

**WINN RIDGE SOUTH PUBLIC IMPROVEMENT DISTRICT**

**CITY OF AUBREY, TX**

**SERVICE AND ASSESSMENT PLAN**

**OCTOBER 10, 2017**

# WINN RIDGE SOUTH PUBLIC IMPROVEMENT DISTRICT

## SERVICE AND ASSESSMENT PLAN

### Table of Contents

Section I	Plan Description and Defined Terms	1
Section II	Property Included in the PID	6
Section III	Description of Authorized Improvements	7
Section IV	Service Plan	10
Section V	Assessment Plan	13
Section VI	Terms of the Assessments	16
Section VII	Assessment Roll	20
Section VIII	Miscellaneous Provisions	21

### List of Appendices

- Appendix A – PID Map
- Appendix B – Authorized Improvement Estimated Costs
- Appendix C – Diagrams of Authorized Improvements
- Appendix D – Assessment Roll

## Section I PLAN DESCRIPTION AND DEFINED TERMS

### A. Introduction

On March 21, 2017, (the “Creation Date”) the City Council of the City of Aubrey (the “City Council”) passed and approved Resolution No. 764-17 approving and authorizing the creation of Winn Ridge South Public Improvement District (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 extraterritorial jurisdiction (“ETJ”) of the City of Aubrey (the “City”).

The property in the PID is proposed to be developed in approximately two phases, and the PID will finance improvements that benefit the entire property in the PID. Assessments will be imposed on all property in the PID for the improvements that benefit the entire PID.

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 Assessed Property is attached hereto as Appendix D of this Service and Assessment Plan. The Assessments as shown on the Assessment Rolls 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 City. 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 City 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 City who shall have the responsibilities provided for herein, or in another agreement approved by the City Council.

**“Administrative Expenses”** mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) creating and organizing the PID, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of the PID, (iii) computing, levying, billing and collecting 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 and not expended for actual Administrative Expenses shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of 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 D, 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 City 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 City from Assessments levied within the PID.

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

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

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

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

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

**“Developer”** means CADG Aubrey 107, LLC, a Texas limited liability company.

**“Development Agreement”** means that certain Winn Ridge South Development Agreement relating to the PID executed by and between the Developer and the City effective March 21, 2017, as amended by that First Amendment to Winn Ridge South Development Agreement effective August 22, 2017, and as the same may be further amended from time to time.

**“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.

**“Mustang Special Utility District”** or **“Mustang”** means the holder of the certificates of convenience and necessity for the provision of retail water and sewer service to the property in the PID.

**“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 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 City.

**“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 City as a result of any prepayment of an Assessment.

**“Property”** has the meaning set forth in Section II.A 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 City, a school district, a public utility provider or any other public agency, 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.

**“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.

Remainder of this page left intentionally blank.

**Section II**  
**PROPERTY INCLUDED IN THE PID**

**A. Property Included in the PID**

The PID is presently located within the ETJ of the City and contains approximately 107.6 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 340 detached single family residential units planned to be developed in two phases, and infrastructure necessary to provide roadways, drainage, water and wastewater to the property within the PID.

**Table II-A**  
**Proposed Development**

<b>Description</b>	<b>Phase 1 Lots</b>	<b>Phase 2 Lots</b>	<b>Total Estimated No. of Units</b>
50 Ft Lots	154	186	340
<b>Total</b>	<b>154</b>	<b>186</b>	<b>340</b>

Remainder of this page left intentionally blank.



### **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 City has determined that the Authorized Improvements described Section III.B should be undertaken by the City for the benefit of the property within the PID.

## **B. Description and Estimated Costs of the Authorized Improvements**

The Assessment Revenues (excluding amounts collected for Administrative Expenses) will fund a portion of the costs of the Authorized Improvements, which benefit the Assessed Property.

The Authorized Improvements are described below. All of the Authorized Improvements provide benefit to the Assessed Property. The costs of the Authorized 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 include 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 City standards and specifications and will be owned and operated by the City.

***Water distribution system improvements:*** The water distribution system improvements consist of construction and installation of off-site 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 Mustang standards and specifications and will be owned and operated by the Mustang.

***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 Mustang standards and specifications and will be owned and operated by the Mustang.

***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 City standards and specifications and will be owned and operated by the City.

***Landscaping and Screening improvements:*** The landscaping and screening improvements will be an extension of the approved plans associated with the original Winn Ridge subdivision adjacent directly to the north.

Table III-A below shows the estimated costs of the Authorized Improvements.

**Table III-A**  
**Estimated Authorized Improvement Costs**

<b>Authorized Improvements</b>	<b>Estimated Cost</b>
Roadway improvement costs	\$3,146,892
Water distribution system improvement costs	\$787,961
Sanitary sewer collection system improvement costs	\$645,149
Storm drainage collection system improvements	\$1,190,000
Landscaping and screening improvements	\$285,900
Other soft and miscellaneous Costs	\$862,589
<i>Subtotal</i>	<i>\$6,918,491</i>
Estimated PID establishment costs	\$224,367
<b>Total Estimated Authorized Improvement Costs</b>	<b>\$7,142,858</b>

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).

Remainder of this page left intentionally blank.

## **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. It is anticipated that it will take approximately 36 months for the Authorized Improvements to be constructed.

The total estimated costs for the Authorized Improvements and payment of expenses incurred in the establishment of the PID and issuance of the Bonds is \$8,949,142 shown in Table IV-A herein. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the estimated Authorized Improvement costs, 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 Authorized Improvements to be financed with the proceeds from the Bonds, including estimated costs related to establishing the PID and issuing the 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.

Remainder of this page left intentionally blank.

**Table IV-A**  
**Estimated Sources and Uses of Funds**

<b>Sources of Funds</b>	<b>Phase #1 Lots</b>	<b>Phase #2 Lots</b>	<b>Total</b>
Series 2017 Bonds	\$3,623,529	\$4,376,471	\$8,000,000
Other funding sources	\$605,420	\$343,722	\$949,142
<b>Total Sources</b>	<b>\$4,228,950</b>	<b>\$4,720,192</b>	<b>\$8,949,142</b>
<b>Uses of Funds</b>			
<u><i>Authorized Improvements</i></u>			
Road improvements	\$1,516,776	\$1,630,116	\$3,146,892
Water distribution system improvements	\$390,240	\$397,721	\$787,961
Sanitary sewer improvements	\$294,733	\$350,416	\$645,149
Storm drainage improvements	\$539,000	\$651,000	\$1,190,000
Landscaping and screening improvements	\$142,950	\$142,950	\$285,900
Other soft and miscellaneous costs	\$424,182	\$438,407	\$862,589
<b><i>Subtotal</i></b>	<b><i>\$3,307,881</i></b>	<b><i>\$3,610,610</i></b>	<b><i>\$6,918,491</i></b>
Estimated PID establishment costs	\$102,928	\$121,439	\$224,367
<b>Subtotal</b>	<b>\$3,410,809</b>	<b>\$3,732,049</b>	<b>\$7,142,858</b>
<u><i>Estimated Bond issuance costs</i></u>			
Estimated capitalized interest	\$191,242	\$230,980	\$422,222
Estimated debt service reserve	\$281,531	\$340,031	\$621,563
Estimated first year administrative expense	\$18,118	\$21,882	\$40,000
Estimated other bond issuance costs	\$327,250	\$395,250	\$722,500
<b><i>Subtotal</i></b>	<b><i>\$818,141</i></b>	<b><i>\$988,144</i></b>	<b><i>\$1,806,285</i></b>
<b>Total Uses</b>	<b>\$4,228,950</b>	<b>\$4,720,192</b>	<b>\$8,949,142</b>

The annual projected costs and annual projected indebtedness are shown in Table IV-B. The annual 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**  
**Annual Projected Costs and Annual Projected Indebtedness**

<b>Year</b>	<b>Total Projected Cost</b>	<b>Total Projected Indebtedness</b>	<b>Projected Annual Installments</b>	<b>Other Funding Sources</b>
2017	\$8,949,142	\$8,000,000	\$462,222	\$949,142
2018	\$0	\$0	\$580,800	\$0
2019	\$0	\$0	\$696,616	\$0
2020	\$0	\$0	\$694,686	\$0
2021	\$0	\$0	\$692,435	\$0
	<b>\$8,959,142</b>	<b>\$8,000,000</b>	<b>\$3,126,759</b>	<b>\$949,142</b>

The annual projected costs shown in Table IV-B are the annual expenditures relating to the Authorized Improvements shown in Table III-A, the costs associated with establishing the PID and the costs related to the issuance of Bonds shown in Table IV-A herein. The difference between the total projected cost and the total projected indebtedness, if any, is an amount contributed by the Developer. The project indebtedness will reflect either anticipated or outstanding Assessments.

Remainder of this page left intentionally blank.

## **Section V**

### **ASSESSMENT PLAN**

#### **A. Introduction**

The PID Act requires the City Council to apportion the Actual Cost of the Authorized Improvements on the basis of special benefits conferred upon the Property 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 City Council has determined that the costs of the Authorized Improvements shall be allocated to the Assessed Property equally on a per unit basis and that such method of allocation will result in the imposition of equal shares of the Authorized Improvements to Parcels similarly benefited.

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 Authorized Improvements, provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments, and establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Authorized 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 City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

#### **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 City Council as to the special benefits described in this

Service and Assessment Plan and the Assessment Ordinance; (ii) the Service and Assessment Plan and the Assessment Ordinance, and (iii) the levying of Assessments on the Assessed Property. Use of the Assessed Property as described in this Service and Assessment Plan requires that Authorized Improvements be acquired, constructed, installed, and/or improved. Funding the Actual Costs using Bond proceeds has been determined by the City Council to be the most beneficial means of doing so. As a result, the Assessments result in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, information, and testimony provided to the City Council.

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

For purpose of this Service and Assessment Plan, the City Council has determined that the Actual Costs of the Authorized Improvement costs shall be allocated to the 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 number of units to be constructed on each newly created Parcel, as



determined by the Administrator and confirmed by the City Council. The result of this approach is that each final residential Lot within a recorded subdivision plat 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 Bonds is \$8,000,000. The total amount of Assessments is, therefore, \$8,000,000. The total number of units planned to be developed in the PID is 340. As a result, the Assessment per unit is \$23,529 ( $\$8,000,000 \div 340 = \$23,529$ ).

A summary of the Assessment per unit of each lot is shown in Table V-A below.

**Table V-A**  
**Assessment per unit**

Description	Total Assessment
Bond Par	\$8,000,000
Estimated total number of units in the PID	340
<b>Assessment per unit</b>	<b>\$23,529</b>

### **1. Assessments**

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

### **2. 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 Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

### **3. Additional Interest**

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. The additional 0.5% interest (the "Additional Interest") shall be used to fund an Additional Interest Reserve as specified in the Trust Indenture. The Additional Interest Reserve shall be funded until it reaches 5.5% of the outstanding Bonds as stipulated in the Bond documents. Once the Additional Interest Reserve is funded in full, any additional interest collected shall be allocated to pay for Administrative Expenses or additional Authorized Improvements approved by the City as allowed under the PID Act or redeem Bonds as described in the Trust Indenture.

## **Section VI TERMS OF THE ASSESSMENTS**

### **A. Amount of Assessments and Annual Installments for Parcels Located within the PID**

The Assessment and Annual Installments for each Parcel of Assessed Property located within PID are shown on the Assessment Roll, attached as Appendix D, 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 Bonds, and (ii) to fund the Additional Interest described in Section V, and (iii) to cover Administrative Expenses of the PID. 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 number of units to be built on the newly subdivided Parcel

D = the sum of the estimated number of 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 City 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 City Council.

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

Upon the subdivision of any Assessed Property based on a recorded Subdivision Plat, the Administrator shall reallocate the Assessment for the Assessed Property prior to the subdivision among the new subdivided Lots 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 number of units to be built on the newly subdivided Parcel

D = the sum of the estimated number of units for all of the newly subdivided Parcels

The calculation of the estimated number of units to be built on a Parcel shall be performed by the Administrator and confirmed by the City 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 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 City 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 City Council.

### **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 City 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 City Council pro rata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the amount of the reduced Actual Costs. The Assessments shall not be reduced to an amount less than the outstanding Bonds per the applicable Trust Indenture. If all of the Authorized Improvements are not completed, the City may reduce the Assessments in another method if it determines such method would better reflect the benefit received by the Parcels from the Authorized Improvements completed.

2. If the Authorized Improvements to be funded with the Assessments, including any additional Authorized Improvements described herein, are not undertaken by the City, the Assessments securing such Bonds for each Assessed Property shall be reduced by the City Council to reflect only the Actual Costs that were expended. The City 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, per the applicable Trust Indenture.

**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 City shall deposit the payment in accordance with this Service and Assessment Plan 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 City to collect interest and collection costs on the outstanding Assessment. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown in the Assessment Roll, which includes interest on the outstanding Assessment and Administrative Expenses.

Each Assessment shall be paid with interest of no more than the lesser of (i) the actual interest rate paid on the Bonds plus the 0.5% additional interest and (ii) \_\_ percent per annum. The Assessment Roll sets forth for each year the Annual Installment for each Parcel based on estimated interest rate of 6.25% for the Bonds, (and an additional interest at the rate of 0.5% for Additional Interest 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 D, 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.

## **F. Collection of Annual Installments**

No less frequently than annually, the Administrator shall prepare, and the City 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 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 funds available to the City for such purpose. Annual Installments shall be collected by the City 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 City. The City Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the 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.

## **Section VII THE ASSESSMENT ROLL**

### **A. Assessment Roll**

Each Parcel within the PID has been evaluated by the City Council (based on the developable area, proposed Homeowner Association Property and Public Property, the Authorized Improvements, best and highest use of land, and other development factors deemed relevant by the City Council) to determine the Assessed Property within the Parcel.

The Assessed Property will be assessed for the special benefits conferred upon the property as a result of the Authorized Improvements. Table IV-A summarizes the \$8,949,142 in special benefit received by the Assessed Property from the Authorized Improvements, the estimated PID establishment costs and the estimated costs related to the issuance of Bonds. As such the total Assessment for all Assessed Property within the PID is \$8,000,000 plus annual Administrative Expenses. The Assessment for each Parcel of Assessed Property within the PID is calculated based on the allocation methodologies described in Section V of this Service and Assessment Plan. The Assessment Roll is attached hereto as Appendix D.

### **B. Annual Assessment Roll Updates**

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Assessment Roll in conjunction with the Annual Service Plan Update to reflect the following matters, together with any other changes helpful to the Administrator or the City and permitted by the Act: (i) the identification of each Parcel (ii) the Assessment for each 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 of this Service and Assessment Plan.

Remainder of this page left intentionally blank.

## **Section VIII MISCELLANEOUS PROVISIONS**

### **A. Administrative Review**

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

To the extent consistent with the 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 City 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 City 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 City 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 City shall provide the owner of the affected Parcel a recordable "Notice of the PID Assessment Termination."

### **C. Amendments**

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

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

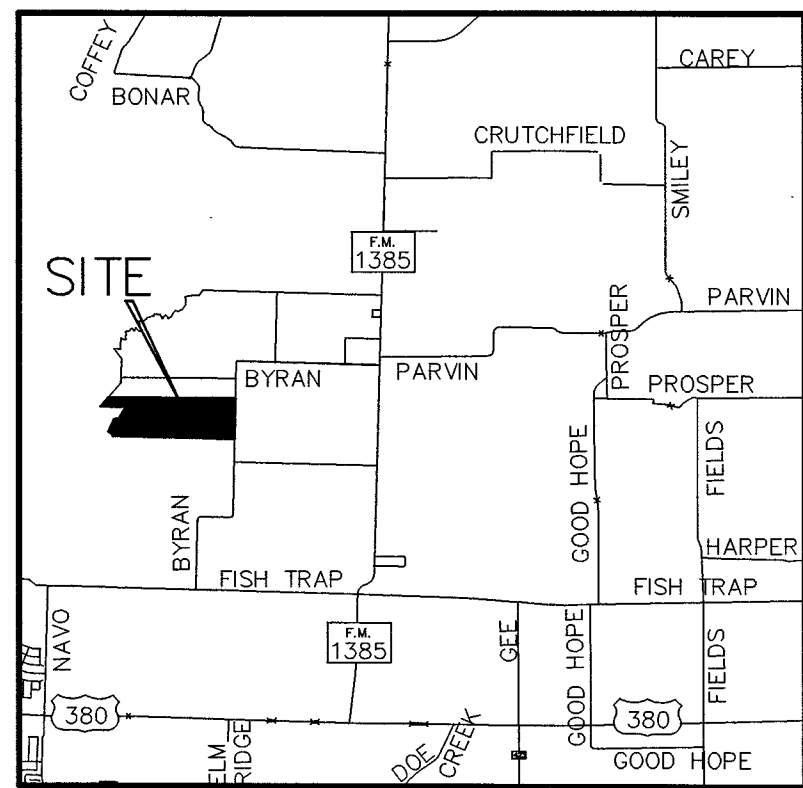
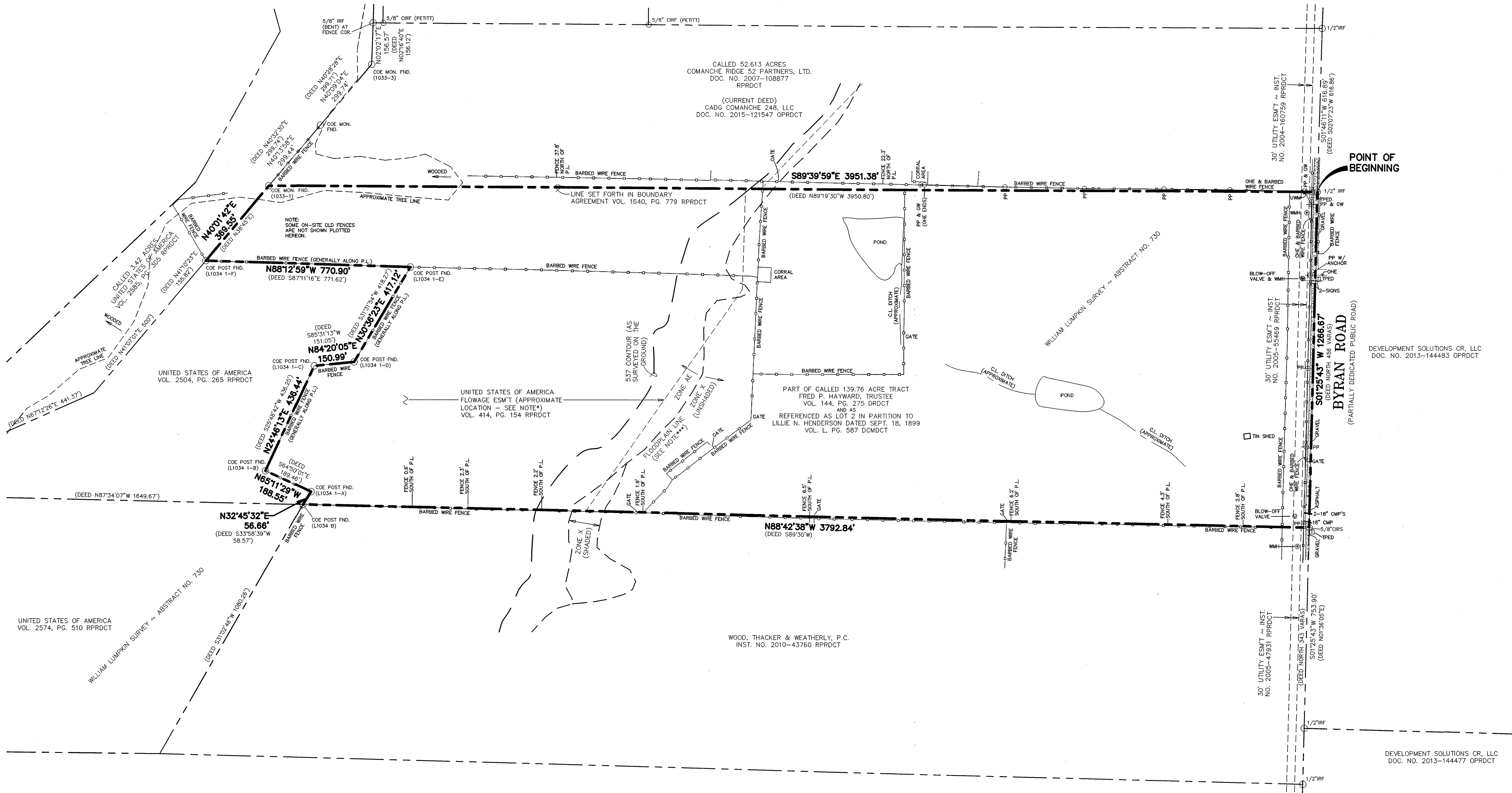
If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the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

Remainder of this page left intentionally blank.

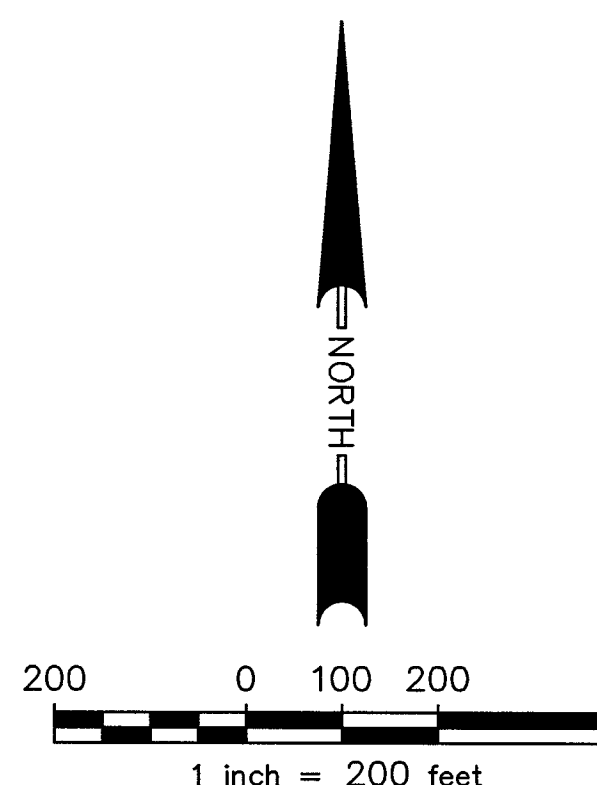


## **Appendix A**

### **PID Map**



### LOCATION MAP



LEGEND	
---	CABLE FENCE
---	FENCE
---	CONCRETE PAVEMENT
---	GRAVEL PAVEMENT
---	POWER POLE (PP)
---	GUY WIRE (GW)
---	LIGHT POLE
---	STREET NAME CHANGE
---	SUBDIVISION BLOCK
---	BURIED PIPELINE MARKER (UPM)
---	BURIED CABLE MARKER (UCM)
---	BURIED GAS MARKER (UGM)
---	BURIED ELECTRIC MARKER (UEM)
---	BURIED TELEPHONE MARKER (UTM)
---	BURIED FIBER OPTIC MARKER (UFM)
---	BURIED WATER LINE MARKER (UWM)
---	COMMUNICATIONS MANHOLE
---	ELECTRIC MANHOLE
---	GAS MANHOLE
---	STORM SEWER MANHOLE
---	SANITARY SEWER MANHOLE (SSMH)
---	TELEPHONE MANHOLE (TMH)
---	WATER MANHOLE (WMH)
---	CLEAN OUT (SSCO)
---	OVERHEAD POWER LINE
---	GAS VALVE
---	WATER VALVE (WV)
---	AIR RELEASE VALVE
---	WATER METER (WM)
---	GAS METER (GM)
---	FIRE HYDRANT (FH)
---	SIGN
---	TELEPHONE PEDESTAL (TPED)
---	TRAFFIC SIGNAL/CONTROL BOX
---	ELECTRIC METER/BOX (EM) (EB)
---	AIR CONDITIONER PAD (AC)

LEGEND	
PRDCT	PLAT RECORDS OF DENTON COUNTY, TEXAS
RPRDCT	REAL PROPERTY RECORDS, DENTON COUNTY, TEXAS
DCMDCT	DISTRICT COURT MINUTES, DENTON COUNTY, TEXAS
ICV	IRRIGATION CONTROL VALVE
ESMT	EASEMENT
CIRS (CIRP)	CAPPED IRON ROD SET (FOUND)
IRF	IRON ROD FOUND
FCP	FENCE CORNER POST
P.L.	PROPERTY LINE
R.O.W.	RIGHT-OF-WAY
B-B	BACK OF CURB TO BACK OF CURB
CMP	CORROGATED METAL PIPE
ASPH	ASPHALT PAVEMENT
BWF	BARBED WIRE FENCE

### BOUNDARY SURVEY

## 107.567 ACRES

SITUATED IN THE  
**WILLIAM LUMPKIN SURVEY**  
~ ABSTRACT NO. 730  
DENTON COUNTY, TEXAS

**PETITT BARRAZA**  
ENGINEERING PLANNING SURVEYING  
TBPE FIRM REGISTRATION NO. 1488  
1651 N. Glenville Drive, Suite 208 Tel. No. (214) 221-9955  
Richardson, Texas 75081 Fax No. (214) 340-3550

BEING that certain tract of land situated in the William Lumpkin Survey, Abstract No. 730, in Denton County, Texas, and being a portion of that certain called 139.76 acre tract of land described in deed to Fred P. Hayward, Trustee, as recorded in Volume 144, Page 275 of the Real Property Records of Denton County, Texas (RPRDCT), and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 inch iron rod found for the northeast corner of said Hayward tract and the southeast corner of that certain tract of land described in deed to Comanche Ridge 52 Partners, Ltd. recorded in Document No. 2007-108877, RPRDCT, said iron rod also being located in the approximate center of Byron Road (a partially dedicated public road), and also being located in the west line of that certain tract of land described in deed to Development Solutions CR, LLC, recorded in Document No. 2013-144483, RPRDCT;

THENCE South 01 degree 25 minutes 43 seconds West, with the east line of said Hayward tract, the west line of said Development Solutions tract and along said approximate center of Byron Road, a distance of 1266.67 feet to a 5/8 inch iron rod with cap marked "Petitt-RPLS 4087" set for the southeast corner of said Hayward tract and the northeast corner of that certain tract of land described in deed to Wood, Thacker and Weatherly, P.C. recorded in Instrument No. 2010-43760, RPRDCT;

THENCE North 88 degrees 42 minutes 38 seconds West, leaving the west line of said Development Solutions tract and the approximate center of Byron Road, and with the south line of said Hayward tract and the north line of said Wood, Thacker and Weatherly, P.C. tract, a distance of 3792.84 feet to a Corps of Engineers steel post marked "L1034 B" found at the southeast corner of that certain tract of land described in deed to the United States of America recorded in Volume 2504, Page 265, RPRDCT;

THENCE North 32 degrees 45 minutes 32 seconds East, with the easterly line of said United States of America tract, a distance of 56.66 feet to a Corps of Engineers steel post marked "L1034 1-A" found for corner;

THENCE North 65 degrees 11 minutes 29 seconds West, continuing with the easterly line of said United States of America tract, a distance of 188.55 feet to a Corps of Engineers steel post marked "L1034 1-B" found for corner;

THENCE North 24 degrees 46 minutes 13 seconds East, continuing with the easterly line of said United States of America tract, a distance of 436.44 feet to a Corps of Engineers steel post marked "L1034 1-C" found for corner;

THENCE North 84 degrees 05 minutes 05 seconds East, continuing with the easterly line of said United States of America tract, a distance of 150.99 feet to a Corps of Engineers steel post marked "L1034 1-D" found for corner;

LEGAL DESCRIPTION (Continued)

THENCE North 30 degrees 36 minutes 23 seconds East, continuing with the easterly line of said United States of America tract, a distance of 417.12 feet to a Corps of Engineers steel post marked "L1034 1-E" found for corner at the northeast corner of said United States of America tract;

THENCE North 88 degrees 12 minutes 59 seconds West, with the north line of said United States of America tract, a distance of 770.90 feet to Corps of Engineers steel post marked "L1034 1-F" found for corner at the northwest corner of said United States of America tract, and being located in the easterly line of that certain tract of land described in deed to the United States of America recorded in Volume 2585, Page 305, RPRDCT;

THENCE North 40 degrees 01 minutes 42 seconds East, with the east line of said United States of America tract recorded in Volume 2585, Page 305, RPRDCT, a distance of 369.55 feet to a Corps of Engineers monument (1033-1) found for corner;

THENCE South 89 degrees 39 minutes 59 seconds East, leaving said east line of said United States of America tract recorded in Volume 2585, Page 305, RPRDCT, and with a line set forth in Boundary Agreement recorded in Volume 1640, Page 779, RPRDCT, a distance of 3951.38 feet to the POINT OF BEGINNING of herein described tract, containing 107.567 acres of land.

NOTES:

The bearings shown and recited hereon are referenced to the Texas State Plane Coordinate System ~ Texas North Central Zone No. 4202 ~ NAD 83 (surface to grid scale factor 0.999849392677).

Title Commitment for this survey provided by Fidelity National Title Insurance Company, CF No.1508097-VCJA, Effective Date December 16, 2015, Issue date December 22, 2015. Schedule B Items as they relate to this survey are addressed as follows:

Schedule B ~ Item 10e. ~ Subject property is part of described tract (blanket description) of land set forth in Denton County Electric Cooperative, Inc. Easement recorded in Volume 339, Page 234, RPRDCT.

Schedule B ~ Item 10f. ~ 30' Utility Easement to Upper Trinity Regional Water District recorded in Instrument No. 2005-55469, RPRDCT, is located on subject property and is shown plotted hereon. 30' Temporary Construction Easement set forth in this document is not shown plotted hereon due to apparent abandonment by completion of underground utility construction.

Schedule B ~ Item 10g. ~ Line set forth in Boundary Agreement recorded in Volume 1640, Page 779, RPRDCT, is shown plotted hereon (north line of subject property).

NOTES (Continued)

\* Flowage Easement (Tract No. L-1034E) set forth in Judgement on Declaration of Taking and Order of Immediate Possession recorded in Volume 414, Page 154, of the Real Property Records of Denton County, Texas (RPRDCT), is located on subject property and is shown plotted hereon (approximate location shown due to ambiguous description -called to be "the net area herein described lying below elevation 537 feet, mean sea level, containing 59.2 acres, more or less". 537 contour as surveyed on the ground is shown plotted hereon.

\*\*\* Subject property lies within Zone X (un-shaded area), defined as "Areas determined to be outside the 0.2% annual chance floodplain"; Zone X (shaded), defined as "Areas of 0.2% annual chance flood; areas of 1% annual chance flood with average depths of less than 1 foot or with drainage areas less than 1 square mile; and areas protected by levees from 1% annual chance flood", and Zone AE, defined as "Base Flood Elevations Determined", according to Federal Emergency Management Agency Flood Insurance Rate Map for Denton County, Texas and incorporated areas ~ Number 48121C0410G, revision date April 18, 2011. Floodplain lines shown hereon are graphically plotted according to this map. 537 contour shown plotted hereon is as surveyed on the ground.

Plat and deed calls shown recited hereon are referenced to previously filed recorded plats and deeds for subject and adjoining properties.

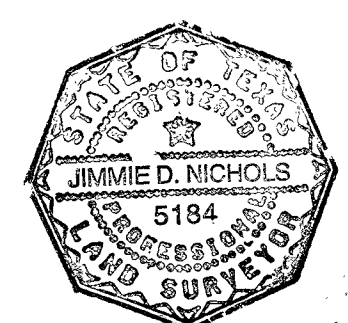
SURVEYOR'S CERTIFICATE

I, Jimmie D. Nichols, Registered Professional Land Surveyor, do hereby certify that I have made a careful and accurate survey of the above described property and that the plat shown hereon is a substantially true, correct and accurate representation of the property determined by survey. This survey substantially conforms to the current Texas Society of Professional Surveyors Standards and Specifications for a Category 1A, Condition II Survey.

FOR PETITT BARRAZA LLC:

Date: January 19, 2016

Jimmie D. Nichols, RPLS No. 5184





Concept Plan 2		
data summary		
Gross Site Area:		107.6
	Acres	Gross %
Major Thoroughfare ROW	1.5	1%
Floodplain	35.6	33%
Single Family Residential	70.5	66%
Residential Lots	64.7	92%
Open Space	5.8	8%
Residential Product Type:	Lots	Density
Phase 1 - 50' x 120' Lots	154	4.8:1
Phase 2 - 50' x 120' Lots	186	



MASTER PLAN  
McPHERSON TRACT OF WINN RIDGE DEVELOPMENT  
AUBREY ETJ/ PROSPER ETJ, DENTON COUNTY, TEXAS



PETITT BARRAZA  
ENGINEERING PLANNING SURVEYING

SCALE: 1"=300'

DATE: JAN. 2017

**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: <b>Winn Ridge South</b>	ACREAGE: 107.6	NO. OF LOTS: 340
Phase 1 & Phase 2	CREATED: 1/19/2017	BY CDH
CITY: AUBREY	REVISED: 2/16/2017	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 8/16/2017	ROADWAY LF: 11,711
UTIL. PROVIDER: MSUD	REVISED: 9/12/2017	FILE NAME: CONCEPT 46

ON-SITE IMPROVEMENTS SUMMARY	DEVELOPER COST	PID DIRECT COST	TOTAL COST BY CATEGORY	BY LOT
A. ROADWAY IMPROVEMENTS	\$ -	\$ 2,923,142	\$ 2,923,142	\$ 8,597
B. WATER SYSTEM	\$ -	\$ 787,961	\$ 787,961	\$ 2,318
C. SANITARY SEWER SYSTEM	\$ -	\$ 645,149	\$ 645,149	\$ 1,897
D. STORM DRAINAGE SYSTEM	\$ -	\$ 1,190,000	\$ 1,190,000	\$ 3,500
E. LOT PREPARATION	\$ 1,020,000	\$ -	\$ 1,020,000	\$ 3,000
F. RETAINING WALLS	\$ 459,000	\$ -	\$ 459,000	\$ 1,350
G. FRANCHISE UTILITIES	\$ 748,000	\$ -	\$ 748,000	\$ 2,200
H. DEVELOPER PROFESSIONAL & MISC. FEES	\$ 179,950	\$ -	\$ 179,950	\$ 529
I. PID DIRECT PROFESSIONAL & MISC. FEES	\$ -	\$ 782,176	\$ 782,176	\$ 2,301
J. WINN RIDGE BLVD IMPROVEMENTS	\$ -	\$ 223,751	\$ 223,751	\$ 658
K. WINN RIDGE BLVD PROF. & MISC. FEES	\$ -	\$ 80,413	\$ 80,413	\$ 237
L. SCREENING & LANDSCAPE IMPROVEMENTS	\$ -	\$ 285,900	\$ 285,900	\$ 841
<b>SUB-TOTAL ON-SITE COSTS</b>	<b>\$ 2,406,950</b>	<b>\$ 6,918,491</b>	<b>\$ 9,325,441</b>	<b>\$ 27,428</b>

**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: <b>Winn Ridge South</b>	ACREAGE: 35.5	NO. OF LOTS: 154
Phase 1	CREATED: 1/19/2017	BY: CDH
CITY: AUBREY	REVISED: 2/16/2017	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 8/16/2017	ROADWAY LF: 5,575
UTIL. PROVIDER: MSUD	REVISED: 9/12/2017	FILE NAME: CONCEPT 46

ON-SITE IMPROVEMENTS SUMMARY	DEVELOPER COST	PID DIRECT COST	TOTAL COST BY CATEGORY	BY LOT
A. ROADWAY IMPROVEMENTS		\$ 1,404,901	\$ 1,404,901	\$ 9,123
B. WATER SYSTEM		\$ 390,240	\$ 390,240	\$ 2,534
C. SANITARY SEWER SYSTEM		\$ 294,733	\$ 294,733	\$ 1,914
D. STORM DRAINAGE SYSTEM		\$ 539,000	\$ 539,000	\$ 3,500
E. LOT PREPARATION	\$ 462,000		\$ 462,000	\$ 3,000
F. RETAINING WALLS	\$ 207,900		\$ 207,900	\$ 1,350
G. FRANCHISE UTILITIES	\$ 338,800		\$ 338,800	\$ 2,200
H. DEVELOPER PROFESSIONAL & MISC. FEES	\$ 81,695		\$ 81,695	\$ 530
I. PID DIRECT PROFESSIONAL & MISC. FEES		\$ 360,305	\$ 360,305	\$ 2,340
J. WINN RIDGE BLVD IMPROVEMENTS		\$ 111,875	\$ 111,875	\$ 726
K. WINN RIDGE BLVD PROF. & MISC. FEES		\$ 40,206	\$ 40,206	\$ 261
L. SCREENING & LANDSCAPE IMPROVEMENTS		\$ 142,950	\$ 142,950	\$ 928
<b>SUB-TOTAL ON-SITE COSTS</b>	<b>\$ 1,090,395</b>	<b>\$ 3,284,211</b>	<b>\$ 4,374,606</b>	<b>\$ 28,407</b>

**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: <b>Winn Ridge South</b>	ACREAGE: 35.5	NO. OF LOTS: 154
Phase 1	CREATED: 1/19/2017	BY: CDH
CITY: AUBREY	REVISED: 2/16/2017	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 8/16/2017	ROADWAY LF: 5,575
UTIL. PROVIDER: MSUD	REVISED: 9/12/2017	FILE NAME: CONCEPT 46

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>A. ROADWAY IMPROVEMENTS</b>				
ROW CLEARING & GRUBBING (1/4 Area Treed)	ACRE	35.50	\$ 2,200.00	\$ 78,100
CONSTRUCTION ENTRANCE	EA	1	\$ 2,200.00	\$ 2,200
SILT FENCE	LF	6,180	\$ 1.65	\$ 10,197
UNCLASSIFIED EXCAVATION OF STREET R.O.W.	CY	114,547	\$ 2.40	\$ 274,912
UNCLASSIFIED EXCAVATION (ROUGH)	LOT	154	\$ 220.00	\$ 33,880
UNCLASSIFIED EXCAVATION (FINAL)	LOT	154	\$ 110.00	\$ 16,940
OVER SEEDING LOTS	ACRE	21	\$ 550.00	\$ 11,667
STREET PREPARATION (3' MOISTURE CONDITIONING	CY	25,397	\$ 3.00	\$ 76,192
6" LIME STABILIZED SUBGRADE PREPARATION	SY	20,442	\$ 3.85	\$ 78,701
LIME FOR SUBGRADE PREPARATION (36LBS/SY)	TON	370	\$ 165.00	\$ 61,050
31' B-B CONC. PAVEMENT (6-INCH, 3,600 PSI)	SY	19,203	\$ 36.00	\$ 691,301
BARRIER FREE RAMPS	EA	16	\$ 1,350.00	\$ 21,600
4' WIDE CURLEX EROSION CONTROL MATTING	LF	11,150	\$ 0.80	\$ 8,920
COMBO STREET NAME & STOP SIGN	EA	6	\$ 1,430.00	\$ 8,580
STREET LIGHTS (Standard Lights)	EA	11	\$ 2,750.00	\$ 30,663

**SUB - TOTAL** **\$ 1,404,901**

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>B. WATER SYSTEM</b>				
CONNECT TO EXIST. WATER LINE	EA	2	\$ 1,000.00	\$ 2,000
8" P.V.C. WATERLINE	LF	5,800	\$ 27.50	\$ 159,500
8" GATE VALVE & BOX	EA	21	\$ 1,540.00	\$ 32,340
FIRE HYDRANT ASSEMBLY	EA	20	\$ 4,400.00	\$ 88,000
1" SINGLE WATER SERVICE	EA	154	\$ 550.00	\$ 84,700
4" CONDUIT AT INTERSECTIONS	LF	1,100	\$ 11.00	\$ 12,100
TRENCH SAFETY	LF	5,800	\$ 1.00	\$ 5,800
TESTING (EXCLUDING GEOTECH)	LF	5,800	\$ 1.00	\$ 5,800
1" IRRIGATION WATER SERVICE (To Green Space)	EA	2	\$ 1,000.00	\$ 2,000

**SUB - TOTAL** **\$ 390,240**



**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: <b>Winn Ridge South</b>	ACREAGE: 35.5	NO. OF LOTS: 154
Phase 1	CREATED: 1/19/2017	BY: CDH
CITY: AUBREY	REVISED: 2/16/2017	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 8/16/2017	ROADWAY LF: 5,575
UTIL. PROVIDER: MSUD	REVISED: 9/12/2017	FILE NAME: CONCEPT 46

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>C. SANITARY SEWER SYSTEM</b>				
CONNECT TO EXIST. SEWER LINE	EA	1	\$ 2,200.00	\$ 2,200
CONNECT TO EXIST. MANHOLE	EA	1	\$ 1,375.00	\$ 1,375
8" P.V.C. PIPE (SDR 26: Over 11.5' Depth)	LF	540	\$ 33.00	\$ 17,820
8" P.V.C. PIPE (SDR 35: 0' to 11.5' Depth)	LF	4,045	\$ 27.50	\$ 111,238
4' DIAMETER MANHOLE W/RAIN PANS	EA	9	\$ 3,000.00	\$ 27,000
5' DIAMETER MANHOLE W/RAIN PANS	EA	3	\$ 4,200.00	\$ 12,600
4" SINGLE SEWER SERVICE	EA	154	\$ 660.00	\$ 101,640
WATER CROSSING PER TCEQ REQUIREMENTS	EA	5	\$ 825.00	\$ 4,125
TESTING (EXCLUDING GEOTECH)	LF	4,585	\$ 1.65	\$ 7,565
ADDITIONAL TESTING AFTER DRY UTIL INSTALL	LF	4,585	\$ 1.00	\$ 4,585
TRENCH SAFETY	LF	4,585	\$ 1.00	\$ 4,585
<b>SUB - TOTAL</b>				<b>\$ 294,733</b>

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>D. STORM DRAINAGE SYSTEM</b>				
BASED ON AVERAGE COST PER LOT	EA	154	\$ 3,500.00	\$ 539,000
<b>SUB - TOTAL</b>				<b>\$ 539,000</b>

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>E. LOT PREPARATION</b>				
MOISTURE CONDITIONING LOTS 8'	LOT	154	\$ 2,500.00	\$ 385,000
WRAP LOTS w/ 6 MIL PLASTIC SHEETING	LOT	154	\$ 500.00	\$ 77,000
<b>SUB - TOTAL</b>				<b>\$ 462,000</b>

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>F. RETAINING WALLS</b>				
RETAINING WALL (4' TALL)	LOT	154	\$ 1,350.00	\$ 207,900
<b>SUB - TOTAL, DEVELOPER COST</b>				<b>\$ 207,900</b>



**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: <b>Winn Ridge South</b>	ACREAGE: 35.5	NO. OF LOTS: 154
Phase 1	CREATED: 1/19/2017	BY: CDH
CITY: AUBREY	REVISED: 2/16/2017	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 8/16/2017	ROADWAY LF: 5,575
UTIL. PROVIDER: MSUD	REVISED: 9/12/2017	FILE NAME: CONCEPT 46

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>G. FRANCHISE UTILITIES</b>				
ELECTRIC SERVICE	LOT	154	\$ 1,100.00	\$ 169,400
GAS SERVICE	LOT	154	\$ 1,100.00	\$ 169,400

<b>SUB - TOTAL, DEVELOPER COST</b>	<b>\$ 338,800</b>
------------------------------------	-------------------

*NOTES DEVELOPER COST ITEMS*

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>H. DEVELOPER PROFESSIONAL &amp; MISC. FEES</b>				
ENGINEERING & SURVEYING	LOT	154	\$ 300	\$ 46,200
CONSTRUCTION INSPECTION	%	3%	\$ 669,900	\$ 20,097
MATERIAL TESTING	%	2%	\$ 669,900	\$ 13,398
SWPPP ADMINISTRATION	LS	1	\$ 2,000	\$ 2,000

**SUB - TOTAL** **\$ 81,695**

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>I. PID DIRECT PROFESSIONAL &amp; MISC. FEES</b>				
ENGINEERING & SURVEYING	LOT	154	\$ 1,473	\$ 226,862
CONSTRUCTION INSPECTION	%	3%	\$ 2,628,874	\$ 78,866
MATERIAL TESTING	%	2%	\$ 2,628,874	\$ 52,577
SWPPP ADMINISTRATION	LS	1	\$ 2,000	\$ 2,000

**SUB - TOTAL** **\$ 360,305**

**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: <b>Winn Ridge South</b>	ACREAGE: 35.5	NO. OF LOTS: 154
Phase 1	CREATED: 1/19/2017	BY: CDH
CITY: AUBREY	REVISED: 2/16/2017	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 8/16/2017	ROADWAY LF: 5,575
UTIL. PROVIDER: MSUD	REVISED: 9/12/2017	FILE NAME: CONCEPT 46

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>J. WINN RIDGE BLVD IMPROVEMENTS</b>				
CONNECT TO EX. PAVEMENT	EA	1	\$ 400.00	\$ 400
6" LIME STABILIZED SUBGRADE PREPARATION	SY	2,605	\$ 3.85	\$ 10,029
LIME FOR SUBGRADE PREPARATION (36LBS/SY)	TON	50	\$ 165.00	\$ 8,250
1/2 OF '100' ROW, 3 LANE UNDIVIDED (8-INCH, 3,60	SY	1,302	\$ 40.00	\$ 52,080
BARRIER FREE RAMPS	EA	2	\$ 1,350.00	\$ 2,700
5" - 4' REINFORCED CONCRETE SIDEWALK	SY	282	\$ 60.00	\$ 16,920
4' WIDE CURLEX EROSION CONTROL MATTING	LF	1,270	\$ 0.80	\$ 1,016
COMBO STREET NAME & STOP SIGN	EA	1	\$ 1,430.00	\$ 1,430
STORM SEWER COLLECTION SYSTEM	LF	635	\$ 30.00	\$ 19,050
<b>SUB - TOTAL</b>				<b>\$ 111,875</b>

<b>K. WINN RIDGE BLVD PROF. &amp; MISC. FEES</b>				
ENGINEERING & SURVEYING	%	22%	\$ 111,875	\$ 24,613
CONSTRUCTION INSPECTION	%	3%	\$ 111,875	\$ 3,356
MATERIAL TESTING	%	2%	\$ 111,875	\$ 2,238
SWPPP ADMINISTRATION	LS	1	\$ 10,000	\$ 10,000
<b>SUB - TOTAL</b>				<b>\$ 40,206</b>

<b>L. SCREENING &amp; LANDSCAPE IMPROVEMENTS</b>				
GENERAL LANDSCAPING & IRRIGATION	LS	1	\$ 35,000	\$ 35,000
SCREENING WALL	LF	635	\$ 170	\$ 107,950
<b>SUB - TOTAL</b>				<b>\$ 142,950</b>

**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: <b>Winn Ridge South</b>	ACREAGE: 36.1	NO. OF LOTS: 186
Phase 2	CREATED: 1/19/2017	BY: CDH
CITY: AUBREY	REVISED: 2/16/2017	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 8/16/2017	ROADWAY LF: 6,136
UTIL. PROVIDER: MSUD	REVISED: 9/12/2017	FILE NAME: CONCEPT 46

ON-SITE IMPROVEMENTS SUMMARY	DEVELOPER COST	PID DIRECT COST	TOTAL COST BY CATEGORY	BY LOT
A. ROADWAY IMPROVEMENTS		\$ 1,518,241	\$ 1,518,241	\$ 8,163
B. WATER SYSTEM		\$ 397,721	\$ 397,721	\$ 2,138
C. SANITARY SEWER SYSTEM		\$ 350,416	\$ 350,416	\$ 1,884
D. STORM DRAINAGE SYSTEM		\$ 651,000	\$ 651,000	\$ 3,500
E. LOT PREPARATION	\$ 558,000		\$ 558,000	\$ 3,000
F. RETAINING WALLS	\$ 251,100		\$ 251,100	\$ 1,350
G. FRANCHISE UTILITIES	\$ 409,200		\$ 409,200	\$ 2,200
H. DEVELOPER PROFESSIONAL & MISC. FEES	\$ 98,255		\$ 98,255	\$ 528
I. PID DIRECT PROFESSIONAL & MISC. FEES		\$ 421,871	\$ 421,871	\$ 2,268
J. WINN RIDGE BLVD IMPROVEMENTS		\$ 111,875	\$ 111,875	\$ 601
K. WINN RIDGE BLVD PROF.L & MISC. FEES		\$ 40,206	\$ 40,206	\$ 216
L. SCREENING & LANDSCAPE IMPROVEMENTS		\$ 142,950	\$ 142,950	\$ 769
<b>SUB-TOTAL ON-SITE COSTS</b>	<b>\$ 1,316,555</b>	<b>\$ 3,634,281</b>	<b>\$ 4,950,836</b>	<b>\$ 26,617</b>

**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: <b>Winn Ridge South</b>	ACREAGE: 36.1	NO. OF LOTS: 186
Phase 2	CREATED: 1/19/2017	BY: CDH
CITY: AUBREY	REVISED: 2/16/2017	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 8/16/2017	ROADWAY LF: 6,136
UTIL. PROVIDER: MSUD	REVISED: 9/12/2017	FILE NAME: CONCEPT 46

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>A. ROADWAY IMPROVEMENTS</b>				
ROW CLEARING & GRUBBING (1/4 Area Treed)	ACRE	36.10	\$ 2,200.00	\$ 79,420
CONSTRUCTION ENTRANCE	EA	1	\$ 2,200.00	\$ 2,200
SILT FENCE	LF	7,000	\$ 1.65	\$ 11,550
UNCLASSIFIED EXCAVATION OF STREET R.O.W.	CY	116,483	\$ 2.40	\$ 279,558
UNCLASSIFIED EXCAVATION (ROUGH)	LOT	186	\$ 220.00	\$ 40,920
UNCLASSIFIED EXCAVATION (FINAL)	LOT	186	\$ 110.00	\$ 20,460
OVER SEEDING LOTS	ACRE	26	\$ 550.00	\$ 14,091
STREET PREPARATION (3' MOISTURE CONDITIONING	CY	27,953	\$ 3.00	\$ 83,859
6" LIME STABILIZED SUBGRADE PREPARATION	SY	22,499	\$ 3.85	\$ 86,620
LIME FOR SUBGRADE PREPARATION (36LBS/SY)	TON	410	\$ 165.00	\$ 67,650
31' B-B CONC. PAVEMENT (6-INCH, 3,600 PSI)	SY	21,135	\$ 36.00	\$ 760,867
BARRIER FREE RAMPS	EA	14	\$ 1,350.00	\$ 18,900
4' WIDE CURLEX EROSION CONTROL MATTING	LF	12,272	\$ 0.80	\$ 9,818
COMBO STREET NAME & STOP SIGN	EA	6	\$ 1,430.00	\$ 8,580
STREET LIGHTS (Standard Lights)	EA	12	\$ 2,750.00	\$ 33,748
<b>SUB - TOTAL</b>				<b>\$ 1,518,241</b>

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>B. WATER SYSTEM</b>				
CONNECT TO EXIST. WATER LINE	EA	2	\$ 1,000.00	\$ 2,000
8" P.V.C. WATERLINE	LF	5,829	\$ 27.50	\$ 160,303
8" GATE VALVE & BOX	EA	14	\$ 1,540.00	\$ 21,560
FIRE HYDRANT ASSEMBLY	EA	20	\$ 4,400.00	\$ 85,800
1" SINGLE WATER SERVICE	EA	186	\$ 550.00	\$ 102,300
4" CONDUIT AT INTERSECTIONS	LF	1,100	\$ 11.00	\$ 12,100
TRENCH SAFETY	LF	5,829	\$ 1.00	\$ 5,829
TESTING (EXCLUDING GEOTECH)	LF	5,829	\$ 1.00	\$ 5,829
1" IRRIGATION WATER SERVICE (To Green Space)	EA	2	\$ 1,000.00	\$ 2,000
<b>SUB - TOTAL</b>				<b>\$ 397,721</b>

**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: <b>Winn Ridge South</b>	ACREAGE: 36.1	NO. OF LOTS: 186
Phase 2	CREATED: 1/19/2017	BY: CDH
CITY: AUBREY	REVISED: 2/16/2017	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 8/16/2017	ROADWAY LF: 6,136
UTIL. PROVIDER: MSUD	REVISED: 9/12/2017	FILE NAME: CONCEPT 46

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>C. SANITARY SEWER SYSTEM</b>				
CONNECT TO EXIST. SEWER LINE	EA	1	\$ 2,200.00	\$ 2,200
8" P.V.C. PIPE (SDR 26: Over 11.5' Depth)	LF	200	\$ 33.00	\$ 6,600
8" P.V.C. PIPE (SDR 35: 0' to 11.5' Depth)	LF	5,175	\$ 27.50	\$ 142,313
4' DIAMETER MANHOLE W/RAIN PANS	EA	12	\$ 3,000.00	\$ 36,000
5' DIAMETER MANHOLE W/RAIN PANS	EA	4	\$ 4,200.00	\$ 16,800
4" SINGLE SEWER SERVICE	EA	186	\$ 660.00	\$ 122,760
WATER CROSSING PER TCEQ REQUIREMENTS	EA	5	\$ 825.00	\$ 4,125
TESTING (EXCLUDING GEOTECH)	LF	5,375	\$ 1.65	\$ 8,869
ADDITIONAL TESTING AFTER DRY UTIL INSTALL	LF	5,375	\$ 1.00	\$ 5,375
TRENCH SAFETY	LF	5,375	\$ 1.00	\$ 5,375

**SUB - TOTAL** **\$ 350,416**

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>D. STORM DRAINAGE SYSTEM</b>				
BASED ON AVERAGE COST PER LOT	EA	186	\$ 3,500.00	\$ 651,000

**SUB - TOTAL** **\$ 651,000**

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>E. LOT PREPARATION</b>				
MOISTURE CONDITIONING LOTS 8'	LOT	186	\$ 2,500.00	\$ 465,000
WRAP LOTS w/ 6 MIL PLASTIC SHEETING	LOT	186	\$ 500.00	\$ 93,000

**SUB - TOTAL** **\$ 558,000**

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>F. RETAINING WALLS</b>				
RETAINING WALL (4' TALL)	LOT	186	\$ 1,350.00	\$ 251,100

**SUB - TOTAL, DEVELOPER COST** **\$ 251,100**

**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: <b>Winn Ridge South</b>	ACREAGE: 36.1	NO. OF LOTS: 186
Phase 2	CREATED: 1/19/2017	BY: CDH
CITY: AUBREY	REVISED: 2/16/2017	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 8/16/2017	ROADWAY LF: 6,136
UTIL. PROVIDER: MSUD	REVISED: 9/12/2017	FILE NAME: CONCEPT 46

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>G. FRANCHISE UTILITIES</b>				
ELECTRIC SERVICE	LOT	186	\$ 1,100.00	\$ 204,600
GAS SERVICE	LOT	186	\$ 1,100.00	\$ 204,600

<b>SUB - TOTAL, DEVELOPER COST</b>	<b>\$ 409,200</b>
------------------------------------	-------------------

*NOTES DEVELOPER COST ITEMS*

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>H. DEVELOPER PROFESSIONAL &amp; MISC. FEES</b>				
ENGINEERING & SURVEYING	LOT	186	\$ 300	\$ 55,800
CONSTRUCTION INSPECTION	%	3%	\$ 809,100	\$ 24,273
MATERIAL TESTING	%	2%	\$ 809,100	\$ 16,182
SWPPP ADMINISTRATION	LS	1	\$ 2,000	\$ 2,000

**SUB - TOTAL** **\$ 98,255**

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>I. PID DIRECT PROFESSIONAL &amp; MISC. FEES</b>				
ENGINEERING & SURVEYING	LOT	186	\$ 1,473	\$ 274,002
CONSTRUCTION INSPECTION	%	3%	\$ 2,917,378	\$ 87,521
MATERIAL TESTING	%	2%	\$ 2,917,378	\$ 58,348
SWPPP ADMINISTRATION	LS	1	\$ 2,000	\$ 2,000

**SUB - TOTAL** **\$ 421,871**

**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: <b>Winn Ridge South</b>	ACREAGE: 36.1	NO. OF LOTS: 186
Phase 2	CREATED: 1/19/2017	BY: CDH
CITY: AUBREY	REVISED: 2/16/2017	CHECKED: AB
JOB NUMBER: 12031-00	REVISED: 8/16/2017	ROADWAY LF: 6,136
UTIL. PROVIDER: MSUD	REVISED: 9/12/2017	FILE NAME: CONCEPT 46

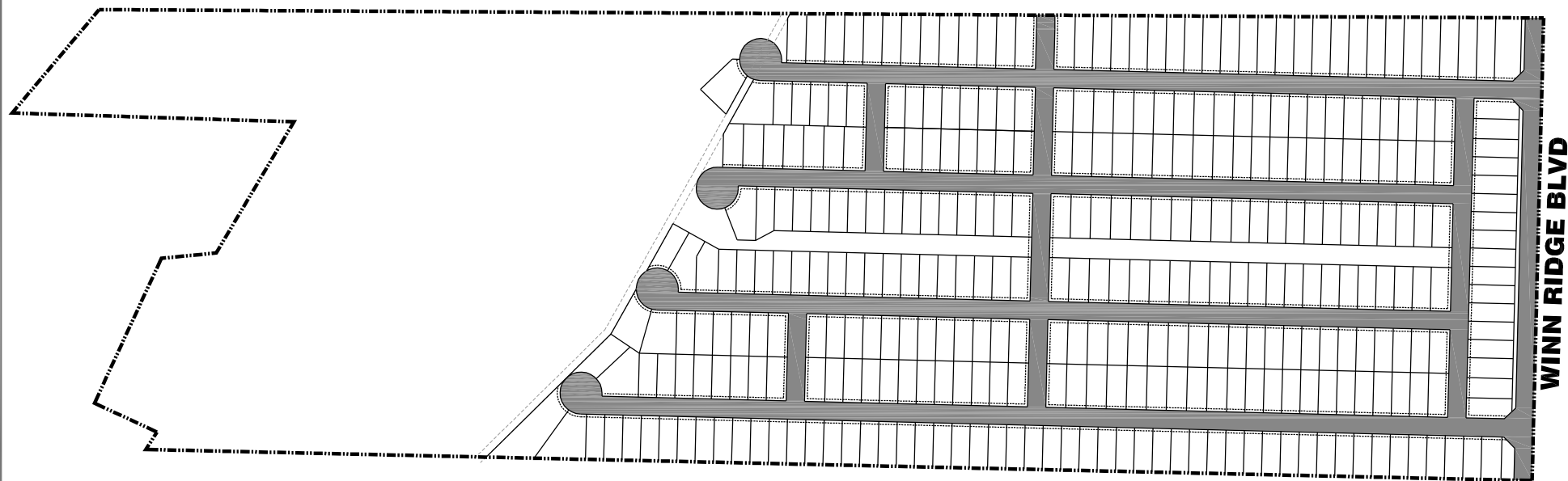
<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>J. WINN RIDGE BLVD IMPROVEMENTS</b>				
CONNECT TO EX. PAVEMENT	EA	1	\$ 400.00	\$ 400
6" LIME STABILIZED SUBGRADE PREPARATION	SY	2,605	\$ 3.85	\$ 10,029
LIME FOR SUBGRADE PREPARATION (36LBS/SY)	TON	50	\$ 165.00	\$ 8,250
1/2 OF '100' ROW, 3 LANE UNDIVIDED (8-INCH, 3,60	SY	1,302	\$ 40.00	\$ 52,080
BARRIER FREE RAMPS	EA	2	\$ 1,350.00	\$ 2,700
5" - 4' REINFORCED CONCRETE SIDEWALK	SY	282	\$ 60.00	\$ 16,920
4' WIDE CURLEX EROSION CONTROL MATTING	LF	1,270	\$ 0.80	\$ 1,016
COMBO STREET NAME & STOP SIGN	EA	1	\$ 1,430.00	\$ 1,430
STORM SEWER COLLECTION SYSTEM	LF	635	\$ 30.00	\$ 19,050
<b>SUB - TOTAL</b>				<b>\$ 111,875</b>

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>K. WINN RIDGE BLVD PROF.L &amp; MISC. FEES</b>				
ENGINEERING & SURVEYING	%	22%	\$ 111,875	\$ 24,613
CONSTRUCTION INSPECTION	%	3%	\$ 111,875	\$ 3,356
MATERIAL TESTING	%	2%	\$ 111,875	\$ 2,238
SWPPP ADMINISTRATION	LS	1	\$ 10,000	\$ 10,000
<b>SUB - TOTAL</b>				<b>\$ 40,206</b>

<i>DESCRIPTION</i>	<i>UNIT</i>	<i>APPROXIMATE QUANTITY</i>	<i>UNIT PRICE</i>	<i>TOTAL AMOUNT</i>
<b>L. SCREENING &amp; LANDSCAPE IMPROVEMENTS</b>				
GENERAL LANDSCAPING & IRRIGATION	LS	1	\$ 35,000	\$ 35,000
SCREENING WALL	LF	635	\$ 170	\$ 107,950
<b>SUB - TOTAL</b>				<b>\$ 142,950</b>

**Appendix C**  
**Diagram of Authorized Improvements**



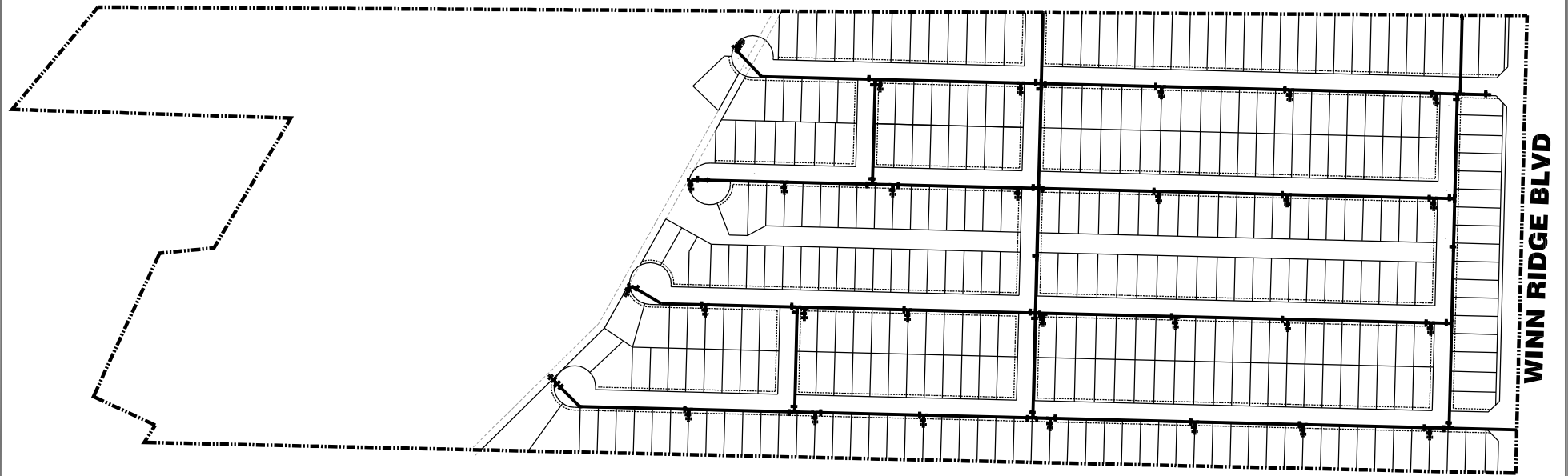


ROADWAY IMPROVEMENTS

**ROADWAY IMPROVEMENTS  
WINN RIDGE SOUTH DEVELOPMENT**  
AUBREY ET.J, DENTON COUNTY, TEXAS



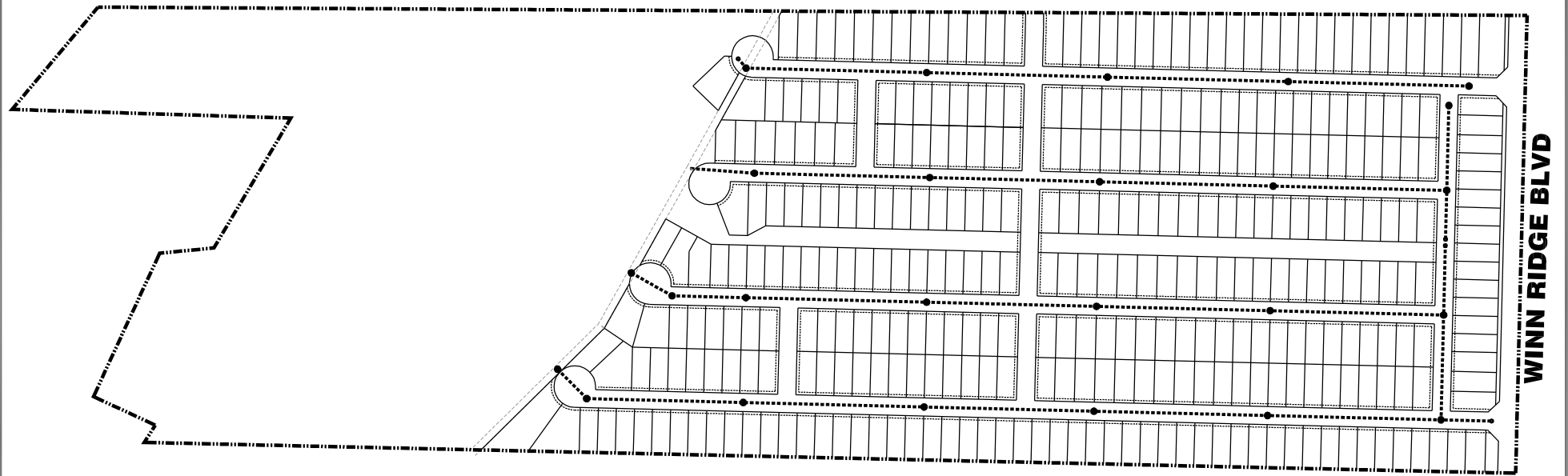
DATE: APRIL, 2017



**WATER IMPROVEMENTS**  
**WINN RIDGE SOUTH DEVELOPMENT**  
AUBREY ET.J, DENTON COUNTY, TEXAS



DATE: APRIL, 2017



**SANITARY SEWER IMPROVEMENTS  
WINN RIDGE SOUTH DEVELOPMENT**  
AUBREY ET.J, DENTON COUNTY, TEXAS



DATE: APRIL, 2017

## **Appendix D**

### **Assessment Roll**

## Appendix D

### Proposed Assessment Roll

<b>Parcel</b>	All Parcels
<b>Assessment</b>	\$8,000,000
<b>Total Estimated Units</b>	340.00

<b>Year</b>	<b>Principal<sup>1</sup></b>	<b>Interest<sup>1</sup></b>	<b>Administrative Expenses<sup>2</sup></b>	<b>Total Annual Installment<sup>3</sup></b>
1	\$0	\$422,222	\$40,000	\$462,222
2	\$0	\$540,000	\$40,800	\$580,800
3	\$115,000	\$540,000	\$41,616	\$696,616
4	\$120,000	\$532,238	\$42,448	\$694,686
5	\$125,000	\$524,138	\$43,297	\$692,435
6	\$135,000	\$515,700	\$44,163	\$694,863
7	\$140,000	\$506,588	\$45,046	\$691,634
8	\$150,000	\$497,138	\$45,947	\$693,085
9	\$160,000	\$487,013	\$46,866	\$693,879
10	\$170,000	\$476,213	\$47,804	\$694,016
11	\$180,000	\$464,738	\$48,760	\$693,497
12	\$190,000	\$452,588	\$49,735	\$692,322
13	\$205,000	\$439,763	\$50,730	\$695,492
14	\$215,000	\$425,925	\$51,744	\$692,669
15	\$230,000	\$411,413	\$52,779	\$694,192
16	\$245,000	\$395,888	\$53,835	\$694,722
17	\$260,000	\$379,350	\$54,911	\$694,261
18	\$275,000	\$361,800	\$56,010	\$692,810
19	\$295,000	\$343,238	\$57,130	\$695,367
20	\$315,000	\$323,325	\$58,272	\$696,597
21	\$330,000	\$302,063	\$59,438	\$691,500
22	\$355,000	\$279,788	\$60,627	\$695,414
23	\$375,000	\$255,825	\$61,839	\$692,664
24	\$400,000	\$230,513	\$63,076	\$693,588
25	\$425,000	\$203,513	\$64,337	\$692,850
26	\$455,000	\$174,825	\$65,624	\$695,449
27	\$485,000	\$144,113	\$66,937	\$696,049
28	\$515,000	\$111,375	\$68,275	\$694,650
29	\$550,000	\$76,613	\$69,641	\$696,253
30	\$585,000	\$39,488	\$71,034	\$695,521
<b>Total</b>	<b>\$8,000,000</b>	<b>\$10,857,385</b>	<b>\$1,622,723</b>	<b>\$20,480,108</b>

1- The Principal and interest amounts are estimated and will be updated with final bond numbers. Interest is estimated at 6.25% and includes the additional interest for Prepayment and Delinquency Reserve.

2 - The Administrative Expenses shown include the estimated PID administration and assessment collection costs and will be updated each year in the Annual Service Plan Updates.

**Appendix D**  
**Projected Annual Installment per Lot**

<b>Lot Type</b>	50 Ft
<b>Assessment</b>	\$23,529
<b>Equivalent Units</b>	1.00

<b>Year</b>	<b>Principal<sup>1</sup></b>	<b>Interest<sup>1</sup></b>	<b>Administrative Expenses<sup>2</sup></b>	<b>Total Annual Installment<sup>3</sup></b>
1	\$0	\$1,242	\$118	\$1,359
2	\$0	\$1,588	\$120	\$1,708
3	\$338	\$1,588	\$122	\$2,049
4	\$353	\$1,565	\$125	\$2,043
5	\$368	\$1,542	\$127	\$2,037
6	\$397	\$1,517	\$130	\$2,044
7	\$412	\$1,490	\$132	\$2,034
8	\$441	\$1,462	\$135	\$2,038
9	\$471	\$1,432	\$138	\$2,041
10	\$500	\$1,401	\$141	\$2,041
11	\$529	\$1,367	\$143	\$2,040
12	\$559	\$1,331	\$146	\$2,036
13	\$603	\$1,293	\$149	\$2,046
14	\$632	\$1,253	\$152	\$2,037
15	\$676	\$1,210	\$155	\$2,042
16	\$721	\$1,164	\$158	\$2,043
17	\$765	\$1,116	\$162	\$2,042
18	\$809	\$1,064	\$165	\$2,038
19	\$868	\$1,010	\$168	\$2,045
20	\$926	\$951	\$171	\$2,049
21	\$971	\$888	\$175	\$2,034
22	\$1,044	\$823	\$178	\$2,045
23	\$1,103	\$752	\$182	\$2,037
24	\$1,176	\$678	\$186	\$2,040
25	\$1,250	\$599	\$189	\$2,038
26	\$1,338	\$514	\$193	\$2,045
27	\$1,426	\$424	\$197	\$2,047
28	\$1,515	\$328	\$201	\$2,043
29	\$1,618	\$225	\$205	\$2,048
30	\$1,721	\$116	\$209	\$2,046
<b>Total</b>	<b>\$23,529</b>	<b>\$31,933</b>	<b>\$4,773</b>	<b>\$60,236</b>

1- The Principal and interest amounts are estimated and will be updated with final bond numbers. Interest is estimated at 6.25% and includes the additional interest for Prepayment and Delinquency Reserve.

2 - The Administrative Expenses shown include the estimated PID administration and assessment collection costs and will be updated each year in the Annual Service Plan Updates.