

Russell Ranch Public Improvement District

SERVICE AND ASSESSMENT PLAN

AUGUST 13, 2024, VERSION 1.0



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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” an “Exhibit,” or an “Appendix” shall be a reference to a Section of this Service and Assessment Plan or an Exhibit or Appendix attached to and made a part of this Service and Assessment Plan for all purposes.

On December 21, 2021, the City passed and approved Resolution No. R-2021-0032 authorizing the establishment of the District in accordance with the PID Act, as amended, which authorization was effective upon approval in accordance with the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 49.7981 acres located within the City, as described by the legal description on **Exhibit J** and depicted on **Exhibit A**.

The PID Act requires a service plan must (i) cover a period of at least five years; (ii) define the annual indebtedness and projected cost of the Authorized Improvements; and (iii) include a copy of the notice form required by Section 5.014 of the Texas Property Code, as amended. The Service Plan is contained in **Section IV** and the notice form is attached as **Appendix B**.

The PID Act requires that the Service Plan include an Assessment Plan that assesses the Actual Costs of the Authorized Improvements against the 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 Authorized Improvements apportioned to such Parcel and cannot exceed the special benefit conferred on the Parcel by such Authorized Improvements. The Assessment Roll is included as **Exhibit F-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[s], (either directly or through affiliates), including : (1) the costs for the design, planning, administration/management, acquisition, installation, construction and/or implementation and dedication of such Authorized Improvements; (2) the fees paid for obtaining permits, zoning, licenses, plan approvals, inspections or other governmental approvals for such Authorized Improvements; (3) the costs for external professional services, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (4) the costs for all labor, bonds, and materials, including equipment and fixtures, owing to contractors, builders, and materialmen engaged in connection with the acquisition, construction, or implementation of the Authorized Improvements; (5) all related permitting and public approval expenses, and architectural, engineering, legal, consulting, and other governmental fees, construction security, insurance premiums, directly related to the construction of the Authorized Improvements 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[s].

“Additional Interest” means the amount collected by the application of the Additional Interest Rate. Additional Interest is not charged on the Reimbursement Obligation.

“Additional Interest Rate” means the 0.50% additional interest rate that may be charged on Assessments securing PID Bonds pursuant to Section 372.018 of the PID Act. The Additional Interest Rate is not charged on Assessments securing the Reimbursement Obligation.

“Administrator” means the City or independent firm designated by the City who shall have the responsibilities provided in this Service and Assessment Plan, any 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 operation of the District, 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) third-party administrative costs relating to paying and redeeming PID Bonds; (7) investing or depositing Assessments and Annual Installments; (8) complying with this Service and Assessment Plan, the PID Act, and any Indenture, with respect to the PID Bonds, including the City’s continuing disclosure requirements;

and (9) the paying agent/registrar and 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 on 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 related to the PID Bonds, if applicable.

“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 Assessed Property, 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 Assessed Property 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 the Assessed Property, as shown on any Assessment Roll.

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

“Assessment Roll” means any assessment roll for the 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 updates prepared in connection with the issuance of PID Bonds or in any Annual Service Plan Updates.

“Authorized Improvements” means improvements authorized by Section 372.003 of the PID Act, including Public Improvements, District Formation Expenses, Bond Issuance Costs, and First Year Collection Costs, as described in **Section III**.

“Bond Issuance Costs” means the costs associated with 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, underwriter discount, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of PID Bonds.

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

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

“County” means Matagorda County, Texas.

“Delinquent Collection Costs” mean costs related to the foreclosure on Assessed Property and the costs of collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under this Service and Assessment Plan including penalties and reasonable attorney’s fees actually paid, but excluding amounts representing interest and penalty interest.

“District” means the Russell Ranch Public Improvement District containing approximately 49.71 acres located within the City as shown on **Exhibit A** and more specifically described on **Exhibit J**.

“District Formation Expenses” means costs related to the formation of the District and the levy of Assessments including attorney fees, financial consultant fees, and other fees.

“Engineer’s Report” means the report provided by a licensed professional engineer that describes the Authorized Improvements, including their costs, location, and benefit, and is attached hereto as **Appendix A**.

“Estimated Buildout Value” means the estimated value of an Assessed Property with fully constructed buildings, as provided by the Owner 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, in the judgment of the City, may impact value. The Estimated Buildout Value for each Lot Type is shown on **Exhibit E**.

“First Year Annual Collection Costs” means the estimated Annual Collection Costs to be accrued prior to collection of the first Annual Installment of the Assessment securing the applicable PID Bonds, as shown on **Exhibit D**.

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

“Initial Parcel” means all of the Assessed Property within the District against which the entire Assessment is initially levied, as shown on the Assessment Roll.

“Lot” means (1) for any portion of the District for which a final subdivision plat has been recorded in the Plat or Official Public Records of the County, a tract of land described by “lot” in such subdivision plat; and (2) for any portion of the District for which a subdivision plat has not been recorded in the Plat or Official Public Records of the County, a tract of land anticipated to be described as a “lot” in a final recorded subdivision plat as shown on a concept plan or a

preliminary plat. A “Lot” shall not include real property owned by a government entity, even if such property is designated as a separate described tract or lot on a recorded Subdivision Plat.

“**Lot Type**” means a classification of final building Lots with similar characteristics (e.g. lot size, home product, Estimated 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 provided by the Owner, and confirmed by the City Council.

“**Lot Type 1**” means a Lot within the District marketed to homebuilders as a residential townhome Lot with an Estimated Buildout Value of \$275,000 as of the date of adoption of this Service and Assessment Plan. The buyer disclosure for Lot Type 1 is included in **Appendix B**.

“**Maximum Assessment**” means, for each Lot Type, an Assessment equal to the lesser of (1) the amount calculated pursuant to **Section VI.A**, or (2) the amount shown on **Exhibit E**.

“**Non-Benefited Property**” means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements as determined by the City Council and are not assessed.

“**Notice of Assessment Termination**” means a document that shall be recorded in the Official Public Records of the County evidencing the termination of an Assessment, a form of which is attached as **Exhibit I**.

“**Owner**” means Crescent Capital Investments, LLC, a limited liability company, and any successors or assigns thereof that intends to develop the property in the District for the ultimate purpose of transferring title to end users.

“**Parcel**” or “**Parcels**” means a specific property within the District identified by either a tax parcel identification number assigned by the Matagorda County Appraisal District for real property tax purposes, by 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.

“Private Improvements” means improvements required to be constructed by the Owner that are not Public Improvements, as depicted on **Exhibit H-2**.

“Public Improvements” means those Authorized Improvements, specifically described in **Section III.A** and depicted on **Exhibit H-1**.

“Reimbursement Agreement” means that certain “Russell Ranch Public Improvement District Reimbursement Agreement” effective July 9, 2024 entered into by and between the City and Owner, whereby all or a portion of the Actual Costs not paid to the Owner from the proceeds of PID Bonds will be paid to the Owner from Assessments to reimburse the Owner for Actual Costs paid by the Owner, plus interest, that are eligible to be paid with Assessments.

“Reimbursement Obligation” means the amount not to exceed \$7,450,000 to be paid to the Developer pursuant to the Reimbursement Agreement.

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

“Service Plan” means the plan described in **Section IV** which covers a period of at least five years and defines the annual indebtedness and projected costs of the Authorized Improvements.

“TIRZ Number 4” means Tax Increment Reinvestment Zone Number 4, City of Bay City, Texas.

“TIRZ Administrative Costs” means those reasonable costs paid or incurred by or on behalf of the City to create and/or administer the TIRZ.

“TIRZ Number 4 Agreement” means the TIRZ Agreement for Russell Ranch PID, to be adopted.

“TIRZ Number 4 Annual Credit Amount” is defined in **Section V.F**, which amount shall not annually exceed the TIRZ Number 4 Maximum Annual Credit Amount, and which shall be transferred from the TIRZ Number 4 Fund to the applicable pledged revenue fund pursuant to the TIRZ Number 4 Agreement.

“TIRZ Number 4 Fund” means the tax increment fund created pursuant to the TIRZ Number 4 Ordinance where TIRZ Number 4 Revenues are deposited annually.

“TIRZ Number 4 Maximum Annual Credit Amount” means for each Lot Type, the amount shown on **Exhibit F**.

“TIRZ Number 4 Ordinance” means Ordinance No. 1689 adopted by the City Council approving the TIRZ Number 4 Project Plan and authorizing the use of TIRZ Number 4 Revenues for project

costs under the Chapter 311, Texas Tax Code as amended, and related to certain public improvements as provided for in the TIRZ Number 4 Project Plan.

"TIRZ Number 4 Project Plan" means the Tax Increment Reinvestment Zone #4, City of Bay City, Texas Final Project and Financing Plan, prepared and adopted by the Board of Directors of the TIRZ and approved by the City (including any amendments or supplements thereto).

"TIRZ Number 4 Revenues" mean, for each year, the amounts which are deposited in the TIRZ Number 4 Fund pursuant to the TIRZ Number 4 Ordinance, TIRZ Number 4 Project Plan, TIRZ Number 4 Agreement and the Russell Ranch Public Improvement District Financing Agreement.

"Trustee" means the trustee or successor trustee under an Indenture.

SECTION II: THE DISTRICT

The District includes approximately 49.71 contiguous acres located within the corporate limits of the City, the boundaries of which are more particularly described on **Exhibit J** and depicted on **Exhibit A**. Development of the District is anticipated to include approximately 192 Lots developed with single family homes.

SECTION III: AUTHORIZED IMPROVEMENTS

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, the City has determined that the Authorized Improvements confer a special benefit on the Assessed Property. Public Improvements will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City or by a third party pursuant to a qualified management contract. The budget for the Authorized Improvements is shown on **Exhibit B**.

A. Public Improvements

▪ *Roadways*

Improvements include the construction of the proposed local streets of the subdivision. Improvements to include erosion control measures, earthwork, subgrade stabilization, concrete pavement with curb and gutter, concrete sidewalk segments with ADA ramps, signage, lighting, and construction testing. These roadway improvements will provide street access to each Lot within the District.

▪ *Sanitary Sewer*

Improvements to include erosion control measures, earthwork, trench excavation and embedment, trench safety, pipe installation, manholes, service connections, testing, and all necessary appurtenances required to provide wastewater service to each Lot within the District.

In addition to the construction of the subdivision improvements, removal of existing manholes as well as the re-routing of existing sanitary sewer mains to maintain a better flow that crosses the District are included.

▪ *Water*

Improvements to include earthwork, erosion control measures, trench safety, trench excavation and embedment, pipe installation, fire hydrant assemblies, valves, service connections, testing, and all necessary appurtenances required to provide water service to each Lot within the District.

- *Drainage*

Improvements to include earthwork, erosion control measures, trench safety, trench excavation and embedment, pipe installation, curb inlets, box culverts, manholes, and junction boxes, headwalls, testing, and all necessary appurtenances to provide drainage service for each Lot within the District.

Also included are channels, temporary and permanent flood control detention ponds, clearing, excavation, piping for inbound and outbound drainage lines and outlet structures.

- *Landscaping, Parks & Amenities*

Improvements include an entry monumentation along stat highway 35 with planting beds and landscaping at the entry monument, sidewalks, irrigation, amenity center site, parking lots in addition to landscaped areas and grass covered areas within the subdivision. The improvements include erosion control measures, earthwork, site improvements, planting and vegetation.

- *Soft Costs*

Costs related to designing, constructing, installing, and financing the Public Improvements including land planning and design, City fees, engineering, soil testing, survey, construction management, legal fees, consultant fees, contingency, and inspection fees.

B. Private Improvements

- *Roadways*

Improvements include striping and signage, Bay City Seafood Drive closure and re-striping, and site fencing.

- *Landscaping, Irrigation & Sign*

Improvements include an entry monumentation along state highway 35 with planting beds and landscaping at the entry monument, and mail box units.

- *Drainage*

Improvements include removal of trees and clearing, and excavation and fill.

- *Detention*

Improvements include detention pond fountains, and electrical for fountains.

- *Soft Costs*

Costs related to designing, constructing, installing, and financing the Private Improvements including land planning and design, City fees, civil engineering, survey,

construction administration, legal fees, consultant fees, contingency, inspection fees, TxDOT permit fees, preliminary site plan, District Formation Expenses, and other PID costs paid entirely by the Developer and non-reimbursed by PID Bonds or Assessments.

C. Bond Issuance Costs

- *Debt Service Reserve Fund*

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

- *Delinquency and Prepayment Fund*

Equals the amount to be deposited in a debt service reserve fund under an applicable 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 (including a fee for underwriter's counsel).

- *Cost of Issuance*

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

D. Other Costs

- *Initial Administrative Fund Deposit*

Equals the amount necessary to fund the first year's Annual Collection Costs for a particular series of PID Bonds.

- *District Formation Expenses*

Includes the costs associated with forming the District, including, but not limited to, attorney fees, consultant fees, and any other cost or expense directly associated with the establishment of the District.

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 is also

required to include a copy of the buyer disclosure notice form required by Section 5.014 of the Texas Property Code, as amended. The Service Plan must be reviewed and updated in each Annual Service Plan Update. **Exhibit C** summarizes the Service Plan for the District. Per the PID Act and Section 5.014 of the Texas Property Code, as amended, this Service and Assessment Plan, and any future Annual Service Plan Updates, shall include a form of the buyer disclosure for the District. The buyer disclosures are attached hereto as **Appendix B**.

Exhibit D summarizes the sources and uses of funds required to construct the Public Improvements. The sources and uses of funds shown on **Exhibit D** shall be updated at the time any PID Bonds are issued in an Annual Service Plan Update to show the amount required to fund the required reserves and to issue the PID Bonds.

SECTION V: ASSESSMENT PLAN

The PID Act allows the City Council to apportion the costs of the Authorized Improvements to the Assessed Property based on the special benefit received from the Authorized Improvements. The PID Act provides that such costs may be apportioned: (1) equally per front foot or square foot; (2) according to the value of property as determined by the City Council, with or without regard to improvements constructed on the property; or (3) in any other manner approved by the City Council that results in imposing equal shares of such costs on property similarly benefited. The PID Act further provides that the City Council 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 this 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 equals or exceeds the amount of the Assessments to be 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 owners of the Assessed Property.

A. Assessment Methodology

Acting in its legislative capacity and 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, the City Council has determined that the costs related to the Authorized Improvements shall be allocated entirely to the Initial Parcel. Upon subdivision of an Assessed Property, the Actual Costs of the Authorized

Improvements shall be reallocated based on Estimated Buildout Value as further described in **Section VI**.

B. Assessments

Assessments will be levied on the Assessed Property according to the Assessment Roll, attached hereto as **Exhibit F-1**. The projected Annual Installments are shown on **Exhibit F-2**, and are subject to revisions made during any Annual Service Plan Update. Upon division or subdivision of the Initial Parcel, the Assessments will be reallocated pursuant to **Section VI**.

The Maximum Assessment for each Lot Type is shown on **Exhibit E**. In no case will the Assessment for Lots classified as Lot Type 1 exceed the corresponding Maximum Assessment shown on **Exhibit E**.

C. Findings of Special Benefit

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

- The cost of the Authorized Improvements equals \$10,123,720 as shown on **Exhibit B**; and
- The Assessed Property receives special benefit from the Authorized Improvements equal to or greater than the Actual Cost of the Authorized Improvements; and
- The Initial Parcel shall be allocated 100% of the Assessments levied for the Authorized Improvements which equal \$9,564,000, as shown on the Assessment Roll attached hereto as **Exhibit F-1**; and
- The special benefit (\$10,123,720) received by the Initial Parcel from the Authorized Improvements, is equal to or greater than the amount of the Assessment (\$9,564,000) levied on the Initial Parcel for the Authorized Improvements; and
- At the time the City Council approved this Service and Assessment Plan, the Owner owned 100% of the Initial Parcel. The Owner acknowledged that the Authorized Improvements confer a special benefit on the Initial Parcel and consented to the imposition of the 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 applicable Assessment Ordinance; and (3) the levying of the Assessment on the Initial Parcel.

D. Annual Collection Costs

The Annual Collection Costs shall be paid annually by the owner of 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 the Annual Installments in the amounts shown on the Assessment Roll, which may be revised in Annual Service Plan Updates based on Actual Costs incurred.

E. Additional Interest

The interest rate on the portion of Assessments securing each respective series of PID Bonds may exceed the interest rate on each respective series of PID Bonds by the Additional Interest Rate. To the extent required by any Indenture, upon the issuance of PID Bonds, Additional Interest shall be collected as part of each Annual Installment and shall be deposited pursuant to the applicable Indenture.

The interest on the Assessment securing the Reimbursement Obligation shall be set at a rate of 6.875%. The PID Act requires the rate set on unpaid amounts due under a Reimbursement Agreement may not exceed five percent above the highest average index rate for tax-exempt bonds for a period of not more than five years and may not exceed two percent above the same index rate for the following two-year period. The index rate utilized to set the rate on the Reimbursement Obligation is the S&P Municipal Bond High Yield Index, which rate is 5.58% as of June 27, 2024. The rate set by this Service and Assessment Plan of 6.940% for the seven-year period is less than 2% above the S&P Municipal Bond High Yield Index. The portion of the Annual Installment allocable to the Reimbursement Agreement will not include Additional Interest unless and until PID Bonds secured by the Assessment are issued. Once PID Bonds are issued the interest rate on the Assessment will be equal to the rate on the PID Bonds.

F. TIRZ Number 4 Annual Credit Amount

The City Council, in accordance with the TIRZ Number 4 Agreement, has agreed to use a portion of TIRZ Number 4 Revenues generated from each Assessed Property to offset a portion of the principal and interest of such property's Assessment.

1. The principal and interest portion of the Annual Installment for an Assessed Property shall receive a TIRZ Number 4 Annual Credit Amount equal to the TIRZ Number 4 Revenue generated by the Assessed Property for the previous Tax Year (e.g. TIRZ Number 4 Revenue collected from the Assessed Property for Tax Year 2023 shall be applied as the TIRZ Number 4 Annual Credit Amount applicable to the Assessed Property's Annual Installment to be collected in Tax Year 2024), but in no event shall the TIRZ Number 4 Annual Credit Amount exceed the TIRZ Number 4 Maximum Annual Credit Amount shown in **Section V.F.2** as calculated on **Exhibit G** for each Assessed Property.

2. The TIRZ Number 4 Maximum Annual Credit Amount available to reduce the principal and interest portion of the Annual Installment for an Assessed Property is calculated for each Lot Type, as shown on **Exhibit G**. The TIRZ Number 4 Maximum Annual Credit Amount is calculated so that the average Annual Installment for each Lot Type minus the TIRZ Number 4 Maximum Annual Credit Amount for each Lot Type does not produce an equivalent tax rate for such Lot Type which exceeds \$.9325 per \$100 of assessed value based on Estimated Buildout Values at the time Assessment Ordinance is approved. The resulting TIRZ Number 4 Maximum Annual Credit Amount for each Lot Type is shown below:

1. Lot Type 1: \$1,706

3. After the TIRZ Number 4 Annual Credit Amount is applied to provide a credit towards the principal and interest portion of the Annual Installment for the Assessed Property, any excess TIRZ Number 4 Revenues available from the Russell Ranch PID Account of the TIRZ Number 4 Fund shall be transferred to the City for any lawfully available use.

SECTION VI: TERMS OF THE ASSESSMENTS

Any reallocation of Assessments as described in **Section VI** shall be considered an administrative action of the City and will not be subject to the notice or public hearing requirements under the PID Act.

A. Reallocation of Assessments

1. Upon Division Prior to Recording of Subdivision Plat

Upon the division of any Assessed Property (without the recording of a 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 for the newly divided Assessed Properties

The calculation of the Assessment of an Assessed Property shall be performed by the Administrator and shall be based on the Estimated Buildout Value of that Assessed Property, as provided by the Owner, relying on information from homebuilders, market

studies, appraisals, official public records of the County, and any other relevant information regarding the Assessed Property. The Estimated Buildout Value for Lot Type 1 is shown on **Exhibit E** and will not change in future Annual Service Plan Updates. The calculation as confirmed by the City Council shall be conclusive and binding.

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the Annual Service Plan Update immediately following such reallocation.

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 newly subdivided 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. The calculation of the Assessment for a Lot shall be performed by the Administrator and confirmed by the City Council in an Annual Service Plan Update, based on Estimated Buildout Value information provided by the Owner, homebuilders, third party consultants, and/or the official public records of the County regarding the Lot. The Estimated Buildout Value for Lot Type 1 is shown on **Exhibit E** and will not change in future Annual Service Plan Updates. The calculation as confirmed by the City Council shall be conclusive and binding.

The sum of the Assessments for all newly subdivided Parcels shall not exceed the Assessment for the portion of the Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the Annual Service Plan Update immediately following such reallocation.

3. Upon Consolidation

If two or more Lots or Parcels are consolidated into a single Parcel or Lot, the Administrator shall allocate the Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be approved by the City Council in the next Annual Service Plan Update immediately following such consolidation.

The Assessment for any resulting Lot will not exceed the Maximum Assessment, shown on **Exhibit E** for the applicable Lot Type, and compliance may require a mandatory Prepayment of Assessments pursuant to **Section VI.B**.

B. Mandatory Prepayment of Assessments

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

C. True-up of Assessments if Maximum Assessment Exceeded

Prior to the approval of a final subdivision plat, the Administrator shall certify that the final plat will not cause the Assessment for any Lot Type to exceed the Maximum Assessment. If the subdivision of any Assessed Property by a final subdivision plat causes the Assessment per Lot for any Lot Type to exceed the applicable Maximum Assessment for such Lot Type, the Owner must partially prepay the Assessment for each Assessed Property that exceeds the applicable Maximum Assessment for such Lot Type. The City's approval of a final subdivision plat without payment of such amounts does not eliminate the obligation of the Owner to pay such Assessments.

D. Reduction of Assessments

If the Actual Costs of completed Authorized Improvements are less than the Assessments, then (1) in the event PID Bonds have not been issued, the Assessments for the purpose of financing Authorized Improvements affected by such reduction in Actual Costs, the City Council shall reduce the Reimbursement Obligation on a pro rata basis such that the sum of the resulting reduced Assessments for all Assessed Property equals the reduced Actual Costs, or (2) in the event that PID Bonds have been issued for the purpose of financing Authorized Improvements affected by such reduction in Actual Costs, the Trustee shall apply amounts on deposit in the applicable account of the project fund created under the Indenture relating to such series of PID Bonds as directed by the City pursuant to the terms of such Indenture. Such excess PID Bond proceeds may be used for any purpose authorized by such Indenture. The Assessments shall never be reduced to an amount less than the amount required to pay all outstanding debt service requirements on all outstanding PID Bonds and any related Reimbursement Obligation, as such any Reimbursement Obligation may be reduced pursuant to this Section. If all of the Authorized Improvements are not completed, the City may reduce the Assessments in another method if it determines such method would better reflect the benefit received by the Assessed Properties from the Authorized Improvements completed.

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 Owner of the Assessed Property may, at any time, pay all or any part of an Assessment in accordance with the PID Act. Prepayment Costs, if any, may be paid from a reserve established under the applicable Indenture. If an Annual Installment has been billed, or the Annual Service Plan Update has been approved by the City Council prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment on an Assessed Property is prepaid in full, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced to zero on said Assessed Property 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 with respect to said Assessed Property; and (4) the City shall provide the Owner with a recordable "Notice of Assessment Termination," a form of which is included as **Exhibit I**.

If an Assessment on an Assessed Property is prepaid in part, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced to the extent of the Prepayment made

on said Assessed Property and the Assessment Roll 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; and (3) the obligation to pay the Assessment will be reduced to the extent of the Prepayment made.

For purposes of the prepayment of Annual Installments, the Reimbursement Obligation is and will remain subordinated to (i) the PID Bonds and (ii) any additional PID Bonds secured by a parity lien on the Assessments issued to refinance all or a portion of the Reimbursement Obligation. Prepayments shall be allocated pro rata to any outstanding PID Bonds and any outstanding Reimbursement Obligation.

F. Payment of Assessment in Annual Installments

Assessments that are not paid in full shall be due and payable in Annual Installments. **F-2** shows the estimated 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 parcel identification numbers for billing and collection purposes, the Annual Installment shall be allocated pro rata based on the acreage of the Parcel not including any Non-Benefited Property, as shown by Matagorda County Appraisal District for each tax parcel 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 for a given Assessment shall be paid by the owner of 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 due and owing to the City. To the extent permitted by the PID Act or other applicable law, the City Council may provide for other means of collecting Annual Installments, but in no case shall the City take any action, or fail to take any action, that would cause it to be in default under any Indenture. 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. The initial Annual Installments shall be due when billed and shall be delinquent if not paid prior to February 1, 2025.

Failure of an owner of an Assessed Property to receive an invoice for an Annual Installment shall not relieve the Owner of the responsibility for payment of the Assessment. Assessments, or Annual Installments thereof, that are delinquent shall incur Delinquent Collection Costs.

G. Prepayment as a result of Eminent Domain Proceeding or Taking

Subject to applicable law, If any portion of any Parcel of Assessed Property is taken from an Owner 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-Benefited 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-Benefited Property, subject to an adjustment of the Assessment applicable to the Remaining Property after any required Prepayment as set forth below. The Owner of the Remaining Property will remain liable to pay in Annual Installments, or payable as otherwise provided by this 2024 Amended and Restated Service and Assessment Plan, as updated, or the PID Act, the Assessment that remains due on the Remaining Property, subject to an adjustment in the Assessment applicable to the Remaining Property after any required Prepayment as set forth below. Notwithstanding the foregoing, if that remains due on the Remaining Property exceeds the applicable Maximum Assessment, the Owner of the Remaining Property will be required to make a Prepayment in an amount necessary to ensure that the Assessment against the Remaining Property does not exceed such Maximum Assessment, in

which case the Assessment applicable to the Remaining Property will be reduced by the amount of the partial Prepayment. If the City receives all or a portion of the eminent domain proceeds (or payment made in an agreed sale in lieu of condemnation), such amount shall be credited against the amount of Prepayment, with any remainder credited against the Assessment on the Remaining Property.

In all instances the Assessment remaining on the Remaining Property shall not exceed the applicable Maximum Assessment.

By way of illustration, if an Owner 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-Benefited Property and the remaining 90 acres constituting the Remaining Property shall be subject to the \$100 Assessment, (provided that this \$100 Assessment does not exceed the Maximum Assessment on the Remaining Property). If the Administrator determines that the \$100 Assessment reallocated to the Remaining Property would exceed the Maximum Assessment, as applicable, on the Remaining Property by \$10, then the Owner shall be required to pay \$10 as a Prepayment of the Assessment against the Remaining Property and the Assessment on the Remaining Property shall be adjusted to \$90.

Notwithstanding the previous paragraphs in this subsection if the Owner of the Remaining Property notifies the City and the Administrator that the Taking prevents the Remaining Property from being developed for any use which could support the Estimated Buildout Value requirement, the Owner shall, upon receipt of the compensation for the Taken Property, be required to prepay the amount of the Assessment required to buy down the outstanding Assessment to the applicable Maximum Assessment on the Remaining Property to support the Estimated Buildout Value requirement. The Owner will remain liable to pay the Assessment on both the Taken Property and the Remaining Property until such time that such Assessment has been prepaid in full.

Notwithstanding the previous paragraphs in this subsection, the Assessments shall never be reduced to an amount less than the amount required to pay all outstanding debt service requirements on all outstanding PID Bonds.

H. Allocating Annual Installments if Assessed Property is Sold

If Assessed Property is sold, the Annual Installment shall be allocated between the buyer and seller in the same methodology as property taxes.

SECTION VII: ASSESSMENT ROLL

The 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 Assessment Roll and Annual

Installments for each Parcel as part of each Annual Service Plan Update. The Initial Parcels shown on the Assessment Roll will receive the bills for the 2025 Annual Installments which will be delinquent if not paid by January 31, 2025.

SECTION VIII: ADDITIONAL PROVISIONS

A. Calculation Errors

If the owner of a Parcel claims that 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 Updates, the owner'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's approval of the calculation. Otherwise, the owner shall be deemed to have unconditionally approved and accepted the calculation. The Administrator shall provide a written response to the City Council and the owner not later than 30 days after receipt of such written notice of error by the Administrator. The City Council shall consider the owner's notice of error and the Administrator's response at a public meeting, and, not later than 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 owner and the Administrator.

B. Termination of Assessments

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

C. Amendments

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

Assessments, Annual Installments, and other charges imposed by this Service and Assessment Plan.

D. Administration and Interpretation

The Administrator shall: (1) perform the obligations of the Administrator as set forth in this Service and Assessment Plan; (2) administer the District for and on behalf of and at the direction of the City Council; and (3) interpret the provisions of this Service and Assessment Plan. Interpretations of this Service and Assessment Plan by the Administrator shall be in writing and shall be appealable to the City Council by owners or developers of the Assessed Property 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 owners of Assessed Property and their successors and assigns.

E. Form of Buyer Disclosure; Filing in Real Property Records

Within seven days of approval by the City Council, the City Secretary shall file and record in the official public records of the County the executed Assessment Ordinance and this Service and Assessment Plan. In addition, the City Secretary shall similarly file each Annual Service Plan Update approved by the City Council, with each such filing to occur within seven days of the date each respective Annual Service Plan Update is approved.

F. Severability

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

LIST OF EXHIBITS

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

Exhibit A	Map of the District
Exhibit B	Authorized Improvements
Exhibit C	Service Plan
Exhibit D	Sources and Uses of Funds
Exhibit E	Maximum Assessment and Tax Rate Equivalent
Exhibit F-1	Assessment Roll
Exhibit F-2	Annual Installments
Exhibit G	TIRZ Number 4 Maximum Annual Credit Amount
Exhibit H-1	Maps of Public Improvements
Exhibit H-2	Maps of Private Improvements
Exhibit I	Form of Notice of Assessment Termination
Exhibit J	District Legal Description

LIST OF APPENDICES

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

Appendix A	District Engineer's Report
Appendix B	Buyer Disclosures

EXHIBIT A – MAP OF THE DISTRICT

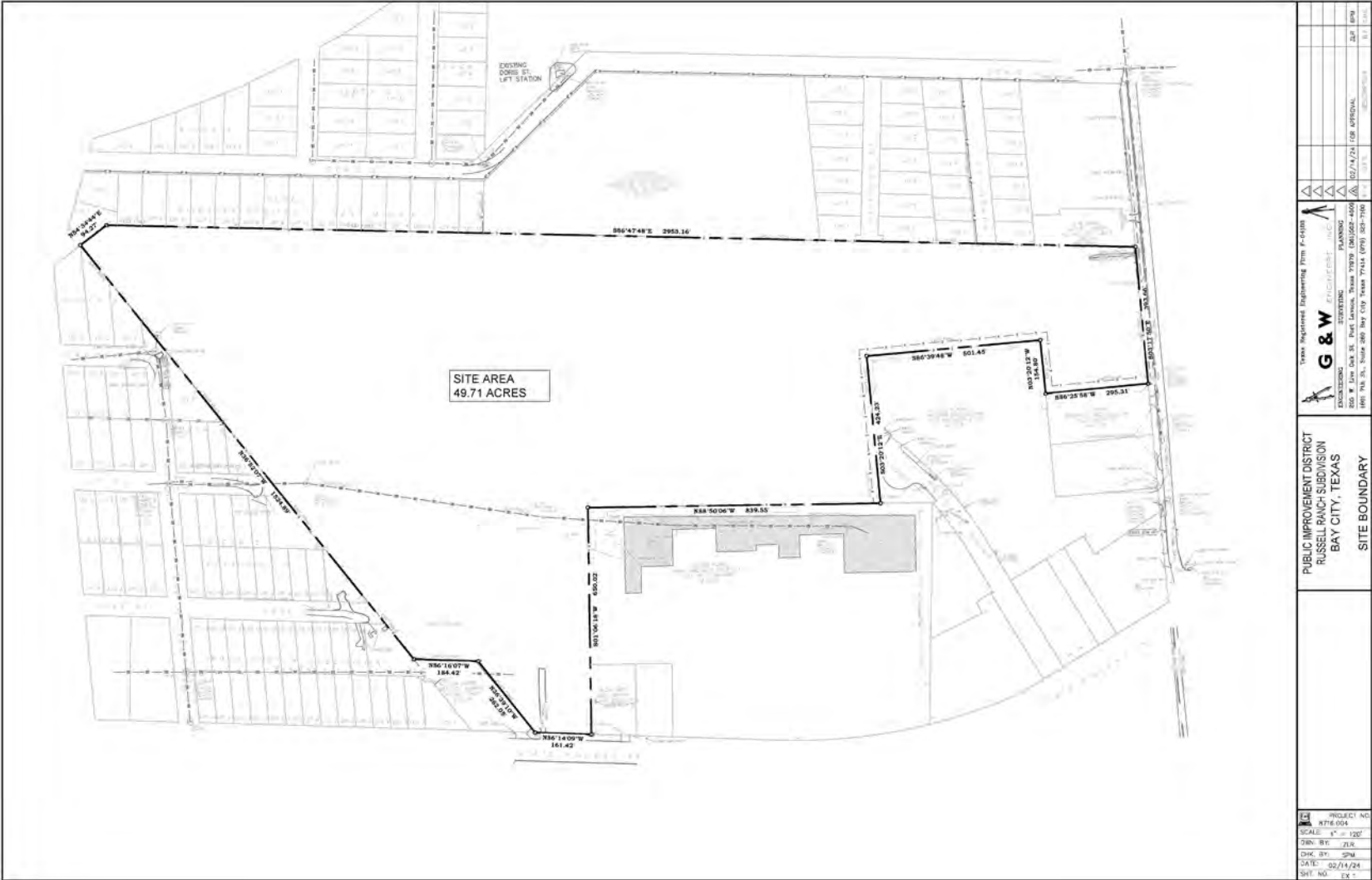


EXHIBIT B – AUTHORIZED IMPROVEMENTS

	Total Costs ^[a]	Private Improvements		District	
		%	\$	%	\$
<i>Public Improvements</i>					
Roadways	\$ 2,062,206	0.00%	\$ -	100.00%	\$ 2,062,206
Water	565,473	0.00%	-	100.00%	565,473
Sanitary Sewer	725,636	0.00%	-	100.00%	725,636
Drainage	2,160,244	0.00%	-	100.00%	2,160,244
Detention	1,024,000	0.00%	-	100.00%	1,024,000
Landscaping, Irrigation & Sign	40,000	0.00%	-	100.00%	40,000
Contingency	252,096	0.00%	-	100.00%	252,096
Soft Costs ^[b]	1,170,229	0.00%	-	100.00%	1,170,229
	<u>\$ 7,999,884</u>		<u>\$ -</u>		<u>\$ 7,999,884</u>
<i>Private Improvements^[c]</i>					
Roadways	\$ 221,190	100.00%	\$ 221,190	0.00%	\$ -
Landscaping, Irrigation & Sign	28,000	100.00%	28,000	0.00%	-
Drainage	378,500	100.00%	378,500	0.00%	-
Detention	50,000	100.00%	50,000	0.00%	-
Contingency	78,797	100.00%	78,797	0.00%	-
Soft Costs ^[b]	512,343	100.00%	512,343	0.00%	-
	<u>\$ 1,268,830</u>		<u>\$ 1,268,830</u>		<u>\$ -</u>
<i>Bond Issuance Costs^[d]</i>					
Debt Service Reserve Fund	\$ 819,364		\$ -		\$ 819,364
Capitalized Interest	413,712		-		413,712
Underwriter Discount	286,920		-		286,920
Cost of Issuance	573,840		-		573,840
	<u>\$ 2,093,836</u>		<u>\$ -</u>		<u>\$ 2,093,836</u>
<i>Other Costs</i>					
Deposit to Administrative Fund	30,000		\$ -		\$ 30,000
	<u>\$ 30,000</u>		<u>\$ -</u>		<u>\$ 30,000</u>
Total	\$ 11,392,550		\$ 1,268,830		\$ 10,123,720

Footnotes:

[a] Costs were determined by the Engineer's Report attached hereto as **Appendix A**.

[b] Soft Costs include Engineering & Surveying, Project Management Costs and Contingency.

[c] Private Improvements will be funded privately by the Owner or Developer and are not reimbursable by PID Bonds or Assessments.

[d] Bond Issuance Costs are subject to change upon issuance of future PID Bonds issued to fund the Reimbursement Obligation.

EXHIBIT C – SERVICE PLAN

		District				
Annual Installments Due		1/31/2025	1/31/2026	1/31/2027	1/31/2028	1/31/2029
<i>Reimbursement Obligation</i>						
Principal		\$ 102,347	\$ 109,449	\$ 117,045	\$ 125,168	\$ 133,855
Interest		663,742	656,639	649,043	640,920	632,233
	(1)	\$ 766,088	\$ 766,088	\$ 766,088	\$ 766,088	\$ 766,088
Additional Interest ^[a]	(2)	\$ -	\$ -	\$ -	\$ -	\$ -
Annual Collection Costs	(3)	\$ 30,000	\$ 30,600	\$ 31,212	\$ 31,836	\$ 32,473
Total Annual Installments	(4) = (1) + (2) + (3)	\$ 796,088	\$ 796,688	\$ 797,300	\$ 797,924	\$ 798,561

Footnotes:

[a] Additional Interest will not be charged on the Assessment until PID Bonds are issued.

EXHIBIT D – SOURCES AND USES OF FUNDS

	District
Sources of Funds	
Reimbursement Obligation	9,564,000
Owner Contribution - Private Improvements ^[a]	1,268,830
Owner Contribution ^[b]	559,720
Total Sources of Funds	\$ 11,392,550
Uses of Funds	
Public Improvements	\$ 7,999,884
Private Improvements	1,268,830
	<u>\$ 9,268,714</u>
<i>Bond Issuance Costs</i>	
Debt Service Reserve Fund	\$ 819,364
Capitalized Interest	413,712
Underwriter Discount	286,920
Cost of Issuance	573,840
	<u>\$ 2,093,836</u>
<i>Other Costs</i>	
Deposit to Administrative Fund	30,000
	<u>\$ 30,000</u>
Total Uses of Funds	\$ 11,392,550

Footnotes:

[a] Private Improvements will be funded privately by the Owner or Developer and are not reimbursable by PID Bonds or Assessments.

[b] Non-reimbursable to Owner.

[c] Bond Issuance Costs are subject to change upon issuance of future PID Bonds to finance the Reimbursement Obligation.

EXHIBIT E – MAXIMUM ASSESSMENT

Lot Type	Units ^[a]	Estimated Buildout Value ^[a]		District Assessment		Total Maximum Assessment		Maximum Annual Installment		Value to Lien	TRE
		Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Finished Lot Value	
1	192	\$ 275,000	\$ 52,800,000	\$ 49,813	\$ 9,564,000	\$49,813	\$ 9,564,000	\$ 4,268	\$ 819,364	1.205	\$ 1.5518
Total/Weighted Average	192		52,800,000		\$ 9,564,000		\$ 9,564,000		\$ 819,364	1.205	

Footnotes:

[a]Per Developer as of May 15, 2024

EXHIBIT F-1 – ASSESSMENT ROLL

Property ID	Address	District ^[a]					
		Outstanding Assessment ^[b]	Principal	Interest	Additional Interest	Annual Collection Costs	Annual Installment Due 1/31/2025 ^[c]
19964	Initial Parcel	\$ 8,511,960.00	\$ 91,088.46	\$ 590,730.02	\$ -	\$ 26,700.00	\$ 708,518.49
19988	Initial Parcel	\$ 1,052,040.00	\$ 11,258.12	\$ 73,011.58	\$ -	\$ 3,300.00	\$ 87,569.70
Improvement Area #1 Total		\$ 9,564,000.00	\$ 102,346.59	\$ 663,741.60	\$ -	\$ 30,000.00	\$ 796,088.19

Footnotes:

[a] Totals may not match the total Outstanding Assessment or Annual Installment due to rounding.

[b] The total Outstanding Assessment represents the amount secured by a Reimbursement Obligation.

[c] For billing purposes, the Annual Installment for the District Initial Parcels are allocated pro rata to the Property IDs based on acreage.

EXHIBIT F-2 – ANNUAL INSTALLMENTS

Installment Due 1/31	Reimbursement Obligation			Annual Collection Costs	Total Annual Installment Due ^[c]
	Principal	Interest ^[a]	Additional Interest ^[b]		
2025	\$ 102,347	\$ 663,742	\$ -	\$ 30,000	\$ 796,088
2026	\$ 109,449	\$ 656,639	\$ -	\$ 30,600	\$ 796,688
2027	\$ 117,045	\$ 649,043	\$ -	\$ 31,212	\$ 797,300
2028	\$ 125,168	\$ 640,920	\$ -	\$ 31,836	\$ 797,924
2029	\$ 133,855	\$ 632,233	\$ -	\$ 32,473	\$ 798,561
2030	\$ 143,144	\$ 622,944	\$ -	\$ 33,122	\$ 799,211
2031	\$ 153,079	\$ 613,010	\$ -	\$ 33,785	\$ 799,873
2032	\$ 163,702	\$ 602,386	\$ -	\$ 34,461	\$ 800,549
2033	\$ 175,063	\$ 591,025	\$ -	\$ 35,150	\$ 801,238
2034	\$ 187,213	\$ 578,876	\$ -	\$ 35,853	\$ 801,941
2035	\$ 200,205	\$ 565,883	\$ -	\$ 36,570	\$ 802,658
2036	\$ 214,099	\$ 551,989	\$ -	\$ 37,301	\$ 803,389
2037	\$ 228,958	\$ 537,130	\$ -	\$ 38,047	\$ 804,135
2038	\$ 244,848	\$ 521,241	\$ -	\$ 38,808	\$ 804,896
2039	\$ 261,840	\$ 504,248	\$ -	\$ 39,584	\$ 805,673
2040	\$ 280,012	\$ 486,077	\$ -	\$ 40,376	\$ 806,464
2041	\$ 299,444	\$ 466,644	\$ -	\$ 41,184	\$ 807,272
2042	\$ 320,226	\$ 445,862	\$ -	\$ 42,007	\$ 808,095
2043	\$ 342,450	\$ 423,639	\$ -	\$ 42,847	\$ 808,936
2044	\$ 366,216	\$ 399,873	\$ -	\$ 43,704	\$ 809,793
2045	\$ 391,631	\$ 374,457	\$ -	\$ 44,578	\$ 810,667
2046	\$ 418,810	\$ 347,278	\$ -	\$ 45,470	\$ 811,558
2047	\$ 447,876	\$ 318,213	\$ -	\$ 46,379	\$ 812,468
2048	\$ 478,958	\$ 287,130	\$ -	\$ 47,307	\$ 813,395
2049	\$ 512,198	\$ 253,890	\$ -	\$ 48,253	\$ 814,341
2050	\$ 547,744	\$ 218,344	\$ -	\$ 49,218	\$ 815,306
2051	\$ 585,758	\$ 180,330	\$ -	\$ 50,203	\$ 816,291
2052	\$ 626,409	\$ 139,679	\$ -	\$ 51,207	\$ 817,295
2053	\$ 669,882	\$ 96,206	\$ -	\$ 52,231	\$ 818,319
2054	\$ 716,372	\$ 49,716	\$ -	\$ 53,275	\$ 819,364
Total	\$ 9,564,000	\$ 13,418,646	\$ -	\$ 1,217,042	\$ 24,199,688

Footnotes:

[a] Interest on the Reimbursement Obligation is calculated at a rate of 6.94% which is less than 2% above the S&P Municipal Bond High Yield Index which was 5.58% as of June 27, 2024, as required by the PID Act. If PID Bonds are issued, the interest rate on the Assessment will adjust to the interest rate on the Bonds plus the Additional Interest.

[b] Additional Interest will be collected if PID Bonds are issued.

[c] Excludes the TIRZ Annual Credit Amount which will be calculated annually in each Annual Service Plan Update. 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.

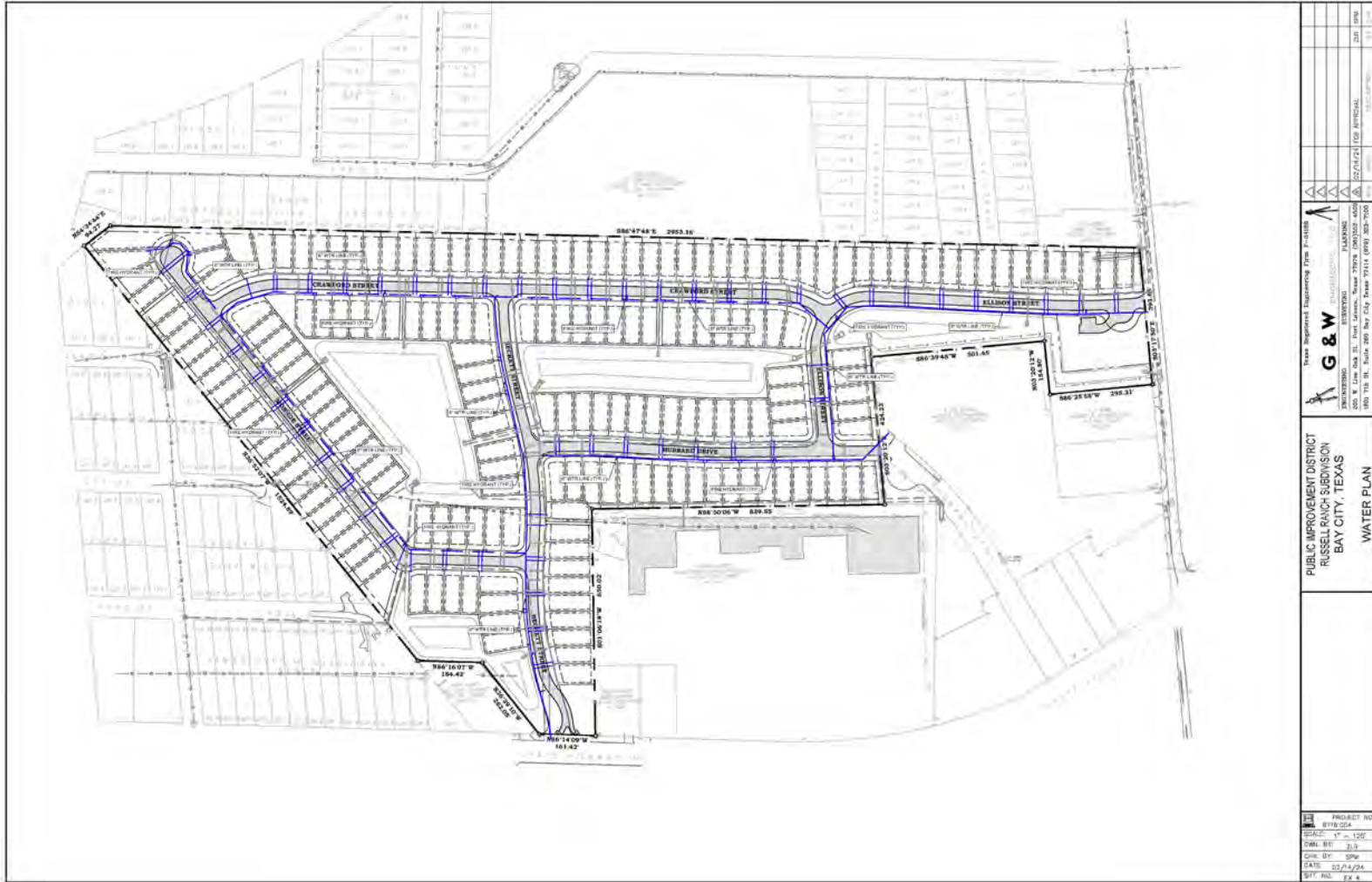
EXHIBIT G – TIRZ NUMBER 4 MAXIMUM ANNUAL CREDIT AMOUNT

Lot Type	Units	TIRZ No. 4 Maximum Annual Credit Amount		Annual Installment Per Unit Pre-TIRZ Credit	Net Annual Installment Per Unit	Net District Tax Rate Equivalent
		Amount	Per Unit			
Lot Type 1	192	\$ 0.6203	\$ (1,706)	\$ 4,268	\$ 2,562	\$ 0.9315
Total	192	\$ (327,529)				

EXHIBIT H-1 – MAPS OF PUBLIC IMPROVEMENTS







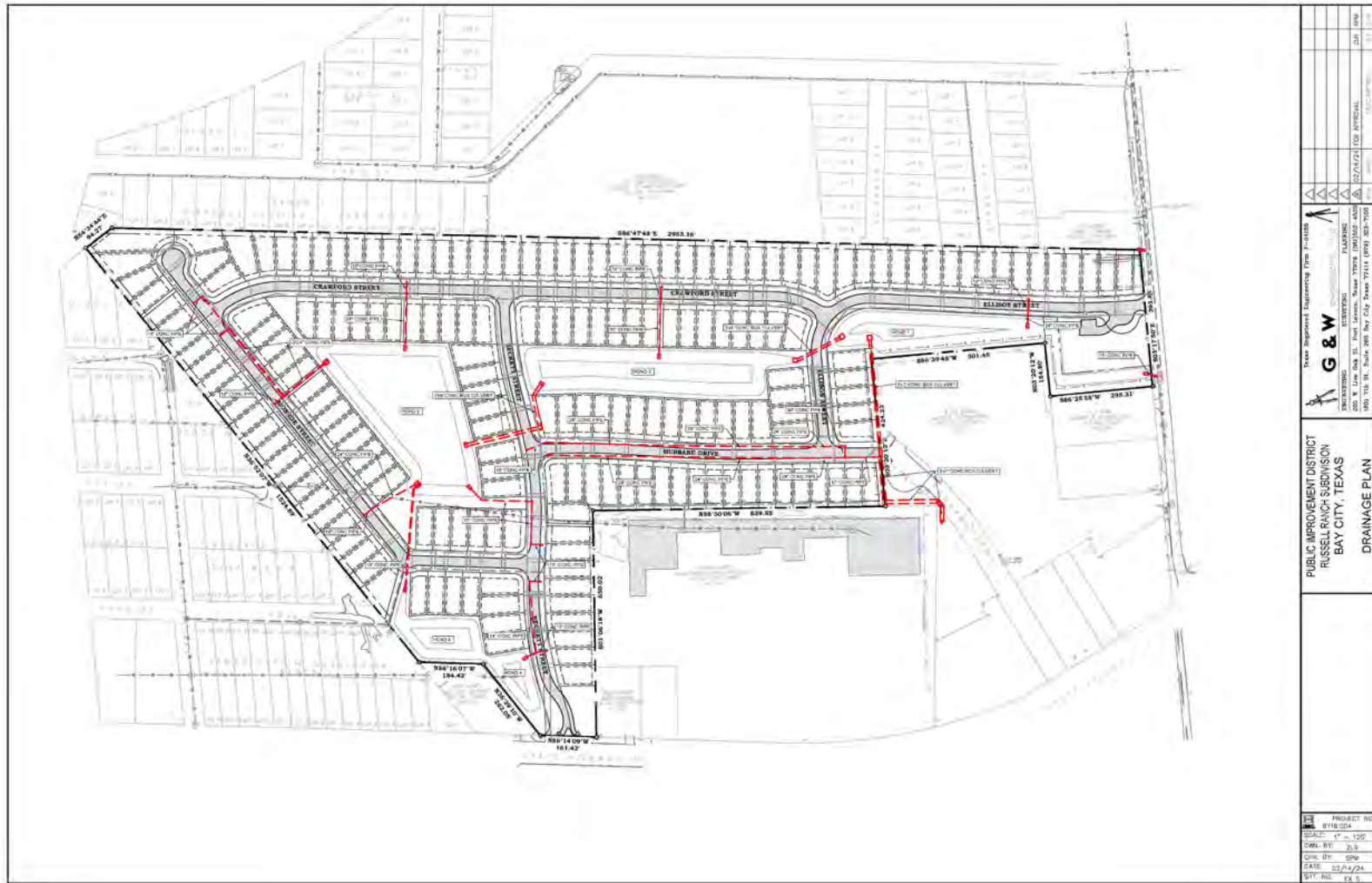




EXHIBIT H-2 – MAPS OF PRIVATE IMPROVEMENTS

[TO BE PROVIDED BY DEVELOPER]

[TO BE PROVIDED BY DEVELOPER]

[TO BE PROVIDED BY DEVELOPER]

[TO BE PROVIDED BY DEVELOPER]

EXHIBIT I – FORM OF NOTICE OF ASSESSMENT TERMINATION



P3Works, LLC
9284 Huntington Square, Suite 100
North Richland Hills, TX 76182

[Date]
Matagorda County Civil Courthouse
[County Clerk Name]
1700 7th Street, Room 202
Bay City, Texas 77414

Re: City of Bay City Lien Release documents for filing

Dear Ms./Mr. [County Clerk Name],

Enclosed is a lien release that the City of Bay 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 below:

City of Bay City
Attn: City Secretary
1901 Fifth Street N.
Bay City, Texas 77414

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

Sincerely,
[Signature]

P3Works, LLC
P: (817)393-0353
admin@p3-works.com

AFTER RECORDING RETURN TO:

[City Secretary]
City of Bay City
1901 Fifth Street N
Bay City, Texas 77414

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	§	KNOW ALL MEN BY THESE PRESENTS:
	§	
COUNTY OF MATAGORDA	§	

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

RECITALS

WHEREAS, the governing body (hereinafter referred to as the "City Council") of the City of Bay City, 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 and extraterritorial jurisdiction of the City; and

WHEREAS, on or about April 18, 2022, the City Council for the City, approved Resolution No. 2022-10, creating the Russell Ranch Public Improvement District; and

WHEREAS, the Russell Ranch Public Improvement District consists of approximately 49.71 contiguous acres located within the City; and

WHEREAS, on or about August 13, 2024, 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 Russell Ranch Public Improvement District; and

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

[legal description], a subdivision in Matagorda County, Texas, according to the map or plat of record in Document/Instrument No. _____ of the Plat Records of Matagorda 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, as established by Ordinance No. _____, which levied the Assessment 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 BAY CITY, TEXAS,

By: _____
[Name], [Title]

ATTEST:

[Secretary Name], City Secretary

STATE OF TEXAS §
 §
COUNTY OF MATAGORDA §

This instrument was acknowledged before me on the ____ day of _____, 20__, by [Name], [Title] for the City of Bay City, Texas, on behalf of said municipality.

Notary Public, State of Texas

EXHIBIT J – DISTRICT LEGAL DESCRIPTION

EXHIBIT A:

Legal Description of land:

49.7981 acres, more or less, BEING THE REMAINDER OF:

73.90210 acres of land out of the I&GN RR Co Survey 2, Block 4, Abstract No. 270 and the I&GN RR Co Survey 1, Block 4, Abstract 271, Matagorda County, Texas and being the same land conveyed to A. Uher by Deed dated February 20, 1937 as recorded in Volume 116 at Page 516 of the Deed Records of Matagorda County, Texas and a Deed from The Gulf Coast Water Co. to A. Uher dated June 14, 1937, recorded in Volume 120 at Page 402, Deed Records of Matagorda County, Texas and a Deed from G. A. Bailey to A. Uher dated April 10, 1950, recorded in Volume 214 at Page 28, Deed Records, Matagorda County, Texas.

LESS AND EXCEPT:

0.70 acres out of the I&GN RR Co Survey 1, Block 4, Abstract No. 271

12.70 acres out of the I&GN RR Co Survey 1, Block 4, Abstract 271

0.41 acres out of the I&GN RR Co Survey 1, Block 4, Abstract No. 271

1.08 acres out of the I&GN RR Co Survey 1, Block 4, Abstract No. 271

0.938 acres out of the I&GN RR Co Survey 1, Block 4, Abstract No. 271

8.214 acre out of the out of the I&GN RR Co Survey 2, Block 4, Abstract No. 270 and the I&GN RR Co Survey 1, Block 4, Abstract No. 271

APPENDIX A – DISTRICT ENGINEER’S REPORT



205 W. Live Oak • Port Lavaca, TX 77979 • p: (361)552-4509 • f: (361)552-4987
Texas Firm Registration No. F04188

Public Improvement District Engineer’s Report

Russell Ranch Subdivision (RRS)

March 28, 2024

Introduction

Russell Ranch Subdivision (RRS) is a proposed master planned subdivision by Crescent Capital Investments, LLC. The planned subdivision has a total of 193 single family residential lots. The subdivision is located approximately 1,400 LF west of the intersection of state highway 35 and FM 457. The subdivision will also include several open spaces, a recreational park, and four flood control detention ponds. The water and sanitary sewer utility services will be provided by the City of Bay City and the improvements are anticipated to be funded by the PID.

The improvement area consists of the proposed 49.71 acre subdivision and is planned to be completed in one single phase.

This report includes the supporting documentation for the formation of the PID and the issuance of the Improvement Area bonds by the City of Bay City. The bonds are to be used to finance the public infrastructure items listed below that are necessary for buildout of the development.

Development Improvements

- **Roadways**
This item includes the construction of the proposed local streets of the subdivision. Improvements to include erosion control measures, earthwork, subgrade stabilization, concrete pavement with curb and gutter, concrete sidewalk segments with ADA ramps, signage, lighting, and construction testing
- **Sanitary Sewer**
Improvements to include erosion control measures, earthwork, trench excavation and embedment, trench safety, pipe installation, manholes, service connections, testing and all necessary appurtenances constructed to the City of Bay City standards required to provide wastewater service to improvements area.

In addition to the construction of the subdivision the improvement area includes the removal of existing manholes as well as the re-routing of existing sanitary sewer mains to maintain a better flow that crosses the proposed subdivision site.

Engineering • Consulting • Planning • Surveying

- **Water**
Improvement to include Earthwork, erosion control measures, trench safety, trench excavation and embedment, pipe installation, fire hydrant assemblies, valves, service connections, testing and all necessary appurtenances to meet the construction standards of the City of Bay City.

- **Drainage**
Improvements to include earthwork, erosion control measures, trench excavation and embedment, trench safety, pipe installation, curb inlets, box culverts, manholes and junction boxes, headwalls, testing and all necessary appurtenances constructed to the City of Bay City standards required to provide drainage service to Improvements Area.

Also included are channels, temporary and permanent flood control detention ponds, clearing, excavation, piping for inbound and outbound drainage lines and outlet structures.

- **Landscaping, Parks & Amenities**
Improvements Area includes an entry monumentation along state highway 35 with planting beds and landscaping at the entry monument, sidewalks, irrigation, amenity center site, park lots in addition to landscaped areas and grass covered areas within the subdivision. These improvements include erosion control measures, earthwork, site improvements, planting and vegetation

- **Soft Costs**
Costs related to designing, constructing, installing, and financing the Improvement Area improvements, including land planning and design, City fees, engineering, soil testing, survey, construction management, legal fees, consultant fees, contingency, inspection fees, district formation costs, and other PID costs incurred and paid by the Developer.

Development Costs

An Engineers' Opinion of Probable Cost (OPC) has been prepared for Improvements Area improvements described above and is included as the Public Improvement District Cost Estimate. The Opinion of Probable Cost is based on contractor pricing and G&W Engineers' reasonable professional judgment and experience and does not constitute a warranty, expressed or implied. Actual costs may vary.

Development and Construction Schedule

Construction Phase:

- Construction commenced
- Complete Construction: Quarter 2 of 2024

Thank you for your review of this letter and the associated plat and related information. Should you have any questions or wish to discuss this submittal in detail, please contact me at smason@gwengineers.com.

Sincerely,



Scott P. Mason, P.E.
Lead Project Engineer
G&W Engineers, Inc.

EXHIBIT A:

Legal Description of land:

49.7981 acres, more or less, BEING THE REMAINDER OF:

73.90210 acres of land out of the I&GN RR Co Survey 2, Block 4, Abstract No. 270 and the I&GN RR Co Survey 1, Block 4, Abstract 271, Matagorda County, Texas and being the same land conveyed to A. Uher by Deed dated February 20, 1937 as recorded in Volume 116 at Page 516 of the Deed Records of Matagorda County, Texas and a Deed from The Gulf Coast Water Co. to A. Uher dated June 14, 1937, recorded in Volume 120 at Page 402, Deed Records of Matagorda County, Texas and a Deed from G. A. Bailey to A. Uher dated April 10, 1950, recorded in Volume 214 at Page 28, Deed Records, Matagorda County, Texas.

LESS AND EXCEPT:

0.70 acres out of the I&GN RR Co Survey 1, Block 4, Abstract No. 271

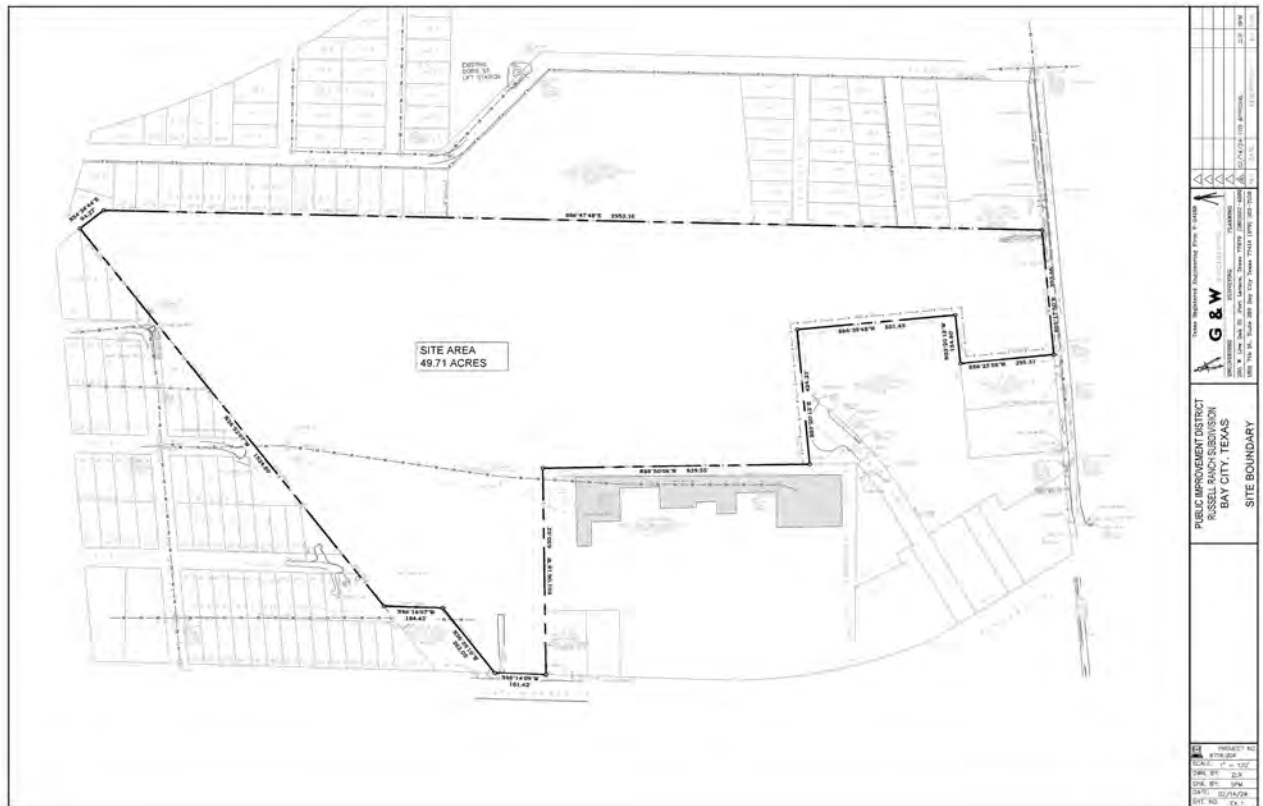
12.70 acres out of the I&GN RR Co Survey 1, Block 4, Abstract 271

0.41 acres out of the I&GN RR Co Survey 1, Block 4, Abstract No. 271

1.08 acres out of the I&GN RR Co Survey 1, Block 4, Abstract No. 271

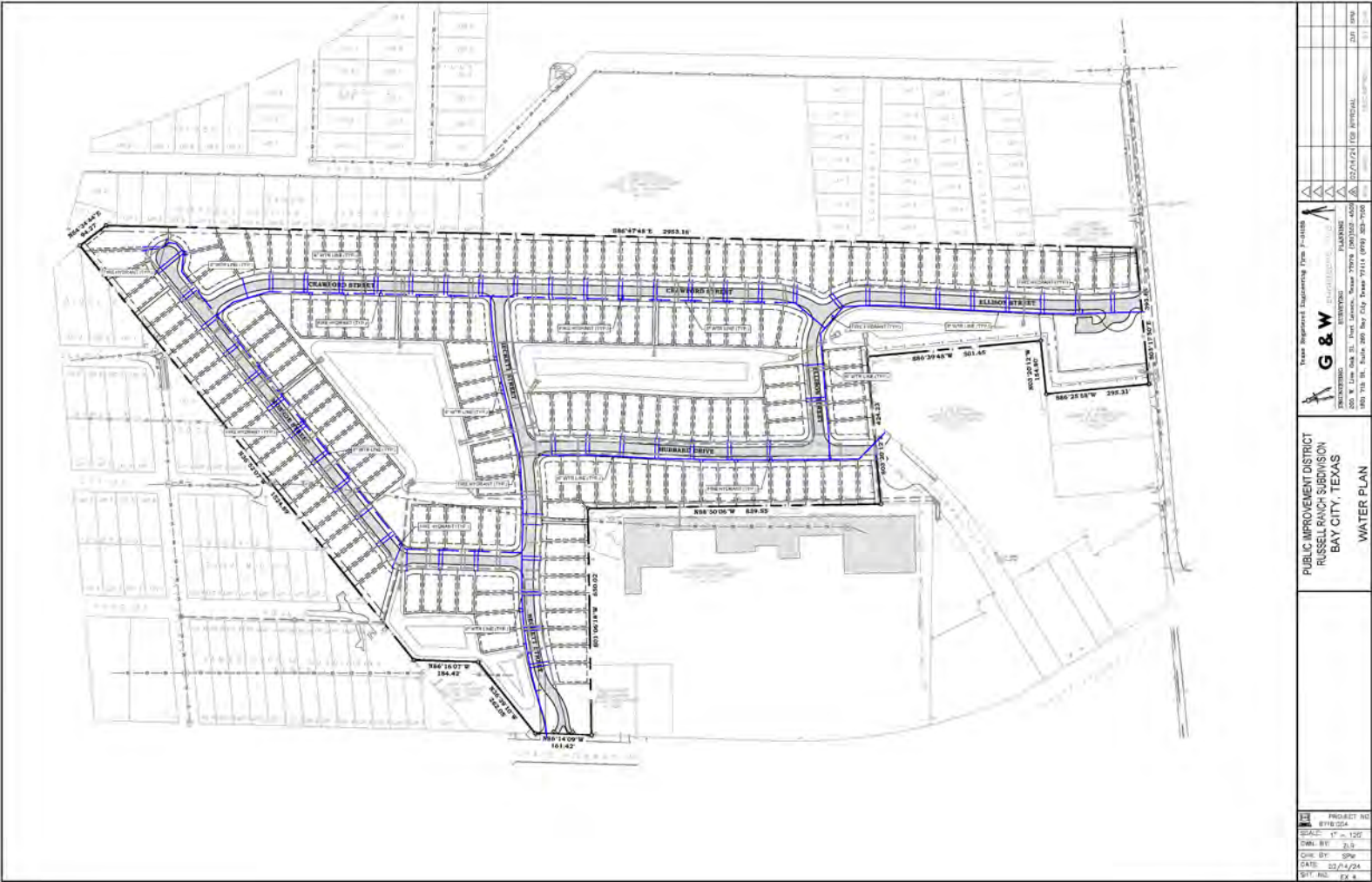
0.938 acres out of the I&GN RR Co Survey 1, Block 4, Abstract No. 271

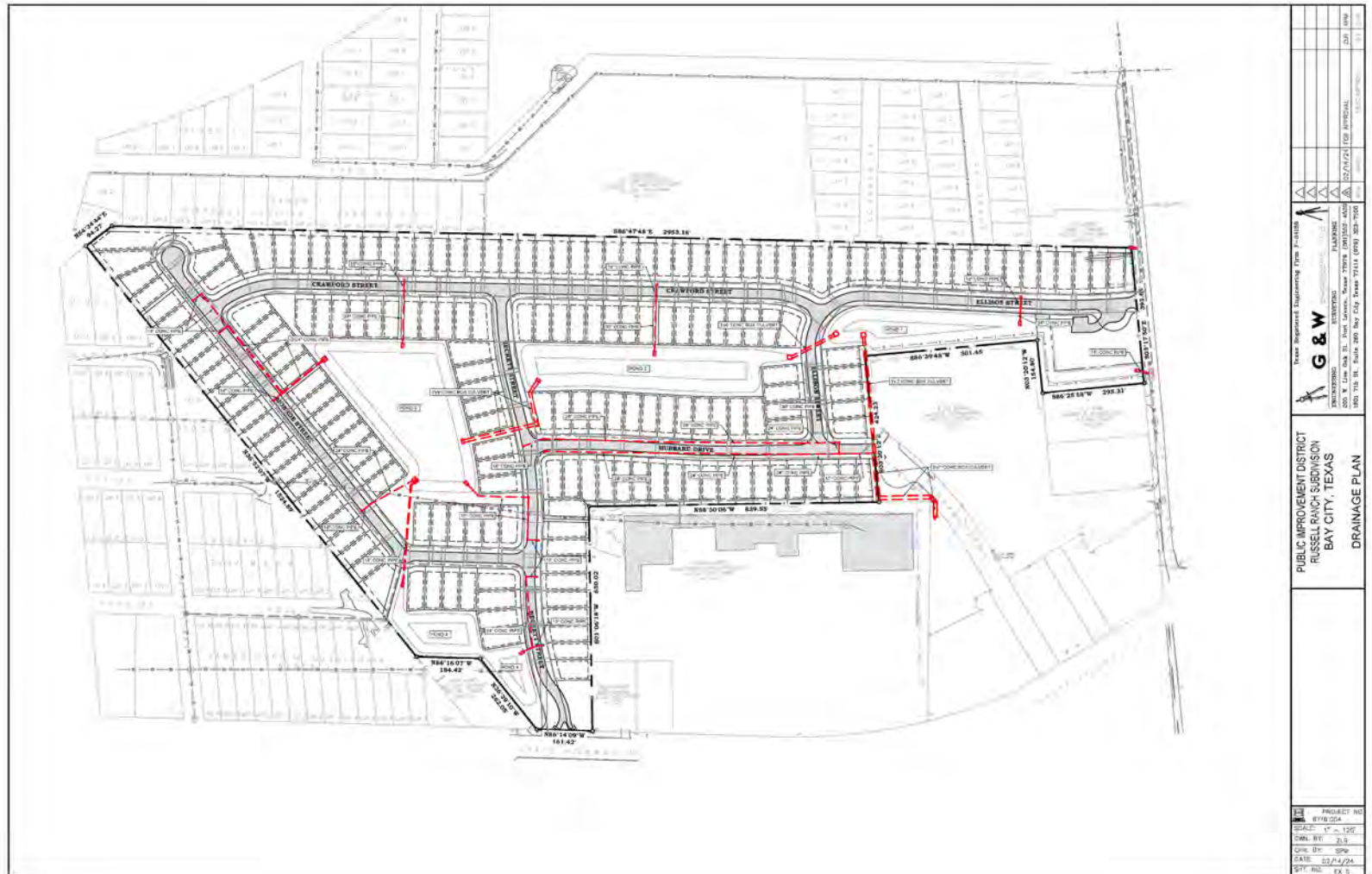
8.214 acre out of the out of the I&GN RR Co Survey 2, Block 4, Abstract No. 270 and the I&GN RR Co Survey 1, Block 4, Abstract No. 271













ENGINEER'S OPINION OF PROBABLE COST (EOPC)
 G Engineers, Inc. TREF# F-4188 (361) 552-4509
 Date: July 18, 2023

Preliminary PID Estimate Summary
 BAY CITY, TEXAS STATE HWY 35
 49.8 Acre Site
 Russell Ranch Development
 9/22/2021

Revised
 PID Estimate
 7/18/2023



Work Classification	Itemized Total Amount	Division Total Amount	Public Costs	Private Costs	Itemized Total Amount	Public Costs	Private Costs
PRELIMINARY SITE COSTS							
Boundary Survey	\$8,000.00		8,000.00	0.00	8,941.00	8,941.00	0.00
Topo Survey	8,000.00		8,000.00	0.00	6,000.00	6,000.00	0.00
Platting Documents and Full Site Survey	50,000.00		50,000.00	0.00	50,000.00	50,000.00	0.00
Phase I	12,000.00		12,000.00	0.00	12,000.00	12,000.00	0.00
Traffic Study (required by TX-DOT for new curb cut approval)	15,000.00		0.00	15,000.00	0.00	0.00	0.00
TX-DOT Variance Request (work done by G&M Engineering)	2,500.00		0.00	2,500.00	2,500.00	0.00	2,500.00
TX-DOT Permit Submittal Package Fee for New Curb Cut on I35	5,000.00		0.00	5,000.00	5,000.00	0.00	5,000.00
TX-DOT Permit (per TX-DOT no fee)	0.00		0.00	0.00	0.00	0.00	0.00
Preliminary Pond Evaluation & Storm Design Recommendation for District 1 Engineer	12,500.00		12,500.00	0.00	12,500.00	12,500.00	0.00
District One Review Fees	3,600.00		3,600.00	0.00	9,963.00	9,963.00	0.00
Updated/New Geotechnical Investigation	15,000.00		15,000.00	0.00	15,000.00	15,000.00	0.00
Re-Zoning Fees (no re-zoning required per Maddox Properties)	0.00		0.00	0.00	0.00	0.00	0.00
META - Preliminary Site Plan	5,000.00		0.00	5,000.00	3,738.00	0.00	3,738.00
SWPPP Report and Permit for The City of Bay City	10,000.00		10,000.00	0.00	0.00	0.00	0.00
Easement Abandonment Fees (if required)	10,000.00		0.00	10,000.00	10,000.00	10,000.00	0.00
Create New Utility Easements	10,000.00		10,000.00	0.00	10,000.00	10,000.00	0.00
Total Preliminary Site Costs:		\$184,600.00	\$127,100.00	\$37,500.00	\$145,642.00	\$134,404.00	\$11,238.00
SITE CLEARING							
Removal of Trees and Clearing	\$300,000.00		84,350.00	215,650.00	298,900.00	85,400.00	213,500.00
Erosion Control, Construction Ingress and Egress	25,000.00		25,000.00	0.00	22,950.00	22,950.00	0.00
SWPPP Plan, Installation and Maintenance	10,000.00		10,000.00	0.00	0.00	0.00	0.00
Total Site Clearing:		\$335,000.00	\$119,350.00	\$215,650.00	\$321,850.00	\$108,350.00	\$213,500.00
MISC DEVELOPMENT SITE COSTS							
Temporary Fencing	\$5,000.00		5,000.00	0.00	5,000.00	5,000.00	0.00

**Preliminary PID Estimate Summary
BAY CITY, TEXAS STATE HWY 35
49.8 Acre Site
Russell Ranch Development
9/22/2021**

**Revised
PID Estimate
7/18/2023**

Work Classification	Itemized Total Amount	Division Total Amount	Public Costs	Private Costs	Itemized Total Amount	Public Costs	Private Costs
Traffic Control/Signage	15,000.00		15,000.00	0.00	15,000.00	15,000.00	0.00
Site Planning Review Fees	15,000.00		15,000.00	0.00	15,000.00	15,000.00	0.00
City of Bay City Permitting Fees and Platting Fees	2,720.00		2,720.00	0.00	2,720.00	2,720.00	0.00
Water Meter and Tap Fees (2 ea. 6" taps)	0.00		0.00	0.00	0.00	0.00	0.00
Sanitary Tap Fees	0.00		0.00	0.00	0.00	0.00	0.00
Impact Fees (no fees per the City of Bay City)	0.00		0.00	0.00	0.00	0.00	0.00
Re-Staking of Lots for Revised Survey Once Plat is Approved	20,000.00		0.00	20,000.00	20,000.00	0.00	20,000.00
As-Built Surveying for all Public and Private Utilities and Ponds	60,000.00		50,000.00	10,000.00	60,000.00	50,000.00	10,000.00
Materials Testing	95,000.00		95,000.00	0.00	95,000.00	95,000.00	0.00
Off-Site and Pond Inspection Fees by Bay City	2,500.00		2,500.00	0.00	2,500.00	2,500.00	0.00
Gas	45,000.00		0.00	45,000.00	0.00	0.00	0.00
Lift Station Maintenance Agreement	0.00		0.00	0.00	0.00	0.00	0.00
Mail Box Unit	0.00		0.00	0.00	8,000.00	0.00	8,000.00
Total Misc. Development Site Costs and Fees:		\$260,220.00	\$185,220.00	\$75,000.00	\$223,220.00	\$185,220.00	\$38,000.00
EARTHWORK, SITE UTILITIES, PAVING, SIDEWALKS							
Sitework - Excavation and Fill	\$150,000.00		25,000.00	125,000.00	235,000.00	70,000.00	165,000.00
Earthwork Import	\$0.00		0.00	0.00	169,950.00	169,950.00	0.00
Lime Stabilation	\$0.00		0.00	0.00	215,358.00	215,358.00	0.00
Site Surveying	40,000.00		30,000.00	10,000.00	40,000.00	30,000.00	10,000.00
Trench/Haul Off Back fill for AEP	20,000.00		0.00	20,000.00	0.00	0.00	0.00
Water Lines	132,000.00		132,000.00	0.00	483,723.00	483,723.00	0.00
Fire Hydrants	55,000.00		55,000.00	0.00	61,750.00	61,750.00	0.00
Gate Valves, Boxes, Blow-Offs	20,000.00		20,000.00	0.00	20,000.00	20,000.00	0.00
Sanitary Lines, Manholes, Splits	552,000.00		552,000.00	0.00	591,486.00	591,486.00	0.00
Abandonment and Relocation of Existing Sanitary Lines for Shopping Center	75,000.00		75,000.00	0.00	134,150.00	134,150.00	0.00
Lift Station/Force Main	550,000.00		550,000.00	0.00	0.00	0.00	0.00
Storm Drainage	750,000.00		750,000.00	0.00	1,877,844.00	1,877,844.00	0.00
Storm Drainage (Road)	92,000.00		92,000.00	0.00	92,000.00	92,000.00	0.00
Bore Under New McCoy Drive for Tie-In to Public Storm	10,000.00		10,000.00	0.00	10,000.00	10,000.00	0.00
Trench Safety	20,000.00		20,000.00	0.00	20,000.00	20,000.00	0.00
Striping/Signage	15,000.00		0.00	15,000.00	15,000.00	0.00	15,000.00
Concrete Paving and Curbing (205,535 SF)	1,200,000.00		1,200,000.00	0.00	1,313,086.00	1,313,086.00	0.00
Sidewalks and Ramps Only at Public Areas	80,000.00		80,000.00	0.00	85,862.00	85,862.00	0.00
Access Drives (3 each)	75,000.00		75,000.00	0.00	75,000.00	75,000.00	0.00
Bay City Seafood Drive Closure and Re-Striping (30,000 SF)	10,000.00		0.00	10,000.00	11,218.00	0.00	11,218.00
Fencing for Site (8,333 LF, 6' high wood fencing)	250,000.00		0.00	250,000.00	194,972.00	0.00	194,972.00
Total Earthwork, Site Utilities, Paving, Sidewalk Costs:		\$4,096,000.00	\$3,666,000.00	\$430,000.00	\$5,646,399.00	\$5,250,209.00	\$396,190.00

Preliminary PID Estimate Summary
 BAY CITY, TEXAS STATE HWY 35
 49.8 Acre Site
 Russell Ranch Development
 9/22/2021

Revised
 PID Estimate
 7/18/2023

Work Classification	Itemized Total Amount	Division Total Amount	Public Costs	Private Costs	Itemized Total Amount	Public Costs	Private Costs
LANDSCAPE AND IRRIGATION							
Landscaping and Irrigation	\$25,000.00		0.00	25,000.00	25,000.00	25,000.00	0.00
Landscaping and Irrigation in ROW	15,000.00		0.00	15,000.00	15,000.00	15,000.00	0.00
Monument Sign	20,000.00		0.00	20,000.00	20,000.00	0.00	20,000.00
Total Landscaping and Irrigation:		\$60,000.00	\$0.00	\$60,000.00	\$60,000.00	\$40,000.00	\$20,000.00
DETENTION/RETENTION PONDS							
Excavation of Ponds	\$312,000.00		312,000.00	0.00	312,000.00	312,000.00	0.00
Haul-Off	150,000.00		150,000.00	0.00	150,000.00	150,000.00	0.00
Retaining Walls/Footings	0.00		0.00	0.00	0.00	0.00	0.00
Hydromulching of Ponds	30,000.00		30,000.00	0.00	30,000.00	30,000.00	0.00
Fountains (estimated for ponds 2 and 3 only) Allowance	25,000.00		0.00	25,000.00	25,000.00	0.00	25,000.00
Fencing Around Ponds (no fencing around ponds per Maddox Properties)	0.00		0.00	0.00	0.00	0.00	0.00
Concrete Wing Walls (included above)	0.00		0.00	0.00	0.00	0.00	0.00
Total Detention/Retention Ponds:		\$517,000.00	\$492,000.00	\$25,000.00	\$517,000.00	\$492,000.00	\$25,000.00
ELECTRICAL							
AEP (street lights)	\$500,000.00		0.00	500,000.00	150,000.00	150,000.00	0.00
Pad Mounted Transformer/ Panel for power to Pond Fountains	25,000.00		0.00	25,000.00	25,000.00	0.00	25,000.00
Temporary Service Panel	15,000.00		15,000.00	0.00	15,000.00	15,000.00	0.00
Site Lighting (included in AEP number per the Rep)	0.00		0.00	0.00	0.00	0.00	0.00
Phone Lines	125,000.00		0.00	125,000.00	0.00	0.00	0.00
Cable	75,000.00		0.00	75,000.00	0.00	0.00	0.00
Total Electrical:		\$740,000.00	\$15,000.00	\$725,000.00	\$190,000.00	\$165,000.00	\$25,000.00
TOTAL SITE DEVELOPMENT AND CONSTRUCTION COSTS:					\$7,104,111.00	\$6,375,183.00	\$723,928.00
OVERHEAD AND PROFIT, INSURANCE							
General Conditions, Insurance, OH&P	\$695,700.00		\$556,560.00	\$139,140.00			
Total General Conditions, Insurance, Overhead and Profit Fees:		\$695,700.00	\$556,560.00	\$139,140.00	\$583,745.00	\$460,105.00	\$123,105.00
Sub Total Estimated Construction Costs and Development Fees:		\$6,868,520.00	\$5,161,230.00	\$1,707,290.00	\$7,687,856.00	\$6,835,288.00	\$847,033.00
Cost Escalation Contingency:		\$330,893.00	\$252,096.00	\$78,797.00	\$330,893.00	\$252,096.00	\$78,797.00
Performance and Payment Bond:		55,330.00	\$55,330.00	\$0.00	55,000.00	55,000.00	0.00
Total Estimated Construction Costs and Development Fees:		\$7,254,743.00	\$5,468,656.00	\$1,786,087.00	\$8,073,749.00	\$7,142,384.00	\$925,830.00
					Itemized Total Amount	Public Costs	Private Costs
DESIGN FEES							
Mechanical and Electrical Fee for Construction Documents	\$15,000.00		0.00	15,000.00	\$15,000.00	\$0.00	\$15,000.00

**Preliminary PID Estimate Summary
 BAY CITY, TEXAS STATE HWY 35
 49.8 Acre Site
 Russell Ranch Development
 9/22/2021**

**Revised
 PID Estimate
 7/18/2023**

Work Classification	Itemized Total Amount	Division Total Amount	Public Costs	Private Costs	Itemized Total Amount	Public Costs	Private Costs
Civil Engineer Fee for Construction Documents	150,000.00		120,000.00	30,000.00	150,000.00	120,000.00	30,000.00
Civil Engineer for Detention/Retention Ponds District One Design	25,000.00		25,000.00	0.00	25,000.00	25,000.00	0.00
Additional Civil Engineer for Detention/Retention Ponds District One Design	0.00		0.00	0.00	59,000.00	59,000.00	0.00
Construction Administration/Inspections by Civil Engineer	50,000.00		40,000.00	10,000.00	50,000.00	40,000.00	10,000.00
Landscaping	5,000.00		0.00	5,000.00	5,000.00	5,000.00	0.00
Reproductions and Misc. Costs	5,000.00		2,500.00	2,500.00	5,000.00	4,000.00	1,500.00
Estimated Design Fees:		\$250,000.00	\$187,500.00	\$62,500.00	\$309,000.00	\$253,000.00	\$56,500.00
CONSTRUCTION CONSULTANT FEES							
Fees for Preparing New Easements or Modifications of Existing Easements	\$15,000.00		15,000.00	0.00	15,000.00	15,000.00	0.00
Construction Management Fee	75,000.00		52,500.00	22,500.00	75,000.00	52,500.00	22,500.00
Additional Construction Management Fees for District One Review	0.00		0.00	0.00	5,000.00	5,000.00	0.00
Estimated Construction Consultant Fees:		\$90,000.00	\$67,500.00	\$22,500.00	\$95,000.00	\$72,500.00	\$22,500.00
MISC./FINANCE FEES							
Land Costs (14 AC. For ponds and paving)	\$532,000.00		532,000.00	0.00	532,000.00	532,000.00	
Development Costs (legal fees, financing fees, interest)	259,000.00			259,000.00	259,000.00		259,000.00
Estimated Misc./Finance Fees:		\$791,000.00	\$532,000.00	\$259,000.00	\$791,000.00	\$532,000.00	\$259,000.00
PID FEES							
Consultant Fees for P3 Work	15,000.00		0.00	15,000.00	15,000.00	0.00	15,000.00
Estimated PID Fees:		\$15,000.00	\$0.00	\$15,000.00	\$15,000.00	\$0.00	\$15,000.00
PROJECT COST TOTAL:		\$8,400,743.00	\$6,255,656.00	\$2,145,087.00	\$9,283,749.00	\$7,999,884.00	\$1,278,830.00
ESTIMATED TOTAL PID PROJECT COST:			\$6,255,656.00			\$7,999,884.00	

This budget has been prepared exclusively for Maddox Properties. The information in this report is not intended to be used or relied upon by any third party. Development Consulting Services shall incur no liability and disclaims any responsibility for the use or reliance upon this budget by any third party. The estimated budget shall not be construed as a guarantee of the final costs of the project as no construction documents exist.

APPENDIX B – BUYER DISCLOSURES

Buyer disclosures for the following Lot Types are found in this Appendix:

- Initial Parcel
- Lot Type 1

**RUSSELL RANCH PUBLIC IMPROVEMENT DISTRICT – INITIAL PARCEL BUYER
DISCLOSURE**

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.0035), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
BAY CITY, TEXAS
CONCERNING THE FOLLOWING PROPERTY

PROPERTY ADDRESS

INITIAL PARCEL PRINCIPAL ASSESSMENT: \$9,564,000.00

As the purchaser of the real property described above, you are obligated to pay assessments to Bay City, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the ***Russell Ranch Public Improvement District*** (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City of Bay City. The exact amount of each annual installment will be approved each year by the Bay City City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Bay City.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Matagorda County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

² To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

COUNTY OF MATAGORDA

§

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]³

³ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Matagorda County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

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COUNTY OF MATAGORDA

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The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]⁴

⁴ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Matagorda County.

ANNUAL INSTALLMENTS - INITIAL PARCEL

Installment Due 1/31	Reimbursement Obligation				Annual Collection Costs	Total Annual Installment Due ^[c]
	Principal	Interest ^[a]	Additional Interest ^[b]			
2025	\$ 102,347	\$ 663,742	\$ -	\$ 30,000	\$ 796,088	
2026	\$ 109,449	\$ 656,639	\$ -	\$ 30,600	\$ 796,688	
2027	\$ 117,045	\$ 649,043	\$ -	\$ 31,212	\$ 797,300	
2028	\$ 125,168	\$ 640,920	\$ -	\$ 31,836	\$ 797,924	
2029	\$ 133,855	\$ 632,233	\$ -	\$ 32,473	\$ 798,561	
2030	\$ 143,144	\$ 622,944	\$ -	\$ 33,122	\$ 799,211	
2031	\$ 153,079	\$ 613,010	\$ -	\$ 33,785	\$ 799,873	
2032	\$ 163,702	\$ 602,386	\$ -	\$ 34,461	\$ 800,549	
2033	\$ 175,063	\$ 591,025	\$ -	\$ 35,150	\$ 801,238	
2034	\$ 187,213	\$ 578,876	\$ -	\$ 35,853	\$ 801,941	
2035	\$ 200,205	\$ 565,883	\$ -	\$ 36,570	\$ 802,658	
2036	\$ 214,099	\$ 551,989	\$ -	\$ 37,301	\$ 803,389	
2037	\$ 228,958	\$ 537,130	\$ -	\$ 38,047	\$ 804,135	
2038	\$ 244,848	\$ 521,241	\$ -	\$ 38,808	\$ 804,896	
2039	\$ 261,840	\$ 504,248	\$ -	\$ 39,584	\$ 805,673	
2040	\$ 280,012	\$ 486,077	\$ -	\$ 40,376	\$ 806,464	
2041	\$ 299,444	\$ 466,644	\$ -	\$ 41,184	\$ 807,272	
2042	\$ 320,226	\$ 445,862	\$ -	\$ 42,007	\$ 808,095	
2043	\$ 342,450	\$ 423,639	\$ -	\$ 42,847	\$ 808,936	
2044	\$ 366,216	\$ 399,873	\$ -	\$ 43,704	\$ 809,793	
2045	\$ 391,631	\$ 374,457	\$ -	\$ 44,578	\$ 810,667	
2046	\$ 418,810	\$ 347,278	\$ -	\$ 45,470	\$ 811,558	
2047	\$ 447,876	\$ 318,213	\$ -	\$ 46,379	\$ 812,468	
2048	\$ 478,958	\$ 287,130	\$ -	\$ 47,307	\$ 813,395	
2049	\$ 512,198	\$ 253,890	\$ -	\$ 48,253	\$ 814,341	
2050	\$ 547,744	\$ 218,344	\$ -	\$ 49,218	\$ 815,306	
2051	\$ 585,758	\$ 180,330	\$ -	\$ 50,203	\$ 816,291	
2052	\$ 626,409	\$ 139,679	\$ -	\$ 51,207	\$ 817,295	
2053	\$ 669,882	\$ 96,206	\$ -	\$ 52,231	\$ 818,319	
2054	\$ 716,372	\$ 49,716	\$ -	\$ 53,275	\$ 819,364	
Total	\$ 9,564,000	\$ 13,418,646	\$ -	\$ 1,217,042	\$ 24,199,688	

Footnotes:

[a] Interest on the Reimbursement Obligation is calculated at a rate of 6.94% which is less than 2% above the S&P Municipal Bond High Yield Index which was 5.58% as of June 27, 2024, as required by the PID Act. If PID Bonds are issued, the interest rate on the Assessment will adjust to the interest rate on the Bonds plus the Additional Interest.

[b] Additional Interest will be collected if PID Bonds are issued.

[c] Excludes the TIRZ Annual Credit Amount which will be calculated annually in each Annual Service Plan Update. 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.

RUSSELL RANCH PUBLIC IMPROVEMENT DISTRICT – LOT TYPE 1 BUYER DISCLOSURE

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.0035), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
BAY CITY, TEXAS
CONCERNING THE FOLLOWING PROPERTY

PROPERTY ADDRESS

LOT TYPE 1 PRINCIPAL ASSESSMENT: \$49,812.50

As the purchaser of the real property described above, you are obligated to pay assessments to Bay City, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the *Russell Ranch Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City of Bay City. The exact amount of each annual installment will be approved each year by the Bay City City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the City of Bay City.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Matagorda County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

² To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

COUNTY OF MATAGORDA

§

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]³

³ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Matagorda County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

COUNTY OF MATAGORDA

§

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]⁴

⁴ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Matagorda County.

ANNUAL INSTALLMENTS - LOT TYPE 1

Installment Due 1/31	Reimbursement Obligation				Annual Collection Costs	Total Annual Installment Due ^[e]
	Principal	Interest ^[a]	Additional Interest ^[b]			
2025	\$ 533.06	\$ 3,456.99	\$ -	\$ 156.25	\$ 4,146.29	
2026	\$ 570.05	\$ 3,419.99	\$ -	\$ 159.38	\$ 4,149.42	
2027	\$ 609.61	\$ 3,380.43	\$ -	\$ 162.56	\$ 4,152.61	
2028	\$ 651.92	\$ 3,338.13	\$ -	\$ 165.81	\$ 4,155.86	
2029	\$ 697.16	\$ 3,292.88	\$ -	\$ 169.13	\$ 4,159.17	
2030	\$ 745.54	\$ 3,244.50	\$ -	\$ 172.51	\$ 4,162.56	
2031	\$ 797.28	\$ 3,192.76	\$ -	\$ 175.96	\$ 4,166.01	
2032	\$ 852.62	\$ 3,137.43	\$ -	\$ 179.48	\$ 4,169.52	
2033	\$ 911.79	\$ 3,078.26	\$ -	\$ 183.07	\$ 4,173.11	
2034	\$ 975.07	\$ 3,014.98	\$ -	\$ 186.73	\$ 4,176.78	
2035	\$ 1,042.73	\$ 2,947.31	\$ -	\$ 190.47	\$ 4,180.51	
2036	\$ 1,115.10	\$ 2,874.94	\$ -	\$ 194.28	\$ 4,184.32	
2037	\$ 1,192.49	\$ 2,797.55	\$ -	\$ 198.16	\$ 4,188.21	
2038	\$ 1,275.25	\$ 2,714.80	\$ -	\$ 202.13	\$ 4,192.17	
2039	\$ 1,363.75	\$ 2,626.29	\$ -	\$ 206.17	\$ 4,196.21	
2040	\$ 1,458.39	\$ 2,531.65	\$ -	\$ 210.29	\$ 4,200.33	
2041	\$ 1,559.61	\$ 2,430.44	\$ -	\$ 214.50	\$ 4,204.54	
2042	\$ 1,667.84	\$ 2,322.20	\$ -	\$ 218.79	\$ 4,208.83	
2043	\$ 1,783.59	\$ 2,206.45	\$ -	\$ 223.16	\$ 4,213.21	
2044	\$ 1,907.37	\$ 2,082.67	\$ -	\$ 227.63	\$ 4,217.67	
2045	\$ 2,039.74	\$ 1,950.30	\$ -	\$ 232.18	\$ 4,222.22	
2046	\$ 2,181.30	\$ 1,808.74	\$ -	\$ 236.82	\$ 4,226.87	
2047	\$ 2,332.69	\$ 1,657.36	\$ -	\$ 241.56	\$ 4,231.60	
2048	\$ 2,494.57	\$ 1,495.47	\$ -	\$ 246.39	\$ 4,236.43	
2049	\$ 2,667.70	\$ 1,322.35	\$ -	\$ 251.32	\$ 4,241.36	
2050	\$ 2,852.83	\$ 1,137.21	\$ -	\$ 256.34	\$ 4,246.39	
2051	\$ 3,050.82	\$ 939.22	\$ -	\$ 261.47	\$ 4,251.51	
2052	\$ 3,262.55	\$ 727.49	\$ -	\$ 266.70	\$ 4,256.74	
2053	\$ 3,488.97	\$ 501.07	\$ -	\$ 272.04	\$ 4,262.08	
2054	\$ 3,731.10	\$ 258.94	\$ -	\$ 277.48	\$ 4,267.52	
Total	\$ 49,812.50	\$ 69,888.78	\$ -	\$ 6,338.76	\$ 126,040.04	

Footnotes:

[a] Interest on the Reimbursement Obligation is calculated at a rate of 6.94% which is less than 2% above the S&P Municipal Bond High Yield Index which was 5.58% as of June 27, 2024, as required by the PID Act. If PID Bonds are issued, the interest rate on the Assessment will adjust to the interest rate on the Bonds plus the Additional Interest.

[b] Additional Interest will not be charged unless PID Bonds are issued.

[c] Excludes the TIRZ Annual Credit Amount which will be calculated annually in each Annual Service Plan Update. 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.