

**CITY OF ROYSE CITY, TEXAS
ORDINANCE NO. 20-07-1392**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ROYSE CITY, TEXAS ACCEPTING AND APPROVING A SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLLS FOR THE CREEKSHAW PUBLIC IMPROVEMENT DISTRICT; MAKING A FINDING OF SPECIAL BENEFIT TO THE PROPERTY IN THE DISTRICT; LEVYING SPECIAL ASSESSMENTS AGAINST PROPERTY WITHIN THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE ASSESSMENTS IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED, PROVIDING PENALTIES AND INTEREST ON DELINQUENT ASSESSMENTS, PROVIDING FOR SEVERABILITY, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the governing body (the “*City Council*”) of the City of Royse City, Texas (the “*City*”) is authorized by the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the “*PID Act*”) to create public improvement districts within the City; and

WHEREAS, on June 28, 2019, a petition (the “*Petition*”) was submitted and filed with the City Secretary (the “*City Secretary*”) of the City meeting the requirements of the PID Act requesting the creation of a public improvement district within the City ; and

WHEREAS, the Petition contained the signatures of the owners of taxable property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the District (defined below), as determined by the then current ad valorem tax rolls of Rockwall Central Appraisal District and the signatures of the property owners who own taxable real property that constitutes more than fifty percent of the area of all taxable property within the District that is liable for assessment; and

WHEREAS, the City accepted the Petition and called a public hearing to consider the creation of the District and directed the City Secretary to publish and mail notice of such hearing as required by the PID Act; and

WHEREAS, on January 28, 2020, after due notice, the City Council held a public hearing in the manner required by law on the advisability of the public improvements and services described in the Petition as required by Section 372.009 of the PID Act and made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. 20-01-128R (the “*Authorization Resolution*”) adopted by a majority of the members of the City Council, authorized and created the Creekshaw Public Improvement District (the “*District*”) in accordance with its finding as to the advisability of the Authorized Improvements; and

WHEREAS, the City published the Authorization Resolution as required by law; and

WHEREAS, no written protests regarding the creation of the District from any owners of record of property within the District were filed with the City Secretary; and

WHEREAS, on June 23, 2020, the City Council adopted a resolution determining total costs of certain authorized public improvements, approving a preliminary service and assessment plan, including proposed assessment rolls, and directing the publication and mailing of notice of a public hearing (the “*Assessment Hearing*”) to consider an ordinance levying assessments on property within the District (the “*Assessments*”); and

WHEREAS, the City Secretary filed the proposed Assessment Rolls (defined below) and made the same available for public inspection; and

WHEREAS, the City Secretary, pursuant to Section 372.016(c) of the PID Act, mailed the notice of the Assessment Hearing to the last known address of the owners of the property liable for the Assessments; and

WHEREAS, the City Secretary, pursuant to Section 372.016(b) of the PID Act, published notice of the Assessment Hearing on July 2, 2020 in the *Royse City Herald-Banner*, a newspaper of general circulation in the City and the extra-territorial jurisdiction of the City; and

WHEREAS, the City Council convened the Assessment Hearing on July 14, 2020, at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Assessment Rolls, and the proposed Assessments, and to offer testimony pertinent to any issue presented on the amount of the Assessments, the allocation of the Actual Costs of the authorized public improvements to be undertaken for the benefit of property within the District (the “*Authorized Improvements*”), the purposes of the Assessments, the special benefits of the Assessments, and the penalties and interest on annual installments and on delinquent annual installments of the Assessments; and

WHEREAS, the owners of 100% of the property subject to the proposed assessment within the District (the “*Landowners*”) had actual knowledge of the Assessment Hearing to be held on July 14, 2020, and support the creation of the District and the levy of assessments against the property in accordance with the Service and Assessment Plan to finance the Authorized Improvements for benefit of the property within the District; and

WHEREAS, the City Council finds and determines that the Assessment Rolls and the Creekshaw Public Improvement District Service and Assessment Plan, dated July 14, 2020 (the “*Service and Assessment Plan*”), attached as *Exhibit A* and incorporated as a part of this Ordinance for all purposes, should be approved and that the Assessments should be levied as provided in this Ordinance and the Service and Assessment Plan, including the Assessment Rolls attached thereto as Exhibit F-1 and G-1 (the “*Assessment Rolls*”); and

WHEREAS, the City Council further finds that there were no objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation

of the Actual Costs of the Authorized Improvements as described in the Service and Assessment Plan, the Assessment Rolls, and the levy of the Assessments; and

WHEREAS, at the Assessment Hearing, the Landowners, or their representatives, who are the persons to be assessed pursuant to this Ordinance, appeared in support of the levy of the Assessments against their property located within the District; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, determined to proceed with the adoption of this Ordinance in conformity with the requirements of the PID Act; and

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

Section 1. Terms.

Terms not otherwise defined herein are defined in the Service and Assessment Plan.

Section 2. Findings.

The City Council hereby finds, determines, and ordains, as follows:

(a) The recitals set forth in the WHEREAS clauses of this Ordinance are true and correct and are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section and constitute findings of the City Council acting in its discretionary, legislative capacity;

(b) All actions of the City in connection with the creation and establishment of the District and the approval of this Ordinance: (i) have been taken and performed in compliance with the PID Act and all other applicable laws, policies, and procedures; (ii) have been taken and performed in a regular, proper and valid manners; and (iii) are approved and ratified;

(c) The apportionment of the Actual Costs of the Authorized Improvements, including specifically the Improvement Area #1 Improvements and the Major Improvements (as reflected in the Service and Assessment Plan , and the Annual Collection Costs pursuant to the Service and Assessment Plan) is fair and reasonable, reflects an accurate presentation of the special benefit each assessed Parcel will receive from the construction of the Authorized Improvements identified in the Service and Assessment Plan, and is hereby approved;

(d) The Service and Assessment Plan covers a period of at least five years and defines the annual indebtedness and projected costs for the Authorized Improvements;

(e) The Service and Assessment Plan apportions the Actual Cost(s) of the Authorized Improvements to be assessed against the property in the District and such apportionment is made on the basis of special benefits accruing to the property because of the Authorized Improvements;

(f) All of the Improvement Area #1 Assessed Property being assessed in the amounts shown on the Improvement Area #1 Assessment Roll will be benefited by the Improvement Area #1 Projects proposed to be constructed as described in the Service and Assessment Plan, and each assessed Parcel of Improvement Area #1 Assessed Property will receive special benefits equal to or greater than the total amount assessed for the Improvement Area #1 Projects;

(g) All of the Major Improvement Area Assessed Property being assessed in the amounts shown on the Major Improvement Area Assessment Roll will be benefited by the Major Improvement Area Projects proposed to be constructed as described in the Service and Assessment Plan, and each assessed Parcel of Major Improvement Area Assessed Property will receive special benefits equal to or greater than the total amount assessed for the Major Improvement Area Projects;

(h) The method of apportionment of the Actual Costs of the Authorized Improvements and Annual Collection Costs set forth in the Service and Assessment Plan results in imposing equal shares of the Actual Costs of the Authorized Improvements and Annual Collection Costs on property similarly benefited, and results in a reasonable classification and formula for the apportionment of the Actual Costs;

(i) The Service and Assessment Plan has been prepared on behalf of, presented to, and reviewed by the City Council and should be approved as the service plan and assessment plan for the District for all purposes as described in Sections 372.013 and 372.014 of the PID Act;

(j) The Assessment Rolls should be approved as the Assessment Rolls for the District;

(k) The provisions of the Service and Assessment Plan relating to due and delinquency dates for the Assessments, interest on Annual Installments, interest and penalties on delinquent Assessments and delinquent Annual Installments, and procedures in connection with the imposition and collection of Assessments should be approved and will expedite collection of the Assessments in a timely manner in order to provide the services and improvements needed and required for the area within the District; and

(l) A written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended, and this meeting has been open to the public as required

by law at all times during which this Ordinance and the subject matter hereof has been discussed, considered, and formally acted upon.

Section 3. Service and Assessment Plan.

The Service and Assessment Plan is hereby accepted and approved pursuant to Sections 372.013 and 372.014 of the PID Act as the service plan and the assessment plan relating to the Authorized Improvements for the District. The Service and Assessment Plan shall be updated by the City Council no less frequently than annually as required by the PID Act and more frequently as may be required by the Service and Assessment Plan including upon the issuance of PID Bonds.

Section 4. Assessment Rolls.

The Assessment Rolls are hereby accepted and approved pursuant to Section 372.016 of the PID Act as the Assessment Rolls of the District for all purposes.

Section 5. Levy and Payment of Assessments for Costs of the Authorized Improvements.

(a) The City Council hereby levies the Assessments on each Parcel of property (excluding Non-Benefitted Property) located within the District, as shown and described in the Service and Assessment Plan and the Assessment Rolls, in the respective amounts shown in the Service and Assessment Plan as a special assessment as set forth in the Assessment Rolls.

(b) The levy of the Assessments shall be effective on the date of execution of this Ordinance levying Assessments and strictly in accordance with the terms of the Service and Assessment Plan and the PID Act.

(c) The collection of the Assessments shall be as described in the Service and Assessment Plan and the PID Act.

(d) Each Assessment may be prepaid in whole or in part at any time without penalty or may be paid in Annual Installments pursuant to the terms of the Service and Assessment Plan.

(e) Each Assessment shall bear interest at the rate or rates specified in the Service and Assessment Plan.

(f) Each Annual Installment shall be collected each year in the manner set forth in the Service and Assessment Plan.

(g) The Annual Collection Costs for Assessed Property shall be calculated pursuant to the terms of the Service and Assessment Plan.

Section 6. Method of Assessment.

The method of apportioning the Actual Costs of the Authorized Improvements and Annual Collection Costs are set forth in the Service and Assessment Plan.

Section 7. Penalties and Interest on Delinquent Assessments.

Delinquent Assessments shall be subject to the penalties, interest, procedures, and foreclosure sales set forth in the Service and Assessment Plan and as allowed by law.

Section 8. Prepayments of Assessments.

As provided in the Service and Assessment Plan, the owner of any Assessed Property may prepay the Assessments levied by this Ordinance.

Section 9. Lien Priority.

The City Council and the Landowners intend for the obligations, covenants and burdens on the Assessed Property, including without limitation such Landowners' obligations related to payment of the Assessments and the Annual Installments thereof, to constitute covenants that shall run with the land. The Assessments and the Annual Installments thereof which are levied hereby shall be binding upon the assessed parties, as the owners of Assessed Property, and their respective transferees, legal representatives, heirs, devisees, successors and assigns, regardless of whether such owners are named, in the same manner and for the same period as such parties would be personally liable for the payment of ad valorem taxes under applicable law. Assessments shall have lien priority as specified in the Service and Assessment Plan and the PID Act.

Section 10. Applicability of Tax Code.

To the extent not inconsistent with this Ordinance, and not inconsistent with the PID Act or the other laws governing public improvement districts, the provisions of the Texas Tax Code, as amended, shall be applicable to the imposition and collection of Assessments by the City.

Section 11. Filing in Land Records.

The City Secretary is directed to cause a copy of this Ordinance, including the Service and Assessment Plan and/or the Assessment Roll, to be recorded in the real property records of Rockwall County, Texas. The City Secretary is further directed to similarly file each Annual Service Plan Update approved by the City Council.

Section 12. Severability.

If any provision, section, subsection, sentence, clause, or phrase of this Ordinance, or the application of same to 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 Ordinance or the application to other persons or sets of circumstances shall not be affected thereby, it being the

intent of the City Council that no portion hereof, or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness, or invalidity or any other portion hereof, and all provisions of this ordinance are declared to be severable for that purpose.

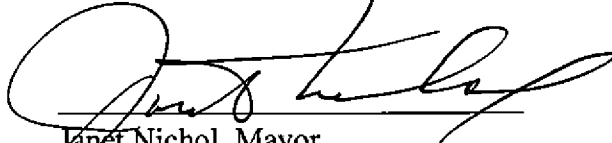
Section 13. **Effective Date.**


This Ordinance shall take effect, and the levy of the Assessments, and the provisions and terms of the Service and Assessment Plan shall be and become effective upon passage and execution hereof.

(Execution page follows.)

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF ROYSE CITY,
TEXAS, THIS 14th DAY OF JULY, 2020.**

ATTEST:


Janet Nichol, Mayor
City of Royse City, Texas


Deborah Sorensen, City Secretary
City of Royse City, Texas

STATE OF TEXAS

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COUNTY OF ROCKWALL

This instrument was acknowledged before me on the 14 day of July, 2020 by Janet Nichol, the Mayor, and Deborah Sorensen, the City Secretary, of the City of Royse City, Texas on behalf of said City.





Notary Public, State of Texas

EXHIBIT A

Service and Assessment Plan

Creekshaw Public Improvement District

SERVICE AND ASSESSMENT PLAN

JULY 14, 2020



AUSTIN, TX | NORTH RICHLAND HILLS, TX

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INTRODUCTION

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

On January 28, 2020, the City Council passed and approved Resolution No. 20-01-128R authorizing the establishment of the District in accordance with the PID Act, which authorization was effective upon publication as required by the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 181.684 acres located within the corporate limits of the City, as described by the legal description on **Exhibit A-1** and depicted on **Exhibit B-1**.

The PID Act requires a Service Plan covering a period of at least five years and defining the annual indebtedness and projected cost of the Authorized Improvements. The Service Plan is contained in **Section IV**.

The PID Act requires that the Service Plan include an Assessment Plan that assesses the Actual Costs of the Authorized Improvements against Assessed Property within the District based on the special benefits conferred on such property by the Authorized Improvements. The Assessment Plan is contained in **Section V**.

The PID Act requires an Assessment Roll that states the Assessment against each Parcel determined by the method chosen by the City Council. The Assessment against each Parcel of Assessed Property must be sufficient to pay the share of the Actual Costs of the Authorized Improvements apportioned to such Parcel and cannot exceed the special benefit conferred on the Parcel by such Authorized Improvements. The Assessment Roll for Improvement Area #1 is included as **Exhibit F-1**. The Assessment Roll for the Major Improvement Area is included as **Exhibit G-1**.

SECTION I: DEFINITIONS

“Actual Costs” mean with respect to Authorized Improvements, the actual costs paid or incurred by or on behalf of the Owner of the property within District, including : (1) the costs incurred by or on behalf of the Owner (either directly or through affiliates) for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such Authorized Improvements; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for such Authorized Improvements; (3) the costs incurred by or on behalf of the Owner for external professional costs, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (4) all labor, bonds, and materials, including equipment and fixtures, by contractors, builders, and materialmen in connection with the acquisition, construction, or implementation of the Authorized Improvements; (5) all related permitting and public approval expenses, architectural, engineering, and consulting fees, taxes, and governmental fees and charges; and (6) costs to implement, administer, and manage the above-described activities including, but not limited to, a construction management fee equal to four percent (4%) of construction costs if managed by or on behalf of the Owner.

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

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

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

“Annual Collection Costs” mean the actual or budgeted costs and expenses related to the creation and operation of the District and the construction of the Authorized Improvements, including, but not limited to, costs and expenses for: (1) the Administrator; (2) City staff; (3) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (4) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (5) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (6) paying and redeeming PID Bonds; (7) investing or depositing Assessments and Annual Installments; (8) complying with this Service and Assessment Plan and the PID Act with respect to the PID Bonds, including continuing disclosure requirements; and (9) the paying agent/registrar and Bond Trustee in connection with PID Bonds, including their

respective legal counsel. Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

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

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

“Assessed Property” means any Parcel within the District against which an Assessment is levied.

“Assessment” means an assessment levied against a Parcel within the District and 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 or reduction according to the provisions herein and in the PID Act.

“Assessment Ordinance” means an ordinance adopted by the City Council in accordance with the PID Act that levies an Assessment on Assessed Property within the District, as shown on any Assessment Roll.

“Assessment Plan” means the methodology employed to assess the Actual Costs of the Authorized Improvements against Assessed Property within the District based on the special benefits conferred on such property by the Authorized Improvements, more specifically described in **Section V**.

“Assessment Roll” means any assessment roll for the Assessed Property within the District, including the Improvement Area #1 Assessment Roll, and the Major Improvement Area Assessment Roll, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with the issuance of PID Bonds, or any Annual Service Plan Update.

“Authorized Improvements” means improvements authorized by Section 372.003 of the PID Act, as depicted on **Exhibit H-1** and **Exhibit H-2** and described in **Section III**.

“Capital Improvements Agreement” means that certain Agreement for Capital Improvements between the City and Wynne/Jackson, Inc., a Texas corporation (the “Wynne/Jackson”), effective as of December 10, 2019 as assigned to the Owner by that certain Assignment of Agreement for Capital Improvements, effective as of June 12, 2020, between Wynne/Jackson and the Owner.

“City” means the City of Royse City, Texas.

“City Council” means the governing body of the City.

“County” means Rockwall County, Texas.

“Delinquent Collection Costs” mean for a Parcel, interest, penalties, attorney’s fees, and other costs and expenses authorized by the Act and by an Assessment Ordinance that directly or indirectly relate to the collection of delinquent Assessments, delinquent Annual Installments or any other delinquent amounts due under this Service and Assessment Plan including costs and expenses to foreclose liens.

“District” means the Creekshaw Public Improvement District containing approximately 181.684 acres located within the corporate limits of the City, and more specifically described in **Exhibit A-1** and depicted on **Exhibit B-1**.

“District Formation and Bond Issuance Costs” means the costs associated with forming the District and issuing PID Bonds, including but not limited to attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City costs, capitalized interest, reserve fund requirements, 1st year’s Annual Collection Costs, underwriter’s discount, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the establishment of the District and/or the issuance of PID Bonds.

“Engineer’s Report” means a report provided by a licensed professional engineer that identifies the Authorized Improvements, including their costs, location, and benefit.

“Estimated Buildout Value” means the estimated buildout value of an Assessed Property, and shall be determined by the Administrator and confirmed by the City Council by considering such factors as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, builder contracts, discussions with homebuilders, reports from third party consultants, or any other factors that may impact value. The Estimated Buildout Value for a Lot will be calculated pursuant to **Section VI**.

“Improvement Area #1” means approximately 51.3983 acres located within the District, more specifically described in **Exhibit A-2**, and depicted on **Exhibit B-2**.

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

“Improvement Area #1 Assessed Property” means any Parcel within Improvement Area #1 against which an Improvement Area #1 Assessment is levied.

“Improvement Area #1 Assessment” means an Assessment levied against a Parcel within Improvement Area #1 and imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on the Improvement Area #1 Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and in the PID Act.

“Improvement Area #1 Assessment Roll” means the Assessment Roll for the Improvement Area #1 Assessed Property, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any updates prepared in connection with the issuance of PID Bonds or any Annual Service Plan Updates. The Improvement Area #1 Assessment Roll is included in this Service and Assessment Plan as **Exhibit F-1**.

“Improvement Area #1 Bonds” means those certain “City of Royse City, Texas Special Assessment Revenue Bonds, Series 2020 (Creekshaw Public Improvement District Improvement Area #1 Project)” that are secured by Improvement Area #1 Assessments.

“Improvement Area #1 Improvements” means the Authorized Improvements which only benefit Improvement Area #1.

“Improvement Area #1 Initial Parcel” means all of the Improvement Area #1 Assessed Property against which the entire Improvement Area #1 Assessment is levied, as shown on the Improvement Area #1 Assessment Roll.

“Improvement Area #1 Maximum Equivalent Tax Rate” means, for each Lot within Improvement Area #1, \$0.519322 per \$100 of Estimated Buildout Value as shown on **Exhibit I**. The Estimated Buildout Value for a Lot Type will be calculated pursuant to **Section VI**.

“Improvement Area #1 Projects” means collectively: (1) the pro rata portion of the Major Improvements allocable to Improvement Area #1; (2) the Improvement Area #1 Improvements; and (3) Improvement Area #1’s pro rata share of District Formation and Bond Issuance Costs.

“Improvement Area #2” means the second area to be developed within the District, identified as “Phase 2” on **Exhibit B-1**.

“Improvement Area #3” means the third area to be developed within the District, identified as “Phase 3” on **Exhibit B-1**.

“Indenture” means an Indenture of Trust entered into in connection with the issuance of each series of PID Bonds, as amended from time to time, between the City and a Trustee setting forth terms and conditions related to a series of PID Bonds.

“Lot” means for any portion of the District for which a final subdivision plat has been recorded in the official public records of the County, a tract of land described by “lot” in such subdivision plat.

“Lot Type” means a classification of final building Lots with similar characteristics (e.g. lot size, home product, buildout value, etc.), as determined by the Administrator and confirmed by the City Council. In the case of single-family residential Lots, the Lot Type shall be further defined by classifying the residential Lots by the Estimated Buildout Value of the Lot as calculated by the Administrator and confirmed and approved by the City Council.

“Major Improvement Area” means approximately 130.2857 acres located within the District, and more specifically described in **Exhibit A-3** and depicted on **Exhibit B-3**.

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

“Major Improvement Area Assessed Property” means any Parcel within the Major Improvement Area against which a Major Improvement Area Assessment is levied.

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

“Major Improvement Area Assessment Roll” means the Assessment Roll for the Major Improvement Area Assessed Property within the District, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any Annual Service Plan Updates. The Major Improvement Area Assessment Roll is included in this Service and Assessment Plan as **Exhibit G-1**.

“Major Improvement Area Bonds” means those certain “City of Royse City, Texas Special Assessment Revenue Bonds, Series 2020 (Creekshaw Public Improvement District Major Improvement Area Project)” that are secured by Major Improvement Area Assessments.

“Major Improvement Area Initial Parcel” means all of the Major Improvement Area Assessed Property against which the entire Major Improvement Area Assessment is levied as shown on Major Improvement Area Assessment Roll.

“Major Improvement Area Maximum Equivalent Tax Rate” means, for each Lot within the Major Improvement Area, \$0.206265 per \$100 of Estimated Buildout Value as shown on **Exhibit I**. The Estimated Buildout Value for a Lot Type will be calculated pursuant to **Section VI**.

“Major Improvement Area Projects” means collectively: (1) the pro rata portion of the Major Improvements allocable to the Major Improvement Area; and (2) the Major Improvement Area’s pro rata share of the District Formation and Bond Issuance Costs.

“Major Improvements” means those Authorized Improvements that confer special benefit to all the Assessed Property within the District, and as further described in **Section III.B.** and depicted on **Exhibit H-2**.

“Maximum Assessment” means for each Lot, an Assessment equal to the lesser of (1) the amount calculated pursuant to **Section VI.A**, or (2) the amount that produces an average Annual Installment resulting in the respective maximum equivalent tax rate. The Maximum Assessment shall be calculated at the time a respective final plat is recorded.

“Non-Benefitted Property” means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements as determined by the City Council.

“Notice of Assessment Termination” means a recorded document evidencing the termination of an Assessment, a form of which is attached as **Exhibit J**.

“Owner” means WJ Creekshaw LP, a Texas limited partnership, and any successor owner of property in the District or any portion thereof that intends to develop the property in the District for the ultimate purpose of transfer to end users.

“Parcel” or **“Parcels”** means a specific property within the District identified by either a tax map identification number assigned by the Rockwall Central Appraisal District for real property tax purpose, by the legal description, or by lot and block number in a final subdivision plat recorded in the official public records of the County, or by any other means determined by the City.

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

“PID Bonds” means any bonds issued by the City in one or more series and secured in whole or in part by Assessments.

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

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

“Service and Assessment Plan” means this Creekshaw Public Improvement District Service and Assessment Plan as updated; amended, or supplemented from time to time.

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

“Trustee” means a trustee (or successor trustee) under the applicable Indenture.

SECTION II: THE DISTRICT

The District includes approximately 181.684 contiguous acres located within the corporate limits of the City, as more particularly described by the legal description on **Exhibit A-1** and depicted on **Exhibit B-1**. Development of the District is anticipated to include approximately 755 single-family homes. Of the total property within the District, approximately 135.176 acres will be developed as improvement areas and approximately 46.5086 acres lie within right-of-way, floodplain, or drainage easements.

Improvement Area #1 includes approximately 51.3983 contiguous acres located within the corporate limits of the City, as more particularly described by the legal description on **Exhibit A-2** and depicted on **Exhibit B-2**. Development of Improvement Area #1 is anticipated to include approximately 276 single-family homes, 101 of which will be 40' Lots and 175 of which will be 50' Lots.

The Major Improvement Area includes approximately 130.2857 contiguous acres located within the corporate limits of the City, as more particularly described by the legal description on **Exhibit A-3** and depicted on **Exhibit B-3**. Development of the Major Improvement Area is anticipated to include approximately 479 single-family homes, 149 of which will be 40' Lots, 248 of which will be 50' Lots, and 82 of which will be townhomes.

SECTION III: AUTHORIZED IMPROVEMENTS

The City, based on information provided by the Owner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has determined that the costs described below are costs of Authorized Improvements, as defined by the PID Act, that confer a special benefit on the Assessed Property. Authorized Improvements will be designed and constructed in accordance with City standards and specifications and the Capital Improvements Agreement and will be owned and operated by the City. The budget of the Authorized Improvements, as well as the allocation of the Actual Costs of the Authorized Improvements and private improvements is shown on **Exhibit C-1**. The allocation methodology for the Authorized Improvements is shown on **Exhibit C-2**.

A. Major Improvements

All Major Improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

- *Off-Site Sanitary Sewer System*

Improvements including trench excavation and embedment, trench safety, PVC piping,

ductile iron encasement, boring, manholes, service connections, testing, related earthwork, excavation, erosion control, and all necessary appurtenances required to provide wastewater service to all Lots within the District.

- *Storm Sewer System*

Improvements including earthen channels, swales, curb and drop inlets, RCP piping and boxes, headwalls, concrete flumes, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, erosion control, any excavation for ponds, detention or retention areas, connections, plugs, manholes, trench safety, and all necessary appurtenances to provide storm drainage for all Lots within the District.

- *Water Distribution System*

Improvements including trench excavation and embedment, trench safety, PVC piping, (gate valves, air release valves, irrigation meters, automatic flushing valves, fire hydrant assemblies), manholes, service connections, testing, related earthwork, excavation, erosion control, plugs, steel encasement, removal of barricades, and all necessary appurtenances required to provide water service to all Lots within the District.

- *Street*

Improvements including groundwork, grading, excavation, subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, testing, handicapped ramps, sidewalks, street signs, streetlights, barricades, removal of existing structures, headers, traffic control, testing, inspection, and turn lanes. The pavement improvements will provide benefit to each Lot within the District.

- *Soft Costs*

Improvements include survey, platting, engineering, permitting and staking, contingency costs, design fees, inspection fees, costs relating to construction, payment, and performance bonds, and other costs relating to designing, constructing, installing, and financing the Major Improvements.

- *Shaw Drive*

Improvements including storm sewer system, water distribution system, and street improvements of the type described above to be constructed, including related right-of way, within the portion of Shaw Drive depicted on **Exhibit H-3** attached hereto.

B. Improvement Area #1 Improvements

All Improvement Area #1 Improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

- *On-Site Sanitary Sewer System*

Improvements including trench excavation and embedment, trench safety, PVC piping, ductile iron encasement, boring, manholes, service connections, testing, related earthwork, excavation, erosion control, cleanouts, cement stabilization, and all necessary appurtenances required to provide wastewater service to all Lots within Improvement Area #1.

- *Storm Sewer System*

Improvements including earthen channels, swales, curb and drop inlets, RCP piping and boxes, headwalls, concrete flumes, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, erosion control, connections, plugs, and all necessary appurtenances to provide storm drainage for all Lots within Improvement Area #1.

- *Water Distribution System*

Improvements including trench excavation and embedment, trench safety, PVC piping, (gate valves, air release valves, irrigation meters, automatic flushing valves, fire hydrant assemblies), manholes, connections to existing water, testing, related earthwork, excavation, erosion control, steel encasement, plugs, and all necessary appurtenances required to provide water service to all Lots within Improvement Area #1.

- *Street*

Improvements including groundwork, grading, excavation, subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, testing, handicapped ramps, sidewalks, street signs, streetlights, removal of existing structures, barricades, and headers. The street improvements will provide street access to each Lot within Improvement Area #1.

- *Soft Costs*

Improvements include survey, platting, engineering, permitting and staking, contingency costs, design fees, inspection fees, costs relating to construction, payment, and performance bonds, and other costs relating to designing, constructing, installing, and financing the Improvement Area #1 Improvements.

C. District Formation and Bond Issuance Costs

- *Debt Service Reserve Fund*

Equals the amount required to be deposited in a debt service reserve fund under an applicable Indenture in connection with the issuance of PID Bonds.

- *Capitalized Interest*

Equals the amount required to be deposited for the purpose of paying capitalized interest under an Indenture in connection with the issuance of PID Bonds.

- *Underwriter's Discount*

Equals a percentage of the par amount of a particular series of PID Bonds related to the costs of underwriting such PID Bonds.

- *Underwriter's Counsel*

Equals a percentage of the par amount of a particular series of PID Bonds reserved for the underwriter's attorney fees.

- *Cost of Issuance*

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

- *Deposit to the Administrative Fund*

Includes first year Annual Collection Costs.

SECTION IV: SERVICE PLAN

The PID Act requires the Service Plan to cover a period of at least five years. The Service Plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the District during the five-year period. The Service Plan must be reviewed and updated in each Annual Service Plan Update. **Exhibit D** summarizes the Service Plan for the District.

Exhibit E summarizes the sources and uses of funds required to construct the Authorized Improvements. The sources and uses of funds shown on **Exhibit E** shall be updated each year in the Annual Service Plan Update.

SECTION V: ASSESSMENT PLAN

The PID Act allows the City Council to apportion the costs of the Authorized Improvements to the Assessed Property based on the special benefit received from the Authorized Improvements. The PID Act provides that such costs may be apportioned: (1) equally per front foot or square foot; (2) according to the value of property as determined by the City, with or without regard to

improvements constructed on the property; or (3) in any other manner approved by the City that results in imposing equal shares of such costs on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the City and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

This section of the Service and Assessment Plan describes the special benefit received by each Parcel within the District as a result of the Authorized Improvements and provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments levied on the Assessed Property for such Authorized Improvements.

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

A. Assessment Methodology

The City Council, acting in its legislative capacity based on information provided by the Owner and its engineer and reviewed by the City staff and by third-party consultants retained by the City, has determined that the Authorized Improvements shall be allocated as follows:

- Major Improvements shall be allocated to each Parcel in the District pro rata based on Estimated Buildout Value of all Parcels. Improvement Area #1's allocation of the Major Improvements is shown on **Exhibit C-2**. The Major Improvement Area's allocation of the Major Improvements is shown on **Exhibit C-2**.
- Improvement Area #1 Improvements shall be allocated 100% to Improvement Area #1 Assessed Property. Improvement Area #1 Assessed Property consists entirely of the Improvements Area #1 Initial Parcel, and as such 100% of the Improvement Area #1 Improvements are allocated to the Improvement Area #1 Initial Parcel.
- The Major Improvement Area's allocable share of the Major Improvements shall be allocated 100% to the Major Improvement Area Assessed Property. The Major Improvement Area Assessed Property consists entirely of the Major Improvement Area Initial Parcel, and, as such, 100% of the Major Improvement Area's allocable share of the Major Improvements are allocated to the Major Improvement Area Initial Parcel.

B. Assessments

The Improvement Area #1 Assessment will be levied on the Improvement Area #1 Initial Parcel in the amount shown on the Improvement Area #1 Assessment Roll, attached hereto as **Exhibit F-1**. The projected Improvement Area #1 Annual Installments are shown on **Exhibit F-2**. Upon division or subdivision of the Improvement Area #1 Initial Parcel, Improvement Area #1 Assessment will be reallocated pursuant to **Section VI**.

The Major Improvement Area Assessment will be levied on the Major Improvement Area Initial Parcel in the amount shown on the Major Improvement Area Assessment Roll, attached hereto as **Exhibit G-1**. The projected Major Improvement Area Annual Installments are shown on **Exhibit G-2**. Upon division or subdivision of the Major Improvement Area Initial Parcel, the Major Improvement Area Assessment will be reallocated pursuant to **Section VI**.

C. Findings of Special Benefit

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

- *Improvement Area #1*
 - The costs of the Improvement Area #1 Projects equal \$6,093,947 as shown on **Exhibit C-1**; and
 - The Improvement Area #1 Assessed Property receives special benefit from the Improvement Area #1 Projects equal to or greater than the Actual Cost of the Improvement Area #1 Projects; and
 - The Improvement Area #1 Initial Parcel will be allocated 100% of the Improvement Area #1 Assessment levied for the Improvement Area #1 Projects, which equals \$5,660,000 as shown on the Improvement Area #1 Assessment Roll attached hereto as **Exhibit F-1**;
 - The special benefit ($\geq \$6,093,947$) received by the Improvement Area #1 Initial Parcel from the Improvement Area #1 Projects is equal to or greater than the amount of the Improvement Area #1 Assessment (\$5,660,000) levied on the Improvement Area #1 Initial Parcel for the Improvement Area #1 Projects; and
 - At the time the City Council approved the Service and Assessment Plan, the Owner owned 100% of the Improvement Area #1 Initial Parcel. The Owner has acknowledged that the Improvement Area #1 Projects confer a special benefit on the Improvement Area #1 Initial Parcel and consented to the imposition of the

Improvement Area #1 Assessment to pay for the Actual Costs associated therewith. The Owner ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described herein and the applicable Assessment Ordinance; (2) the Service and Assessment Plan and the Assessment Ordinance; and (3) the levying of the Improvement Area #1 Assessment on the Improvement Area #1 Initial Parcel.

▪ ***Major Improvement Area***

- The costs of the Major Improvement Area Projects equal \$3,680,000, as shown on **Exhibit C-1**; and
- The Major Improvement Area Assessed Property receives special benefit from the Major Improvement Area Projects equal to or greater than the Actual Cost of the Major Improvement Area Projects; and
- The Major Improvement Area Initial Parcel will be allocated 100% of the Major Improvement Area Assessment levied for the Major Improvement Area Projects, which equals \$3,680,000 as shown on the Major Improvement Area Assessment Roll attached hereto as **Exhibit G-1**;
- The special benefit ($\geq \$3,680,000$) received by the Major Improvement Area Initial Parcel from the Major Improvement Area Projects is greater than or equal to the amount of the Major Improvement Area Assessment (\$3,680,000) levied on the Major Improvement Area Initial Parcel for the Major Improvement Area Projects; and
- At the time the City Council approved the Service and Assessment Plan, the Owner owned 100% of the Major Improvement Area Initial Parcel. The Owner has acknowledged that the Major Improvement Area Projects confer a special benefit on the Major Improvement Area Initial Parcel and consented to the imposition of the Major Improvement Area Assessments to pay for the Actual Costs associated therewith. The Owner has ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described herein and the applicable Assessment Ordinance; (2) the Service and Assessment Plan and the Assessment Ordinance; and (3) the levying of Major Improvement Area Assessment on the Major Improvement Area Initial Parcel.

D. Annual Collection Costs

The Annual Collection Costs shall be paid for annually by each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding

Assessment. The Annual Collection Costs 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.

E. Additional Interest

The interest rate on Assessments levied on the Assessed Property may exceed the interest rate on the PID Bonds by the Additional Interest Rate. Additional Interest shall be collected as part of each Annual Installment and shall be deposited pursuant to the applicable Indenture.

SECTION VI: TERMS OF THE ASSESSMENTS

A. Reallocation of Assessments

1. Upon Division Prior to Recording of Subdivision Plat

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

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

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

C = the Estimated Buildout Value of the newly divided Assessed Property

D = the sum of the Estimated Buildout Value for all of the newly divided Assessed Properties

The calculation of the Estimated Buildout Value of an Assessed Property shall be performed by the Administrator based on information from the Owner, homebuilders, market studies, appraisals, official public records of the County, and any other relevant information regarding the Assessed Property. The calculation as confirmed by the City Council shall be conclusive.

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment for an Assessed Property may not exceed the respective Maximum Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the next Annual Service Plan Update and 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 based on Estimated Buildout Value according to the following formula:

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

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Parcel prior to subdivision

C = the sum of the Estimated Buildout Value of all newly subdivided Lots with same Lot Type

D = the sum of the Estimated Buildout Value for all of the newly subdivided Lots excluding Non-Benefitted Property

E = the number of Lots with same Lot Type

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

The sum of the Assessments for all newly subdivided Lots shall not exceed the Assessment for the portion of the Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Assessed Property. The reallocation of an Assessment for an Assessed Property may not exceed the respective Maximum Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the next Annual Service Plan Update and approved by the City Council.

3. Upon Consolidation

If two or more Lots or Parcels are consolidated, the Administrator shall allocate the Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be reflected in the next Annual Service Plan Update and approved by the City Council. The Assessment for any resulting Lot may not exceed the

respective Maximum Assessment and compliance may require a mandatory prepayment of Assessments pursuant to Section VI.C.

B. Mandatory Prepayment of Assessments

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

C. True-Up of Assessments if Maximum Assessment Exceeded at Plat

Prior to the City approving a final subdivision plat, the Administrator will certify that such plat will not result in the Assessment per Lot to exceed the respective Maximum Assessment. If the Administrator determines that the resulting Assessment per Lot will exceed the respective Maximum Assessment, then (1) the Assessment applicable to each Lot Type shall each be reduced to the respective Maximum Assessment, and (2) the person or entity filing the plat shall pay to the City the amount the Assessment was reduced, plus Prepayment Costs and Delinquent Collection Costs, if any, prior to the City approving the final plat. The City's approval of a plat without payment of such amounts does not eliminate the obligation of the person or entity filing the plat to pay such amounts. At no time shall the aggregate Assessments for any Lot exceed the respective Maximum Assessment.

D. Reduction of Assessments

If as a result of cost savings or an Authorized Improvement not being constructed, the Actual Costs of completed Authorized Improvements are less than the Assessments, (i) in the event PID Bonds are not issued, the City Council shall reduce each Assessment on a pro rata basis such that the sum of the resulting reduced Assessments for all Assessed Property equals the reduced Actual Costs, or (ii) in the event that PID Bonds are issued, the Trustee shall apply amounts on deposit in the applicable account of the Project Fund, relating to the PID Bonds, that are not expected to be used for purposes of the Project Fund to redeem outstanding PID Bonds, in accordance with the applicable Indenture. Excess PID Bond proceeds shall be applied to redeem outstanding PID

Bonds. The Assessments shall not, however, be reduced to an amount less than the outstanding PID Bonds.

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

E. Prepayment of Assessments

The landowner of any Assessed Property may pay, at any time, all or any part of an Assessment in accordance with the PID Act. Prepayment Costs, if any, may be paid from the Additional Interest. If an Annual Installment has been billed prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment is prepaid in full, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced to zero and the Assessment Roll to be revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit such revised Assessment Roll to the City Council for review and approval as part of the next Annual Service Plan Update; (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate; and (4) the City shall provide the landowner with a recordable "Notice of PID Assessment Termination," a form of which is attached hereto as **Exhibit J**.

If an Assessment is prepaid in part, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced and the Assessment Roll revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit to the City Council for review and approval as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment will be reduced to the extent of the Prepayment made.

F. Payment of Assessment in Annual Installments

Assessments that are not paid in full shall be due and payable in Annual Installments. **Exhibit F-2** shows the estimated Improvement Area #1 Annual Installments, and **Exhibit G-2** shows the estimated Major Improvement Area Annual Installments. Annual Installments are subject to adjustment in each Annual Service Plan Update.

Prior to the recording of a final subdivision plat, if any Parcel shown on the Assessment Roll is assigned multiple tax identification numbers, for billing and collection purposes, the Annual Installment shall be allocated pro rata based on the acreage of the property, not including any Non-Benefitted Property or non-assessed property, as shown by Rockwall Central Appraisal District for each tax identification number.

The Administrator shall prepare and submit to the City Council for its review and approval an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls and updated calculations of Annual Installments. The Annual Collection Costs shall be paid for by each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. Annual Installments shall be reduced by any credits applied under an applicable Indenture, such as capitalized interest, interest earnings on account balances, and any other funds available to the Trustee for such purposes. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the PID Act and in the same manner as ad valorem taxes for the City. The City Council may provide for other means of collecting Annual Installments. Assessments shall have the lien priority specified in the PID Act.

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

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

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

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

G. Prepayment as a Result of an Eminent Domain Proceeding or Taking

If any portion of any Parcel of Assessed Property is taken from a landowner as a result of eminent domain proceedings or if a transfer of any portion of any Parcel of Assessed Property is made to an entity with the authority to condemn all or a portion of the Assessed Property in lieu of or as

a part of an eminent domain proceeding (a "Taking"), the portion of the Assessed Property that was taken or transferred (the "Taken Property") shall be reclassified as Non-Benefitted Property.

For the Assessed Property that is subject to the Taking as described in the preceding paragraph, the Assessment that was levied against the Assessed Property (when it was included in the Taken Property) prior to the Taking shall remain in force against the remaining Assessed Property (the Assessed Property less the Taken Property) (the "Remaining Property") following the reclassification of the Taken Property as Non-Benefitted Property. The landowner will remain liable to pay in Annual Installments, or payable as otherwise provided by this Service and Assessment Plan, as updated, or the PID Act, the Assessment that remains due on the Remaining Property. Notwithstanding the foregoing, if the Assessment that remains due on the Remaining Property exceeds the respective Maximum Assessment, the landowner will be required to make a Prepayment in an amount necessary to ensure that the Assessment against the Remaining Property does not exceed the respective Maximum Assessment.

Following the initiation of a Taking, the Administrator will be required, as part of the next Annual Service Plan Update, to determine the portion of the Assessment that was levied against the Assessed Property that would have been allocated to the Taken Property prior to its reclassification as Non-Benefitted Property based on a manner that results in imposing equal shares of the costs of the applicable Authorized Improvements on property similarly benefitted.

Within 30 days of the receipt by the landowner of the funds received from the entity taking the Taken Property, the landowner shall make a Prepayment of the Assessment in an amount equal to the lesser of (i) the amount the landowner received as a result of the Taking or (ii) the amount determined by the Administrator in the above paragraph; provided, however, that in all instances the Assessment remaining on the Remaining Property shall not exceed the Maximum Assessment.

By way of illustration, if a landowner owns 100 acres of Assessed Property subject to a \$100 Assessment and 10 acres is taken through a Taking, the 10 acres of Taken Property shall be reclassified as Non-Benefitted Property and the remaining 90 acres of Remaining Property shall be subject to the \$100 Assessment, (provided that this \$100 Assessment does not exceed the respective Maximum Assessment on the Remaining Property). If the Administrator determines that the portion of the \$100 Assessment that would have been allocated to the Taken Property prior to its reallocation is \$10 and the landowner receives \$8 as compensation for the Taken Property as a result of the Taking, the landowner shall be required to pay \$8 as a Prepayment of the Assessment against the Remaining Property (in addition to any other amount that would be required to ensure the Assessment does not exceed the respective Maximum Assessment).

Alternatively, in the above scenario, if the landowner receives \$20 in compensation for the Taken Property, the landowner shall be required to pay \$10 as a Prepayment of the Assessment.

Notwithstanding the previous paragraphs, if the landowner notifies the City and the Administrator that the Taking prevents the Remaining Property from being developed as shown on a final plat, the landowner shall, upon receipt of the compensation for the Taken Property, be required to prepay the total amount of the Assessment levied against both the Taken Property and the amount of the Assessment required to buy down the outstanding Assessment to the respective Maximum Assessment on the Remaining Property. The landowner will remain liable to pay the Annual Installments on both the Taken Property and the Remaining Property until such time that such Assessment has been prepaid in full.

SECTION VII: ASSESSMENT ROLL

The Improvement Area #1 Assessment Roll is attached as **Exhibit F-1**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Improvement Area #1 Assessment Roll and Improvement Area #1 Annual Installments for each Parcel as part of each Annual Service Plan Update.

The Major Improvement Area Assessment Roll is attached as **Exhibit G-1**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Major Improvement Area Assessment Roll and Major Improvement Area Annual Installments for each Parcel as part of each Annual Service Plan Update.

SECTION VIII: ADDITIONAL PROVISIONS

A. Calculation Errors

If the landowner of a Parcel claims that an error has been made in any calculation required by this Service and Assessment Plan, including, but not limited to, any calculation made as part of any Annual Service Plan Update, the landowner's sole and exclusive remedy shall be to submit a written notice of error to the Administrator by December 1st of each year following City Council approval of the calculation; otherwise, the landowner shall be deemed to have unconditionally approved and accepted the calculation. Upon receipt of a written notice of error from a landowner, the Administrator shall provide a written response to the City Council and the landowner as applicable, within 30 days of such receipt. The City Council shall consider the landowner's notice of error and the Administrator's response at a public meeting, and within 30 days after closing such meeting, the City Council shall make a final determination as to whether an error has been made. If the City Council determines that an error has been made, the City

Council shall take such corrective action as is authorized by the PID Act, this Service and Assessment Plan, the applicable Assessment Ordinance, the applicable Indenture, or as otherwise authorized by the discretionary power of the City Council. The determination by the City Council as to whether an error has been made, and any corrective action taken by the City Council, shall be final and binding on the landowner, as applicable, and the Administrator.

B. Amendments

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

C. Administration and Interpretation

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

D. Severability

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

EXHIBITS

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

Exhibit A-1	District Legal Description
Exhibit A-2	Improvement Area #1 Legal Description
Exhibit A-3	Major Improvement Area Legal Description
Exhibit B-1	Map of the District
Exhibit B-2	Map of Improvement Area #1
Exhibit B-3	Map of Major Improvement Area
Exhibit C-1	Project Costs
Exhibit C-2	Allocation of Authorized Improvements
Exhibit D	Service Plan
Exhibit E	Sources and Uses
Exhibit F-1	Improvement Area #1 Assessment Roll
Exhibit F-2	Improvement Area #1 Annual Installments
Exhibit G-1	Major Improvement Area Assessment Roll
Exhibit G-2	Major Improvement Area Annual Installments
Exhibit H-1	Maps of Improvement Area #1 Improvements
Exhibit H-2	Maps of Major Improvements
Exhibit H-3	Shaw Road Improvements
Exhibit I	Maximum Assessment and Tax Rate Equivalent
Exhibit J	Form of Notice of PID Assessment Termination
Exhibit K-1	Debt Service Schedule for Improvement Area #1 Bonds
Exhibit K-2	Debt Service Schedule for Major Improvement Area Bonds
Exhibit L	Concept Plan

APPENDICES

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

Appendix A Engineer's Report

EXHIBIT A-1 – DISTRICT LEGAL DESCRIPTION

LEGAL DESCRIPTION

OVERALL TRACT - 181.684 ACRES

BEING a tract of land situated in the Richard Mead Survey, Abstract No. 141, James Thompson Survey, Abstract No. 209, J. Merryman Survey, Abstract No. 154 and the James B Ratliff Survey, Abstract No. 185, in the City of Royse City, Rockwall County, Texas, and being part of a called 233.21 acre tract of land described in deed to Martha Pullen Crowell, Trustee of the Kathryn Pullen Feldpausch Trust and Kathryn Pullen Feldpausch, Trustee of the Martha Pullen Crowell Trust, recorded in Instrument Nos. 2008-00392367 and 2008-00392368 of the Official Public Records, Rockwall County, Texas and being more particularly described as follows:

COMMENCING at a 1/2" iron rod found in the north right-of-way line of Farm-Market Road No. 35 (a variable width right-of-way) for the southwest corner of a called 5.00 acre tract of land described in deed to BHP WATER CORP., recorded in Instrument No. 2007-00377995 of said Official Public Records;

THENCE with said north right-of-way line of F.M. 35, South 88°46'07" West, a distance of 616.66 feet to a 1/2" iron rod found for the southwest corner of a called 65.34 acre tract of land described in deed to Crowell Development Co. Inc., recorded in Instrument No. 2007-00376415 of said Official Public Records, for the southeast corner of said 233.21 acre tract and being the **POINT OF BEGINNING**;

THENCE continuing with the said north right-of-way line of F.M. 35, the following courses and distances:

South 89°11'02" West, a distance of 1023.07 feet to a 5/8" iron rod with plastic cap stamped "KHA" set for corner;

South 89°30'02" West, a distance of 1267.98 feet to a 5/8" iron rod with plastic cap stamped "KHA" set at the beginning of a tangent curve to the left having a central angle of 10°54'49", a radius of 1472.39 feet, a chord bearing and distance of South 84°02'38" West, 280.04 feet;

In a southwesterly direction, with said curve to the left, an arc distance of 280.46 feet to a 5/8" iron rod with plastic cap stamped "KHA" set for corner;

South 77°36'02" West, a distance of 327.31 feet to a point at the beginning of a tangent curve to the right having a central angle of 11°43'25", a radius of 1392.39 feet, a chord bearing and distance of South 83°27'45" West, 284.41 feet;

In a southwesterly direction, with said curve to the right, an arc distance of 284.90 feet to a 5/8" iron rod with plastic cap stamped "KHA" set for corner;

South 89°19'27" West, a distance of 113.50 feet to a point for corner In a creek;

THENCE departing said north right-of-way line of F.M. 35 and with said creek, North 2°01'37" West, a distance of 1346.90 feet to a point for corner;

THENCE leaving said creek the following courses and distances:

North 64°23'40" East, a distance of 257.64 feet to a 5/8" iron rod with plastic cap stamped "KHA" set for corner;

North 62°36'43" East, a distance of 1256.36 feet to a 5/8" iron rod with plastic cap stamped "KHA" set for corner;

South 72°23'17" East, a distance of 636.40 feet to a 5/8" iron rod with plastic cap stamped "KHA" set for corner;

North 62°36'43" East, a distance of 246.60 to a 5/8" iron rod with plastic cap stamped "KHA" set for corner;

North 64°22'43" East, a distance of 816.41 feet to a 5/8" iron rod with plastic cap stamped "KHA" set for corner at the beginning of a non-tangent curve to the right having a central angle of 8°18'46", a radius of 4779.58 feet, a chord bearing and distance of North 68°41'27" East, 692.84 feet;

In a northeasterly direction, with said curve to the right, an arc distance of 693.45 feet to a 5/8" iron rod with plastic cap stamped "KHA" set for corner

North 72°50'50" East, a distance of 309.01 feet to a 5/8" iron rod with plastic cap stamped "KHA" set at the beginning of a tangent curve to the right having a central angle of 16°02'50", a radius of 532.50 feet, a chord bearing and distance of North 80°52'15" East, 148.66 feet;

In a northeasterly direction, with said curve to the right, an arc distance of 149.14 feet to a 5/8" iron rod with plastic cap stamped "KHA" set for corner;

North 88°53'41" East, a distance of 189.76 feet to a 5/8" iron rod with plastic cap stamped "KHA" set for corner in the east line of the 65.34 acre tract;

THENCE with said east line of the 65.34 acre tract, the following courses and distances:

South 0°16'53" East, a distance of 415.05 feet to a 5/8" iron rod with plastic cap stamped "KHA" set for corner;

South 0°16'25" East, a distance of 1215.79 feet to a point for corner a 1/2" iron rod found with yellow plastic cap stamped "KAZ" found for the northeast corner of said 5.00 acre tract;

THENCE departing said east line and with the north line of said 5.00 acre tract, South 88°49'24" West, a distance of 250.10 feet to a 1/2" iron rod found with yellow plastic cap stamped "KAZ" found for the northwest corner of said 5.00 acre tract;

THENCE with the west line of said 5.00 acre tract, South 0°18'39" East, a distance of 871.54 feet to the **POINT OF BEGINNING** and containing 181.684 acres or 7,914,178 square feet of land.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983.

EXHIBIT A-2 – IMPROVEMENT AREA #1 LEGAL DESCRIPTION

LEGAL DESCRIPTION

51.3983 ACRES

BEING a tract of land situated in the James Thompson Survey, Abstract No. 209, City of Royse City, Rockwall County, Texas and being part of a called 233.21 acre tract of land described as "Tract 1" in deed to Martha Pullen Crowell, Trustee of the Kathryn Pullen Feldpausch Trust and Kathryn Pullen Feldpausch, Trustee of the Martha Pullen Crowell Trust, recorded in Instrument Nos. 2008-00392367 and 2008-200800392368, Official Public Records, Rockwall County, Texas and being more particularly described as follows:

COMMENCING at a point in the north right-of-way line of Farm-Market Road No. 35 (a variable width right-of-way) for the southeast corner of said 233.21 acre tract and being the southwest corner of a called 65.34 acre tract of land described in deed to Crowell Development, Co. Inc., recorded in Instrument No. 2007-00376415 of said Official Public Records;

THENCE with said north right-of-way line, South 89°11'02" West, a distance of 1015.80 feet to a point for corner;

THENCE departing said north right-of-way line, North 0°48'58" West, a distance of 330.00 feet the **POINT OF BEGINNING**;

THENCE the following courses and distances:

South 89°11'02" West, a distance of 165.00 feet to a point for corner;
South 89°09'56" West, a distance of 50.00 feet to a point for corner;
South 88°55'28" West, a distance of 49.16 feet to a point for corner;
South 77°34'47" West, a distance of 45.40 feet to a point for corner;
South 61°19'24" West, a distance of 46.76 feet to a point for corner;
South 57°11'48" West, a distance of 305.48 feet to a point for corner;
North 29°41'09" West, a distance of 121.10 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 1°50'00", a radius of 625.00 feet, a chord bearing and distance of South 61°13'51" West, 20.00 feet;
In a southwesterly direction, with said curve to the right, an arc distance of 20.00 feet to a point for corner;
South 27°51'09" East, a distance of 120.56 feet to a point for corner;
South 64°22'06" West, a distance of 57.78 feet to a point for corner;
South 68°48'36" West, a distance of 57.78 feet to a point for corner;
South 73°15'05" West, a distance of 57.78 feet to a point for corner;
South 77°41'35" West, a distance of 57.78 feet to a point for corner;
South 80°30'31" West, a distance of 57.87 feet to a point for corner;
South 88°42'03" West, a distance of 57.86 feet to a point for corner;
South 89°30'02" West, a distance of 301.23 feet to a point for corner;

North 0°29'58" West, a distance of 120.00 feet to a point for corner;
 South 89°30'02" West, a distance of 5.00 feet to a point for corner;
 South 44°30'02" West, a distance of 14.14 feet to a point for corner;
 South 0°29'58" East, a distance of 110.01 feet to a point for corner;
 South 88°20'16" West, a distance of 50.01 feet to a point for corner;
 North 0°29'58" West, a distance of 6.03 feet to a point for corner;
 South 89°30'02" West, a distance of 120.06 feet to a point for corner;
 North 0°29'58" West, a distance of 50.00 feet to a point for corner;
 North 0°29'58" West, a distance of 50.00 feet to a point for corner;
 North 0°29'58" West, a distance of 65.00 feet to a point for corner;
 North 4°07'56" West, a distance of 98.59 feet to a point for corner;
 North 5°47'16" West, a distance of 355.22 feet to a point for corner;
 North 0°24'40" West, a distance of 58.46 feet to a point for corner;
 North 4°24'14" East, a distance of 58.46 feet to a point for corner;
 North 8°33'59" East, a distance of 24.20 feet to a point for corner;
 North 11°12'41" East, a distance of 58.44 feet to a point for corner;
 North 14°20'47" East, a distance of 50.00 feet to a point for corner;
 North 12°30'48" East, a distance of 48.69 feet to a point for corner;
 North 6°15'11" East, a distance of 48.67 feet to a point for corner;
 North 1°16'51" East, a distance of 48.88 feet to a point for corner;
 North 0°29'58" West, a distance of 400.00 feet to a point for corner;
 North 27°53'00" West, a distance of 112.62 feet to a point for corner;
 North 16°41'43" West, a distance of 47.07 feet to a point for corner;
 North 73°18'17" East, a distance of 104.14 feet to a point for corner;
 South 87°52'34" East, a distance of 20.00 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 110°16'08", a radius of 57.50 feet, a chord bearing and distance of North 57°15'30" East, 94.36 feet;
 In a northeasterly direction, with said curve to the right, an arc distance of 110.66 feet to a point for corner;
 North 22°23'34" East, a distance of 20.00 feet to a point for corner;
 North 76°21'43" East, a distance of 151.31 feet to a point for corner;
 North 0°29'58" West, a distance of 50.00 feet to a point for corner;
 North 89°30'02" East, a distance of 118.29 feet to a point for corner;
 South 50°19'18" East, a distance of 20.00 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 152°53'01", a radius of 57.50 feet, a chord bearing and distance of South 63°52'47" East, 111.80 feet;
 In a southeasterly direction, with said curve to the right, an arc distance of 153.43 feet to a point for corner;
 North 89°30'02" East, a distance of 119.37 feet to a point for corner;
 South 0°29'58" East, a distance of 150.38 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 6°19'36", a radius of 275.00 feet, a chord bearing and distance of North 80°46'49" East, 30.35 feet;
 In a northeasterly direction, with said curve to the right, an arc distance of 30.37 feet to a point for corner;
 North 0°29'58" West, a distance of 121.29 feet to a point for corner;

North 89°30'02" East, a distance of 62.21 feet to a point for corner;
 South 80°40'26" East, a distance of 67.16 feet to a point for corner;
 South 70°47'08" East, a distance of 67.18 feet to a point for corner;
 South 60°27'34" East, a distance of 309.66 feet to a point for corner;
 North 12°31'34" West, a distance of 203.41 feet to a point for corner;
 North 62°36'43" East, a distance of 246.60 feet to a point for corner;
 South 25°37'17" East, a distance of 178.12 feet to a point at the beginning of a tangent curve to the right having a central angle of 24°48'19", a radius of 467.50 feet, a chord bearing and distance of South 13°13'07" East, 200.82 feet;
 In a southeasterly direction, with said curve to the right, an arc distance of 202.40 feet to a point for corner;
 South 0°48'58" East, a distance of 76.06 feet to a point for corner;
 South 44°11'02" West, a distance of 14.14 feet to a point for corner;
 South 0°48'58" East, a distance of 50.00 feet to a point for corner;
 South 45°48'58" East, a distance of 14.14 feet to a point for corner;
 South 0°48'58" East, a distance of 220.00 feet to a point for corner;
 South 44°11'02" West, a distance of 14.14 feet to a point for corner;
 South 0°48'58" East, a distance of 50.00 feet to a point for corner;
 South 45°48'58" East, a distance of 14.14 feet to a point for corner;
 South 0°48'58" East, a distance of 220.00 feet to a point for corner;
 South 44°11'02" West, a distance of 14.14 feet to a point for corner;
 South 0°48'58" East, a distance of 50.00 feet to a point for corner;
 South 45°48'58" East, a distance of 14.14 feet to a point for corner;
 South 0°48'58" East, a distance of 220.00 feet to a point for corner;
 South 44°11'02" West, a distance of 14.14 feet to a point for corner;
 South 0°48'58" East, a distance of 50.00 feet to a point for corner;
 South 45°48'58" East, a distance of 14.14 feet to a point for corner;
 South 0°48'58" East, a distance of 110.00 feet to the **POINT OF BEGINNING** and containing 51.3983 acres or 2,238,908 square feet of land.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983.

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.

EXHIBIT A-3 – MAJOR IMPROVEMENT AREA LEGAL DESCRIPTION

DESCRIPTION

130.286 ACRES

BEING a tract of land situated in the James Thompson Survey, Abstract No. 209, J. Merriman Survey, Abstract No. 154, James B Ratliff Survey, Abstract No. 185 and the Richard Mead Survey, Abstract No. 141, in the city of Royse city, Rockwall County, Texas, and being part of a called 65.34 acre tract of land described in deed to Crowell Development, Co. Inc., recorded in Instrument No. 2007-00376415, Official Public Records, Rockwall County, Texas and being part of a called 233.21 acre tract of land described as "Tract 1" in deed to Martha Pullen Crowell, Trustee of the Kathryn Pullen Feldpausch Trust and Kathryn Pullen Feldpausch, Trustee of the Martha Pullen Crowell Trust, recorded in Instrument Nos. 2008-00392367 and 2008-200800392368 of said Official Public Records and being more particularly described as follows:

BEGINNING at a point in the north right-of-way line of Farm-Market Road No. 35 (a variable width right-of-way) for the southeast corner of said 65.34 acre tract and being the northeast corner of a called 5.00 acre tract of land described in deed to BHP Water Corp. recorded in Instrument No. 2007-0037995 of the Official Public Records of Hunt County, Texas;

THENCE with said north right-of-way line, the following courses and distances:

South 88°46'07" West, a distance of 616.66 feet to a point for corner;
South 89°11'02" West, a distance of 1023.07 feet to a point for corner;
South 89°30'02" West, a distance of 1267.98 feet to a point at the beginning of a tangent curve to the left having a central angle of 10°54'49", a radius of 1472.39 feet, a chord bearing and distance of South 84°02'38" West, 280.04 feet;
In a southwesterly direction, with said curve to the left, an arc distance of 280.46 feet to a point for corner;
South 77°36'02" West, a distance of 327.31 feet to a point at the beginning of a tangent curve to the right having a central angle of 11°43'25", a radius of 1392.39 feet, a chord bearing and distance of South 83°27'45" West, 284.41 feet;
In a southwesterly direction, with said curve to the right, an arc distance of 284.90 feet to a point for corner;
South 89°19'27" West, a distance of 113.50 feet to a point for corner;

THENCE departing said north right-of-way line, the following courses and distances:

North 2°01'37" West, a distance of 1346.90 feet to a point for corner;
North 64°23'40" East, a distance of 257.64 feet to a point for corner;
North 62°36'43" East, a distance of 1256.36 feet to a point for corner;
South 72°23'17" East, a distance of 636.40 feet to a point for corner;
South 12°31'34" East, a distance of 203.41 feet to a point for corner;
North 60°27'34" West, a distance of 309.66 feet to a point for corner;

North 70°47'08" West, a distance of 67.18 feet to a point for corner;
 North 80°40'26" West, a distance of 67.16 feet to a point for corner;
 South 89°30'02" West, a distance of 62.21 feet to a point for corner;
 South 0°29'58" East, a distance of 121.29 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 6°19'36", a radius of 275.00 feet, a chord bearing and distance of South 80°46'49" West, 30.35 feet;
 In a southwesterly direction, with said curve to the left, an arc distance of 30.37 feet to a point for corner;
 North 0°29'58" West, a distance of 150.38 feet to a point for corner;
 South 89°30'02" West, a distance of 119.37 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 152°53'01", a radius of 57.50 feet, a chord bearing and distance of North 63°52'47" West, 111.80 feet;
 In a northwesterly direction, with said curve to the left, an arc distance of 153.43 feet to a point for corner;
 North 50°19'18" West, a distance of 20.00 feet to a point for corner;
 South 89°30'02" West, a distance of 118.29 feet to a point for corner;
 South 0°29'58" East, a distance of 50.00 feet to a point for corner;
 South 76°21'43" West, a distance of 151.31 feet to a point for corner;
 South 22°23'34" West, a distance of 20.00 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 110°16'08", a radius of 57.50 feet, a chord bearing and distance of South 57°15'30" West, 94.36 feet;
 In a southwesterly direction, with said curve to the left, an arc distance of 110.66 feet to a point for corner;
 North 87°52'34" West, a distance of 20.00 feet to a point for corner;
 South 73°18'17" West, a distance of 104.14 feet to a point for corner;
 South 16°41'43" East, a distance of 47.07 feet to a point for corner;
 South 27°53'00" East, a distance of 112.62 feet to a point for corner;
 South 0°29'58" East, a distance of 400.00 feet to a point for corner;
 South 1°16'51" West, a distance of 48.88 feet to a point for corner;
 South 6°15'11" West, a distance of 48.67 feet to a point for corner;
 South 12°30'48" West, a distance of 48.69 feet to a point for corner;
 South 14°20'47" West, a distance of 50.00 feet to a point for corner;
 South 11°12'41" West, a distance of 58.44 feet to a point for corner;
 South 8°33'59" West, a distance of 24.20 feet to a point for corner;
 South 4°24'14" West, a distance of 58.46 feet to a point for corner;
 South 0°24'40" East, a distance of 58.46 feet to a point for corner;
 South 5°47'16" East, a distance of 355.22 feet to a point for corner;
 South 4°07'56" East, a distance of 98.59 feet to a point for corner;
 South 0°29'58" East, a distance of 165.00 feet to a point for corner;
 North 89°30'02" East, a distance of 120.06 feet to a point for corner;
 South 0°29'58" East, a distance of 6.03 feet to a point for corner;
 North 88°20'16" East, a distance of 50.01 feet to a point for corner;
 North 0°29'58" West, a distance of 110.01 feet to a point for corner;
 North 44°30'02" East, a distance of 14.14 feet to a point for corner;
 North 89°30'02" East, a distance of 5.00 feet to a point for corner;

South 0°29'58" East, a distance of 120.00 feet to a point for corner;
 North 89°22'18" East, a distance of 301.23 feet to a point for corner;
 North 88°42'03" East, a distance of 57.89 feet to a point for corner;
 North 80°30'31" East, a distance of 57.87 feet to a point for corner;
 North 77°41'35" East, a distance of 57.78 feet to a point for corner;
 North 73°15'05" East, a distance of 57.78 feet to a point for corner;
 North 68°48'36" East, a distance of 57.78 feet to a point for corner;
 North 64°22'06" East, a distance of 57.78 feet to a point for corner;
 North 27°51'09" West, a distance of 120.56 feet to a point at the beginning of a non-tangent curve to the left having a central angle of 1°50'00", a radius of 625.00 feet, a chord bearing and distance of North 61°13'51" East, 20.00 feet;
 In a northeasterly direction, with said curve to the left, an arc distance of 20.00 feet to a point for corner;
 South 29°41'09" East, a distance of 121.10 feet to a point for corner;
 North 57°11'48" East, a distance of 305.48 feet to a point for corner;
 North 61°19'24" East, a distance of 46.76 feet to a point for corner;
 North 77°34'47" East, a distance of 45.40 feet to a point for corner;
 North 88°55'28" East, a distance of 49.16 feet to a point for corner;
 North 89°09'56" East, a distance of 50.00 feet to a point for corner;
 North 89°11'02" East, a distance of 165.00 feet to a point for corner;
 North 0°48'58" West, a distance of 110.00 feet to a point for corner;
 North 45°48'58" West, a distance of 14.14 feet to a point for corner;
 North 0°48'58" West, a distance of 50.00 feet to a point for corner;
 North 44°11'02" East, a distance of 14.14 feet to a point for corner;
 North 0°48'58" West, a distance of 220.00 feet to a point for corner;
 North 45°48'58" West, a distance of 14.14 feet to a point for corner;
 North 0°48'58" West, a distance of 50.00 feet to a point for corner;
 North 44°11'02" East, a distance of 14.14 feet to a point for corner;
 North 0°48'58" West, a distance of 220.00 feet to a point for corner;
 North 45°48'58" West, a distance of 14.14 feet to a point for corner;
 North 0°48'58" West, a distance of 50.00 feet to a point for corner;
 North 44°11'02" East, a distance of 14.14 feet to a point for corner;
 North 0°48'58" West, a distance of 220.00 feet to a point for corner;
 North 45°48'58" West, a distance of 14.14 feet to a point for corner;
 North 0°48'58" West, a distance of 50.00 feet to a point for corner;
 North 44°11'02" East, a distance of 14.14 feet to a point for corner;
 North 0°48'58" West, a distance of 76.06 feet to a point at the beginning of a tangent curve to the left having a central angle of 24°48'19", a radius of 467.50 feet, a chord bearing and distance of North 13°13'07" West, 200.82 feet;
 In a northwesterly direction, with said curve to the left, an arc distance of 202.40 feet to a point for corner;
 North 25°37'17" West, a distance of 178.12 feet to a point for corner;
 North 64°22'43" East, a distance of 816.41 feet to a point at the beginning of a non-tangent curve to the right having a central angle of 8°18'46", a radius of 4779.58 feet, a chord bearing and distance of North 68°41'27" East, 692.84 feet;

In a northeasterly direction, with said curve to the right, an arc distance of 693.44 feet to a point for corner;

North 72°50'50" East, a distance of 309.01 feet to a point at the beginning of a tangent curve to the right having a central angle of 16°02'50", a radius of 532.50 feet, a chord bearing and distance of North 80°52'15" East, 148.66 feet;

In a northeasterly direction, with said curve to the right, an arc distance of 149.14 feet to a point for corner;

North 88°53'41" East, a distance of 189.76 feet to a point for the southwest corner of Lot 2, Block 1, Buccee's #38 Subdivision an addition to the City of Royse City according to the plat recorded in Instrument No. 2015-14148 of said Official Public Records in the terminus of Shaw Road (a 65-foot wide right-of-way);

THENCE with the east line of said 65.34 acre tract, the following courses and distances:

South 0°16'53" East, a distance of 415.05 feet to a point for corner;

South 0°16'25" East, a distance of 1215.79 feet to a point for the northeast corner of said 5.00 acre tract;

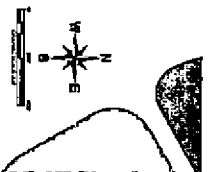
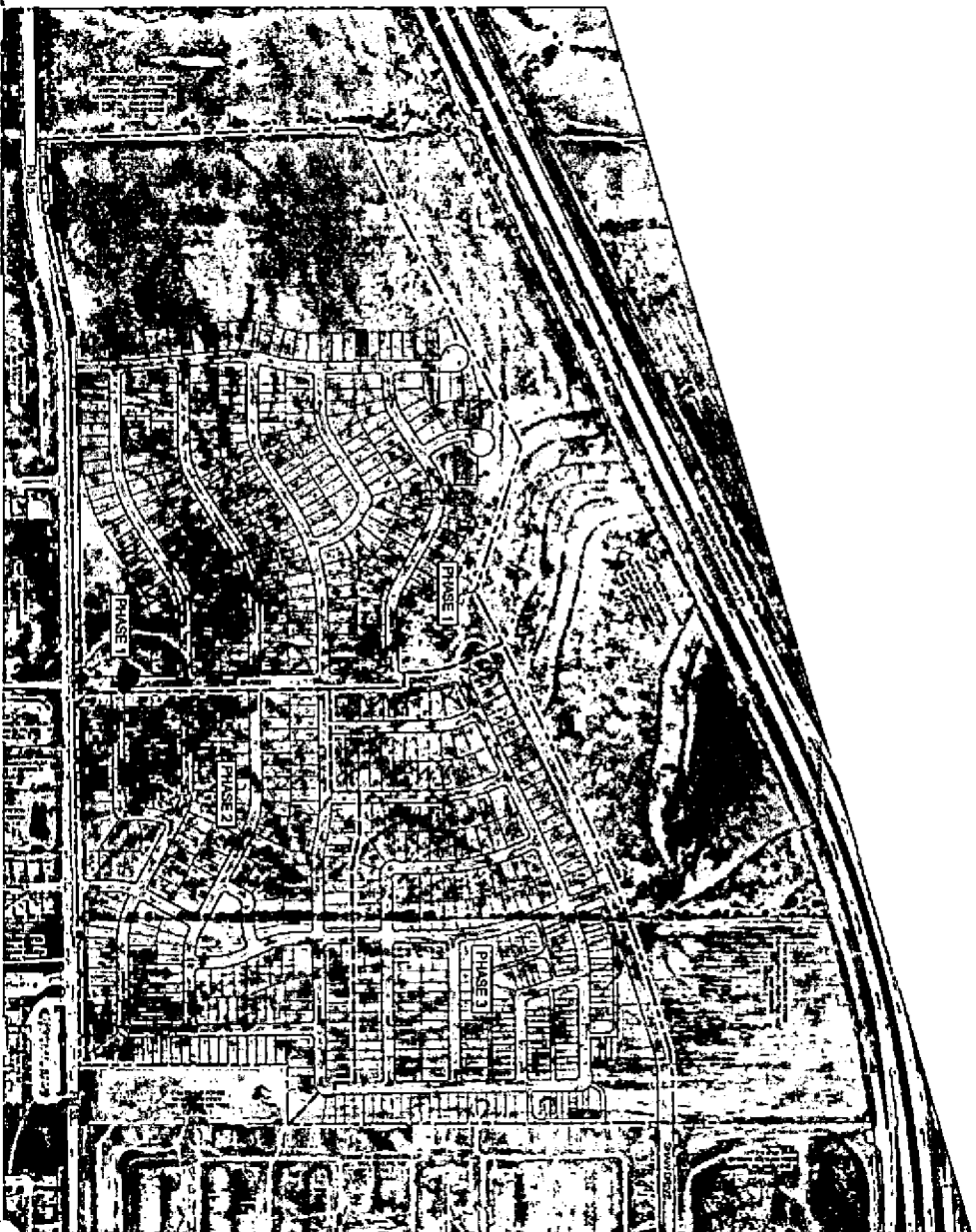
THENCE with the north line of said 5.00 acre tract, South 88°49'24" West, a distance of 250.10 feet to a point for the northwest corner of said 5.00 acre tract;

THENCE with the west line of said 5.00 acre tract, South 0°18'39" East, a distance of 871.54 feet to the **POINT OF BEGINNING** containing 130.2863 acres or 5,675,270 square feet of land.

Bearing system based on the Texas Coordinate System of 1983, North Central Zone (4202), North American Datum of 1983.

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.

EXHIBIT B-1 – MAP OF THE DISTRICT



PID EXHIBIT:
PROPERTY EXHIBIT

Creekshaw
Development

Royce City, Texas
January 2020

Kimley»Horn

10000 Parkway
Suite 200
Houston, Texas 77055
713.462.1234
kimleyhorn.com

EXHIBIT B-2 – MAP OF IMPROVEMENT AREA #1

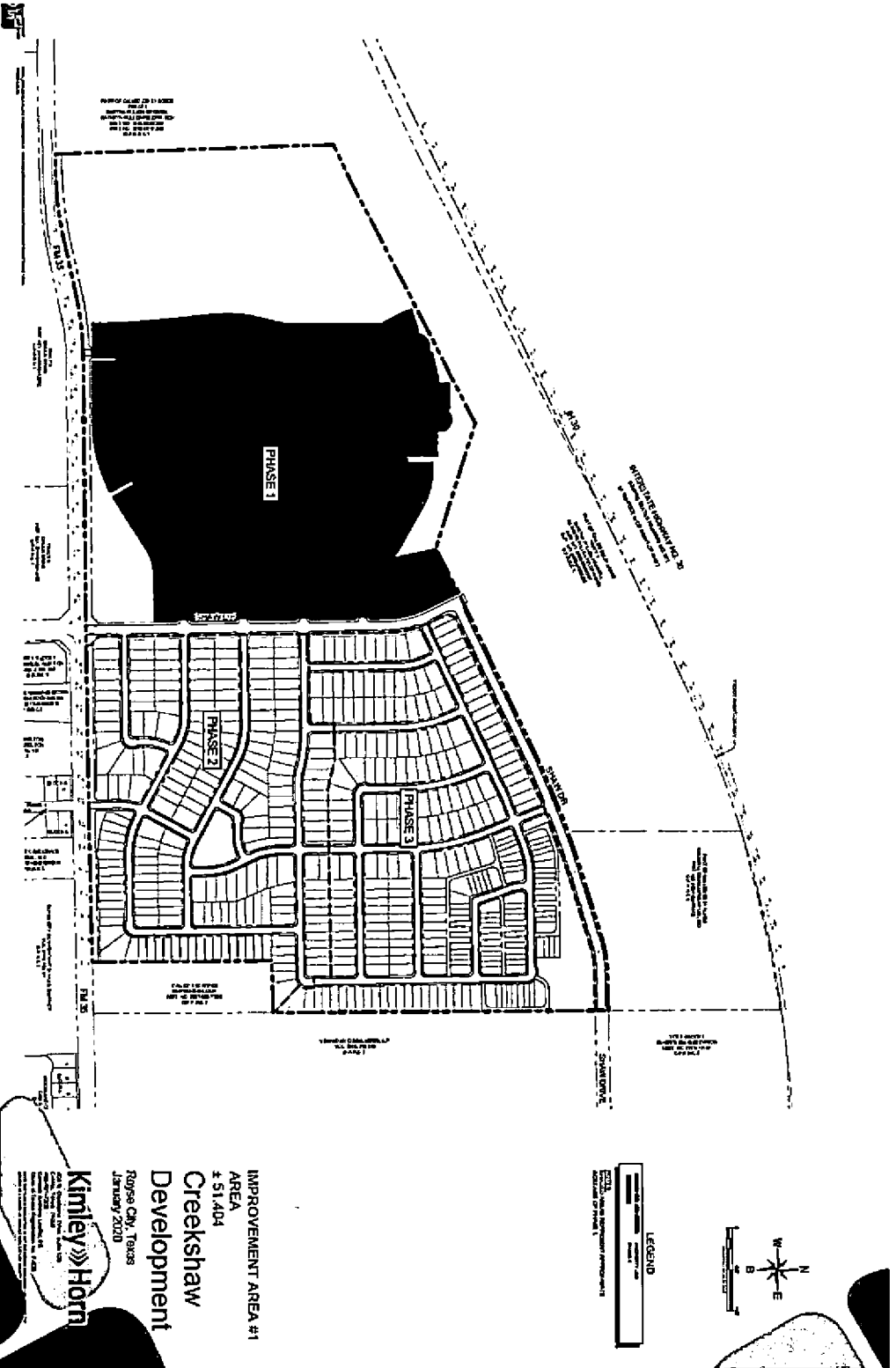


EXHIBIT C-1 – PROJECT COSTS

	Total Private Costs	Impact Fees/ Oversizing ³	Total Authorized Improvements	Improvement Area #1 % ²	Cost	Major Improvement Area % ²	Cost
Major Improvements							
Off-Site Sanitary Sewer System ³	\$ -	\$ 97,261	\$ 273,116	34.72%	\$ 94,832	65.28%	\$ 178,284
Storm Sewer System	-	-	1,250,404	34.72%	434,168	65.28%	816,236
Water Distribution System	-	-	234,983	34.72%	81,591	65.28%	153,392
Street	-	-	1,058,972	34.72%	367,699	65.28%	691,273
Soft Costs ⁴	-	-	778,169	34.72%	270,198	65.28%	507,971
Shaw Drive							
Storm Sewer System	-	70,105	70,105	34.72%	24,342	65.28%	45,763
Water Distribution System	-	-	123,298	34.72%	42,812	65.28%	80,486
Paving	-	257,981	257,981	34.72%	89,577	65.28%	168,405
ROW (North 1/2 of E/W ROW Only)	-	52,875	-	34.72%	-	65.28%	-
Soft Costs ⁴	-	95,240	112,846	34.72%	39,183	65.28%	73,663
	\$ -	\$ 573,463	\$ 4,159,874		\$ 1,444,400		\$ 2,715,474
Improvement Area #1 Improvements							
On-Site Sanitary Sewer System	\$ -	\$ -	\$ 460,501	100.00%	\$ 460,501	0.00%	\$ -
Storm Sewer System	-	-	445,620	100.00%	445,620	0.00%	-
Water Distribution System	-	-	385,255	100.00%	385,255	0.00%	-
Street	-	-	1,552,235	100.00%	1,552,235	0.00%	-
Soft Costs ⁴	-	-	710,903	100.00%	710,903	0.00%	-
	\$ -	\$ -	\$ 3,554,514		\$ 3,554,514		\$ -
Additional Improvements⁵							
Excavation/Grading	\$ 903,413	\$ -	\$ -	0.00%	\$ -	0.00%	\$ -
On-Site Sanitary Sewer System	192,669	-	-	0.00%	-	0.00%	-
Water Distribution System	152,993	-	-	0.00%	-	0.00%	-
Street	411,850	-	-	0.00%	-	0.00%	-
Retaining Walls	249,558	-	-	0.00%	-	0.00%	-
Miscellaneous	569,300	-	-	0.00%	-	0.00%	-
Soft Costs ⁴	619,946	-	-	0.00%	-	0.00%	-
	\$ 3,099,729	\$ -	\$ -		\$ -		\$ -
PID Formation and Bond Issuance Costs							
Reserve Fund	\$ -	\$ -	\$ 597,500		\$ 346,563		\$ 250,938
Capitalized Interest	-	-	648,168		262,670		385,497
Underwriter Discount	-	-	186,800		113,200		73,600
Underwriter Counsel	-	-	93,400		56,600		36,800
Cost of Issuance	-	-	471,000		286,000		185,000
Deposit to the Administrative Fund	-	-	60,000		30,000		30,000
Rounding Amount	-	-	2,691		-		2,691
	\$ -	\$ -	\$ 2,059,559		\$ 1,095,033		\$ 964,526
Total	\$ 3,099,729	\$ 573,463	\$ 9,773,947		\$ 6,093,947		\$ 3,680,000

Notes:

¹ The City's portion of Shaw Drive shall be the north half of the east/west section shown on the map of Shaw Drive on Exhibit H-3, and shall be paid by impact fees collected by the City, pursuant to Exhibit C of the Capital Improvements Agreement. Not reimbursable to Owner through PID Bonds.

² See Exhibit C-2 for allocation calculation.

³ Oversizing Costs of off-site sanitary sewer system and Shaw Road improvements are not Authorized Improvements, but are necessary for finished Lots.

⁴ Soft Costs include survey, platting, engineering, permitting and staking, which are calculated at 15% of the sum of the total costs; and contingency costs, design fees, and other costs relating to designing, constructing, installing, and financing the Authorized Improvements, which are calculated at 10% of the sum of the total costs.

⁵ Additional Improvements are not reimburseable to the Owner through PID Bonds or Assessments.

EXHIBIT C-2 – ALLOCATION OF AUTHORIZED IMPROVEMENTS

Lot Type	Units ¹	Estimated Buildout Value per Unit ^{1,2}	Total Estimated Buildout Value	Allocation
Improvement Area #1				
40'	101	\$ 242,000	\$ 24,442,000	10.97%
50'	175	302,500	52,937,500	23.75%
Improvement Area #1 Total	276	\$	77,379,500	34.72%
Major Improvement Area³				
40'	149	\$ 277,897	\$ 41,406,643	18.58%
50'	248	348,276	86,372,336	38.76%
Townhomes	82	215,787	17,694,534	7.94%
Major Improvement Area Total	479	\$	145,473,513	65.28%
Total	755	\$	222,853,013	100.00%

¹ Values provided by the Developer, and are preliminary and subject to change.

² Projected buildout value per unit has an escalation factor of 6% per year.

³ The Major Improvement Area includes Improvement Area #2 and Improvement Area #3. Improvement Area #2 is estimated to be fully built out with finished homes in 2 years from the date of this Service and Assessment plan. Improvement Area #3 is estimated to be fully built out with finished lots in 3.5 years from the date of this Service and Assessment Plan.

EXHIBIT D - SERVICE PLAN

Installment Due	Improvement Area #1				
	1/31/2021	1/31/2022	1/31/2023	1/31/2024	1/31/2025
Principal	\$ -	\$ 110,000	\$ 115,000	\$ 115,000	\$ 120,000
Interest	\$ 262,670	\$ 232,338	\$ 228,900	\$ 225,306	\$ 221,713
Capitalized Interest	\$ (262,670)	\$ -	\$ -	\$ -	\$ -
	(1)	\$ -	\$ 342,338	\$ 343,900	\$ 340,306
Additional Interest	(2)	\$ 28,300	\$ 28,300	\$ 27,750	\$ 27,175
Annual Collection Costs	(3)	\$ 30,600	\$ 31,212	\$ 31,836	\$ 32,473
Total Annual Installment Due	(4) = (1) + (2) + (3)	\$ 58,900	\$ 401,850	\$ 403,486	\$ 399,954
					\$ 401,435

Installment Due	Major Improvement Area				
	1/31/2021	1/31/2022	1/31/2023	1/31/2024	1/31/2025
Principal	\$ -	\$ -	\$ 70,000	\$ 70,000	\$ 75,000
Interest	\$ 204,560	\$ 180,938	\$ 180,938	\$ 177,875	\$ 174,813
Capitalized Interest	\$ (204,560)	\$ (180,938)	\$ -	\$ -	\$ -
	(1)	\$ -	\$ 250,938	\$ 247,875	\$ 249,813
Additional Interest	(2)	\$ 18,400	\$ 18,400	\$ 18,400	\$ 17,700
Administrative Expense	(3)	\$ 30,600	\$ 31,212	\$ 31,836	\$ 32,473
Total Annual Installment Due	(4) = (1) + (2) + (3)	\$ 49,000	\$ 49,612	\$ 301,174	\$ 298,398
					\$ 300,635

EXHIBIT E – SOURCES AND USES OF FUNDS

	Improvement Area #1		Major Improvement Area	
	Sources of Funds			
Bond Par Amount	\$	5,660,000	\$	3,680,000
Developer Contribution ¹		433,947		-
Developer Contribution ²		-		573,463
Total Sources	\$	6,093,947	\$	4,253,460
	Uses of Funds			
Major Improvements	\$	1,444,400	\$	2,715,474
Improvement Area #1 Improvements		3,554,514		-
CIP Plan Improvements/Impact Fee Projects ²		-		573,463
	\$	4,998,914	\$	3,288,937
<i>PID Formation and Bond Issuance Costs</i>				
Debt Service Reserve Fund	\$	346,563	\$	250,938
Capitalized Interest		262,670		385,497
Underwriter's Discount		113,200		73,600
Underwriter's Counsel		56,600		36,800
Cost of Issuance		286,000		185,000
Deposit to the Administrative Fund		30,000		30,000
Rounding Amount		-		2,691
	\$	1,095,033	\$	964,526
Total Uses	\$	6,093,947	\$	4,253,460

Notes:

¹To be paid by the developer. Not reimbursable through PID Bonds proceeds or impact fees.

²To be paid by the developer, and to be reimbursed to developer by City via impact fees.

EXHIBIT F-1 -- IMPROVEMENT AREA #1 ASSESSMENT ROLL

Parcel ID ¹	Lot Type	Outstanding Assessment		Annual Installment Due 1/31/2021	
48919	Improvement Area #1 Initial Parcel	\$	5,660,000	\$	58,900
	Total	\$	5,660,000	\$	58,900

¹ Parcel ID 48919 contains the entirety of Improvement Area #1 as well as part of the Major Improvement Area.

EXHIBIT F-2 – IMPROVEMENT AREA #1 ANNUAL INSTALLMENTS

Annual Installment Due 1/31	Principal	Interest ¹	Capitalized Interest	Additional Interest	Debt Service Reserve Release	Annual Collection Costs	Annual Installment
2021	\$ -	\$ 267,670	(267,670)	\$ 28,300	-	\$ 30,600	\$ 58,900
2022	\$ 110,000	\$ 232,338	-	\$ 28,300	-	\$ 31,212	\$ 401,850
2023	\$ 115,000	\$ 228,900	-	\$ 27,750	-	\$ 31,836	\$ 403,486
2024	\$ 115,000	\$ 225,306	-	\$ 27,175	-	\$ 32,473	\$ 399,954
2025	\$ 120,000	\$ 221,713	-	\$ 26,600	-	\$ 33,122	\$ 401,435
2026	\$ 125,000	\$ 217,963	-	\$ 26,000	-	\$ 33,785	\$ 402,747
2027	\$ 130,000	\$ 213,431	-	\$ 25,375	-	\$ 34,461	\$ 403,267
2028	\$ 135,000	\$ 208,719	-	\$ 24,725	-	\$ 35,150	\$ 403,594
2029	\$ 140,000	\$ 203,825	-	\$ 24,050	-	\$ 35,853	\$ 403,728
2030	\$ 145,000	\$ 198,750	-	\$ 23,350	-	\$ 36,570	\$ 403,670
2031	\$ 150,000	\$ 193,494	-	\$ 22,625	-	\$ 37,301	\$ 403,420
2032	\$ 155,000	\$ 187,306	-	\$ 21,875	-	\$ 38,047	\$ 402,229
2033	\$ 160,000	\$ 180,913	-	\$ 21,100	-	\$ 38,808	\$ 400,821
2034	\$ 165,000	\$ 174,313	-	\$ 20,300	-	\$ 39,584	\$ 399,197
2035	\$ 175,000	\$ 167,506	-	\$ 19,475	-	\$ 40,376	\$ 402,357
2036	\$ 180,000	\$ 160,288	-	\$ 18,600	-	\$ 41,184	\$ 400,071
2037	\$ 190,000	\$ 152,863	-	\$ 17,700	-	\$ 42,007	\$ 402,570
2038	\$ 195,000	\$ 145,025	-	\$ 16,750	-	\$ 42,847	\$ 399,622
2039	\$ 205,000	\$ 136,981	-	\$ 15,775	-	\$ 43,704	\$ 401,461
2040	\$ 215,000	\$ 128,525	-	\$ 14,750	-	\$ 44,578	\$ 402,853
2041	\$ 225,000	\$ 119,656	-	\$ 13,675	-	\$ 45,470	\$ 403,801
2042	\$ 230,000	\$ 109,813	-	\$ 12,550	-	\$ 46,379	\$ 398,742
2043	\$ 245,000	\$ 99,750	-	\$ 11,400	-	\$ 47,307	\$ 403,457
2044	\$ 255,000	\$ 89,031	-	\$ 10,175	-	\$ 48,253	\$ 402,459
2045	\$ 265,000	\$ 77,875	-	\$ 8,900	-	\$ 49,218	\$ 400,993
2046	\$ 275,000	\$ 66,281	-	\$ 7,575	-	\$ 50,203	\$ 399,059
2047	\$ 290,000	\$ 54,250	-	\$ 6,200	-	\$ 51,207	\$ 401,657
2048	\$ 305,000	\$ 41,563	-	\$ 4,750	-	\$ 52,231	\$ 403,543
2049	\$ 315,000	\$ 28,219	-	\$ 3,225	-	\$ 53,275	\$ 399,719
2050	\$ 330,000	\$ 14,438	-	\$ 1,650	(346,563)	\$ 54,341	\$ 53,866
Total	\$ 5,660,000	\$ 4,541,702	(262,670)	\$ 530,675	(346,563)	\$ 1,243,383	\$ 11,364,527

¹Interest is calculated at 3.125%, 3.625%, 4.125% and 4.375% for bonds with a maturity of 9/15/2025, 9/15/2030, 9/15/2040 and 9/15/2050 respectively.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

EXHIBIT G-1 – MAJOR IMPROVEMENT AREA ASSESSMENT ROLL

Parcel ID ¹	Lot Type	Outstanding Assessment	Annual Installment Due 1/31/2021
48919, 11543	Major Improvement Area Initial Parcel	\$ 3,680,000	\$ 49,000
	Total	\$ 3,680,000	\$ 49,000

¹ The Major Improvement Area is contained within Parcel ID 48919 and Parcel ID 11543.

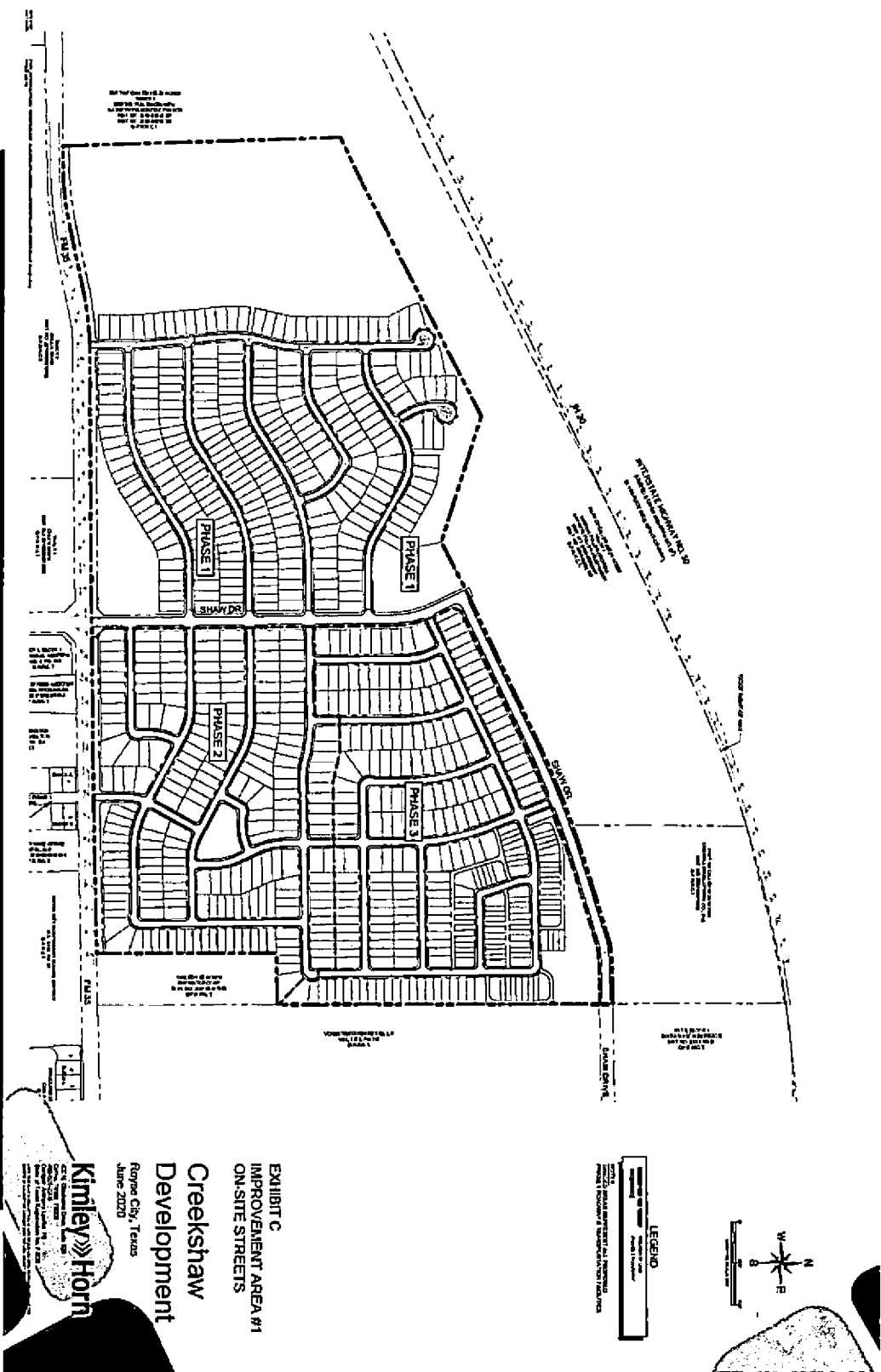
EXHIBIT G-2 – MAJOR IMPROVEMENT AREA ANNUAL INSTALLMENTS

Annual Installment Due 1/31	Principal	Interest ¹	Capitalized Interest	Additional Interest	Debt Service Reserve Release	Annual Collection Costs	Annual Installment
2021	\$ -	\$ 204,560	\$ (204,560)	\$ 18,400	\$ -	\$ 30,600	\$ 49,000
2022	\$ -	\$ 180,938	\$ (180,938)	\$ 18,400	\$ -	\$ 31,212	\$ 49,612
2023	\$ 70,000	\$ 180,938	\$ -	\$ 18,400	\$ -	\$ 31,836	\$ 301,174
2024	\$ 70,000	\$ 177,875	\$ -	\$ 18,050	\$ -	\$ 32,473	\$ 299,398
2025	\$ 75,000	\$ 174,813	\$ -	\$ 17,700	\$ -	\$ 33,122	\$ 300,635
2026	\$ 75,000	\$ 171,531	\$ -	\$ 17,325	\$ -	\$ 33,785	\$ 297,641
2027	\$ 80,000	\$ 168,250	\$ -	\$ 16,950	\$ -	\$ 34,461	\$ 299,661
2028	\$ 85,000	\$ 164,750	\$ -	\$ 16,550	\$ -	\$ 35,150	\$ 301,450
2029	\$ 85,000	\$ 161,031	\$ -	\$ 16,125	\$ -	\$ 35,853	\$ 298,009
2030	\$ 90,000	\$ 157,313	\$ -	\$ 15,700	\$ -	\$ 36,570	\$ 299,582
2031	\$ 95,000	\$ 153,375	\$ -	\$ 15,250	\$ -	\$ 37,301	\$ 300,926
2032	\$ 100,000	\$ 148,744	\$ -	\$ 14,775	\$ -	\$ 38,047	\$ 301,566
2033	\$ 105,000	\$ 143,869	\$ -	\$ 14,275	\$ -	\$ 38,808	\$ 301,952
2034	\$ 110,000	\$ 138,750	\$ -	\$ 13,750	\$ -	\$ 39,584	\$ 302,084
2035	\$ 115,000	\$ 133,388	\$ -	\$ 13,200	\$ -	\$ 40,376	\$ 301,964
2036	\$ 120,000	\$ 127,781	\$ -	\$ 12,625	\$ -	\$ 41,184	\$ 301,590
2037	\$ 125,000	\$ 121,931	\$ -	\$ 12,025	\$ -	\$ 42,007	\$ 300,964
2038	\$ 130,000	\$ 115,838	\$ -	\$ 11,400	\$ -	\$ 42,847	\$ 300,085
2039	\$ 135,000	\$ 109,500	\$ -	\$ 10,750	\$ -	\$ 43,704	\$ 298,954
2040	\$ 140,000	\$ 102,919	\$ -	\$ 10,075	\$ -	\$ 44,578	\$ 297,572
2041	\$ 150,000	\$ 96,094	\$ -	\$ 9,375	\$ -	\$ 45,470	\$ 300,939
2042	\$ 155,000	\$ 88,406	\$ -	\$ 8,625	\$ -	\$ 46,379	\$ 298,411
2043	\$ 165,000	\$ 80,463	\$ -	\$ 7,850	\$ -	\$ 47,307	\$ 300,619
2044	\$ 175,000	\$ 72,006	\$ -	\$ 7,025	\$ -	\$ 48,253	\$ 302,284
2045	\$ 180,000	\$ 63,038	\$ -	\$ 6,150	\$ -	\$ 49,218	\$ 298,406
2046	\$ 190,000	\$ 53,813	\$ -	\$ 5,250	\$ -	\$ 50,203	\$ 299,265
2047	\$ 200,000	\$ 44,075	\$ -	\$ 4,300	\$ -	\$ 51,207	\$ 299,582
2048	\$ 210,000	\$ 33,825	\$ -	\$ 3,300	\$ -	\$ 52,231	\$ 299,356
2049	\$ 220,000	\$ 23,063	\$ -	\$ 2,250	\$ -	\$ 53,275	\$ 298,588
2050	\$ 230,000	\$ 11,788	\$ -	\$ 1,150	\$ (250,938)	\$ 54,341	\$ 46,341
Total	\$ 3,680,000	\$ 3,604,660	\$ (385,497)	\$ 357,000	\$ (250,938)	\$ 1,241,383	\$ 8,246,608

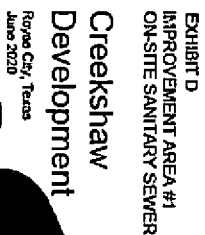
¹ Interest is calculated at 4.375%, 4.875% and 5.125% for bonds with a maturity of 9/15/2030, 9/15/2040 and 9/15/2050 respectively.

Note: The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

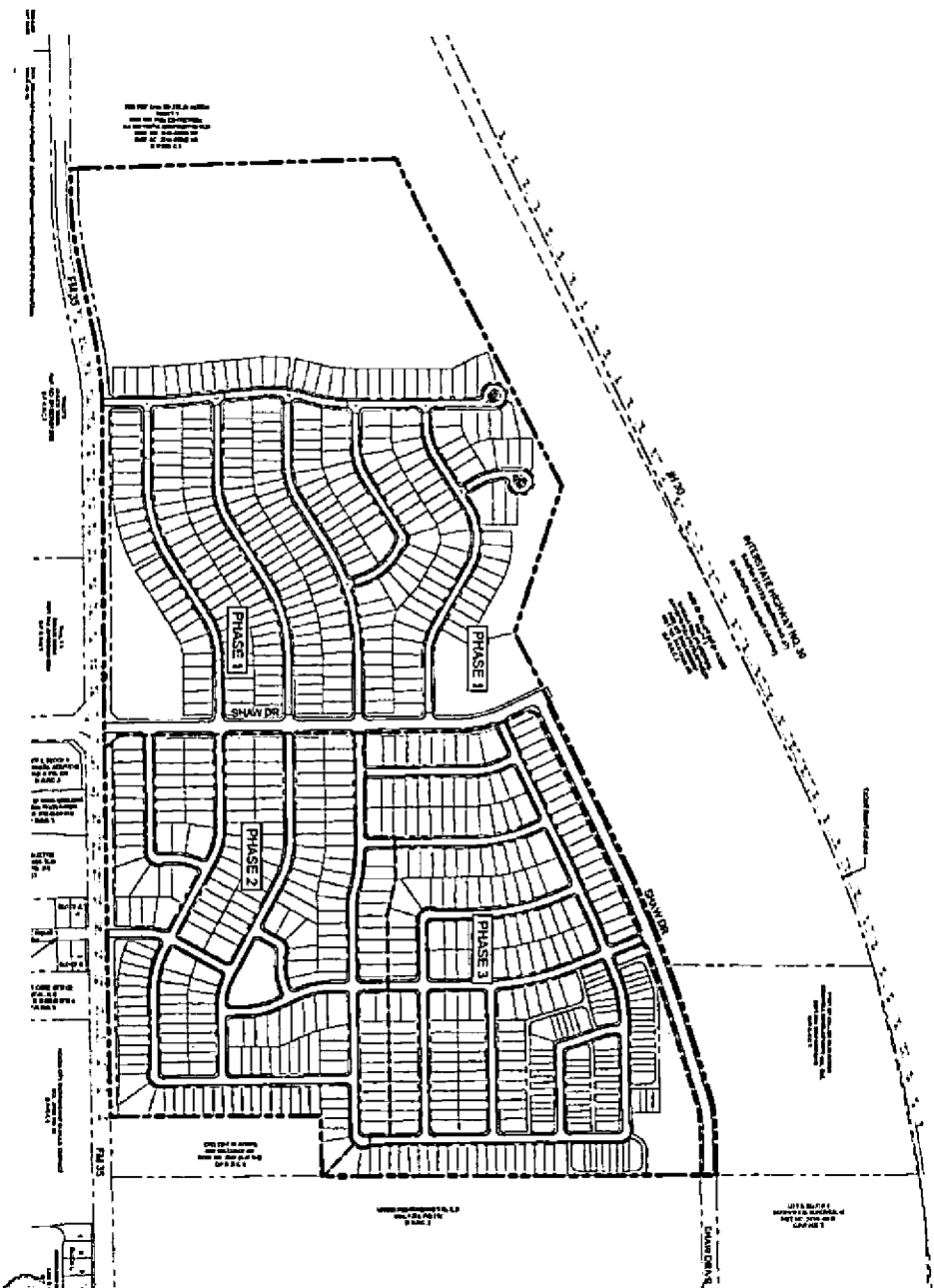
EXHIBIT H-1 -- MAPS OF IMPROVEMENT AREA #1 IMPROVEMENTS



47



CREEKSHAW PUBLIC IMPROVEMENT DISTRICT
SERVICE AND ASSESSMENT PLAN



LEGEND

Water Main
Sewer Main
Gas Main
Water Service Line
Sewer Service Line
Gas Service Line
Storm Sewer

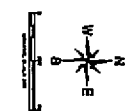


EXHIBIT E
IMPROVEMENT AREA #1
ON-SITE STORM SEWER

Creekshaw
Development

Royce City, Texas
June 2020

Kimley-Horn

CREEKSHAW PUBLIC IMPROVEMENT DISTRICT
SERVICE AND ASSESSMENT PLAN

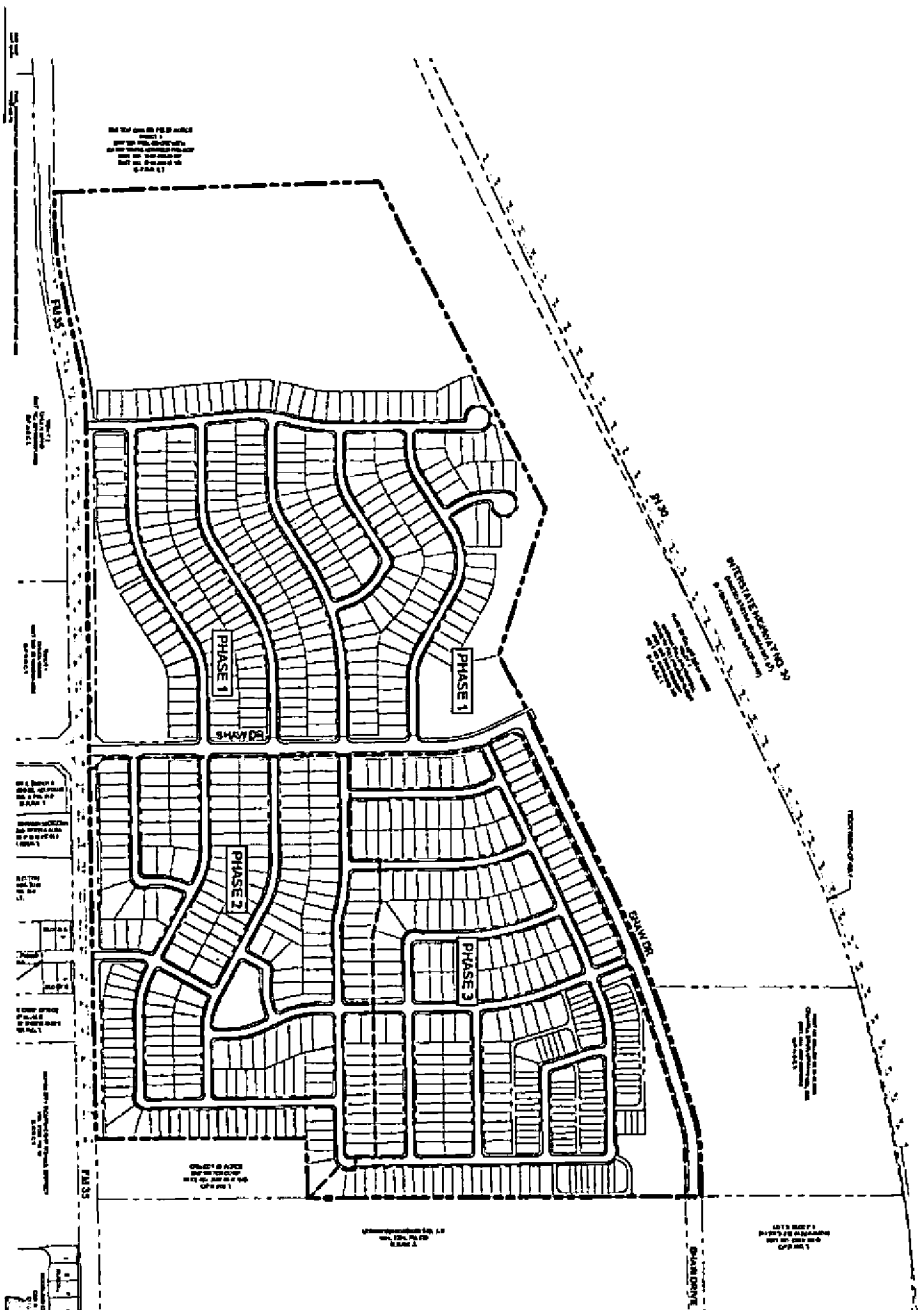
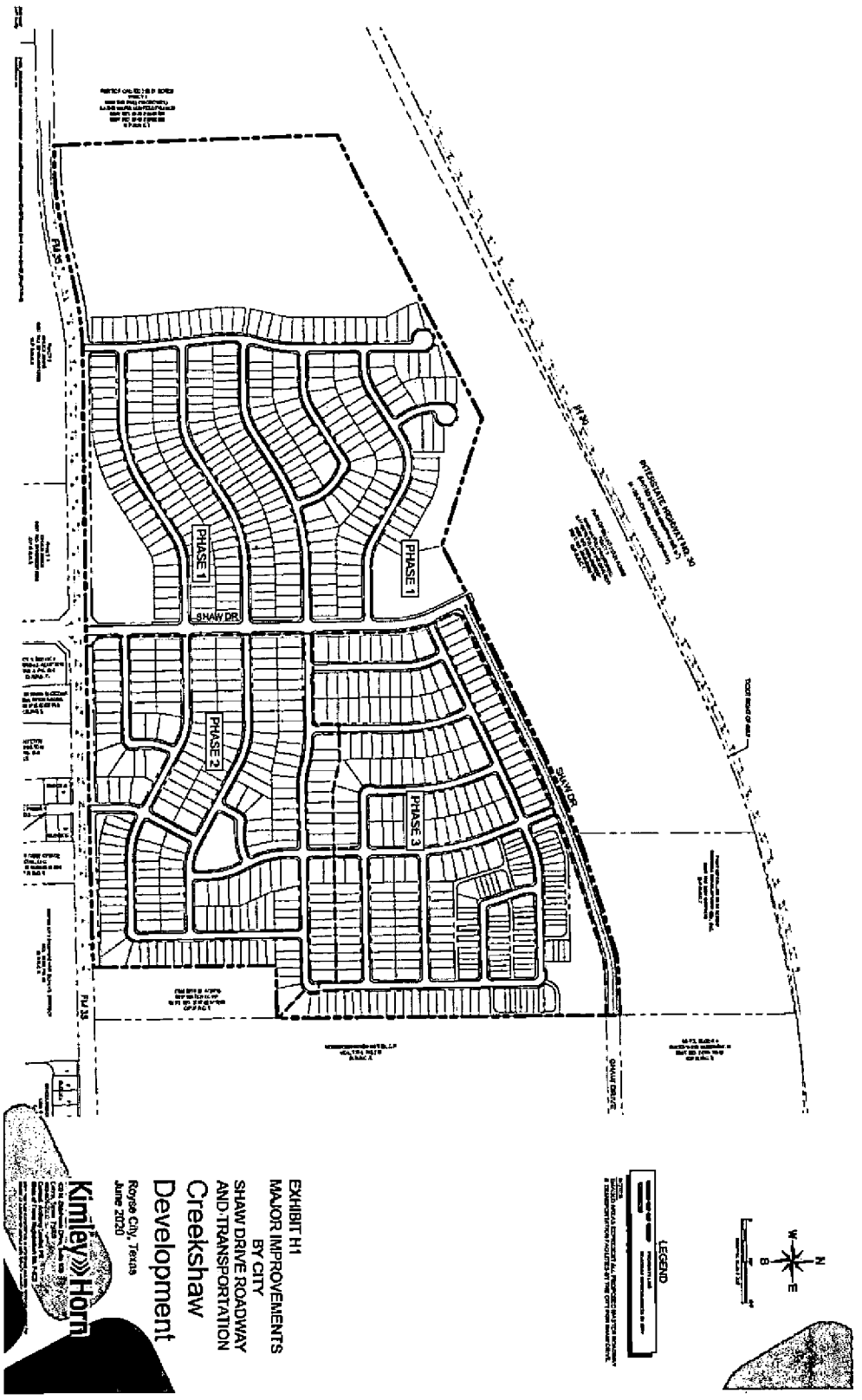
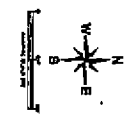
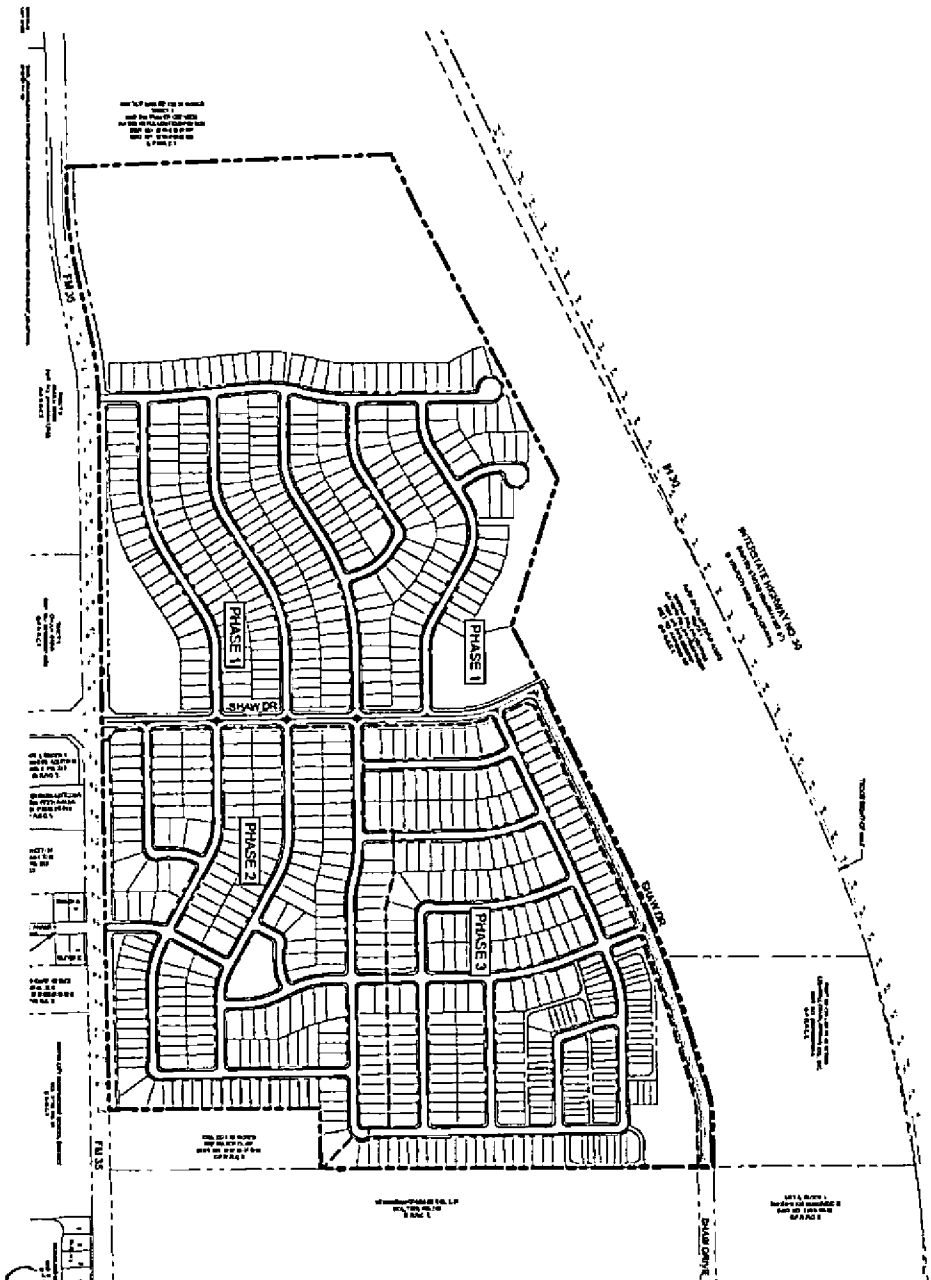


EXHIBIT G
IMPROVEMENT AREA #1
ON-SITE EROSION
CONTROL
Creekshaw
Development
Royce City, Texas
June 2020
Kimley-Horn



CREEKSHAW PUBLIC IMPROVEMENT DISTRICT
SERVICE AND ASSESSMENT PLAN

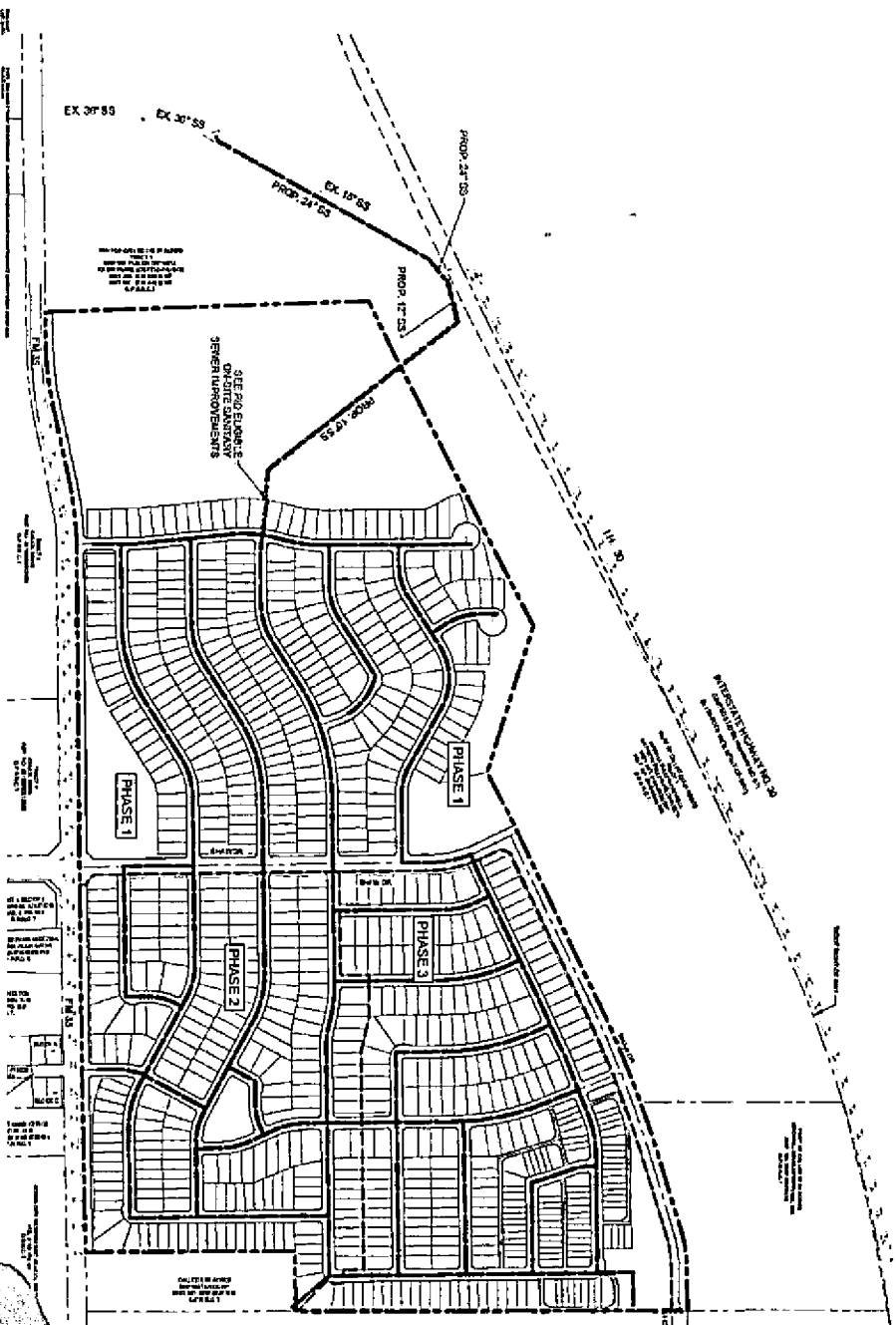
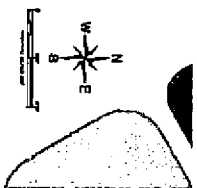


LEGEND

Phase 1	Phase 2	Phase 3
Shaded Area	Shaded Area	Shaded Area
Shaded Area	Shaded Area	Shaded Area



EXHIBIT H2
MAJOR IMPROVEMENTS
BY DEVELOPER
SHAW DRIVE ROADWAY
AND TRANSPORTATION
Creekshaw
Development
Royce City, Texas
June 2020



UTILITY LEGEND

	EXISTING UTILITY
	PROPOSED UTILITY
	PROPOSED UTILITY
	PROPOSED UTILITY

NOTE:
 APPROVED BY A SANITARY ENGINEER
 AND A CIVIL ENGINEER FOR THE CITY OF ROYSE
 IN THE SANITARY SEWER IMPROVEMENTS
 PROJECT. THE CITY ENGINEER'S REVIEW
 IS LIMITED TO THE TECHNICAL ASPECTS
 OF THE PROJECT AND DOES NOT
 CONSTITUTE A GUARANTEE OF THE
 ACCURACY OF THE INFORMATION
 PROVIDED BY THE CITY ENGINEER'S
 REVIEW.

EXHIBIT I
MAJOR IMPROVEMENTS
SANITARY SEWER

Creekshaw
Development

Royse City, Texas
 June 2019

Kimley»Horn
 1000 N. Loop West, Suite 100
 Fort Worth, Texas 76102
 Phone: 817.335.4400
 Fax: 817.335.4401
 Email: info@kimleyhorn.com
 Website: www.kimleyhorn.com

EXHIBIT H-3 – SHAW ROAD IMPROVEMENTS¹

EXHIBIT C – SHAW DRIVE IMPROVEMENTS NOT INCLUDING WATER LINE

Item	Phase 1	Phase 2	Phase 3	Total
SHAW DRIVE E/W				
Storm Sewer System	\$ 140,210	\$ 0	\$ 0	\$ 140,210
Excavation & Paving	\$ <u>515,963</u>	\$ 0	\$ 0	\$ <u>515,963</u>
ROW Acq (City Portion Only)	\$ 52,875	\$ 0	\$ 0	\$ 52,875
Soft Costs (25%)	\$ <u>177,262</u>	\$ 0	\$ 0	\$ <u>177,262</u>
Sub-Total E/W	\$ <u>886,510</u>	\$ 0	\$ 0	\$ <u>886,510</u>
City Portion	\$ 476,202	\$ 0	\$ 0	\$ 476,202
Developer Portion	\$ <u>410,108</u>	\$ 0	\$ 0	\$ <u>410,108</u>
BALANCE OF SHAW DRIVE				
Storm Sewer System	\$ 432,548	\$ 0	\$ 0	\$ 432,548
Excavation & Paving	\$1,058,972	\$ 0	\$ 0	\$1,058,972
Soft Costs (25%)	\$ 372,880	\$ 0	\$ 0	\$ 372,880
Sub-Total E/W	\$1,864,400	\$ 0	\$ 0	\$1,864,400
Developer Portion	\$1,864,400	\$ 0	\$ 0	\$1,864,400
TOTAL DEVELOPER PORTION	\$<u>2,274,508</u>	\$ 0	\$ 0	\$<u>2,274,508</u>

Note: (a) – excludes costs for Water Distribution System and any costs for landscaping, fencing, or retaining walls.

¹ Pursuant to Exhibit C to the Capital Improvements Agreement.

EXHIBIT I – MAXIMUM ASSESSMENT AND TAX RATE EQUIVALENT

Lot Type	Units ¹	Improved Lot Value ¹	Total Improved Lot Value ¹	Estimated Buildout Value Per Unit ¹	Total Estimated Buildout Value	Total Assessment	Maximum Assessment Per Unit ¹	Average Annual Installment ¹	Average Annual Installment Per Unit	Equivalent Tax Rate
Improvement Area #1										
40'	101	\$ 44,000	\$ 3,999,600	\$ 242,000	\$ 24,442,000	\$	1,787,834	\$ 17,701.33	\$ 126,933	\$ 1,256.76
50'	175	\$ 55,000	\$ 8,662,500	\$ 302,500	\$ 52,937,500	\$	3,872,166	\$ 22,126.66	\$ 274,916	\$ 1,570.95
Improvement Area #1 Total	276		\$ 12,662,100		\$ 77,379,500	\$	5,660,000	\$	401,849	\$
Major Improvement Area										
40'	149	\$ 56,582	\$ 7,587,666	\$ 277,897	\$ 41,406,643	\$	1,047,451	\$ 7,029.88	\$ 85,408	\$ 573.20
50'	248	\$ 70,982	\$ 15,843,262	\$ 348,276	\$ 86,372,336	\$	2,184,935	\$ 8,810.22	\$ 178,156	\$ 718.37
Townhomes	82	\$ 48,559	\$ 3,583,554	\$ 215,787	\$ 17,694,534	\$	447,613	\$ 5,458.70	\$ 36,498	\$ 445.09
Major Improvement Area Total	479		\$ 27,014,582		\$ 145,473,513	\$	3,680,000	\$	300,061	\$
Total	755		\$ 39,676,682		\$ 222,853,013	\$	9,340,000			

¹ Values provided by the Developer, and are preliminary and subject to change. Escalation factor of 6% per year included for lot and home values. The Major Improvement Area includes Improvement Area #2 and Improvement Area #3. Improvement Area #3 of the Major Improvement Area is estimated to be built out with completed homes in 2 years from the date of this Service and Assessment Plan, and Improvement Area #3 of the Major Improvement Area in 3.5 years from the date of this Service and Assessment Plan.

² Includes a 10% lot value discount for appraised value, applied after any lot value escalation.

³ The Maximum Assessment per unit is preliminary and subject to change. The Maximum Assessment shall be calculated at the time a final plat is recorded.

⁴ Average Annual Installment for Improvement Area #1 is calculated based on Annual Installments due in the years 2022-2045, due to capitalized interest for coverage of Annual Installment due January 31, 2021, and the release of the accounts within the Reserve Fund reducing the Annual Installment due January 31, 2050. Average Annual Installment for the Major Improvement Area is calculated based on Annual Installments due in the years 2023-2049, due to capitalized interest for coverage of Annual Installments due January 31, 2023, and January 31, 2022 and the release of the accounts within the Reserve Fund reducing the Annual Installment due January 31, 2050.

EXHIBIT J – FORM OF NOTICE OF PID ASSESSMENT TERMINATION



P3Works, LLC
350 Rufe Snow Drive, Suite 200
Keller, TX 76248

[Date]
Rockwall County Clerk's Office
Honorable [County Clerk]
1111 E Yellowjacket Lane
Suite 100
Rockwall, TX 75087

Re: City of Royse City Lien Release documents for filing

Dear Ms./Mr. [County Clerk],

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

City of Royse City
Attn: [City Secretary]
PO Box 638
305 N. Arch Street
Royse City, TX 75189

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

Sincerely,
[Signature]

P3Works, LLC
(817) 393-0353
Admin@P3-Works.com
www.P3-Works.com

AFTER RECORDING RETURN TO:

[City Secretary Name]
[City Secretary Address]

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN

STATE OF TEXAS	§	
	§	NOW ALL MEN BY THESE PRESENTS:
COUNTY OF ROCKWALL	§	

THIS FULL RELEASE OF PUBLIC IMPROVEMENT DISTRICT LIEN (this "Full Release") is executed and delivered as of the Effective Date by the City of Royse City, Texas, a Texas home rule municipality.

RECITALS

WHEREAS, the governing body (hereinafter referred to as the "City Council") of the City of Royse, Texas (hereinafter referred to as the "City"), is authorized by Chapter 372, Texas Local Government Code, as amended (hereinafter referred to as the "Act"), to create public improvement districts within the corporate limits of the City; and

WHEREAS, on January 28, 2020, the City Council for the City, approved Resolution No. 20-01-128R, creating the Creekshaw Public Improvement District; and

WHEREAS, the Creekshaw Public Improvement District consists of approximately 181.684 contiguous acres within the corporate limits and extraterritorial jurisdiction of the City; and

WHEREAS, on or about _____, the City Council, approved Ordinance No. _____, (hereinafter referred to as the "Assessment Ordinance") approving a service and assessment plan and assessment roll for the Property within the Creekside Public Improvement District; and

WHEREAS, the Assessment Ordinance imposed an assessment (the "Lien") in the amount of [amount] (hereinafter referred to as the "Lien Amount") for the following property:

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

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

RELEASE

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

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

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

By: _____
[Manager Name], City Administrator

ATTEST:

[Secretary Name], City Secretary

STATE OF TEXAS §
 §
COUNTY OF ROCKWALL §

This instrument was acknowledged before me on the ____ day of _____, 20__, by [City Manager], City Administrator for the City of Royse City, Texas, a Texas home rule municipality, on behalf of said municipality.

Notary Public, State of Texas

EXHIBIT K-1 – DEBT SERVICE SCHEDULE FOR IMPROVEMENT AREA #1 BONDS

Final Numbers

\$5,660,000

City of Royse City, Texas

Special Assessment Revenue Bonds, Series 2020

(Creekshaw Public Improvement District Improvement Area #1 Project)

Net Debt Service Schedule

Part 1 of 3

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S	Fiscal Total
07/28/2020	-	-	-	-	-	-	-	-
03/15/2021	-	-	146,501.70	146,501.70	-	(146,501.70)	-	-
09/15/2021	-	-	116,168.75	116,168.75	-	(116,168.75)	-	-
03/15/2022	-	-	116,168.75	116,168.75	-	-	116,168.75	-
09/15/2022	110,000.00	3.125%	116,168.75	226,168.75	-	-	226,168.75	-
09/30/2022	-	-	-	-	-	-	-	342,337.50
03/15/2023	-	-	114,450.00	114,450.00	-	-	114,450.00	-
09/15/2023	115,000.00	3.125%	114,450.00	229,450.00	-	-	229,450.00	-
09/30/2023	-	-	-	-	-	-	-	343,900.00
03/15/2024	-	-	112,653.13	112,653.13	-	-	112,653.13	-
09/15/2024	115,000.00	3.125%	112,653.13	227,653.13	-	-	227,653.13	-
09/30/2024	-	-	-	-	-	-	-	340,506.25
03/15/2025	-	-	110,856.25	110,856.25	-	-	110,856.25	-
09/15/2025	120,000.00	3.125%	110,856.25	230,856.25	-	-	230,856.25	-
09/30/2025	-	-	-	-	-	-	-	341,712.50
03/15/2026	-	-	108,931.25	108,931.25	-	-	108,931.25	-
09/15/2026	125,000.00	3.625%	108,931.25	233,931.25	-	-	233,931.25	-
09/30/2026	-	-	-	-	-	-	-	342,962.50
03/15/2027	-	-	106,715.63	106,715.63	-	-	106,715.63	-
09/15/2027	130,000.00	3.625%	106,715.63	236,715.63	-	-	236,715.63	-
09/30/2027	-	-	-	-	-	-	-	343,431.25
03/15/2028	-	-	104,359.38	104,359.38	-	-	104,359.38	-
09/15/2028	135,000.00	3.625%	104,359.38	239,359.38	-	-	239,359.38	-
09/30/2028	-	-	-	-	-	-	-	343,718.76
03/15/2029	-	-	101,912.50	101,912.50	-	-	101,912.50	-
09/15/2029	140,000.00	3.625%	101,912.50	241,912.50	-	-	241,912.50	-
09/30/2029	-	-	-	-	-	-	-	343,825.00
03/15/2030	-	-	99,375.00	99,375.00	-	-	99,375.00	-
09/15/2030	145,000.00	3.625%	99,375.00	244,375.00	-	-	244,375.00	-
09/30/2030	-	-	-	-	-	-	-	343,750.00
03/15/2031	-	-	96,746.88	96,746.88	-	-	96,746.88	-
09/15/2031	150,000.00	4.125%	96,746.88	246,746.88	-	-	246,746.88	-
09/30/2031	-	-	-	-	-	-	-	343,493.76
03/15/2032	-	-	93,653.13	93,653.13	-	-	93,653.13	-
09/15/2032	155,000.00	4.125%	93,653.13	248,653.13	-	-	248,653.13	-
09/30/2032	-	-	-	-	-	-	-	342,306.25
03/15/2033	-	-	90,456.25	90,456.25	-	-	90,456.25	-
09/15/2033	160,000.00	4.125%	90,456.25	250,456.25	-	-	250,456.25	-
09/30/2033	-	-	-	-	-	-	-	340,912.50
03/15/2034	-	-	87,156.25	87,156.25	-	-	87,156.25	-

Final Numbers - IA #1 | SINGLE PURPOSE | 7/14/2020 | 9:56 AM

Specialized Public Finance Inc.
Dallas, Texas

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Final Numbers

\$5,660,000

City of Royse City, Texas

Special Assessment Revenue Bonds, Series 2020

(Creekshaw Public Improvement District Improvement Area #1 Project)

Net Debt Service Schedule

Part 2 of 3

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S	Fiscal Total
09/15/2034	165,000.00	4.125%	\$7,156.25	252,156.25	-	-	252,156.25	-
09/30/2034	-	-	-	-	-	-	-	339,312.50
03/15/2035	-	-	\$3,753.13	83,753.13	-	-	83,753.13	-
09/15/2035	173,000.00	4.125%	\$3,753.13	258,753.13	-	-	258,753.13	-
09/30/2035	-	-	-	-	-	-	-	342,506.26
03/15/2036	-	-	\$2,143.75	80,143.75	-	-	80,143.75	-
09/15/2036	180,000.00	4.125%	\$2,143.75	260,143.75	-	-	260,143.75	-
09/30/2036	-	-	-	-	-	-	-	340,287.50
03/15/2037	-	-	\$6,431.25	76,431.25	-	-	76,431.25	-
09/15/2037	190,000.00	4.125%	\$6,431.25	266,431.25	-	-	266,431.25	-
09/30/2037	-	-	-	-	-	-	-	342,862.50
03/15/2038	-	-	\$2,512.50	72,512.50	-	-	72,512.50	-
09/15/2038	195,000.00	4.125%	\$2,512.50	267,512.50	-	-	267,512.50	-
09/30/2038	-	-	-	-	-	-	-	340,025.00
03/15/2039	-	-	\$8,490.63	68,490.63	-	-	68,490.63	-
09/15/2039	205,000.00	4.125%	\$8,490.63	273,490.63	-	-	273,490.63	-
09/30/2039	-	-	-	-	-	-	-	341,981.26
03/15/2040	-	-	\$4,262.50	64,262.50	-	-	64,262.50	-
09/15/2040	215,000.00	4.125%	\$4,262.50	279,262.50	-	-	279,262.50	-
09/30/2040	-	-	-	-	-	-	-	343,525.00
03/15/2041	-	-	\$9,828.13	59,828.13	-	-	59,828.13	-
09/15/2041	225,000.00	4.375%	\$9,828.13	284,828.13	-	-	284,828.13	-
09/30/2041	-	-	-	-	-	-	-	344,656.26
03/15/2042	-	-	\$4,906.25	54,906.25	-	-	54,906.25	-
09/15/2042	230,000.00	4.375%	\$4,906.25	284,906.25	-	-	284,906.25	-
09/30/2042	-	-	-	-	-	-	-	339,812.50
03/15/2043	-	-	\$9,875.00	49,875.00	-	-	49,875.00	-
09/15/2043	245,000.00	4.375%	\$9,875.00	294,875.00	-	-	294,875.00	-
09/30/2043	-	-	-	-	-	-	-	344,750.00
03/15/2044	-	-	\$4,515.63	44,515.63	-	-	44,515.63	-
09/15/2044	255,000.00	4.375%	\$4,515.63	299,515.63	-	-	299,515.63	-
09/30/2044	-	-	-	-	-	-	-	344,031.26
03/15/2045	-	-	\$8,937.50	38,937.50	-	-	38,937.50	-
09/15/2045	265,000.00	4.375%	\$8,937.50	308,937.50	-	-	308,937.50	-
09/30/2045	-	-	-	-	-	-	-	342,875.00
03/15/2046	-	-	\$3,140.63	33,140.63	-	-	33,140.63	-
09/15/2046	275,000.00	4.375%	\$3,140.63	308,140.63	-	-	308,140.63	-
09/30/2046	-	-	-	-	-	-	-	341,281.26
03/15/2047	-	-	\$7,125.00	27,125.00	-	-	27,125.00	-
09/15/2047	290,000.00	4.375%	\$7,125.00	317,125.00	-	-	317,125.00	-

Final Numbers - (A-6) | SINGLE PURPOSE | 2/14/2020 | 9:58 AM

Specialized Public Finance Inc.
Dallas, Texas

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Final Numbers

\$5,660,000

City of Royse City, Texas

Special Assessment Revenue Bonds, Series 2020

(Creekshaw Public Improvement District Improvement Area #1 Project)

Net Debt Service Schedule

Part 3 of 3

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S	Fiscal Total
09/30/2047	-	-	-	-	-	-	-	344,250.00
03/15/2048	-	-	20,781.25	20,781.25	-	-	20,781.25	-
09/15/2048	305,000.00	4.375%	20,781.25	325,781.25	-	-	325,781.25	-
09/30/2048	-	-	-	-	-	-	-	346,562.50
03/15/2049	-	-	14,109.38	14,109.38	-	-	14,109.38	-
09/15/2049	315,000.00	4.375%	14,109.38	329,109.38	-	-	329,109.38	-
09/30/2049	-	-	-	-	-	-	-	343,218.76
03/15/2050	-	-	7,218.75	7,218.75	-	-	7,218.75	-
09/15/2050	330,000.00	4.375%	7,218.75	337,218.75	(346,562.50)	-	(9,343.75)	-
09/30/2050	-	-	-	-	-	-	-	(2,115.60)
Total	\$5,660,000.00	-	\$4,541,701.51	\$10,201,701.51	(346,562.50)	(262,670.45)	\$9,592,568.56	-

Final Numbers - IA #1 | SINGLE PURPOSE | 7/14/2020 | 2:50 AM

Specialized Public Finance Inc.
Dallas, Texas

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EXHIBIT K-2 – DEBT SERVICE SCHEDULE FOR MAJOR IMPROVEMENT AREA BONDS

Final Numbers

\$3,680,000

City of Royse City, Texas

Special Assessment Revenue Bonds, Series 2020

(Creekshaw Public Improvement District Major Improvement Area Project)

Net Debt Service Schedule

Part 1 of 3

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S	Fiscal Total
07/28/2020	-	-	-	-	-	-	-	-
03/15/2021	-	-	114,091.15	114,091.15	-	(114,091.15)	-	-
09/15/2021	-	-	90,463.75	90,463.75	-	(90,463.75)	-	-
03/15/2022	-	-	90,463.75	90,463.75	-	(90,463.75)	-	-
09/15/2022	-	-	90,463.75	90,463.75	-	(90,463.75)	-	-
03/15/2023	-	-	90,463.75	90,463.75	-	-	90,463.75	-
09/15/2023	70,000.00	4.375%	90,463.75	160,463.75	-	-	160,463.75	-
09/30/2023	-	-	-	-	-	-	-	250,937.50
03/15/2024	-	-	88,937.50	88,937.50	-	-	88,937.50	-
09/15/2024	70,000.00	4.375%	88,937.50	158,937.50	-	-	158,937.50	-
09/30/2024	-	-	-	-	-	-	-	347,875.00
03/15/2025	-	-	87,406.25	87,406.25	-	-	87,406.25	-
09/15/2025	75,000.00	4.375%	87,406.25	162,406.25	-	-	162,406.25	-
09/30/2025	-	-	-	-	-	-	-	349,812.50
03/15/2026	-	-	85,765.63	85,765.63	-	-	85,765.63	-
09/15/2026	75,000.00	4.375%	85,765.63	160,765.63	-	-	160,765.63	-
09/30/2026	-	-	-	-	-	-	-	346,591.26
03/15/2027	-	-	84,125.00	84,125.00	-	-	84,125.00	-
09/15/2027	80,000.00	4.375%	84,125.00	164,125.00	-	-	164,125.00	-
09/30/2027	-	-	-	-	-	-	-	348,250.00
03/15/2028	-	-	82,375.00	82,375.00	-	-	82,375.00	-
09/15/2028	85,000.00	4.375%	82,375.00	167,375.00	-	-	167,375.00	-
09/30/2028	-	-	-	-	-	-	-	349,750.00
03/15/2029	-	-	80,515.63	80,515.63	-	-	80,515.63	-
09/15/2029	85,000.00	4.375%	80,515.63	165,515.63	-	-	165,515.63	-
09/30/2029	-	-	-	-	-	-	-	346,031.26
03/15/2030	-	-	78,656.25	78,656.25	-	-	78,656.25	-
09/15/2030	90,000.00	4.375%	78,656.25	168,656.25	-	-	168,656.25	-
09/30/2030	-	-	-	-	-	-	-	347,312.50
03/15/2031	-	-	76,687.50	76,687.50	-	-	76,687.50	-
09/15/2031	95,000.00	4.875%	76,687.50	171,687.50	-	-	171,687.50	-
09/30/2031	-	-	-	-	-	-	-	348,375.00
03/15/2032	-	-	74,371.88	74,371.88	-	-	74,371.88	-
09/15/2032	100,000.00	4.875%	74,371.88	174,371.88	-	-	174,371.88	-
09/30/2032	-	-	-	-	-	-	-	348,743.76
03/15/2033	-	-	71,934.38	71,934.38	-	-	71,934.38	-
09/15/2033	105,000.00	4.875%	71,934.38	176,934.38	-	-	176,934.38	-
09/30/2033	-	-	-	-	-	-	-	348,868.76
03/15/2034	-	-	69,375.00	69,375.00	-	-	69,375.00	-
09/15/2034	110,000.00	4.875%	69,375.00	179,375.00	-	-	179,375.00	-

7.13.20 Major IA | SINGLE PURPOSE | 7/14/2020 | 9:58 AM

Specialized Public Finance Inc.
Dallas, Texas

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Final Numbers

\$3,680,000

City of Royse City, Texas

Special Assessment Revenue Bonds, Series 2020

(Creekshaw Public Improvement District Major Improvement Area Project)

Net Debt Service Schedule

Part 2 of 3

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S	Fiscal Total
09/30/2034	-	-	-	-	-	-	-	248,750.00
03/15/2035	-	-	66,693.75	66,693.75	-	-	66,693.75	-
09/15/2035	115,000.00	4.875%	66,693.75	181,693.75	-	-	181,693.75	-
09/30/2035	-	-	-	-	-	-	-	248,387.50
03/15/2036	-	-	63,890.63	63,890.63	-	-	63,890.63	-
09/15/2036	120,000.00	4.875%	63,890.63	183,890.63	-	-	183,890.63	-
09/30/2036	-	-	-	-	-	-	-	247,781.26
03/15/2037	-	-	60,965.63	60,965.63	-	-	60,965.63	-
09/15/2037	125,000.00	4.875%	60,965.63	185,965.63	-	-	185,965.63	-
09/30/2037	-	-	-	-	-	-	-	246,931.26
03/15/2038	-	-	57,918.75	57,918.75	-	-	57,918.75	-
09/15/2038	130,000.00	4.875%	57,918.75	187,918.75	-	-	187,918.75	-
09/30/2038	-	-	-	-	-	-	-	245,837.50
03/15/2039	-	-	54,750.00	54,750.00	-	-	54,750.00	-
09/15/2039	135,000.00	4.875%	54,750.00	189,750.00	-	-	189,750.00	-
09/30/2039	-	-	-	-	-	-	-	244,500.00
03/15/2040	-	-	51,459.38	51,459.38	-	-	51,459.38	-
09/15/2040	140,000.00	4.875%	51,459.38	191,459.38	-	-	191,459.38	-
09/30/2040	-	-	-	-	-	-	-	241,918.76
03/15/2041	-	-	48,046.88	48,046.88	-	-	48,046.88	-
09/15/2041	150,000.00	5.125%	48,046.88	198,046.88	-	-	198,046.88	-
09/30/2041	-	-	-	-	-	-	-	246,093.76
03/15/2042	-	-	44,203.13	44,203.13	-	-	44,203.13	-
09/15/2042	155,000.00	5.125%	44,203.13	199,203.13	-	-	199,203.13	-
09/30/2042	-	-	-	-	-	-	-	243,406.26
03/15/2043	-	-	40,231.25	40,231.25	-	-	40,231.25	-
09/15/2043	165,000.00	5.125%	40,231.25	205,231.25	-	-	205,231.25	-
09/30/2043	-	-	-	-	-	-	-	245,462.50
03/15/2044	-	-	36,003.13	36,003.13	-	-	36,003.13	-
09/15/2044	175,000.00	5.125%	36,003.13	211,003.13	-	-	211,003.13	-
09/30/2044	-	-	-	-	-	-	-	247,006.26
03/15/2045	-	-	31,518.75	31,518.75	-	-	31,518.75	-
09/15/2045	180,000.00	5.125%	31,518.75	211,518.75	-	-	211,518.75	-
09/30/2045	-	-	-	-	-	-	-	243,037.50
03/15/2046	-	-	26,906.25	26,906.25	-	-	26,906.25	-
09/15/2046	190,000.00	5.125%	26,906.25	216,906.25	-	-	216,906.25	-
09/30/2046	-	-	-	-	-	-	-	243,812.50
03/15/2047	-	-	22,037.50	22,037.50	-	-	22,037.50	-
09/15/2047	200,000.00	5.125%	22,037.50	222,037.50	-	-	222,037.50	-
09/30/2047	-	-	-	-	-	-	-	244,075.00

7.13.20 Major 1A | SINGLE PURPOSE | 7/7/2020 | 9:58 AM

Specialized Public Finance Inc.
Dallas, Texas

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Final Numbers

\$3,680,000

City of Royse City, Texas

Special Assessment Revenue Bonds, Series 2020

(Creekshaw Public Improvement District Major Improvement Area Project)

Net Debt Service Schedule

Part 3 of 3

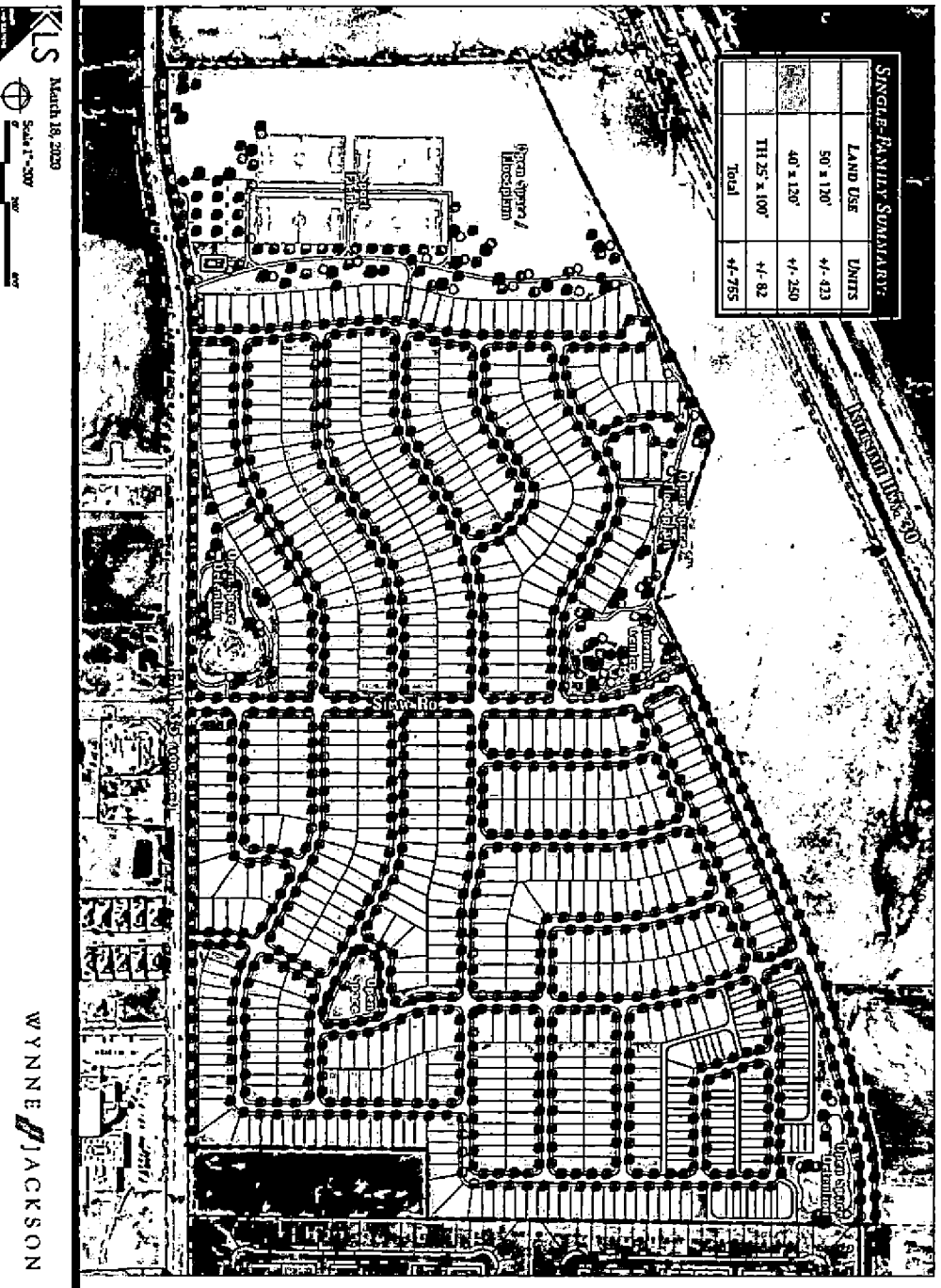
Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S	Fiscal Total
03/15/2048	-	-	16,912.50	16,912.50	-	-	16,912.50	-
09/15/2048	210,000.00	5.125%	16,912.50	226,912.50	-	-	226,912.50	-
09/30/2048	-	-	-	-	-	-	-	243,825.00
03/15/2049	-	-	11,531.25	11,531.25	-	-	11,531.25	-
09/15/2049	220,000.00	5.125%	11,531.25	231,531.25	-	-	231,531.25	-
09/30/2049	-	-	-	-	-	-	-	243,063.50
03/15/2050	-	-	5,893.75	5,893.75	-	-	5,893.75	-
09/15/2050	250,000.00	5.125%	5,893.75	235,893.75	(250,937.50)	-	(15,043.75)	-
09/30/2050	-	-	-	-	-	-	-	(9,150.00)
Total	\$3,680,000.00	-	\$3,604,660.00	\$7,284,660.00	(250,937.50)	(385,497.20)	\$6,648,225.10	-

7/11/20 Major 1A | SINGLE PURPOSE | 7/14/2020 | 9:58 AM

Specialized Public Finance Inc.
Dallas, Texas

Page 8

EXHIBIT L – CONCEPT PLAN



APPENDIX A – ENGINEER’S REPORT

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Kimley»Horn

**RE: Engineer's Report
Creekshaw Development
Royse City, Texas**

Introduction:

Creekshaw is a proposed single family development including approximately 181.7 contiguous acres and is anticipated to include approximately 755 single-family homes located north of FM 35 and east of Sabine Creek in Royse City, Texas as depicted on Exhibit A. This Engineer's report includes the documents requested by the City of Royse City for the formation of the PID and the issuance of bonds by the City. Bonds are anticipated to be used to finance public infrastructure projects vital for the development within the PID.

Development Costs:

An Engineers' opinion of probable cost (EOPC) has been prepared for all off-site and on-site infrastructure and is included as Exhibit B.

Development Improvements:

Development improvements have been separated into Direct, Master and Private improvements. The Direct and Master Improvements will be included in the PID.

Direct Improvements for Improvement Area #1 are depicted in Exhibit C through G and Master Improvements are depicted in Exhibit H through K.

Development Schedule:

Design Stage

The Master Plat for the entire development has been approved by the City of Royse City.

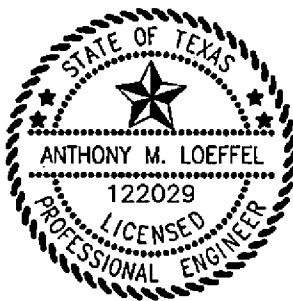
The Preliminary Plat for Improvement Area #1 and the Master Improvements have been approved by the City of Royse City.

The Floodstudy has been approved by the City of Royse City.

Design of the on-site and off-site civil construction plans for Improvement Area #1 are completed and have been approved by the City of Royse City.

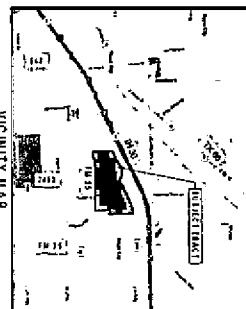
Construction Stage

The first phase of Creekshaw Direct and Master Improvements is estimated to begin in June of 2020 with final acceptance estimated in August 2021. A project schedule for construction is depicted in Exhibit L.



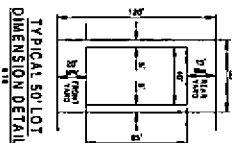
Anthony M. Loeffel
6-12-20

-

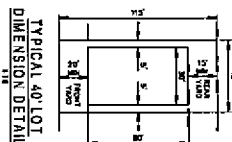


PHASE SUMMARY TABLE				
PHASE	START	END	TIME	TOTAL
1	515	181	1	216
2	174	12	1	111
3	170	18	17	210
TOTAL	417	210	17	115

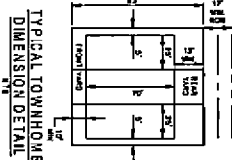
- PHASE 1 - SPRING 2021
- PHASE 2 - FALL 2022
- PHASE 3 - SPRING 2023

[illegible]

TYPICAL 50' LOT
DIMENSION DETAIL
B 18



**TYPICAL 40' LOT
DIMENSION DETAIL**



TYPICAL TOWNHOME
DIMENSION DETAIL
478

EXHIBIT A
PID EXHIBIT:
CONCEPT PLAN

Creekshaw
Development

Royse City, Texas
January 2020

Kimley»Horn

161-18-2486
Contact Anthony Lombardi at
504-811-0101 or 504-811-0101

EXHIBIT B

Kimley»Horn

PID COST SUMMARY

PRELIMINARY OPINION OF PROBABLE CONSTRUCTION COST - IMPORTANT NOTES APPLY
PUBLIC IMPROVEMENT DISTRICT

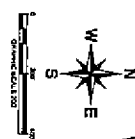
JUNE 10, 2020

DIVISION / PHASE / COST TYPE SUMMARY												
DIVISION	DIRECT PUBLIC						MASTER PUBLIC			PRIVATE		
	PH 1	PH 2	PH 3	TOTAL	TOTAL	TOTAL	PH 1	PH 2	PH 3	TOTAL	TOTAL	TOTAL
EXCAVATION & EROSION CONTROL	\$ 24,857	\$ 23,367	\$ 22,674	\$ 70,898	\$ -	\$ -	\$ 903,413	\$ 973,634	\$ 960,047	\$ 2,837,095	\$ 2,907,992	\$ -
ON-SITE SANITARY SEWER SYSTEM	\$ 440,501	\$ 430,369	\$ 433,834	\$ 1,304,703	\$ -	\$ -	\$ 192,669	\$ 151,900	\$ 183,400	\$ 527,969	\$ 1,852,672	\$ -
OFF-SITE SANITARY SEWER SYSTEM	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 370,377	\$ -
STORM SEWER SYSTEM	\$ 445,620	\$ 563,227	\$ 859,474	\$ 1,868,321	\$ 1,250,404	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,118,724	\$ -
STORM SEWER SYSTEM	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,210	\$ -	\$ -	\$ -	\$ -	\$ 140,210	\$ -
SHAW DRIVE - EAST WEST SECTION	\$ 385,255	\$ 458,227	\$ 422,888	\$ 1,266,369	\$ 234,983	\$ 152,993	\$ 184,450	\$ 222,700	\$ 560,143	\$ 2,061,496	\$ -	\$ -
WATER DISTRIBUTION SYSTEM	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 123,298	\$ -	\$ -	\$ -	\$ -	\$ 123,298	\$ -
SHAW DRIVE - EAST WEST SECTION	\$ 1,446,878	\$ 1,466,106	\$ 1,557,401	\$ 4,470,385	\$ -	\$ -	\$ 411,850	\$ -	\$ -	\$ 411,850	\$ 5,082,235	\$ -
STREET PAVING	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TRANSPORTATION IMPROVEMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SHAW DRIVE (EAST WEST SECTION)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 568,838	\$ -	\$ -	\$ -	\$ -	\$ 568,838	\$ -
RETAINING WALL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 249,558	\$ 588,000	\$ 522,400	\$ 1,360,158	\$ 1,360,158	\$ -
MISCELLANEOUS ITEMS	\$ 80,500	\$ 63,000	\$ 73,500	\$ 217,000	\$ -	\$ -	\$ 509,300	\$ 436,050	\$ 552,900	\$ 1,558,250	\$ 1,775,250	\$ -
SUB-TOTAL	\$ 2,843,610	\$ 3,204,295	\$ 3,369,270	\$ 9,417,676	\$ 3,747,083	\$ 2,479,784	\$ 2,334,034	\$ 2,441,447	\$ 7,235,465	\$ 20,420,223	\$ -	\$ -
SURVEY, PLATTING, ENG. PERMITTING, & STAKING (15%)	\$ 426,542	\$ 480,644	\$ 505,466	\$ 1,412,651	\$ 437,211	\$ 371,968	\$ 350,105	\$ 366,247	\$ 1,088,320	\$ 2,998,182	\$ -	\$ -
SURVEY, PLATTING, ENG. PERMITTING, & STAKING (15%)	\$ -	\$ -	\$ -	\$ -	\$ 124,852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 124,852	\$ -
SHAW DRIVE - EAST WEST SECTION	\$ 284,361	\$ 320,430	\$ 336,977	\$ 941,768	\$ 291,474	\$ 247,978	\$ 233,403	\$ 244,165	\$ 725,547	\$ 1,959,788	\$ -	\$ -
MISCELLANEOUS & CONTINGENCY (10% NOT INCL. ENG. OR CM)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83,235	\$ -
SHAW DRIVE - EAST WEST SECTION	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 3,554,513	\$ 4,005,369	\$ 4,212,213	\$ 11,772,094	\$ 4,683,854	\$ 3,099,729	\$ 2,917,543	\$ 3,052,059	\$ 9,069,331	\$ 25,525,279	\$ -	\$ -

PHASE TOTAL SUMMARY - CITY OF ROYSE CITY IMPROVEMENTS												
COST TYPE	1	2	3	TOTAL								
DIRECT PUBLIC	\$ 3,554,513	\$ 4,005,369	\$ 4,212,213	\$ 11,772,094								
MASTER PUBLIC	\$ -	\$ -	\$ -	\$ 4,683,854								
PRIVATE	\$ 3,099,729	\$ 2,917,543	\$ 3,052,059	\$ 9,069,331								
TOTAL	\$ 6,654,242	\$ 6,922,912	\$ 7,264,272	\$ 25,525,279								

TOTAL SUMMARY - SHAW DRIVE - EAST WEST SECTION												
COST TYPE	TOTAL											
STORM SEWER SYSTEM	\$ 140,210											
WATER DISTRIBUTION SYSTEM	\$ 123,298											
OFF-SITE SANITARY SEWER SYSTEM	\$ 568,838											
SURVEY, PLATTING, ENG. PERMITTING, & STAKING (15%)	\$ 124,852											
MISCELLANEOUS & CONTINGENCY (10%)	\$ 83,235											
TOTAL	\$ 1,040,432.54											

- Notes:
- Because KHA does not control the cost of labor, materials, equipment or services furnished by others, and does not control the methods of determining prices, or competitive bidding or market conditions, any opinions rendered as to costs, including but not limited to opinions as to the costs of construction and materials shall be made on the basis of its experience and reasonable judgment as an experienced and qualified professional, familiar with the industry. KHA cannot and does not guarantee that proposals, bids, or actual costs will not vary from its opinions of cost, due to variances in items, quantities, or price.
 - This OPC does not include the following items: Fees (permitting, impact, assessments, etc.), Amenities features (entry features, landscaping, etc.), Traffic signal improvements for PM 35, if required.
 - Costs for soil remediation for private lots, such as moisture conditioning/poly cover will need to be confirmed by a site specific geotechnical report.
 - Costs for improvements to PM 35 may vary pending final approval of the proposed improvements by TDOOT.

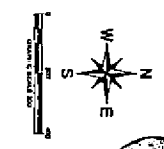
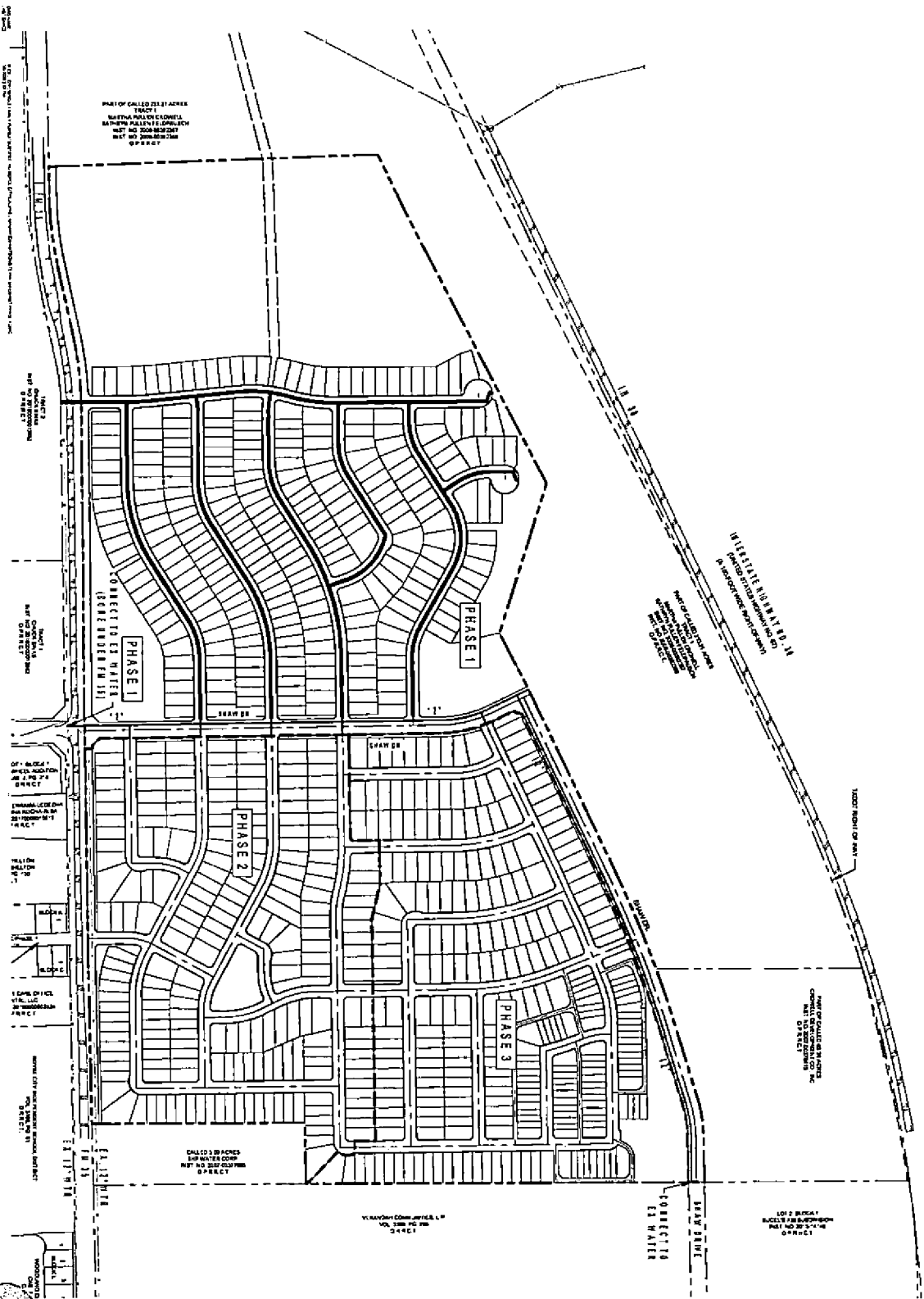


PROFESSOR OF SCIENCE, UNIVERSITY OF
SOUTH ALABAMA, MOBILE, ALABAMA

Creekshaw Development

Kimley»Horn

6400 W. Highway 90, Suite 105
Cotton, Texas 77021
(505) 331-3128
Cotton Antiques Ltd., Inc.
Shaw Office Building No. 1, 120
Main Street, Cotton, Texas 77021



UTILITY LEGEND

—	PROPOSED WATER LINE
—	EXISTING WATER LINE
—	PROPOSED SEWER LINE
—	EXISTING SEWER LINE
—	PROPOSED GAS LINE
—	EXISTING GAS LINE
—	PROPOSED ELECTRIC LINE
—	EXISTING ELECTRIC LINE

ALL WATER LINES SHALL BE 8" UNLESS OTHERWISE NOTED

EXHIBIT F
IMPROVEMENT AREA #1
WATER DISTRIBUTION
SYSTEM
Creekshaw
Development
Rojas City, Texas
June 2020

Kimley-Horn



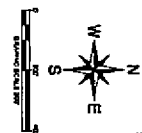
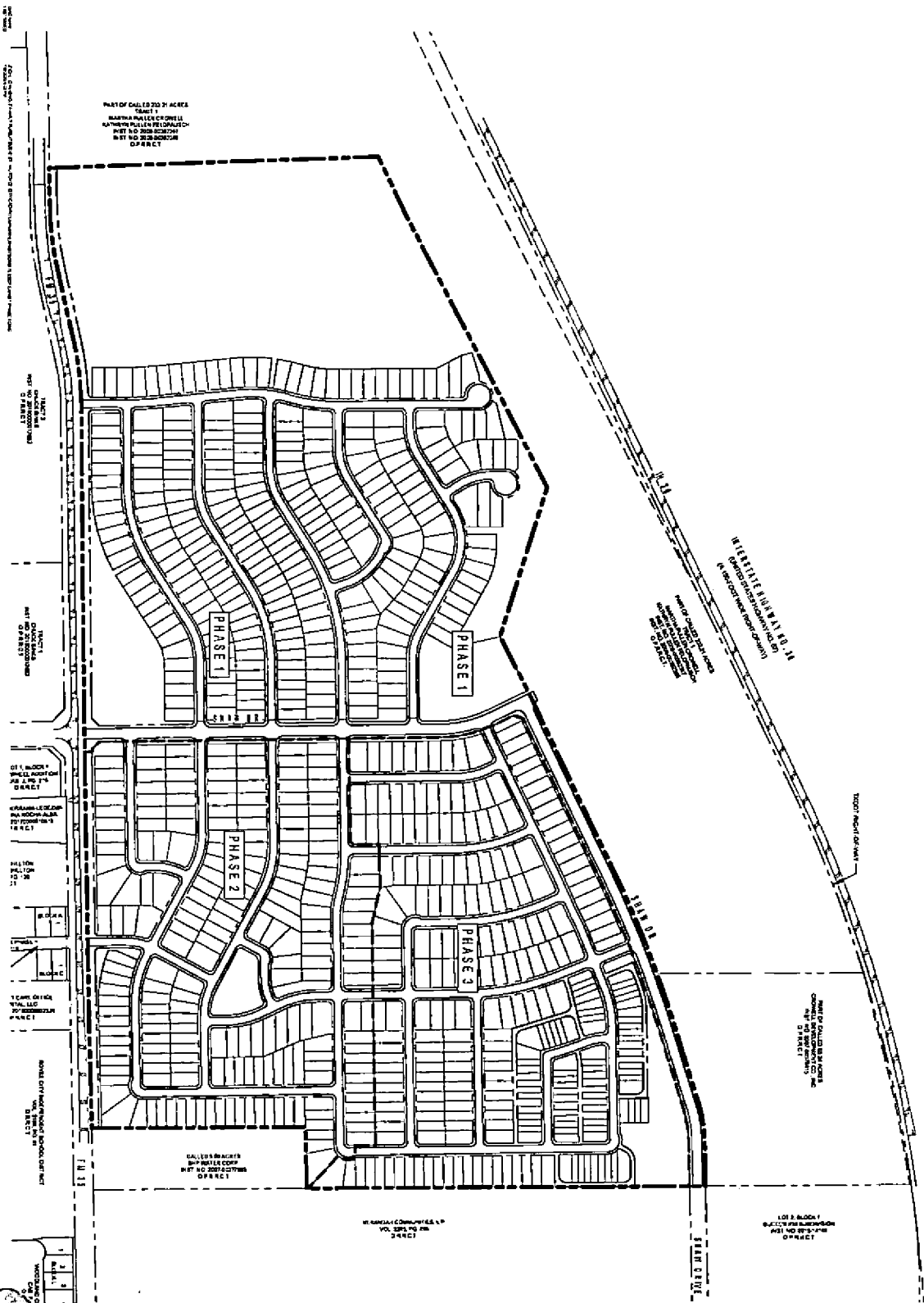
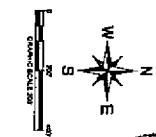


EXHIBIT G
IMPROVEMENT AREA #1
ON-SITE EROSION
CONTROL
Creekshaw
Development
Royse City, Texas
June 2020



100



INFORMATION REPORT: The Value of the
 One - Don't Let the Numbers Confuse You
 Don't Let the Numbers Confuse You

PROPOSED 12' x 24' SANITARY SEWER IMPROVEMENTS ARE NEEDED TO ACCOMMODATE FUTURE SANITARY SEWER FLOWS OUTSIDE OF GREENSBORO DEVELOPMENT PROPOSED UTILITIES WERE PROVIDED BY THE CITY AFTER ON THEIR ANALYSIS.

EXHIBIT I MAJOR IMPROVEMENTS SANITARY SEWER

**Creekshaw
Development**

Royse City, Texas
June 2020

Kimley»Horn

111 N. Orléans Ave., Ste. 105
 Chicago, Ill. 60611
 312-311-7211
 Cable: Anthony Lewis, Inc.
 State of Texas Registration No. F-115

[illegible]

Electronically Filed and Recorded
Official Public Records
Shelli Miller, County Clerk
Rockwall County, Texas
07/22/2020 11:43:02 AM
Fee: \$410.00
20200000016082



A handwritten signature in black ink, appearing to read "Shelli Miller", written in a cursive style.