50	\$ 6,908
UNCLASSIFIED EXCAVATION OF STREET R.O.W.	CY	84,861	\$ 2.20	\$ 186,694
OVER SEEDING LOTS	ACRE	12	\$ 500.00	\$ 6,000
STREET PREPARATION (3' MOISTURE CONDITIONING)	CY	18,086	\$ 2.75	\$ 49,737
CONNECT TO EX. PAVEMENT	EA	2	\$ 350.00	\$ 700
6-INCH CONC. PAVEMENT (3,600 PSI)	SY	13,675	\$ 36.00	\$ 492,300
6" LIME STABILIZED SUBGRADE PREPARATION	TON	16,703	\$ 4.00	\$ 66,812
8-INCH CONC. ALLEY PAVEMENT (3,600 PSI)	SY	1,840	\$ 45.00	\$ 82,800
LIME FOR SUBGRADE PREPARATION	TON	310	\$ 160.00	\$ 49,600
BARRIER FREE RAMPS	EA	17	\$ 1,500.00	\$ 25,500
CURLEX EROSION CONTROL MATTING	LF	10,700	\$ 1.00	\$ 10,700
STORM DRAIN INLET PROTECTION	EA	8	\$ 100.00	\$ 800
COMBO STREET NAME & STOP SIGN	EA	7	\$ 725.00	\$ 5,075
5' REINFORCED CONCRETE SIDEWALK (5-INCH)	SY	378	\$ 45.00	\$ 17,010
STREET LIGHTS (Standard Lights)	EA	8	\$ 2,500.00	\$ 20,000

SUB - TOTAL **\$ 1,072,635**

B. WATER SYSTEM				
CONNECT TO EXIST. WATER LINE (Remove Plug & Cap)	EA	3	\$ 900.00	\$ 2,700
12" P.V.C. WATERLINE	LF	1,860	\$ 40.00	\$ 74,400
12" GATE VALVE & BOX	EA	7	\$ 2,500.00	\$ 17,500
8" P.V.C. WATERLINE	LF	1,785	\$ 22.00	\$ 39,270
8" GATE VALVE & BOX	EA	9	\$ 1,400.00	\$ 12,600
FIRE HYDRANT ASSEMBLY (INCLUDING 6" GATE VALVE)	EA	8	\$ 4,000.00	\$ 32,000
1" DOMESTIC SERVICE	EA	2	\$ 600.00	\$ 1,200
1" SINGLE WATER SERVICE	EA	5	\$ 500.00	\$ 2,500
BULLHEAD WATER SERVICE	EA	53	\$ 615.00	\$ 32,595
2" RURAL FLUSH VALVE	EA	1	\$ 3,100.00	\$ 3,100
4" CONDUIT (SCHEDULE 40) AT INTERSECTIONS	LF	900	\$ 11.00	\$ 9,900
TRENCH SAFETY	LF	3,645	\$ 0.80	\$ 2,916
TESTING (EXCLUDING GEOTECH)	LF	3,645	\$ 1.00	\$ 3,645

SUB - TOTAL **\$ 234,326**

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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 25	NO. OF LOTS: 111
SUMMARY: PHASE 2	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 3,970
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
C. SANITARY SEWER SYSTEM				
CONNECT TO EXIST. SEWER LINE	EA	1	\$ 500.00	\$ 500
8" P.V.C. PIPE (SDR 35: 0'to 11.5' Depth)	LF	3,675	\$ 25.00	\$ 91,875
4' DIAMETER MANHOLE W/RAIN PANS	EA	9	\$ 2,700.00	\$ 24,300
5' DIAMETER MANHOLE W/RAIN PANS	EA	2	\$ 3,800.00	\$ 7,600
STANDARD CLEANOUTS	EA	4	\$ 875.00	\$ 3,500
4" SINGLE SEWER SERVICE	EA	111	\$ 600.00	\$ 66,600
WATER CROSSING PER TCEQ REQUIREMENTS	EA	4	\$ 750.00	\$ 3,000
STORM DRAIN CROSSING REINFORCEMENT	EA	1	\$ 750.00	\$ 750
TESTING (EXCLUDING GEOTECH)	LF	3,675	\$ 2.00	\$ 7,350
TRENCH SAFETY	LF	3,675	\$ 1.00	\$ 3,675
SUB - TOTAL				\$ 209,150

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
D. STORM DRAINAGE SYSTEM				
BASED ON AVERAGE COST PER LOT	EA	111	\$ 2,500.00	\$ 277,500
SUB - TOTAL				\$ 277,500

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
E. LOT PREPARATION				
LOT GRADING (ROUGH)	LOT	111	\$ 200.00	\$ 22,200
LOT GRADING (FINAL)	LOT	111	\$ 100.00	\$ 11,100
WRAP LOTS w/ 6 MIL PLASTIC SHEETING	LOT	111	\$ 460.00	\$ 51,060
SUB - TOTAL				\$ 84,360

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
F. RETAINING WALLS				
RETAINING WALL (4' Top of Wall to Bottom)	LOT	111	\$ 1,000.00	\$ 111,000
SUB - TOTAL, DEVELOPER COST				\$ 111,000

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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 25	NO. OF LOTS: 111
SUMMARY: PHASE 2	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 3,970
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
G. FRANCHISE UTILITIES				
ELECTRIC SERVICE	LOT	110	\$ 1,000.00	\$ 110,000
GAS SERVICE	LOT	110	\$ 1,000.00	\$ 110,000

SUB - TOTAL, DEVELOPER COST	\$ 220,000
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DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
II. DEV. PROFESSIONAL & MISC. FEES				
ENGINEERING & SURVEYING	LOT	111	\$ 300	\$ 33,300
CONSTRUCTION INSPECTION	%	3%	\$ 84,360	\$ 2,531
MATERIAL TESTING	%	2.5%	\$ 84,360	\$ 2,109
SWPPP ADMINISTRATION	LS	1	\$ 2,000	\$ 2,000

SUB - TOTAL	\$ 39,940
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DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
I. PID PROFESSIONAL & MISC. FEES				
ENGINEERING & SURVEYING	LOT	111	\$ 1,400	\$ 155,400
CONSTRUCTION INSPECTION	%	3%	\$ 1,793,611	\$ 53,808
MATERIAL TESTING	%	2.5%	\$ 1,793,611	\$ 44,840
SWPPP ADMINISTRATION	LS	1	\$ 2,000	\$ 2,000

SUB - TOTAL	\$ 256,049
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DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
A. PM 2951 ROADWAY IMPROVEMENTS				
TURN LANES	EA	1	\$ 350,000.00	\$ 350,000

SUB - TOTAL	\$ 350,000
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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 25	NO. OF LOTS: 111
SUMMARY: PHASE 2	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 3,970
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
B. SHARED SANITARY SEWER SYSTEM - 21% PID; 79% OTHERS				
6" FORCE MAIN C900 DR18 PVC	LF	1,630	\$ 28.00	\$ 45,640
TESTING (EXCLUDING GEOTECH)	LF	1,630	\$ -	\$ -
TRENCH SAFETY	LF	1,630	\$ -	\$ -
LIFT STATION #1	EA	1	\$ 600,000.00	\$ 600,000
SUB - TOTAL				\$ 645,640
SUB - TOTAL, 79% OTHER'S SHARE				\$ 510,056
SUB - TOTAL, 21% PID'S SHARE				\$ 135,584

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
C. RETENTION PONDS				
RETENTION POND 1 - EXCAVATION @ 15' DEPTH	CY	26,322	\$ 2.20	\$ 57,909
DETENTION POND DRAINAGE STRUCTURE	EA	2	\$ 30,000.00	\$ 60,000
SUB - TOTAL				\$ 117,909

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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 25	NO. OF LOTS: 111
SUMMARY: PHASE 2	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 3,970
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
D. SCREENING IMPROVEMENTS				
SCREENING WALL	LF	2,200	\$ 120.00	\$ 264,000
SUB - TOTAL				\$ 264,000

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
E. AMENITY IMPROVEMENTS				
AMENITY IMPROVEMENTS	LS	1	\$ 600,000.00	\$ 600,000
SUB - TOTAL				\$ 600,000

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
F. PID PROFESSIONAL & MISC. FEES				
ENGINEERING & SURVEYING	%	13%	\$ 603,493	\$ 78,454
CONSTRUCTION INSPECTION	%	3%	\$ 603,493	\$ 18,105
MATERIAL TESTING	%	2.5%	\$ 603,493	\$ 15,087
SWPPP ADMINISTRATION	LS	1	\$ 7,000	\$ 7,000
SUB - TOTAL				\$ 118,646

THIS ESTIMATE HAS BEEN COMPLETED ON LIMITED INFORMATION AND SHOULD BE USED FOR PROJECT EVALUATION. PRIOR TO MAKING FINANCIAL COMMITMENTS BASED ON THIS ESTIMATE, THESE NUMBERS SHOULD BE VERIFIED BY PETITT BARRAZA LLC.

PROJECT NAME: HILLSTONE POINTE	ACREAGE: 27.2	NO. OF LOTS: 161
SUMMARY: PHASE 3	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 4,720
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

ON-SITE SUMMARY	TOTAL COST BY CATEGORY	BY LOT
A. ROADWAY IMPROVEMENTS	\$ 1,338,637	\$ 8,315
B. WATER SYSTEM	\$ 271,141	\$ 1,684
C. SANITARY SEWER SYSTEM	\$ 266,345	\$ 1,654
D. STORM DRAINAGE SYSTEM	\$ 402,500	\$ 2,500
E. LOT PREPARATION	\$ 122,360	\$ 760
F. RETAINING WALLS	\$ 161,000	\$ 1,000
G. FRANCHISE UTILITIES	\$ 322,000	\$ 2,000
H. DEV. PROFESSIONAL & MISC. FEES	\$ 57,030	\$ 354
I. PID PROFESSIONAL & MISC. FEES	\$ 352,724	\$ 2,191
SUB-TOTAL ON-SITE COSTS	\$ 3,293,737	\$ 20,458

OTHER IMPROVEMENTS SUMMARY	TOTAL COST BY CATEGORY	BY LOT
A. US HWY 380 ROADWAY IMPROVEMENTS	\$ 350,000	\$ 2,174
B. SANITARY SEWER SYSTEM	\$ 483,600	\$ 3,004
C. RETENTION PONDS	\$ 90,299	\$ 561
D. SCREENING IMPROVEMENTS	\$ 271,200	\$ 1,684
E. PID PROFESSIONAL & MISC. FEES	\$ 177,921	\$ 1,105
SUB-TOTAL MAJOR IMPROVEMENTS COSTS	\$ 1,373,020	\$ 8,528

TOTAL PHASE 3 IMPROVEMENTS	TOTAL COST BY CATEGORY	BY LOT
TOTAL DEVELOPMENT COSTS	\$ 4,666,757	\$ 28,986

NOTES:

1. DEVELOPMENT COST DOES NOT INCLUDE: CITY/DISTRICT/COUNTY FEES, BONDS, & PERMITS, ROCK EXCAVATION, MONUMENTS, OR COMMON AREA AMENITIES.
2. PROFESSIONAL FEES DO NOT INCLUDE: LAND ENTITLEMENTS, FEASIBILITY, BOUNDARY SURVEY, TOPOGRAPHIC SURVEY, FLOOD STUDIES, GEOTECHNICAL, ENVIRONMENTAL, WETLANDS, SWPPP ADMINISTRATION, OR TRAFFIC STUDIES.

**THIS ESTIMATE HAS BEEN COMPLETED ON LIMITED INFORMATION AND SHOULD BE USED
FOR PROJECT EVALUATION. PRIOR TO MAKING FINANCIAL COMMITMENTS BASED ON THIS
ESTIMATE, THESE NUMBERS SHOULD BE VERIFIED BY PETITT BARRAZA LLC.**

PROJECT NAME: HILLSTONE POINTE	ACREAGE: 27.2	NO. OF LOTS: 161
SUMMARY: PHASE 3	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 4,720
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
4. ROADWAY IMPROVEMENTS				
ROW CLEARING & GRUBBING (Full Area Heavily Treed)	ACRE	0.0	\$ 6,000.00	\$ -
CLEARING & GRUBBING (1/4 Area Heavily Treed)	ACRE	27.2	\$ 2,000.00	\$ 2,000
CONSTRUCTION ENTRANCE	EA	1	\$ 2,000.00	\$ 2,000
SILT FENCE	LF	4,720	\$ 1.50	\$ 7,080
UNCLASSIFIED EXCAVATION OF STREET R.O.W.	CY	87,443	\$ 2.20	\$ 192,375
OVER SEEDING LOTS	ACRE	17	\$ 500.00	\$ 8,500
STREET PREPARATION (3' MOISTURE CONDITIONING)	CY	22,083	\$ 2.75	\$ 60,728
CONNECT TO EX. PAVEMENT	EA	2	\$ 350.00	\$ 700
6-INCH CONC. PAVEMENT (3,600 PSI)	SY	15,311	\$ 36.00	\$ 551,196
6" LIME STABILIZED SUBGRADE PREPARATION	TON	24,837	\$ 4.00	\$ 99,348
8-INCH CONC. ALLEY PAVEMENT (3,600 PSI)	SY	5,904	\$ 45.00	\$ 265,680
LIME FOR SUBGRADE PREPARATION	TON	440	\$ 160.00	\$ 70,400
BARRIER FREE RAMPS	EA	15	\$ 1,500.00	\$ 22,500
CURLEX EROSION CONTROL MATTING	LF	18,300	\$ 1.00	\$ 18,300
STORM DRAIN INLET PROTECTION	EA	8	\$ 100.00	\$ 800
COMBO STREET NAME & STOP SIGN	EA	8	\$ 725.00	\$ 5,800
5' REINFORCED CONCRETE SIDEWALK (5-INCH)	SY	194	\$ 45.00	\$ 8,730
STREET LIGHTS (Standard Lights)	EA	9	\$ 2,500.00	\$ 22,500
SUB - TOTAL				\$ 1,338,637

5. WATER SYSTEM				
CONNECT TO EXIST. WATER LINE (Remove Plug & Cap)	EA	3	\$ 900.00	\$ 2,700
12" P.V.C. WATERLINE	LF	0	\$ 40.00	\$ -
12" GATE VALVE & BOX	EA	0	\$ 2,500.00	\$ -
8" P.V.C. WATERLINE	LF	6,209	\$ 22.00	\$ 136,598
8" GATE VALVE & BOX	EA	16	\$ 1,400.00	\$ 22,400
FIRE HYDRANT ASSEMBLY (INCLUDING 6" GATE VALVE)	EA	8	\$ 4,000.00	\$ 32,000
1" DOMESTIC SERVICE	EA	3	\$ 600.00	\$ 1,800
1" SINGLE WATER SERVICE	EA	3	\$ 500.00	\$ 1,500
BULLHEAD WATER SERVICE	EA	79	\$ 615.00	\$ 48,585
2" RURAL FLUSH VALVE	EA	1	\$ 3,100.00	\$ 3,100
4" CONDUIT (SCHEDULE 40) AT INTERSECTIONS	LF	1,330	\$ 11.00	\$ 14,630
TRENCH SAFETY	LF	4,349	\$ 0.80	\$ 3,479
TESTING (EXCLUDING GEOTECH)	LF	4,349	\$ 1.00	\$ 4,349
SUB - TOTAL				\$ 271,141

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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 27.2	NO. OF LOTS: 161
SUMMARY: PHASE 3	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 4,720
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
C. SANITARY SEWER SYSTEM				
CONNECT TO EXIST. SEWER LINE	EA	1	\$ 500.00	\$ 500
8" P.V.C. PIPE (SDR 35: 0' to 11.5' Depth)	LF	4,165	\$ 25.00	\$ 104,125
4' DIAMETER MANHOLE W/RAIN PANS	EA	13	\$ 2,700.00	\$ 35,100
5' DIAMETER MANHOLE W/RAIN PANS	EA	3	\$ 3,800.00	\$ 11,400
STANDARD CLEANOUTS	EA	1	\$ 875.00	\$ 875
4" SINGLE SEWER SERVICE	EA	161	\$ 600.00	\$ 96,600
WATER CROSSING PER TCEQ REQUIREMENTS	EA	6	\$ 750.00	\$ 4,500
STORM DRAIN CROSSING REINFORCEMENT	EA	1	\$ 750.00	\$ 750
TESTING (EXCLUDING GEOTECH)	LF	4,165	\$ 2.00	\$ 8,330
TRENCH SAFETY	LF	4,165	\$ 1.00	\$ 4,165

SUB - TOTAL \$ **266,345**

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
D. STORM DRAINAGE SYSTEM				
BASED ON AVERAGE COST PER LOT	EA	161	\$ 2,500.00	\$ 402,500

SUB - TOTAL \$ **402,500**

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
E. LOT PREPARATION				
LOT GRADING (ROUGH)	LOT	161	\$ 200.00	\$ 32,200
LOT GRADING (FINAL)	LOT	161	\$ 100.00	\$ 16,100
WRAP LOTS w/ 6 MIL PLASTIC SHEETING	LOT	161	\$ 460.00	\$ 74,060

SUB - TOTAL \$ **122,360**

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
F. RETAINING WALLS				
RETAINING WALL (4' Top of Wall to Bottom)	LOT	161	\$ 1,000.00	\$ 161,000

SUB - TOTAL, DEVELOPER COST \$ **161,000**

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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 27.2	NO. OF LOTS: 161
SUMMARY: PHASE 3	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 4,720
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
G. FRANCHISE UTILITIES				
ELECTRIC SERVICE	LOT	161	\$ 1,000.00	\$ 161,000
GAS SERVICE	LOT	161	\$ 1,000.00	\$ 161,000
SUB - TOTAL, DEVELOPER COST				\$ 322,000

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
II. DEV. PROFESSIONAL & MISC. FEES				
ENGINEERING & SURVEYING	LOT	161	\$ 300	\$ 48,300
CONSTRUCTION INSPECTION	%	3%	\$ 122,360	\$ 3,671
MATERIAL TESTING	%	2.5%	\$ 122,360	\$ 3,059
SWPPP ADMINISTRATION	LS	1	\$ 2,000	\$ 2,000
SUB - TOTAL				\$ 57,030

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
I. PID PROFESSIONAL & MISC. FEES				
ENGINEERING & SURVEYING	LOT	161	\$ 1,400	\$ 225,400
CONSTRUCTION INSPECTION	%	3%	\$ 2,278,623	\$ 68,359
MATERIAL TESTING	%	2.5%	\$ 2,278,623	\$ 56,966
SWPPP ADMINISTRATION	LS	1	\$ 2,000	\$ 2,000
SUB - TOTAL				\$ 352,724

**THIS ESTIMATE HAS BEEN COMPLETED ON LIMITED INFORMATION AND SHOULD BE USED
FOR PROJECT EVALUATION. PRIOR TO MAKING FINANCIAL COMMITMENTS BASED ON THIS
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PROJECT NAME: HILLSTONE POINTE	ACREAGE: 27.2	NO. OF LOTS: 161
SUMMARY: PHASE 3	CREATED: 3/27/2017	BY: CDH
DISTRICT: TLE	REVISED: 4/5/2017	CHECKED: AB
JOB NUMBER: 14011-00	REVISED: 8/16/2017	ROADWAY LF: 4,720
UTIL. PROVIDER: TLE	REVISED:	FILE NAME: CONCEPT 31

DESCRIPTION	UNIT	APPROXIMATE QUANTITY	UNIT PRICE	TOTAL AMOUNT
A. US HWY 380 ROADWAY IMPROVEMENTS				
TURN LANES	EA	1	\$ 350,000.00	\$ 350,000
SUB - TOTAL				\$ 350,000

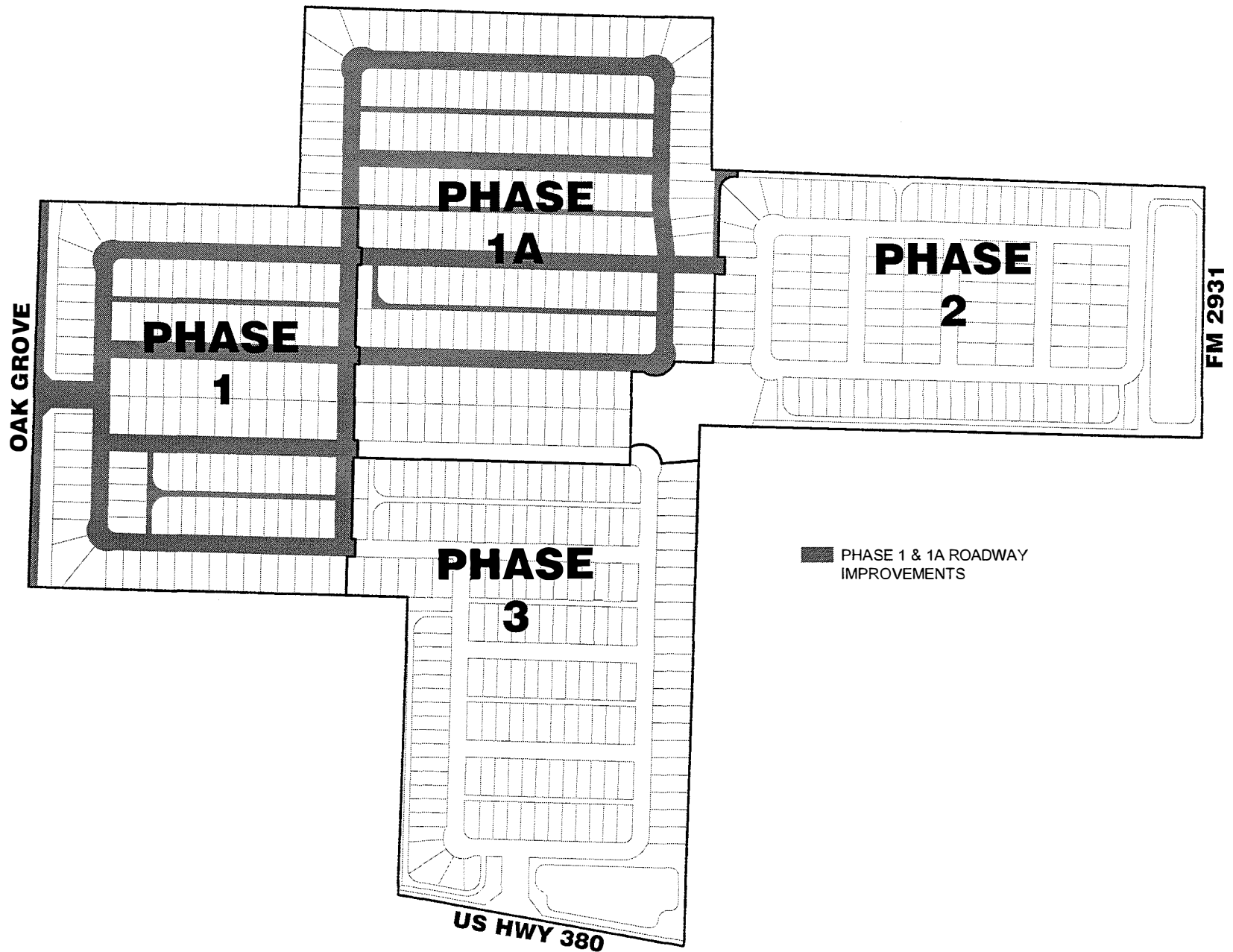
B. SANITARY SEWER SYSTEM				
6" FORCE MAIN C900 DR18 PVC	LF	1,200	\$ 26.00	\$ 31,200
TESTING (EXCLUDING GEOTECH)	LF	1,200	\$ 1.00	\$ 1,200
TRENCH SAFETY	LF	1,200	\$ 1.00	\$ 1,200
LIFT STATION #2	EA	1	\$ 450,000.00	\$ 450,000
SUB - TOTAL				\$ 483,600

C. RETENTION PONDS				
RETENTION POND 2 - EXCAVATION @ 15' DEPTH	CY	13,772	\$ 2.20	\$ 30,299
DETENTION POND DRAINAGE STRUCTURE	EA	2	\$ 30,000.00	\$ 60,000
SUB - TOTAL				\$ 90,299

D. SCREENING IMPROVEMENTS				
SCREENING WALL	LF	2,260	\$ 120.00	\$ 271,200
SUB - TOTAL				\$ 271,200

E. PID PROFESSIONAL & MISC. FEES				
ENGINEERING & SURVEYING	%	13%	\$ 923,899	\$ 120,107
CONSTRUCTION INSPECTION	%	3%	\$ 923,899	\$ 27,717
MATERIAL TESTING	%	2.5%	\$ 923,899	\$ 23,097
SWPPP ADMINISTRATION	LS	1	\$ 7,000	\$ 7,000
SUB - TOTAL				\$ 177,921

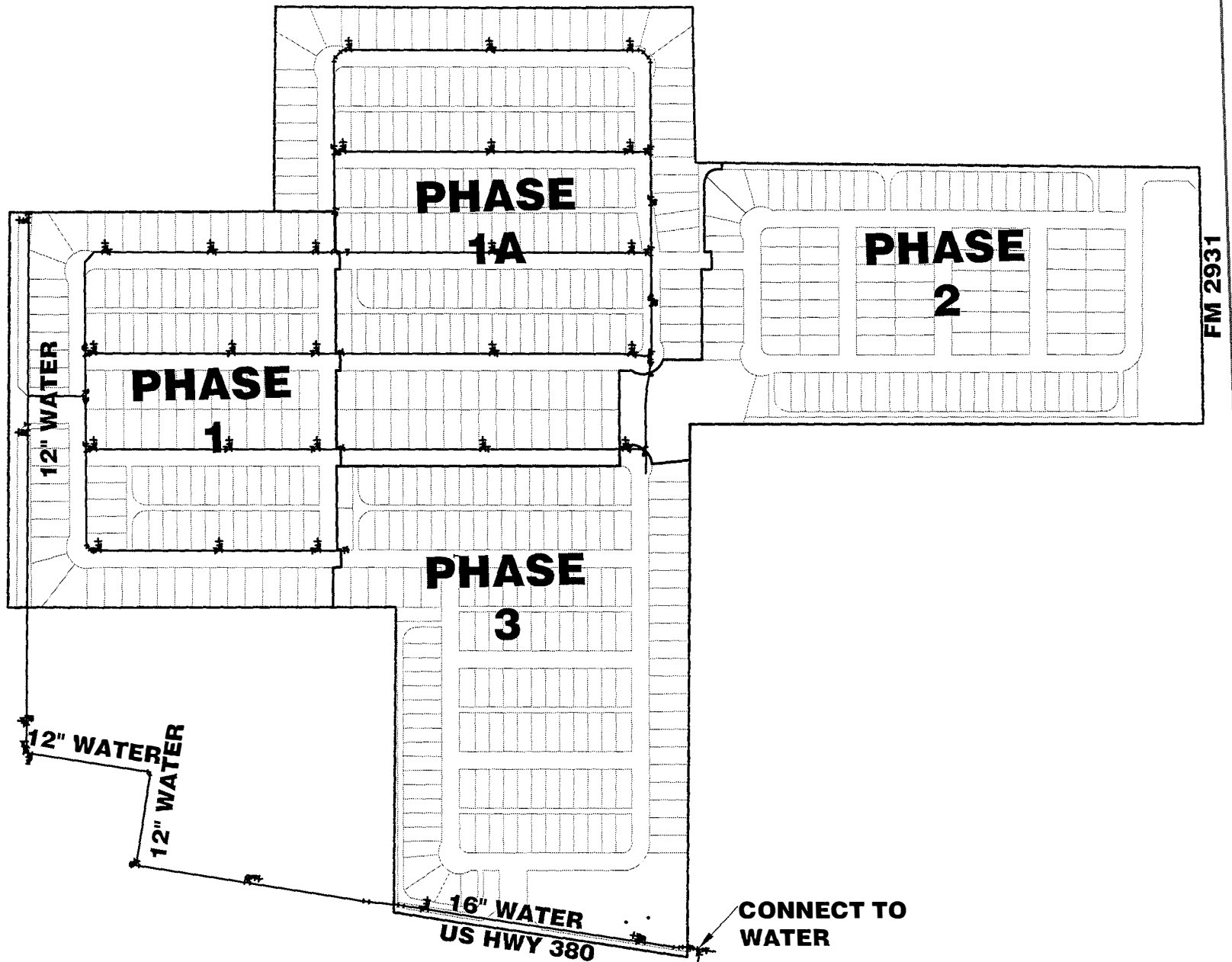
Appendix C
Diagram of Authorized Improvements



PHASE 1 & 1A ROADWAY IMPROVEMENTS
HILLSTONE POINTE DEVELOPMENT
 TOWN OF LITTLE ELM, DENTON COUNTY, TEXAS


 SCALE: NTS

 **PETITT BARRAZA**
 ENGINEERING PLANNING SURVEYING
 DATE: MARCH, 2017



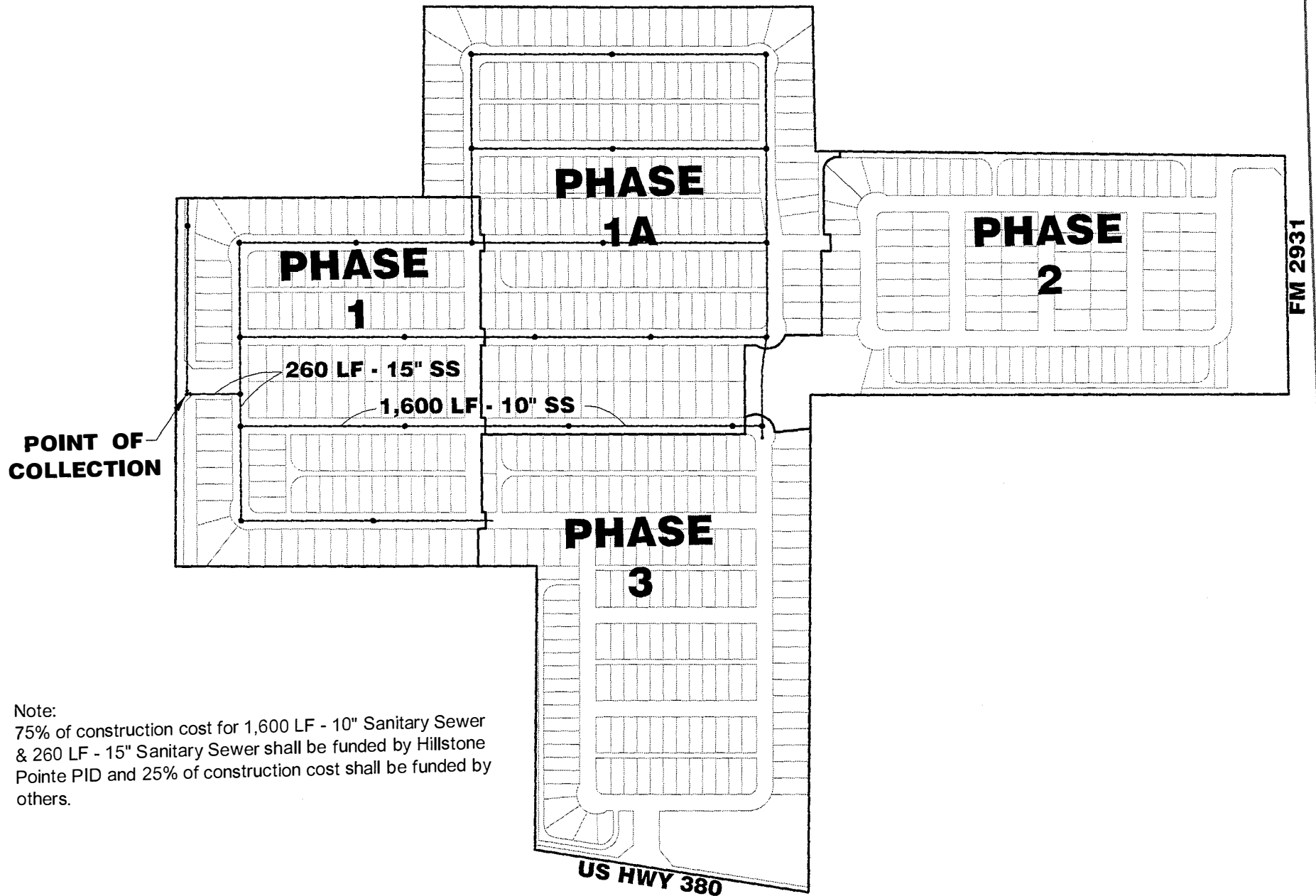
PHASE 1 & 1A WATER IMPROVEMENTS
HILLSTONE POINTE DEVELOPMENT
 TOWN OF LITTLE ELM, DENTON COUNTY, TEXAS


 SCALE: 1"=400'



PETITT BARRAZA
 ENGINEERING PLANNING SURVEYING

DATE: MARCH, 2017



Note:
 75% of construction cost for 1,600 LF - 10" Sanitary Sewer
 & 260 LF - 15" Sanitary Sewer shall be funded by Hillstone
 Pointe PID and 25% of construction cost shall be funded by
 others.

PHASE 1 & PHASE 1A SANITARY SEWER IMPROVEMENTS
HILLSTONE POINTE DEVELOPMENT
 TOWN OF LITTLE ELM, DENTON COUNTY, TEXAS



PETITT BARRAZA
 ENGINEERING PLANNING SURVEYING

DATE: MARCH, 2017

Appendix D
Equivalent Units and Allocation of Assessments

Equivalent Units and Allocation of Assessments

For purposes of calculating and allocating the Assessments, the Assessed Property has been classified in one of two Lot Types as defined herein. The following table shows the proposed residential Lot Types within the PID.

“Lot Type 1” means lots identified as such on the Assessment Roll, being lots typically with a minimum lot width of 50 feet, which may be referred to as such in the development standards included in the development standards included in the Development Agreement.

“Lot Type 2” means lots identified as such on the Assessment Roll, being lots typically with minimum lot width of 40 feet, which may be referred to as such in the development standards included in the Development Agreement.

Table D-1
Proposed Development within the PID

Lot Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	50 Ft Lots	233 units
Lot Type 2	40 Ft Lots	376 units
Total		609 units

Table D-2 below shows the proposed residential Lot Types within Phases #1-1A.

Table D-2
Proposed Development – Phases #1-1A

Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	50 Ft Lots	148 units
Lot Type 2	40 Ft Lots	189 units
Total		337 units

Table D-3 below shows the proposed residential Lot Types within the Future Phases.

Table D-3
Proposed Development – Future Phases

Type	Description	Proposed Development
<u>Residential</u>		
Lot Type 1	50 Ft Lots	85 units
Lot Type 2	40 Ft Lots	187 units
<i>Total</i>		272 units

As explained under Section V-C, for purpose of this Service and Assessment Plan, the Town Council has determined that the Actual Costs of the Phases #1-1A Improvements to be financed with the Phases #1-1A Bonds shall be allocated to the Phases #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units.

For purposes of this Service and Assessment Plan, the City Council has determined that the Assessments shall be allocated to the Phases #1 Assessed Property on the basis of the average home value of each Lot Type, and that such method of allocation will result in the imposition of equal shares of the Assessments on Parcels similarly benefited. In determining the average home value of each Lot Type, the City Council has taken into consideration (i) the type of lots (i.e., 50 Ft, 40 Ft, etc.); (ii) current and projected home prices; (iii) the costs of the Authorized Improvements, and (iv) the ability of different property types to utilize and benefit from the Authorized Improvements.

Having taken into consideration the matters described above, the City Council has determined that allocating the Assessments among Parcels based on average home value is best accomplished by creating classifications of benefited Parcels based on the “Lot Types” defined above. These classifications (from Lot Type 1 (50 Ft Lots) representing the highest value to Lot Type 2 (40 Ft Lot) representing the lowest value for residential lots are set forth in Table D-4 below. Assessments are allocated to each Lot Type on the basis of the average home value for each class of lots. This is accomplished by giving each Lot Type an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1 (50 Ft Lots) to 1.0.

Table D-4
Equivalent Unit Factors

Lot Type	Estimated Average Unit Value	Equivalent Unit Factor
Lot Type 1 (50 Ft Lot)	\$275,000	1.00 per dwelling unit
Lot Type 2 (40 Ft Lot)	\$220,000	0.80 per dwelling unit

The total estimated Equivalent Units for Phases #1-1A are shown in Table D-5 below as calculated based on the Equivalent Unit factors shown above, estimated Lot Types and number of units estimated to be built within Phases #1-1A.

Table D-5
Estimated Equivalent Units - Phases #1-1A

Lot Type	Planned No. of units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1 (50 Ft Lot)	148	1.00	148.00
Lot Type 2 (40 Ft Lot)	189	0.80	151.20
Total Equivalent Units	337		299.20

Allocation of Assessments to Lot Types in Phases #1-1A

As shown in Sections IV and V of this Service and Assessment Plan, the total Assessment to be allocated on all Parcels within Phases #1-1A, is \$6,000,000. As shown in Table D-5 above, there are a total of 299.20 estimated Equivalent Units in Phases #1-1A, resulting in an Assessment per Equivalent Unit of \$20,053.48.

The Assessment per dwelling unit or acre is calculated as the product of (i) \$20,053.48 multiplied by (ii) the applicable Equivalent Unit value for each Lot Type. For example, the Assessment for a Lot Type 1 (50 Ft Lot) dwelling unit is \$20,053.48 (i.e. \$20,053.48 \times 1.00). The Assessment for a Lot Type 2 (40 Ft Lot) dwelling unit is \$16,042.78 (i.e. \$20,053.48 \times 0.80). Table D-6 sets forth the Assessment per dwelling unit for each of the two Lot Types in Phases #1-1A.

Table D-6
Assessment per Unit – Phases #1-1A

Type	Planned No. of Units	Assessment per Equivalent Unit	Equivalent Unit Factor	Assessment per Unit		Total Assessments
<u>Residential</u>						
Lot Type 1	148	\$20,053.48	1.00	\$20,053.48	per dwelling unit	\$2,967,914
Lot Type 2	189	\$20,053.48	0.80	\$16,042.78	per dwelling unit	\$3,032,086
Total	337					\$6,000,000

Appendix E
Phases #1-1A Assessment Roll

Appendix E
Phase #1 Assessment Roll

Parcel	All Parcels
Assessment	\$6,000,000
Total Equivalent Units	299.20

Year	Principal	Interest¹	Administrative Expenses²	Total Annual Installment
1	\$0	\$287,575	\$40,000	\$327,575
2	\$0	\$385,763	\$40,800	\$426,563
3	\$45,000	\$385,763	\$41,616	\$472,379
4	\$50,000	\$383,175	\$42,448	\$475,623
5	\$60,000	\$380,300	\$43,297	\$483,597
6	\$65,000	\$376,850	\$44,163	\$486,013
7	\$75,000	\$373,113	\$45,046	\$493,159
8	\$80,000	\$368,800	\$45,947	\$494,747
9	\$90,000	\$364,200	\$46,866	\$501,066
10	\$100,000	\$359,025	\$47,804	\$506,829
11	\$110,000	\$353,275	\$48,760	\$512,035
12	\$125,000	\$346,125	\$49,735	\$520,860
13	\$135,000	\$338,000	\$50,730	\$523,730
14	\$150,000	\$329,225	\$51,744	\$530,969
15	\$160,000	\$319,475	\$52,779	\$532,254
16	\$175,000	\$309,075	\$53,835	\$537,910
17	\$190,000	\$297,700	\$54,911	\$542,611
18	\$205,000	\$285,350	\$56,010	\$546,360
19	\$225,000	\$272,025	\$57,130	\$554,155
20	\$240,000	\$257,400	\$58,272	\$555,672
21	\$260,000	\$241,800	\$59,438	\$561,238
22	\$280,000	\$224,900	\$60,627	\$565,527
23	\$305,000	\$206,700	\$61,839	\$573,539
24	\$325,000	\$186,875	\$63,076	\$574,951
25	\$350,000	\$165,750	\$64,337	\$580,087
26	\$380,000	\$143,000	\$65,624	\$588,624
27	\$405,000	\$118,300	\$66,937	\$590,237
28	\$435,000	\$91,975	\$68,275	\$595,250
29	\$465,000	\$63,700	\$69,641	\$598,341
30	\$515,000	\$33,475	\$71,034	\$619,509
Total	\$6,000,000	\$8,248,687	\$1,622,723	\$15,871,410

¹ - The principal and interest amounts are based on the final bond pricing numbers and includes 0.5% additional interest for prepayment and delinquency reserve.

² - The Administrative Expenses shown are estimated and include the estimated PID administration and assessment collection costs.

The estimates will be updated in Annual Service Plan Updates.

HILSTONE POINTE PUBLIC IMPROVEMENT DISTRICT No. 2
Projected Annual Installment per Lot - Little Elm

Lot Type	Lot Type 1 (50' Lot)
Assessment	\$20,053
Equivalent Units	1.00

Year	Principal¹	Interest¹	Administrative Expenses²	Total Annual Installment
1	\$0	\$961	\$134	\$1,095
2	\$0	\$1,289	\$136	\$1,426
3	\$150	\$1,289	\$139	\$1,579
4	\$167	\$1,281	\$142	\$1,590
5	\$201	\$1,271	\$145	\$1,616
6	\$217	\$1,260	\$148	\$1,624
7	\$251	\$1,247	\$151	\$1,648
8	\$267	\$1,233	\$154	\$1,654
9	\$301	\$1,217	\$157	\$1,675
10	\$334	\$1,200	\$160	\$1,694
11	\$368	\$1,181	\$163	\$1,711
12	\$418	\$1,157	\$166	\$1,741
13	\$451	\$1,130	\$170	\$1,750
14	\$501	\$1,100	\$173	\$1,775
15	\$535	\$1,068	\$176	\$1,779
16	\$585	\$1,033	\$180	\$1,798
17	\$635	\$995	\$184	\$1,814
18	\$685	\$954	\$187	\$1,826
19	\$752	\$909	\$191	\$1,852
20	\$802	\$860	\$195	\$1,857
21	\$869	\$808	\$199	\$1,876
22	\$936	\$752	\$203	\$1,890
23	\$1,019	\$691	\$207	\$1,917
24	\$1,086	\$625	\$211	\$1,922
25	\$1,170	\$554	\$215	\$1,939
26	\$1,270	\$478	\$219	\$1,967
27	\$1,354	\$395	\$224	\$1,973
28	\$1,454	\$307	\$228	\$1,989
29	\$1,554	\$213	\$233	\$2,000
30	\$1,721	\$112	\$237	\$2,071
Total	\$20,053	\$27,569	\$5,424	\$53,046

1 - The principal and interest amounts are based on the final bond pricing numbers and includes 0.5% additional interest for prepayment and delinquency reserve.

2 - The Administrative Expenses shown are estimated and include the estimated PID administration and assessment collection costs.

The estimates will be updated in Annual Service Plan Updates.

HILSTONE POINTE PUBLIC IMPROVEMENT DISTRICT No. 2
Projected Annual Installment per Lot - Little Elm

Lot Type	Lot Type 2 (40' Lot)
Assessment	\$16,043
Equivalent Units	0.80

Year	Principal¹	Interest¹	Administrative Expenses²	Total Annual Installment
1	\$0	\$769	\$107	\$876
2	\$0	\$1,031	\$109	\$1,141
3	\$120	\$1,031	\$111	\$1,263
4	\$134	\$1,025	\$113	\$1,272
5	\$160	\$1,017	\$116	\$1,293
6	\$174	\$1,008	\$118	\$1,300
7	\$201	\$998	\$120	\$1,319
8	\$214	\$986	\$123	\$1,323
9	\$241	\$974	\$125	\$1,340
10	\$267	\$960	\$128	\$1,355
11	\$294	\$945	\$130	\$1,369
12	\$334	\$925	\$133	\$1,393
13	\$361	\$904	\$136	\$1,400
14	\$401	\$880	\$138	\$1,420
15	\$428	\$854	\$141	\$1,423
16	\$468	\$826	\$144	\$1,438
17	\$508	\$796	\$147	\$1,451
18	\$548	\$763	\$150	\$1,461
19	\$602	\$727	\$153	\$1,482
20	\$642	\$688	\$156	\$1,486
21	\$695	\$647	\$159	\$1,501
22	\$749	\$601	\$162	\$1,512
23	\$816	\$553	\$165	\$1,534
24	\$869	\$500	\$169	\$1,537
25	\$936	\$443	\$172	\$1,551
26	\$1,016	\$382	\$175	\$1,574
27	\$1,083	\$316	\$179	\$1,578
28	\$1,163	\$246	\$183	\$1,592
29	\$1,243	\$170	\$186	\$1,600
30	\$1,377	\$90	\$190	\$1,656
Total	\$16,043	\$22,055	\$4,339	\$42,437

1 - The principal and interest amounts are based on the final bond pricing numbers and includes 0.5% additional interest for prepayment and delinquency reserve.

2 - The Administrative Expenses shown are estimated and include the estimated PID administration and assessment collection costs.

The estimates will be updated in Annual Service Plan Updates.