

Exhibit “A”

DEFINITIONS

Unless the context requires otherwise, and in addition to the terms defined above, each of the following terms and phrases used in this Agreement has the meaning ascribed thereto below:

“**Actual Increased Costs**” has the meaning given in Section 4.05(b) of this Agreement.

“**Actual Increased City Obligation Costs**” has the meaning given in Section 4.05(c) of this Agreement.

“**Additional Costs**” has the meaning given in Section 4.05(a) of this Agreement.

“**Administrative Expenses**” means the administrative, organization, and operation costs and expenses associated with, or incident to, the administration, organization, and operation of the PID, including, but not limited to, the costs of (i) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, (ii) organizing the PID and preparing the assessment roll, (iii) computing, levying, collecting and transmitting the Special Assessments or the installments thereof, (iv) maintaining the record of installments, payments and reallocations and/or cancellations of the Special Assessments, (v) issuing, paying and redeeming the PID Bonds, (vi) investing or depositing the Special Assessments, (vii) complying with the PID Act with respect to the PID Bonds, and (viii) paying the paying agent/registrar’s and trustee’s fees and expenses (including the fees and expenses of its legal counsel), in accordance with the terms of this Agreement or the Assessment Plan.

“**Agreement**” has the meaning given in the recitals to this Agreement.

“**Allocable Share**” means Improvement Area #1’s or a Future Improvement Area, as applicable, pro rata share of the Shared Authorized Improvements, as specified in the Assessment Plan.

“**Annexation and Development Agreement**” has the meaning given in the recitals to this Agreement.

“**Annual Installments**” will have the meaning set forth in the Assessment Plan.

“**Appraisal**” means an appraisal of the applicable Improvement Area prepared by a duly qualified, licensed appraiser in the State of Texas acceptable to the Owner and the City.

“**Assessment Ordinance**” means each ordinance, resolution or order adopted by the City Council levying the Special Assessments, as required by Article II of this Agreement.

“**Assessed Property**” means for any year, Parcels within the District on which Special Assessments have been levied in accordance with the Assessment Plan, other than Non-Benefited Property.

“Assessment Plan” means the Heritage Public Improvement District Service and Assessment Plan (as such plan is amended from time to time), to be initially adopted by the City Council in the initial Assessment Ordinance for the purpose of assessing allocated costs against property located within the boundaries of the District having terms, provisions and findings approved and agreed to by the Owner, as required by Article II of this Agreement. The Parties hereby acknowledge that the Assessment Plan may be amended from time to time.

“Attorney General” means the Texas Attorney General’s Office.

“Authorized Improvements” means collectively any and all improvements, as mutually agreed by the City and Owner, which are included in the Assessment Plan as such plan is amended and updated from time to time, currently contemplated to include the Improvement Area #1 Authorized Improvements, the Future Improvement Area Authorized Improvements, and the Shared Authorized Improvements. Non-PID Funded Authorized Improvements and Private Improvements do not constitute Authorized Improvements.

“Bond Counsel” shall mean McCall, Parkhurst & Horton, LLP.

“Bond Issuance Costs” means costs relating to the authorization, sale and issuance of the given series of PID Bonds including, printing costs, costs of reproducing and binding documents, closing costs, filing and recording fees, initial fees, expenses and charges of the Trustee, expenses incurred by the City or Owner in connection with the issuance of the PID Bonds, Financial Advisor fees, the Assessment Plan consultant fees, PID Administrator fees, the bond (underwriter’s) discount or underwriting fee, legal fees and charges, including Bond Counsel, charges for execution, transportation and safekeeping of the PID Bonds and other costs, charges and fees in connection with the issuance of the PID Bonds.

“Bond Issuance Request” means written request made by Owner to the City Administrator in good faith including any financial analysis, appraisals, and due diligence necessary to support the request to the full degree that the City Council may act on it and issue PID Bonds.

“Certification for Payment” is attached hereto as Schedule I.

“City” has the meaning given in the recitals to this Agreement.

“City Administrator” means the City Administrator of the City or his/her designee(s).

“City Construction Representative” means the employee or designee of the City carrying out the duties as described in this Agreement.

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

“City Obligations” has the meaning given in Section 4.05(a) of this Agreement.

“Closing Disbursement Request” means the request attached hereto as Schedule III.

“Code” means the City’s Code of Ordinances, as such Code exists on the Effective Date of this Agreement, as modified by the PDD #5 Ordinance or the Annexation and Development Agreement.

“Construction Manager” means initially the Owner, and thereafter subject to change in accordance with Section 3.03 of this Agreement. The City acknowledges and agrees that (i) the Owner intends to subcontract out the duties of Construction Manager to a third party and (ii) Owner’s hiring of the initial subcontractor to serve as the Construction Manager shall not be deemed a change in the Construction Manager pursuant to the terms and conditions of Section 3.03.

“Construction Management Fee” means 4.0% of the hard and soft costs incurred by or on behalf of Owner for the construction of the Authorized Improvements referenced in Section 3.02 of this Agreement.

“Co-Owner” has the meaning given in Section 4.01 of this Agreement.

“Cost(s)” means (i) prior to completion of the construction of a Authorized Improvement, the budgeted costs of the design, planning, acquisition, installation, and construction of such Authorized Improvement as set forth in the Assessment Plan and (ii) following completion of the construction of a Authorized Improvement, the costs incurred by or on behalf of the Owner (either directly or through affiliates) for the design, planning, acquisition, installation, and construction of such Authorized Improvement, including (a) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvements, (b) a Construction Management Fee for such Authorized Improvement as permitted under this Agreement, (c) the costs incurred by or on behalf of the Owner for external professional costs, such as engineering, geotechnical, surveying, and planning, landscape architects related to such Authorized Improvement; (d) all labor, bonds and materials, including equipment and fixtures, by contractors, builders and materialmen in connection with the acquisition, installation, and construction of such Authorized Improvement, and (d) all related permitting, zoning and public approval expenses, architectural, engineering, and consulting fees, governmental fees and charges, insurance premiums, and interest, if any, calculated in accordance with this Agreement from the respective dates of the expenditures until the date of reimbursement thereof. “Cost(s)” with respect to the Wastewater Improvements constructed by the City means Owner’s share of the cost thereof, to the extent and at the time required to be paid by the Owner to the City pursuant to the Wastewater Agreement.

“County” means Hays County, Texas.

“District” has the meaning given in the recitals to this Agreement.

“Effective Date” has the meaning given in the recitals to this Agreement.

“Escrow Agreement” means that certain Escrow Agreement by and between the City, BobWhite, SLF, and Corridor Title, LLC, dated effective November 14, 2017; as assigned pursuant to that certain Assignment of Escrow Agreement by and between SLF, the Owner, and Tri Pointe, entered into on May 3, 2021.

“Estimated Additional Costs” has the meaning given in Section 4.05(b) of this Agreement.

“Estimated Additional City Obligation Costs” has the meaning given in Section 4.05(c) of this Agreement.

“Financial Advisor” means Hilltop Securities, Inc.

“Form 1295” has the meaning given in Section 8.18 of this Agreement.

“Future Bond Test” means the additional investment and underwriting criteria which must be met prior to the issuance of PID Bonds, as may be more particularly described in the Indenture.

“Future Improvement Area” means a distinct portion of Phases 2, 3, 4, and/or 5, described by metes and bounds and developed as an individual Improvement Area at a future time, with such area(s) to be described and designated in updates to the Assessment Plan, as generally depicted on Exhibit “B-3”, attached hereto.

“Future Improvement Area Authorized Improvements” means Authorized Improvements that only benefit the applicable Future Improvement Area, and such Future Improvement Area’s allocable share of the Shared Authorized Improvements, as applicable.

“Future Improvement Area Bonds” means PID Bonds issued to finance Future Improvement Area Authorized Improvements and Bond Issuance Costs, as applicable, related to such Future Improvement Area Bonds. If issued, Future Improvement Area Bonds will be secured by and paid from only the Special Assessments levied on Parcels located within the Future Improvement Area benefiting from the Future Improvement Area Authorized Improvements and Bond Issuance Costs being financed.

“Good Engineering Practices” means the standard of care utilized by licensed engineers with the degree of skill and diligence normally practiced by professional engineers performing the same or similar engineering services licensed by the State of Texas.

“HOA Maintained Improvements” means any parks, trails or landscaping funded as a Authorized Improvement or a Private Improvement to be maintained by the Owner’s Association in accordance with this Agreement.

“Improvement Area #1” means the land (being Phase 1 of the Project) which is more particularly described and/or depicted on Exhibit “B-2” attached hereto.

“Improvement Area #1 Authorized Improvements” means those Authorized Improvements that confer a special benefit only on Improvement Area #1, and Improvement Area #1’s Allocable Share of the Shared Authorized Improvements, and are to be financed with Improvement Area #1 Bonds.

“Improvement Area #1 Bonds” means PID Bonds that are secured by Special Assessments levied on an Assessed Parcel within Improvement Area #1 in order to fund

Improvement Area #1 Authorized Improvements.

“**Improvement Area #1 Special Assessments**” has the meaning given in Section 4.02 of this Agreement.

“**Improvement Area(s)**” means collectively Improvement Area #1 and any Future Improvement Areas.

“**Indenture**” means the applicable Indenture of Trust between the City and Trustee relating to the issuance of a series of PID Bonds for financing costs of Authorized Improvements, as it may be amended from time to time.

“**Interest**” shall mean the interest rate charged for the PID Bonds or such other interest rate as may be required by applicable law or as provided herein.

“**Issue Date**” means the date of the initial delivery of a given series of PID Bonds.

“**JODA**” has the meaning given in the recitals to this Agreement.

“**Non-Benefitted Property**” means Parcels within the boundaries of the District that accrue no special benefit from Authorized Improvements, as determined by the City Council, which include Public Property and any homeowner association amenity centers. Property identified as Non-Benefitted Property at the time the Special Assessments (i) are levied or (ii) are reallocated pursuant to a subdivision of a Parcel is not assessed.

“**Non-PID Funded Authorized Improvement**” has the meaning given in the recitals to this Agreement.

“**Notice**” means any notice, writing, or other communication given under this Agreement.

“**Offsite Road and Trail Agreement**” has the meaning given in the recitals to this Agreement.

“**Original Agreement**” has the meaning given in the recitals to this Agreement.

“**Owner**” has the meaning given in the recitals to this Agreement.

“**Owner’s Association**” has the meaning given in Section 3.08 of this Agreement.

“**Owner Reimbursement**” means the unreimbursed Costs eligible to be paid from Special Assessments, as further described in Section 2.05.

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

“**Party**” means the Owner or the City, as parties to this Agreement, and “**Parties**” means collectively, the Owner and the City.

“**PDD #5 Ordinance**” means the Heritage Planned Development District approved by the City on October 10, 2017.

“**Phase**” means any one of Phase 1, 2, 3, 4, and/or 5 of the Project as conceptually shown on Exhibit B-1 and as more particularly described in the Assessment Plan.

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

“**PID Administrator**” means the employee or designee of the City, including a third party designee whom the City designates by contract, who shall have the responsibilities provided for herein and in the Assessment Plan.

“**PID Bond Ordinance**” means and refers to the ordinance or ordinances of the City Council that will authorize and approve the issuance and sale of the PID Bonds and provide for their security and payment, under the terms of the PID Bond Ordinance or Indenture related to the PID Bonds.

“**PID Bond Security**” means the funds that are to be pledged in or pursuant to the PID Bond Ordinance or the Indenture to the payment of the debt service requirements on the PID Bonds, consisting of the Special Assessments, including earnings and income derived from the investment or deposit of Special Assessments in the special funds or accounts created and established for the payment and security of the PID Bonds, unless such earnings are required to be deposited into a rebate fund for payment to the federal government.

“**PID Bonds**” means the bonds expected to be issued by the City, including the Improvement Area #1 Bonds and the Future Improvement Area Bonds which may include funds for any required reserves and amounts necessary to pay the Bond Issuance Costs, and to be secured by a pledge of the PID Bond Security pursuant to the authority granted in the PID Act, and as required by this Agreement for the purposes of (i) financing the costs of the Authorized Improvements and related costs, and (ii) reimbursing the Owner for Costs paid prior to the issuance of and payment for the PID Bonds.

“**PID Petition**” has the meaning given in the recitals to this Agreement.

“**PID Reimbursement Fund**” means the separate and unique fund or funds established by the City under such name wherein the portion of the Special Assessment Revenues allocated to the repayment of the Owner Reimbursement will be deposited.

“**PID Reserve Fund**” will have the meaning set forth in the Indenture.

“**Pledged Revenue Fund**” means the separate and unique fund or funds to be established by the City under such name pursuant to the Indenture wherein the Special Assessment Revenues are deposited.

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

“Project” has the meaning given in the recitals to this Agreement.

“Project Engineer” means the civil engineer or firm of civil engineers selected by the Owner to perform the duties set forth herein, which is currently Stantec.

“Project Fund” means the separate and unique fund or funds to be established by the City under such name pursuant to the Indenture as described in Section 5.02 hereof.

“Property” has the meaning given in the recitals to this Agreement.

“QTEO” has the meaning given in Section 4.05(a) of this Agreement.

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

“Segment” or Segments” means the discrete portions of the Authorized Improvements necessary to serve a Phase identified as such herein.

“Shared Authorized Improvements” means those Authorized Improvements that benefit both Improvement Area #1 and a given Future Improvement Area which will be funded by both Improvement Area #1 Bonds and Future Improvement Area Bonds.

“Special Assessments” means the assessments levied against property in the District, as provided for in the applicable Assessment Ordinance and in the Assessment Plan, including any supplemental assessments or reallocation of assessments levied in accordance with Sections 372.019 and 372.020 of the PID Act.

“Special Assessment Revenues” means the monies collected from (1) the payment of Special Assessments, including supplemental assessments and reassessments, interest, expenses, or penalties on Special Assessments, prepayments, foreclosure proceeds, and proceeds from a guarantor, if any, of the Special Assessments, (2) revenue collected from the payment of Annual Installments of Special Assessments, and (3) any other revenue authorized by the PID Act and approved by the City Council.

“State” means the State of Texas.

“TEC” has the meaning given in Section 8.18 of this Agreement.

“Trustee” means the trustee under the Indentures, and any successor thereto permitted under the Indentures and any other Trustee under a future Indenture.

“Underwriter” means any investment banking firm designated by the City to underwrite an issuance of PID Bonds.

“Wastewater Agreement” has the meaning given in the recitals to this Agreement.

“Wastewater Improvements” means those Authorized Improvements constructed or to be constructed as contemplated pursuant to the Wastewater Agreement.

**EXHIBIT B
"Property"**

TRACT 1:

A DESCRIPTION OF 34.247 ACRES IN THE PHILIP SMITH SURVEY, ABSTRACT 415, HAYS COUNTY, TEXAS, BEING A PORTION OF A 34.29 ACRE TRACT CONVEYED TO JOHN MARCUS BAIRD BY DEED DATED JANUARY 13, 1993 AND RECORDED IN VOLUME 971, PAGE 116 OF THE DEED RECORDS OF HAYS COUNTY, TEXAS; SAID 34.247 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at a 1/2" rebar found for the southeast corner of the said 34.29 acre tract, being also the northeast corner of a 10.11 acre tract described in Volume 3444, Page 347 of the Official Public Records of Hays County, Texas, and being in the west line of Tract 1 of the P.L. Turner Subdivision, a subdivision of Record in Volume 133, Page 444 of the Deed Records of Hays County, Texas;

THENCE with the south line of the 34.29 acre tract, being also the north line of the 10.11 acre tract, the following four (4) courses and distances:

1. South 81°14'08" West, a distance of 397.32 feet to a 1/2" rebar with Chaparral cap set;
2. South 84°24'01" West, a distance of 7.97 feet to a 1/2" rebar found;
3. South 85°19'17" West, a distance of 78.51 feet to a fence post found;
4. South 37°56'47" West, a distance of 97.35 feet to a 1/2" rebar found for the northwest corner of the 10.11 acre tract, being also the northeast corner of Lot 3 of Burrows Subdivision, a subdivision of record in Book 15, Page 69 of the Plat Records of Hays County, Texas;

THENCE with the south line of the 34.29 acre tract, being also the north line of Burrows Subdivision, the following four (4) courses and distances:

1. South 82°29'22" West, a distance of 88.75 feet to a nail found;
2. South 79°25'37" West, a distance of 76.64 feet to a nail found in a live oak for the northwest corner of Lot 3, being also the northeast corner of Lot 2;
3. South 81°55'21" West, a distance of 126.68 feet to a 1/2" rebar with a 3984 cap found for the northwest corner of Lot 2, being also the northeast corner of Lot 1;

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4. South 81°56'23" West, a distance of 126.62 feet to a 1/2" rebar found for the northwest corner of Lot 1, being also the northeast corner of a 2.107 acre tract described in Volume 2840, Page 300 of the Official Public Records of Hays County, Texas;

THENCE continuing with the south line of the 34.29 acre tract, being also the north line of the 2.107 acre tract, the following two (2) courses and distances:

1. South 82°31'24" West, a distance of 142.51 feet to a nail found in a live oak;
2. South 81°27'49" West, a distance of 160.55 feet to a 1/2" rebar found for the northwest corner of the 2.107 acre tract, being also the northeast corner of Lot 1 of Sportsplex Subdivision No. 1, a subdivision of record in Book 7, Page 157 of the Plat Records of Hays County, Texas;

THENCE continuing with the south line of the 34.29 acre tract, being also the north line of Lot 1, the following two (2) courses and distances:

1. South 78°46'14" West, a distance of 283.22 feet to a 5/8" rebar found;
2. South 87°33'15" West, a distance of 75.24 feet to a 1/2" rebar found for the northwest corner of Lot 1, being in the east line of Sportsplex Drive, described in Volume 784, Page 217 of the Deed Records of Hays County, Texas;

THENCE with the east line of Sportsplex Drive, crossing the 34.29 acre tract the following two (2) courses and distances:

1. With a curve to the left, having a radius of 309.60 feet, a delta angle of 14°55'01", an arc length of 80.60 feet, and a chord which bears North 67°03'32" West, a distance of 80.38 feet to a calculated point;
2. North 74°27'23" West, a distance of 19.74 feet to a calculated point in the center of a road, being in the west line of the 34.29 acre tract;

THENCE with the west line of the 34.29 acre tract, 25' from and parallel to the east line of a 20.518 acre tract described in Volume 784, Page 210 of the Deed Records of Hays County, Texas, the following six (6) courses and distances:

1. North 15°32'13" East, a distance of 7.31 feet to a calculated point;
2. North 14°52'44" East, a distance of 170.09 feet to a calculated point;
3. North 42°12'50" East, a distance of 247.76 feet to a calculated point;
4. North 34°57'13" East, a distance of 299.47 feet to a calculated point;
5. North 35°47'18" East, a distance of 429.51 feet to a calculated point;



EXHIBIT B - PROPERTY

Planned Development District No.5 Heritage Subdivision

📍 Dripping Springs, TX

📅 18 April 2016

6. North 43°12'18" East, a distance of 469.74 feet to a 1/2" rebar with Chaparral cap set for the northwest corner of the 34.29 acre tract, from which a 1/2" rebar with Zamorra Warrick Associates cap found for the northeast corner of the 20.518 acre tract, bears South 89°12'58" West, a distance of 34.79 feet;

THENCE North 89°12'58" East, with the north line of the 34.29 acre tract, a distance of 764.65 feet to a 1/2" rebar found for the northeast corner of the 34.29 acre tract, being also in the west line of said Tract 1;

THENCE with the east line of the 34.29 acre tract, being also the west line of Tract 1, the following two (2) courses and distances:

1. South 01°00'24" West, a distance of 791.82 feet to a nail in a fence post found;
2. South 01°57'23" West, a distance of 240.27 feet to the **POINT OF BEGINNING**, containing 34.247 acres of land, more or less.

TRACT 2:

A DESCRIPTION OF 50.206 ACRES IN THE PHILIP SMITH SURVEY, ABSTRACT 415, HAYS COUNTY, TEXAS, BEING A PORTION OF A TRACT CALLED THE EAST PART OF 152.47 ACRES CONVEYED TO JOHN MARCUS BAIRD BY GENERAL WARRANTY DEED DATED MAY 9, 1978 AND RECORDED IN VOLUME 310, PAGE 718 OF THE DEED RECORDS OF HAYS COUNTY, TEXAS, SAME BEING A PORTION OF A 152.47 ACRE TRACT CONVEYED TO EDNA EARL BAIRD BY DEED DATED FEBRUARY 19, 1937 AND RECORDED IN VOLUME 154, PAGE 59 OF THE DEED RECORDS OF HAYS COUNTY, TEXAS; SAID 50.206 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at an axle found for the northeast corner of the said 152.47 acre tract, being an angle point in the south line of Tract 76 A-1, Replat of the Remainder of Tract 76A, Springlake and Subdivision of Reed Acreage, a subdivision of record in Book 9, Page 47 of the Plat Records of Hays County, Texas;

THENCE South 00°16'33" West, with the east line of the 152.47 acre tract, being a south line of said Tract 76 A-1, a distance of 70.71 feet to a fence post found for an angle point in the south line of Tract 76 A-1, for the northwest corner of a tract of land described in Volume 130, Page 231 of the Deed Records of Hays County, Texas;

THENCE South 02°57'28" West, with the east line of the 152.47 acre tract, and with the west line of a 2 acre tract described in Volume 130, Page 231, and Volume 1658, Page 147 of the Official Public Records of Hays County, Texas, a distance of 174.43 feet to fence post found for the southwest corner of the 2 acre tract, being also the northwest corner of Tract 1 of the P.L. Turner Subdivision, a subdivision of Record in Volume 133, Page 444 of the Deed Records of Hays County, Texas;

THENCE with the east line of the 152.47 acre tract, being the west line of Tract 1, with the fence, the following five (5) courses and distances:

1. South 02°48'03" West, a distance of 431.51 feet to a calculated point;
2. South 02°54'13" West, a distance of 484.14 feet to a calculated point;
3. South 02°03'04" West, a distance of 259.80 feet to a calculated point;
4. South 01°35'37" West, a distance of 300.57 feet to a calculated point;
5. South 01°07'29" West, a distance of 353.19 feet to a 1/2" rebar found for the northwest corner of a 34.29 acre tract described in Volume 971, Page 116 of the Deed Records of Hays County, Texas;

THENCE South 89°12'58" West, with the north line of the 34.29 acre tract, over and across the 152.47 acre tract, a distance of 764.65 feet to a 1/2" rebar with Chaparral cap set for the northwest corner of the 34.29 acre tract, being in the division line of the 152.47 acre tract described in Volume 310, Page 718 and Volume 310, Page 721 of the Deed Records of Hays County, Texas;

THENCE South 89°12'58" West, continuing across the 152.47 acre tract, with the said division line, a distance of 34.79 feet to a 1/2" rebar with Zamorra Warrick Associates cap found for the northwest corner of a 20.518 acre tract described in Volume 784, Page 210 of the Deed Records of Hays County, Texas;

THENCE South 89°12'49" West, with the north line of the 20.518 acre tract, with the said division line, a distance of 196.26 feet to a fence post found for the southeast corner of a 45.53 acre tract described in Volume 2953, Page 181 of the Official Public Records of Hays County, Texas;

THENCE with the east line of the 45.53 acre tract, with the said division line, crossing the 152.57 acre tract, the following four (4) courses and distances:

1. North 01°23'38" West, a distance of 440.21 feet to a 1/2" rebar with Carson Bush cap found;
2. North 00°57'16" West, a distance of 525.11 feet to a nail found at the base of a 13" and 14" live oak;
3. North 09°31'45" West, a distance of 154.92 feet to a 1/2" rebar with Chaparral cap set;
4. North 01°24'08" West, a distance of 484.34 feet to a 1/2" rebar found for the northeast corner of the 45.53 acre tract, being also the southeast corner of Lot 18 of Hidden Springs



EXHIBIT B - PROPERTY

Ranch Section II, a subdivision of record in Book 14, Page 69 of the Plat Records of Hays County, Texas;

THENCE with the east line of Hidden Springs Ranch Section II, continuing with the said division line, crossing the 152.57 acre tract, the following five (5) courses and distances:

1. North 01°22'12" West, a distance of 155.30 feet to a nail found in concrete;
2. North 15°23'51" East, a distance of 18.43 feet to a 1/2" rebar found;
3. North 03°04'23" West, a distance of 27.45 feet to a 1/2" rebar with 4404 cap found for the northeast corner of Lot 18, being also the southeast corner of Lot 17;
4. North 02°18'43" West, a distance of 190.70 feet to a 1/2" rebar with 4542 cap found for the northeast corner of Lot 17, being also the southeast corner of Lot 14;
5. North 01°02'42" West, a distance of 50.06 feet to an axle found for an angle point in the north line of the 152.47 acre tract, being also the southwest corner of Tract 76 A-1;

THENCE North 87°50'05" East, with the north line of the 152.47 acre tract, being also the south line of Tract 76 A-1, a distance of 1141.82 feet to the **POINT OF BEGINNING**, containing 50.206 acres of land, more or less.

TRACT 3:

A DESCRIPTION OF 94.695 ACRES (APPROX. 4,124,910 SQ. FT.) IN THE PHILIP SMITH SURVEY, ABSTRACT 415, HAYS COUNTY, TEXAS, BEING A PORTION OF A 119.7 ACRE TRACT CONVEYED TO NELSON M. DAVIDSON AND DORIS BREED DAVIDSON BY DEED DATED JUNE 23, 1952 AND RECORDED IN VOLUME 154, PAGE 290 OF THE DEED RECORDS OF HAYS COUNTY, TEXAS, AND BEING A PORTION OF TRACT 1, P.L. TURNER SUBDIVISION, A SUBDIVISION OF RECORD IN VOLUME 133, PAGE 444 OF THE DEED RECORDS OF HAYS COUNTY, TEXAS; SAID 94.695 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a 1/2" rebar with 3984 cap found in the west line of Old Fredericksburg Road (right-of-way width varies), for the northeast corner of the Doris Breed Davidson Subdivision, a subdivision of record in Book 10, Page 395 of the Plat Records of Hays County, Texas;

THENCE North 01°30'02" West, with the west line of Old Fredericksburg Road, across Tract 1, a distance of 425.26 feet to a 1/2" rebar with Chaparral cap set for the **POINT OF BEGINNING**;

THENCE over and across Tract 1, the following four (4) courses and distances:

1. South 89°48'55" West, a distance of 259.27 feet to a 1/2" rebar with Chaparral cap set;

2. With a curve to the left, having a radius of 970.00 feet, a delta angle of 06°06'33", an arc length of 103.43 feet, and a chord which bears South 86°45'39" West, a distance of 103.38 feet to a 1/2" rebar with Chaparral cap set
3. South 38°42'22" West, a distance of 192.59 feet to a 1/2" rebar with Chaparral cap set;
4. South 00°43'30" West, a distance of 587.78 feet to a 1/2" rebar with Chaparral cap set in the north line of a 9.008 acre tract described in Volume 2102, Page 453 of the Official Public Records of Hays County, Texas, from which a 1/2" rebar with 3984 cap found in the north line of the 9.008 acre tract, for the southwest corner of the Doris Breed Davidson Subdivision, bears North 87°06'31" East, a distance of 205.48 feet;

THENCE South 87°06'31" West, with the north line of the 9.008 acre tract, continuing across Tract 1, a distance of 304.58 feet to a 1/2" rebar found for the northwest corner of the 9.008 acre tract;

THENCE South 07°58'13" West, with the west line of the 9.008 acre tract, continuing across Tract 1, a distance of 1318.37 feet to a nail in concrete found for the southwest corner of the 9.008 acre tract, being also in the north line of a 6.38 acre tract described in Volume 1489, Page 391 of the Official Public Records of Hays County, Texas, for an angle point in the east line of Tract 1;

THENCE South 13°58'09" West, with the east line of Tract 1, being also the west line of the 6.38 acre tract, a distance of 743.78 feet to a 1/2" rebar with 3984 cap found for the southeast corner of Tract 1, being also the southwest corner of the 6.38 acre tract, and being in the north line of a 3.91 acre tract described in Volume 269, Page 226 of the Deed Records of Hays County, Texas;

THENCE South 88°04'18" West, with the south line of Tract 1, being also the north line of the 3.91 acre tract, a distance of 101.94 feet to a nail found in a 6" post for the northwest corner of the 3.91 acre tract, being also the apparent northeast corner of a 6 acre tract described in Volume 110, Page 563 of the Deed Records of Hays County, Texas;

THENCE North 89°32'58" West, with the south line of Tract 1, being also the apparent north line of the 6 acre tract, a distance of 152.30 feet to a fence post found for the apparent northwest corner of the 6 acre tract, and being a northeast corner of the 76.73 acre tract described in Volume 124, Page 515 of the Deed Records of Hays County, Texas;

THENCE South 89°52'25" West, with the south line of Tract 1, being also the north line of the 76.73 acre tract, distance of 311.97 feet to a fence post found for the southwest corner of Tract 1, being an angle point in the east line of the 76.73 acre tract;

THENCE North 01°40'35" East, with the west line of Tract 1, being also the east line of the 76.73 acre tract, a distance of 550.52 feet to a 1/2" rebar found for the northeast corner of the

76.73 acre tract, being also the southeast corner of a 10.11 acre tract described in Volume 3444, Page 347 of the Official Public Records of Hays County, Texas;

THENCE North 01°55'45" East, with the west line of Tract 1, being also the east line of the 10.11 acre tract, a distance of 660.61 feet to a 1/2" rebar found for the northeast corner of the 10.11 acre tract, being also the southeast corner of a 34.29 acre tract described in Volume 971, Page 116 of the Deed Records of Hays County, Texas;

THENCE with the west line of Tract 1, being also the east line of the 34.29 acre tract, the following two (2) courses and distances:

1. North 01°57'23" East, a distance of 240.27 feet to a nail in fence post found;
2. North 01°00'24" East, a distance of 791.82 feet to a 1/2" rebar found for the northeast corner of the 34.29 acre tract, being in the east line of a 152.47 acre tract described in Volume 310, Page 718 of the Deed Records of Hays County, Texas;

THENCE with the west line of Tract 1, being the east line of the 152.47 acre tract, with the fence, the following five (5) courses and distances:

1. North 01°07'29" East, a distance of 353.19 feet to a calculated point;
2. North 01°35'37" East, a distance of 300.57 feet to a calculated point;
3. North 02°03'04" East, a distance of 259.80 feet to a calculated point;
4. North 02°54'13" East, a distance of 484.14 feet to a calculated point;
5. North 02°48'03" East, a distance of 431.51 feet to a fence post found for the northwest corner of Tract 1, being the southwest corner of a 2 acre tract described in Volume 130, Page 231 of the Deed Records of Hays County, Texas;

THENCE North 86°52'58" East, with the north line of Tract 1, being also the south line of the 2 acre tract, a distance of 1245.48 feet to a fence post found for the northwest corner of a 7.749 acre tract described in Volume 374, Page 743 of the Deed Records of Hays County, Texas;

THENCE South 02°29'58" East, with the west line of the 7.749 acre tract, over and across Tract 1, a distance of 390.22 feet to a 1/2" iron pipe found for the southwest corner of the 7.749 acre tract, being also the northwest corner of a 1.50 acre tract described in Volume 207, Page 49 of the Deed Records of Hays County, Texas;

THENCE South 02°17'26" East, with the west line of the 1.50 acre tract, continuing across Tract 1, a distance of 208.99 feet to a 1/2" iron pipe found for the southwest corner of the 1.50 acre tract;

THENCE North 85°08'49" East, with the south line of the 1.50 acre tract, continuing across Tract 1, a distance of 104.25 feet to a 3/4" rebar found for an angle point in the east line of Tract 1, being also the northwest corner of a 1.00 acre tract described in Volume 1924, Page 385 of the Deed Records of Hays County, Texas, and being the northwest corner of the Turner Tract as shown on the plat of said P.L. Turner Subdivision;

THENCE South 02°05'28" East, with the east line of Tract 1, being also the west line of the 1.00 acre tract, the Turner Tract, a 1.00 acre tract described in Volume 275, Page 499 of the Deed Records of Hays County, Texas, and the west line of Tract 4 of said P.L. Turner Subdivision, a distance of 86.45 feet to a 1/2" rebar with Chaparral cap set, from which a fence corner at a 13" live oak for the southwest corner of the 1.00 acre tract, being also the southwest corner of Tract 4, and being in the north line of a 0.938 acre tract described in Volume 391, Page 223 of the Deed Records of Hays County, Texas, bears South 02°05'28" East, a distance of 329.42 feet;

THENCE over and across Tract 1, the following eight (8) courses and distances:

1. South 87°52'26" West, a distance of 119.99 feet to a 1/2" rebar with Chaparral cap set;
2. South 02°07'34" East, a distance of 330.24 feet to a 1/2" rebar with Chaparral cap set;
3. South 87°52'26" West, a distance of 25.11 feet to a 1/2" rebar with Chaparral cap set;
4. South 02°07'34" East, a distance of 254.30 feet to a 1/2" rebar with Chaparral cap set;
5. With a curve to the left, having a radius of 25.00 feet, a delta angle of 91°03'12", an arc length of 39.73 feet, and a chord which bears South 47°39'11" East, a distance of 35.68 feet to a 1/2" rebar with Chaparral cap set;
6. With a curve to the right, having a radius of 1030.00 feet, a delta angle of 02°59'42", an arc length of 53.84 feet, and a chord which bears North 88°19'04" East, a distance of 53.84 feet to a 1/2" rebar with Chaparral cap set;
7. North 89°48'55" East, a distance of 40.73 feet to a 1/2" rebar with Chaparral cap set;
8. North 89°48'55" East, a distance of 217.16 feet to a 1/2" rebar with Chaparral cap set in the west right-of-way line of Old Fredericksburg Road, from which a 1/2" rebar found in the west right-of-way line of Old Fredericksburg Road, for the southeast corner of a 0.938 acre tract described in Volume 391, Page 223 of the Deed Records of Hays County, Texas, bears North 01°30'02" West, a distance of 108.46 feet;

THENCE South 01°30'02" East, with the west right-of-way line of Old Fredericksburg Road, crossing Tract 1, a distance of 60.02 feet to the **POINT OF BEGINNING**, containing 94.695 acres of land, more or less.

TRACT 4:

A DESCRIPTION OF 8.119 ACRES (APPROX. 353,664 SQ. FT.) IN THE PHILIP SMITH SURVEY, ABSTRACT 415, HAYS COUNTY, TEXAS, BEING A PORTION OF A 9.008 ACRE TRACT CONVEYED TO MICKEY DAVIDSON KROLL, NELSON M. DAVIDSON, JR., AND WIFE, BARBARA WATKINS DAVIDSON BY WARRANTY DEED WITH VENDOR'S LIEN DATED NOVEMBER 7, 2002 AND RECORDED IN VOLUME 2102, PAGE 453 OF THE OFFICIAL PUBLIC RECORDS OF HAYS COUNTY, TEXAS, AND BEING A PORTION OF TRACT 1, P.L. TURNER SUBDIVISION, A SUBDIVISION OF RECORD IN VOLUME 133, PAGE 444 OF THE DEED RECORDS OF HAYS COUNTY, TEXAS; SAID 8.119 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a 1/2" rebar, being an angle point in the east line of the said 9.008 acre tract, being also the northeast corner of Tract 3 of the said P.L. Turner Subdivision, and being also the southwest corner of a 0.754 acre tract described in Volume 4258, Page 404 of the Official Public Records of Hays County, Texas, and being also the northwest corner of a 1 acre tract described in Volume 144, Page 563 of the Deed Records of Hays County, Texas, from which a 3/4" iron pipe found for the southeast corner of the 0.754 acre tract, being in the north line of the 1 acre tract, and being in the west line of Old Fredericksburg Road (right-of-way width varies), bears North 87°52'37" East, a distance of 216.79 feet;

THENCE South 87°35'26" West, with the common line of the 9.008 acre tract and Tract 3, a distance of 236.90 feet to a 1/2" rebar found for an angle point in the east line of the 9.008 acre tract, being also the northwest corner of Tract 3, for the **POINT OF BEGINNING**;

THENCE with the common line of the 9.008 acre tract and Tract 3, the following two (2) courses and distances:

1. South 15°43'23" West, a distance of 521.70 feet to a 1/2" rebar found at the northwest corner of a 3.59 acre tract out of Tract 3, described in Volume 4073, Page 818 of the Official Public Records of Hays County, Texas;
2. South 15°32'41" West, with the west line of the 3.59 acre tract, a distance of 499.23 feet to a 2" iron pipe found for an angle point in the east line of the 9.008 acre tract, being also the southwest corner of the 3.59 acre tract, being also the southwest corner of Tract 3, and being in the north line of a 2.07 acre tract described in Volume 178, Page 571 of the Deed Records of Hays County, Texas;

THENCE with the common line of the 9.008 acre tract and the 2.07 acre tract, the following two (2) courses and distances:

1. North 89°33'06" West, a distance of 183.84 feet to a 1/2" rebar found for an angle point in the east line of the 9.008 acre tract, for the northwest corner of the 2.07 acre tract;

2. South 09°15'30" West, a distance of 216.46 feet to a nail found in an 18" live oak for the southwest corner of the 2.07 acre tract, being also the southeast corner of the 9.008 acre tract, and being in the north line of a 6.39 acre tract described in Volume 1489, Page 391 of the Official Public Records of Hays County, Texas;

THENCE North 89°25'09" West, with the south line of the 9.008 acre tract, being also the north line of the 6.38 acre tract, a distance of 53.15 feet to a nail in concrete found for the southwest corner of the 9.008 acre tract;

THENCE North 07°58'13" East, with the west line of the 9.008 acre tract, crossing said Tract 1, a distance of 1318.37 feet to a 1/2" rebar found for the northwest corner of the 9.008 acre tract;

THENCE North 87°06'31" East, with the north line of the 9.008 acre tract, crossing said Tract 1, a distance of 304.58 feet to a 1/2" rebar with Chaparral cap set, from which a 1/2" rebar with 3984 cap found for the southwest corner of the Doris Breed Subdivision, a subdivision of record in Book 10, Page 395 of the Plat Records of Hays County, Texas, bears North 87°06'31" East, a distance of 205.48 feet;

THENCE over and across the 9.008 acre tract, the following two (2) courses and distances:

1. South 00°43'30" West, a distance of 129.06 feet to a 1/2" rebar with Chaparral cap set;
2. North 87°20'25" East, a distance of 61.68 feet to the **POINT OF BEGINNING**, containing 8.119 acres of land, more or less.

TRACT 5:

A DESCRIPTION OF 1.676 ACRES (APPROX. 73,006 SQ. FT.) IN THE PHILIP SMITH SURVEY, ABSTRACT 415, HAYS COUNTY, TEXAS, BEING A PORTION OF A 119.7 ACRE TRACT CONVEYED TO NELSON M. DAVIDSON AND DORIS BREED DAVIDSON BY DEED DATED JUNE 23, 1952 AND RECORDED IN VOLUME 154, PAGE 290 OF THE DEED RECORDS OF HAYS COUNTY, TEXAS, AND BEING A PORTION OF TRACT 1, P.L. TURNER SUBDIVISION, A SUBDIVISION OF RECORD IN VOLUME 133, PAGE 444 OF THE DEED RECORDS OF HAYS COUNTY, TEXAS; SAID 1.676 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING at a 1/2" rebar found in the west right-of-way line of Old Fredericksburg Road, for the southeast corner of a 0.938 acre tract described in Volume 391, Page 223 of the Deed Records of Hays County, Texas;

THENCE South 86°32'57" West, with the south line of the said 0.938 acre tract, a distance of 218.28 feet to a 1/2" rebar found at the southwest corner of the 0.938 acre tract for the **POINT OF BEGINNING**;

THENCE crossing Tract 1, the following eight (8) courses and distances:

1. South 02°07'34" East, a distance of 96.05 feet to a 1/2" rebar with Chaparral cap set;
2. South 89°48'55" West, a distance of 40.73 feet to a 1/2" rebar with Chaparral cap set;
3. With a curve to the left, having a radius of 1030.00 feet, a delta angle of 02°59'42", an arc length of 53.84 feet, and a chord which bears South 88°19'04" West, a distance of 53.84 feet to a 1/2" rebar with Chaparral cap set;
4. With a curve to the right, having a radius of 25.00 feet, a delta angle of 91°03'12", an arc length of 39.73 feet, and a chord which bears North 47°39'11" West, a distance of 35.68 feet to a 1/2" rebar with Chaparral cap set;
5. North 02°07'34" West, a distance of 254.30 feet to a 1/2" rebar with Chaparral cap set;
6. North 87°52'26" East, a distance of 25.11 feet to a 1/2" rebar with Chaparral cap set;
7. North 02°07'34" West, a distance of 330.24 feet to a 1/2" rebar with Chaparral cap set;
8. North 87°52'26" East, a distance of 119.99 feet to a 1/2" rebar with Chaparral cap set in the east line of Tract 1, being also the west line of a 1.00 acre tract described in Volume 1924, Page 385 of the Deed Records of Hays County, Texas, and being the northwest corner of the Turner Tract as shown on the plat of said P.L. Turner Subdivision, from which a 3/4" rebar found for an angle point in the east line of Tract 1, being also the northwest corner of a 1.00 acre tract, bears North 02°05'28" West, a distance of 86.45 feet;

THENCE South 02°05'28" East, with the east line of Tract 1, being also the west line of the 1.00 acre tract, the Turner Tract, a 1.00 acre tract described in Volume 275, Page 499 of the Deed Records of Hays County, Texas, and the west line of Tract 4 of said P.L. Turner Subdivision, a distance of 329.42 feet to a fence corner at a 13" live oak for the southwest corner of the 1.00 acre tract, being also the southwest corner of Tract 4, and being in the north line of a 0.938 acre tract described in Volume 391, Page 223 of the Deed Records of Hays County, Texas;

THENCE South 85°58'06" West, with the north line of the 0.938 acre tract, crossing Tract 1, a distance of 24.91 feet to a 1/2" rebar found for the northwest corner of the 0.938 acre tract;

THENCE South 02°07'34" East, with the west line of the 0.938 acre tract, continuing across Tract 1, a distance of 185.05 feet to the **POINT OF BEGINNING**, containing 1.676 acres of land, more or less.

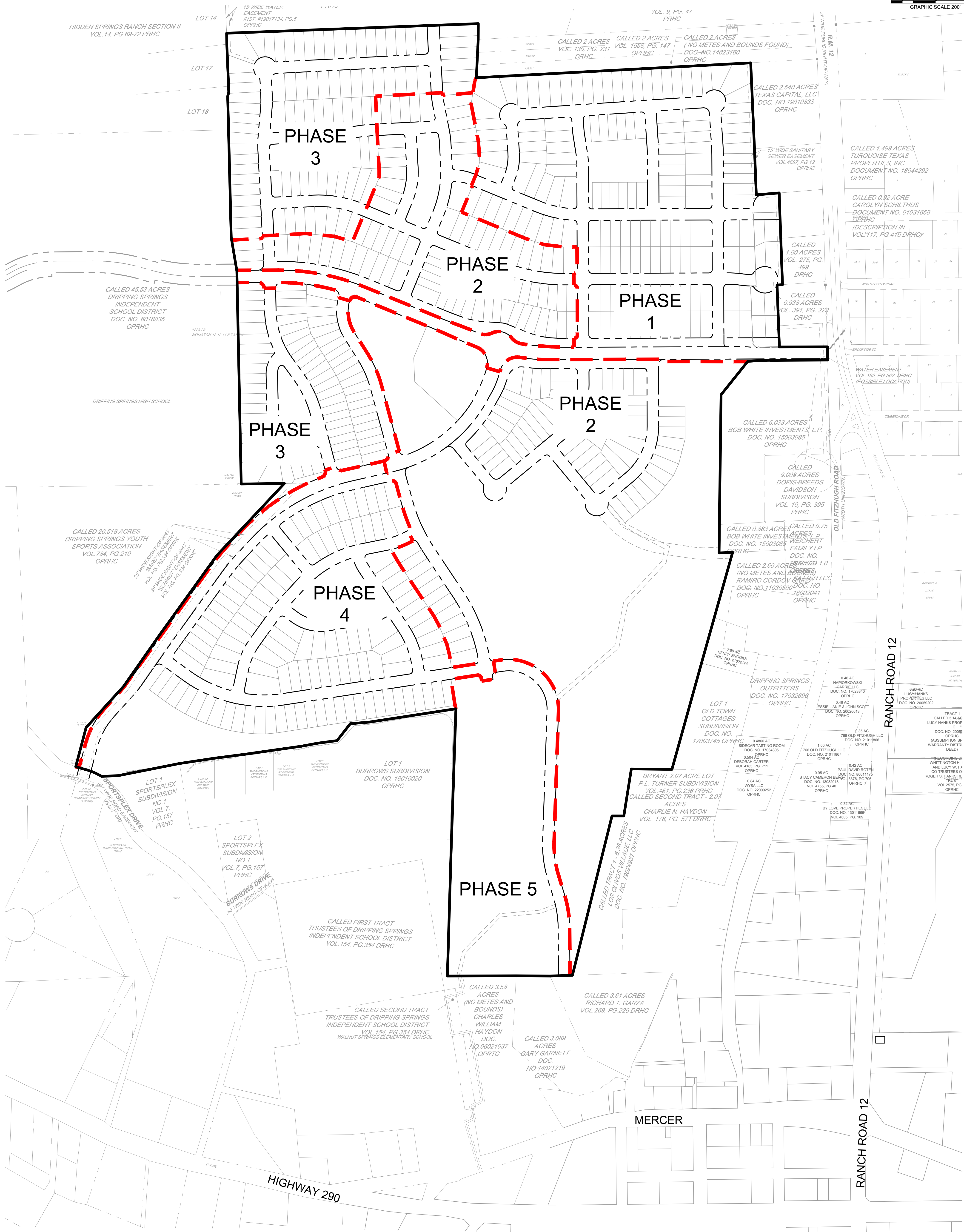
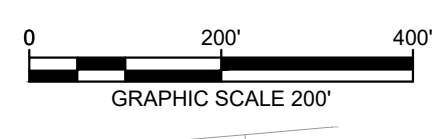
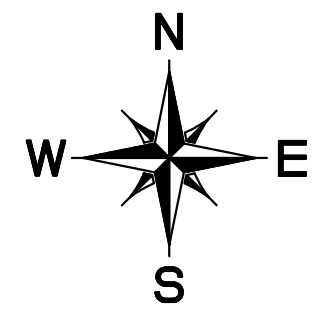


EXHIBIT B - PROPERTY

Planned Development District No.5 Heritage Subdivision

📍 Dripping Springs, TX

📅 18 April 2016

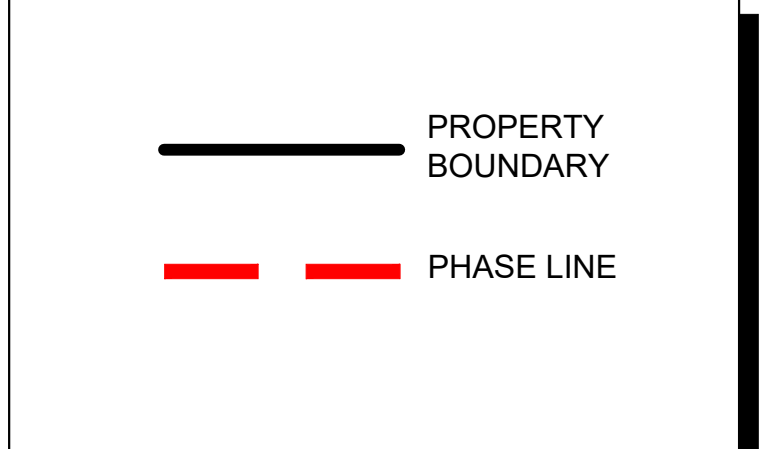


Plotted By: Crandall, Alex Date: December 05, 2022 01:22:50pm
This document, together with the concepts and designs presented herein, is intended only for the specific purpose and client for which it was prepared. Please do not rely on this document without written authorization and adaptation by Kinney-Horn and Associates, Inc. File Path: K:\AUS_Civil\067753117-Heritage-MI_Homes\PRELIMINARY\Cad\Exhibits\PlanSheets\20221205 - PID EXHIBITS-EX-B-2.dwg

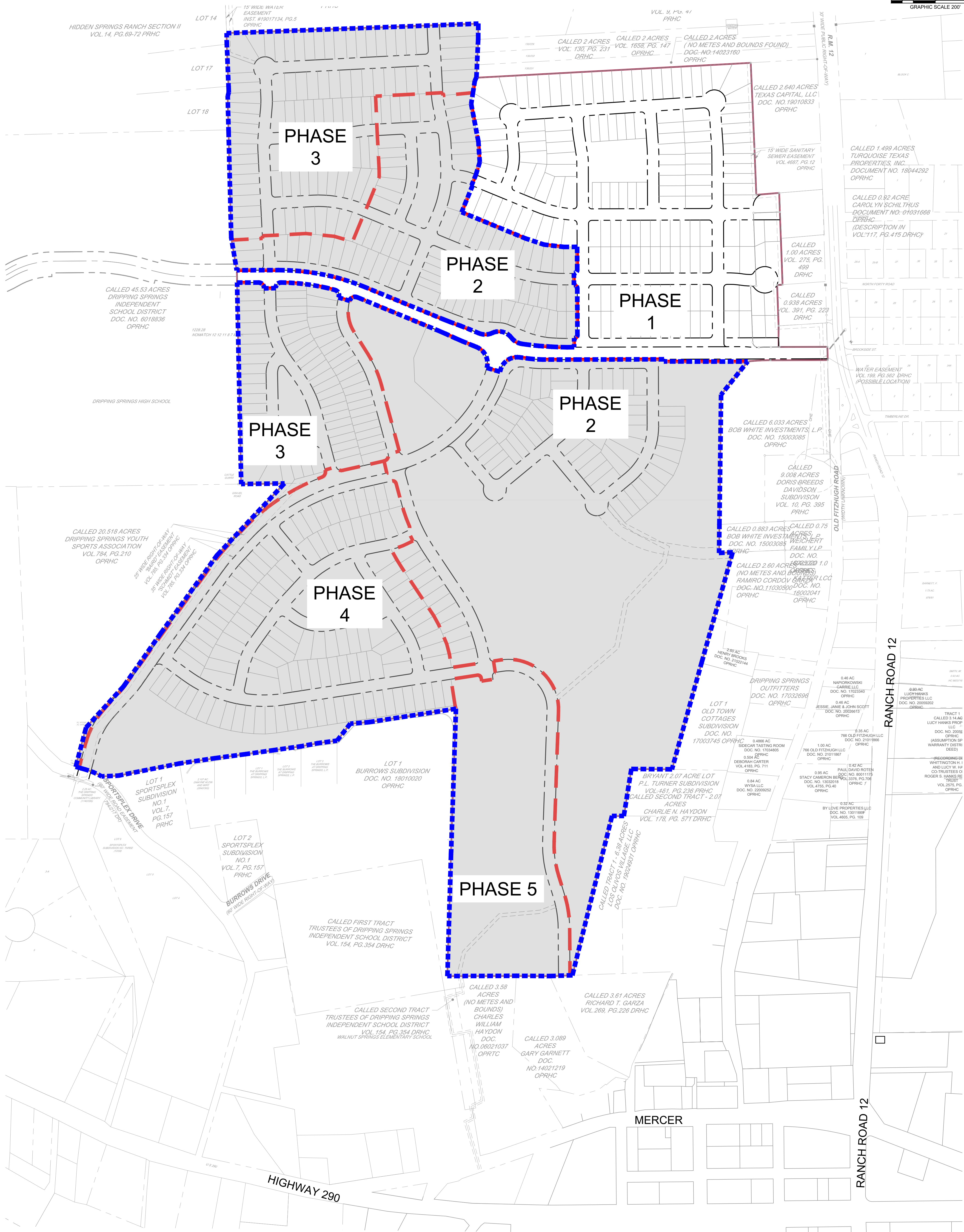
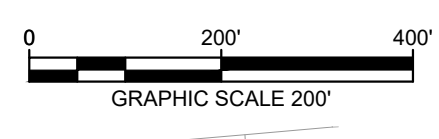
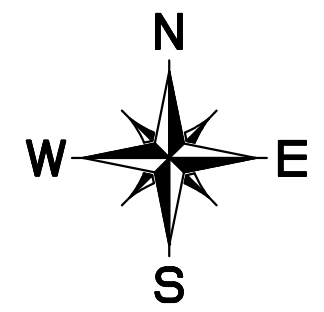
EXHIBIT B-1

Heritage Phasing Map

Dripping Spring, Texas
December 2022



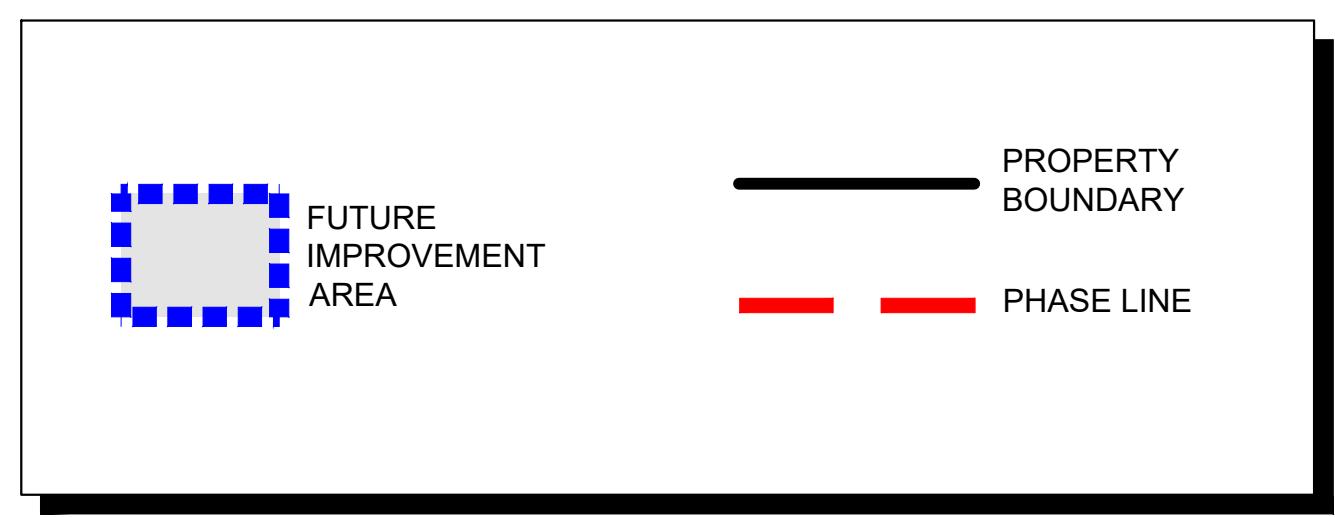
NOTE: THIS PLAN IS CONCEPTUAL IN NATURE AND HAS BEEN PRODUCED WITHOUT THE BENEFIT OF A SURVEY, TOPOGRAPHY, UTILITIES, CONTACT WITH THE CITY, ETC.



Plotted By: Cranados, Alex Date: December 07, 2022 05:03:52pm File Path: K:\AUS_Civil\067783117-Heritage-MI Homes\PRELIMINARY\Cad\Exhibits\PlanSheets\20221207 - Future Improvement Area Map.dwg This document, together with the concepts and designs presented herein, is intended only for the specific purpose and client for which it was prepared. Please do not rely on this document without written authorization and adaptation by Kinney-Horn and Associates, Inc.

EXHIBIT B-3 Heritage PID Future Improvement Area Map

Dripping Spring, Texas
December 2022



NOTE: THIS PLAN IS CONCEPTUAL IN NATURE AND HAS BEEN PRODUCED WITHOUT THE BENEFIT OF A SURVEY, TOPOGRAPHY, UTILITIES, CONTACT WITH THE CITY, ETC.

Exhibit “C”

PRIVATE IMPROVEMENTS

The Private Improvements for Heritage will consist of the following major components:

1. Project Entryways – including signage, lighting, landscaping and hardscaping consistent with the design criteria set forth in the PDD5 Ordinance for Heritage. Project entryways are anticipated to be located at the Brookside Drive entry at Ranch Road 12 and at the Baird Lane entry at Sportsplex Drive.
2. Open Space Areas – including the stream buffer areas, ponds and other open space areas as shown on Exhibit “C” of the PDD5 Ordinance.
3. Park Areas – including the neighborhood pocket park areas as shown on Exhibit “C” of the PDD5 Ordinance.
4. Amenity Center – as generally depicted on Exhibit “C” of the PDD5 Ordinance.

Notes:

- A. The Private Improvements are intended to be owned and maintained by the Heritage Homeowner Association.
- B. Project Entryways, Open Space Areas and Park Areas will be available for access by the general public.

EXHIBIT “D”

INTENTIONALLY OMITTED

EXHIBIT “E”

INTENTIONALLY OMITTED

DRAFT

**M/I Homes
Heritage PID
Authorized Improvements
October 27, 2022**

Internal Improvements [a]

Roadway
Drainage
Wastewater
Grading
Erosion Control
Miscellaneous [b]
Mobilization
Landscaping
Contingency (10%)
Soft Costs (12%)

Major Improvements [a]

Roadway
Drainage
Wastewater
Grading
Erosion Control
Trails
Miscellaneous [b]
Mobilization
Landscaping
Contingency (10%)
Soft Costs (12%)

Footnotes:

[a] Costs per Kimley Horn's Preliminary OPC dated April 14, 2022.

[b] Includes street lights, crosswalks, traffic signs, and retaining walls.

Exhibit “G”

Authorized Improvements for which Acceptance by City Prior to Improvement Area #1 Bond Issuance Request Not Required

- Improvements to Roger Hanks Parkway requiring the City to acquire a necessary right of way
- Signalization at Brookside Drive and Ranch Road 12
- Effluent line needed to provide wastewater to Phase 2

SCHEDULE 1

FORM OF CERTIFICATION FOR PAYMENT

_____ (“**Construction Manager**”)
hereby requests payment from the [_____ of the Project Fund][PID Reimbursement Fund]
from the City of Dripping Springs, Texas (the “City”) in the amount of \$ _____
for the Costs of the work described in Attachment A attached hereto (the “**Draw Actual Costs**”).
Capitalized undefined terms shall have the meanings ascribed thereto in the Amended and Restated
Heritage Public Improvement District Financing and Reimbursement Agreement (as may be
amended from time to time, the “**Finance Agreement**”). In connection with this Certification for
Payment, the undersigned, in his or her capacity as the _____ of Construction
Manager, to his or her knowledge, hereby represents and warrants to the City as follows:

1. He (she) is a duly authorized representative of Construction Manager, qualified to
execute this Certification for Payment on behalf of the Construction Manager and knowledgeable
as to the matters forth herein.

2. The true and correct Draw Actual Costs for which payment is requested is set forth
in Attachment A and payment for such requested amounts and purposes has not been subject to
any previously submitted Certification for Payment or, if previously requested, no disbursement
was made with respect thereto.

3. The amounts listed for Costs of the Improvement Area #[] Authorized
Improvements, as set forth in Attachment A, is a true and accurate representation of the Costs
associated with the acquisition, design or construction of said Improvement Area #[] Authorized
Improvements, and such costs (i) are in compliance with the Finance Agreement and (ii) are
consistent with the Assessment Plan.

4. Following is an itemized list of all disbursements from (i) the [_____
Account] of the Project Fund and (ii) the PID Reimbursement Fund.

<u>Account</u>	<u>Deposits</u>	<u>Disbursements</u>
[_____ Account] of the Project Fund	\$	\$ Certification for Payment Form No.
	\$	_____ \$ Certification for Payment Form No.
Total	\$	_____ \$
PID Reimbursement Fund	\$	\$ Certification for Payment Form No.
	\$	_____ \$ Certification for Payment Form No.
Total	\$	_____ \$

5. Attached hereto as Attachment B is a true and correct copy of a bills paid affidavit evidencing that any contractor or subcontractor having performed work on a Segment described in Attachment A has been paid in full for all work completed through the previous Certification for Payment.

6. Attached hereto as Attachment C are invoices, receipts, worksheets and other evidence of costs which are in sufficient detail to allow the City to verify the Draw Actual Costs of each Segment for which payment is requested.

7. The Construction Manager is in compliance with the terms and provisions of the Finance Agreement, the Assessment Plan and any continuing disclosure agreement entered into by the Owner with respect to Improvement Area #[], as applicable.

8. The Construction Manager has timely paid all ad valorem taxes and annual installments of Improvement Area #[] Special Assessments it owes or an entity under common control with the Construction Manager owes, located in the District and has no outstanding delinquencies for such taxes and assessments.

9. All conditions set forth in the Indenture for the payment hereby requested have been satisfied, as applicable.

10. The work with respect to the Improvement Area #[] Authorized Improvements referenced below (or its Segment) has been completed, and the City has inspected and accepted such Improvement Area #[] Authorized Improvements (or its completed Segment).

11. The Construction Manager agrees to cooperate with the City in conducting its review of the requested payment and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

13. Also attached hereto as Attachment D are any lender consents or approvals that the Construction Manager may be required to obtain under any loan documents relating to the District.

14. Pursuant to the Finance Agreement, after receiving this Certification for Payment, the City has inspected and accepted the completed Improvement Area # Authorized Improvements and confirmed that said work has been completed in accordance with approved plans and all applicable governmental laws, rules, and regulations.

[Signature Page Follows]

SIGNATURE PAGE TO
CERTIFICATION FOR PAYMENT

I hereby declare that the above representations and warranties are true and correct.

Date : _____

[Construction Manager Signature Block to
Be inserted]

JOINDER OF PROJECT ENGINEER

The undersigned Project Engineer joins this Certification for Payment solely for the purposes of certifying that the representations made by Construction Manager in Paragraph 2 above are true and correct in all material respects.

Project Engineer

JOINDER OF PROJECT ENGINEER

APPROVAL BY THE CITY

The Draw Actual Costs of each Segment described in Attachment A has been reviewed, verified and approved by the City Construction Representative of the City. Payment of the Draw Actual Costs of each such Segment is hereby approved.

Date: _____

CITY OF DRIPPING SPRINGS, TEXAS

By: _____

APPROVAL BY THE CITY

ATTACHMENT A TO CERTIFICATION OF PAYMENT (CONSTRUCTION)

<u>Segment</u>	<u>Description of Work Completed under this Certification for Payment</u>	<u>Draw Actual Costs</u>
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ATTACHMENT A TO CERTIFICATION OF PAYMENT (CONSTRUCTION)

ATTACHMENT B TO CERTIFICATION OF PAYMENT (CONSTRUCTION)

[bills paid affidavit – attached]

ATTACHMENT D TO CERTIFICATION FOR PAYMENT

[lender consents or approvals - attached]

SCHEDULE II

1. Reimbursement Balance – Improvement Area #1

- Original Principal Amount: \$[_____]
- Interest Rate: Interest Rate on any unpaid portion of the Reimbursement Balance – Improvement Area #1 Authorized Improvements shall be the lesser of: (1) the interest rates on the City of Dripping Springs, Texas, Special Assessment Revenue Bonds, Series 20[___] (Heritage Public Improvement District Improvement Area #1 Project), or (2) [_____] % based on the Bond Index Rate of [_____] % as the highest average index rate reported for the *Bond Buyer's Index of 25 Revenue Bonds*, a weekly bond index approved by the City Council of the City, in the month before the date of approval of the Assessment Ordinance levying the Special Assessments on Improvement Area #1.
- Date of Assessment Ordinance Approval: Ordinance No. [_____] approved on [_____] , 20[___] and recorded in the real property records of Hays County, Texas on _____, 20[___], as Document No. _____
- Payment Source: Solely from Special Assessments levied on Improvement Area #1 and/or net bond proceeds of the City of Dripping Springs, Texas, Special Assessment Revenue Bonds, Series 20[___] (Heritage Public Improvement District Improvement Area #1 Project).

2. Reimbursement Balance – Improvement Area #[]

- a. Original Principal Amount: \$[_____]
- b. Interest Rate: Interest Rate on any unpaid portion of the Reimbursement Balance – Improvement Area #[_] Authorized Improvements shall be the lesser of: (1) the interest rates on the City of Dripping Springs, Texas, Special Assessment Revenue Bonds, Series 20[___] (Heritage Public Improvement District Improvement Area #[_] Project), or (2) [_____] % based on the Bond Index Rate of [_____] % as the highest average index rate reported for the *Bond Buyer's Index of 25 Revenue Bonds*, a weekly bond index approved by the City Council of the City, in the month before the date of approval of the Assessment Ordinance levying the Special Assessments on Improvement Area #[_].
- c. Date of Assessment Ordinance Approval: Ordinance No. [_____] approved on [_____] , 20[___] and recorded in the real property records of Hays County, Texas on _____, 20[___], as Document No. _____

- d. Payment Source: Solely from Special Assessments levied on Improvement Area #[] and/or net bond proceeds of the City of Dripping Springs, Texas, Special Assessment Revenue Bonds, Series 20[] (Heritage Public Improvement District Improvement Area #[] Project).

3. Reimbursement Balance – Improvement Area #[]

- a. Original Principal Amount: \$[]
- b. Interest Rate: Interest Rate on any unpaid portion of the Reimbursement Balance – Improvement Area #[] Authorized Improvements shall be the lesser of: (1) the interest rates on the City of Dripping Springs, Texas, Special Assessment Revenue Bonds, Series 20[] (Heritage Public Improvement District Improvement Area #[] Project), or (2) []% based on the Bond Index Rate of []% as the highest average index rate reported for the *Bond Buyer's Index of 25 Revenue Bonds*, a weekly bond index approved by the City Council of the City, in the month before the date of approval of the Assessment Ordinance levying the Special Assessments on Improvement Area #[].
- c. Date of Assessment Ordinance Approval: Ordinance No. [] approved on [], 20[] and recorded in the real property records of Hays County, Texas on _____, 20[], as Document No. _____
- d. Payment Source: Solely from Special Assessments levied on Improvement Area #[] and/or net bond proceeds of the City of Dripping Springs, Texas, Special Assessment Revenue Bonds, Series 20[] (Heritage Public Improvement District Improvement Area #[] Project).

4. Reimbursement Balance – Improvement Area #[]

- a. Original Principal Amount: \$[]
- b. Interest Rate: Interest Rate on any unpaid portion of the Reimbursement Balance – Improvement Area #[] Authorized Improvements shall be the lesser of: (1) the interest rates on the City of Dripping Springs, Texas, Special Assessment Revenue Bonds, Series 20[] (Heritage Public Improvement District Improvement Area #[] Project), or (2) []% based on the Bond Index Rate of []% as the highest average index rate reported for the *Bond Buyer's Index of 25 Revenue Bonds*, a weekly bond index approved by the City Council of the City, in the month before the date of approval of the Assessment Ordinance levying the Special Assessments on Improvement Area #[].
- c. Date of Assessment Ordinance Approval: Ordinance No. [] approved on [], 20[] and recorded in the real property records of

Hays County, Texas on _____, 20[], as Document No. _____

- d. Payment Source: Solely from Special Assessments levied on Improvement Area #[] and/or net bond proceeds of the City of Dripping Springs, Texas, Special Assessment Revenue Bonds, Series 20[] (Heritage Public Improvement District Improvement Area #[] Project).

SCHEDULE III

FORM OF CLOSING DISBURSEMENT REQUEST

The undersigned is an agent for [OWNER], a [state] [entity] [(the “Owner”) and requests payment to the Owner (or to the person designated by the Owner) from the [applicable account][Costs of Issuance Account] of the Project Fund from _____ (the “Trustee”) in the amount of _____ (\$ _____) to be transferred from the [applicable account][Costs of Issuance Account] of the Project Fund upon the delivery of the PID Bonds for costs incurred in the establishment, administration, and operation of the Heritage Public Improvement District (the “District”), and/or costs associated with the issuance of PID Bonds as follows. Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Heritage Public Improvement District Financing and Reimbursement Agreement between the Owner and the City (the “Financing and Reimbursement Agreement”).

In connection with the above referenced payment, the Owner represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Owner, is qualified to execute this Closing Disbursement Request on behalf of the Owner, and is knowledgeable as to the matters set forth herein.
2. The payment requested for the below referenced establishment, administration, and operation of the District and/or costs of issuance of the PID Bonds at the time of the delivery of the PID Bonds have not been the subject of any prior payment request submitted to the City.
3. The amount listed for the below costs is a true and accurate representation of the Costs associated with the establishment, administration and operation of the District at the time of the delivery of the PID Bonds, and such costs are in compliance with the Assessment Plan.
4. The Owner is in compliance with the terms and provisions of the Financing and Reimbursement Agreement, the Assessment Plan, and the [Developer Continuing Disclosure Agreement] and Indenture.
5. All conditions set forth in the Indenture and the Financing and Reimbursement Agreement for the payment hereby requested have been satisfied.
6. The Owner agrees to cooperate with the City in conducting its review of the requested payment and agrees to provide additional information and documentation as is reasonably necessary for the City to complete said review.

Payments requested hereunder shall be made as directed below:

[Information regarding Payee, amount, and deposit instructions attached]

I hereby declare that the above representations and warranties are true and correct.

[OWNER],
a Texas _____

By: _____

Name: _____

Title: _____

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Closing Disbursement Request, acknowledges the Closing Disbursement Request, and finds the Closing Disbursement Request to be in order. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request and shall include said payments in the City Certificate (defined in the Indenture) submitted to the Trustee directing payments to be made from the [applicable account][Costs of Issuance Account] of the Project Fund under the Indenture upon delivery of the PID Bonds.

CITY OF DRIPPING SPRINGS, TEXAS

By: _____

Name: _____

Title: _____

Date: _____