This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion and amendment without notice. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration under the securities laws hereunder.

bNEW ISSUE **NOT RATED**

THE BONDS ARE INITIALLY OFFERED ONLY TO PERSONS WHO MEET THE DEFINITION OF (1) "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501 OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933), OR (2) "QUALIFIED INSTITUTIONAL BUYER" (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT OF 1933). SEE "LIMITATIONS APPLICABLE TO INITIAL PURCHASERS".

In the opinion of Bickerstaff Heath Delgado Acosta LLP, Bond Counsel, under existing statutes, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and continuing compliance by the City with the covenants contained in the Bond Ordinance and the Arbitrage and Tax Certificate, interest on the Bonds is excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code and will not constitute an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations. Bond Counsel expresses no opinion on any other federal tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. See "TAX MATTERS" herein.

$4,260,000*
CITY OF MANOR, TEXAS,
(a municipal corporation of the State of Texas located in Travis County)
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025
(NEWHAVEN PUBLIC IMPROVEMENT DISTRICT)

Dated Date: Delivery Date (defined below) **Due: September 15, as shown on the inside cover page**
Interest to Accrue from Delivery Date

The City of Manor, Texas, Special Assessment Revenue Bonds, Series 2025 (Newhaven Public Improvement District) (the "Bonds"), are being issued by the City of Manor, Texas (the "City"). The Bonds will be issued in fully registered form, without coupons, in authorized denominations of $100,000 of principal amount and any integral multiple of $1,000 in excess thereof, or such smaller amount authorized by the Indenture (as defined below); provided, however, that upon receipt by the Paying Agent/Registrar of written evidence that the Bonds have received an Investment Grade Rating (as defined in the Indenture), authorized denomination shall mean $1,000 or any integral multiple thereof, notwithstanding any subsequent downgrade, suspension or withdrawal of such rating. The Bonds will bear interest at the rates set forth on the inside cover page hereof, and such interest will be calculated on the basis of a 360-day year of twelve 30-day months, and will be payable on each March 15 and September 15, commencing March 15, 2026*, until maturity or earlier redemption. The Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. No physical delivery of the Bonds will be made to the beneficial owners thereof. For so long as the book-entry only system is maintained, the principal of and interest on the Bonds will be paid from the sources described herein by BOKF, NA, as trustee (the "Trustee"), to Cede & Co. as the registered owner thereof. See "BOOK-ENTRY-ONLY SYSTEM."

The Bonds are being issued by the City pursuant to the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code, as amended (the "PID Act"), an ordinance expected to be adopted by the City Council of the City (the "City Council") on September 3, 2025, and an Indenture of Trust, dated September 1, 2025, (the "Indenture"), expected to be entered into by and between the City and the Trustee. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture.

Proceeds of the Bonds will be used to provide funds for the purposes of (i) paying a portion of the Actual Costs of the PID Improvements, (ii) funding a reserve account for payment of principal and interest on the Bonds, (iii) paying a portion of the Actual Costs incidental to the organization and administration of the District, and (iv) paying costs of issuance of the Bonds. See "THE PID IMPROVEMENTS" and "APPENDIX B — Form of Indenture."

The Bonds, when issued and delivered, will constitute valid and binding special and limited obligations of the City payable solely from and secured by the Trust Estate, consisting primarily of Assessments levied against assessable properties in the Newhaven Public Improvement District (the "District") in accordance with the 2025 Service and Assessment Plan, all to the extent and upon the conditions described herein. The Bonds are not payable from funds raised or to be raised from taxation. See "SECURITY FOR THE BONDS."

The Bonds are subject to redemption at the times, in the amounts, and at the redemption prices more fully described herein under the subcaption "DESCRIPTION OF THE BONDS — Redemption Provisions."

The Bonds involve a substantial degree of risk and are not suitable for all investors. See "BONDHOLDERS' RISKS" and "SUITABILITY FOR INVESTMENT." The Underwriter is limiting this offering to Qualified Institutional Buyers and Accredited Investors. The limitation of the initial offering to Qualified Institutional Buyers and Accredited Investors does not denote restrictions on transfers in any secondary market for the Bonds. Prospective purchasers should carefully evaluate the risks and merits of an investment in the Bonds, should consult with their legal and financial advisors before considering a purchase of the Bonds, and should be willing to bear the risks of loss of their investment in the Bonds. The Bonds are not credit-enhanced or rated and no application has been made for a rating on the Bonds.

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM THE PLEDGED REVENUES AND OTHER FUNDS COMPRISING THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. THE BONDS DO NOT GIVE RISE TO A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE CITY AND ARE PAYABLE SOLELY FROM THE SOURCES IDENTIFIED IN THE INDENTURE. THE OWNERS OF THE BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF MONEY RAISED OR TO BE RAISED BY TAXATION, OR OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED REVENUES, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. NO OWNER OF THE BONDS SHALL HAVE THE RIGHT TO DEMAND ANY EXERCISE OF THE CITY'S TAXING POWER TO PAY THE PRINCIPAL OF THE BONDS OR THE INTEREST OR REDEMPTION PREMIUM, IF ANY, THEREON. THE CITY SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO PAY THE BONDS OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED REVENUES AND OTHER FUNDS COMPRISING THE TRUST ESTATE. SEE "SECURITY FOR THE BONDS."

This cover page contains certain information for quick reference only. It is not a summary of the Bonds. Investors must read this entire Limited Offering Memorandum to obtain information essential to the making of an informed investment decision.

The Bonds are offered for delivery when, as, and if issued by the City and accepted by the Underwriter, subject to, among other things, the approval of the Bonds by the Attorney General of Texas and the receipt of the opinion of Bickerstaff Heath Delgado Acosta LLP, Bond Counsel, as to the validity of the Bonds and the excludability of interest thereon from gross income for federal income tax purposes. See "APPENDIX D — Form of Opinion of Bond Counsel." Certain legal matters will be passed upon for the Underwriter by its counsel, Norton Rose Fulbright US LLP, and for the

* *Preliminary; subject to change.*

Developer by its special counsel, Metcalfe Wolff Stuart & Williams LLP. It is expected that the Bonds will be delivered in book-entry form through the facilities of DTC on or about September 25, 2025 (the "Delivery Date").

FMSbonds, Inc.

This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion and amendment without notice. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration under the securities laws hereunder.

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES, YIELDS, AND CUSIP NUMBERS

CUSIP Prefix: _____ [(a)]

$4,260,000*
CITY OF MANOR, TEXAS,
(a municipal corporation of the State of Texas located in Travis County)
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025
(NEWHAVEN PUBLIC IMPROVEMENT DISTRICT)

$_____ ____% Term Bonds, Due September 15, 20__, Priced to Yield ____%; CUSIP ___ [(a) (b) (c)]

$_____ ____% Term Bonds, Due September 15, 20__, Priced to Yield ____%; CUSIP ___ [(a) (b) (c)]

* *Preliminary; subject to change.*

(a) CUSIP numbers are included solely for the convenience of owners of the Bonds. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services ("CGS"), managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the service provided by CGS. CUSIP numbers are provided for convenience of reference only. The City, the City's Financial Advisor and the Underwriter do not take any responsibility for the accuracy of such numbers.

(b) The Bonds are subject to redemption, in whole or in part, prior to stated maturity, at the option of the City, on any date on or after September 15, 20__, at the redemption price of 100% of the principal amount plus accrued interest to the date of redemptions as described herein under "DESCRIPTION OF THE BONDS — Redemption Provisions."

(c) The Bonds are also subject to mandatory sinking fund redemption and extraordinary optional redemption as described herein under "DESCRIPTION OF THE BONDS — Redemption Provisions."

CITY OF MANOR, TEXAS
CITY COUNCIL

Name	Place	Term Expires (November)
Dr. Christopher Harvey	Mayor	2028
Emily Hill	Place 1, Mayor Pro Tem	2028
Anne Weir	Place 2	2026
Maria Amezcua	Place 3	2028
Sonia Wallace	Place 4	2026
Aaron Moreno	Place 5	2028
Deja Hill	Place 6	2026

CITY MANAGER
Scott Moore

CITY SECRETARY
Lluvia T. Almaraz

DIRECTOR OF FINANCE
Belen Peña

ADMINISTRATOR
P3Works, LLC

FINANCIAL ADVISOR TO THE CITY
SAMCO Capital Markets, Inc.

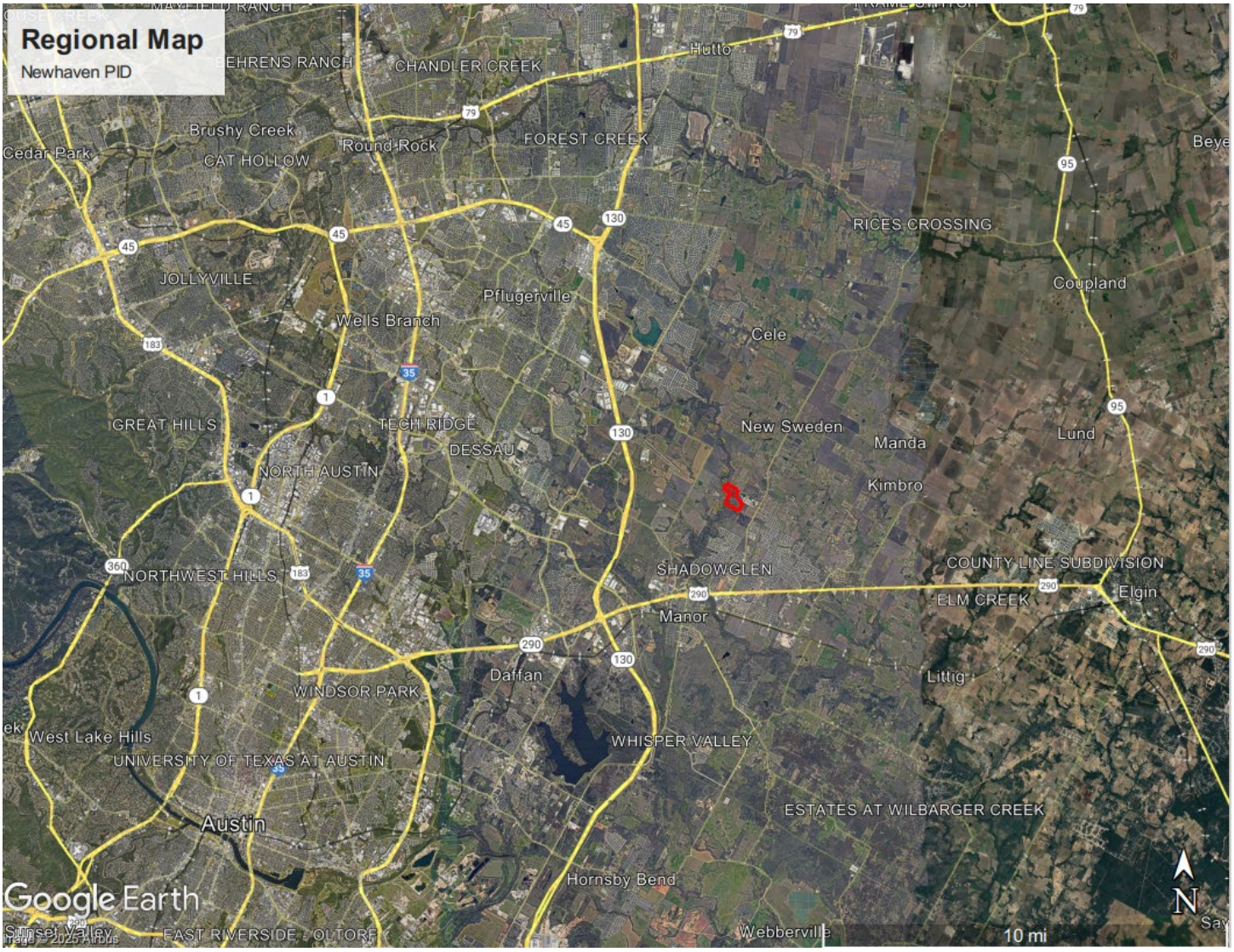
BOND COUNSEL
Bickerstaff Heath Delgado Acosta LLP

For additional information regarding the City, please contact:

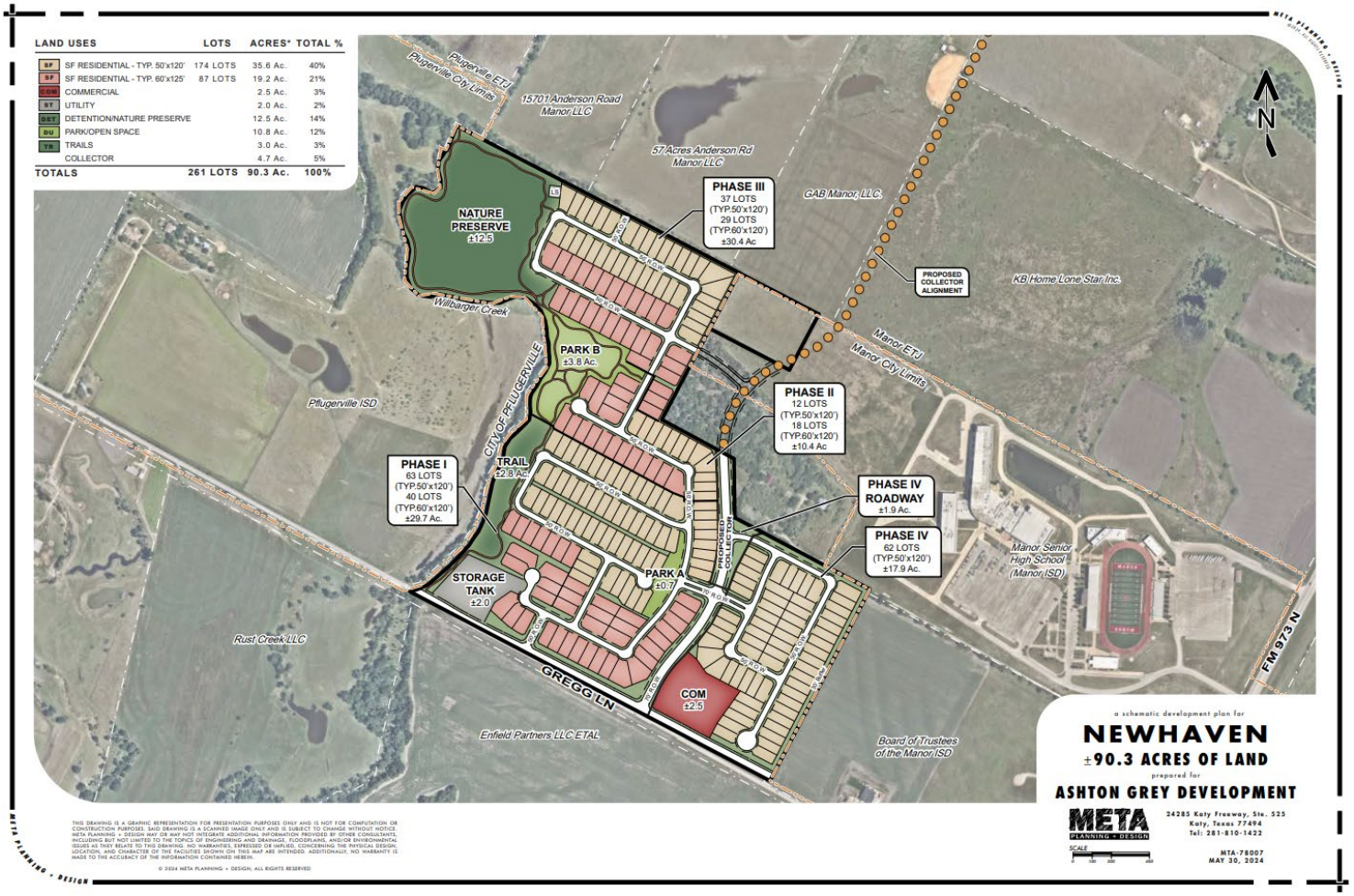
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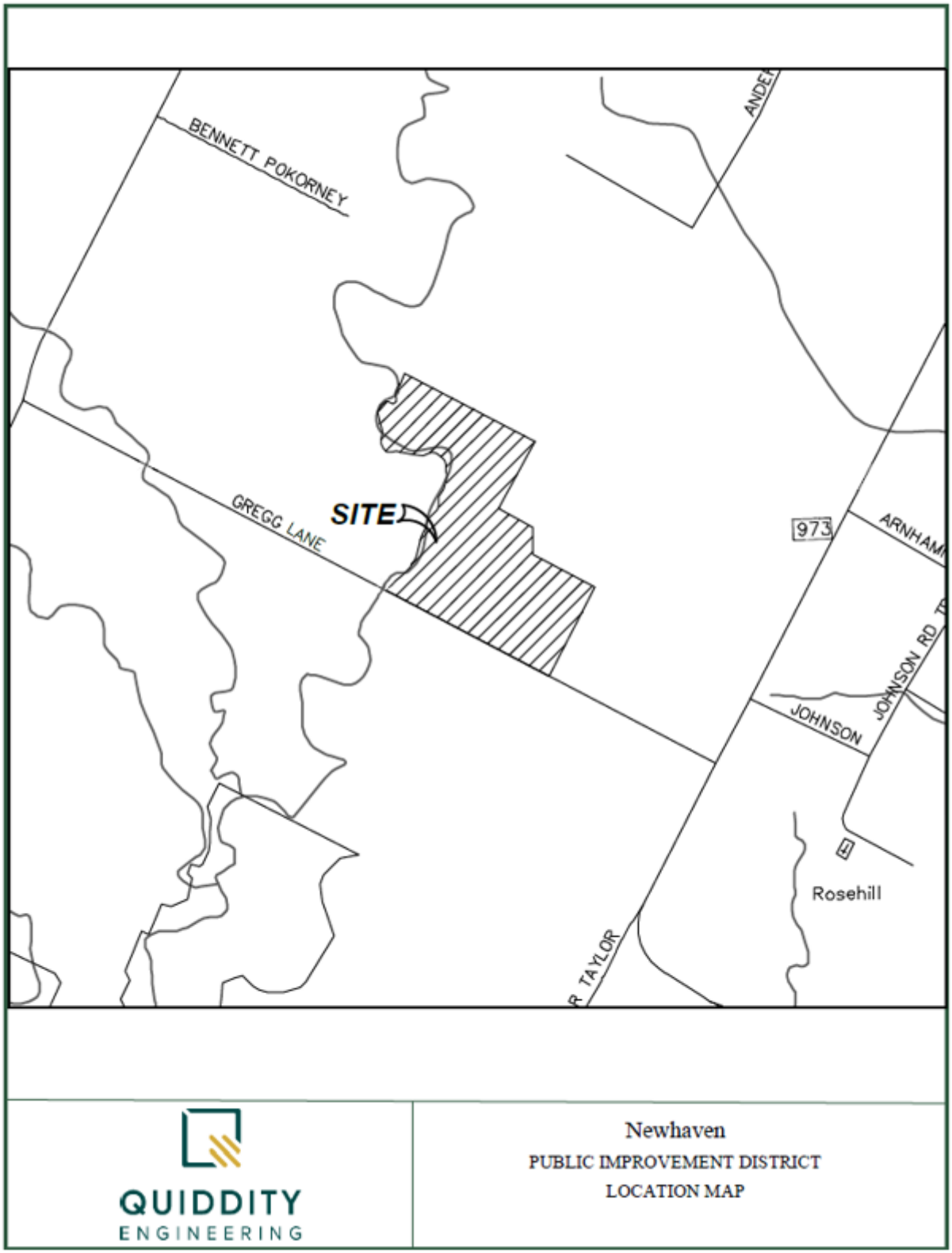
REGIONAL LOCATION MAP OF THE DISTRICT



MAP SHOWING DISTRICT AND PHASES



MAP SHOWING DISTRICT BOUNDARY



FOR PURPOSES OF COMPLIANCE WITH RULE 15C2-12 OF THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AS AMENDED AND IN EFFECT ON THE DATE OF THIS PRELIMINARY LIMITED OFFERING MEMORANDUM, THIS DOCUMENT CONSTITUTES AN "OFFICIAL STATEMENT" OF THE CITY WITH RESPECT TO THE BONDS THAT HAS BEEN "DEEMED FINAL" BY THE CITY AS OF ITS DATE EXCEPT FOR THE OMISSION OF NO MORE THAN THE INFORMATION PERMITTED BY RULE 15C2-12.

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE CITY OR THE UNDERWRITER TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS LIMITED OFFERING MEMORANDUM, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY EITHER OF THE FOREGOING. THIS LIMITED OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY AND THERE SHALL BE NO OFFER, SOLICITATION OR SALE OF THE BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THE INITIAL PURCHASERS ARE ADVISED THAT THE BONDS BEING OFFERED PURSUANT TO THIS LIMITED OFFERING MEMORANDUM ARE BEING OFFERED AND SOLD ONLY TO "ACCREDITED INVESTORS" AS DEFINED IN RULE 501 OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT OF 1933") AND "QUALIFIED INSTITUTIONAL BUYERS" AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933. SEE "LIMITATIONS APPLICABLE TO INITIAL PURCHASERS" HEREIN. EACH PROSPECTIVE INITIAL PURCHASER IS RESPONSIBLE FOR ASSESSING THE MERITS AND RISKS OF AN INVESTMENT IN THE BONDS, MUST BE ABLE TO BEAR THE ECONOMIC AND FINANCIAL RISK OF SUCH INVESTMENT IN THE BONDS, AND MUST BE ABLE TO AFFORD A COMPLETE LOSS OF SUCH INVESTMENT. CERTAIN RISKS ASSOCIATED WITH THE PURCHASE OF THE BONDS ARE SET FORTH UNDER "BONDHOLDERS' RISKS" HEREIN. EACH INITIAL PURCHASER, BY ACCEPTING THE BONDS, AGREES THAT IT WILL BE DEEMED TO HAVE MADE THE ACKNOWLEDGMENTS AND REPRESENTATIONS DESCRIBED UNDER THE HEADING "LIMITATIONS APPLICABLE TO INITIAL PURCHASERS."

THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS LIMITED OFFERING MEMORANDUM IN ACCORDANCE WITH, AND AS PART OF, ITS RESPONSIBILITIES TO INVESTORS UNDER THE UNITED STATES FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION. THE INFORMATION SET FORTH HEREIN HAS BEEN FURNISHED BY THE CITY AND OBTAINED FROM SOURCES, INCLUDING THE DEVELOPER, WHICH ARE BELIEVED BY THE CITY AND THE UNDERWRITER TO BE RELIABLE, BUT IT IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION OF THE UNDERWRITER. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE, AND NEITHER THE DELIVERY OF THIS LIMITED OFFERING MEMORANDUM, NOR ANY SALE MADE HEREUNDER, SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE CITY OR THE OWNER SINCE THE DATE HEREOF.

NONE OF THE CITY, THE UNDERWRITER OR THE DEVELOPER MAKE ANY REPRESENTATION AS TO THE ACCURACY, COMPLETENESS, OR ADEQUACY OF THE INFORMATION SUPPLIED BY THE DEPOSITORY TRUST COMPANY FOR USE IN THIS LIMITED OFFERING MEMORANDUM.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH LAWS. THE REGISTRATION OR QUALIFICATION OF THE BONDS UNDER THE SECURITIES LAWS OF ANY JURISDICTION IN WHICH THEY MAY HAVE BEEN REGISTERED OR QUALIFIED, IF ANY, SHALL NOT BE REGARDED AS A RECOMMENDATION THEREOF. NONE OF SUCH JURISDICTIONS, OR ANY OF THEIR AGENCIES, HAVE PASSED UPON THE MERITS OF THE BONDS OR THE ACCURACY OR COMPLETENESS OF THIS LIMITED OFFERING MEMORANDUM.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS LIMITED OFFERING MEMORANDUM CONSTITUTE "FORWARD-LOOKING STATEMENTS" WITHIN THE MEANING OF THE

UNITED STATES PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995, SECTION 21E OF THE UNITED STATES EXCHANGE ACT OF 1934, AS AMENDED, AND SECTION 27A OF THE SECURITIES ACT OF 1933. SUCH STATEMENTS ARE GENERALLY IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS "PLAN," "EXPECT," "ESTIMATE," "PROJECT," "ANTICIPATE," "BUDGET" OR OTHER SIMILAR WORDS. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, OTHER THAN AS DESCRIBED UNDER "CONTINUING DISCLOSURE" HEREIN.

THE TRUSTEE HAS NOT PARTICIPATED IN THE PREPARATION OF THIS LIMITED OFFERING MEMORANDUM AND ASSUMES NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED IN THIS LIMITED OFFERING MEMORANDUM OR THE RELATED TRANSACTIONS AND DOCUMENTS OR FOR ANY FAILURE BY ANY PARTY TO DISCLOSE EVENTS THAT MAY HAVE OCCURRED AND MAY AFFECT THE SIGNIFICANCE OR ACCURACY OF SUCH INFORMATION.

NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE BONDS OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

REFERENCES TO WEBSITE ADDRESSES PRESENTED HEREIN ARE FOR INFORMATIONAL PURPOSES ONLY AND MAY BE IN THE FORM OF A HYPERLINK SOLELY FOR THE READER'S CONVENIENCE. UNLESS SPECIFIED OTHERWISE, SUCH WEBSITES AND THE INFORMATION OR LINKS CONTAINED THEREIN ARE NOT INCORPORATED INTO, AND ARE NOT PART OF, THIS LIMITED OFFERING MEMORANDUM FOR PURPOSES OF, AND AS THAT TERM IS DEFINED IN, RULE 15C2-12.

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PRELIMINARY LIMITED OFFERING MEMORANDUM

**$4,260,000*
CITY OF MANOR, TEXAS,
(a municipal corporation of the State of Texas located in Travis County)
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025
(NEWHAVEN PUBLIC IMPROVEMENT DISTRICT)**

INTRODUCTION

The purpose of this Limited Offering Memorandum, including the cover page, inside cover page and appendices hereto, is to provide certain information in connection with the issuance and sale by the City of Manor, Texas (the "City"), of its $4,260,000* aggregate principal amount of Special Assessment Revenue Bonds, Series 2025 (Newhaven Public Improvement District) (the "Bonds").

INITIAL PURCHASERS ARE ADVISED THAT THE BONDS BEING OFFERED PURSUANT TO THIS LIMITED OFFERING MEMORANDUM ARE BEING OFFERED INITIALLY TO AND ARE BEING SOLD ONLY TO "ACCREDITED INVESTORS" AS DEFINED IN RULE 501 OF REGULATION D PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT OF 1933") AND "QUALIFIED INSTITUTIONAL BUYERS" AS DEFINED IN RULE 144A PROMULGATED UNDER THE SECURITIES ACT OF 1933. THE LIMITATION OF THE INITIAL OFFERING TO QUALIFIED INSTITUTIONAL BUYERS AND ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFERS IN ANY SECONDARY FOR THE BONDS. PROSPECTIVE INVESTORS SHOULD BE AWARE OF CERTAIN RISK FACTORS, ANY OF WHICH, IF MATERIALIZED TO A SUFFICIENT DEGREE, COULD DELAY OR PREVENT PAYMENT OF PRINCIPAL OF, PREMIUM, IF ANY, AND/OR INTEREST ON THE BONDS. THE BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. SEE "LIMITATIONS APPLICABLE TO INITIAL PURCHASERS," "BONDHOLDERS' RISKS," AND "SUITABILITY FOR INVESTMENT."

The Bonds are being issued by the City pursuant to the Public Improvement District Assessment Act, Subchapter A of Chapter 372, Texas Local Government Code, as amended (the "PID Act"), an ordinance expected to be adopted by the City Council of the City (the "City Council") on September 3, 2025 (the "Bond Ordinance"), and an Indenture of Trust, dated September 1, 2025, (the "Indenture"), expected to be entered into by and between the City and BOKF, NA, as trustee (the "Trustee"). The Bonds will be secured by a lien on and pledge of the Trust Estate (as defined in the Indenture) consisting primarily of revenue from special assessments (the "Assessments") to be levied against assessable property located within the District (the "Assessed Property") of the Newhaven Public Improvement District (the "District") pursuant to a separate ordinance expected to be adopted by the City Council on September 3, 2025 (the "Assessment Ordinance").

Reference is made to the Indenture for a full statement of the authority for, and the terms and provisions of, the Bonds. All capitalized terms used in this Limited Offering Memorandum, except as otherwise noted in "ASSESSMENT PROCEDURES," that are not otherwise defined herein shall have the meanings set forth in the Indenture. See "APPENDIX B — Form of Indenture."

Set forth herein are brief descriptions of the City, the District, the Developer (as defined herein), the Administrator (as defined herein), the Creation Resolution (as defined herein), the Assessment Ordinance, the Bond Ordinance, the 2025 Service and Assessment Plan (as defined herein), the Development Agreement (as defined herein), the Financing Agreement (as defined herein), and the Reimbursement Agreement (as defined herein), together with summaries of terms of the Bonds and the Indenture and certain provisions of the PID Act. All references herein to such documents and the PID Act are qualified in their entirety by reference to such documents or such PID Act and all references to the Bonds are qualified by reference to the definitive forms thereof and the information with respect thereto contained in the Indenture. Copies of these documents may be obtained during the period of the offering of the Bonds from the Underwriter, FMSbonds, Inc., 5 Cowboys Way, Suite 300-25, Frisco, Texas 75034, telephone number (214) 418-1588. The form of the Indenture appears in APPENDIX B and the form of 2025 Service and Assessment Plan appears as APPENDIX C. The information provided under this caption "INTRODUCTION" is intended to

* *Preliminary; subject to change.*

provide a brief overview of the information provided in the other captions herein and is not intended, and should not be considered, fully representative or complete as to the subjects discussed hereunder.

PLAN OF FINANCE

Development Plan

Gregg Lane Dev, LLC, a Texas limited liability company (the "Developer") acquired the property from several individuals on March 10, 2021 for an aggregate purchase price of $4,011,988. The purchase of the land was financed using a loan from Frontier Bank (the "Frontier Bank Loan") in the amount of $3,100,000 and Developer cash. The Developer obtained a loan from FirstBank Southwest in the original amount of $8,163,856 on February 22, 2024 (the "FirstBank Loan"), the proceeds of which were used to fully pay the Frontier Bank Loan and to finance construction of the horizontal improvements, including the PID Improvements (defined below), within the District. The FirstBank Loan is currently outstanding in the amount of approximately $8,161,593.10 and has a maturity date of February 22, 2026. See "THE DEVELOPER — History and Financing of the District."

The District consists of approximately 90.34 acres making up the master planned community known as "Newhaven" (the "Development"). The Developer expects the District to include approximately 261 single-family homes consisting of 174 50' lots and 87 60' lots, and approximately 21,780 square feet of commercial space on approximately 2.5 acres. See "APPENDIX C — Form of 2025 Service and Assessment Plan." The Developer began construction of the drainage, paving, earthwork, and landscaping improvements in the District (collectively, the "PID Improvements") in June 2024, and the Developer expects to complete the initial single-family lots in September 2025. As of July 15, 2025, the Developer has spent approximately $3,974,104.21 towards the construction costs of the PID Improvements. The Developer expects the construction of the District to consist of four phases and be completed in July 2027. See "PLAN OF FINANCE — Home Development within the District" and "THE DEVELOPMENT."

The Developer estimates the costs of the PID Improvements to be approximately $12,328,000[*]. The foregoing costs do not include Administrative Reserves and Bond Issuance Costs (as defined in the 2025 Service and Assessment Plan). The PID Improvements will be constructed by the Developer.

In addition to the PID Improvements, the Developer will construct internal water and wastewater improvements connecting the District to the City water and wastewater facilities (the "Additional Improvements") that will be owned and maintained by the City. The costs of the Additional Improvements will be financed using proceeds of the FirstBank Loan. See "THE DEVELOPMENT – Development Plan" and "- Additional Improvements."

The estimated budgeted costs of the Additional Improvements are $3,528,396. The Developer began construction of the Additional Improvements in June 2024 and expects to complete the Additional Improvements in September 2027. As of July 15, 2025, approximately $1,823,784 of Developer funds have been spent on construction of the Additional Improvements.

The Development Agreement

The City and the Developer entered into the Development Agreement (Newhaven), effective April 19, 2023, with Monarch Ranch at Manor LLC (the "Monarch Developer"), a Texas limited liability company, consenting thereto for limited purposes, as amended by the First Amendment to Development Agreement (Newhaven), entered into on July 19, 2023 (collectively, the "Development Agreement"). In addition to expressing the City's intent to reimburse the Developer for the cost of constructing the Authorized Improvements (as defined in the 2025 Service and Assessment Plan) and establishing the development standards for the property, the Development Agreement established a maximum equivalent tax rate for each lot classification identified in the 2025 Service and Assessment Plan equal to $0.30 per $100 of estimated buildout value. See "THE DEVELOPMENT — Development Agreement."

Wastewater.

Pursuant to a development agreement with the City relating to the Monarch Ranch Development, the Monarch Developer is responsible for the design, engineering and construction of certain wastewater lines, infrastructure and facilities (the "Offsite Wastewater Facilities"). The Monarch Developer completed the design, engineering and

[*] Preliminary, subject to change.

construction of the Offsite Wastewater Facilities in June 2025 at a total cost of approximately $2,257,188.72. The Developer is also responsible for the construction of certain on-site wastewater lines, infrastructure and facilities to provide wastewater services to the District (the "On-site Wastewater Facilities" and, together with the Offsite Wastewater Facilities, the "Wastewater Facilities"). As of July 15, 2025, the Developer has spent approximately $880,100 on the On-site Wastewater Facilities (which amount is included as part of the Additional Improvements), and anticipates the total cost of the On-site Wastewater Facilities to be approximately $2,006,053.00. The Developer anticipates completion of the On-site Wastewater Facilities in July 2027. The Developer's costs for the Wastewater Facilities will not be reimbursed from proceeds of the Bonds and will not be reimbursed by the City. See "THE DEVELOPMENT — Development Agreement - Wastewater" and "THE DEVELOPER — History and Financing of the District."

The Financing Agreement

On September 4, 2024, the City and the Developer entered into that certain Newhaven Public Improvement District Financing Agreement (the "Financing Agreement"), which provides, in part, for the issuance and sale of PID Bonds (as defined in the Financing Agreement), including the Bonds, and the reimbursement of the Developer from the proceeds thereof for funds advanced by the Developer to pay the Actual Costs of Authorized Improvements within the District, and other matters related thereto. See "THE DEVELOPMENT — The Financing Agreement" and "APPENDIX F — Financing Agreement."

The Reimbursement Agreement

In furtherance of the City's intent to reimburse the Developer for a portion of the Actual Costs of the PID Improvements, the City and the Developer entered into the Reimbursement Agreement Newhaven Public Improvement District, effective as of April 16, 2025 (the "Reimbursement Agreement"). The City's obligations under the Reimbursement Agreement are payable solely from the Assessments to be levied on the Assessed Property. The Bonds are being issued, among other things, to satisfy the City's obligations under the Reimbursement Agreement to reimburse the Developer for the Actual Costs of the PID Improvements already constructed and to finance the remainder of the Actual Costs of the PID Improvements. See "THE DEVELOPMENT — The Reimbursement Agreement" and "APPENDIX G — Reimbursement Agreement."

Home Development within the District

The Development is planned to include the following residential product types: 50' lots and 60' lots. The Developer anticipates that the District will include approximately 261 single-family lots. The Developer has executed an Earnest Money Contract effective June 6, 2022 (the "Chesmar Homes Lot Purchase Contract"), with Chesmar Homes, LLC, a Texas limited liability company ("Chesmar Homes"), as subsequently amended by 12 amendments. Chesmar Homes partially assigned the Chesmar Homes Lot Purchase Contract (the "Westin Assignment") to Westin Homes & Properties, LP, a Texas limited partnership ("Westin Homes") effective February 8, 2023. Pursuant to the Chesmar Homes Lot Purchase Contract, Chesmar Homes is under contract to purchase 87 50' lots and 44 60' lots in the District. Pursuant to the Westin Assignment, Westin Homes is under contract to purchase 43 60' lots in the District. The Developer has also executed an Earnest Money Contract effective April 5, 2023 (the "Brightland Lot Purchase Contract," together with the Chesmar Lot Purchase Contract, the "Lot Purchase Contracts"), with Brightland Homes, Ltd., a Texas limited partnership ("Brightland Homes" and, together with Chesmar Homes and Westin Homes, the "Homebuilders"), as subsequently amended by five amendments, for the sale of 87 50' single-family lots within the District. The Developer anticipates initial purchases of lots pursuant to the Lot Purchase Contracts to occur in September 2025. See "THE DEVELOPMENT — Status of Lot Purchase Contracts."

Chesmar Homes paid an aggregate of $1,749,000 in earnest money in relation to the Chesmar Homes Lot Purchase Contract. Pursuant to the Chesmar Homes Lot Purchase Contract, the Initial Closing shall occur on or before 20 days following the Completion Date, which is defined as the date on which all of the lots in the applicable phase are complete. The Completion Date for phase 1 must occur on or before 60 days following September 30, 2025. At the Initial Closing, Chesmar Homes has agreed to purchase approximately 10 50' lots and 20 60' lots. Thereafter, Chesmar Homes has agreed to purchase an additional 10 50' lots and 20 60' lots each successive 180 days after the Initial Closing until all of the 50' and 60' lots have been purchased. Brightland Homes paid an aggregate of $935,300 in earnest money in relation to the Brightland Lot Purchase Contract. Pursuant to the Brightland Lot Purchase Contract, Brightland

Homes is required to purchase 12 lots on September 30, 2025, and to purchase at least 10 additional lots within each subsequent 90 day period.

The Development includes a 2.5 acre commercial tract. The Developer has not entered into any letters of intent in relation to the commercial tract.

The Bonds

Proceeds of the Bonds will be used to provide funds for (i) paying a portion of the Actual Costs of the PID Improvements, (ii) funding a reserve account for payment of principal and interest on the Bonds, (iii) paying a portion of the Actual Costs incidental to the organization and administration of the District, and (iv) paying costs of issuance of the Bonds. See "THE PID IMPROVEMENTS" and "APPENDIX B — Form of Indenture." Payment of the Bonds, bonds refunding all or a portion of the Bonds ("Refunding Bonds"), and of any bonds issued in exchange or replacement of the Bonds as permitted by the Indenture is secured by a pledge of and a lien upon the Trust Estate, which consists primarily of the Assessments and all to the extent and upon the conditions described herein and in the Indenture. See "SECURITY FOR THE BONDS," "ASSESSMENT PROCEDURES" and "APPENDIX B — Form of Indenture."

The Bonds shall never constitute an indebtedness or general obligation of the City, the State of Texas (the "State") or any other political subdivision of the State, within the meaning of any constitutional provision or statutory limitation whatsoever, but the Bonds are limited and special obligations of the City payable solely from the Trust Estate as provided in the Indenture. Neither the faith and credit nor the taxing power of the City, the State or any other political subdivision of the State is pledged to the payment of the Bonds.

LIMITATIONS APPLICABLE TO INITIAL PURCHASERS

Each initial purchaser is advised that the Bonds being offered pursuant to this Limited Offering Memorandum are being offered and sold only to "accredited investors" as defined in Rule 501 of Regulation D promulgated under the Securities Act of 1933 and "qualified institutional buyers" as defined in Rule 144A promulgated under the Securities Act of 1933. Each initial purchaser of the Bonds (each, an "Investor") will be deemed to have acknowledged, represented and warranted to the City as follows:

1. The Investor has authority and is duly authorized to purchase the Bonds and to execute any instruments and documents required to be executed by the Investor in connection with the purchase of the Bonds.

2. The Investor is an "accredited investor" under Rule 501 of Regulation D of the Securities Act of 1933 or a "qualified institutional buyer" under Rule 144A of the Securities Act of 1933, and therefore, has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the Bonds.

3. The Bonds are being acquired by the Investor for investment and not with a view to, or for resale in connection with, any distribution of the Bonds, and the Investor intends to hold the Bonds solely for its own account for investment purposes and for an indefinite period of time, and does not intend at this time to dispose of all or any part of the Bonds. However, the investor may sell the Bonds at any time the Investor deems appropriate. The Investor understands that it may need to bear the risks of this investment for an indefinite time, since any sale prior to maturity may not be possible.

4. The Investor understands that the Bonds are not registered under the Securities Act of 1933 and that such registration is not legally required as of the date hereof; and further understands that the Bonds (a) are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, and (c) will not carry a rating from any rating service.

5. The Investor acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, and the Investor has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the City, the PID Improvements, the Bonds, the security therefor, and such other information as the Investor has deemed necessary or desirable in connection with its decision to purchase the Bonds (collectively, the "Investor Information"). The Investor has received a copy of this Limited Offering Memorandum relating to the Bonds. The Investor acknowledges that it has assumed responsibility

for its review of the Investor Information, and it has not relied upon any advice, counsel, representation or information from the City in connection with the Investor's purchase of the Bonds. The Investor agrees that none of the City, its councilmembers, officers, or employees shall have any liability to the Investor whatsoever for or in connection with the Investor's decision to purchase the Bonds except for gross negligence, fraud or willful misconduct. For the avoidance of doubt, it is acknowledged that the Underwriter is not deemed an officer or employee of the City.

6. The Investor acknowledges that the obligations of the City under the Indenture are special, limited obligations payable solely from amounts paid to the City pursuant to the terms of the Indenture and the City shall not be directly or indirectly or contingently or morally obligated to use any other moneys or assets of the City for amounts due under the Indenture. The Investor understands that the Bonds are not secured by any pledge of any moneys received or to be received from taxation by the City, the State or any political subdivision or taxing district thereof; that the Bonds will never represent or constitute a general obligation or a pledge of the faith and credit of the City, the State or any political subdivision thereof; that no right will exist to have taxes levied by the State or any political subdivision thereof for the payment of principal and interest on the Bonds; and that the liability of the City and the State with respect to the Bonds is subject to further limitations as set forth in the Bonds and the Indenture.

7. The Investor has made its own inquiry and analysis with respect to the Bonds and the security therefor. The Investor is aware that the development of the District involves certain economic and regulatory variables and risks that could adversely affect the security for the Bonds.

8. The Investor acknowledges that the sale of the Bonds to the Investor is made in reliance upon the certifications, representations and warranties described in items 1-7 above.

DESCRIPTION OF THE BONDS

General Description

The Bonds will mature on the dates and in the amounts set forth on the inside cover page of this Limited Offering Memorandum. Interest on the Bonds will accrue from their date of delivery to the Underwriter (the "Delivery Date"), will be computed on the basis of a 360-day year of twelve 30-day months, and will be payable on each March 15 and September 15, commencing March 15, 2026* (each, an "Interest Payment Date"), until maturity or prior redemption. BOKF, NA, Dallas, Texas is the initial Trustee, Paying Agent and Registrar for the Bonds.

The Bonds will be issued in fully registered form, without coupons, in authorized denominations of $100,000 of principal and any integral multiple of $1,000 in excess thereof, or such smaller amount authorized by the Indenture; provided, however, that upon receipt by the Paying Agent/Registrar of written evidence that the Bonds have received an Investment Grade Rating, Authorized Denomination shall mean $1,000 or any integral multiple thereof, notwithstanding any subsequent downgrade, suspension or withdrawal of such rating (the "Authorized Denominations"). Upon initial issuance, the ownership of the Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), and purchases of beneficial interests in the Bonds will be made in book-entry only form. See "BOOK-ENTRY-ONLY SYSTEM" and "SUITABILITY FOR INVESTMENT."

Redemption Provisions

Optional Redemption. The City reserves the right and option to redeem the Bonds before their scheduled maturity dates, in whole or in part, in amounts equal to Authorized Denominations, on or after September 15, 20__, such redemption date or dates to be fixed by the City, at the Redemption Price.

Extraordinary Optional Redemption. The City reserves the right and option to redeem the Bonds before their respective scheduled maturity dates, in whole or in part, on any day of any month, at the Redemption Price from amounts on deposit in the Redemption Fund as a result of Prepayments (including related transfers to the Redemption Fund as provided in the Indenture), or as a result of unexpended amounts transferred from the PID Improvements Account of the Project Fund as provided in the Indenture. The City shall notify the Trustee in writing at least forty-five (45) days before the scheduled extraordinary optional redemption date fixed by the City, or such other time period as the Trustee and the City shall mutually agree. Notwithstanding the foregoing, the Trustee will not be required to

* *Preliminary; subject to change.*

make an extraordinary optional redemption pursuant to the Indenture unless it has at least $1,000 available in the Redemption Fund with which to redeem the Bonds. In lieu of redeeming the Bonds with the funds described in the Indenture, the City may purchase the Bonds in the open market of the maturity to be redeemed at the price not in excess of that provided in the Indenture. See "ASSESSMENT PROCEDURES — Prepayment of Assessments" for the definition and description of Prepayments.

Mandatory Sinking Fund Redemption. The Bonds are subject to mandatory sinking fund redemption prior to Stated Maturity and will be redeemed by the City in part at the Redemption Price from moneys available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to the Indenture, on the dates and in the respective Sinking Fund Installments as set forth in the following schedule:

$ Term Bonds Maturing September 15, 20

Redemption Date	Sinking Fund Installment
September 15, 20__	$
September 15, 20__	
September 15, 20__	
September 15, 20__*	

* Stated Maturity

$ Term Bonds Maturing September 15, 20

Redemption Date	Sinking Fund Installment
September 15, 20__	$
September 15, 20__	
September 15, 20__	
September 15, 20__*	

* Stated Maturity

At least forty-five (45) days prior to each scheduled mandatory redemption date, and subject to any prior reduction authorized by the Indenture, the Trustee shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Bonds equal to the aggregate principal amount of such Term Bonds to be redeemed, shall call such Term Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption.

The principal amount of Bonds of a Stated Maturity required to be redeemed on any mandatory sinking fund redemption date shall be reduced, at the option of the City, by the principal amount of any Bonds of such maturity which, at least 45 days prior to the mandatory sinking fund redemption date, shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

The Sinking Fund Installments of Bonds of a Stated Maturity required to be redeemed on any mandatory sinking fund redemption date shall be reduced in integral multiples of $1,000 by any portion of such Bonds, which, at least 45 days prior to the mandatory sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions, and not previously credited to a mandatory sinking fund redemption, as follows:

(i) if the Bonds to be redeemed are selected in accordance with the 10% or Greater Manner (as defined and described below), the Sinking Fund Installment of Bonds of a Stated Maturity required to be redeemed for each mandatory sinking fund redemption date shall be reduced by the principal amount called for redemption and allocated to such Bond on a pro rata basis among the scheduled Sinking Fund Installments to be mandatorily redeemed on the mandatory sinking fund redemption dates; or

(ii) if the Bonds to be redeemed are selected in accordance with the Less Than 10% Manner (as defined and described below), the Sinking Fund Installment of Bonds of a Stated Maturity required to be redeemed for each mandatory sinking fund redemption date shall be reduced by the principal amount called for redemption and allocated to such Bonds in the inverse order of mandatory sinking fund redemption dates.

Partial Redemption. If less than all of the Bonds are called for optional redemption or extraordinary optional redemption, the Bonds or portion of a Bond of any one maturity to be redeemed shall be selected in the following manner:

(i) If the principal amount called for redemption is greater than or equal to ten percent (10%) of the original aggregate principal amount of the Bonds, the principal amount called for redemption shall be allocated on a pro rata basis among all Outstanding Bonds and a portion of all Outstanding Bonds shall be redeemed in the principal amount allocated to such Bonds (the "10% or Greater Manner"); and

(ii) If the principal amount called for redemption is less than ten percent (10%) of the original aggregate principal amount of the Bonds, the Outstanding Bonds shall be redeemed in inverse order of maturity (the "Less Than 10% Manner").

Bonds may be redeemed in minimum principal amounts of $1,000 or any integral thereof. Each Bond shall be treated as representing the number of Bonds that is obtained by dividing the principal amount of such Bond by $1,000.

A portion of an Outstanding Bond of any one maturity may be redeemed, but only in a principal amount equal to $1,000 or any integral thereof. If a portion of an Outstanding Bond of a maturity is selected for redemption, the Trustee shall select the Outstanding Bonds of such maturity to be redeemed by lot. The Trustee shall treat each $1,000 portion of such Bond as though it were a single Bond for purposes of selection for redemption. No redemption shall result in a Bond in a denomination of less than an Authorized Denomination; provided, however, if the amount of the Outstanding Bond is less than an Authorized Denomination after giving effect to such partial redemption, a Bond in the principal amount equal to the unredeemed portion, but not less than $1,000, may be issued.

Upon surrender of any Bond for redemption in part, the Trustee in accordance with the Indenture, shall authenticate and deliver and exchange the Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, which shall be an Authorized Denomination. A new Bond representing the unredeemed balance of such Bond shall be issued to the Owner thereof, such exchange being without charge.

Notice of Redemption to Owners. Upon written notification by the City to the Trustee of the exercise of any redemption, the Trustee shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond or portion thereof to be redeemed, at the address shown in the Register.

The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed, any conditions to such redemption and that on the redemption date, if all conditions, if any, to such redemption have been satisfied, such Bond shall become due and payable.

Any notice given as provided in the Indenture shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

The City has the right to rescind any optional redemption or extraordinary optional redemption by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. Upon written notice of such rescission from the City, the Trustee shall mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

With respect to any optional redemption of the Bonds, unless the Trustee has received funds sufficient to pay the Redemption Price of the Bonds to be redeemed before giving of a notice of redemption, the notice may state the City may condition redemption on the receipt of such funds by the Trustee on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient funds are not received, the notice shall be of no force and effect, the City shall not redeem the Bonds and the Trustee shall give notice, in the manner in which the notice of redemption was given, that the Bonds have not been redeemed.

BOOK-ENTRY-ONLY SYSTEM

This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by DTC, while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Limited Offering Memorandum. The City and the Underwriter believe the source of such information to be reliable, but neither the City nor the Underwriter takes responsibility for the accuracy or completeness thereof.

The City cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis or (3) DTC will serve and act in the manner described in this Limited Offering Memorandum. The current rules applicable to DTC are on file with the United States Securities and Exchange Commission (the "SEC"), and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered security certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its registered subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). Direct Participants and Indirect Participants are collectively referred to herein as "Participants." DTC has an S&P Global Ratings rating of "AA+". The DTC Rules applicable to its Participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners

will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all Bonds of the same maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant of such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest and all other payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the City or Paying Agent/Registrar, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, the Paying Agent/Registrar, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest and payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, the Paying Agent/Registrar or the City, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the City or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered. Thereafter, Bond certificates may be transferred and exchanged as described in the Indenture.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but none of the City, the City's Financial Advisor or the Underwriter take any responsibility for the accuracy thereof.

NONE OF THE CITY, THE TRUSTEE, THE PAYING AGENT, THE CITY'S FINANCIAL ADVISOR OR THE UNDERWRITER WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEE WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE DTC PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OF THE BONDS. THE CITY CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, THE DTC PARTICIPANTS OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE BONDS PAID TO DTC OR ITS NOMINEE, AS THE REGISTERED OWNER, OR PROVIDE ANY NOTICES TO THE BENEFICIAL OWNERS OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THIS LIMITED OFFERING MEMORANDUM. THE CURRENT RULES APPLICABLE TO DTC ARE ON FILE WITH THE SECURITIES AND EXCHANGE COMMISSION, AND THE CURRENT PROCEDURES OF DTC TO BE FOLLOWED IN DEALING WITH DTC PARTICIPANTS ARE ON FILE WITH DTC.

SECURITY FOR THE BONDS

The following is a summary of certain provisions contained in the Indenture. Reference is made to the Indenture for a full statement of the terms and provisions of the Bonds. Investors must read the entire Indenture to obtain information essential to the making of an informed investment decision. See "APPENDIX B — Form of Indenture."

General

THE BONDS ARE SPECIAL AND LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. THE BONDS DO NOT GIVE RISE TO A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE CITY AND ARE PAYABLE SOLELY FROM THE SOURCES IDENTIFIED IN THE INDENTURE. THE OWNERS OF THE BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF MONEY RAISED OR TO BE RAISED BY TAXATION, OR OUT OF ANY FUNDS OF THE CITY OTHER THAN THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. NO OWNER OF THE BONDS SHALL HAVE THE RIGHT TO DEMAND ANY EXERCISE OF THE CITY'S TAXING POWER TO PAY THE PRINCIPAL OF THE BONDS OR THE INTEREST OR REDEMPTION PREMIUM, IF ANY, THEREON. THE CITY SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO PAY THE BONDS OUT OF ANY FUNDS OF THE CITY OTHER THAN THE TRUST ESTATE.

The principal of, premium, if any, and interest on the Bonds are secured by a pledge of and a lien upon the Pledged Revenues (defined below), consisting primarily of certain revenue from Assessments to be levied against the Assessed Property and other funds comprising the Trust Estate, all to the extent and upon the conditions described herein and in the Indenture. In accordance with the PID Act, the City has caused the preparation of a 2025 Service and Assessment Plan (as amended, restated and supplemented, the "2025 Service and Assessment Plan"), which describes the special benefit received by the property within the District, provides the basis and justification for the determination of special benefit on such property, establishes the methodology for the levy of Assessments and provides for the allocation of Pledged Revenues for payment of principal of, premium, if any, and interest on the Bonds. The 2025 Service and Assessment Plan is reviewed and updated annually for the purpose of determining the annual budget for improvements and the Annual Installments (as defined below) of the Assessments due in a given year. The determination by the City of the assessment methodology set forth in the 2025 Service and Assessment Plan is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on all current and future landowners within the District. See "APPENDIX C — Form of 2025 Service and Assessment Plan."

For the purposes of the information summarized under this heading "SECURITY FOR THE BONDS," "Bonds" means any Bond or all Bonds as authorized by the Bond Ordinance and issued in accordance with the Indenture, including the Bonds, any Refunding Bonds, and any Bonds issued in exchange or replacement thereof as permitted by the Indenture.

Pledged Revenues

The City is authorized by the PID Act, the Assessment Ordinance and other provisions of State law to finance the PID Improvements by levying Assessments upon properties in the District benefited thereby. For a description of the assessment methodology and the amounts of Assessments levied and anticipated to be levied in each phase of the District, see "ASSESSMENT PROCEDURES" and "APPENDIX C — Form of 2025 Service and Assessment Plan."

The Bonds are secured by a pledge of and a lien upon the Pledged Revenues, consisting primarily of Assessment Revenue (defined below), and other funds comprising the Trust Estate, all to the extent and upon the conditions described herein and in the Indenture. Pursuant to the Indenture, the following terms are assigned the following meanings:

"Annual Collection Costs" means the actual or budgeted costs and expenses for: (1) the Administrator and City staff; (2) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (3) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (4) preparing and maintaining records with respect to the Assessment Rolls and Annual Service Plan Updates; (5) issuing, paying, and redeeming the Bonds; (6) investing or depositing Assessments and Annual Installments; (7) complying with the 2025 Service and Assessment Plan and the PID Act with respect to the administration of a reimbursement agreement and the issuance and sale of the Bonds, including continuing disclosure requirements; and (8) the paying agent/registrar and Trustee in connection with the Bonds, including their respective legal counsel. Amounts collected for Annual Collection Costs but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

"Annual Installment" means, with respect to the Assessments, the annual installment payments of an Assessment calculated by the Administrator and approved by the City Council, including: (i) principal; (ii) interest; (iii) Annual Collection Costs; and (iv) the Additional Interest.

"Assessment Revenue" means monies collected by or on behalf of the City from any one or more of the following: (i) an Assessment levied against an Assessed Property, or Annual Installment payment thereof, including any interest on such Assessment or Annual Installment thereof during any period of delinquency, (ii) a Prepayment, (iii) Delinquent Collection Costs, and (iv) Foreclosure Proceeds.

"Delinquent Collection Costs" means for an Assessed Property, interest, penalties, and other costs and expenses authorized by the PID Act that directly or indirectly relate to the collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under the 2025 Service and Assessment Plan, including costs and expenses to foreclose liens.

"Foreclosure Proceeds" means the proceeds, including interest and penalty interest, received by the City from the enforcement of the Assessments against any Assessed Property or Assessed Properties, whether by foreclosure of lien or otherwise, but excluding and net of all Delinquent Collection Costs.

"Pledged Funds" means the Pledged Revenue Fund, the Bond Fund, the Project Fund (but only with respect to such accounts of the Project Fund created pursuant to the Indenture), the Reserve Fund, and the Redemption Fund.

"Pledged Revenues" means the sum of (i) Assessment Revenue (other than Delinquent Collection Costs); (ii) the moneys held in any of the Pledged Funds; and (iii) any additional revenues that the City may pledge to the payment of Bonds.

"Trust Estate" means the Trust Estate described in the granting clauses of the Indenture.

The City will covenant, agree, and warrant in the Indenture that it will take and pursue all actions permissible under applicable laws to cause the Assessments to be collected and the liens thereof to be enforced continuously. See "— Pledged Revenue Fund." See also "APPENDIX B — Form of Indenture" and "APPENDIX C — Form of 2025 Service and Assessment Plan."

The PID Act provides that the Assessments (including any reassessment, with interest, the expense of collection and reasonable attorney's fees, if incurred) are a first and prior lien (the "Assessment Lien") against the

Assessed Property, superior to all other liens or claims, except liens and claims for State, county, school district, municipality, or other political subdivisions of the State for ad valorem taxes and are a personal liability of and charge against the owners of property, regardless of whether the owners are named. Pursuant to the PID Act, the Assessment Lien is effective from the date of the Assessment Ordinance until the Assessments are paid (or otherwise discharged), and is enforceable by the City Council in the same manner that an ad valorem property tax levied against real property may be enforced by the City Council. See "ASSESSMENT PROCEDURES" herein.

Collection and Enforcement of Assessments

For so long as any Bonds are Outstanding and amounts are due to the Developer under the Reimbursement Agreement to reimburse it for the funds it has contributed to pay Actual Costs of the PID Improvements, the City covenants, agrees and warrants that it will take and pursue all actions permissible under Applicable Laws to cause the Assessments to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and, to the extent permitted by Applicable Laws, to cause no reduction, abatement or exemption in the Assessments.

The City will determine or cause to be determined, no later than February 15 of each year, whether or not any Annual Installment is delinquent and, if such delinquencies exist, the City will order and cause to be commenced as soon as practicable any and all appropriate and legally permissible actions to obtain such Annual Installment, and any delinquent charges and interest thereon, including diligently prosecuting an action in district court to foreclose the currently delinquent Annual Installment. Notwithstanding the foregoing, the City shall not be required under any circumstances to purchase or make payment for the purchase of the delinquent Assessment or the corresponding Assessed Property in the District.

Unconditional Levy of Assessments

The City will impose Assessments on the Assessed Property to pay the principal of and interest on the Bonds scheduled for payment from Pledged Revenues as described in the Indenture and in the 2025 Service and Assessment Plan and coming due during each fiscal year. The Assessments became effective or will become effective on the date of, and strictly in accordance with the terms of, the Assessment Ordinance. Each Assessment may be paid immediately in full or in periodic Annual Installments over a period of time equal to the term of the Bonds, which installments shall include interest on the Assessments. Pursuant to the Assessment Ordinance, interest on the Assessments will be calculated at the rate of interest on the Bonds plus 0.50%, calculated on the basis of a 360-day year of twelve 30-day months. Such rate may be adjusted as described in the 2025 Service and Assessment Plan. Each Annual Installment will be calculated on or before October 1 of each year and shall be delinquent if not paid prior to February 1 of the following year. The initial Annual Installments of the Assessments will be due when billed and will be delinquent if not paid prior to February 1, 2026.

As authorized by Section 372.018(b) of the PID Act, the City will calculate and collect each year while the Bonds are Outstanding and unpaid an assessment to pay the Annual Collection Costs. The portion of each Annual Installment of an Assessment used to pay such Annual Collection Costs shall remain in effect from year to year until all Bonds are finally paid or until the City adjusts the amount of the levy after an annual review in any year pursuant to Section 372.013 of the PID Act. The amount collected to pay Annual Collection Costs shall be due in the manner set forth in the Assessment Ordinance, and shall be billed as part of the Annual Installment on or about October 1 of each year and shall be delinquent if not paid by February 1 of the following year. **Amounts collected for Annual Collection Costs do not secure repayment of the Bonds**.

There will be no discount for the early payment of Assessments.

Assessments, together with interest, penalties, and expense of collection and reasonable attorneys' fees, as permitted by the Texas Tax Code, shall be a first and prior lien against the property assessed, superior to all other liens and claims, except liens or claims for State, county, school district or municipality ad valorem taxes and shall be a personal liability of and charge against the owner of the property regardless of whether the owners are named. The lien for Assessments and penalties and interest began or will begin on the effective date of the Assessment Ordinance and continues until the Assessments are paid or until all Bonds are finally paid.

Failure to pay an Annual Installment when due shall not accelerate the payment of the remaining Annual Installments of the Assessments and such remaining Annual Installments (including interest) shall continue to be due and payable at the same time and in the same amount and manner as if such default had not occurred.

Perfected Security Interest

Chapter 1208, Texas Government Code, applies to the issuance of the Bonds and the pledge of the Trust Estate provided for in the Indenture, and such pledge is, under current law, valid, effective and perfected. The City shall cause to be filed all appropriate initial financing statements, if any, to ensure that the Trustee (for the benefit of the Owners of the Bonds) is granted a valid and perfected first priority lien on the entire Trust Estate. Nothing in the Indenture shall obligate the Trustee to file any initial financing statements. Upon the City's timely delivery of a copy of such filed initial financing statement, if any, to the Trustee, the Trustee shall file continuation statements of such initial financing statement(s) in the same jurisdictions as the initial financing statement(s) previously provided to the Trustee. Unless the Trustee is otherwise notified in writing by the City, the Trustee may rely upon the initial financing statements in filing any continuation statements in the Indenture. See "APPENDIX B — Form of Indenture."

Project Collection Fund

While any Bonds are Outstanding, Travis County (the "County"), by agreement with the City, may collect Assessment Revenue on the City's behalf. If the County, whether acting by and through its Tax Office or otherwise, presents or otherwise tenders to the Trustee such collected Assessment Revenue for deposit on the City's behalf, the Trustee shall accept such Assessment Revenue and deposit the same into the Project Collection Fund. The Trustee shall, as directed by the City pursuant to a City Certificate, deposit or cause to be deposited all of that portion of the Assessment Revenue deposited into the Project Collection Fund that consists of the Annual Collection Costs and the Delinquent Collection Costs to the Administrative Fund and, as directed pursuant to a City Certificate, on or before February 20, 2026, and on or before February 20 and August 20 of each year thereafter while the Bonds are Outstanding, deposit or cause to be deposited all of that portion of the Assessment Revenue deposited into the Project Collection Fund that consists of Pledged Revenue into the Pledged Revenue Fund.

Pledged Revenue Fund

Upon the Trustee's receipt of the Pledged Revenues from the Project Collection Fund, the Trustee shall deposit or cause to be deposited the Pledged Revenues to be applied by the Trustee in the following order of priority:

(i) *first*, to the Pledged Revenue Fund in an amount sufficient to pay debt service on the Bonds next coming due in such calendar year;

(ii) *second*, to the Reserve Account of the Reserve Fund in an amount to cause the amount in the Reserve Account to equal the Reserve Account Requirement;

(iii) *third*, to the Additional Interest Reserve Account of the Reserve Fund in an amount equal to the Additional Interest, to cause the amount in the Additional Interest Reserve Account to equal the Additional Interest Reserve Requirement;

(iv) *fourth*, to the Project Fund to pay Actual Costs of the PID Improvements; and

(v) *fifth*, to pay other costs permitted by the PID Act.

Along with each transfer to the Trustee, the City shall provide a City Certificate as to the funds, accounts and payments into which the amounts are to be deposited or paid.

From time to time as needed to pay the obligations relating to the Bonds, but no later than five (5) Business Days before each Interest Payment Date, the Trustee shall withdraw from the Pledged Revenue Fund and transfer to the Principal and Interest Account of the Bond Fund, an amount, taking into account any amounts then on deposit in such Principal and Interest Account, such that the amount on deposit in the Principal and Interest Account equals the principal (including any Sinking Fund Installments) and interest due on the Bonds on the next Interest Payment Date.

If, after the foregoing transfers and any transfer from the Reserve Fund, there are insufficient funds to make the payments provided in the paragraph above, the Trustee shall apply the available funds in the Principal and Interest Account first to the payment of interest, then to the payment of principal (including any Sinking Fund Installments) on the Bonds, in the manner described in the Indenture.

Notwithstanding the above, the Trustee shall deposit as soon as practicable after receipt Prepayments to the Pledged Revenue Fund and after such deposit shall transfer such Prepayments to the Redemption Fund. The Trustee shall also deposit as soon as practicable after receipt Foreclosure Proceeds to the Pledged Revenue Fund and after such deposit shall transfer Foreclosure Proceeds, as directed by the City pursuant to a City Certificate, first to the Reserve Fund to restore any transfers from the accounts within the Reserve Fund made with respect to the Assessed Property or Assessed Properties to which the Foreclosure Proceeds relate (first, to replenish the Reserve Account Requirement, and second, to replenish the Additional Interest Reserve Requirement), and second, to the Redemption Fund.

After satisfaction of the requirement to provide for the payment of the principal and interest on the Bonds and to fund any deficiency that may exist in any Account of the Reserve Fund and transfer of funds pursuant to the above (as described in the Indenture), the City may direct the Trustee by City Certificate to apply Assessments for any lawful purposes permitted by the PID Act for which the Assessments may be applied. The Trustee may rely on such written direction of the City and shall have no obligation to determine the lawful purposes permitted under the PID Act.

Bond Fund

On each Interest Payment Date, the Trustee shall withdraw from the Principal and Interest Account and transfer to the Paying Agent/Registrar the principal (including any Sinking Fund Installments) and interest then due and payable on the Bonds.

If amounts in the Principal and Interest Account are insufficient for the purposes set forth in the paragraph above, the Trustee shall withdraw from the Reserve Fund amounts to cover the amount of such insufficiency in the order, as described in the Indenture. Amounts so withdrawn from the Reserve Fund shall be deposited in the Principal and Interest Account and transferred to the Paying Agent/Registrar.

Project Fund

Money on deposit in the PID Improvements Account and the Costs of Issuance Account of the Project Fund shall be used for the purposes specified in the Indenture.

Disbursements from the PID Improvements Account of the Project Fund to pay the Actual Costs of the PID Improvements shall be made by the Trustee upon receipt by the Trustee of one or more City Certificates containing a properly executed and completed Certification for Payment. The disbursement of funds from the PID Improvements Account of the Project Fund pursuant to a City Certificate shall be deemed to be pursuant to and in accordance with the disbursement procedures described in the Financing Agreement and the Indenture.

Disbursements from the Costs of Issuance Account of the Project Fund shall be made by the Trustee pursuant to and in accordance with a City Certificate providing for the application of such funds to be disbursed (with the exception of fees and expenses initially incurred by the Trustee, which may be withdrawn by the Trustee).

If the City Representative reasonably determines that amounts then on deposit in the PID Improvements Account of the Project Fund are not expected to be expended for purposes of the PID Improvements Account due to the abandonment, or constructive abandonment, of the PID Improvements, such that, in the reasonable opinion of the City Representative after a reasonable inquiry or concurrence of the Developer, as applicable, it is unlikely that the amounts in the PID Improvements Account of the Project Fund will ever be expended for the purposes of the PID Improvements Account, the City Representative after a reasonable inquiry or concurrence of the Developer, as applicable, shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the PID Improvements Account that are not expected to be used for purposes of the PID Improvements Account. If such City Certificate is so filed, the amounts on deposit in the PID Improvements Account shall be transferred to the Redemption Fund to redeem Bonds on the earliest practical date after notice of redemption has been provided in accordance with the Indenture.

Upon the filing of a City Certificate stating that all of the PID Improvements have been completed and that all Actual Costs of the PID Improvements allocable to the Assessed Property have been paid, or that any such Actual Costs are not required be paid from the PID Improvements Account of the Project Fund, the Trustee shall (i) transfer the amount, if any remaining within the PID Improvements Account of the Project Fund to the Principal and Interest Account of the Bond Fund, and (ii) close the PID Improvements Account of the Project Fund.

Not later than six (6) months following the Delivery Date or upon an earlier determination by the City Representative that all costs of issuance of the Bonds have been paid and the appropriate portion of the costs incidental to the organization of the District have been paid, the amounts on deposit in the Costs of Issuance Account of the Project Fund shall be transferred to the PID Improvements Account of the Project Fund, as directed by the City in a City Certificate filed with the Trustee, and the Costs of Issuance Account of the Project Fund shall be closed.

Reserve Account of the Reserve Fund

Pursuant to the Indenture, a Reserve Account will be created within the Reserve Fund for the benefit of the Bonds and held by the Trustee and will be funded with proceeds of the Bonds in the amount of the Reserve Account Requirement. Pursuant to the Indenture, the "Reserve Account Requirement" for the Bonds shall be an amount equal to the least of (i) Maximum Annual Debt Service on the Bonds as of the Delivery Date therefor, (ii) 125% of the average Annual Debt Service on the Bonds as of the Delivery Date therefor, or (iii) 10% of the lesser of the par amount of the Outstanding Bonds or the original issue price of the Bonds; provided, however, that such amount shall be reduced by any transfers made pursuant to prepayments or excess earnings in the Reserve Account, as set forth in the Indenture, and as a result of optional redemption, the Reserve Account Requirement shall be reduced by a percentage equal to the pro rata principal amount of Bonds redeemed by such redemption divided by the total principal amount of the Outstanding Bonds prior to such redemption. As of the Delivery Date of the Bonds, the Reserve Account Requirement equals $_____, which is an amount equal to the Maximum Annual Debt Service on the Bonds as of the Delivery Date therefor.

Whenever, on any Interest Payment Date, the amount on deposit in the Principal and Interest Account of the Bond Fund is insufficient to pay the debt service on the Bonds due on such date, the Trustee shall transfer first from the Additional Interest Reserve Account of the Reserve Fund (described below), and second from the Reserve Account of the Reserve Fund to the Bond Fund in the amount necessary to cure such deficiency.

If, after a Reserve Fund withdrawal, the amount on deposit in the Reserve Account of the Reserve Fund is less than the Reserve Account Requirement, the Trustee shall transfer from the Pledged Revenue Fund to the Reserve Account of the Reserve Fund the amount of such deficiency, in accordance with the Indenture, but only to the extent that such amount is not required for the timely payment of principal, interest, or Sinking Fund Installments.

Whenever the Bonds are to be redeemed with the proceeds of Prepayments pursuant to extraordinary optional redemption, a proportionate amount in the Reserve Account of the Reserve Fund shall be transferred on the Business Day prior to the redemption date by the Trustee to the Redemption Fund to be applied to the redemption of the Bonds. The amount so transferred from the Reserve Account of the Reserve Fund shall be equal to an amount representing the difference between (i) the lesser of (A) the Reserve Account Requirement prior to redemption and (B) the amount actually on deposit in the Reserve Account prior to redemption, and (ii) the Reserve Account Requirement after such redemption; provided, however, no such transfer from the Reserve Account shall cause the amount on deposit therein to be less than the Reserve Account Requirement to be in effect after such redemption. If after such transfer, and after applying investment earnings on the Redemption Fund toward payment of accrued and unpaid interest to the date of redemption on the Bonds to be redeemed, there are insufficient funds to pay the principal amount plus accrued and unpaid interest on such Bonds to the date fixed for redemption of the Bonds to be redeemed as a result of such Prepayment, the Trustee shall transfer an amount equal to the shortfall from the Additional Interest Reserve Account to the Redemption Fund to be applied to the redemption of the Bonds.

At the final maturity of the Bonds, the amount on deposit in the Reserve Account and the Additional Interest Reserve Account shall be transferred to the Redemption Fund and applied to the payment of the principal of the Bonds.

Additional Interest Reserve Account of the Reserve Fund

The Trustee will transfer an amount equal to the Additional Interest (as defined below) from the Pledged Revenue Fund to the Additional Interest Reserve Account on February 20, 2026 and on the twentieth day of each month thereafter until the amount on deposit in the Additional Interest Reserve Account is equal to the Additional Interest Reserve Requirement; provided, however, that at any time the amount on deposit in the Additional Interest Reserve Account is less than the Additional Interest Reserve Requirement, the Trustee shall resume depositing the Additional Interest into the Additional Interest Reserve Account until the Additional Interest Reserve Requirement has accumulated in the Additional Interest Reserve Account. The Additional Interest Reserve Requirement is an amount equal to 5.5% of the par amount of the Bonds. The "Additional Interest" is the 0.50% interest above the interest rate borne by the Bonds, authorized by Section 372.018(a) of the PID Act. Whenever, on any Interest Payment Date, or on any other date at the written request of the City Representative, the amount on deposit in the Additional Interest Reserve Account exceeds the Additional Interest Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess (the "Excess Additional Interest Reserve Amount"). Such excess on deposit in the Additional Interest Reserve Account shall be transferred, at the direction of the City pursuant to a City Certificate, to the Administrative Fund for the payment of Annual Collection Costs or to the Redemption Fund in order to effect the redemption of the Bonds pursuant to extraordinary optional redemption. In the event that the Trustee does not receive a City Certificate directing the transfer of the Excess Additional Interest Reserve Amount to the Administrative Fund within forty-five (45) days of providing notice to the City of such Excess Additional Interest Reserve Amount, the Trustee shall transfer the Excess Additional Interest Reserve Amount to the Redemption Fund and redeem the Bonds pursuant to extraordinary optional redemption. See "APPENDIX B — Form of Indenture" and "APPENDIX C — Form of 2025 Service and Assessment Plan."

Moneys deposited in the Additional Interest Reserve Account will be used and withdrawn by the Trustee for the purpose of making transfers to the Principal and Interest Account of the Bond Fund, pursuant to, and at the times specified in, the Indenture to pay a portion of the accrued interest on Bonds being redeemed pursuant to an extraordinary optional redemption for Prepayments. The amount to be transferred shall be an amount, for each Prepayment, equal to the amount of any shortfall, after transfers from the Reserve Account of the Reserve Fund as described above and application of investment earnings on the Prepayment toward payment of accrued interest, necessary to pay the principal amount plus accrued interest on such Bonds to be redeemed as a result of the Prepayment.

As discussed above, if, on any Interest Payment Date, the amount on deposit in the Bond Fund is insufficient to pay the debt service on the Bonds due on such date, the Trustee shall transfer any available funds on deposit first from the Additional Interest Reserve Account, and second from the Reserve Account of the Reserve Fund, to the Bond Fund in the amount necessary to cure such deficiency. In such event, the Additional Interest shall be used to replenish first, the Reserve Account, and second, the Additional Interest Reserve Account.

At the final maturity of the Bonds, the amount on deposit in the Additional Interest Reserve Account shall be transferred to the Redemption Fund and applied to the payment of the principal of the Bonds.

Administrative Fund

The City will create under the Indenture an Administrative Fund held by the Trustee. On or before February 20, 2026, and on or before each February 20 and August 20 of each year thereafter while the Bonds are Outstanding, the City shall deposit or cause to be deposited to the Administrative Fund the amounts collected each year to pay Annual Collection Costs, other than the Annual Collection Costs and Delinquent Collection Costs deposited into the Project Collection Fund. Moneys in the Administrative Fund shall be held by the Trustee separate and apart from the other Funds created and administered hereunder and used as directed by a City Certificate solely for the purposes set forth in the 2025 Service and Assessment Plan. See "APPENDIX C — Form of 2025 Service and Assessment Plan."

THE ADMINISTRATIVE FUND SHALL NOT BE PART OF THE TRUST ESTATE AND SHALL NOT BE SECURITY FOR THE BONDS.

Defeasance

All Outstanding Bonds shall prior to the Stated Maturity or redemption date thereof be deemed to have been paid and to no longer be deemed Outstanding if (i) in case any such Bonds are to be redeemed on any date prior to their

Stated Maturity, the Trustee shall have given notice of redemption on said date as provided in the Indenture, (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Securities the principal of and the interest on which when due will provide moneys which, together with any moneys deposited with the Trustee at the same time, shall be sufficient to pay when due the principal of and interest on of the Bonds to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (iii) the Trustee shall have received a report by an independent certified public accountant selected by the City verifying the sufficiency of the moneys or Defeasance Securities deposited with the Trustee to pay when due the principal of and interest on of the Bonds to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, and (iv) if the Bonds are then rated, the Trustee shall have received written confirmation from each rating agency then rating the Bonds that such deposit will not result in the reduction or withdrawal of the rating on the Bonds, and (v) the Trustee shall have received an opinion of Bond Counsel to the effect that (A) any Bond having been deemed to have been paid as provided in the Indenture is no longer Outstanding hereunder and is no longer secured by or entitled to the benefits of the Indenture, (B) such defeasance is in accordance with the terms hereof and (C) such defeasance will not adversely affect the exclusion of interest on such Bond from gross income for purposes of federal income taxation. Neither Defeasance Securities nor moneys deposited with the Trustee nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Bonds. Any cash received from such principal of and interest on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall be reinvested in Defeasance Securities as directed in writing by the City maturing at times and in amounts sufficient to pay when due the principal of and interest on the Bonds on and prior to such redemption date or maturity date thereof, as the case may be. Any payment for Defeasance Securities purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Defeasance Securities.

"Defeasance Securities" means Investment Securities then authorized by applicable law for the investment of funds to defease public securities. "Investment Securities" mean those authorized investments described in the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended; and that at the time made are included in and authorized by the City's official investment policy as approved by the City Council from time to time. Under current State law, Investment Securities that are authorized for the investment of funds to defease public securities are (a) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America; (b) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality, and that, on the date the governing body of the City adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent; and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the City adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than "AAA" or its equivalent.

There is no assurance that the current law will not be changed in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Bonds. Because the Indenture does not contractually limit such investments, Developer may be deemed to have consented to defeasance with such other investments, notwithstanding the fact that such investments may not be of the same investment quality as those currently permitted under State law. There is no assurance that the ratings for U.S. Treasury securities used as Defeasance Securities or that for any other Defeasance Security will be maintained at any particular rating category.

Events of Default

Each of the following occurrences or events constitutes an "Event of Default" under the Indenture:

(i) The failure of the City to deposit the Pledged Revenues to the Pledged Revenue Fund;

(ii) The failure of the City to enforce the collection of the Assessments including the prosecution of foreclosure proceedings;

(iii) The failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; and

(iv) Default in the performance or observance of any other covenant, agreement or obligation of the City under the Indenture and the continuation thereof for a period of ninety (90) days after written notice to the City by the Trustee, or by the Owners of a Quarter in Interest of the Bonds with a copy to the Trustee, specifying such default by the Owners of a Quarter in Interest of the Bonds requesting that the failure be remedied.

Restriction on Owner's Actions

No Owner shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of the Indenture or for the execution of any trust or any other remedy thereunder, unless (i) a default has occurred and is continuing of which the Trustee has been notified in writing, (ii) such default has become an Event of Default and the Owners of a Quarter in Interest of the Bonds have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers thereinbefore granted or to institute such action, suit or proceeding in its own name, (iii) the Owners have furnished to the Trustee indemnity as provided in the Indenture, (iv) the Trustee has for sixty (60) days after such notice failed or refused to exercise the powers thereinbefore granted, or to institute such action, suit, or proceeding in its own name, (v) no written direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Owners of a majority of the aggregate principal amount of the Bonds then Outstanding, and (vi) notice of such action, suit, or proceeding is given to the Trustee in writing; however, all proceedings at law or in equity shall be instituted and maintained in the manner provided therein and for the equal benefit of the Owners of all Bonds then Outstanding. The notification, request and furnishing of indemnity set forth above shall, at the option of the Trustee as advised by counsel, be conditions precedent to the execution of the powers and trusts of the Indenture and to any action or cause of action for the enforcement of the Indenture or for any other remedy thereunder.

Subject to provisions of the Indenture with respect to certain liabilities of the City, nothing in the Indenture shall affect or impair the right of any Owner to enforce, by action at law, payment of any Bond at and after the maturity thereof, or on the date fixed for redemption or the obligation of the City to pay each Bond issued thereunder to the respective Owners thereof at the time and place, from the source and in the manner expressed therein and in the Bonds.

In case the Trustee or any Owners shall have proceeded to enforce any right under the Indenture and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or any Owners, then and in every such case the City, the Trustee and the Owners shall be restored to their former positions and rights thereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Application of Revenues and Other Moneys after Default

All moneys, securities, funds and Pledged Revenues, Pledged Funds and other assets of the Trust Estate and the income therefrom received by the Trustee pursuant to any right given or action taken under the provisions of Article XI of the Indenture shall, after payment of the cost and expenses of the proceedings resulting in the collection of such amounts, the expenses (including its counsel fees, costs, and expenses), liabilities, and advances incurred or made by the Trustee and the fees of the Trustee in carrying out the Indenture, during the continuance of an Event of Default, notwithstanding Section 11.2 of the Indenture, shall be applied by the Trustee, on behalf of the City, to the payment of interest and principal or Redemption Price then due on Bonds, as follows:

(i) FIRST: To the payment to the Owners entitled thereto all installments of interest then due in the direct order of maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the Owners entitled thereto, without any discrimination or preference; and

(ii) SECOND: To the payment to the Owners entitled thereto of the unpaid principal of Outstanding Bonds, or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the direct order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal due and to the Owners entitled thereto, without any discrimination or preference.

Within ten (10) days of receipt of such good and available funds, the Trustee may fix a record and payment date for any payment to be made to Owners.

In the event funds are not adequate to cure any of the Events of Default, the available funds shall be allocated to the Bonds that are Outstanding in proportion to the quantity of Bonds that are currently due and in default under the terms of the Indenture.

The restoration of the City to its prior position after any and all defaults have been cured shall not extend to or affect any subsequent default under the Indenture or impair any right consequent thereon.

Investment of Funds

Money in any Fund or Account established pursuant to the Indenture shall be invested by the Trustee as directed by the City pursuant to a City Certificate filed with the Trustee at least two (2) business days in advance of the making of such investment in time deposits or certificates of deposit secured in the manner required by law for public funds, or be invested in direct obligations of, including obligations the principal and interest on which are unconditionally guaranteed by, the United States of America, in obligations of any agencies or instrumentalities thereof, or in such other investments as are permitted under the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended, or any successor law, as in effect from time to time; provided that all such deposits and investments shall be made in such manner (which may include repurchase agreements for such investment with any primary dealer of such agreements) that the money required to be expended from any Fund will be available at the proper time or times. Such investments shall be valued each year in terms of current market value as of September 30. For purposes of maximizing investment returns, to the extent permitted by law, money in such Funds may be invested in common investments of the kind described above, or in a common pool of such investment which shall be kept and held at an official depository bank, which shall not be deemed to be or constitute a commingling of such money or funds provided that safekeeping receipts or certificates of participation clearly evidencing the investment or investment pool in which such money is invested and the share thereof purchased with such money or owned by such Fund are held by or on behalf of each such Fund. If necessary, such investments shall be promptly sold in order to make the disbursements required or permitted by the Indenture or to prevent any default.

Obligations purchased as an investment of moneys in any Fund or Account shall be deemed to be part of such Fund or Account, subject, however, to the requirements of the Indenture for transfer of interest earnings and profits resulting from investment of amounts in Funds and Accounts. Whenever in the Indenture any moneys are required to be transferred by the City to the Trustee, such transfer may be accomplished by transferring a like amount of Investment Securities, unless the City instructs the Trustee otherwise by written direction.

Against Encumbrances

Other than Refunding Bonds, the City shall not create and, to the extent Pledged Revenues are received, shall not suffer to remain, any lien, encumbrance or charge upon the Pledged Revenues, the Pledged Funds, the Trust Estate, or any other property pledged under the Indenture, except any pledge created for the equal and ratable security of the Bonds. So long as Bonds are Outstanding, the City shall not issue any bonds, notes or other evidences of indebtedness secured by any pledge of or other lien or charge on the Pledged Revenues, the Pledged Funds, the Trust Estate or other property pledged under the Indenture, except that the City may issue Refunding Bonds in accordance with the terms of the Indenture.

Immediate Remedies for Default

Subject to the limitations on liability of the City provided within the Indenture, upon the happening and continuance of any of the Events of Default, the Trustee may, and at the written direction of the Owners of a Quarter in Interest of the Bonds and its receipt of indemnity satisfactory to it shall, proceed against the City for the purpose of protecting and enforcing the rights of the Owners under the Indenture, by action seeking mandamus or by other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by the Indenture or by Applicable Laws, including, but not limited to, the specific performance of any covenant or agreement contained herein, or injunction; provided, however, that any action for money damages against the City shall be limited in recovery to the assets of the Trust Estate, including the Pledged Revenues and Pledged Funds. The Trustee retains the right to obtain the advice of counsel in its exercise of remedies for default.

THE PRINCIPAL OF THE BONDS SHALL NOT BE SUBJECT TO ACCELERATION UNDER ANY CIRCUMSTANCES.

If the assets of the Trust Estate are sufficient to pay all amounts due with respect to all Outstanding Bonds, in the selection of Trust Estate assets to be used in the payment of Bonds due under the provisions of the Indenture, the City shall determine, in its absolute discretion, and shall instruct the Trustee by City Certificate, which Trust Estate assets shall be applied to such payment and shall not be liable to any Owner or other Person by reason of such selection and application; provided, however, the City Certificate shall account and provide for payment in full of all amounts then due under the Indenture, including but not limited to full payment of principal and interest due and payable on bonds similarly secured. In the event that the City shall fail to deliver to the Trustee such City Certificate, the Trustee shall select and liquidate or sell Trust Estate assets as provided in the following paragraph, and shall not be liable to any Owner, or other Person, or the City by reason of such selection, liquidation or sale.

Whenever moneys are to be applied pursuant to the provisions of the Indenture, irrespective of and whether other remedies authorized under the Indenture shall have been pursued in whole or in part, the Trustee may cause any or all of the assets of the Trust Estate, including Investment Securities, to be sold. The Trustee may so sell the assets of the Trust Estate and all right, title, interest, claim and demand thereto and the right of redemption thereof, in one or more parts, at any such place or places, and at such time or times and upon such notice and terms as the Trustee may deem appropriate and as may be required by law and apply the proceeds thereof in accordance with the provisions of the Indenture. Upon such sale, the Trustee may make and deliver to the purchaser or purchasers a good and sufficient assignment or conveyance for the same, which sale shall be a perpetual bar both at law and in equity against the City, and all other Persons claiming such properties. No purchaser at any sale shall be bound to see to the application of the purchase money proceeds thereof or to inquire as to the authorization, necessity, expediency, or regularity of any such sale. Nevertheless, if so requested by the Trustee, the City shall ratify and confirm any sale or sales by executing and delivering to the Trustee or to such purchaser or purchasers all such instruments as may be necessary or, in the judgment of the Trustee, proper for the purpose which may be designated in such request.

Additional Obligations or Other Liens; Refunding Bonds

The City reserves the right to issue Additional Obligations under other indentures, assessment ordinances, or similar agreements or other obligations which do not constitute or create a lien on the Trust Estate and are not payable from the Trust Estate.

Other than Refunding Bonds issued to refund all or a portion of the Bonds, the City will not create or voluntarily permit to be created any debt, lien or charge on any portion of the Trust Estate, and will not cause or allow any matter or things whatsoever whereby the lien of the Indenture or the priority thereof might or could be lost or impaired; and further covenants that it will pay or cause to be paid or will make adequate provisions for the satisfaction and discharge of all lawful claims and demands which if unpaid might by law be given precedence over or any equality with the Indenture as a lien or charge upon the Trust Estate; provided, however, that nothing in the Indenture shall require the City to apply, discharge, or make provision for any such lien, charge, claim, or demand so long as the validity thereof shall be contested by it in good faith, unless thereby, in the opinion of Bond Counsel or counsel to the Trustee, the same would endanger the security for the Bonds.

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SOURCES AND USES OF FUNDS*

The table that follows summarizes the expected sources and uses of proceeds of the Bonds:

Sources of Funds:	
Principal Amount	$
TOTAL SOURCES	$
Use of Funds:	
Deposit to PID Improvements Account of the Project Fund	$
Deposit to Reserve Account of the Reserve Fund	
Deposit to Administrative Fund	
Deposit to Costs of Issuance Account of the Project Fund	
Underwriter's Discount[(1)]	
TOTAL USES	$

_____

(1) Includes Underwriter's Counsel's fee in the amount of $_____.

* *Preliminary; subject to change.*

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DEBT SERVICE REQUIREMENTS*

The following table sets forth the anticipated debt service requirements for the Bonds:

Year Ending (September 30)	Principal	Interest	Total
2026	$	$	$
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
2053			
2054			
2055			
Total[(1)]	**$**	**$**	**$**

(1) To be updated and completed upon pricing

* *Preliminary; subject to change.*

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OVERLAPPING TAXES AND DEBT

The land within the District has been, and is expected to continue to be, subject to taxes and assessments imposed by taxing entities other than the City.

Overlapping Jurisdictions Tax Rates

The land within the District lies within the corporate limits of the City. The land within the District has been, and is expected to continue to be, subject to taxes and assessments imposed by taxing entities other than the City. Such taxes are payable in addition to the Assessments.

The District is located within the City, the County, the Manor Independent School District ("Manor ISD"), , Travis Central Health, Travis County Emergency Services District #12 ("Travis County ESD #12") and the Austin Community College District ("ACC"), all of which may levy ad valorem taxes upon land in the District for payment of debt incurred by such governmental entities and/or for payment of maintenance and operations expenses. The City has no control over the level of ad valorem taxes or special assessments levied by such other taxing authorities. The following table reflects the overlapping ad valorem tax rates currently levied on property located in the District.

Taxing Entity	*At Delivery of the Bonds* Tax Year 2024 Ad Valorem Tax Rate[1]	*Projected at Build Out* Tax Year 2024 Ad Valorem Tax Rate[1]
The City	$ 0.853700	$ 0.853700
Travis County	0.344445	0.344445
Travis Central Health	0.107969	0.107969
Travis County ESD #12	0.100000	0.100000
Austin Community College District	0.101300	0.101300
Manor Independent School District	1.081400	1.081400
Total Existing Tax Rate	**$ 2.588814**	**$ 2.588814**
Estimated Average Annual Installment in the District as tax rate equivalent	$ 0.303963 [2]	$ 0.303963 [3]
Total Tax Rate and Average Annual Installment for the District as tax rate equivalent	**$ 2.892777** [3]	**$ 2.892777** [3]

Source: Travis Central Appraisal District, the City, and Administrator.

(l) As reported by the taxing entities. Per $100 taxable appraised value.
(2) Based on $4,995,000 estimated appraised value as provided in the Appraisal.
(3) Based on information presented in Exhibit K of the 2025 Service and Assessment Plan derived from the Appraisal. Pursuant to the Development Agreement the estimated average annual installment as a tax rate equivalent cannot exceed $0.30. Preliminary, subject to change.

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Overlapping Debt of the District

As noted above, the District includes territory located in other governmental entities that may issue or incur debt secured by the levy and collection of ad valorem taxes or assessments. Set forth below is an overlapping debt table showing the outstanding indebtedness payable from ad valorem taxes with respect to property within the District, as of July 1, 2025, and City debt secured by the Assessments:

Taxing or Assessing Entity	Total Outstanding Debt	Estimated % Applicable[(1)]	Direct and Estimated Overlapping Debt[(1)]
The City (the Bonds)	$ 4,260,000*	100.000%	$ 4,260,000*
The City (Ad Valorem Tax Supported Debt)	77,930,000	0.2055%	160,123
Travis County	1,169,850,000	0.0015%	17,859
Travis Central Health	157,670,000	0.0015%	2,417
Travis County ESD #12	0	0.0768%	0
Austin Community College District	540,180,000	0.0012%	6,697
Manor Independent School District	461,479,999	0.0428%	197,479
Total	$2,411,369,999		$4,644,575

Source: Municipal Advisory Council of Texas and the City.

* Preliminary; subject to change.

(l) Based on the estimated appraised value of the District provided by the Appraisal.

Agricultural Valuation

If land is devoted principally to agricultural use, the landowner can apply for an agricultural valuation on the property and pay ad valorem taxes based on the land's agricultural value. Agricultural use includes production of crops or livestock. It also can include leaving the land idle for a government program or for normal crop or livestock rotation.

If land qualified for an agricultural valuation and the land use changes to a non-agricultural use, "rollback taxes" are assessed for each of the previous five years in which the land received the lower agricultural valuation. The rollback tax is the difference between taxes paid on land's agricultural value and the taxes that the landowner would have paid if the land had been taxed on a higher market value plus interest charged for each year from the date on which taxes would have been due. If the land use changes to a non-agricultural use on only a portion of a larger tract, the landowner can fence off the remaining land and maintain the agricultural valuation on the remaining land. In this scenario, the landowner would only be responsible for rollback taxes on that portion of the land where use changed and not the entire tract.

The property within phases 1, phase 2 and phase 4 of the District has been removed from an agricultural valuation, and the land withing phase 3 is expected to be removed in 2026. The Developer paid the rollback taxes.

Homeowners' Association

In addition to the taxes and the Assessments described above, each owner of a single-family lot within the District will pay an annual maintenance and operation fee and/or a property owners' association fee to a homeowners' association (the "Homeowners' Association") formed by the Developer. The Homeowners' Association fees are expected to be approximately $1,236 per year.

ASSESSMENT PROCEDURES

General

Capitalized terms used under this caption and not otherwise defined in this Limited Offering Memorandum shall have the meanings given in the 2025 Service and Assessment Plan.

As required by the PID Act, when the City determines to defray a portion of the costs of the PID Improvements through Assessments, it must adopt a resolution generally describing the PID Improvements and the land within the

District to be subject to Assessments to pay the costs therefor. The City has caused assessment rolls to be prepared (the "Assessment Rolls"), which Assessment Rolls will show the land within the District to be assessed, the amount of the benefit to and the Assessment against each lot or parcel of land and the number of Annual Installments in which the Assessment is divided. The Assessment Rolls will be filed with the City Secretary and made available for public inspection. Statutory notice will be given to the owners of the property to be assessed and a public hearing will be conducted to hear testimony from affected property owners as to the propriety and advisability of undertaking the PID Improvements and funding the same with Assessments.

The City expects to proceed to levy the Assessments and adopt the Assessment Ordinance immediately prior to adopting the Bond Ordinance on September 3, 2025. After such adoptions, the Assessments will become legal, valid and binding liens upon the property against which the Assessments are made.

Under the PID Act, the costs of the PID Improvements may be assessed by the City against the assessable property in the District so long as the special benefit conferred upon the Assessed Properties by the PID Improvements equals or exceeds the Assessments relating to such Assessed Properties. The costs of the PID Improvements may be assessed using any methodology that results in the imposition of equal shares of cost on Assessed Properties similarly benefited. The allocation of benefits and assessments to the benefited land within the District is presented in the 2025 Service and Assessment Plan, which should be read in its entirety. See "APPENDIX C — Form of 2025 Service and Assessment Plan."

Assessment Methodology

The 2025 Service and Assessment Plan describes the special benefit to be received by each parcel of assessable property as a result of the PID Improvements, provides the basis and justification for the determination that such special benefit exceeds the Assessments being levied, and establishes the methodology by which the City allocates the special benefit of the PID Improvements in a manner that results in equal shares of costs being apportioned to parcels similarly benefited.

The City has determined that the PID Improvements are allocated entirely to the Assessed Property in the District.

As described in the 2025 Service and Assessment Plan, a portion of the costs of the PID Improvements are being funded with proceeds of the Bonds, which are payable from and secured by Pledged Revenues and other funds comprising the Trust Estate.

The 2025 Service and Assessment Plan will be updated prior to closing of the Bonds to reflect final pricing thereof.

Assessments. As further set forth in the 2025 Service and Assessment Plan, the benefits received by the PID Improvements are currently allocated 100% to the Assessed Property by spreading the entire Assessment across the Assessed Property in the District.

Method of Reallocation of Assessments upon Subdivision. Once a lot has an Assessment applied to it and then proceeds to be subdivided again, Assessments will be reallocated based upon Estimated Buildout Value (as defined in the 2025 Service and Assessment Plan) but in no event will the new subdivision cause the sum of the Assessments for the subdivided lots to be greater than the Assessment for the lot prior to its subdivision. The allocation method used above is to insure there will not be an increase in the Assessment for each specific parcel. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to the 2025 Service and Assessment Plan shall be reflected in an update to the 2025 Service and Assessment Plan approved by the City Council.

The following table provides the proposed allocation of the Assessments and the estimated value to lien ratio for the District based on Lot Type.

Estimated Value to Lien Ratios in the District[1]

Lot Type	Number of Lots/SF	Base Lot Price[2]	Estimated Average Base Home Price[3]	Estimated Buildout Value[3][4]	Maximum Assessment per Lot[4]	Estimated Ratio of Value of Base Lot Price to Assessment	Estimated Ratio of Value of Base Home Price to Assessment
50'	174	$100,000	$452,000	$78,648,000	$14,078.40	7.10:1	32.11:1
60'	87	120,000	608,000	52,896,000	18,937.32	6.34:1	32.11:1
Commercial	21,780 SF		240	5,227,200	7.48		

(l) Preliminary; subject to change.
(2) Based on information in the Appraisal. See "THE DEVELOPMENT — Development Plan."
(3) The Estimated Average Base Home Price is provided by the Appraisal. No assurances can be given that projected home prices and buildout values will be realized.
(4) Derived from information in the 2025 Service and Assessment Plan.

Method of Reallocation of Assessments upon Consolidation. Upon the consolidation of two or more the Assessed Properties, the Assessments for the consolidated Assessed Properties shall be the sum of the Assessments prior to consolidation. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it will be prepaid by such amount by the party requesting the consolidation of the Assessed Properties. Any reallocation pursuant to the 2025 Service and Assessment Plan shall be reflected in an update to the 2025 Service and Assessment Plan approved by the City Council of the City. The consolidation of any Assessed Property shall be considered an administrative action and will not require any notice or public hearing (as defined in the PID Act) by the City Council of the City.

The City has determined the method of allocation for the costs of the Authorized Improvements will result in the imposition of equal shares of the Assessments on parcels similarly situated within the District. The Assessments and interest thereon are expected to be paid in Annual Installments. The determination by the City of the assessment methodology set forth in the 2025 Service and Assessment Plan is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer, all other current owners of property within the District and all future owners and developers within the District. See "APPENDIX C — Form of 2025 Service and Assessment Plan."

Collection and Enforcement of Assessment Amounts

Under the PID Act, the Annual Installments may be collected in the same manner and at the same time as regular ad valorem taxes of the City. The Assessments may be enforced by the City in the same manner that an ad valorem tax lien against real property is enforced. Delinquent installments of the Assessments incur interest, penalties and attorney's fees in the same manner as delinquent ad valorem taxes. Under the PID Act, the Assessment Lien is a first and prior lien against the property assessed, superior to all other liens and claims except liens or claims for State, county, school district or municipality ad valorem taxes. See "BONDHOLDERS' RISKS — Assessment Limitations" herein.

In the Indenture, the City will covenant to collect, or cause to be collected, Assessments as provided in the Assessment Ordinance. No less frequently than annually, City staff or a designee of the City shall prepare, and the City Council shall approve, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls and a calculation of the Annual Installment for each Parcel. Assessments for Annual Collection Costs shall be allocated among all Parcels in proportion to the amount of the Annual Installments for the Parcels.

In the Indenture, the City will covenant, agree and warrant that, for so long as any Bonds are Outstanding, that it will take and pursue all actions permissible under Applicable Laws to cause the Assessments to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and, to the extent permitted by Applicable Laws, to cause no reduction, abatement or exemption in the Assessments.

To the extent permitted by law, notice of the Annual Installments will be sent by, or on behalf of the City, to the affected property owners on the same statement or such other mechanism that is used by the City, so that such Annual Installments are collected simultaneously with ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City.

The City will determine or cause to be determined, no later than February 15 of each year, whether or not any Annual Installment is delinquent and, if such delinquencies exist, the City will order and cause to be commenced as soon as practicable any and all appropriate and legally permissible actions to obtain such Annual Installment, and any delinquent charges and interest thereon, including diligently prosecuting an action in district court to foreclose the currently delinquent Annual Installment. Notwithstanding the foregoing, the City shall not be required under any circumstances to purchase or make payment for the purchase of the delinquent Assessments or the corresponding Assessed Property.

The City will implement the basic timeline and procedures for Assessment collections and pursuit of delinquencies set forth in Exhibit C of the Disclosure Agreement of Issuer set forth in APPENDIX E-l and to comply therewith to the extent that the City reasonably determines that such compliance is the most appropriate timeline and procedures for enforcing the payment of delinquent Assessments.

The City shall not be required under any circumstances to expend any funds for Delinquent Collection Costs in connection with its covenants and agreements under the Indenture or otherwise other than with funds on deposit in the Administrative Fund.

Annual Installments will be paid to the City or its agent. Annual Installments are due when billed on or about October 1 of each year and become delinquent on February 1 of the following year. In the event Assessments are not timely paid, there are penalties and interest as set forth below:

Date Payment Received	Cumulative Penalty	Cumulative Interest	Total
February	6%	1%	7%
March	7%	2%	9%
April	8%	3%	11%
May	9%	4%	13%
June	10%	5%	15%
July	12%	6%	18%

After July, the penalty remains at 12%, and interest accrues at the rate of 1% each month. In addition, if an account is delinquent in July, a 20% attorney's collection fee may be added to the total penalty and interest charge. In general, property subject to lien may be sold, in whole or in parcels, pursuant to court order to collect the amounts due. An automatic stay by creditors or other entities, including governmental units, could prevent governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In most cases, post-petition Assessments are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

Assessment Amounts

Assessment Amounts. The maximum amounts of the Assessments will be established by the methodology described in the 2025 Service and Assessment Plan. The Assessment Rolls set forth for each year the Annual Installment for each Assessed Property consisting of (i) the annual portion allocable to the payment of principal and interest on the Bonds, which amount includes the Additional Interest; and (ii) the portion of the Annual Installment allocable to Annual Collection Costs. The Annual Installments for the District will be determined annually during the Annual Service Plan Update. The Assessments have been or will be levied against the parcels comprising the Assessed

Property as indicated on the respective Assessment Rolls. See "APPENDIX C — Form of 2025 Service and Assessment Plan" and "APPENDIX F — Financing Agreement."

The Annual Installments shown on the Assessment Rolls will be reduced to equal the actual costs of repaying the Bonds (which amount will include the Additional Interest of the interest costs) and actual Annual Collection Costs (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

Method of Apportionment of Assessments. For purposes of the 2025 Service and Assessment Plan, the City Council has determined that the Assessments shall be initially allocated to the Assessed Property based on the ratio of Estimated Buildout Value of each Assessed Property to estimated buildout value of all Assessed Properties.

As the existing parcels are subsequently divided, the Assessments will be further apportioned pro rata based on the Estimated Buildout Value of the newly created parcels. See "ASSESSMENT PROCEDURES — Assessment Methodology" and "APPENDIX C — Form of 2025 Service and Assessment Plan."

The Bonds are secured by a first lien on and pledge of Pledged Revenues, including the Assessments. See "SECURITY FOR THE BONDS" and "APPENDIX C — Form of 2025 Service and Assessment Plan."

The following table provides the expected allocation of Assessments based on proposed Lot Types.

Assessment Allocation by Lot Type in the District[(1)]

Lot Type	Planned Number of Lots/SF	Estimated Buildout Value	Maximum Assessment Per Lot	Total Assessments per Lot Type[(2)]	Average Annual Installments Per Lot/SF	Equivalent Tax Rate per $100 AV[(2)]
50'(Lot Type 1)	174	$452,000	$14,078.40	$2,449,642	$1,373.91	$0.3040
60'(Lot Type 2)	87	608,000	18,937.32	1,647,547	1,848.09	0.3040
Commercial	21,780 SF	240	7.48	162,811	0.73	0.3040
Total/ Weighted Average				**$4,260,000**		**$0.3040**

(l) Based on the concept plan for the District. Derived from information in the 2025 Service and Assessment Plan. The actual Lot counts and estimated buildout value may vary from that shown above.

(2) Derived from information in the 2025 Service and Assessment Plan. Pursuant to the Development Agreement the maximum assessment per lot may not result in a tax rate equivalent that exceeds $0.30 per $100 valuation.

Prepayment of Assessments

Voluntary Prepayment of Assessments. The owner of the Assessed Property may pay, at any time, all or any part of an Assessment in accordance with the PID Act. Interest costs from the date of prepayment to the date of redemption of the applicable PID Bonds, if any, may be paid from a reserve established under the applicable Indenture. If an Annual Installment has been billed prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment is paid in full, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced to zero and the Assessment Roll to be revised accordingly; (2) the Administrator shall cause the revised Assessment Roll to be approved by the City Council as part of an updated 2025 Service and Assessment Plan; (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate; and (4) the City shall provide the owner with a recordable "Notice of PID Assessment Lien Termination."

If an Assessment is paid in part, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced and the Assessment Roll revised accordingly; (2) the Administrator shall cause the revised Assessment Roll to be approved by the City Council as part of updated 2025 Service and Assessment Plan; and (3) the obligation to pay the Assessment and corresponding Annual Installments shall be reduced to the extent of the prepayment made.

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 Administrator 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 the full amount of the Assessment, plus Prepayment Costs and Delinquent Collection Costs, prior to the change in status.

True-Up if Maximum Assessment Exceeded at Plat. 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 in an amount sufficient to reduce the Assessment to 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 person or entity filing the plat to pay such Assessments.

Prepayment as a Result of an Eminent Domain Proceeding or Taking. 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 the 2025 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 the Assessment that remains due on the Remaining Property exceeds the 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 the 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 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 of 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 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 be $90.

Notwithstanding the previous paragraphs in this subsection, if the owner of the Taken 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 Maximum Assessment on the Remaining Property to support the Estimated Buildout Value requirements. Said owner will remain liable to pay the Annual Installments on both the Taken Property and the Remaining Property until such time that such Assessment has been prepaid in full.

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 requirement on all outstanding PID Bonds.

Reduction of Assessments. If, as a result of cost savings or an Authorized Improvement not being constructed, the Actual Costs of completed Authorized Improvements are less than the Assessments, the City Council shall reduce each Assessment on a pro-rata basis such that the sum of the resulting reduced Assessments for all Assessed Properties equals the reduced Actual Costs. Excess PID Bond proceeds shall be applied to redeem outstanding PID Bonds. The Assessments shall not, however, be reduced to an amount less than the outstanding PID Bonds.

Priority of Lien

The Assessments or any reassessment, the expense of collection, and reasonable attorney's fees, if incurred, constitute a first and prior lien against the property assessed, superior to all other liens and claims except liens or claims for the State, county, school district or municipality ad valorem taxes, and are a personal liability of and charge against the owners of the property regardless of whether the owners are named. The lien is effective from the date of the Assessment Ordinance until the Assessment is paid and may be enforced by the City in the same manner as an ad valorem tax levied against real property may be enforced by the City. The owner of any property assessed may pay the entire Assessment levied against any lot or parcel, together with accrued interest to the date of payment, at any time. See "ASSESSMENT PROCEDURES — Prepayment of Assessments."

Foreclosure Proceedings

In the event of delinquency in the payment of any Annual Installment, except for unpaid Assessments on homestead property (unless the lien associated with the Assessment attached prior to the date the property became a homestead), the City is empowered to order institution of an action in State district court to foreclose the lien of such delinquent Annual Installment. In such action the real property subject to the delinquent Annual Installments may be sold at judicial foreclosure sale for the amount of such delinquent Annual Installments, plus penalties and interest.

Any sale of property for nonpayment of an installment or installments of an Assessment will be subject to the lien established for remaining unpaid installments of the Assessment against such property and such property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent installments of the Assessments against such property as they become due and payable. Judicial foreclosure proceedings are not mandatory. In the event a foreclosure is necessary, there could be a delay in payments to Owners of the Bonds pending prosecution of the foreclosure proceedings and receipt by the City of the proceeds of the foreclosure sale. It is possible that no bid would be received at the foreclosure sale, and in such event there could be an additional delay in payment of the principal of and interest on the Bonds or such payment may not be made in full. The City is not required under any circumstance to purchase or make payment for the purchase of the delinquent Assessment on the corresponding Assessed Property.

In the Indenture, the City will covenant to take and pursue all actions permissible under Applicable Laws to cause the Assessments to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and to cause no reduction, abatement or exemption of the Assessments, provided that the City is not required to expend any funds for collection and enforcement of Assessments other than funds on deposit in the Administrative Fund. Pursuant to the Indenture, Foreclosure Proceeds (excluding Delinquent Collection Costs) constitute Pledged Revenues to be deposited into the Pledged Revenue Fund upon receipt by the City and distributed in accordance with the Indenture. See "APPENDIX B — Form of Indenture." See also "APPENDIX E-l — Form of Disclosure Agreement of Issuer" for a description of the expected timing of certain events with respect to collection of the delinquent Assessments.

In the Indenture, the City created the Additional Interest Reserve Account under the Reserve Fund and will fund such account as provided in the Indenture. The City will not be obligated to fund foreclosure proceedings out of any funds other than in the Administrative Fund. If funds in the Administrative Fund are insufficient to pay foreclosure costs, the Owners of the Bonds may be required to pay amounts necessary to continue foreclosure proceedings. See "APPENDIX B — Form of Indenture" and "APPENDIX C — Form of 2025 Service and Assessment Plan."

THE CITY

Background

The City is located in eastern Travis County, and sits approximately 12 miles east of Austin, Texas. Access to the City is provided by U.S. Highway 290 and FM 973. The City covers approximately 9.76 square miles. The City's location is part of the growing Austin-Round Rock Metropolitan Area and has resulted in rapid growth over the last several years. The City's 2020 census population was 13,652. The City was ranked the 7th fastest growing suburb in America in 2018 and 2019. The City's population estimate as of 2025 is 21,471.

City Government

The City is a political subdivision and a home rule municipality of the State, duly organized and existing under the laws of the State, including the City's Home Rule Charter. The City adopted a Home Rule Charter on May 12, 2007, which was amended in 2020 and 2022. The City operates under a Council/Manager form of government with a City Council comprised of the Mayor and six Council members who are elected for staggered three-year terms. The City Council formulates operating policy for the City while the City Manager is the chief administrative officer.

The current members of the City Council and their respective expiration of terms of office are as follows:

Name	Term Expires (November)
Dr. Christopher Harvey	2028
Emily Hill	2028
Anne Weir	2026
Maria Amezcua	2028
Sonia Wallace	2026
Aaron Moreno	2028
Deja Hill	2026

The principal administrators of the City include the following:

Name	Position
Scott Moore	City Manager
Lluvia T. Almaraz	City Secretary
Belen Peña	Director of Finance

General information regarding the City and the surrounding area can be found in "APPENDIX A — General Information Regarding the City and Surrounding Area."

THE DISTRICT

General

The PID Act authorizes municipalities, such as the City, to create public improvement districts within their boundaries or extraterritorial jurisdiction, and to impose assessments within the public improvement districts to pay for certain improvements. The District was created by Resolution No. 2023-28 of the City adopted on July 19, 2023 in accordance with the PID Act (the "Creation Resolution") for the purpose of undertaking and financing the cost of certain public improvements within the District, including the PID Improvements, authorized by the PID Act and approved by the City Council that confer a special benefit on the portion of the District property being developed in a phase. The District is not a separate political subdivision of the State and is administered by the City Council. A map of the property within the District is included on page vi hereof.

Powers and Authority of the City

Pursuant to the PID Act, the City may establish and create the District and undertake, or reimburse a developer for the costs of, improvement projects that confer a special benefit on property located within the District, whether

located within the City limits or the City's extraterritorial jurisdiction. The PID Act provides that the City may levy and collect special assessments on property in the District, or portions thereof, payable in periodic installments based on the benefit conferred by an improvement project to pay all or part of its cost.

Pursuant to the PID Act and the Creation Resolution, the City has the power to undertake, or reimburse a developer for the costs of, the financing, acquisition, construction or improvement of the PID Improvements. See "THE PID IMPROVEMENTS." Pursuant to the authority granted by the PID Act and the Creation Resolution, the City has determined to undertake the construction, acquisition or purchase of certain drainage, paving, earthwork and landscaping improvements within the District and to finance a portion of the costs thereof through the issuance of the Bonds. The City has further determined to provide for the payment of debt service on the Bonds through Pledged Revenues. See "ASSESSMENT PROCEDURES" herein and "APPENDIX C — Form of 2025 Service and Assessment Plan."

THE PID IMPROVEMENTS

General

The PID Improvements consist of certain local infrastructure benefitting only the District. See "THE PID IMPROVEMENTS" and "THE DEVELOPMENT — Development Plan." Developer is responsible for the completion of the construction, acquisition and purchase of the PID Improvements. To the extent that the proceeds of the Bonds are not sufficient to fund the PID Improvements, the balance of the Actual Costs for the PID Improvements will be paid for by Developer. See "THE DEVELOPMENT — Development Plan."

The Appraisal (as defined below) estimates that the "As Is" market value of the District, as of May 10, 2025 (the "As Is Date of Value"), is $4,995,000, and the "As Complete" prospective market value of the District, as of May 10, 2026 (the "As Complete Date of Value"), is $22,500,000.

The Appraisal is attached hereto as APPENDIX H and should be read in its entirety in order to understand the meaning and basis of the information set forth therein. The Appraisal is addressed to the City and the Underwriter. Investors should not assume that the disposition of the lots in the District in the event of default would provide sufficient funds to pay the principal of Bonds outstanding at that time. The conclusions reached in the Appraisal are subject to certain assumptions, which are set forth in the Appraisal. See "APPRAISAL OF PROPERTY WITHIN THE DISTRICT" for further information.

PID Improvements

The PID Improvements include drainage, paving, earthwork and landscaping improvements benefitting the District. A description of the PID Improvements follows:

Drainage. Improvements include trench excavation and embedment, trench safety, reinforced concrete piping, manholes, inlets, rip rap, and headwalls. These will include the necessary appurtenances to be fully operational to convey stormwater to the limits of the District.

Paving. Improvements include subgrade stabilization (including excavation and drainage), HMAC pavement, geogrid, flexible base, and limestone base for roadways, sidewalks, trails, handicapped ramps, and curb and gutter. Intersections and signage are included. These roadway improvements include streets that will provide street access to each Lot. These projects will provide access to collector roadways.

Earthwork. Includes excavation, embankment, silt fence, rock berms, construction entrances, inlet protection, revegetation, clearing and grubbing, and concrete washout for the limits of the District.

Contingency. Estimated to be 10% of hard costs of the drainage, paving and earthwork improvements.

Landscaping. Improvements include landscaped areas along the collector streets, including streets, trees, planting, lighting, irrigation, perimeter walls and walls along collector streets.

The table below reflects the total estimated costs for the PID Improvements, including costs of issuing the Bonds and Administrative Reserves.

	Total Costs
PID Improvements[a]	
Drainage	$2,729,000
Paving	4,934,000
Earthwork	1,194,000
Contingency	886,000
Landscape	2,585,000
	$12,328,000
*Bond Issuance Costs**	
Debt Service Reserve Fund	$331,208
Underwriter Discount	127,800
Cost of Issuance	255,600
	$714,608
Administrative Reserves	
First Year Annual Collection Costs	$56,965
	$56,965
Total	**$ 13,099,573**

Notes:

[a] Costs were determined by engineering report provided by Quiddity, dated September 2024.
* Preliminary, subject to change.

Ownership and Maintenance of Improvements

The PID Improvements will be dedicated to and accepted by the City either by fee or through a public use easement and will constitute a portion of the City's infrastructure improvements. The City will provide for the ongoing operation, maintenance and repair of the drainage, paving and earthwork portions of the PID Improvements that are constructed and conveyed.

THE DEVELOPMENT

The following information has been provided by the Developer. Certain of the following information is beyond the direct knowledge of the City, the City's Financial Advisor or the Underwriter, and none of the City, the City's Financial Advisor or the Underwriter have any way of guaranteeing the accuracy of such information. The Developer has reviewed this Limited Offering Memorandum and warrants and represents that neither (i) the information under the caption "THE DEVELOPMENT" nor (ii) the information relating to the Developer's plan for developing the land within the District under the subcaption "BONDHOLDERS' RISKS — Dependence Upon Developer and Homebuilders" contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made herein, in the light of the circumstances under which they are made, not misleading. At the time of delivery of the Bonds to the Underwriter, the Developer will deliver a certificate to this effect to the City and the Underwriter.

Overview

The Development is an approximately 90.34-acre development project located in the fast-growing Austin-Round Rock TX Metropolitan Statistical Area. The Development is wholly within the city limits of the City and is situated on Gregg Lane, approximately three miles east of SH 130, directly in between Fuchs Grove Road and FM 973, approximately 16 miles northeast of the downtown central business district of Austin, Texas.

The Developer acquired the property from several individuals on March 10, 2021 for an aggregate purchase price of $4,011,988. The purchase of the land was financed using the Frontier Bank Loan in the amount of $3,100,000 and Developer cash. The Developer obtained the FirstBank Loan in the original amount of $8,163,856 on February 23, 2024, the proceeds of which were used to fully pay the Frontier Bank Loan and to finance construction of the horizontal improvements, including the PID Improvements, within District. The FirstBank Loan is currently outstanding in the amount of approximately $5,916,602, and has a maturity date of February 22, 2026.

The Development is being developed by the Developer as a long-term development to consist of residential and commercial land use. See "THE DEVELOPER — History and Financing of the District." In addition, the Development will include park(s) and open space areas for its residents, and others, to enjoy. This combination will provide its residents a community environment in which to live. Furthermore, the Development is located within Manor ISD.

Development Plan

The Developer expects the District to include approximately 261 single-family homes consisting of 174 50' lots and 87 60' lots, and approximately 21,780 square feet of commercial space on approximately 2.5 acres. See "APPENDIX C — Form of 2025 Service and Assessment Plan."

The Developer began construction of the "PID Improvements" in June 2024, and the Developer expects to complete the initial single-family lots in September 2025. As of July 15, 2025, the Developer has spent approximately $3,974,104.21 towards the construction costs of the PID Improvements. The Developer estimates the costs of the PID Improvements to be approximately $12,328,000* (excluding Bond Issuance Costs and Administrative Reserves). The Developer expects the construction of the District to consist of four phases and be completed in July 2027.

The Developer's current expectations regarding estimated home and lot prices and lot absorption in the District is as follows:

Lot and Home Prices and Absorption in the District

Approximate Lot Width (Sq. Ft.)	Quantity	Estimated Base Lot Price[(1)]	Estimated Average Base Home Price[(2)]	Expected Lot Infrastructure Completion Date	Expected Final Lot Sale Date	Projected Absorption Period of Homes to Homeowners[(3)]
50'	174	$100,000	$452,000	July 2027	August 2027	July 2028
60'	87	120,000	608,000	July 2027	August 2027	July 2028
Total	**261**					

(1) Based on information in the Appraisal.
(2) Based on information in the Appraisal. Home prices in the Appraisal may differ.
(3) The expected final sale date of homes to homeowners. Based on projections provided by Developer and subject to change.

Status of Lot Purchase Contracts

The District is expected to contain 261 single-family lots in total. The Developer expects to complete its initial single-family lots in September 2025.

The Developer has executed the Chesmar Homes Lot Purchase Contract with Chesmar Homes for the sale of 174 single-family lots, consisting of 87 50' lots and 87 60' lots, within the District. On February 8, 2023, Chesmar Homes partially assigned the Chesmar Homes Lot Purchase Contract to Westin Homes with respect to 43 60' lots within the District.

The Developer has also executed the Brightland Lot Purchase Contract with Brightland Homes for the sale of 87 50' single-family lots within the District.

* Preliminary, subject to change.

The Developer anticipates initial purchases of lots pursuant to the Lot Purchase Contracts to occur in September 2025.

Chesmar Homes paid an aggregate of $1,749,000 in earnest money in relation to the Chesmar Homes Lot Purchase Contract. Pursuant to the Chesmar Homes Lot Purchase Contract, the Initial Closing shall occur on or before 20 days following the "Completion Date", which is defined as the date on which all of the lots in the applicable phase are complete. The Completion Date for phase 1 must occur on or before 60 days following September 30, 2025. At the Initial Closing, Chesmar Homes has agreed to purchase approximately 10 50' lots and 20 60' lots. Thereafter, Chesmar Homes has agreed to purchase an additional 10 50' lots and 20 60' lots each successive 180 days after the Initial Closing until all of the 50' and 60' lots have been purchased. Brightland Homes paid an aggregate of $935,300 in earnest money in relation to the Brightland Lot Purchase Contract. Pursuant to the Brightland Lot Purchase Contract, Brightland Homes is required to purchase 12 lots on September 30, 2025, and to purchase at least 10 additional lots within each subsequent 90 day period.

Commercial Development

The Development includes a 2.5 acre commercial tract. The Developer has not entered into any letters of intent in relation to the commercial tract.

Additional Improvements

In addition to the PID Improvements, the Developer will construct the Additional Improvements consisting of internal water and wastewater improvements connecting the District to the City water and wastewater facilities that will be owned by the City. The Additional Improvements will be paid for by the Developer without reimbursement by the City using proceeds from the FirstBank Loan and are anticipated to cost approximately $3,528,396. As of July 15, 2025, approximately $1,823,784 of Developer funds have been spent on construction of the Additional Improvements. The Developer began construction of the Additional Improvement in June 2024 and expects to complete the Additional Improvements in September 2027.

Development Agreement

The City and the Developer entered into the Development Agreement. In addition to expressing the City's intent to reimburse the Developer for the cost of constructing the Authorized Improvements and establishing the development standards for the property, the Development Agreement established a maximum equivalent tax rate for each lot classification identified in the 2025 Service and Assessment Plan equal to $0.30 per $100 of estimated buildout value.

Wastewater

Pursuant to a development agreement with the City relating to the Monarch Ranch Development, the Monarch Developer is responsible for the design, engineering and construction of the Offsite Wastewater Facilities. The Monarch Developer completed the design, engineering and construction of the Offsite Wastewater Facilities in June 2025 at a total cost of approximately $2,257,188.72. The Developer is also responsible for the construction of the On-site Wastewater Facilities. As of July 15, 2025, the Developer has spent approximately $880,100 on the On-site Wastewater Facilities (which amount is included as part of the Additional Improvements), and anticipates the total cost of the On-site Wastewater Facilities to be approximately $2,006,053.00. The Developer anticipates completion of the On-site Wastewater Facilities in July 2027. The Developer's costs for the Wastewater Facilities will not be reimbursed from proceeds of the Bonds and will not be reimbursed by the City. See "THE DEVELOPER — History and Financing of the District."

The Financing Agreement

On September 4, 2024, the City and the Developer entered into the Financing Agreement, which provides, in part, for the issuance and sale of PID Bonds, including the Bonds, and the reimbursement of the Developer from the proceeds thereof for funds advanced by the Developer to pay the Actual Costs of Authorized Improvements within the District, and other matters related thereto. See "APPENDIX F – Financing Agreement."

The Reimbursement Agreement

In furtherance of the City's intent to reimburse the Developer for the Actual Costs of the PID Improvements, the City and the Developer entered into the Reimbursement Agreement. The City's obligations under the Reimbursement Agreement are payable solely from the Assessments to be levied on the Assessed Property. The Bonds are being issued, among other things, to satisfy the City's obligations under the Reimbursement Agreement to reimburse the Developer for the Actual Costs of the PID Improvements already constructed and to finance the remainder of the Actual Costs of the PID Improvements. See "APPENDIX G – Reimbursement Agreement."

Zoning/Permitting

The District is currently zoned under the PUD Ordinance adopted by the City Council on April 19, 2023 and amended on April 3, 2024. The PUD Ordinance allows certain residential uses and establishes guidelines pertaining to purpose, height, area and setbacks. Because the District lies within the city limits of the City, the City's zoning and subdivision regulations control the aspects of development not specifically set forth in the PUD Ordinance.

Education

The District is located entirely within Manor ISD. The land plan for the Development does not include a school site. With respect to Manor ISD, Shadowglen Elementary School is located approximately 2.3 miles from the Development, Manor Middle School is located approximately 3.9 miles from the Development and Manor High School is located approximately 4.3 miles from the Development.

Shadowglen Elementary School and Manor High School are rated 2 out of 10 (below average), while Manor Middle School is rated 1 out of 10 (below average) by GreatSchools.org. According to the Texas Education Agency 2022-2023 accountability reports, Shadowglen Elementary School was rated "F" and Manor Middle School and Manor High School were rated "D". The categories for public school districts and public schools are A, B, C, D or F.

Environmental

Site Evaluation. A Phase One Environmental Site Assessment of the property within the District (the "Phase One ESA") was completed in January 2021. Based on the information presented in the Phase One ESA, there was no recognized environmental conditions on the site, and no additional site assessment was recommended.

Endangered Species. According to the website for the United States Fish and Wildlife Service, the golden cheeked warbler, whooping crane, and several species of arachnids, amphibians, and insects are considered endangered species in the County. The Developer is not aware of any endangered species located on District property.

Existing Mineral Rights

No mineral rights reservations were retained by prior owners of real property within the District. No oil and gas drilling activity is currently occurring or expected to occur.

Although the Developer does not expect the exercise of such rights or any other mineral rights or related real property rights in or around the District, to have a material adverse effect on the Development, the property within the District, or the ability of landowners within the District to pay the Assessments, the Developer makes no guarantee as to such expectation. See "BONDHOLDERS' RISKS — Exercise of Mineral Rights."

Utilities

Water and Wastewater. The City will provide both water and wastewater service to the Development. The City's water distribution system currently has sufficient capacity to provide water service to the Development. Upon completion of the Offsite Wastewater Facilities, the City's wastewater collection and treatment system will have sufficient capacity to provide wastewater service to the Development. See "THE DEVELOPMENT — Development Agreement."

Additional Utilities. Additional utilities are provided by: (1) electricity - Oncor, (2) gas - Si Energy, (3) cable/data – Optimum, and (4) telephone - Spectrum.

Photographs of the District/Development

The following is a rendering of the District and pictures of the development in the District.











THE DEVELOPER

The following information has been provided by the Developer. Certain of the following information is beyond the direct knowledge of the City, the City's Financial Advisor and the Underwriter, and none of the City, the City's Financial Advisor or the Underwriter have any way of guaranteeing the accuracy of such information. See "SOURCES OF INFORMATION – Sources of Information" herein.

General

In general, the activities of a developer in a development such as the District include purchasing the land, designing the subdivision, including the utilities and streets to be installed and any community facilities to be built, defining a marketing program and building schedule, securing necessary governmental approvals and permits for development, arranging for the construction of roads and the installation of utilities (including, in some cases, water, sewer, and drainage facilities, as well as telephone and electric service) and selling improved lots and commercial reserves to builders, developers, or other third parties. The relative success or failure of a developer to perform such activities within a development may have a material effect on the security of the revenue bonds, such as the Bonds, issued by a public improvement district. A developer is generally under no obligation to a public improvement district, such as the District, to develop the property which it owns in a development. Furthermore, there is no restriction on the developer's right to sell any or all of the land which the developer owns within a development. In addition, a developer is ordinarily the major tax and assessment payer within a district during its development.

Description of the Developer

The Developer is a Texas limited liability company that was formed specifically for the development of the District. The Developer will have no source of funds with which to pay the Assessments or taxes levied by the City or any other taxing entity other than funds resulting from the sale of property within the District. The Developer's ability to make full and timely payments of the Assessments or taxes will directly affect the City's ability to meet its obligation to make payments on the Bonds. For additional information, see "BONDHOLDERS' RISKS – Dependence Upon Developer" herein.

Executive Biography of Shaun Vembutty

Shaun Vembutty is the Manager of the Developer and the President of Ashton Gray Development, a real estate development and investment company with a presence in various regions of Texas, including Austin, Houston and Dallas. Mr. Verbutty has over 13 years of experience in the real estate investment industry. Leveraging the technical skills from his consulting background and his entrepreneurial spirit, Mr. Verbutty has built the vertically integrated real estate investment and development firm Ashton Gray Development, headquartered in Houston, Texas. Mr. Vembutty has executed a wide variety of asset classes throughout Texas, including uxury speculation homes, senior living, retail, mixed-use, single-family/condominium/townhome and land development. Ashton Gray Development's projects have been recognized by the Texas Association of Builders for excellence in building and have won numerous accolades. He graduated from Louisiana State University with a full merit scholarship, BS in computer science. Mr. Vembutty's project portfolio includes the following:

Project Name	Location	Description of Development
West University Portfolio	Houston, Texas	Residential Speculation
Heights Portfolio	Houston, Texas	Residential Speculation
River Oaks Portfolio	Houston, Texas	Residential Speculation
Houston Outer MSA Portfolio	Sugar Land, Texas	Residential Speculation
Taj Residences	Richmond, Texas	Senior Living – 68 homes and clubhouse
East River	Austin, Texas	Townhome/Condominium – 44 units
North Bluff	Austin, Texas	Townhome/Condominium – 33 units
Oakwood Estates	Waller, Texas	Land Development – 560 single-family lots
Limmer Loop	Hutto, Texas	Mixed Use

NNN Retail Portfolio	Houston MSA, Texas	Commercial Development – NNN Retail Centers
Greatwood South	Leander, Texas	Land Development – 120 one-acre lot development
The Landing	New Caney, Texas	Land Development – 350 single-family lots
Stonebrooke	Conroe, Texas	Land Development – 270 single-family lots

Executive Biography of Mark Janik

Mark Janik is the Vice President of Land at Ashton Gray Development. Mr. Janik has over 40 years of experience in land development management, land acquisition entitlement, municipal utility district creation and management, HOA creation and management, engineering project management, construction management, plan preparation and cad production management, civil design, site inspection and surveying.

Executive Biography of Travis Janik

Travis Janik is the Land Development Manager at Ashton Gray Development. Mr. Janik has over six years of working in land development construction, including truck driving, project management, machine operator, logistics, on-site maintenance and crew supervisor. He also has over four years of experience in real estate development, including project planning, budgeting, finance, civil engineering, urban planning and construction management. Mr. Janik helps manage over 15 real estate development projects focusing primarily on single-family communities with a total acreage of over 4,300 acres a total project cost ranging from $20M to $80M.

History and Financing of the District

The Developer acquired the property from several individuals on March 10, 2021 for an aggregate purchase price of $4,011,988. The purchase of the land was financed using the Frontier Bank Loan in the amount of $3,100,000 and Developer cash. The Developer obtained the FirstBank Loan in the original amount of $8,163,856 on February 22, 2024, the proceeds of which were used to fully pay the Frontier Bank Loan and to finance construction of the horizontal improvements, including the PID Improvements, within the District. The FirstBank Loan is currently outstanding in the amount of approximately $8,161,593.10 and has a maturity date of February 22, 2026.

THE ADMINISTRATOR

The following information has been provided by P3Works, LLC, as the "Administrator". Certain of the following information is beyond the direct knowledge of the City and the Underwriter, and neither the City nor the Underwriter have any way of guaranteeing the accuracy of such information.

The City has selected P3Works, LLC as the initial Administrator. The City has entered into an agreement with the Administrator to provide specialized services related to the administration of the District needed to support the issuance of the Bonds. The Administrator will primarily be responsible for preparing the annual update to the 2025 Service and Assessment Plan. The Administrator is a consulting firm focused on providing district services relating to the formation and administration of public improvement districts, and has offices in Austin, Texas and North Richland Hills, Texas. The Administrator's duties will include:

- Preparation of the annual update to the 2025 Service and Assessment Plan
- Preparation of assessment rolls for County billing and collection
- Establishing and maintaining a database of all County Parcel IDs within the District
- Trust account analysis and reconciliation
- Property owner inquires
- Determination of prepayment amounts
- Preparation and review of disclosure notices with Dissemination Agent
- Review of Developer draw requests for reimbursement of Authorized Improvement costs.

APPRAISAL OF PROPERTY WITHIN THE DISTRICT

The Appraisal

General. Flato Realty Advisors, LLC (the "Appraiser") prepared an appraisal report for the City and the Underwriter dated July 7, 2025, based upon a physical inspection of the District conducted on May 10, 2025 (the "Appraisal"). The Appraisal was prepared at the request of the City and the Underwriter. The description herein of the Appraisal is intended to be a brief summary only of the Appraisal as it relates to the District. The Appraisal is attached hereto as APPENDIX H and should be read in its entirety. The conclusions reached in the Appraisal are subject to certain assumptions, hypothetical conditions and qualifications, which are set forth therein. See "APPENDIX H — Appraisal."

Value Estimates. The Appraiser appraised the land within the District on an "As Is" basis and on an "As Complete" prospective basis for the for the 261 finished single-family lots. The Appraisal is subject to the hypothetical condition as of the As Complete Date of Value that the District has 261 single-family residential lots developed by Developer.

The "As Vacant" market value of the District, using the methodologies described in the Appraisal and subject to the limiting conditions and assumptions set forth in the Appraisal as of the As Is Date of Value, is $4,995,000 as of May 10, 2025. The "As Completed" prospective market value of the District, using the methodologies described in the Appraisal and subject to the limiting conditions and assumptions set forth in the Appraisal as of the As Complete Date of Value, is $22,500,000 See "APPENDIX H — Appraisal."

None of the Underwriter, the Developer, the Financial Advisor or the City make any representations as to the accuracy, completeness, assumptions or information contained in the Appraisal. The assumptions or qualifications with respect to the Appraisal are contained therein. There can be no assurance that any such assumptions will be realized, and the Developer, the City, the Financial Advisor and the Underwriter make no representation as to the reasonableness of such assumptions.

Prospective investors should read the complete Appraisal in order to make an informed decision regarding any contemplated purchase of the Bonds. The complete Appraisal is attached hereto as APPENDIX H.

BONDHOLDERS' RISKS

Before purchasing any of the Bonds, prospective investors and their professional advisors should carefully consider all of the risk factors described below which may create possibilities wherein interest may not be paid when due or that the Bonds may not be paid at maturity or otherwise as scheduled, or, if paid, without premium, if applicable. The following risk factors (which are not intended to be an exhaustive listing of all possible risks associated with an investment in the Bonds) should be carefully considered prior to purchasing any of the Bonds. Moreover, the order of presentation of the risks summarized below does not necessarily reflect the significance of such investment risks.

THE BONDS ARE SPECIAL, LIMITED OBLIGATIONS OF THE CITY PAYABLE SOLELY FROM THE PLEDGED REVENUES AND OTHER FUNDS COMPRISING THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. THE BONDS DO NOT GIVE RISE TO A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE CITY AND ARE PAYABLE SOLELY FROM THE SOURCES IDENTIFIED IN THE INDENTURE. THE OWNERS OF THE BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF MONEY RAISED OR TO BE RAISED BY TAXATION, OR OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED REVENUES AND OTHER FUNDS COMPRISING THE TRUST ESTATE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. NO OWNER OF THE BONDS SHALL HAVE THE RIGHT TO DEMAND ANY EXERCISE OF THE CITY'S TAXING POWER TO PAY THE PRINCIPAL OF THE BONDS OR THE INTEREST OR REDEMPTION PREMIUM, IF ANY, THEREON. THE CITY SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO PAY THE BONDS OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED REVENUES AND OTHER FUNDS COMPRISING THE TRUST ESTATE.

General

The ability of the City to pay debt service on the Bonds as due is subject to various factors that are beyond the City's control. These factors include, among others, (a) the ability or willingness of property owners within the District to pay Assessments levied by the City, (b) cash flow delays associated with the institution of foreclosure and enforcement proceedings against property within the District, (c) general and local economic conditions which may impact real property values, the ability to liquidate real property holdings and the overall value of real property development projects, and (d) general economic conditions which may impact the general ability to market and sell the property within the District, it being understood that poor economic conditions within the City, State and region may slow the assumed pace of sales of such property.

The rate of development of the property in the District is directly related to the vitality of the residential housing industry. In the event that the sale of the lands within the District should proceed more slowly than expected and the Developer is unable to pay the Assessments, only the value of the Assessed Property, with improvements, will be available for payment of the debt service on the Bonds, and such value can only be realized through the foreclosure or expeditious liquidation of the lands within the District. There is no assurance that the value of such lands will be sufficient for that purpose and the expeditious liquidation of real property through foreclosure or similar means is generally considered to yield sales proceeds in a lesser sum than might otherwise be received through the orderly marketing of such real property.

The Underwriter is not obligated to make a market in or repurchase any of the Bonds, and no representation is made by the Underwriter, the City or the City's Financial Advisor that a market for the Bonds will develop and be maintained in the future. If a market does develop, no assurance can be given regarding future price maintenance of the Bonds.

The City has not applied for or received a rating on the Bonds. The absence of a rating could affect the future marketability of the Bonds. There is no assurance that a secondary market for the Bonds will develop or that holders who desire to sell their Bonds prior to the stated maturity will be able to do so.

Deemed Representations and Acknowledgment by Purchasers

Each purchaser of the Bonds (each a "Purchaser") will be deemed to have acknowledged and represented to the City the matters set forth under the heading "LIMITATIONS APPLICABLE TO INITIAL PURCHASERS" which include among others a representation and acknowledgment that the purchase of the Bonds involves investment risks, certain of which are set forth under this heading "BONDHOLDERS' RISKS" and elsewhere herein, and such Purchaser, either alone or with its purchaser representative(s) (as defined in Rule 501(h) of Regulation D under the Securities Act of 1933), has sophisticated knowledge and experience in financial and business matters and the capacity to evaluate such risks in making an informed investment decision to purchase the Bonds, and the Purchaser can afford a complete loss of its investment in the Bonds.

Risk from Weather Events

All of the State, including the area in which the Development is located, is subject to extreme weather events that can cause loss of life and damage to property through strong winds, flooding, heavy rains, and freezes, including events similar to the severe winter storm that the continental United States experienced in February 2021, which resulted in the disruptions in the Electric Reliability Council of Texas power grid and prolonged blackouts throughout the State. It is impossible to predict whether similar events will occur in the future and the impact they may have on the Development.

Failure or Inability to Complete Proposed Development

Proposed development within the District (including the foregoing) may be affected by changes in general economic conditions, fluctuations in the real estate market and interest rates, changes in the income tax treatment of real property ownership, unexpected increases in development costs and other similar factors as well as availability of utilities and the development or existence of environmental concerns with such land. See "Availability of Utilities" and "Hazardous Substances" below. Land development within the District could also be affected adversely by changes in governmental policies, including, but not limited to, governmental policies to restrict or control development. (Any

approvals needed in the future for the Development must come from the City.) There can be no assurances that other similar projects will not be developed in the future or that existing projects will not be upgraded or otherwise able to compete with the Development. A slowdown of the development process and the related absorption rate within the Development because of any or all of the foregoing could affect adversely land values. THE TIMELY PAYMENT OF THE BONDS DEPENDS UPON THE WILLINGNESS AND ABILITY OF THE DEVELOPER AND ANY SUBSEQUENT OWNERS TO PAY THE ASSESSMENTS WHEN DUE. ANY OR ALL OF THE FOREGOING COULD REDUCE THE WILLINGNESS AND THE ABILITY OF SUCH OWNERS TO PAY THE ASSESSMENTS AND COULD GREATLY REDUCE THE VALUE OF PROPERTY WITHIN THE DISTRICT IN THE EVENT SUCH PROPERTY HAS TO BE FORECLOSED. In that event, there could be a default in the payment of the Bonds.

Completion of Homes

The cost and time for completion of homes by the Homebuilders is uncertain and may be affected by changes in national, regional and local and economic conditions; changes in long and short term interest rates; changes in the climate for real estate purchases; changes in demand for or supply of competing properties; changes in local, regional and national market and economic conditions; unanticipated development costs, market preferences and architectural trends; unforeseen environmental risks and controls; the adverse use of adjacent and neighboring real estate; changes in interest rates and the availability of mortgage funds to buyers of the homes yet to be built in the Development, which may render the sale of such homes difficult or unattractive; acts of war, terrorism or other political instability; delays or inability to obtain governmental approvals; changes in laws; moratorium; force majeure (which may result in uninsured losses); strikes; labor shortages; energy shortages; material shortages; inflation; adverse weather conditions; subcontractor defaults; and other unknown contingencies and factors beyond the control of the Developer.

Absorption Rate

There can be no assurance that the Developer will be able to achieve its anticipated absorption rates. Failure to achieve the absorption rate estimates will adversely affect the estimated value of the Development, could impair the economic viability of the Development and could reduce the ability or desire of property owners to pay the Assessments.

Assessment Limitations

Annual Installments of Assessments are billed to property owners in the District. Annual Installments are due and payable, and bear the same penalties and interest for non-payment, as for ad valorem taxes as set forth under "ASSESSMENT PROCEDURES" herein. Additionally, Annual Installments established by the 2025 Service and Assessment Plan correspond in number and proportionate amount to the number of installments and principal amounts of the Bonds maturing in each year, Annual Collection Costs, and the Additional Interest. See "ASSESSMENT PROCEDURES" herein. The unwillingness or inability of a property owner to pay regular property tax bills as evidenced by property tax delinquencies may also indicate an unwillingness or inability to make regular property tax payments and Annual Installments of Assessment payments in the future.

In order to pay debt service on the Bonds, it is necessary that Annual Installments are paid in a timely manner. Due to the lack of predictability in the collection of Annual Installments in the District, the City has established a Reserve Account in the Reserve Fund, to be funded from the proceeds of the Bonds, to cover delinquencies. The Annual Installments are secured by the Assessment Lien. However, there can be no assurance that foreclosure proceedings will occur in a timely manner so as to avoid depletion of the Reserve Account and delay in payments of debt service on the Bonds. See "BONDHOLDERS' RISKS — Bondholders' Remedies and Bankruptcy" herein.

Upon an ad valorem tax lien foreclosure event of a property within the District, any Assessment that is also delinquent will be foreclosed upon in the same manner as the ad valorem tax lien (assuming all necessary conditions and procedures for foreclosure are duly satisfied). To the extent that a foreclosure sale results in insufficient funds to pay in full both the delinquent ad valorem taxes and the delinquent Assessments, the liens securing such delinquent ad valorem taxes and delinquent Assessments would likely be extinguished. Any remaining unpaid balance of the delinquent Assessments would then be an unsecured personal liability of the original property owner.

Based upon the language of Texas Local Government Code, § 372.017(b), case law relating to other types of assessment liens and opinions of the Texas Attorney General, the Assessment Lien as it relates to installment payments

that are not yet due should remain in effect following an ad valorem tax lien foreclosure, with future installment payments not being accelerated. Texas Local Government Code § 372.018(d) supports this position, stating that an Assessment Lien runs with the land and the portion of an assessment payment that has not yet come due is not eliminated by foreclosure of an ad valorem tax lien.

The Assessment Lien is superior to any homestead rights of a property owner that were properly claimed after the adoption of the Assessment Ordinance. However, an Assessment Lien may not be foreclosed upon if any homestead rights of a property owner were properly claimed prior to the adoption of the Assessment Ordinance ("Pre-existing Homestead Rights") for as long as such rights are maintained on the property. It is unclear under State law whether or not Pre-existing Homestead Rights would prevent the Assessment Lien from attaching to such homestead property or instead cause the Assessment Lien to attach, but remain subject to, the Pre-existing Homestead Rights.

Under State law, in order to establish homestead rights, the claimant must show a combination of both overt acts of homestead usage and intention on the part of the owner to claim the land as a homestead. Mere ownership of the property alone is insufficient and the intent to use the property as a homestead must be a present one, not an intention to make the property a homestead at some indefinite time in the future. As of the date of adoption of the Assessment Ordinance, no such homestead rights will have been claimed. Furthermore, the Developer is not eligible to claim homestead rights and the Developer represents that it will own all property within the District as of the date of the Assessment Ordinance. Consequently, there are and can be no homestead rights on the Assessed Property superior to the Assessment Lien and, therefore, the Assessment Liens may be foreclosed upon by the City.

Failure by owners of the parcels to pay Annual Installments when due, depletion of the Reserve Fund, delay in foreclosure proceedings, or the inability of the City to sell parcels which have been subject to foreclosure proceedings for amounts sufficient to cover the delinquent installments of Assessments levied against such parcels may result in the inability of the City to make full or punctual payments of debt service on the Bonds.

THE ASSESSMENTS CONSTITUTE A FIRST AND PRIOR LIEN AGAINST THE PROPERTY ASSESSED, SUPERIOR TO ALL OTHER LIENS AND CLAIMS EXCEPT LIENS AND CLAIMS FOR STATE, COUNTY, SCHOOL DISTRICT OR MUNICIPALITY AD VALOREM TAXES AND IS A PERSONAL OBLIGATION OF AND CHARGE AGAINST THE OWNERS OF PROPERTY LOCATED WITHIN THE DISTRICT.

PACE Lien Priority

Pursuant to Chapter 399, Texas Local Government Code, as amended, (the "Property Assessed Clean Energy Act" or "PACE") commercial property owners in Texas may obtain long-term financing for water conservation, energy-efficiency, and renewable energy projects. Such financing would be repaid through a contractual assessment placed on the property pursuant to a program established by a city or county. This assessment is a first and prior lien against the property and has the same lien priority as ad valorem taxes, from the time the lien is recorded in the county real property records. As such, to the extent that a property subject to both an Assessment and also a PACE assessment is foreclosed on for nonpayment of taxes or assessments, the proceeds from the foreclosure sale of the property would be used first to pay any delinquent ad valorem taxes and the PACE lien.

Risks Related to the Current Real Estate Market

In the past, the real estate market has experienced significant slowing of new home sales and new home closings due in part to the subprime mortgage crisis involving adjustable rate mortgages and other creative mortgage financing tools that allowed persons with higher credit risk to buy homes. The economic crisis that resulted from higher interest rates, at a time when many subprime mortgages were due to reset their interest rates, has served to reduce the availability of mortgages to many potential home buyers, making entry into the real estate market difficult. These downturns in the real estate market and other factors beyond the control of the Developer, including general economic conditions, may impact the timing of lot and home sales within the District. No assurances can be given that projected home prices and buildout values presented in this Limited Offering Memorandum will be realized.

Competition

The housing industry in the Austin area is very competitive, and none of the Developer, the City, the City's Financial Advisor or the Underwriter can give any assurance that the building programs that are planned will ever commence. The competitive position of the Developer in the sale of developed lots or single-family residential units is affected by most of the factors discussed in this section, and such competitive position is directly related to maintenance of market values in the District.

Competitive projects in the area include, but are not limited to:

Project Name	Prices ($1,000s)[1]	Approximate Distance to Development
Shadow Glen	$324 - $458	3.7 miles
Elm Creek North	$237 - $347	4.7 miles
Homestead Estates	$295 - $375	7.7 miles
Peppergrass	$282 - $354	7.2 miles
Presidential Meadows	$307 - $389	3.0 miles
Whisper Valley	$357 - $441	8.2 miles
Lagos	$333 - $375	5.3 miles
Presidential Glen	Sold out	1.8 miles

[1] Per the Appraisal

There can be no assurances that other similar projects will not be developed in the future or that existing projects will not be upgraded or otherwise become able to compete with the Development.

Loss of Tax Exemption

The Indenture contains covenants by the City intended to preserve the exclusion from gross income of interest on the Bonds for federal income tax purposes. As discussed under the caption "TAX MATTERS" herein, interest on the Bonds could become includable in gross income for purposes of federal income taxation, retroactive to the date the Bonds were issued, as a result of future acts or omissions of the City in violation of its covenants in the Indenture.

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the federal or State level, may adversely affect the tax-exempt status of interest on the Bonds under federal or State law and could affect the market price or marketability of the Bonds. Any such proposal could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such proposal being enacted cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

Bankruptcy

The payment of Assessments and the ability of the City to foreclose on the lien of a delinquent unpaid Assessment may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by the laws of the State relating to judicial foreclosure. Although bankruptcy proceedings would not cause the Assessments to become extinguished, bankruptcy of a property owner in all likelihood would result in a delay in prosecuting foreclosure proceedings. Such a delay would increase the likelihood of a delay or default in payment of the principal of and interest on the Bonds, and the possibility that delinquent Assessments might not be paid in full.

Direct and Overlapping Indebtedness, Assessments and Taxes

The ability of an owner of property within the District to pay the Assessments could be affected by the existence of other taxes and assessments imposed upon the property. Public entities whose boundaries overlap those of the District currently impose ad valorem taxes on the property within the District and will likely do so in the future. Such entities could also impose assessment liens on the property within the District. The imposition of additional liens, or for private financing, may reduce the ability or willingness of the Developer to pay the Assessments. See "OVERLAPPING TAXES AND DEBT."

Depletion of Reserve Fund

Failure of the owners of property within the District to pay the Assessments when due could result in the rapid, total depletion of the accounts in the Reserve Fund prior to replenishment from the resale of property upon a foreclosure or otherwise or delinquency redemptions after a foreclosure sale, if any. There could be a default in payments of the principal of and interest on the Bonds if sufficient amounts are not available in the Reserve Fund. The Indenture provides that if, after a withdrawal from the Reserve Fund, the amount in the Reserve Fund is less than the Reserve Account Requirement, the Trustee shall transfer an amount from the Pledged Revenue Fund to the Reserve Account of the Reserve Fund sufficient to cure such deficiency, as described under "SECURITY FOR THE BONDS — Reserve Account of the Reserve Fund" herein.

Hazardous Substances

While governmental taxes, assessments and charges are a common claim against the value of a parcel, other less common claims may be relevant. One of the most serious in terms of the potential reduction in the value that may be realized to the assessment is a claim with regard to a hazardous substance. In general, the owners and operators of a parcel may be required by law to remedy conditions relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or "Superfund Act," is the most well-known and widely applicable of these laws. It is likely that, should any of the parcels of land located in the District be affected by a hazardous substance, the marketability and value of parcels would be reduced by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition just as is the seller.

The value of the land within the District does not take into account the possible liability of the owner (or operator) for the remedy of a hazardous substance condition of the parcel. The City has not independently verified, and is not aware, that the owner (or operator) of any of the parcels within the District has such a current liability with respect to such parcel; however, it is possible that such liabilities do currently exist and that the City is not aware of them.

Further, it is possible that liabilities may arise in the future with respect to any of the land within the District resulting from the existence, currently, of a substance presently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the existence, currently, on the parcel of a substance not presently classified as hazardous but which may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it. All of these possibilities could significantly affect the value of a parcel that is realizable upon a delinquency. See "THE DEVELOPMENT — Environmental" for discussion of the Phase One ESA performed on property within the District.

Regulation

Development within the District may be subject to future federal, State and local regulations. Approval may be required from various agencies from time to time in connection with the layout and design of development in the District, the nature and extent of public improvements, land use, zoning and other matters. Failure to meet any such regulations or obtain any such approvals in a timely manner could delay or adversely affect development in the District and property values.

Recent Changes in State Law Regarding Public Improvement Districts

The 87th Legislature passed House Bill 1543, which became effective September 1, 2021, and requires a person who proposed to sell or otherwise convey real property within a public improvement district to provide to the purchaser of the property, before the execution of a binding contract of purchase and sale, written notice of the obligation to pay public improvement district assessments, in accordance with Section 5.014, Texas Property Code, as amended. In the event a contract to purchase and sale is entered into without the seller providing the notice, the intended purchaser is entitled to terminate the contract of purchase and sale. If the Developer or homebuilders within the District do not provide the required notice and prospective purchasers of property within the District terminate the purchase contract, a property owner who did not receive the required notice is entitled, after sale, to sue for damages for (i) all costs relative to the purchase, plus interest and reasonable attorney's fees, or (ii) an amount not to exceed $5,000, plus reasonable attorney's fees. In a suit filed pursuant to clause (i), any damages awarded must go first to pay any

outstanding liens on the property. In such an event, the outstanding Assessments on such property should be paid. On payment of all damages respectively to the lienholders and purchaser pursuant to clause (i), the purchaser is required to reconvey the property to the seller. Further, if the Developer or homebuilders within the District do not provide the required notice and become liable for monetary damages, the anticipated buildout and absorption schedule may be affected. No assurances can be given that the projected buildout and absorption schedules presented in this Limited Offering Memorandum will be realized. The forms of notice to be provided to homebuyers are attached as Exhibit M to the 2025 Service and Assessment Plan. See "APPENDIX C — Form of Service and Assessment Plan."

Potential Future Changes in State Law Regarding Public Improvement Districts

During prior legislative sessions and interim business of the Texas legislature, various proposals and reports have been presented by committees of Texas Senate and Texas House of Representative which suggest or recommend changes to the PID Act relating to oversight of bonds secured by special assessments including adopting requirements relating to levels of build out or adding State level oversight in connection with the issuance of bonds secured by special assessments under the PID Act. The 89th Legislative Session of the State (the "89th Regular Session") convened on January 14, 2025, and concluded on June 2, 2025. When the regular Legislature is not in session, the Governor of Texas may call one or more special sessions, at the Governor's direction, each lasting no more than 30 days, and for which the Governor sets the agenda. Since the conclusion of the 89th Regular Session the Governor has called a special session which began on July 21, 2025. It is impossible to predict what new proposals may be presented regarding the PID Act and the issuance of special assessment bonds during any upcoming legislative sessions, whether such new proposals or any previous proposals regarding the same will be adopted by the Texas Senate and House of Representatives and signed by the Governor, and, if adopted, the form thereof. It is impossible to predict with certainty the impact that any such future legislation will or may have on the security for the Bonds.

Adverse Developments Affecting the Financial Services Industry

Actual events involving limited liquidity, defaults, non-performance, or other adverse developments that affect financial institutions, transactional counterparties, or other companies in the financial services industry or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems. In the recent past troubled financial institutions have been closed and/or swept into receivership by the Federal Deposit Insurance Corporation ("FDIC") or acquired by or received cash rescue packages from more solvent financial institutions. Borrowers under credit agreements, letters of credit, and certain other financial instruments with any financial institution that is placed into receivership by the FDIC may be unable to access undrawn amounts for an unspecified period.

100-Year Flood Plain

According to the National Flood Insurance Rate Map Community Panel Number 48453C0295H, approximately 15.4 acres of the Development's gross land area is within Zone A, subject to the 100-year floodplain; however, the proposed lots and commercial development of the Development are not subject to the floodplain. There is a buildable site area on each residential and commercial lot that will be outside of the 100-year and 500-year floodplain.

Additionally, FEMA will from time to time revise its Flood Insurance Rate Maps. None of the City, the Underwriter, or the Developer make any representation as to whether FEMA may revise its Flood Insurance Rate Maps, whether such revisions may result in homes that are currently outside of the 100-year flood plain from being included in the 100-year flood plain in the future, or whether extreme flooding events may exceed the Flood Plain.

Exercise of Mineral Rights

Certain rules and regulations of the Texas Railroad Commission may restrict the ability of mineral owners on adjacent properties to explore or develop such property due to well density, acreage, or location issues. Additionally, the City Council has also adopted an ordinance regulating drilling within the corporate limits of the City, which may restrict the development of such rights.

The Developer does not expect the existence or exercise of any mineral rights or related real property rights in or around the District to have a material adverse effect on the Development, the property within the District, or the

ability of landowners within the District to pay Assessments. However, none of the City, the Financial Advisor, or the Underwriter provide any assurances as to such Developer expectations.

Bondholders' Remedies and Bankruptcy

In the event of default in the payment of principal of or interest on the Bonds or the occurrence of any other Event of Default under the Indenture, and upon the written request of Quarter in Interest of the Bonds then Outstanding, the Trustee shall proceed to protect and enforce its rights and the rights of the owners of the Bonds under the Indenture by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for mandamus or the specific performance of any covenant or agreement contained therein or in aid or execution of any power granted or for the enforcement of any proper legal or equitable remedy, as the Trustee shall deem most effectual to protect and enforce such rights. The issuance of a writ of mandamus may be sought if there is no other available remedy at law to compel performance of the City's obligations under the Bonds or the Indenture and such obligations are not uncertain or disputed. The remedy of mandamus is controlled by equitable principles, so rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The owners of the Bonds cannot themselves foreclose on property within the District or sell property within the District in order to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the owners of the Bonds further may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the City. In this regard, should the City file a petition for protection from creditors under federal bankruptcy laws, the remedy of mandamus or the right of the City to seek judicial foreclosure of its Assessment Lien would be automatically stayed and could not be pursued unless authorized by a federal bankruptcy judge. See "BONDHOLDERS' RISKS — Bankruptcy Limitation to Bondholders' Rights" herein.

Any bankruptcy court with jurisdiction over bankruptcy proceedings initiated by or against a property owner within the District pursuant to the Federal Bankruptcy Code could, subject to its discretion, delay or limit any attempt by the City to collect delinquent Assessments, or delinquent ad valorem taxes, against such property owner.

In addition, in 2006, the Texas Supreme Court ruled in Tooke v. City of Mexia, 197 S.W.3d 325 (Tex. 2006) ("Tooke") that a waiver of sovereign immunity must be provided for by statute in "clear and unambiguous" language. In so ruling, the Court declared that statutory language such as "sue and be sued", in and of itself, did not constitute a clear and unambiguous waiver of sovereign immunity.

In *Wasson Interests, Ltd. v. City of Jacksonville*, 489 S.W.3d 427 (Tex. 2016) ("Wasson"), the Texas Supreme Court addressed whether the distinction, as found in tort-based causes of action, between governmental and proprietary acts (the "Proprietary-Governmental Dichotomy") applies to breach of contract claims against municipalities. The Court analyzed the rationale behind the Proprietary-Governmental Dichotomy to determine that "a city's proprietary functions are not done pursuant to the 'will of the people'" and protecting such municipalities "via the [S]tate's immunity is not an efficient way to ensure efficient allocation of [S]tate resources." While the Court recognized that the distinction between governmental and proprietary functions is not clear, the *Wasson* opinion held that the Proprietary-Governmental Dichotomy applies in a contract-claims context. The Court reviewed Wasson for a second time and issued an opinion on October 5, 2018 clarifying that to determine whether governmental immunity applies to a breach of contract claim, the proper inquiry is whether the municipality was engaged in a governmental or proprietary function when it entered into the contract, not at the time of the alleged breach. Therefore, in regard to municipal contract cases (as in tort claims), it is incumbent on the courts to determine whether a function was proprietary or governmental based upon the statutory guidance at the time of inception of the contractual relationship. Texas jurisprudence has generally held that proprietary functions are those conducted by a city in its private capacity, for the benefit only of those within its corporate limits, and not as an arm of the government or under authority or for the benefit of the State; these are usually activities that can be, and often are, provided by private persons, and therefore are not done as a branch of the State, and do not implicate the State's immunity since they are not performed under the authority, or for the benefit, of the State as sovereign. Notwithstanding the foregoing new case law issued by the Court, such sovereign immunity issues have not been adjudicated in relation to bond matters (specifically, in regard to the issuance of municipal debt). Each situation will be prospectively evaluated based on the facts and circumstances surrounding the contract in question to determine if a suit, and subsequently, a judgment, is justiciable against a municipality.

The City is not aware of any State court construing the Local Government Immunity Waiver Act in the context of whether contractual undertakings of local governments that relate to their borrowing powers are contracts covered by such act. Because it is unclear whether the Texas legislature has effectively waived the City's sovereign immunity from a suit for money damages in the absence of City action, the Trustee or the owners of Bonds may not be able to bring such a suit against the City for breach of the Bonds or the Indenture covenants. As noted above, the Indenture provides that owners of the Bonds may exercise the remedy of mandamus to enforce the obligations of the City under the Indenture. Neither the remedy of mandamus nor any other type of injunctive relief was at issue in Tooke, and it is unclear whether Tooke will be construed to have any effect with respect to the exercise of mandamus, as such remedy has been interpreted by Texas courts. In general, Texas courts have held that a writ of mandamus may be issued to require public officials to perform ministerial acts that clearly pertain to their duties. Texas courts have held that a ministerial act is defined as a legal duty that is prescribed and defined with a precision and certainty that leaves nothing to the exercise of discretion or judgment, though mandamus is not available to enforce purely contractual duties. However, mandamus may be used to require a public officer to perform legally-imposed ministerial duties necessary for the performance of a valid contract to which the State or a political subdivision of the State is a party (including the payment of moneys due under a contract).

Use of Appraisal

Caution should be exercised in the evaluation and use of appraisal results. An appraisal is an estimate of market value as of a specified date based upon assumptions and limiting conditions and any extraordinary assumptions specific to the relevant valuation. It is not a precise measure of value but is based on a subjective comparison of related activity taking place in the real estate market. The valuation set forth in an appraisal is based on various assumptions of future expectations and while the appraiser's forecasts for properties in the District is considered to be reasonable at the current time, some of the assumptions may not materialize or may differ materially from actual experience in the future. The Bonds will not necessarily trade at values determined solely by reference to the underlying value of the properties in the District, including the District.

In performing its analyses, an appraiser makes numerous assumptions with respect to general business, economic and regulatory conditions and other matters, many of which are beyond the Appraiser's, Underwriter's and City's control, as well as to certain factual matters. Furthermore, the Appraiser's analysis, opinions and conclusions are necessarily based upon market, economic, financial and other circumstances and conditions existing prior to the valuation.

Judicial Foreclosures

Judicial foreclosure proceedings are not mandatory; however, the City has covenanted to order and cause such actions to be commenced. In the event a foreclosure is necessary, there could be a delay in payments to owners of the Bonds pending prosecution of the foreclosure proceedings and receipt by the City of the proceeds of the foreclosure sale. It is possible that no bid would be received at the foreclosure sale, and, in such event, there could be an additional delay in payment of the principal of and interest on the Bonds or such payment may not be made in full. Moreover, in filing a suit to foreclose, the City must join other taxing units that have claims for delinquent taxes against all or part of the same property; the proceeds of any sale of property within the District available to pay debt service on the Bonds may be limited by the existence of other tax liens on the property. (See "OVERLAPPING TAXES AND DEBT" herein.) Collection of delinquent taxes, assessments and the Assessments may be adversely affected by the effects of market conditions on the foreclose sale price, and by other factors, including taxpayers' right to redeem property within two years of foreclosure for residential and agricultural use property and six months for other property, and by a time-consuming and expensive collection procedure.

No Acceleration

The Indenture does not contain a provision allowing for the acceleration of the Bonds in the event of a payment default or other default under the terms of the Bonds or the Indenture.

Limited Secondary Market for the Bonds

The Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Bonds in the event an Owner thereof determines to solicit purchasers for the Bonds. Even if a liquid

secondary market exists, there can be no assurance as to the price for which the Bonds may be sold. Such price may be lower than that paid by the current Owners of the Bonds, depending on the progress of development of the District subject to the Assessments, existing real estate and financial market conditions and other factors.

No Credit Rating

The City has not applied for or received a rating on the Bonds. Even if a credit rating had been sought for the Bonds, it is not anticipated that such a rating would have been investment grade. The absence of a rating could affect the future marketability of the Bonds. There is no assurance that a secondary market for the Bonds will develop or that holders who desire to sell their Bonds prior to the stated maturity will be able to do so. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary market trading in connection with a particular issue is suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then generally prevailing circumstances. Such prices could be substantially different from the original purchase price.

Bankruptcy Limitation to Bondholders' Rights

The enforceability of the rights and remedies of the owners of the Bonds may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the City. The City is authorized under State law to voluntarily proceed under Chapter 9 of the Federal Bankruptcy Code, 11 U.S.C. 901-946. The City may proceed under Chapter 9 if it (1) is generally not paying its debts, or unable to meet its debts, as they become due, (2) desires to effect a plan to adjust such debts, and (3) has either obtained the agreement of or negotiated in good faith with its creditors, is unable to negotiate with its creditors because negotiation is impracticable, or reasonably believes that a creditor may attempt to obtain a preferential transfer.

If the City decides in the future to proceed voluntarily under the Federal Bankruptcy Code, the City would develop and file a plan for the adjustment of its debts, and the Bankruptcy Court would confirm the plan if (1) the plan complies with the applicable provisions of the Federal Bankruptcy Code, (2) all payments to be made in connection with the plan are fully disclosed and reasonable, (3) the City is not prohibited by law from taking any action necessary to carry out the plan, (4) administrative expenses are paid in full, (5) all regulatory or electoral approvals required under State law are obtained and (6) the plan is in the best interests of creditors and is feasible. The rights and remedies of the owners of the Bonds would be adjusted in accordance with the confirmed plan of adjustment of the City's debt. The City cannot predict a Bankruptcy Court's treatment of the Bondholders' creditor claim and whether a Bondholder would be repaid in full.

Tax-Exempt Status of the Bonds

As further described in "TAX MATTERS" below, failure of the City to comply with the requirements of the Internal Revenue Code of 1986 (the "Code") and the related legal authorities, or changes in the federal tax law or its application, could cause interest on the Bonds to be included in the gross income of owners of the Bonds for federal income tax purposes, possibly from the date of original issuance of the Bonds. Further, the opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of interest on the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. The IRS has an ongoing program of auditing obligations that are issued and sold as bearing tax-exempt interest to determine whether, in the view of the IRS, interest on such obligations is included in the gross income of the owners thereof for federal income tax purposes. The IRS has announced that its audit efforts will focus in part on "developer-driven bond transactions," including certain tax increment financings and certain assessment bond transactions. In recent audits, the IRS has asserted that interest on such "developer-driven" obligations can be taxable, in certain circumstances, even when those transactions otherwise meet all applicable tax law requirements. It cannot be predicted if this IRS focus could lead to an audit of the Bonds or what the result would be of any such audit. If an audit of the Bonds is commenced, under current procedures parties other than the City would have little, if any, right to participate in the audit process. Moreover, because achieving judicial review in connection with an audit of tax-exempt obligations is difficult, obtaining an independent review of IRS positions with which the City legitimately disagrees, may not be practicable. Any action of the IRS, regardless of the outcome, including but not limited to selection of the Bonds for audit, or the course or result of such audit, or an audit of obligations presenting similar tax issues, may affect the market price for, or the marketability of, the Bonds. Finally, if the IRS ultimately determines that the interest on the Bonds is not excluded from the gross income of

Bondholders for federal income tax purposes, the City may not have the resources to settle with the IRS, the Bonds are not required to be redeemed, and the interest rate on the Bonds will not increase.

Management and Ownership

The management and ownership of the Developer and related property owners could change in the future. Purchasers of the Bonds should not rely on the management experience of such entities. There are no assurances that such entities will not sell the subject property or that officers will not resign or be replaced. In such circumstances, a new developer or new officers in management positions may not have comparable experience in projects comparable to the Development.

General Risks of Real Estate Investment and Development

The Developer has the right to modify or change its plan for development of the District, from time to time, including, without limitation, land use changes, changes in the overall land and phasing plans, and changes to the type, mix, size and number of units to be developed. No defined "true-up" agreement has been entered into between the City and the Developer, nor is there a requirement that future developers enter into such an agreement. There can be no assurance, in the event the Developer or a subsequent developer modifies or changes its plan for development that the necessary revisions to the 2025 Service and Assessment Plan will be made. Nor can there be an assurance that the eventual assessment burden on the property will be marketable.

The ability of the Developer to develop lots and sell single-family residential homes within the District may be affected by unforeseen changes in the general economic conditions, fluctuations in the real estate market and other factors beyond the control of the owner of the single-family residential lots. In the event that a large number of single-family projects are constructed outside of the District, and compete with the Development, the demand for residential housing within the District could be reduced, thereby adversely affecting the continued development of the Development, or its attraction to businesses and residents.

Investments in undeveloped or developing real estate are generally considered to be speculative in nature and to involve a high degree of risk. The Development will be subject to the risks generally incident to real estate investments and development. Many factors that may affect the Development, including the schedule for and/or the costs of the various improvements to be constructed within the District necessary to serve residents therein, as well as the operating revenues of the Developer, including those derived from the Development, are not within the control of the Developer. Such factors include changes in national, regional and local economic conditions; changes in long and short term interest rates; changes in the climate for real estate purchases; changes in demand for or supply of competing properties; changes in local, regional and national market and economic conditions; unanticipated development costs, market preferences and architectural trends; unforeseen environmental risks and controls; the adverse use of adjacent and neighboring real estate; changes in interest rates and the availability of mortgage funds to buyers of the homes to be built in the Development, which may render the sale of such homes difficult or unattractive; acts of war, terrorism or other political instability; delays or inability to obtain governmental approvals; changes in laws; moratorium; acts of God (which may result in uninsured losses); strikes; labor shortages; energy shortages; material shortages; inflation; adverse weather conditions; contractor or subcontractor defaults; and other unknown contingencies and factors beyond the control of the Developer. Furthermore, the operating revenues of the Developer may be materially adversely affected if specific conditions in the lot purchase contracts are not met. Failure to meet the lot purchase contract's conditions allows the applicable lot purchaser to terminate its obligation to purchase lots from the Developer and obtain its earnest money deposit back.

The Development cannot be initiated or completed without the Developer obtaining a variety of governmental approvals and permits, some of which have already been obtained. Certain permits are necessary to initiate construction of each phase of the Development and to allow the occupancy of residences and to satisfy conditions included in the approvals and permits. There can be no assurance that all of these permits and approvals can be obtained or that the conditions to the approvals and permits can be fulfilled. The failure to obtain any of the required approvals or fulfill any one of the conditions could cause materially adverse financial results for the Developer.

A slowdown of the development process and the related absorption rate within the Development because of any or all of the foregoing could affect adversely land values. The timely payment of the Bonds depends on the willingness and ability of the Developer and any subsequent owners to pay the Assessments when due. Any or all of

the foregoing could reduce the willingness and ability of such owners to pay the Assessments and could greatly reduce the value of the property within the District in the event such property has to be foreclosed. If Annual Installments of Assessments are not timely paid and there are insufficient funds in the accounts of the Reserve Fund, a nonpayment could result in a payment default under the Indenture.

The home prices and buildout values in the District is directly related to the local housing and building industry. The housing and building industry has historically been a cyclical industry, affected by both short and long-term interest rates, availability of mortgage and development funds, labor conditions and general economic conditions. A return of relatively high mortgage interest rates similar to those experienced in the past may adversely affect the availability and desirability of mortgage financing for new homes, hence reducing demand for new homes within the District.

Risks Related to the Current Residential Real Estate Market

The real estate market is currently experiencing a slowing of new home sales and new home closings due in part to rising inflation and mortgage interest rates. It is difficult to determine what effects the on-again, off-again tariffs imposed by the federal administration and retaliatory tariffs against the United States will have on inflation and mortgage interest rates. Downturns in the real estate market, mortgage rates, and other factors beyond the control of the Developer, including general economic conditions, may impact the timing of lot and home sales within the District. No assurances can be given that projected home prices and buildout values presented in this Limited Offering Memorandum will be realized.

Risks Related to Recent Increase in Costs of Building Materials and Labor Shortages

As a result of low supply and high demand, shipping constraints, and the ongoing trade war (including tariffs and retaliatory tariffs), there have been substantial increases in the cost of lumber and other materials, causing many homebuilders and general contractors to experience budget overruns. Further, the federal administration's on-again, off-again tariffs, threatened impositions of tariffs, and the imposition or threatened imposition of retaliatory tariffs against the United States will impact the ability of the homebuilders to estimate costs.

The federal administration's immigration policies may impact the State's workforce. Undocumented construction workers make up a large percentage of construction workers in the State. Mass deportations or immigration policies that make it challenging for foreign workers to work in the United States may result in labor shortages, particularly in construction. Labor shortages will impact the homebuilders' ability to construct homes within the District.

Availability of Utilities

The progress of development within the District is also dependent upon the City providing an adequate supply of water and sufficient capacity for the collection and treatment of wastewater. If the City fails to supply water and wastewater services to the property within the District, the Development of the land in the District could be adversely affected. See "THE DEVELOPMENT — Utilities."

Dependence upon Developer and Homebuilders

Initial Liability for Assessments. The Developer is under contract to sell all of the lots in the District to the Homebuilders. The Chesmar Homes Lot Purchase Contract provides that Chesmar Homes and Westin Homes are obligated to takedown an aggregate of 167 single-family lots within the District. The Brightland Lot Purchase Contract provides that Brightland Homes is obligated to takedown 94 single-family lots within the District. Currently no homes have been purchased pursuant to the Lot Purchase Contracts. The Developer owns all 261 single-family lots in the District, and until the Developer closes on the sale of lots to the Homebuilders, it has the initial obligation for payment of the Assessments.

Assessment Payments. The ability of the Developer and the Homebuilders to make full and timely payment of the Assessments will directly affect the ability of the City to meet its debt service obligations with respect to the Bonds. The City will pay the Developer, or the Developer's designee, from proceeds of the Bonds for project costs

actually incurred in developing and constructing the PID Improvements within the District. See "THE PID IMPROVEMENTS" and "THE DEVELOPMENT — Development Plan."

There can be no assurances given as to the financial ability of the Developer, Chesmar Homes, Westin Homes or Brightland Homes to advance any funds to the City to supplement revenues from the Assessments, if necessary, or as to whether the Developer, Chesmar Homes, Westin Homes or Brightland Homes will advance such funds.

Finally, if for any reason, the Development cannot be completed as planned, the Developer or any subsequent property owner will nevertheless remain responsible for the full amount of the applicable Assessments, notwithstanding the fact that the amount of the Assessments when levied assumed the full development of the Assessed Property.

None of the Developer, Chesmar Homes, Westin Homes or Brightland Homes will guarantee or otherwise be obligated to pay debt service on the Bonds.

TAX MATTERS

Tax Exemption

In the opinion of Bickerstaff Heath Delgado Acosta LLP, Bond Counsel, under existing statutes, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and continuing compliance by the City with the covenants contained in the Bond Ordinance and the Arbitrage and Tax Certificate, interest on the Bonds is excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code and will not constitute an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations.

In rendering its opinion, Bond Counsel has relied on the City's covenants contained in the Bond Ordinance and the City's covenants contained in the Arbitrage and Tax Certificate, that it will comply with the applicable requirements of the Code, relating to, *inter alia*, the use and operation of the project and the use and investment of proceeds of the Bonds and rebate to the United States Treasury of specified arbitrage earnings, if any, under Section 148(f) of the Code. Failure of the City to comply with such covenants could result in the interest on the Bonds being subject to federal income tax from the date of issue of the Bonds. Bond Counsel has not undertaken to monitor compliance with such covenants or to advise any party as to changes in the law after the date of issuance of the Bonds that may affect the tax-exempt status of the interest.

Except as stated above, Bond Counsel will express no opinion as to any federal, state or local tax consequences resulting from the receipt or accrual of interest on, or acquisition, ownership or disposition of the Bonds.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on Bond Counsel's knowledge of facts as of the date thereof. As to questions of fact material to the opinion of Bond Counsel, Bond Counsel has relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of result and are not binding on the Internal Revenue Service (the "Service"); rather, such opinions represent Bond Counsel's legal judgment based upon its review of existing law and in reliance upon the representations and covenants referenced above that it deems relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given whether or not the Service will commence an audit of the Bonds. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the City as the taxpayer and the Owners may not have a right to participate in such audit. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds during the pendency of the audit regardless of the ultimate outcome of the audit.

Collateral Federal Income Tax Consequences

Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations such as the Bonds may result in collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, certain foreign corporations doing business in the United States, S corporations with subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for the earned income tax credit, owners of an interest in a financial asset securitization investment trust ("FASIT"), and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Prospective purchasers should consult their own tax advisors as to the applicability of these consequences to their particular circumstances.

Existing law may change to reduce or eliminate the benefit to obligation holders of the exclusion of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation or administrative action, whether or not taken, could also affect the value and marketability of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed or future changes in tax law.

Section 884 of the Code imposes on certain foreign corporations a branch profits tax equal to thirty percent (30%) of the "dividend equivalent amount" for the taxable year. Interest on the Bonds received or accrued by a foreign corporation subject to the branch profits tax may be included in computing the "dividend equivalent amount" of such corporation.

In addition, passive investment income, including interest on the Bonds, may be subject to federal income taxation under Section 1375 of the Code for any S corporation that has Subchapter C earnings and profits at the close of the taxable year, if more than twenty-five percent (25%) of the gross receipts of such S corporation is passive investment income.

In addition, attention is called to the fact that Section 265(b)(1) of the Code eliminates the interest deduction otherwise allowable with respect to indebtedness deemed incurred by banks, thrift institutions and other financial institutions to purchase or to carry tax-exempt obligations acquired after August 7, 1986, other than designated "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code.

Tax Accounting Treatment of Discount and Premium on Certain Bonds

The initial public offering price of certain discount Bonds (the "Discount Bonds") may be less than the amount payable on such Bonds at maturity. An amount equal to the difference between the initial public offering price of a Discount Bond (assuming that a substantial amount of the Discount Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes original issue discount to the initial purchaser of such Discount Bonds. A portion of such original issue discount allocable to the holding period of such Discount Bonds by the initial purchaser will, upon the disposition of such Discount Bonds (including by reason of its payment at maturity), be treated as interest excludable from gross income, rather than as taxable gain, for federal income tax purposes, on the same terms and conditions as those for other interest on the Bonds described above under "Tax Exemption." Such interest is considered to be accrued actuarially in accordance with the constant interest method over the life of a Discount Bonds, taking into account the semiannual compounding of accrued interest, at the yield to maturity on such Discount Bonds and generally will be allocated to an original purchaser in a different amount from the amount of the payment denominated as interest actually received by the original purchaser during the tax year. However, such interest may be required to be taken into account in determining the alternative minimum taxable income of a corporation, for purposes of calculating a corporation's alternative minimum tax imposed by Section 55 of the Code, and the amount of the branch profits tax applicable to certain foreign corporations doing business in the United States, even though there will not be a corresponding cash payment. In addition, the accrual of such interest may result in certain other collateral federal income tax consequences to, among others, financial institutions, life insurance companies, property and casualty insurance companies, S corporations with "subchapter C" earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, individuals otherwise qualifying for earned income tax credit, owners of an interest in a FASIT, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry, or who have paid or incurred certain expenses allocable to, tax-exempt obligations. Moreover, in the event of the redemption, sale or other taxable disposition of a Discount Bond by the initial owner prior to maturity, the amount realized by such owner in excess of the basis of such Discount Bonds in the hands of such owner (adjusted upward by

the portion of the original issue discount allocable to the period for which such Discount Bonds was held) is includable in gross income. Owners of Discount Bonds should consult with their own tax advisors with respect to the determination of accrued original issue discount on Discount Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Discount Bonds. It is possible that, under applicable provisions governing determination of state and local income taxes, accrued interest on Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The initial public offering price of certain Bonds (the "Premium Bonds") may be greater than the amount payable on such Bonds at maturity. An amount equal to the difference between the initial public offering price of a Premium Bond (assuming that a substantial amount of the Premium Bonds of that maturity are sold to the public at such price) and the amount payable at maturity constitutes premium to the initial purchaser of such Premium Bonds. The basis for federal income tax purposes of a Premium Bond in the hands of such initial purchaser must be reduced each year by the amortizable Bond premium, although no federal income tax deduction is allowed as a result of such reduction in basis for amortizable bond premium. Such reduction in basis will increase the amount of any gain (or decrease the amount of any loss) to be recognized for federal income tax purposes upon a sale or other taxable disposition of a Premium Bond. The amount of premium which is amortizable each year by an initial purchaser is determined by using such purchaser's yield to maturity. Purchasers of the Premium Bonds should consult with their own tax advisors with respect to the determination of amortizable bond premium on Premium Bonds for federal income tax purposes and with respect to the state and local tax consequences of owning and disposing of Premium Bonds.

State, Local and Foreign Taxes

Investors should consult their own tax advisors concerning the tax implications of the purchase, ownership or disposition of the Bonds under applicable state or local laws. Foreign investors should also consult their own tax advisors regarding the tax consequences unique to investors who are not United States persons.

Changes in Federal and State Tax Law

From time to time, there are legislative proposals in the United States Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value or marketability of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value or marketability of the Bonds.

Prospective purchasers of the Bonds should consult with their own tax advisors regarding any other federal income tax legislation, whether currently pending or proposed, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

The City invests its investable funds in investments authorized by State law in accordance with investment policies approved by the City Council of the City. Both State law and the City's investment policies are subject to change.

LEGAL MATTERS

Legal Proceedings

Delivery of the Bonds will be accompanied by the unqualified approving legal opinion of the Attorney General of the State to the effect that the Bonds are valid and legally binding obligations of the City under the Constitution and laws of the State, payable from the Trust Estate and, based upon their examination of a transcript of certified proceedings relating to the issuance and sale of the Bonds, the legal opinion of Bond Counsel, to a like effect.

Bickerstaff Heath Delgado Acosta LLP serves as Bond Counsel to the City. Norton Rose Fulbright US LLP serves as Underwriter's Counsel. The legal fees paid to Bond Counsel and Underwriter's Counsel are contingent upon the sale and delivery of the Bonds.

Legal Opinions

The City will furnish the Underwriter a transcript of certain certified proceedings incident to the authorization and issuance of the Bonds. Such transcript will include a certified copy of the approving opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State, to the effect that the Bonds are valid and binding special obligations of the City. The City will also furnish the legal opinion of Bond Counsel, to the effect that, based upon an examination of such transcript, the Bonds are valid and binding special obligations of the City under the Constitution and laws of the State. The legal opinion of Bond Counsel will further state that the Bonds, including principal thereof and interest thereon, are payable from and secured by a pledge of and lien on the Pledged Revenues. Bond Counsel will also provide a legal opinion to the effect that interest on the Bonds will be excludable from gross income for federal income tax purposes under Section 103(a) of the Code, subject to the matters described above under the caption "TAX MATTERS." A copy of the opinion of Bond Counsel is attached hereto as "APPENDIX D — Form of Opinion of Bond Counsel."

Except as noted below, Bond Counsel did not take part in the preparation of the Limited Offering Memorandum, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information describing the Bonds herein under the captions or subcaptions "PLAN OF FINANCE — The Bonds;" "DESCRIPTION OF THE BONDS," "SECURITY FOR THE BONDS," "ASSESSMENT PROCEDURES" (except for the subcaptions "Assessment Methodology" and "Assessment Amounts") "THE DISTRICT," "TAX MATTERS," "LEGAL MATTERS — Legal Proceedings" (first paragraph only), "LEGAL MATTERS — Legal Opinions," "CONTINUING DISCLOSURE — The City," "REGISTRATION AND QUALIFICATION OF BONDS FOR SALE," "LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS" and APPENDIX B, and such firm is of the opinion that the information relating to the Bonds, the Bond Ordinance, the Assessment Ordinance and the Indenture contained therein fairly and accurately describes the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Bond Ordinance, the Assessment Ordinance and the Indenture.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

Litigation — The City

At the time of delivery and payment for the Bonds, the City will certify that, except as disclosed herein, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, pending or overtly threatened against the City affecting the existence of the District, or seeking to restrain or to enjoin the sale or delivery of the Bonds, the application of the proceeds thereof, in accordance with the Indenture, or the collection or application of Assessments securing the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the Assessment Ordinance, the Indenture, any action of the City contemplated by any of the said documents, or the collection or application of the Pledged Revenues, or in any way contesting the completeness or accuracy of this Limited Offering Memorandum or any amendment or supplement thereto, or contesting the powers of the City or its authority with respect to the Bonds or any action of the City contemplated by any documents relating to the Bonds.

A pro se plaintiff filed a suit on January 29, 2025, in the Travis County District Court styled "Petition to Contest 2024 Manor Texas City Council and Mayoral Election and to Cause New Election to Be Held" (the "Pro Se Suit"). This suit challenges, among other things, the validity of the November 2024 elections for three councilmembers and for the Mayor. Although not directly stated in the petition, to the extent that the Pro Se Suit would purport to challenge the rights of any current members of the City Council to hold office, such challenge would only pertain to the office of the Mayor and to the City Councilmember for Place Three. The City is defending itself against the Pro Se Suit and denies that there has been any material error in the processes for the election of 2024 and does not believe that the Pro Se Suit will result in a new election or in the removal of any members of City Council, including the Mayor and the City Councilmember for Place Three. To the extent that the Pro Se Suit purportedly and only indirectly challenges the offices of the Mayor and the Place Three Councilmember, neither the Mayor or the Place Three

Councilmember will be counted towards establishing a quorum of City Council for the meeting at which the City Council approves the levy of the Assessment and approves the issuance of the Bonds. Also, neither the votes of the Mayor and of the Place Three Councilmember will be counted towards a vote in favor of or against the levying of the Assessments or of the authorization of the issuance of the Bonds.

Litigation — The Developer

At the time of delivery and payment for the Bonds, the Developer will certify that, except as disclosed herein, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory body, public board or body pending, or, to the best knowledge of the Developer, threatened against or affecting the Developer or any of its affiliates wherein an unfavorable decision, ruling or finding would have a material adverse effect on the financial condition or operations of the Developer or its managing member, or would adversely affect (1) the transactions contemplated by, or the validity or enforceability of, the Bonds, the Indenture, the 2025 Service and Assessment Plan, the Financing Agreement, or the Reimbursement Agreement, or otherwise described in this Limited Offering Memorandum or (2) the tax-exempt status of interest on the Bonds (individually or in the aggregate, a "Material Adverse Effect").

SUITABILITY FOR INVESTMENT

Investment in the Bonds poses certain economic risks. See "BONDHOLDERS' RISKS." The Bonds are not rated by any nationally recognized municipal securities rating service.

No dealer, broker, salesman or other person has been authorized by the City or the Underwriter to give any information or make any representations, other than those contained in this Limited Offering Memorandum, and, if given or made, such other information or representations must not be relied upon as having been authorized by either of the foregoing. Additional information will be made available to each prospective investor, including the benefit of a site visit to the City and the opportunity to ask questions of the Developer, as such prospective investor deems necessary in order to make an informed decision with respect to the purchase of the Bonds.

ENFORCEABILITY OF REMEDIES

The remedies available to the owners of the Bonds upon an event of default under the Indenture are in many respects dependent upon judicial actions, which are often subject to discretion and delay. See "BONDHOLDERS' RISKS — Bondholders' Remedies and Bankruptcy." Under existing constitutional and statutory law and judicial decisions, including the federal bankruptcy code, the remedies specified by the Indenture and the Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Bonds will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by governmental immunity, bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors and enacted before or after such delivery, and by general principles of equity that permit the exercise of judicial discretion.

NO RATING

No application for a rating on the Bonds has been made to any rating agency, nor is there any reason to believe that the City would have been successful in obtaining an investment grade rating for the Bonds had application been made.

CONTINUING DISCLOSURE

The City

Pursuant to Rule 15c2-12 of the SEC (the "Rule"), the City, the Administrator and BOKF, NA, as dissemination agent (in such capacity, the "Dissemination Agent'), will enter into a Continuing Disclosure Agreement (the "Disclosure Agreement of Issuer"), for the benefit of the Owners of the Bonds (including Owners of beneficial interests in the Bonds), to provide, by certain dates prescribed in the Disclosure Agreement of Issuer, certain financial information and operating data relating to the City (collectively, the "City Reports"). The specific nature of the information to be contained in the City Reports is set forth in "APPENDIX E-l — Form of Disclosure Agreement of

Issuer." Under certain circumstances, the failure of the City to comply with its obligations under the Disclosure Agreement of Issuer constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Disclosure Agreement of Issuer would allow the Owners of the Bonds (including Owners of beneficial interests in the Bonds) to bring an action for specific performance.

The City has agreed to update information and to provide notices of certain specified events only as provided in the Disclosure Agreement of Issuer. The City has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided in this Limited Offering Memorandum, except as provided in the Disclosure Agreement of Issuer. The City makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell the Bonds at any future date. The City disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of the Disclosure Agreement of Issuer or from any statement made pursuant to the Disclosure Agreement of Issuer.

The City's Compliance with Prior Undertakings

During the past five years the City has complied in all material respects with its continuing disclosure agreements made by it in accordance with the Rule, except that the City did not timely file notice of its privately placed Combination Tax and Revenue Certificates of Obligation, Series 2021, and Tax Notes, Series 2022. The City also did not timely file its fiscal year ended September 30, 2020 audited financial statements, or timely file its fiscal year ended September 30, 2023, unaudited financial information and operating information and its audited financial statements. The City has subsequently posted notices of those debt obligations and its late filings on EMMA. The City's failures to timely file were the result of an administrative oversight, and the City has since put procedures in place to ensure that it complies with its obligations under the Rule going forward and contracted with a disclosure agent for future filings.

The Developer

Pursuant to the Rule, the Developer, the Administrator and the Dissemination Agent will enter into a Continuing Disclosure Agreement (the "Disclosure Agreement of Developer"), for the benefit of the Owners of the Bonds (including Owners of beneficial interests in the Bonds), to provide, by certain dates prescribed in the Disclosure Agreement of Developer, certain information regarding the Development and the Authorized Improvements (collectively, the "Developer Reports"). The specific nature of the information to be contained in the Developer Reports is set forth in "APPENDIX E-2 — Form of Disclosure Agreement of Developer." Under certain circumstances, the failure of the Developer or the Administrator to comply with its obligations under the Disclosure Agreement of Developer constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Disclosure Agreement of Developer would allow the Owners of the Bonds (including Owners of beneficial interests in the Bonds) to bring an action for specific performance.

The Developer has agreed to provide (i) certain updated information to the Administrator, which consultant will prepare and provide such updated information in report form and (ii) notices of certain specified events, only as provided in the Disclosure Agreement of Developer. The Developer has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided in this Limited Offering Memorandum, except as provided in the Disclosure Agreement of Developer. The Developer makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell the Bonds at any future date. The Developer disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of the Disclosure Agreement of Developer or from any statement made pursuant to the Disclosure Agreement of Developer.

The Developer's Compliance with Prior Undertakings

Developer has not previously entered into any continuing disclosure agreements pursuant to the Rule.

UNDERWRITING

FMSbonds, Inc. (the "Underwriter") has agreed to purchase the Bonds from the City at a purchase price of $_____ (the par amount of the Bonds, less a reoffering discount of $_____ less an underwriting discount

of $_____). The Underwriter's obligations are subject to certain conditions precedent and if obligated to purchase any of the Bonds, the Underwriter will be obligated to purchase all of the Bonds. The Bonds may be offered and sold by the Underwriter at prices lower than the initial offering prices stated on the inside cover page hereof, and such initial offering prices may be changed from time to time by the Underwriter.

REGISTRATION AND QUALIFICATION OF BONDS FOR SALE

The sale of the Bonds has not been registered under the Federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2); and the Bonds have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been qualified under the securities acts of any other jurisdiction. The City assumes no responsibility for qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS

The PID Act and Section 1201.041 of the Public Security Procedures Act (Chapter 1201, Texas Government Code, as amended) provide that the Bonds are negotiable instruments and investment securities governed by Chapter 8, Texas Business and Commerce Code, as amended, and are legal and authorized investments for insurance companies, fiduciaries, trustees, or for the sinking funds of municipalities or other political subdivisions or public agencies of the State. With respect to investment in the Bonds by municipalities or other political subdivisions or public agencies of the State, the PFIA requires that the Bonds be assigned a rating of at least "A" or its equivalent as to investment quality by a national rating agency. See "NO RATING" above. In addition, the PID Act and various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Bonds are legal investments for state banks, savings banks, trust companies with capital of one million dollars or more, and savings and loan associations. The Bonds are eligible to secure deposits to the extent of their market value. No review by the City has been made of the laws in other states to determine whether the Bonds are legal investments for various institutions in those states. No representation is made that the Bonds will be acceptable to public entities to secure their deposits or acceptable to such institutions for investment purposes.

The City made no investigation of other laws, rules, regulations or investment criteria which might apply to such institutions or entities or which might limit the suitability of the Bonds for any of the foregoing purposes or limit the authority of such institutions or entities to purchase or invest in the Bonds for such purposes.

INVESTMENTS

The City invests its funds in investments authorized by State law in accordance with investment policies approved by the City Council. Both State law and the City's investment policies are subject to change.

Legal Investments

Under State law, the City is authorized to invest in obligations meeting the requirements of the Texas Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended (the "PFIA") which may include: (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks; (2) direct obligations of the State or its agencies and instrumentalities; (3) collateralized mortgage obligations issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of, the State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation (the "FDIC") or by the explicit full faith and credit of the United States; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent; (6) bonds issued, assumed, or guaranteed by the State of Israel; (7) interest-bearing banking deposits that are guaranteed or insured by the FDIC or the National Credit Union Share Insurance Fund (the "NCUSIF") or their respective successors; (8) interest-bearing banking deposits, other than those described in clause (7), that (i) are invested through a broker or institution with a

main office or branch office in this State and selected by the City in compliance with the PFIA, (ii) the broker or institution arranges for the deposit of the funds in one or more federally insured depository institutions, wherever located, for the City's account, (iii) the full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States, and (iv) the City appoints as its custodian of the banking deposits, in compliance with the PFIA, the institution in clause (8)(i) above, a bank, or a broker-dealer; (9) certificates of deposit and share certificates meeting the requirements of the PFIA (i) that are issued by an institution that has its main office or a branch office in the State and are guaranteed or insured by the FDIC or the NCUSIF, or their respective successors, or are secured as to principal by obligations described in clauses (1) through (8), above, or secured in accordance with Chapter 2257, Texas Government Code, or in any other manner and amount provided by law for City deposits, or (ii) where (a) the funds are invested by the City through a broker or institution that has a main office or branch office in the State and selected by the City in compliance with the PFIA, (b) the broker or institution arranges for the deposit of the funds in one or more federally insured depository institutions, wherever located, for the account of the City, (c) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; and (d) the City appoints, in compliance with the PFIA, the institution in clause (9)(ii)(a) above, a bank, or broker-dealer as custodian for the City with respect to the certificates of deposit; (10) fully collateralized repurchase agreements that have a defined termination date, are secured by a combination of cash and obligations described by clause (1) which are pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City, and are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State; (11) certain bankers' acceptances with a stated maturity of 365 days or less, if the short-term obligations of the accepting bank, or of the holding company of which the bank is the largest subsidiary, are rated not less than "A-1" or "P-1" or the equivalent by at least one nationally recognized credit rating agency; (12) commercial paper with a stated maturity of 270 days or less that is rated at least "A-1" or "P-1" or an equivalent by either (i) two nationally recognized credit rating agencies, or (ii) one nationally recognized credit rating agency if the commercial paper is fully secured by an irrevocable letter of credit issued by a United States or state bank; (13) no-load mutual funds registered with and regulated by the Securities and Exchange Commission and complies with Securities and Exchange Commission Rule 2a-7; (14) no-load mutual funds that are registered and regulated by the Securities and Exchange Commission that have a weighted maturity of less than two years and either (i) have a duration of one year or more and are invested exclusively in obligations approved in this paragraph, or (ii) have a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset backed securities; (15) guaranteed investment contracts that have a defined termination date and are secured by obligations described in clause (1), excluding obligations which the City is explicitly prohibited from investing in, and in an amount at least equal to the amount of bond proceeds invested under such contract; and (16) securities lending programs if (i) the securities loaned under the program are 100% collateralized, including accrued income, (ii) a loan made under the program allows for termination at any time, (iii) a loan made under the program is either secured by (a) obligations described in clauses (1) through (8) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than "A" or its equivalent, or (c) cash invested in obligations described in clauses (1) through (8) above, clauses (12) through (14) above, or an authorized investment pool, (iv) the terms of a loan made under the program require that the securities being held as collateral be pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party designated by the City, (v) a loan made under the program is government securities dealer or a financial institution doing business in the State, and (vi) the agreement to lend securities has a term of one year or less.

The City may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than "AAA" or "AAAm" or an equivalent by at least one nationally recognized rating service. The City may also contract with an investment management firm registered under the Investment Advisers Act of 1940 (15 U.S.C. Section 80b-l et seq.) or with the State Securities Board to provide for the investment and management of its public funds or other funds under its control for a term up to two years, but the City retains ultimate responsibility as fiduciary of its assets. In order to renew or extend such a contract, the City must do so by order, ordinance, or resolution. The City is specifically prohibited from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than ten (10) years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

Investment Policies

Under State law, the City is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; and that include a list of authorized investments for City funds, the maximum allowable stated maturity of any individual investment, the maximum average dollar-weighted maturity allowed for pooled fund groups, methods to monitor the market price of investments acquired with public funds, a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis, and procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the PFIA. All City funds must be invested consistent with a formally adopted "Investment Strategy Statement" that specifically addresses each fund's investment. Each Investment Strategy Statement will describe its objectives concerning: (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) marketability of each investment, (5) diversification of the portfolio, and (6) yield.

Under State law, the City's investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment considering the probable safety of capital and the probable income to be derived." At least quarterly the City's investment officers must submit an investment report to the City Council detailing: (1) the investment position of the City, (2) that all investment officers jointly prepared and signed the report, (3) the beginning market value, the ending market value and the fully accrued interest for the reporting period of each pooled fund group, (4) the book value and market value of each separately listed asset at the end of the reporting period, (5) the maturity date of each separately invested asset, (6) the account or fund or pooled fund group for which each individual investment was acquired, and (7) the compliance of the investment portfolio as it relates to: (a) adopted investment strategies and (b) State law. No person may invest City funds without express written authority from the City Council.

Additional Provisions

Under State law, the City is additionally required to: (1) annually review its adopted policies and strategies; (2) adopt by written instrument a rule, order, ordinance or resolution stating that it has reviewed its investment policy and investment strategies and records any changes made to either its investment policy or investment strategy in the respective rule, order, ordinance or resolution; (3) require any investment officers with personal business relationships or relatives with firms seeking to sell securities to the City to disclose the relationship and file a statement with the Texas Ethics Commission and the City Council; (4) require the qualified representative of firms offering to engage in an investment transaction with the City to: (a) receive and review the City's investment policy,(b) acknowledge that reasonable controls and procedures have been implemented to preclude investment transactions conducted between the City and the business organization that are not authorized by the City's investment policy (except to the extent that this authorization is dependent on an analysis of the makeup of the entity's entire portfolio, requires an interpretation of subjective investment standards or relates to investment transactions of the entity that are not made through accounts or other contractual arrangements over which the business organization has accepted discretionary investment authority), and (c) deliver a written statement in a form acceptable to the City and the business organization attesting to these requirements; (5) in conjunction with its annual financial audit, perform a compliance audit of the management controls on investments and adherence to the City's investment policy; (6) provide specific investment training for the Treasurer, chief financial officer and investment officers; (7) restrict reverse repurchase agreements to not more than ninety (90) days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse purchase agreement; (8) restrict the investment in no-load mutual funds in the aggregate to no more than fifteen percent (15%) of the City's monthly average fund balance, excluding bond proceeds and reserves and other funds held for debt service; (9) require local government investment pools to conform to the new disclosure, rating, net asset value, yield calculation, and advisory board requirements; and (10) at least annually review, revise and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City.

INFORMATION RELATING TO THE TRUSTEE

The City has appointed BOKF, NA, a national banking association organized under the laws of the United States, to serve as Trustee. The Trustee is to carry out those duties assignable to it under the Indenture. Except for the contents of this section, the Trustee has not reviewed or participated in the preparation of this Limited Offering Memorandum and assumes no responsibility for the contents, accuracy, fairness or completeness of the information set

forth in this Limited Offering Memorandum or for the recitals contained in the Indenture or the Bonds, or for the validity, sufficiency, or legal effect of any of such documents.

Furthermore, the Trustee has no oversight responsibility, and is not accountable, for the use or application by the City of any of the Bonds authenticated or delivered pursuant to the Indenture or for the use or application of the proceeds of such Bonds by the City. The Trustee has not evaluated the risks, benefits, or propriety of any investment in the Bonds and makes no representation, and has reached no conclusions, regarding the value or condition of any assets or revenues pledged or assigned as security for the Bonds, the technical or financial feasibility of the project, or the investment quality of the Bonds, about all of which the Trustee expresses no opinion and expressly disclaims the expertise to evaluate.

Additional information about the Trustee may be found at its website at https://www.bokfinancial.com/. Neither the information on the Trustee's website, nor any links from that website, is a part of this Limited Offering Memorandum, nor should any such information be relied upon to make investment decisions regarding the Bonds.

SOURCES OF INFORMATION

General

The information contained in this Limited Offering Memorandum has been obtained primarily from the City's records, the Developer and its representatives and other sources believed to be reliable. In accordance with its responsibilities under the federal securities law, the Underwriter has reviewed the information in this Limited Offering Memorandum in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of the transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Limited Offering Memorandum or any sale hereunder will create any implication that there has been no change in the financial condition or operations of the City or the Developer described herein since the date hereof. This Limited Offering Memorandum contains, in part, estimates and matters of opinion that are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions or that they will be realized. The summaries of the statutes, resolutions, ordinances, indentures and engineering and other related reports set forth herein are included subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information.

Source of Certain Information

The information contained in this Limited Offering Memorandum relating to the description of the PID Improvements, the Development and the Developer generally and, in particular, the information included in maps on pages (ii) - (vi) and in the sections captioned "PLAN OF FINANCE," "THE PID IMPROVEMENTS," "THE DEVELOPMENT," "THE DEVELOPER," "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the PID Improvements and the Development), "LEGAL MATTERS — Litigation — The Developer," and "CONTINUING DISCLOSURE — The Developer" and "— The Developer's Compliance with Prior Undertakings" has been provided by the Developer, and the Developer warrants and represents that the information contained herein is true and correct and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made herein, in the light of the circumstances under which they were made, not misleading. At the time of delivery of the Bonds to the Underwriter, the Developer will deliver a certificate to this effect to the City and the Underwriter.

Experts

The information regarding the 2025 Service and Assessment Plan in this Limited Offering Memorandum has been provided by P3Works, LLC, the Administrator, and has been included in reliance upon the authority of such firm as experts in the field of assessment allocation/methodology and district administration.

The information regarding the Appraisal in this Limited Offering Memorandum has been provided by Flato Realty Advisors, LLC, the Appraiser, and has been included in reliance upon the authority of such firm as experts in the field of the appraisal of real property. The Appraiser has consented to the inclusion of the Appraisal herein.

Updating of Limited Offering Memorandum

If, subsequent to the date of the Limited Offering Memorandum, the City learns, through the ordinary course of business and without undertaking any investigation or examination for such purposes, or is notified by the Underwriter, of any adverse event which causes the Limited Offering Memorandum to be materially misleading, and unless the Underwriter elects to terminate its obligation to purchase the Bonds, the City will promptly prepare and supply to the Underwriter an appropriate amendment or supplement to the Limited Offering Memorandum satisfactory to the Underwriter; provided, however, that the obligation of the City to so amend or supplement the Limited Offering Memorandum will terminate when the City delivers the Bonds to the Underwriter, unless the Underwriter notifies the City on or before such date that less than all of the Bonds have been sold to ultimate customers; in which case the City's obligations hereunder will extend for an additional period of time (but not more than ninety (90) days after the date the City delivers the Bonds) until all of the Bonds have been sold to ultimate customers.

FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference in this Limited Offering Memorandum constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "anticipate," "budget" or other similar words.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED HEREIN TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF ITS EXPECTATIONS, OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, OTHER THAN AS DESCRIBED UNDER "CONTINUING DISCLOSURE" HEREIN.

AUTHORIZATION AND APPROVAL

The City Council will approve the form and content of this Preliminary Limited Offering Memorandum and the use thereof by the Underwriter in connection with the marketing and sale of the Bonds. In the Bond Ordinance, the City Council will approve the form and content of the final Limited Offering Memorandum.

CITY OF MANOR, TEXAS

_____

Dr. Christopher Harvey, Mayor

ATTEST:

_____

Lluvia T. Almaraz, City Secretary

APPENDIX A

GENERAL INFORMATION REGARDING THE CITY AND SURROUNDING AREA

The following information has been provided for informational purposes only.

Historical Employment in Travis County (Average Annual)

	Average Annual				
	2025[1]	2024	2023	2022	2021
Civilian Labor Force	860,896	849,812	857,916	822,494	778,563
Total Employed	832,727	820,055	829,904	799,306	747,009
Total Unemployed	28,169	29,757	28,012	23,188	31,554
Unemployment Rate	3.3%	3.5%	3.3%	2.8%	4.1%

(1) Data through May 31, 2025

Source: Texas Workforce Commission.

Major Employers in Travis County

Employer	Product or Service	Employees
State of Texas	Government	60,770
The University of Texas at Austin	Education & Research	30,936
H.E.B. Grocery Co.	Grocery Stores	22,955
City of Austin	Government	17,633
Ascension Texas	Health Services	14,842
Dell Inc.	Electronics	13,000
Tesla Inc.	Technology Manufacturer	12,277
Federal Government	Government	11,989
St. David's Healthcare	Health Services	11,484
Austin ISD	Education	10,650

Source: The Municipal Advisory Council of Texas.

Building Permits

Year Ended	Commercial		Residential		
30-Sep	Number[1]	Value ($)	Number	Value	Grand Total ($)
2018	30	37,718,084	558	143,927,683	181,645,767
2019	10	16,405,970	611	174,338,256	190,744,226
2020	10	77,161,580	823	243,226,846	320,338,427
2021	14	28,849,537	345	102,871,225	131,720,762
2022	24	79,017,054	907	298,015,274	377,032,328
2023	13	14,188,746	550	178,069,554	192,258,300
2024	32	190,358,924	547	176,999,060	367,357,984
2025[2]	60	234,201,195	328	109,909,809	344,111,004

Source: City of Manor

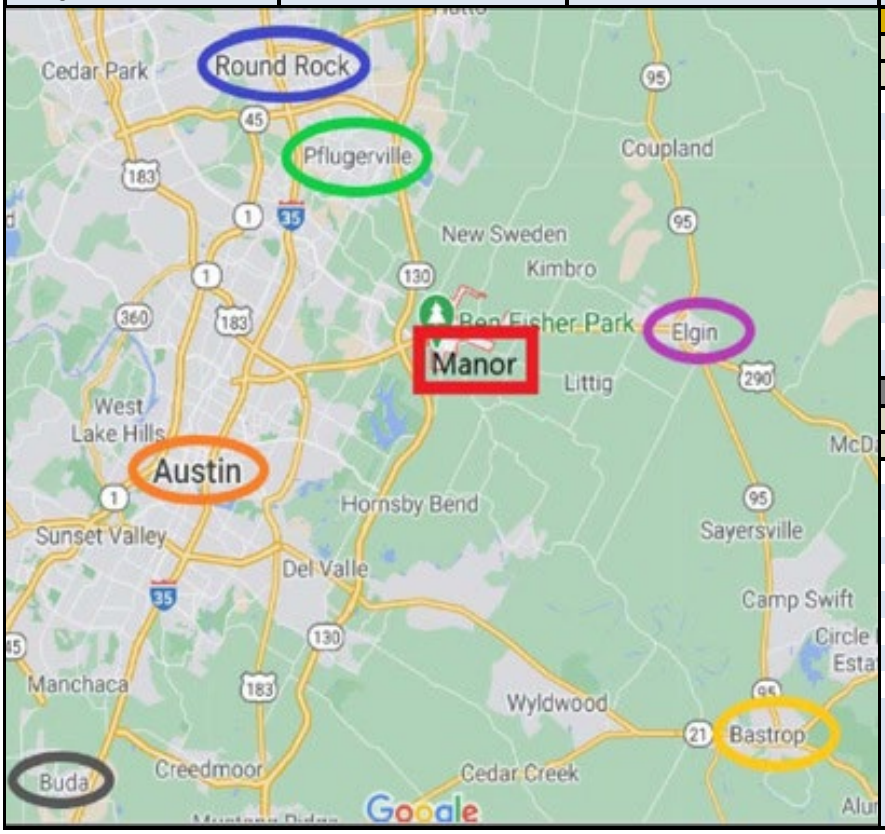
(1) Includes multi-family new building permits.

(2) As of July 17, 2025.

Surrounding Economic Activity

The major employers in municipalities surrounding the City are set forth in the table below.

City of Elgin, TX		City of Pflugerville, TX		City of Austin, TX		City of Round Rock, TX	
Approximately 12 Miles from Manor		Approximately 12 Miles from Manor		Approximately 15 Miles from Manor		Approximately 15 Miles from Manor	
Employer	**Employees**	**Employer**	**Employees**	**Employer**	**Employees**	**Employer**	**Employees**
Elgin ISD	664	Pflugerville ISD	3,600	State Government	38,681	Dell Technologies	12,000
Wal-Mart	225	Amazon	2,400	University of Texas at Austin	31,106	Round Rock ISD	6,604
HEB Grocery	200	City of Pflugerville	407	HEB	22,955	St. David's Round Rock Medical Center	1,200
ACME Brick Company	162	ESD	338	City of Austin	16,029	City of Round Rock	1,132
Hanson Brick Company	80	Brandt	306	Ascension Seton	14,842	Baylor Scott & White Healthcare	911
City of Elgin	67	Austin Foam Plastics	300	Federal Government	14,600	Ascension Seton Medical Center Williamson	750
Southside Market & BBQ	65	Cash Construction Company	300	Dell Computer Corporation	13,000	Kalahari Resorts & Conventions	750
Elgin-Butler Brick	60	Mtech	268	Tesla, Inc.	12,277	Amazon	650
Elgin Veterinary Hospital	40	Wal-Mart	256	St. David Healthcare Partnership	11,484	Emerson Automation Solutions	600
Meyer Sausage/Smokehouse	25	Curative	248	Amazon	11,000	Airco Mechanical	550



City of Bastrop, TX	
Approximately 28 Miles from Manor	
Employer	**Employees**
Bastrop ISD	1,824
H.E.B Grocery Co.	607
Hyatt Regency Lost Pines Resort	600
Bastrop County	517
Agilent/Stratagene	306
Wal-Mart	261
Bastrop FCI	247
Buc-ee's	169
Bluebonnet Electric Co-Op	168
City of Bastrop	152

City of Buda, TX	
Approximately 30 Miles from Manor	
Employer	**Employees**
Capital Excavation	315
HEB Grocery	249
Wal-Mart	240
ProBuild	222
Fat Quarter Shop	215
Cabela's	196
Texas Lehigh Cement	180
US Foods	159
Hays Community YMCA	157
Capital Spectrum	150

Source: Municipal Advisory Council of Texas.

APPENDIX B

FORM OF INDENTURE

INDENTURE OF TRUST

By and Between

CITY OF MANOR, TEXAS

and

BOKF, NA,
as Trustee

DATED AS OF SEPTEMBER 1, 2025

SECURING

$_____
CITY OF MANOR, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025
(NEWHAVEN PUBLIC IMPROVEMENT DISTRICT)

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INDENTURE OF TRUST

THIS INDENTURE OF TRUST, dated as of September 1, 2025 is by and between the CITY OF MANOR, TEXAS (the "*City*"), and BOKF, NA, as trustee (together with its successors, the "*Trustee*"). Capitalized terms used in the preambles, recitals and granting clauses and not otherwise defined shall have the meanings assigned thereto in Article I.

WHEREAS, a petition (the "*Petition*") was submitted by Gregg Lane Dev LLC, a Texas limited liability company, and filed with the City Secretary of the City (the "*City Secretary*") on March 17, 2022, pursuant to the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "*PID Act*"), requesting the creation of a public improvement district located in the City to be known as the Newhaven Public Improvement District (the "*District*"); and

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

WHEREAS, on July 5, 2023, after due notice, the City Council of the City (the"*City Council*") held a public hearing in the manner required by law on the advisability of the improvement projects and services described in the Petition as required by Section 372.009 of the PID Act; and

WHEREAS, the City Council made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. 2023-28 adopted by a majority of the members of the City Council, authorized the creation of the District in accordance with its finding as to the advisability of the improvement projects and services; and

WHEREAS, the City Council, pursuant to Section 372.016 of the PID Act, has filed the proposed "Assessment Roll" for the District with the City Secretary and made the proposed Assessment Roll subject to public inspection, and also directed and caused the City Secretary to publish notice of a public hearing on _____, 2025 in *The Manor Journal,* a newspaper of general circulation in the City, for the consideration of the proposed "Assessments" (the "*Assessments*") and the 2025 Service and Assessment Plan (defined herein), and, on _____, 2025, mailed notice of the public hearing to the last known address of each property owner liable for such assessments; and

WHEREAS, on September 3, 2025, the City Council convened the public hearing, and at such public hearing all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to make any objection to the proposed Assessment Roll and the Assessments; and

WHEREAS, at the September 3, 2025, public hearing referenced above, there were no written objections or evidence submitted to the City Secretary in opposition to the 2025 Service

and Assessment Plan, the allocation of Actual Costs (defined herein), the Assessment Roll, or the levy of the Assessments; and

WHEREAS, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City Secretary or the City, the City Council closed the hearing; and

WHEREAS, on September 3, 2025, the City approved and accepted the 2025 Service and Assessment Plan in conformity with the requirements of the PID Act and adopted Ordinance No. ___ (the "*Assessment Ordinance*") and therein levied the Assessments; and

WHEREAS, the City Council is authorized by the PID Act to issue its revenue bonds payable from special assessments for the purposes of (i) paying a portion of the costs of Authorized Improvements (defined herein), (ii) paying capitalized interest on the bonds during and after the period of acquisition and construction of the Authorized Improvements, (iii) funding a reserve account for payment of principal and interest on the bonds, (iv) paying a portion of the costs incidental to the organization and administration of the District, and (v) paying costs of issuance; and

WHEREAS, the City now desires to issue special assessment revenue bonds for the purposes of (i) paying a portion of the costs of the PID Improvements (as defined herein), (ii) funding a reserve account for the payment of principal and interest on the Bonds (defined herein), (iii) paying a portion of the costs incidental to the organization and administration of the District, and (iv) paying costs of issuance, and such series of Bonds are to be entitled "City of Manor, Texas Special Assessment Revenue Bonds, Series 2025 (Newhaven Public Improvement District)" (the "*Bonds*"), such Bonds being payable solely from the Trust Estate (defined herein), consisting primarily of the Assessment Revenue (defined herein) and other funds pledged under this Indenture to the payment of Bonds and for the purposes set forth in the preamble of this Indenture; and

WHEREAS, the Trustee has agreed to accept the trusts herein created and to serve as Trustee upon the terms set forth in this Indenture.

NOW, THEREFORE, the City, in consideration of the foregoing premises and acceptance by the Trustee of the trusts herein created, of the purchase and acceptance of the Bonds by the Owners (defined herein) thereof, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby GRANT, CONVEY, PLEDGE, TRANSFER, ASSIGN, and DELIVER to the Trustee for the benefit of the Owners, a security interest in all of the moneys, rights and properties described in the Granting Clauses hereof, as follows (collectively, the "*Trust Estate*"):

FIRST GRANTING CLAUSE

The Pledged Revenues and all moneys and investments held in the Pledged Funds, including any contract or any evidence of indebtedness related thereto or other rights of the City to receive any of such moneys or investments, whether now existing or hereafter coming into existence, and whether now or hereafter acquired; and

SECOND GRANTING CLAUSE

Any and all other property or money of every name and nature which is, from time to time hereafter by delivery or by writing of any kind, conveyed, pledged, assigned or transferred to the Trustee as additional security hereunder by the City or by anyone on its behalf or with its written consent, and the Trustee is hereby authorized to receive any and all such property or money at any and all times and to hold and apply the same subject to the terms thereof; and

THIRD GRANTING CLAUSE

Any and all proceeds and products of the foregoing property described in the above granting clauses;

TO HAVE AND TO HOLD the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successors or assigns;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and ratable benefit of all present and future Owners of the Bonds from time to time issued under and secured by this Indenture, and for enforcement of the payment of the Bonds in accordance with their terms, and for the performance of and compliance with the obligations, covenants, and conditions of this Indenture;

PROVIDED, HOWEVER, if and to the extent that Assessments have been prepaid, the lien on the real property associated with such Prepayment shall be released and the rights of the Trustee and Owners under this Indenture to proceed against the City for the purpose of protecting and enforcing the rights of the Owners with respect to such released real property shall terminate;

FURTHER PROVIDED, HOWEVER, if the City or its assigns shall well and truly pay, or cause to be paid, the principal or redemption price of and the interest on all the Bonds at the times and in the manner stated in the Bonds, according to the true intent and meaning thereof, then this Indenture and the rights hereby granted shall cease, terminate and be void; otherwise this Indenture is to be and remain in full force and effect; and

IN ADDITION, the Bonds are special obligations of the City payable solely from the Trust Estate, as and to the extent provided in this Indenture. The Bonds do not give rise to a charge against the general credit or taxing powers of the City and are not payable except as provided in this Indenture. Notwithstanding anything to the contrary herein, the Owners shall never have the right to demand payment thereof out of any funds of the City other than the Trust Estate. The City shall have no legal or moral obligation to pay for the Bonds out of any funds of the City other than the Trust Estate.

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated, and delivered and the Trust Estate hereby created, assigned, and pledged is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as hereinafter expressed, and the City has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners from time to time of the Bonds as follows:

ARTICLE I
DEFINITIONS, FINDINGS AND INTERPRETATION

Section 1.1. Definitions.

Unless otherwise expressly provided or unless the context clearly requires otherwise in this Indenture, the following terms shall have the meanings specified below:

"*2025 Service and Assessment Plan*" means the original Newhaven Public Improvement District Service and Assessment Plan, passed and approved by City Council on September 3, 2025, by Ordinance No. ___, as same may be further amended, updated, supplemented or otherwise modified from time to time.

"*Account*" means any of the accounts established pursuant to Section 6.1 of this Indenture.

"Actual Costs" means, with respect to the PID Improvements, the actual costs paid or incurred by or on behalf of the Owner: (1) to plan, design, acquire, construct, install, and dedicate such improvements to the City; (2) to prepare plans, specifications (including bid packages), contracts, and as-built drawings; (3) to obtain zoning, licenses, plan approvals, permits, inspections, and other governmental approvals; (4) for third-party professional consulting services including but not limited to, engineering, surveying, geotechnical, land planning, architectural, landscaping, legal, accounting, and appraisals; (5) of labor, materials, equipment, fixtures, payment and performance bonds and other construction security, and insurance premiums; and (6) to implement, administer, and manage the above-described activities. Actual Costs shall not include general contractor's fees in an amount that exceeds a percentage equal to the percentage of work completed or construction management fees in an amount that exceeds an amount equal to the construction management fee amortized in approximately equal monthly installments over the term of the applicable construction management contract. Amounts expended for costs described in subsection (3), (4), and (6) above shall be excluded from the amount upon which the general contractor and construction management fees are calculated.

"*Additional Interest*" means the amount collected by application of the Additional Interest Rate.

"*Additional Interest Rate*" means the incremental interest rate charged on the Assessments securing the Bonds, in excess of the interest rate charged on the Bonds, in the amount of one-half of one percent (0.50%) as authorized pursuant to the PID Act.

"*Additional Interest Reserve Account*" means the Account established pursuant to Section 6.1 hereof.

"*Additional Interest Reserve Requirement*" means, initially, an amount equal to 5.5% of the par amount of the Outstanding Bonds which will be funded from the payment of the Additional Interest deposited to the Pledged Revenue Fund.

"*Additional Obligations*" means any bonds or obligations, including specifically, any installment contracts, reimbursement agreements, temporary note or time warrant secured in whole

or in part by an assessment, other than the Assessments securing the Bonds, levied against property within the District in accordance with the PID Act.

"*Administrative Fund*" means that Fund established by Section 6.1 and administered pursuant to Section 6.10 hereof.

"*Administrator*" means P3Works, LLC, unless and until a different Administrator is designated by the City and if no Administrator is designated, the City.

"*Annual Collection Costs*" means, the actual or budgeted costs and expenses for: (1) the Administrator and City staff; (2) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (3) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (4) preparing and maintaining records with respect to the Assessment Rolls and Annual Service Plan Updates; (5) issuing, paying, and redeeming the Bonds; (6) investing or depositing Assessments and Annual Installments; (7) complying with the 2025 Service and Assessment Plan and the PID Act with respect to the administration of a reimbursement agreement and the issuance and sale of the Bonds, including continuing disclosure requirements; and (8) the paying agent/registrar and Trustee in connection with the Bonds, including their respective legal counsel. Amounts collected for Annual Collection Costs but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

"*Annual Debt Service*" means, for each Bond Year, the sum of (i) the interest due on the Outstanding Bonds in such Bond Year, assuming that the Outstanding Bonds are retired as scheduled (including by reason of Sinking Fund Installments), and (ii) the principal amount of the Outstanding Bonds due in such Bond Year (including any Sinking Fund Installments due in such Bond Year).

"*Annual Installment*" means, with respect to the Assessments, the annual installment payments of an Assessment calculated by the Administrator and approved by the City Council, including: (i) principal; (ii) interest; (iii) Annual Collection Costs; and (iv) the Additional Interest.

"*Annual Service Plan Update*" means the annual review and update of the Service and Assessment Plan required by the PID Act.

"*Applicable Laws*" means the PID Act, and all other laws or statutes, rules, or regulations, and any amendments thereto, of the State of Texas or of the United States, by which the City and its powers, securities, operations, and procedures are, or may be, governed or from which its powers may be derived.

"*Assessed Property*" means each respective Parcel of land located within the District, other than Non-Benefited Property, against which an Assessment is levied by the Assessment Ordinance in accordance with the 2025 Service and Assessment Plan.

"*Assessment(s)*" means the aggregate assessments shown on the Assessment Roll, which is Exhibit F-1 to the 2025 Service and Assessment Plan. The singular of such term means the assessment levied against an Assessed Property, as shown on the Assessment Roll, subject to

reallocation upon the subdivision of an Assessed Property or reduction according to the provisions of the 2025 Service and Assessment Plan and the PID Act.

"*Assessment Ordinance*" means Ordinance No. ____adopted by the City Council on September 3, 2025, that levied the Assessments on the Assessed Properties.

"*Assessment Revenue*" means monies collected by or on behalf of the City from any one or more of the following: (i) an Assessment levied against an Assessed Property, or Annual Installment payment thereof, including any interest on such Assessment or Annual Installment thereof during any period of delinquency, (ii) a Prepayment, (iii) Delinquent Collection Costs, and (iv) Foreclosure Proceeds.

"*Assessment Roll*" or "*Assessment Rolls*" means the Assessment Roll attached as Exhibit F-1 to the 2025 Service and Assessment Plan, or any other Assessment Roll in an amendment or supplement to the 2025 Service and Assessment Plan or in an Annual Service Plan Update, showing the total amount of the Assessments against each Assessed Property related to the Bonds and the PID Improvements, as updated, modified, or amended from time to time in accordance with the terms of the 2025 Service and Assessment Plan and the PID Act.

"*Authorized Denomination*" means $100,000 and any integral multiple of $1,000 in excess thereof, or such smaller amount authorized by Section 4.5(c); *provided, however,* that upon receipt by the Paying Agent/Registrar of written evidence that the Bonds have received an Investment Grade Rating, Authorized Denomination shall mean $1,000 or any integral multiple thereof, notwithstanding any subsequent downgrade, suspension or withdrawal of such rating. With respect to PID Bonds issued other than the Bonds, such term shall have the meaning ascribed thereto in the Supplemental Indenture authorizing the issuance of such PID Bonds.

"*Authorized Improvements*" means those public improvements, including the PID Improvements, authorized by Section 372.003 of the PID Act, including those listed in Section III and Exhibit C and depicted in Exhibit I of the 2025 Service and Assessment Plan.

"*Bond Counsel*" means Bickerstaff Heath Delgado Acosta LLP or any other attorney or firm of attorneys designated by the City that are nationally recognized for expertise in rendering opinions as to the legality and tax-exempt status of securities issued by public entities.

"*Bond Date*" means the date designated as the initial date of the Bonds by Section 3.2(a) of this Indenture.

"*Bond Fund*" means the Fund established pursuant to Section 6.1 and administered as provided in Section 6.5 hereof.

"*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's discount, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of PID Bonds.

"*Bond Ordinance*" means Ordinance No. ___ adopted by the City Council on September 3, 2025, authorizing the issuance of the Bonds pursuant to this Indenture.

"*Bond Year*" means the one-year period beginning on September 15 in each year and ending on September 14 in the following year.

"*Bonds*" or "*Bond*" means the City's bonds authorized to be issued by Section 3.1 of this Indenture entitled "City of Manor, Texas Special Assessment Revenue Bonds, Series 2025 (Newhaven Public Improvement District)."

"*Business Day*" means any day other than a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are required or authorized by law or executive order to close.

"*Certification for Payment*" means a certification for payment substantially in the forms of Exhibit D attached to the Financing Agreement executed by the Developer and submitted to the City and approved by the City Representative, specifying the amount of work performed and the Actual Costs thereof, and requesting payment for such Actual Costs from money on deposit in accounts of the Project Fund as further described in the Financing Agreement and Section 6.6 herein.

"*City*" means the City of Manor, Texas.

"*City Certificate*" means a certificate signed by the City Representative and delivered to the Trustee certifying that the Trustee is authorized to take the action specified in the City Certificate, and a form of City Certificate is included as *Exhibit B* to this Indenture.

"*City Council*" shall have the meaning ascribed to such term in the recitals hereof.

"*City Engineer*" means the civil engineer or firm of civil engineers selected by the City to perform the duties set forth herein and in the Financing Agreement.

"*City Representative*" means any official or agent of the City authorized by the City Council to undertake the action referenced herein.

"*City Secretary*" means the City Secretary of the City.

"*Closing Date*" means the date of the initial delivery of and payment for the Bonds.

"*Code*" means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings and court decisions.

"*Continuing Disclosure Agreements" or "Continuing Disclosure Agreement"* means both, or either of, the Continuing Disclosure Agreements by and between the City, the Administrator and the Dissemination Agent with respect to the Bonds, and by and between the Developer, the Administrator and the Dissemination Agent, with respect to the Bonds.

"*Costs of Issuance Account*" means the Account established pursuant to Section 6.1 hereof.

"*County*" means Travis County, Texas.

"*Defeasance Securities*" means Investment Securities then authorized by applicable law for the investment of funds to defease public securities.

"*Delinquent Collection Costs*" means for an Assessed Property, interest, penalties, and other costs and expenses authorized by the PID Act that directly or indirectly relate to the collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under the 2025 Service and Assessment Plan, including costs and expenses to foreclose liens.

"*Designated Payment/Transfer Office*" means (i) with respect to the initial Paying Agent/Registrar named in this Indenture, the transfer/payment office located in Dallas, Texas, or such other location designated by the Paying Agent/Registrar and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the City and such successor.

"Developer" means Gregg Lane Dev LLC, a Texas limited liability company, and any successors or assigns.

"Development Agreement" means the agreement titled the "Development Agreement (Newhaven)" and which was entered into by and between the City and the Developer on April 19, 2023, as amended on July 19, 2023.

"*Dissemination Agent*" means BOKF, NA and its successors.

"*District"* shall have the meaning set forth in the first recital.

"*DTC*" means The Depository Trust Company of New York, New York, or any successor securities depository.

"*DTC Participant*" means brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions.

"*Event of Default*" shall have the meaning, with respect to this Indenture, set forth in Section 11.1 hereof.

"*Excess Additional Interest Reserve Amount*" shall have the meaning set forth in Section 6.8(e) hereof.

"*Financing Agreement*" means the "*Newhaven Public Improvement District Financing Agreement*" between the City and the Developer, effective as of September 4, 2024, which provides, in part, for the deposit of proceeds from the issuance and sale of PID Bonds and the payment of Actual Costs of the PID Improvements within the District, the issuance of bonds, the reimbursement of Actual Costs to the Developer from the proceeds of the PID Bonds for funds advanced by the Developer and used to pay Actual Costs of the PID Improvements and other matters related thereto.

"*Foreclosure Proceeds*" means the proceeds, including interest and penalty interest, received by the City from the enforcement of the Assessments against any Assessed Property or Assessed Properties, whether by foreclosure of lien or otherwise, but excluding and net of all Delinquent Collection Costs.

"*Fund*" means any of the funds established pursuant to Section 6.1 of this Indenture.

"*Indenture*" means this Indenture of Trust as originally executed or as it may be from time to time supplemented or amended by one or more indentures supplemental hereto and entered into pursuant to the applicable provisions hereof.

"*Independent Financial Consultant*" means any consultant or firm of such consultants appointed by the City who, or each of whom: (i) is judged by the City, as the case may be, to have experience in matters relating to the issuance and/or administration of the Bonds; (ii) is in fact independent and not under the domination of the City; (iii) does not have any substantial interest, direct or indirect, with or in the City, or any owner of real property in the District, or any real property in the District; and (iv) is not connected with the City as an officer or employee of the City or related by consanguinity or affinity to any such officer or employee, but who may be regularly retained to make reports to the City.

"*Initial Bond*" means the initial Bond as set forth in *Exhibit A* to this Indenture.

"*Interest Payment Date*" means the date or dates upon which interest on the Bonds is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being on March 15 and September 15 of each year, commencing [March 15, 2026].

"*Investment Grade Rating*" means a rating on the Bonds, assigned by a Rating Agency in one of such Rating Agency's four highest categories for long-term debt instruments (without regard for gradation within a rating category and without regard for credit enhancement unless such credit enhancement extends through the final maturity date of the Bonds) or otherwise designated as investment grade by a Rating Agency.

"*Investment Securities*" means those authorized investments described in the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended; and that at the time made are included in and authorized by the City's official investment policy as approved by the City Council from time to time.

"*Maximum Annual Debt Service*" means the largest Annual Debt Service for any Bond Year after the calculation is made through the final maturity date of any Outstanding Bonds.

"Non-Benefited Property" means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements. Property is identified as Non-Benefited Property at the time the Assessments (1) are imposed or (2) are reallocated pursuant to a subdivision of a Parcel that is not assessed.

"*Outstanding*" means, as of any particular date when used with reference to the Bonds, all Bonds authenticated and delivered under this Indenture except (i) any Bond that has been canceled by the Trustee (or has been delivered to the Trustee for cancellation) at or before such date, (ii)

any Bond for which the payment of the principal or Redemption Price of and interest on such Bond shall have been made as provided in Article IV, and (iii) any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered pursuant to Section 3.11 herein.

"*Owner*" *or "Holder"* means the Person who is the registered owner of a Bond or Bonds, as shown in the Register, which shall be Cede & Co., as nominee for DTC, so long as the Bonds are in book-entry only form and held by DTC as securities depository in accordance with Section 3.13 herein.

"Parcel" means a property identified by either a tax map identification number assigned by the Travis Central Appraisal District for real property tax purposes, by metes and bounds description, by lot and block number in a final subdivision plat recorded in the official public records of Travis County, or by any other means determined by the City.

"*Paying Agent/Registrar*" means initially the Trustee, or any successor thereto as provided in this Indenture.

"*Person*" or "*Persons*" means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"*Petition*" is defined in the recitals.

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

"*PID Bonds*" means bonds issued by the City to finance the Actual Costs of the Authorized Improvements, including the Bonds, and secured by assessments levied on assessed properties within the District.

"*PID Improvements*" means those Authorized Improvements constructed that benefit all of the Assessed Property, which are more particularly described in Section III.A and depicted on Exhibit I of the 2025 Service and Assessment Plan.

"*PID Improvements Account*" means the Account of such name established pursuant to Section 6.1 hereof.

"*Pledged Funds*" means the Pledged Revenue Fund, the Bond Fund, the Project Fund (but only with respect to such accounts of the Project Fund created pursuant to the terms of this Indenture), the Reserve Fund, and the Redemption Fund.

"*Pledged Revenue Fund*" means that fund established pursuant to Section 6.1 hereof and administered pursuant to Section 6.4 herein.

"*Pledged Revenues*" means the sum of (i) Assessment Revenue (other than Delinquent Collection Costs); (ii) the moneys held in any of the Pledged Funds; and (iii) any additional revenues that the City may pledge to the payment of Bonds.

"*Prepayment*" means the payment of all or a portion of an Assessment, with interest that has accrued to the date of prepayment, 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 an Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Assessment.

"*Principal and Interest Account*" means the Account of such name established pursuant to Section 6.1 hereof.

"*Project Collection Fund*" means that fund established by Section 6.1.

"*Project Fund*" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.6 herein.

"*Purchaser*" means the initial underwriter of the Bonds.

"*Quarter in Interest*" means as of any particular date of calculation, the Owners of no less than twenty-five percent (25%) of the principal amount of the then Outstanding Bonds. In the event that two or more groups of Owners satisfy the percentage requirement set forth in the immediately preceding sentence and act (or direct the Trustee in writing to act) in a conflicting manner, only the group of Owners with the greatest percentage of Outstanding Bonds (as measured in accordance with the immediately preceding sentence) shall, to the extent of such conflict, be deemed to satisfy such requirement.

"*Rating Agency*" means each of Moody's Investors Service, Inc., S&P Global Ratings, Fitch Ratings Inc., Kroll Bond Rating Agency, Inc., and any other nationally recognized statistical rating organization recognized as such by the SEC.

"*Rebate Amount*" has the meaning ascribed to such term in section 1.148-1(b) of the Regulations.

"*Rebate Fund*" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.9 herein.

"*Record Date*" means the close of business on the last calendar day of the month next preceding an Interest Payment Date.

"*Redemption Fund*" means that fund established pursuant to Section 6.1 and administered pursuant to Section 6.7 herein.

"*Redemption Price*" means 100% of the principal amount of such Bonds, or portions thereof, to be redeemed plus accrued interest to the date of redemption.

"*Refunding Bonds*" means bonds secured by a parity lien, with the Outstanding Bonds, on the Trust Estate issued pursuant to Section 3.6 hereof, as more specifically described in a Supplemental Indenture, authorizing the refunding of all or any portion of the Outstanding Bonds.

"*Register*" means the register specified in Article III of this Indenture.

"*Regulations*" shall have the meaning set forth in Section 7.5(a) hereof.

"*Reimbursement Agreement***"** means the Reimbursement Agreement Newhaven Public Improvement District, effective as of April 16, 2025, by and between the City and the Developer that provides for reimbursement of a portion of the Actual Costs of the PID Improvements, plus interest, to the Developer.

"*Reserve Account*" means the Account of such name established pursuant to Section 6.1 hereof.

"*Reserve Account Requirement*" means the least of: (i) Maximum Annual Debt Service on the Bonds as of the Closing Date therefor, (ii) 125% of the average Annual Debt Service on the Bonds as of the Closing Date therefor, or (iii) 10% of the lesser of the par amount of the Outstanding Bonds or the original issue price of the Bonds. As of the Closing Date for the Bonds, the Reserve Account Requirement is $[ ], which is an amount equal to [125% of the average Annual Debt Service on the Bonds as of the Closing Date therefor].

"*Reserve Fund*" means that fund established pursuant to Section 6.1 and administered in Section 6.8 herein.

"*SEC*" means the United States Securities and Exchange Commission.

"*Series*" means any designated series of Refunding Bonds issued under this Indenture.

"*Service and Assessment Plan*" means any Service and Assessment Plan, as amended, modified and updated from time to time.

"*Sinking Fund Installment*" means the amount of money to redeem or pay at maturity the principal of Bonds payable from such installments at the times and in the amounts provided in Section 4.2 herein.

"*Stated Maturity*" means the date the Bonds are scheduled to mature without regard to any redemption or prepayment.

"*Supplemental Indenture*" means an indenture which has been duly executed by the Trustee and the City Representative pursuant to an ordinance adopted by the City Council and which indenture amends or supplements this Indenture, but only if and to the extent that such indenture is specifically authorized hereunder.

"*Tax Certificate*" means the Arbitrage and Tax Certificate delivered by the City on the Closing Date for the Bonds setting forth the facts, estimates and circumstances in existence on the Closing Date for the Bonds which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the interest on such Bonds to be included in the gross income of the Owners thereof for Federal income tax purposes.

"*Trust Estate*" means the Trust Estate described in the granting clauses of this Indenture.

"*Trustee*" means BOKF, NA, Dallas, Texas, a national banking association duly organized and validly existing under the laws of the United States of America, solely in its capacity as Trustee hereunder and its successors, and any other corporation or association that may at any time be substituted in its place, as provided in Article IX, such entity to serve as Trustee and Paying Agent/Registrar for the Bonds.

Section 1.2. Findings.

The declarations, determinations and findings declared, made and found in the preamble to this Indenture are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.3. Table of Contents, Titles and Headings.

The table of contents, titles, and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Indenture or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.4. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) Words importing persons include any legal person, including any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization and government or agency or political subdivision thereof.

(c) Any reference to a particular Article or Section shall be to such Article or Section of this Indenture unless the context shall require otherwise.

(d) This Indenture and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Indenture.

ARTICLE II
THE BONDS

Section 2.1. Security for the Bonds.

The Bonds, as to both principal and interest, are and shall be equally and ratably secured by and payable from a first lien on and pledge of the Trust Estate.

The lien on and pledge of the Trust Estate shall be valid and binding and fully perfected from and after the Closing Date for the Bonds or each series of Refunding Bonds issued under this Indenture, without physical delivery or transfer of control of the Trust Estate, the filing of this Indenture or any other act; all as provided in Texas Government Code, Chapter 1208, as amended, which applies to the issuance of the Bonds and the pledge of the Trust Estate granted by the City under this Indenture, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are Outstanding such that the pledge of the Trust Estate granted by the City under this Indenture is to be subject to the filing requirements of Texas Business and Commerce Code, Chapter 9, as amended, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Texas Business and Commerce Code, Chapter 9, as amended, and enable a filing to perfect the security interest in said pledge to occur.

Section 2.2. Limited Obligations.

The Bonds are special and limited obligations of the City, payable solely from and secured solely by the Trust Estate, including the Pledged Revenues and the Pledged Funds; and the Bonds shall never be payable out of funds raised or to be raised by taxation or from any other revenues, properties or income of the City.

Section 2.3. Authorization for Indenture.

The terms and provisions of this Indenture and the execution and delivery hereof by the City to the Trustee have been duly authorized by official action of the City Council of the City. The City has ascertained and it is hereby determined and declared that the execution and delivery of this Indenture is necessary to carry out and effectuate the purposes set forth in the preambles of this Indenture and that each and every covenant or agreement herein contained and made is necessary, useful or convenient in order to better secure the Bonds and is a contract or agreement necessary, useful and convenient to carry out and effectuate the purposes herein described.

Section 2.4. Contract with Owners and Trustee.

(a) The purposes of this Indenture are to establish a lien and the security for, and to prescribe the minimum standards for the authorization, issuance, execution and delivery of, the Bonds and to prescribe the rights of the Owners, and the rights and duties of the City and the Trustee.

(b) In consideration of the purchase and acceptance of any or all of the Bonds by those who shall purchase and hold the same from time to time, the provisions of this Indenture

shall be a part of the contract of the City with the Owners, and shall be deemed to be and shall constitute a contract among the City, the Owners, and the Trustee.

ARTICLE III
AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.1. Authorization.

The Bonds are hereby authorized to be issued and delivered in accordance with the Constitution and general laws of the State of Texas, including particularly the PID Act, as amended. The Bonds shall be issued in the aggregate principal amount of $_____ for the purposes of (i) paying a portion of the Actual Costs of the PID Improvements, (ii) funding a reserve account for payment of principal and interest on the Bonds, (iii) paying a portion of the Actual Costs incidental to the organization and administration of the District, and (iv) paying costs of issuance of the Bonds.

Section 3.2. Date, Denomination, Maturities, Numbers and Interest.

(a) The Bonds shall be dated [September 25], 2025 (the "*Bond Date*") and shall be issued in Authorized Denominations. Upon the receipt of an Investment Grade Rating on the Bonds, the City shall promptly notify the Dissemination Agent in writing of such rating change and shall provide written direction to the Dissemination Agent to file a notice of such occurrence with the Municipal Securities Rulemaking Board and to forward such notice to the Paying Agent/Registrar and to the Trustee. The Dissemination Agent shall file such notice and forward the same to the Paying Agent/Registrar and to the Trustee immediately following the day on which it receives written notice of such occurrence from the City. Any such notice is required to be filed within ten (10) Business Days of the occurrence of the receipt of the Investment Grade Rating. Upon receipt by the Paying Agent/Registrar of written evidence that the Bonds have received an Investment Grade Rating, beneficial ownership in the Bonds may be acquired in principal denominations of $1,000 or any integral multiple thereof, notwithstanding any subsequent downgrade, suspension or withdrawal of such rating. The Bonds shall be in fully registered form, without coupons, and shall be numbered separately from R-1 upward, except the Initial Bond, which shall be numbered I-1.

(b) Interest shall accrue and be paid on each Bond from the date of initial delivery of the Bonds or the most recent Interest Payment Date to which interest has been paid or provided for, at the rate per annum set forth below until the principal thereof has been paid on the maturity date specified below or otherwise provided for. Such interest shall be payable semiannually on March 15 and September 15 of each year, commencing [March 15, 2026], computed on the basis of a 360-day year of twelve 30-day months.

(c) The Bonds shall mature on September 15 in the years and in the principal amounts and shall bear interest as set forth below:

Year	Principal Amount	Interest Rate
	$	%
		%
		%

(d) The Bonds shall be subject to mandatory sinking fund redemption, optional redemption, and extraordinary optional redemption prior to maturity as provided in Article IV herein, and shall otherwise have the terms, tenor, denominations, details, and specifications as set forth in the form of Bond set forth in *Exhibit A* to this Indenture.

Section 3.3. Conditions Precedent to Delivery of Bonds.

(a) The Bonds shall be executed by the City and delivered to the Trustee, whereupon the Trustee shall authenticate the Bonds and, upon payment of the purchase price of the Bonds, shall deliver the Bonds upon the order of the City, but only upon delivery to the Trustee of:

(1) a certified copy of the Assessment Ordinance;

(2) a certified copy of the Bond Ordinance;

(3) a copy of the executed Financing Agreement;

(4) a copy of the executed Reimbursement Agreement;

(5) a copy of this Indenture executed by the Trustee and the City;

(6) a City Certificate directing the authentication and delivery of the Bonds, describing the Bonds to be authenticated and delivered, designating the purchasers to whom the Bonds are to be delivered, stating the purchase price of the Bonds and stating that all items required by this Section are therewith delivered to the Trustee in form and substance satisfactory to the City;

(7) a copy of the executed Continuing Disclosure Agreements for each of the City and the Developer;

(8) a copy of the executed opinion of Bond Counsel; and

(9) the approving opinion of the Attorney General of the State and the State Comptroller's registration certificate.

(b) Each Series of Refunding Bonds shall be executed by the City and delivered to the Trustee, whereupon the Trustee shall authenticate such Refunding Bonds and, upon payment of the purchase price of such Series of Refunding Bonds, shall deliver such Series of Refunding Bonds upon the order of the City, but only upon delivery to the Trustee of:

(1) the items described in Section 3.3(a)(1), (3), (4), and (5) above;

(2) a certified copy of the ordinance of the City Council authorizing the issuance of such Series of Refunding Bonds and all actions necessary therefor;

(3) an original executed counterpart of the Supplemental Indenture for such Series of Refunding Bonds that establishes, among other things, the date, rate or rates of interest on, interest payment dates, maturity dates, redemption and all other terms and provisions of such Refunding Bonds, which such terms shall include a deposit into the Reserve Account of an amount equal to the Reserve Account Requirement taking into account the then Outstanding Bonds and the Bonds then proposed to be issued;

(4) a copy of the opinion of Bond Counsel required by Section 10.1 hereof;

(5) a City Certificate, including the requisite information as set forth in Section 3.3(a)(6) above, to the effect that the issuance of such Series of Refunding Bonds complies with the requirements contained herein and in each Supplemental Indenture;

(6) the City Representative shall certify to the Trustee in writing that the City is not in default in the performance and observance of any of the terms, provisions and conditions applicable to the City contained herein or in any Supplemental Indenture;

(7) City Certificate confirming that the principal (including sinking fund installments) of such Refunding Bonds is scheduled to mature on September 15 of the years in which principal is scheduled to mature; and

(8) City Certificate confirming that the interest on such Refunding Bonds is scheduled to be paid on March 15 and September 15 of the years in which interest is scheduled to be paid.

Section 3.4. Medium, Method and Place of Payment.

(a) Principal of and interest on the Bonds shall be paid in lawful money of the United States of America, as provided in this Section.

(b) Interest on the Bonds shall be payable to the Owners thereof as shown in the Register at the close of business on the relevant Record Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, that continues for thirty (30) days or more thereafter, a new record date for such interest payment (a "*Special Record Date*") will be established by the Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "*Special Payment Date,*" which shall be fifteen (15) days after the Special Record Date) shall be sent at least five (5) Business Days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Bond appearing on the books of the Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

(c) Interest on the Bonds shall be paid by check, dated as of the Interest Payment Date, and sent, first class United States mail, postage prepaid, by the Paying Agent/Registrar to each Owner at the address of each as such appears in the Register or by such other customary

banking arrangement acceptable to the Paying Agent/Registrar and the Owner; provided, however, the Owner shall bear all risk and expense of such other banking arrangement.

(d) The principal of each Bond shall be paid to the Owner of such Bond on the due date thereof, whether at the maturity date or the date of prior redemption thereof, upon presentation and surrender of such Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar. If any Bond is not presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the City to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability for interest thereon, for the benefit of the Owner of such Bond who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his part under this Indenture, or with respect to, said Bond. If any Bond shall not be presented for payment within one year following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall return to the City such funds theretofore held by it for payment of such Bonds. Thereafter, the registered Owner of that Bond shall look only to the City for payment and then only to amounts so received by the City. The obligations of the Trustee under this Section shall be subject, however, to any law applicable to the unclaimed funds or the Trustee providing other requirements for the disposition of unclaimed property.

(e) In any case where the date of the maturity of interest or of principal (and premium, if any) of the Bonds or the date fixed for redemption of any Bonds or the date any action is to be taken pursuant to this Indenture is not a Business Day, the payment of interest or principal (and premium, if any) or the action need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date required and no interest shall accrue for the period from and after such date.

(f) Unclaimed payments of amounts due hereunder shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Bonds to which such unclaimed payments pertain. Subject to any escheat, abandoned property, or similar law of the State of Texas, any such payments remaining unclaimed by the Owners entitled thereto for two (2) years after the applicable payment or redemption date shall be applied to the next payment or payments on such Bonds thereafter coming due and, to the extent any such money remains after the retirement of all Outstanding Bonds, shall be paid to the City to be used for any lawful purpose. Thereafter, none of the City, the Paying Agent/Registrar, or any other Person shall be liable or responsible to any holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to any applicable escheat law or similar law of the State of Texas, including the provisions of Title 6 of the Texas Property Code, as amended.

Section 3.5. Execution and Registration of Bonds.

(a) The Bonds shall be executed on behalf of the City by the Mayor or Mayor Pro Tem of the City and the City Secretary, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in

person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the City had been manually impressed upon each of the Bonds.

(b) In the event that any officer of the City whose manual or facsimile signature appears on the Bonds ceases to be such officer before the authentication of such Bonds or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Indenture unless and until there appears thereon the Certificate of Trustee substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Trustee. It shall not be required that the same officer or authorized signatory of the Trustee sign the Certificate of Trustee on all of the Bonds. In lieu of the executed Certificate of Trustee described above, each Initial Bond delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller of Public Accounts of the State of Texas, or by his duly authorized agent, which certificate shall be evidence that each Initial Bond has been duly approved by the Attorney General of the State of Texas, is a valid and binding obligation of the City, and has been registered by the Comptroller of Public Accounts of the State of Texas, including the provisions of Title 6 of the Texas Property Code, as amended.

(d) On each Closing Date, one Initial Bond representing the entire principal amount of all of the Bonds of such Series, payable in stated installments to the Purchaser, or its designee, executed with the manual or facsimile signatures of the Mayor or Mayor Pro Tem of the City and the City Secretary, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the Purchaser or its designee. Upon payment for such Initial Bond, the Trustee shall cancel the Initial Bond and, upon City Certificate, deliver to DTC on behalf of the Purchaser, in the aggregate principal amount of all Bonds for such maturity, one registered definitive Bond for each year of maturity of the applicable Series, in the aggregate principal amount of all Bonds for such maturity, registered in the name of Cede & Co., as nominee of DTC.

Section 3.6. Refunding Bonds.

(a) Except in accordance with the provisions of this Indenture, including Section 13.2, the City shall not issue additional bonds, notes or other obligations payable from any portion of the Trust Estate, other than Refunding Bonds. The City reserves the right to issue Refunding Bonds, the proceeds of which would be utilized to refund all or any portion of the Outstanding Bonds and to pay all costs incident to the Refunding Bonds, as authorized by the laws of the State of Texas. Except as limited by the terms of this Indenture, including Section 13.2, the City reserves the right to incur debt payable solely from sources other than the Trust Estate, including revenue derived from contracts with other entities, including private corporations, municipalities and political subdivisions issued particularly for the purchase, construction, improvement, extension, replacement, enlargement or repair of the facilities needed in performing any such contract.

(b) The principal of all Refunding Bonds must be scheduled to be paid, be subject to mandatory sinking fund redemption or mature on September 15 of the years in which such principal is scheduled to be paid. All Refunding Bonds must bear interest at a fixed rate and any interest payment dates for Refunding Bonds must be March 15 and September 15. The date, rate or rates of interest on, interest payment dates, maturity dates, redemption and all other terms and provisions of Refunding Bonds shall be set forth in a Supplemental Indenture.

(c) Upon their authorization by the City, the Series of Refunding Bonds issued under this Section 3.6 shall be issued and shall be delivered to the purchasers or owners thereof, but before, or concurrently with, the delivery of said Refunding Bonds to such purchasers or owners there shall have been filed with the Trustee the items required by Section 3.3(b) above.

Section 3.7. Ownership.

(a) The City, the Trustee, the Paying Agent/Registrar and any other Person may treat the Person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment as provided herein (except interest shall be paid to the Person in whose name such Bond is registered on the relevant Record Date) and for all other purposes, whether or not such Bond is overdue, and neither the City nor the Trustee, nor the Paying Agent/Registrar, shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the Owner of any Bond shall be valid and effectual and shall discharge the liability of the City, the Trustee and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.8. Registration, Transfer and Exchange.

(a) So long as any Bond remains Outstanding, the City shall cause the Paying Agent/Registrar to keep at the Designated Payment/Transfer Office a Register in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Indenture. The Paying Agent/Registrar represents and warrants that it will maintain a copy of the Register, and, upon written request from the City, file with the City, and shall cause the Register to be current with all registration and transfer information as from time to time may be applicable.

(b) A Bond shall be transferable only upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Bond shall be effective until entered in the Register.

(c) The Bonds shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and interest rate and in any Authorized Denomination and in an aggregate principal amount equal to the unpaid principal amount of the Bond presented for exchange. The Trustee is hereby authorized to authenticate and deliver Bonds exchanged for other Bonds in accordance with this Section.

(d) The Trustee is hereby authorized to authenticate and deliver Bonds transferred or exchanged in accordance with this Section. A new Bond or Bonds will be delivered by the Paying Agent/Registrar, in lieu of the Bond being transferred or exchanged, at the Designated Payment/Transfer Office, or sent by United States mail, first class, postage prepaid, to the Owner or his designee. Each transferred Bond delivered by the Paying Agent/Registrar in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such transferred Bond is delivered.

(e) Each exchange Bond delivered in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such exchange Bond is delivered.

(f) No service charge shall be made to the Owner for the initial registration, subsequent transfer, or exchange for a different Authorized Denomination of any of the Bonds. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, or exchange of a Bond.

(g) Neither the City nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any Bond or portion thereof called for redemption prior to maturity within 45 days prior to the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Bond.

(h) Following the delivery and registration of the Initial Bond of a given Series and pending the preparation of definitive Bonds for such Series, the proper officers of the City may execute and, upon the City's request, the Trustee shall authenticate and deliver, one or more temporary Bonds that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Bonds in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the City executing such temporary Bonds may determine, as evidenced by their signing of such temporary Bonds.

Section 3.9. Cancellation.

All Bonds paid or redeemed before scheduled maturity in accordance with this Indenture, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Indenture, shall be cancelled, and proper records shall be made regarding such payment, redemption, exchange, or replacement. The Paying Agent/Registrar shall dispose of cancelled Bonds in accordance with the records retention requirements of the Trustee.

Section 3.10. Temporary Bonds

(a) Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the benefit and security of this Indenture.

(b) The City, without unreasonable delay, shall prepare, execute and deliver to the Trustee the Bonds in definitive form; thereupon, upon the presentation and surrender of the

Bond or Bonds in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Bonds in temporary form and the Trustee shall authenticate and deliver in exchange therefor a Bond or Bonds of the same maturity and series, in definitive form, in the Authorized Denomination, and in the same aggregate principal amount, as the Bond or Bonds in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

Section 3.11. Replacement Bonds.

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Trustee shall authenticate and deliver in exchange therefor a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Bond is lost, apparently destroyed or wrongfully taken, the City shall issue and the Trustee, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount bearing a number not contemporaneously outstanding, provided that the Owner first complies with the following requirements:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Bond;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar and the Trustee to save them and the City harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Trustee and the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the City and the Trustee.

(c) After the delivery of such replacement Bond, if a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the Person to whom it was delivered or any Person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost, or expense incurred by the City, the Paying Agent/Registrar or the Trustee in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Bond, may pay such Bond if it has become due and payable or may pay such Bond when it becomes due and payable.

(e) Each replacement Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of the City and shall be entitled to the benefits and security of this Indenture to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

Section 3.12. Book-Entry Only System.

The Bonds shall initially be issued in book-entry-only form and shall be deposited with DTC, which is hereby appointed to act as the securities depository therefor, in accordance with the letter of representations from the City to DTC. On the Closing Date for the Bonds, the definitive Bonds shall be issued in the form of a single typewritten certificate for each maturity thereof registered in the name of Cede & Co., as nominee for DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any Person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other Person, other than an Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other Person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Indenture to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the Person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners as shown in the Register, as provided in this Indenture, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No Person other than an Owner, as shown in the Register, shall receive a Bond certificate evidencing the obligation of the City to make payments of amounts due pursuant to this Indenture. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Indenture with respect to interest checks or drafts being mailed to the registered owner at the close of business on the relevant Record Date, the word "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

Section 3.13. Successor Securities Depository: Transfer Outside Book-Entry-Only System.

In the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the letter of representations from the City to DTC, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17A of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository; or (ii) notify DTC and DTC Participants of the availability through DTC of certificated Bonds and cause the Paying Agent/Registrar to transfer one or more separate registered Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Indenture.

Section 3.14. Payments to Cede & Co.

Notwithstanding any other provision of this Indenture to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the blanket letter of representations from the City to DTC.

Section 3.15. Use of Book-Entry-Only System Not Required.

Notwithstanding any provision of this Indenture to the contrary, any Supplemental Indenture may provide that a Series of Refunding Bonds will not be issued in book-entry-only form and that Sections 3.12 – 3.14 of this Indenture will not apply to such Series.

ARTICLE IV
REDEMPTION OF BONDS BEFORE MATURITY

Section 4.1. Limitation on Redemption.

The Bonds shall be subject to redemption before their scheduled maturity only as provided in this Article IV. Each Series other than the Bonds shall be subject to redemption as provided in the Supplemental Indenture authorizing the issuance of such Series.

Section 4.2. Mandatory Sinking Fund Redemption.

(a) The Bonds are subject to mandatory sinking fund redemption prior to their Stated Maturity and will be redeemed by the City in part at the Redemption Price from moneys available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to Article VI, on the dates and in the respective Sinking Fund Installments as set forth in the following schedule:

$,000 Term Bond Maturing September 15, 20

Redemption Date	Sinking Fund Installment
September 15, 20__	$
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__*	

$,000 Term Bond Maturing September 15, 20

Redemption Date	Sinking Fund Installment
September 15, 20__	$
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__	
September 15, 20__*	

(b) At least forty-five (45) days prior to each scheduled mandatory redemption date and subject to any prior reduction authorized by this Indenture, the Trustee shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Bonds equal to the aggregate principal amount of such Term Bonds to be redeemed, shall call such Term Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 4.6 of this Indenture.

(c) The principal amount of Bonds of a Stated Maturity required to be redeemed on any mandatory sinking fund redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced, at the option of the City, by the principal amount of any Bonds of such maturity which, at least 45 days prior to the mandatory sinking fund redemption date, shall have been acquired by

* Stated Maturity

the City at a price not exceeding the principal amount of such Bonds plus accrued unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

(d) The Sinking Fund Installments of Bonds of a Stated Maturity required to be redeemed on any mandatory sinking fund redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced in integral multiples of $1,000 by any portion of such Bonds, which, at least 45 days prior to the mandatory sinking fund redemption date, shall have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions in Sections 4.3 and 4.4, respectively, hereof, and not previously credited to a mandatory sinking fund redemption, as follows:

(i) if the Bonds to be redeemed are selected in accordance with the 10% or Greater Manner (as defined and described below), the Sinking Fund Installment of Bonds of a Stated Maturity required to be redeemed for each mandatory sinking fund redemption date shall be reduced by the principal amount called for redemption and allocated to such Bond on a pro rata basis among the scheduled Sinking Fund Installments to be mandatorily redeemed on the mandatory sinking fund redemption dates; or

(ii) if the Bonds to be redeemed are selected in accordance with the Less Than 10% Manner (as defined and described below), the Sinking Fund Installment of Bonds of a Stated Maturity required to be redeemed for each mandatory sinking fund redemption date shall be reduced by the principal amount called for redemption and allocated to such Bonds in the inverse order of mandatory sinking fund redemption dates.

Section 4.3. Optional Redemption.

The City reserves the right and option to redeem the Bonds before their scheduled maturity dates, in whole or in part, in amounts equal to Authorized Denominations, on or after September 15, 20[ ], such redemption date or dates to be fixed by the City, at the Redemption Price.

Section 4.4. Extraordinary Optional Redemption.

(a) The City reserves the right and option to redeem the Bonds before their respective scheduled maturity dates, in whole or in part, on any day of any month, at the Redemption Price from amounts on deposit in the Redemption Fund as a result of Prepayments (including related transfers to the Redemption Fund as provided in this Indenture), or as a result of unexpended amounts transferred from the PID Improvements Account of the Project Fund pursuant to the terms of this Indenture. The City shall notify the Trustee in writing at least forty-five (45) days before the scheduled extraordinary option redemption date fixed by the City, or such other time period as the Trustee and the City shall mutually agree.

Notwithstanding the foregoing, the Trustee will not be required to make an extraordinary optional redemption pursuant to this Section 4.4 unless it has at least $1,000 available in the Redemption Fund with which to redeem the Bonds.

(b) In lieu of redeeming the Bonds with the funds described in this Section, the City may purchase the Bonds in the open market of the maturity to be redeemed at the price not in excess of that provided in Section 4.7.

Section 4.5. Partial Redemption.

(a) If less than all of the Bonds are called for optional redemption or extraordinary optional redemption pursuant to Sections 4.2, 4.3, and 4.4, respectively, hereof, the Bonds or portion of a Bond of any one maturity to be redeemed shall be selected in any method that results in a random selection:

(i) If the principal amount called for redemption is greater than or equal to ten percent (10%) of the original aggregate principal amount of the Bonds, the principal amount called for redemption shall be allocated on a pro rata basis among all Outstanding Bonds and a portion of all Outstanding Bonds shall be redeemed in the principal amount allocated to such Bonds (the "10% or Greater Manner"); and

(ii) If the principal amount called for redemption is less than ten percent (10%) of the original aggregate principal amount of the Bonds, the Outstanding Bonds shall be redeemed in inverse order of maturity (the "Less Than 10% Manner").

Bonds may be redeemed in minimum principal amounts of $1,000 or any integral thereof. Each Bond shall be treated as representing the number of Bonds that is obtained by dividing the principal amount of such Bond by $1,000.

(b) A portion of an Outstanding Bond of any one maturity may be redeemed, but only in a principal amount equal to $1,000 or any integral thereof. If a portion of an Outstanding Bond of a maturity is selected for redemption pursuant to subsection 4.5(a) hereof, the Trustee shall select the Outstanding Bonds of such maturity to be redeemed by lot. The Trustee shall treat each $1,000 portion of such Bond as though it were a single Bond for purposes of selection for redemption. No redemption shall result in a Bond in a denomination of less than an Authorized Denomination; provided, however, if the amount of the Outstanding Bond is less than an Authorized Denomination after giving effect to such partial redemption, a Bond in the principal amount equal to the unredeemed portion, but not less than $1,000, may be issued.

(c) Upon surrender of any Bond for redemption in part, the Trustee in accordance with Section 3.8 of this Indenture, shall authenticate and deliver and exchange the Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, which shall be an Authorized Denomination. A new Bond representing the unredeemed balance of such Bond shall be issued to the Owner thereof, such exchange being without charge.

Section 4.6. Notice of Redemption to Owners.

(a) Upon written notification by the City to the Trustee of the exercise of any redemption, the Trustee shall give notice of any redemption of Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for

redemption, to the Owner of each Bond or portion thereof to be redeemed, at the address shown in the Register.

(b) The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, and subject to Section 4.5 hereof, an identification of the Bonds or portions thereof to be redeemed, any conditions to such redemption and that on the redemption date, if all conditions, if any, to such redemption have been satisfied, such Bond shall become due and payable.

(c) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

(d) The City has the right to rescind any optional redemption or extraordinary optional redemption described in Section 4.2, 4.3, or 4.4 by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of redemption shall be cancelled and annulled if for any reason funds are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation shall not constitute an Event of Default under the Indenture. Upon written notice of such rescission from the City, the Trustee shall mail notice of rescission of redemption in the same manner notice of redemption was originally provided.

(e) With respect to any optional redemption of the Bonds, unless the Trustee has received funds sufficient to pay the Redemption Price of the Bonds to be redeemed before giving of a notice of redemption, the notice may state the City may condition redemption on the receipt of such funds by the Trustee on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient funds are not received, the notice shall be of no force and effect, the City shall not redeem the Bonds and the Trustee shall give notice, in the manner in which the notice of redemption was given, that the Bonds have not been redeemed.

Section 4.7. Purchase Price for Bonds.

Upon receipt of written notice from the City specifying the Bonds to be purchased, the Trustee shall apply moneys available for redemption to the purchase of Bonds which were otherwise to be redeemed in such order or priority and subject to such restrictions as may be prescribed in this Indenture in the manner provided in this Section. The purchase price paid by the Trustee on behalf of the City (excluding accrued and unpaid interest but including any brokerage and other charges) for any Bond purchased by the City pursuant to this Section shall not exceed the principal amount of such Bond.

Section 4.8. Payment Upon Redemption.

(a) The Trustee shall make provision for the payment of the Bonds to be redeemed on such date by setting aside and holding in trust an amount from the Redemption Fund or otherwise received by the Trustee from the City and shall use such funds solely for the purpose of paying the Redemption Price on the Bonds being redeemed.

(b) Upon presentation and surrender of any Bond called for redemption at the designated corporate trust office of the Trustee (initially, Dallas, Texas) on or after the date fixed for redemption, the Trustee shall pay the Redemption Price on such Bond to the date of redemption from the moneys set aside for such purpose.

Section 4.9. Effect of Redemption.

Notice of redemption having been given as provided in Section 4.6 of this Indenture, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption provided that funds for the payment of the Redemption Price of such Bonds or the principal of and interest on such Bonds, as applicable, to the date fixed for redemption are on deposit with the Trustee; thereafter, such Bonds or portions thereof shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

ARTICLE V
FORM OF THE BONDS

Section 5.1. Form Generally.

(a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of Trustee, and the Assignment to appear on each of the Bonds, (i) shall be substantially in the form set forth in *Exhibit A* to this Indenture with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Indenture, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the City or by the officers executing such Bonds, as evidenced by their execution thereof.

(b) Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bonds.

(c) The definitive Bonds shall be typewritten, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof.

(d) The Initial Bond submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

(e) The form of each Series other than the Bonds shall be set forth in the applicable Supplemental Indenture authorizing the issuance of such Series.

Section 5.2. CUSIP Registration.

The City may secure identification numbers through CUSIP Global Services, managed by FactSet Research Systems, Inc. on behalf of the American Bankers Association, New York, New York, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof; and, none of the City, the Trustee, or the attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed on the Bonds. The Trustee may include in any redemption notice a statement to the effect that the CUSIP numbers on the Bonds have been assigned by an independent service and are included in such notice solely for the convenience of the Owners of the Bonds and that neither the City nor the Trustee shall be liable for any inaccuracies of such numbers.

Section 5.3. Legal Opinion.

The approving legal opinion of Bond Counsel may be printed on or attached to each Bond over the certification of the City Secretary of the City, which may be executed in facsimile.

Section 5.4. Statement of Insurance.

A statement relating to municipal bond insurance policy, if any, to be issued for the Bonds may be printed on or attached to each Bond.

ARTICLE VI
FUNDS AND ACCOUNTS

Section 6.1. Establishment of Funds and Accounts.

(a) Creation of Funds. The following Funds are hereby created and established under this Indenture:

(i) Project Collection Fund;

(ii) Pledged Revenue Fund;

(iii) Bond Fund;

(iv) Project Fund;

(v) Redemption Fund;

(vi) Reserve Fund;

(vii) Rebate Fund; and

(viii) Administrative Fund.

(b) Creation of Accounts.

(i) The following Account(s) are hereby created and established under the Project Fund:

(A) PID Improvements Account; and

(B) Costs of Issuance Account.

(ii) The following Account(s) are hereby created and established under the Reserve Fund:

(A) Reserve Account; and

(B) Additional Interest Reserve Account.

(c) Each Fund (and each Account and each subaccount, if any) created within such Fund shall be maintained by the Trustee separate and apart from all other funds and accounts of the City. The Pledged Funds shall constitute trust funds which shall be held in trust by the Trustee as part of the Trust Estate solely for the benefit of the Owners of the Bonds.

(d) Except as otherwise provided herein, interest earnings and profit on each respective Fund and Account established by this Indenture, including the Project Collection Fund, shall be applied or withdrawn for the purposes of such Fund or Account as specified below.

Section 6.2. Initial Deposits to Funds and Accounts.

(a) The proceeds from the sale of the Bonds shall be paid to the Trustee and deposited or transferred by the Trustee as follows:

(i) to the Reserve Account of the Reserve Fund: $_____, which is equal to the initial Reserve Account Requirement;

(ii) to the Administrative Fund: $_____.00;

(iii) to the Costs of Issuance Account of the Project Fund: $_____; and

(iv) to the PID Improvements Account of the Project Fund: $_____.

Section 6.3. Project Collection Fund.

While any Bonds are Outstanding, the County, by agreement with the City, may collect Assessment Revenue on the City's behalf. If the County, whether acting by and through its Tax Office or otherwise, presents or otherwise tenders to the Trustee such collected Assessment Revenue for deposit on the City's behalf, the Trustee shall accept such Assessment Revenue and deposit the same into the Project Collection Fund. The Trustee shall, as directed by the City pursuant to a City Certificate, deposit or cause to be deposited all of that portion of the Assessment Revenue deposited into the Project Collection Fund that consists of the Annual Collection Costs and the Delinquent Collection Costs to the Administrative Fund and, as directed pursuant to a City

Certificate, on or before February 20, 2026, and on or before February 20 and August 20 of each year thereafter while the Bonds are Outstanding, deposit or cause to be deposited all of that portion of the Assessment Revenue deposited into the Project Collection Fund that consists of Pledged Revenue into the Pledged Revenue Fund.

Section 6.4. Pledged Revenue Fund.

(a) Upon the Trustee's receipt of the Pledged Revenues from the Project Collection Fund, the Trustee shall deposit or cause to be deposited the Pledged Revenues to be applied by the Trustee in the following order of priority:

(i) first, to the Pledged Revenue Fund in an amount sufficient to pay debt service on the Bonds next coming due in such calendar year;

(ii) second, to the Reserve Account of the Reserve Fund in an amount to cause the amount in the Reserve Account to equal the Reserve Account Requirement;

(iii) third, to the Additional Interest Reserve Account of the Reserve Fund in an amount equal to the Additional Interest to cause the amount in the Additional Interest Reserve Account to equal the Additional Interest Reserve Requirement;

(iv) fourth, to the Project Fund to pay Actual Costs of the PID Improvements; and

(v) fifth, to pay other costs permitted by the PID Act.

Along with each transfer to the Trustee, the City shall provide a City Certificate as to the funds, accounts and payments into which the amounts are to be deposited or paid.

(b) From time to time as needed to pay the obligations relating to the Bonds, but no later than five (5) Business Days before each Interest Payment Date, the Trustee shall withdraw from the Pledged Revenue Fund and transfer to the Principal and Interest Account of the Bond Fund, an amount, taking into account any amounts then on deposit in such Principal and Interest Account, such that the amount on deposit in the Principal and Interest Account equals the principal (including any Sinking Fund Installments) and interest due on the Bonds on the next Interest Payment Date.

(c) If, after the foregoing transfers and any transfer from the Reserve Fund as provided in Section 6.8 herein, there are insufficient funds to make the payments provided in paragraph (b) above, the Trustee shall apply the available funds in the Principal and Interest Account first to the payment of interest, then to the payment of principal (including any Sinking Fund Installments) on the Bonds in the same manner described by Section 11.4(a) below.

(d) Notwithstanding Section 6.4(a) hereof, the Trustee shall deposit as soon as practicable after receipt Prepayments to the Pledged Revenue Fund and after such deposit shall transfer such Prepayments to the Redemption Fund.

(e) Notwithstanding Section 6.4(a) hereof, the Trustee shall deposit as soon as practicable after receipt Foreclosure Proceeds to the Pledged Revenue Fund and after such deposit shall transfer Foreclosure Proceeds, as directed by the City pursuant to a City Certificate, first to the Reserve Fund to restore any transfers from the accounts within the Reserve Fund made with respect to the Assessed Property or Assessed Properties to which the Foreclosure Proceeds relate (*first*, to replenish the Reserve Account Requirement, and *second*, to replenish the Additional Interest Reserve Requirement), and second, to the Redemption Fund.

(f) After satisfaction of the requirement to provide for the payment of the principal and interest on the Bonds and to fund any deficiency that may exist in any Account of the Reserve Fund and transfer of funds pursuant to Section 6.4(a)(i) – (iv) above, the City may direct the Trustee by City Certificate to apply Assessments for any lawful purposes permitted by the PID Act for which Assessments may be applied. The Trustee may rely on such written direction of the City and shall have no obligation to determine the lawful purposes permitted under the PID Act.

Section 6.5. Bond Fund.

(a) On each Interest Payment Date, the Trustee shall withdraw from the Principal and Interest Account and transfer to the Paying Agent/Registrar the principal (including any Sinking Fund Installments) and interest then due and payable on the Bonds.

(b) If amounts in the Principal and Interest Account are insufficient for the purposes set forth in paragraph (a) above, the Trustee shall withdraw from the Reserve Fund amounts to cover the amount of such insufficiency in the order described in Section 6.8(f) hereof. Amounts so withdrawn from the Reserve Fund shall be deposited in the Principal and Interest Account and transferred to the Paying Agent/Registrar.

Section 6.6. Project Fund.

(a) Money on deposit in the PID Improvements Account and the Costs of Issuance Account of the Project Fund shall be used for the purposes specified herein.

(b) Disbursements from the PID Improvements Account of the Project Fund to pay the Actual Costs of the PID Improvements shall be made by the Trustee upon receipt by the Trustee of one or more City Certificates, in the form attached hereto as *Exhibit B*, containing a properly executed and completed Certification for Payment. The disbursement of funds from the PID Improvements Account of the Project Fund pursuant to a City Certificate delivered under this Section 6.6 shall be deemed to be pursuant to and in accordance with the disbursement procedures described in the Financing Agreement and this Section 6.6 of the Indenture. Such provisions and procedures related to such disbursement contained in the Financing Agreement are herein incorporated by reference and deemed set forth herein in full, provided the Trustee shall be protected in disbursing from the PID Improvements Account of the Project Fund pursuant to a City Certificate delivered under this Section 6.6.

(c) Disbursements from the Costs of Issuance Account of the Project Fund shall be made by the Trustee pursuant to and in accordance with a City Certificate providing for the

application of such funds to be disbursed (with the exception of fees and expenses initially incurred by the Trustee, which may be withdrawn by the Trustee).

(d) If the City Representative reasonably determines that amounts then on deposit in the PID Improvements Account of the Project Fund are not expected to be expended for purposes of the PID Improvements Account due to the abandonment, or constructive abandonment, of the PID Improvements, such that, in the reasonable opinion of the City Representative after a reasonable inquiry or concurrence of the Developer, as applicable, it is unlikely that the amounts in the PID Improvements Account of the Project Fund will ever be expended for the purposes of the PID Improvements Account, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the PID Improvements Account that are not expected to be used for purposes of the PID Improvements Account. If such City Certificate is so filed, the amounts on deposit in the PID Improvements Account shall be transferred to the Redemption Fund to redeem Bonds on the earliest practical date after notice of redemption has been provided in accordance with this Indenture.

(e) Upon the filing of a City Certificate stating that all of the PID Improvements have been completed and that all Actual Costs of the PID Improvements allocable to the Assessed Property have been paid, or that any such Actual Costs are not required be paid from the PID Improvements Account of the Project Fund, the Trustee shall (i) transfer the amount, if any, remaining within the PID Improvements Account of the Project Fund to the Principal and Interest Account of the Bond Fund, and (ii) close the PID Improvements Account of the Project Fund.

(f) Not later than six (6) months following the Closing Date or upon an earlier determination by the City Representative that all costs of issuance of the Bonds have been paid and the appropriate portion of the costs incidental to the organization of the District have been paid, the amounts on deposit in the Costs of Issuance Account of the Project Fund shall be transferred to the PID Improvements Account of the Project Fund, as directed by the City in a City Certificate filed with the Trustee, and the Costs of Issuance Account of the Project Fund shall be closed.

(g) In making any determination pursuant to this Section, the City Representative may conclusively rely upon a report issued by the City Engineer or a certificate of an Independent Financial Consultant. The preceding clause notwithstanding, the City Representative shall undertake a reasonable inquiry before filing a City Certificate transferring funds in accordance with Section 6.6(d) as a result of the abandonment or constructive abandonment of the PID Improvements.

In providing any disbursement under this Section, the Trustee may conclusively rely as to the completeness and accuracy of all statements in such City Certificate if such certificate is signed by a City Representative, and the Trustee shall not be required to make any independent investigation in connection therewith. The execution of any City Certificate by a City Representative shall constitute, unto the Trustee, an irrevocable determination that all conditions precedent to the payments requested have been completed.

Section 6.7. Redemption Fund.

Subject to adequate amounts on deposit in the Pledged Revenue Fund, the Trustee, as directed by City Certificate, shall cause to be deposited to the Redemption Fund from the Pledged Revenue Fund an amount sufficient to redeem Bonds as provided in Sections 4.2, 4.3, and 4.4 on the dates specified for redemption as provided in Sections 4.2, 4.3 and 4.4. Amounts on deposit in the Redemption Fund shall be used and withdrawn by the Trustee to redeem Bonds as provided in Article IV.

Section 6.8. Reserve Fund.

(a) The Reserve Account will be initially funded with a deposit of $_____ from the proceeds of the Bonds and the City agrees with the Owners of the Bonds to accumulate from the deposits outlined in Section 6.4(a) hereof, and when accumulated maintain in the Reserve Account, an amount equal to not less than the Reserve Account Requirement. All amounts deposited in the Reserve Account shall be used and withdrawn by the Trustee for the purpose of making transfers to the Principal and Interest Account of the Bond Fund as provided in this Indenture. The Trustee will transfer from the Pledged Revenue Fund to the Additional Interest Reserve Account, to the extent that the Reserve Account contains the Reserve Account Requirement and funds are available after application of the deposit priority in Section 6.4(a) hereof, an amount equal to the Additional Interest in the Additional Interest Reserve Account until the Additional Interest Reserve Requirement has been accumulated in the Additional Interest Reserve Account; provided, however, that at any time the amount on deposit in the Additional Interest Reserve Account is less than Additional Interest Reserve Requirement, the Trustee shall resume depositing the Additional Interest into the Additional Interest Reserve Account until the Additional Interest Reserve Requirement has accumulated in the Additional Interest Reserve Account.

(b) Whenever a transfer is made from an account of the Reserve Fund to the Principal and Interest Account of the Bond Fund due to a deficiency in the Bond Fund, the Trustee shall provide written notice thereof to the City, specifying the amount withdrawn and the source of said funds.

(c) Whenever Bonds are to be redeemed with the proceeds of Prepayments pursuant to Section 4.4, a proportionate amount in the Reserve Account of the Reserve Fund shall be transferred on the Business Day prior to the redemption date by the Trustee to the Redemption Fund to be applied to the redemption of the Bonds. The amount so transferred from the Reserve Account of the Reserve Fund shall be equal to an amount representing the difference between (i) the lesser of (A) the Reserve Account Requirement prior to redemption and (B) the amount actually on deposit in the Reserve Account prior to redemption, and (ii) the Reserve Account Requirement after such redemption; provided, however, no such transfer from the Reserve Account shall cause the amount on deposit therein to be less than the Reserve Account Requirement to be in effect after such redemption. If after such transfer, and after applying investment earnings on the Redemption Fund toward payment of accrued and unpaid interest to the date of redemption on the Bonds to be redeemed, there are insufficient funds to pay the principal amount plus accrued and unpaid interest on such Bonds to the date fixed for redemption of the Bonds to be redeemed as a result of such Prepayment, the Trustee shall

transfer an amount equal to the shortfall from the Additional Interest Reserve Account to the Redemption Fund to be applied to the redemption of the Bonds.

(d) Whenever, on any Interest Payment Date, or on any other date at the written request of a City Representative, the amount in the Reserve Account exceeds the Reserve Account Requirement, the Trustee shall provide written notice to the City Representative of the amount of the excess. Such excess shall be transferred to the Principal and Interest Account of the Bond Fund to be used for the payment of interest on the Bonds on the next Interest Payment Date in accordance with Section 6.5 hereof, unless within 45 days of such notice to the City Representative, the Trustee receives a City Certificate instructing the Trustee to apply such excess: (i) to pay amounts due under Section 6.9 hereof, or (ii) to the PID Improvements Account of the Project Fund if such application and the expenditure of funds is expected to occur within three years of the date hereof.

(e) Whenever, on any Interest Payment Date, or on any other date at the written request of the City Representative, the amount on deposit in the Additional Interest Reserve Account exceeds the Additional Interest Reserve Requirement, the Trustee shall provide written notice to the City of the amount of the excess (the "*Excess Additional Interest Reserve Amount*"). Such excess on deposit in the Additional Interest Reserve Account shall be transferred, at the direction of the City pursuant to a City Certificate, to the Administrative Fund for the payment of Annual Collection Costs or to the Redemption Fund in order to effect the redemption of Bonds pursuant to Section 4.4. In the event that the Trustee does not receive a City Certificate directing the transfer of the Excess Additional Interest Reserve Amount to the Administrative Fund within forty-five (45) days of providing notice to the City of such Excess Additional Interest Reserve Amount, the Trustee shall transfer the Excess Additional Interest Reserve Amount to the Redemption Fund and redeem the Bonds pursuant to extraordinary optional redemption. The Trustee shall incur no liability for the accuracy or validity of the transfer so long as the Trustee made such transfer pursuant to this Section.

(f) Whenever, on any Interest Payment Date, the amount on deposit in the Principal and Interest Account of the Bond Fund is insufficient to pay the debt service on the Bonds due on such date, the Trustee shall transfer first from the Additional Interest Reserve Account of the Reserve Fund and second from the Reserve Account of the Reserve Fund to the Bond Fund the amounts necessary to cure such deficiency.

(g) At the final maturity of the Bonds, the amount on deposit in the Reserve Account and the Additional Interest Reserve Account shall be transferred to the Redemption Fund and applied to the payment of the principal of the Bonds.

(h) If, after a Reserve Fund withdrawal, the amount on deposit in the Reserve Account of the Reserve Fund is less than the Reserve Account Requirement, the Trustee shall transfer from the Pledged Revenue Fund to the Reserve Account of the Reserve Fund the amount of such deficiency, in accordance with Section 6.4.

(i) If the amounts held in the Reserve Fund together with the amounts held in the Bond Fund and Redemption Fund are sufficient to pay the principal amount and of all Outstanding Bonds on the next Interest Payment Date, together with the unpaid interest accrued

on such Bonds as of such Interest Payment Date, the moneys shall be transferred to the Redemption Fund and thereafter used to redeem all Bonds as of such Interest Payment Date.

Section 6.9. Rebate Fund: Rebate Amount.

(a) There is hereby established a special fund of the City to be designated "City of Manor, Texas Rebate Fund" (the "Rebate Fund") to be held by the Trustee in accordance with the terms and provisions of this Indenture. Amounts on deposit in the Rebate Fund shall be used solely for the purpose of paying amounts due the United States Government related to the Bonds in accordance with the Code. The Trustee shall transfer from the Pledged Revenue Fund to the credit of the Rebate Fund each amount instructed by City Certificate to be transferred thereto.

(b) In order to assure that the Rebate Amount is paid to the United States rather than to a third party, investments of funds on deposit in the Rebate Fund shall be made in accordance with the Code and the Tax Certificate. The Trustee shall withdraw from the Rebate Fund and pay to the United States the amounts instructed by City Certificate. The Trustee may conclusively rely on such City Certificate as set forth in this Section and shall not be responsible for any loss or liability resulting from the investment of funds under this Section.

(c) The Trustee conclusively shall be deemed to have complied with the provisions of this Section and Section 7.5(h) hereof and shall not be liable or responsible if it follows the written instructions of the City and shall not be required to take any action under this Section and Section 7.5(h) hereof in the absence of written instructions from the City.

(d) If, on the date of each annual calculation, the amount on deposit in the Rebate Fund exceeds the Rebate Amount, the City may direct the Trustee, pursuant to a City Certificate, to transfer the amount in excess of the Rebate Amount to the Principal and Interest Account of the Bond Fund.

Section 6.10. Administrative Fund.

(a) On or before February 20, 2026, and on or before each February 20 and August 20 of each year thereafter while the Bonds are Outstanding, the City shall deposit or cause to be deposited to the Administrative Fund the amounts collected each year to pay Annual Collection Costs, other than the Annual Collection Costs and Delinquent Collection Costs deposited into the Project Collection Fund, which amounts shall be deposited in accordance with Section 6.3 hereof. Moneys in the Administrative Fund shall be held by the Trustee separate and apart from the other Funds created and administered hereunder and used as directed by a City Certificate solely for the purposes set forth in the 2025 Service and Assessment Plan.

(b) The Administrative Fund is not a Pledged Fund.

Section 6.11. Investment of Funds.

(a) Money in any Fund or Account established pursuant to this Indenture shall be invested by the Trustee only as directed by the City pursuant to a City Certificate filed with the Trustee at least two (2) business days in advance of the making of such investment (or as

directed below) in time deposits or certificates of depositinsured by the Federal Deposit Insurance Corporation or fully collateralized, or be invested in direct obligations of, including obligations the principal and interest on which are unconditionally guaranteed by, the United States of America, in obligations of any agencies or instrumentalities thereof, or in such other investments as are permitted under the Public Funds Investment Act, Texas Government Code, Chapter 2256, as amended, or any successor law, as in effect from time to time; the City Certificate shall direct investment in such deposits and investments (which may include repurchase agreements for such investment with any primary dealer of such agreements) so that the money required to be expended from any Fund will be available at the proper time or times. Such investments shall be valued each year in terms of current market value as of September 30. For purposes of maximizing investment returns, to the extent permitted by law, money in such Funds may be invested in common investments of the kind described above, or in a common pool of such investments which shall be kept and held at an official depository bank, which shall not be deemed to be or constitute a commingling of such money or funds provided that safekeeping receipts or certificates of participation clearly evidencing the investment or investment pool in which such money is invested and the share thereof purchased with such money or owned by such Fund are held by or on behalf of each such Fund. If necessary, such investments shall be promptly sold in order to make the disbursements required or permitted by this Indenture or to prevent any default. In the event the City does not provide written investment directions, the Trustee is instructed to invest funds into the CUSIP: 825252208 Invesco Treasury Portfolio Money Market Fund.

(b) Obligations purchased as an investment of moneys in any Fund or Account shall be deemed to be part of such Fund or Account, subject, however, to the requirements of this Indenture for transfer of interest earnings and profits resulting from investment of amounts in Funds and Accounts. Whenever in this Indenture any moneys are required to be transferred by the City to the Trustee, such transfer shall be accomplished by transferring a like amount of Investment Securities unless the City instructs the Trustee otherwise by written direction.

(c) The Trustee and its affiliates may act as sponsor, depository, principal or agent in the acquisition or disposition of any investment. The Trustee shall not incur any liability for losses arising from any investments made pursuant to this Section. The Trustee shall not be required to determine the suitability or legality of any investments or whether investments comply with Section 6.11(a) above.

(d) Investments in any and all Funds and Accounts may be commingled in a separate fund or funds for purposes of making, holding and disposing of investments, notwithstanding provisions herein for transfer to or holding in or to the credit of particular Funds or Accounts of amounts received or held by the Trustee hereunder, provided that the Trustee shall at all times account for such investments strictly in accordance with the Funds and Accounts to which they are credited and otherwise as provided in this Indenture.

(e) The Trustee will furnish the City monthly cash transaction statements which include detail for all investment transactions made by the Trustee hereunder.

Section 6.12. Advances from Available Funds.

In the event of a delinquency in the payment of any installment of the Assessment levied upon any property for the payment of the principal portion of an Annual Installment, the City may, but is not obligated to, be the purchaser of the delinquent property upon which any of said Assessments are levied in like manner in which it may become the purchaser of property sold for the nonpayment of general ad valorem property taxes, and in the event the City does so become the purchaser of such property, shall pay and transfer and deposit into the Pledged Revenue Fund the amount of any remaining amount of unpaid Assessment, delinquent Assessment installments and interest thereon. The City may also pay and transfer from available funds and deposit into the Pledged Revenue Fund, but shall not be so obligated, the amount of any such Assessment pending redemption or sale. Any amounts so advanced by the City shall be recoverable upon sale or redemption of the property. The City shall not be obligated to advance available funds to cure any deficiency in the Pledged Revenue Fund, or any other Fund created hereunder, and has determined that it would not obligate itself to advance available funds from other funds of the City to cure any such deficiency.

Section 6.13. Security of Funds.

All Funds heretofore created or reaffirmed, to the extent not invested as herein permitted, shall be secured in the manner and to the fullest extent required by law for the security of public funds, and such Funds shall be used only for the purposes and in the manner permitted or required by this Indenture.

ARTICLE VII
COVENANTS

Section 7.1. Confirmation of the Assessments.

The City hereby confirms, covenants, and agrees that, in the Assessment Ordinance, it has levied the Assessments against the respective Assessed Properties from which the Pledged Revenues will be collected and received.

Section 7.2. Collection and Enforcement of the Assessments.

(a) For so long as any Bonds are Outstanding and amounts are due to the Developer under the Financing Agreement or Reimbursement Agreement to reimburse it for the funds it has contributed to pay Actual Costs of the PID Improvements, the City covenants, agrees and warrants that it will take and pursue all actions permissible under Applicable Laws to cause the Assessments to be collected and the liens thereof enforced continuously, in the manner and to the maximum extent permitted by Applicable Laws, and, to the extent permitted by Applicable Laws, to cause no reduction, abatement or exemption in the Assessments.

(b) The City will determine or cause to be determined, no later than February 15 of each year, whether or not any Annual Installment is delinquent and, if such delinquencies exist, the City will order and cause to be commenced as soon as practicable any and all appropriate and legally permissible actions to obtain such Annual Installment, and any delinquent charges and interest thereon, including diligently prosecuting an action in district court to foreclose the

currently delinquent Annual Installment. Notwithstanding the foregoing, the City shall not be required under any circumstances to purchase or make payment for the purchase of the delinquent Assessment or the corresponding Assessed Property.

Section 7.3. Against Encumbrances.

(a) Other than Refunding Bonds, the City shall not create and, to the extent Pledged Revenues are received, shall not suffer to remain, any lien, encumbrance or charge upon the Pledged Revenues, the Pledged Funds, the Trust Estate, or any other property pledged under this Indenture, except any pledge created for the equal and ratable security of the Bonds.

(b) So long as Bonds are Outstanding hereunder, the City shall not issue any bonds, notes or other evidences of indebtedness secured by any pledge of or other lien or charge on the Pledged Revenues, the Pledged Funds, the Trust Estate or any other property pledged under this Indenture, except that the City may issue Refunding Bonds in accordance with the terms of this Indenture.

Section 7.4. Records, Accounts and Accounting Reports.

The City hereby covenants and agrees that so long as any of the Bonds or any interest thereon remain outstanding and unpaid, and the obligation to the Developer to reimburse it under the Financing Agreement or the Reimbursement Agreement for funds it has contributed to pay Actual Costs of the PID Improvements remain outstanding and unpaid, it will keep and maintain a proper and complete system of records and accounts pertaining to the Assessments. The Trustee and Owner or Owners of any Bonds or any duly authorized agent or agents of such Owners shall have the right at all reasonable times to inspect all such records, accounts, and data relating thereto, upon written request to the City by the Trustee or duly authorized representative, as applicable. The City shall provide the Trustee or duly authorized representative, as applicable, an opportunity to inspect such books and records relating to the Bonds during the City's regular business hours and on a mutually agreeable date not later than thirty days after the City receives such request.

Section 7.5. Covenants to Maintain Tax-Exempt Status.

(a) Definitions. When used in this Section, the following terms shall have the following meanings:

"*Code*" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Issue Date.

"*Computation Date*" has the meaning set forth in section 1.148-1(b) of the Regulations.

"*Gross Proceeds*" means any proceeds as defined in section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in section 1.148-1(c) of the Regulations, of the Bonds.

"*Investment*" has the meaning set forth in section 1.148-1(b) of the Regulations.

"*Issue Date*" for the tax-exempt Bonds or other obligations of the City is the respective date on which such bonds or other obligations of the City is delivered against payment therefor.

"*Net Sale Proceeds*" has the meaning stated in section 1.148-1(b) of the Regulations.

"*Nonpurpose Investment*" means any investment property, as defined in section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"*Proceeds*" has the meaning stated in section 1.148-1(b) of the Regulations.

"*Rebate Amount*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Regulations*" means any proposed, temporary or final Income Tax Regulations issued pursuant to sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

"*Yield*" of (1) any Investment has the meaning set forth in section 1.148-5 of the Regulations; and (2) the Bonds has the meaning set forth in section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Bonds:

(i) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality

thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan.

(i) Except to the extent permitted by section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(ii) The City covenants and agrees that the levied Assessments will meet the requirements of the "tax assessment loan exception" within the meaning of section 1.141-5(d) of the Regulations on the date the Bonds are delivered and will ensure that the Assessments continue to meet such requirements for so long as the Bonds are outstanding hereunder.

(e) Not to Invest at Higher Yield. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested) if, as a result of such investment, the Yield from the Issue Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the final Computation Date. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the Purchaser and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall, pursuant to a City Certificate, pay to the United States the amount described in paragraph (2) above at the times, in the installments, to the place, in the manner and accompanied by such forms or other information as is or may be required by section 148(f) of the Code and the regulations and rulings thereunder.

(iv) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (ii) and (iii), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) *Not to Divert Arbitrage Profits*. Except to the extent permitted by section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) *Not Hedge Bonds.* The City will not invest more than 50 percent of the Proceeds of each series of the Bonds in Nonpurpose Investments having a substantially guaranteed yield for four years or more. On the Issue Date of each series of the Bonds, the City reasonably expects that at least 85 percent of the Net Sale Proceeds of each series of the Bonds will be used to carry

out the governmental purpose of such series within three years after the respective Issue Date of such series.

(k) *Elections*. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, or City Secretary, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Bonds, in the Tax Certificate or similar or other appropriate certificate, form or document.

ARTICLE VIII
LIABILITY OF CITY

Neither the full faith and credit nor the general taxing power of the City is pledged to the payment of the Bonds, and except for the Trust Estate, no City taxes, fee or revenues from any source are pledged to the payment of, or available to pay any portion of, the Bonds or any other obligations relating to the District. The City shall never be liable for any obligations relating to the Bonds or other obligations relating to the District, other than as specifically provided for in this Indenture.

The City shall not incur any responsibility in respect of the Bonds or this Indenture other than in connection with the duties or obligations explicitly herein or in the Bonds assigned to or imposed upon it. The City shall not be liable in connection with the performance of its duties hereunder, except for its own willful default or act of bad faith. The City shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions covenants or agreements of the Trustee herein or of any of the documents executed by the Trustee in connection with the Bonds, or as to the existence of a default or Event of Default thereunder.

In the absence of bad faith, the City may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the City and conforming to the requirements of this Indenture. The City shall not be liable for any error of judgment made in good faith unless it shall be proved that it was negligent in ascertaining the pertinent facts.

No provision of this Indenture, the Bonds, the Assessment Ordinance, or any agreement, document, instrument, or certificate executed, delivered or approved in connection with the issuance, sale, delivery, or administration of the Bonds (collectively, the "*Bond Documents*"), shall require the City to expend or risk its own general funds or otherwise incur any financial liability (other than with respect to the Trust Estate and the Annual Collection Costs) in the performance of any of its obligations hereunder, or in the exercise of any of its rights or powers, if in the judgment of the City there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it.

Neither the Owners nor any other Person shall have any claim against the City or any of its officers, officials, agents, or employees for damages suffered as a result of the City's failure to perform in any respect any covenant, undertaking, or obligation under any Bond Documents or as a result of the incorrectness of any representation in, or omission from, any of the Bond Documents, except to the extent that any such claim relates to an obligation, undertaking,

representation, or covenant of the City, in accordance with the Bond Documents and the PID Act. Any such claim shall be payable only from the Trust Estate or the amounts collected to pay Annual Collection Costs on deposit in the Administrative Fund. Nothing contained in any of the Bond Documents shall be construed to preclude any action or proceeding in any court or before any governmental body, agency, or instrumentality against the City or any of its officers, officials, agents, or employees to enforce the provisions of any of the Bond Documents or to enforce all rights of the Owners of the Bonds by mandamus or other proceeding at law or in equity.

The City may rely on and shall be protected in acting or refraining from acting upon any notice, resolution, request, consent, order, certificate, report, warrant, bond, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or proper parties. The City may consult with counsel with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Whenever in the administration of its duties under this Indenture the City shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may, in the absence of willful misconduct on the part of the City, be deemed to be conclusively proved and established by a certificate of the Trustee, an Independent Financial Consultant, an independent inspector or the City Manager or other person designated by the City Council to so act on behalf of the City, and such certificate shall be full warrant to the City for any action taken or suffered under the provisions of this Indenture upon the faith thereof, but in its discretion the City may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

In order to perform its duties and obligations hereunder, the City may employ such persons or entities as it deems necessary or advisable. The City shall not be liable for any of the acts or omissions of such persons or entities employed by it in good faith hereunder, and shall be entitled to rely, and shall be fully protected in doing so, upon the opinions, calculations, determinations, and directions of such persons or entities.

ARTICLE IX
THE TRUSTEE

Section 9.1. Trustee as Registrar and Paying Agent.

The Trustee is hereby designated and agrees to act as Registrar and Paying Agent for and in respect to the Bonds. The Trustee hereby accepts and agrees to execute the respective trusts imposed upon it by this Indenture, but only upon the express terms and conditions, and subject to the provisions of this Indenture to all of which the parties hereto and the Owners of the Bonds agree. No implied covenants or obligations shall be read into this Indenture against the Trustee.

Section 9.2. Trustee Entitled to Indemnity.

The Trustee shall be under no obligation to spend its own funds, institute any suit, or to undertake any proceeding under this Indenture, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts

hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified, to the extent permitted by law, to its satisfaction against any and all costs and expenses, outlays, and counsel fees and other reasonable disbursements, and against all liability except as a consequence of its own negligence or willful misconduct; provided, however, that absent an Event of Default, the Trustee shall not request or require indemnification as a condition to making any deposits, payments or transfers when required hereunder, or to deliver any notice when required hereunder. Nevertheless, the Trustee may begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as the Trustee, without indemnity, and in such case the Trustee may make transfers from the Pledged Revenue Fund or the Administrative Fund (and to the extent moneys in the such funds are insufficient, then from any money in the Trustee's possession, except the Rebate Fund) to pay all costs, fees, expenses, outlays, and counsel fees and other reasonable disbursements properly incurred in connection therewith and shall, to the extent permitted by law, be entitled to a preference therefor over any Bonds Outstanding hereunder.

Section 9.3. Responsibilities of the Trustee.

(a) The recitals contained in this Indenture and in the Bonds shall be taken as the statements of the City and the Trustee assumes no responsibility for the correctness of the same.The Trustee may rely on the truth of the statements and correctness of opinions provided to it in connection with this Indenture.. The Trustee makes no representations as to the validity or sufficiency of this Indenture or the Bonds or with respect to the security afforded by this Indenture, and the Trustee shall incur no liability with respect thereto. Except as otherwise expressly provided in this Indenture, the Trustee shall have no responsibility or duty with respect to: (i) the issuance of Bonds for value; (ii) the application of the proceeds thereof, except to the extent that such proceeds are received by it in its capacity as Trustee; (iii) the application of any moneys paid to the City or others in accordance with this Indenture, except as to the application of any moneys paid to it in its capacity as Trustee; or (iv) any calculation of arbitrage or rebate under the Code.

(b) The duties and obligations of the Trustee shall be determined by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture. The Trustee will, prior to any Event of Default and after curing of any Event of Default, perform such duties and only such duties as are specifically set forth herein. The Trustee will, during the existence of an Event of Default, exercise such rights and powers vested in it by this Indenture and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(c) The Trustee shall not be liable for any action taken or omitted by it in the performance of its duties under this Indenture, except for its own negligence or willful misconduct. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from this Indenture for the existence, furnishing or use of the District. The Trustee is not responsible for force majeure events, including, but not limited to, cyber-attacks on bank systems, pandemics, or civil unrest.

(d) The Trustee, before the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such

duties as are specifically set forth in this Indenture. If any Event of Default shall have occurred and be continuing, the Trustee shall exercise such rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs in exercising any rights or remedies or performing any of its duties hereunder.

(e) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or through agents, attorneys, or receivers, and shall not be responsible for any misconduct or negligence on the part of any agent, attorney, or receiver appointed or chosen by it with due care, and the Trustee shall be entitled to rely and act upon the opinion or advice of counsel, who may be counsel to the City, concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such agents, attorneys, and receivers as may reasonably be employed in connection with the trusts hereof. The Trustee shall not be responsible for any loss or damage resulting from any action or nonaction by it taken or omitted to be taken in good faith in reliance upon such opinion or advice of counsel. The Trustee and its agents have the right to inspect the PID Improvements and books and records related to the PID Improvements only to the extent that such inspection is reasonably necessary for the Trustee to fulfill its obligations under this Indenture. Any inspection of the PID Improvements shall be made in consultation with the City. This Section 9.3(e) of this Indenture does not constitute a license for the Trustee or its agents to enter onto any PID Improvement that is not otherwise open to the public. The inspection of the books and records related to the PID Improvements by the Trustee and its agents shall be made only during the City's regular hours of operation at the City's administrative offices.

(f) The Trustee shall not be responsible for any recital herein (except with respect to the authentication certificate of the Trustee endorsed on the Bonds) or for the recording, filing, or refiling of this Indenture in connection therewith, or for the validity of the execution by the City of this Indenture or of any Supplemental Indentures or instruments of further assurance, or for the sufficiency or security of the Bonds. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with this Indenture.

(g) The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the validity or sufficiency of this Indenture or of the Bonds. The Trustee shall not be accountable for the use or application of any Bonds or the proceeds thereof or of any money paid to or upon the order of the City under any provision of this Indenture.

(h) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of a Quarter in Interest of the Bonds relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture.

(i) The Trustee shall not be required to take notice, and shall not be deemed to have notice, of any default or Event of Default unless the Trustee shall be notified specifically of the default or Event of Default in a written instrument or document delivered to it by the City or by the Owners of a Quarter in Interest of the Bonds. In the absence of delivery of a notice satisfying

those requirements, the Trustee may assume conclusively that there is no Event of Default, except as noted above.

(j) Before taking any action under this Indenture (other than making any payment of principal, premium, or interest on the Bonds), the Trustee may require that a satisfactory indemnity be furnished to it for the payment or reimbursement of all costs and expenses (including, without limitation, attorney's fees and expenses) to which it may be put and to protect it against all liability which it may incur in or by reason of such action, except liability which it adjudicated to have resulted from its negligence or willful misconduct.

(k) The Trustee's immunities and protections from liability and its right to indemnification in connection with the performance of its duties under this Indenture shall extend to the Trustee's officers, directors, agents, attorneys and employees. Such immunities and protections and rights to indemnification, together with the Trustee's right to compensation, shall survive the Trustee's resignation or removal, the discharge of this Indenture, and final payment of the Bonds.

Section 9.4. Property Held in Trust.

All moneys and securities held by the Trustee at any time pursuant to the terms of this Indenture shall be held by the Trustee in trust for the purposes and under the terms and conditions of this Indenture.

Section 9.5. Trustee Protected in Relying on Certain Documents.

The Trustee may conclusively rely upon any order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond, or other document provided to the Trustee in accordance with the terms of this Indenture that it shall in good faith reasonably believe to be genuine and to have been adopted or signed by the proper board or Person or to have been prepared and furnished pursuant to any of the provisions of this Indenture, the Financing Agreement, and the Development Agreement, or upon the written opinion of any counsel, architect, engineer, insurance consultant, management consultant, or accountant believed by the Trustee to be qualified in relation to the subject matter, and the Trustee shall be under no duty to make any investigation or inquiry into and shall not be deemed to have knowledge of any statements contained or matters referred to in any such instrument. The Trustee may consult with counsel, who may or may not be Bond Counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered, or omitted to be taken by it in good faith and in accordance therewith. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who, at the time of making such request, or giving such authority or consent is the Owner of any Bond, shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in exchange therefor and upon transfer or in place thereof.

Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action under this Indenture, such matter may be deemed to be conclusively proved and established by a City Certificate, unless other evidence in respect thereof be hereby specifically prescribed. Such City Certificate shall be full warrant for any action

taken or suffered in good faith under the provisions hereof, but in its discretion the Trustee may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice, or other direction required or permitted to be furnished pursuant to any provision hereof by the City to the Trustee shall be sufficiently executed if executed in the name of the City by the City Representative.

The Trustee shall not be under any obligation to see to the recording or filing of this Indenture, or otherwise to the giving to any Person of notice of the provisions hereof except as expressly required in Section 9.13 herein.

The Trustee may conclusively rely upon any City Certificate received by it pursuant to the terms hereof and shall in no instance be obligated to make any independent investigation in connection therewith.

Section 9.6. Compensation.

Unless otherwise expressly provided by written contract with the Trustee, the Trustee shall transfer from the Administrative Fund, upon written direction from the City, compensation for all services rendered by it hereunder, including its services as Registrar and Paying Agent, together with all its reasonable expenses, charges, and other disbursements and those of its counsel, agents and employees, incurred in and about the administration and execution of the trusts hereby created and the exercise of its powers and the performance of its duties hereunder, upon delivery of an invoice therefor to the City, and the Trustee shall have a lien therefor on any and all funds at any time held by the Trustee (except the Rebate Fund). None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if in the judgment of the Trustee there are reasonable grounds for believing that the repayment of such funds or liability is not reasonably assured to it. If the City shall fail to make any payment required by this Section, the Trustee may make such payment from any moneys held in the Administrative Fund and to the extent moneys in the Administrative Fund are insufficient, then from any money in its possession (except the Rebate Fund) and shall be entitled to a preference therefor over any Bonds Outstanding hereunder on amounts held by the Trustee (except the Rebate Fund). The right of the Trustee to fees, expenses, and indemnification shall survive the release, discharge, and satisfaction of the Indenture. The Trustee may, in consultation with the City, increase its fees for extraordinary circumstances. Any such increase must be reasonably and directly related to the increase in the Trustee's actual costs incurred or to be reasonably incurred in addressing the extraordinary circumstances.

Section 9.7. Permitted Acts.

The Trustee and its directors, officers, employees, or agents may become the owner of or may in good faith buy, sell, own, hold and deal in Bonds and may join in any action that any Owner of Bonds may be entitled to take as fully and with the same rights as if it were not the Trustee. The Trustee may act as depository, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, the City or any committee formed to protect the rights

of Owners of Bonds or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not such committee shall represent the Owners of a majority in aggregate outstanding principal amount of the Bonds. The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be answerable for other than its negligence or willful misconduct.

Section 9.8. Resignation of Trustee.

The Trustee may at any time resign and be discharged of its duties and obligations hereunder by giving not fewer than 30 days' written notice, specifying the date when such resignation shall take effect, to the City and each Owner of any Outstanding Bond. Such resignation shall take effect upon the appointment of a successor as provided in Section 9.10 and the acceptance of such appointment by such successor.

Section 9.9. Removal of Trustee.

The Trustee may be removed at any time by the Owners of a Quarter in Interest of the Bonds by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or by their attorneys-in-fact, duly authorized and delivered to the City. Copies of each such instrument shall be delivered by the City to the Trustee and any successor thereof. The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the Owners of not less than 10% of the aggregate principal amount of the Bonds Outstanding.

Section 9.10. Successor Trustee.

If the Trustee shall resign, be removed, be dissolved, or become incapable of acting, or shall be adjudged bankrupt, insolvent, or if a receiver, liquidator, or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee or of its property or affairs, the position of the Trustee hereunder shall thereupon become vacant.

If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, a successor Trustee may be appointed after any such vacancy shall have occurred by the Owners of a Quarter in Interest of the Bonds by an instrument or concurrent instruments in writing signed and acknowledged by such Owners or their attorneys-in-fact, duly authorized and delivered to such successor Trustee, with notification thereof being given to the predecessor Trustee and the City.

Until such successor Trustee shall have been appointed by the Owners a Quarter in Interest of the Bonds, the City shall forthwith appoint a Trustee to act hereunder. Copies of any instrument of the City providing for any such appointment shall be delivered by the City to the Trustee so appointed. The City shall mail notice of any such appointment to each Owner of any Outstanding Bonds within 30 days after such appointment. Any appointment of a successor Trustee made by the City immediately and without further act shall be superseded and revoked by an appointment subsequently made by the Owners of Bonds.

If in a proper case no appointment of a successor Trustee shall be made within 45 days after the giving by any Trustee of any notice of resignation in accordance with Section 9.8 herein or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any Owner of Bonds may apply to any court of competent jurisdiction for the appointment of such a successor, and the court may thereupon, after such notice, if any, as the court may deem proper, appoint such successor and the City shall be responsible for the costs of such appointment process. Any duties and obligations of such predecessor Trustee shall thereafter cease and terminate, and the payment of the fees and expenses owed to the predecessor Trustee shall be paid in full.

Any successor Trustee appointed under the provisions of this Section shall be a commercial bank or trust company or national banking association (i) having a capital and surplus and undivided profits aggregating at least $50,000,000, if there be such a commercial bank or trust company or national banking association willing and able to accept the appointment on reasonable and customary terms, and (ii) authorized by law to perform all the duties of the Trustee required by this Indenture.

Each successor Trustee shall mail, in accordance with the provisions of the Bonds, notice of its appointment to any Rating Agency which, at the time of such appointment, is providing a rating on the Bonds and each of the Owners of the Bonds.

Section 9.11. Transfer of Rights and Property to Successor Trustee.

Any successor Trustee appointed under the provisions of Section 9.10 shall execute, acknowledge, and deliver to its predecessor and the City an instrument in writing accepting such appointment, and thereupon such successor, without any further act, deed, or conveyance, shall become fully vested with all moneys, estates, properties, rights, immunities, powers, duties, obligations, and trusts of its predecessor hereunder, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request of the City or of such successor and upon payment of amounts owing to it hereunder, execute, acknowledge, and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the rights, immunities, powers, and trusts of such Trustee and all the right, title, and interest of such Trustee in and to the Trust Estate, and shall pay over, assign, and deliver to such successor any moneys or other properties subject to the trusts and conditions herein set forth. Should any deed, conveyance, or instrument in writing from the City be required by such successor for more fully and certainly vesting in and confirming to it any such moneys, estates, properties, rights, powers, duties, or obligations, any and all such deeds, conveyances, and instruments in writing, on request and so far as may be authorized by law, shall be executed, acknowledged, and delivered by the City.

Section 9.12. Merger, Conversion or Consolidation of Trustee.

Any corporation or association into which the Trustee may be merged or with which it may be consolidated or any corporation or association resulting from any merger, conversion or consolidation to which it shall be a party or any corporation or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business shall be the successor to

such Trustee hereunder, without any further act, deed or conveyance, provided that such corporation or association shall be a commercial bank or trust company or national banking association qualified to be a successor to such Trustee under the provisions of Section 9.10, or a trust company that is a wholly-owned subsidiary of any of the foregoing.

Section 9.13. Security Interest in Trust Estate.

Chapter 1208, Texas Government Code, applies to the issuance of the Bonds and the pledge of the Trust Estate provided for herein, and such pledge is, under current law, valid, effective and perfected. The City shall cause to be filed all appropriate initial financing statements to ensure that the Trustee (for the benefit of the Owners of the Bonds) is granted a valid and perfected first priority lien on the entire Trust Estate. Nothing herein shall obligate the Trustee to file any initial financing statements. Upon the City's timely delivery of a copy of such filed initial financing statement, if any, to the Trustee, the Trustee shall file continuation statements of such initial financing statement(s) in the same jurisdictions as the initial financing statement(s) previously provided to the Trustee. Unless the Trustee is otherwise notified in writing by the City, the Trustee may rely upon the initial financing statements in filing any continuation statements hereunder.

Section 9.14. Accounts, Periodic Reports and Certificates.

The Trustee shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Funds and Accounts established by this Indenture and which shall at all times be subject to inspection by the City, and the Owner or Owners of not less than 10% in principal amount of any Bonds then Outstanding or their representatives duly authorized in writing.

Section 9.15. Construction of Indenture.

The Trustee may construe any of the provisions of this Indenture insofar as the same may appear to be ambiguous or inconsistent with any other provision hereof, and any construction of any such provisions hereof by the Trustee in good faith shall be binding upon the Owners of the Bonds.

Section 9.16. Offering Documentation.

The Trustee shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum, or any other disclosure material prepared or distributed with respect to the Bonds and shall have no responsibility for compliance with any State or federal securities laws in connection with the Bonds.

Section 9.17. Expenditure of Funds and Risk.

None of the provisions of this Indenture shall require the Trustee to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, or in the exercise of its rights or powers if the Trustee shall have reasonable grounds for believing that the repayment of such funds or indemnity against such risk or liability is not assured.

Section 9.18. Environmental Hazards.

The Trustee may inform any Owner of environmental hazards that the Trustee has reason to believe exist, and the Trustee has the right to take no further action and in such event, no fiduciary duty exists which imposes any obligation for further action with respect to the Trust Estate or any portion thereof if the Trustee, in its individual capacity, determines that any such action would materially and adversely subject the Trustee to environmental or other liability for which the Trustee has not been adequately indemnified.

The Trustee shall not be responsible or liable for the environmental condition related to the improvements to any real property or for diminution in value of the same, or for any claims by or on behalf of the owners thereof as the result of any contamination by a hazardous substance, hazardous material, pollutant, or contaminant. The Trustee assumes no duty or obligation to assess the environmental condition of any improvements or with respect to compliance thereof under State or federal laws pertaining to the transport, storage, treatment, or disposal of hazardous substances, hazardous materials, pollutants, or contaminants or regulations, permits, or licenses issued under such laws.

ARTICLE X
MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 10.1. Amendments Permitted.

This Indenture and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended at any time by a Supplemental Indenture, except as provided below, pursuant to the affirmative vote at a meeting of Owners of the Bonds, or with the written consent without a meeting, of the Owners of more than fifty percent (50%) of the aggregate principal amount of the Bonds then Outstanding. No such modification or amendment shall (i) extend the maturity of any Bond or reduce the principal of or interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal of, and the interest and any premium on, any Bond, without the express consent of the Owner of such Bond, (ii) permit the creation by the City of any pledge or lien upon the Trust Estate superior to the pledge and lien created for the benefit of the Bonds, (iii) except as otherwise permitted by this Indenture, permit the creation by the City of any pledge or lien upon the Trust Estate on a parity with the pledge and lien created for the benefit of the Bonds, or (iv) reduce the percentage of Bonds required for the amendment hereof. Any such amendment may not modify any of the rights or obligations of the Trustee without its written consent.

This Indenture and the rights and obligations of the City and of the Owners may also be modified or amended at any time by a Supplemental Indenture, without the consent of any Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(i) to add to the covenants and agreements of the City in this Indenture contained, other covenants and agreements thereafter to be observed, or to limit or surrender any right or power herein reserved to or conferred upon the City;

(ii) to make modifications not adversely affecting any Outstanding Bonds in any material respect;

(iii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained in this Indenture, or in regard to questions arising under this Indenture, as the City may deem necessary or desirable and not inconsistent with this Indenture, and that shall not adversely affect the rights of the Owners of the Bonds;

(iv) to authorize a Series of Refunding Bonds in accordance with the provisions of this Indenture; and

(v) to make such additions, deletions or modifications as may be necessary or desirable to assure exemption from federal income taxation of interest on the Bonds.

Section 10.2. Owners' Meetings.

The City may at any time call a meeting of the Owners of the Bonds. In such event the City is authorized to fix the time and place of said meeting and to provide for the giving of notice thereof, and to fix and adopt rules and regulations for the conduct of said meeting.

Section 10.3. Procedure for Amendment with Written Consent of Owners.

The City and the Trustee may at any time adopt a Supplemental Indenture amending the provisions of the Bonds or of this Indenture, to the extent that such amendment is permitted by Section 10.1 herein, to take effect when and as provided in this Section. A copy of such Supplemental Indenture, together with a request to Owners for their consent thereto, shall be mailed by first class mail, by the Trustee to each Owner of Bonds from whom consent is required under this Indenture, but failure to mail copies of such Supplemental Indenture and request shall not affect the validity of the Supplemental Indenture when assented to as in this Section provided.

Such Supplemental Indenture shall not become effective unless there shall be filed with the Trustee the written consents of the Owners as required by this Indenture and a notice shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 11.6 herein. Any such consent shall be binding upon the Owner of the Bonds giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof), unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Bonds shall have filed their consents to the Supplemental Indenture, the City shall mail a notice to the Owners in the manner hereinbefore provided in this Section for the mailing of the Supplemental Indenture, stating in substance that the Supplemental Indenture has been consented to by the Owners of the required percentage of Bonds and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of the Supplemental Indenture or consents thereto). Proof of the mailing of such notice shall be filed with the Trustee. A record, consisting of the papers required by this Section 10.3 to be filed with the Trustee, shall be proof of the matters therein stated until the contrary is proved. The Supplemental Indenture shall become effective upon the filing with the Trustee of the proof of mailing of such notice, and the Supplemental Indenture shall be deemed

conclusively binding (except as otherwise hereinabove specifically provided in this Article) upon the City and the Owners of all Bonds at the expiration of forty-five (45) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such 45-day period; provided however that the Trustee during such 45-day period and any such further period during which any such action or proceeding may be pending shall be entitled, in its sole discretion, to take such action, or to refrain from taking such action, with respect to such Supplemental Indenture as it may deem expedient and the Trustee shall have no liability with respect to any action taken or any instance of inaction except as a consequence of its own negligence or willful misconduct.

Section 10.4. Effect of Supplemental Indenture.

From and after the time any Supplemental Indenture becomes effective pursuant to this Article X, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties, and obligations under this Indenture of the City, the Trustee and all Owners of Bonds Outstanding shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

Section 10.5. Endorsement or Replacement of Bonds Issued After Amendments.

The City may determine that Bonds issued and delivered after the effective date of any action taken as provided in this Article X shall bear a notation, by endorsement or otherwise, in form approved by the City, as to such action. In that case, upon demand of the Owner of any Bond Outstanding at such effective date and presentation of his Bond for that purpose at the designated office of the Trustee or at such other office as the City may select and designate for that purpose, a suitable notation shall be made on such Bond. The City may determine that new Bonds, so modified as in the opinion of the City is necessary to conform to such Owners' action, shall be prepared, executed, and delivered. In that case, upon demand of the Owner of any Bonds then Outstanding, such new Bonds shall be exchanged at the designated office of the Trustee without cost to any Owner, for Bonds then Outstanding, upon surrender of such Bonds.

Section 10.6. Amendatory Endorsement of Bonds.

The provisions of this Article X shall not prevent any Owner from accepting any amendment as to the particular Bonds held by such Owner, provided that due notation thereof is made on such Bonds.

Section 10.7. Waiver of Default.

Subject to the second and third sentences of Section 10.1 above, with the written consent of the Owners of more than fifty percent (50%) in aggregate principal amount of the Bonds then Outstanding, the Owners may waive compliance by the City with certain past defaults under the Indenture and their consequences. Any such consent shall be conclusive and binding upon the

Owners and upon all future Owners. For the avoidance of doubt, any waiver given pursuant to this Section shall be subject to Section 11.5 below.

Section 10.8. Execution of Supplemental Indenture.

In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall receive, and shall be fully protected in relying upon, an opinion of Bond Counsel addressed and delivered to the Trustee and the City stating that the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's own rights, duties and immunities under this Indenture or otherwise.

No such amendment shall modify any of the rights or obligations of the Trustee without its written consent. In executing or accepting any Supplemental Indenture, the Trustee shall be fully protected in relying upon an opinion of qualified counsel addressed and delivered to the Trustee stating that (a) the execution of such Supplemental Indenture is permitted by and in compliance with this Indenture, (b) the execution and delivery of will not adversely affect the exclusion from federal gross income of the interest on the Bonds, and (c) such Supplemental Indenture will, upon the execution and delivery thereof, to be a valid and binding obligation of the City.

ARTICLE XI
DEFAULT AND REMEDIES

Section 11.1. Events of Default.

Each of the following occurrences or events shall be and is hereby declared to be an "Event of Default," to wit:

(i) The failure of the City to deposit the Pledged Revenues to the Pledged Revenue Fund;

(ii) The failure of the City to enforce the collection of the Assessments including the prosecution of foreclosure proceedings;

(iii) The failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; and

(iv) Default in the performance or observance of any other covenant, agreement or obligation of the City under this Indenture and the continuation thereof for a period of ninety (90) days after written notice to the City by the Trustee, or by the Owners of a Quarter in Interest of the Bonds with a copy to the Trustee, specifying such default by the Owners of a Quarter in Interest of the Bonds requesting that the failure be remedied.

Section 11.2. Immediate Remedies for Default.

(a) Subject to Article VIII, upon the happening and continuance of any one or more of the Events of Default described in Section 11.1, the Trustee may, and at the written direction of the Owners of a Quarter in Interest of the Bonds and its receipt of indemnity satisfactory to it shall, proceed against the City for the purpose of protecting and enforcing the rights of the Owners under this Indenture, by action seeking mandamus or by other suit, action, or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief to the extent permitted by this Indenture or by Applicable Laws, including, but not limited to, the specific performance of any covenant or agreement contained herein, or injunction; provided, however, that any action for money damages against the City shall be limited in recovery to the assets of the Trust Estate, including the Pledged Revenues and Pledged Funds. The Trustee retains the right to obtain the advice of counsel in its exercise of remedies for default.

(b) THE PRINCIPAL OF THE BONDS SHALL NOT BE SUBJECT TO ACCELERATION UNDER ANY CIRCUMSTANCES.

(c) If the assets of the Trust Estate are sufficient to pay all amounts due with respect to all Outstanding Bonds, in the selection of Trust Estate assets to be used in the payment of Bonds due under this Article, the City shall determine, in its absolute discretion, and shall instruct the Trustee by City Certificate, which Trust Estate assets shall be applied to such payment and shall not be liable to any Owner or other Person by reason of such selection and application; provided, however, the City Certificate shall account and provide for payment in full of all amounts then due under this Indenture, including but not limited to full payment of principal and interest due and payable on bonds similarly secured. In the event that the City shall fail to deliver to the Trustee such City Certificate, the Trustee shall select and liquidate or sell Trust Estate assets as provided in the following paragraph, and shall not be liable to any Owner, or other Person, or the City by reason of such selection, liquidation or sale. The Trustee shall have no liability for its selection of Trust Estate assets to liquidate or sell.

(d) Whenever moneys are to be applied pursuant to this Article XI, irrespective of and whether other remedies authorized under this Indenture shall have been pursued in whole or in part, the Trustee may cause any or all of the assets of the Trust Estate, including Investment Securities, to be sold. The Trustee may so sell the assets of the Trust Estate and all right, title, interest, claim and demand thereto and the right of redemption thereof, in one or more parts, at any such place or places, and at such time or times and upon such notice and terms as the Trustee may deem appropriate and as may be required by law and apply the proceeds thereof in accordance with the provisions of this Section. Upon such sale, the Trustee may make and deliver to the purchaser or purchasers a good and sufficient assignment or conveyance for the same, which sale shall be a perpetual bar both at law and in equity against the City, and all other Persons claiming such properties. No purchaser at any sale shall be bound to see to the application of the purchase money proceeds thereof or to inquire as to the authorization, necessity, expediency, or regularity of any such sale. Nevertheless, if so requested by the Trustee, the City shall ratify and confirm any sale or sales by executing and delivering to the Trustee or to such purchaser or purchasers all such instruments as may be necessary or, in the judgment of the Trustee, proper for the purpose which may be designated in such request.

Section 11.3. Restriction on Owner's Action.

(a) No Owner shall have any right to institute any action, suit or proceeding at law or in equity for the enforcement of this Indenture or for the execution of any trust thereof or any other remedy hereunder, unless (i) a default has occurred and is continuing of which the Trustee has been notified in writing, (ii) such default has become an Event of Default and the Owners of a Quarter in Interest of the Bonds have made written request to the Trustee and offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, (iii) the Owners have furnished to the Trustee indemnity as provided in Section 9.2 herein, (iv) the Trustee has for sixty (60) days after such notice failed or refused to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its own name, (v) no written direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Owners of a majority of the aggregate principal amount of the Bonds then Outstanding, and (vi) notice of such action, suit, or proceeding is given to the Trustee in writing; however, all proceedings at law or in equity shall be instituted and maintained in the manner provided herein and for the equal benefit of the Owners of all Bonds then Outstanding. The notification, request and furnishing of indemnity set forth above shall, at the option of the Trustee as advised by counsel, be conditions precedent to the execution of the powers and trusts of this Indenture and to any action or cause of action for the enforcement of this Indenture or for any other remedy hereunder.

b) Subject to Article VIII, nothing in this Indenture shall affect or impair the right of any Owner to enforce, payment of any Bond at and after the maturity thereof, or on the date fixed for redemption or the obligation of the City to pay each Bond issued hereunder to the respective Owners thereof at the time and place, from the source and in the manner expressed herein and in the Bonds.

(c) In case the Trustee or any Owners shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or any Owners, then and in every such case the City, the Trustee and the Owners shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 11.4. Application of Revenues and Other Moneys After Default.

(a) All moneys, securities, funds and Pledged Revenues, Pledged Funds, or other assets of the Trust Estate and the income therefrom received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the cost and expenses of the proceedings resulting in the collection of such amounts, the expenses (including its counsel fees, costs, and expenses), liabilities, and advances incurred or made by the Trustee and the fees of the Trustee in carrying out this Indenture, during the continuance of an Event of Default, notwithstanding Section 11.2 hereof, shall be applied by the Trustee, on behalf of the City, to the payment of interest and principal or Redemption Price then due on Bonds, as follows:

FIRST: To the payment to the Owners entitled thereto all installments of interest then due in the direct order of maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the Owners entitled thereto, without any discrimination or preference; and

SECOND: To the payment to the Owners entitled thereto of the unpaid principal of Outstanding Bonds, or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the direct order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due and to the Owners entitled thereto, without any discrimination or preference.

Within ten (10) days of receipt of such good and available funds, the Trustee may fix a record and payment date for any payment to be made to Owners pursuant to this Section 11.4.

(b) In the event funds are not adequate to cure any of the Events of Default described in Section 11.1, the available funds shall be allocated to the Bonds that are Outstanding in proportion to the quantity of Bonds that are currently due and in default under the terms of this Indenture.

(c) The restoration of the City to its prior position after any and all defaults have been cured, as provided in Section 11.3, shall not extend to or affect any subsequent default under this Indenture or impair any right consequent thereon.

Section 11.5. Effect of Waiver.

No delay or omission of the Trustee, or any Owner, to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given to the Trustee or the Owners, respectively, may be exercised from time to time and as often as may be deemed expedient.

The Trustee, if previously directed in writing by Owners of a Quarter in Interest of the Bonds, shall waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal of and interest, if any, on the Bonds.

Section 11.6. Evidence of Ownership of Bonds.

(a) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Owners of Bonds may be in one or more instruments of similar tenor and shall be signed or executed by such Owners in person or by their attorneys duly appointed in writing. Proof of the execution of any such instrument, or of any instrument appointing any such attorney, or the holding by any Person of the Bonds shall be sufficient for any purpose of this Indenture (except as otherwise herein expressly provided) if made in the following manner:

(i) The fact and date of the execution of such instruments by any Owner of Bonds or the duly appointed attorney authorized to act on behalf of such Owner may be provided by a guarantee of the signature thereon by a bank or trust company or by the certificate of any notary public or other officer authorized to take acknowledgments of deeds, that the Person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such signature guarantee, certificate, or affidavit shall also constitute sufficient proof of his authority.

(ii) The ownership of Bonds and the amount, numbers and other identification and date of holding the same shall be proved by the Register.

(b) Except as otherwise provided in this Indenture with respect to revocation of a consent, any request or consent by an Owner of Bonds shall bind all future Owners of the same Bonds in respect of anything done or suffered to be done by the City or the Trustee in accordance therewith.

Section 11.7. No Acceleration.

In the event of the occurrence of an Event of Default under Section 11.1 hereof, the right of acceleration of any Stated Maturity is not granted as a remedy hereunder and the right of acceleration under this Indenture is expressly denied.

Section 11.8. Mailing of Notice.

Any provision in this Article for the mailing of a notice or other document to Owners shall be fully complied with if it is mailed, first class postage prepaid, only to each Owner at the address appearing upon the Register.

Section 11.9. Exclusion of Bonds.

Bonds owned or held by or for the account of the City shall be promptly delivered to the Trustee and cancelled. Such Bonds will not be deemed Outstanding for any purpose, including without limitation, the purpose of consent or other action or any calculation of Outstanding Bonds provided for in this Indenture, and the City shall not be entitled with respect to such Bonds to give any consent or take any other action provided for in this Indenture.

Section 11.10. Remedies Not Exclusive.

No remedy herein conferred upon or reserved to the Trustee or to the Owners is intended to be exclusive of any other remedy and each and every such remedy shall be cumulative and shall

be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity, by statute or by contract.

Section 11.11. Direction by Owners.

Anything herein to the contrary notwithstanding, the Owners of a Quarter in Interest of the Bonds shall have the right by an instrument in writing executed and delivered to the Trustee, to direct the choice of remedies and the time, method and place of conducting any proceeding for any remedy available to the Trustee hereunder, under each Supplemental Indenture or otherwise, or exercising any trust or power conferred upon the Trustee, including the power to direct or withhold directions with respect to any remedy available to the Trustee or the Owners, provided, (i) such direction shall not be otherwise than in accordance with law and the provisions hereof, (ii) that the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, (iii) that the Trustee may still require satisfactory indemnity prior to taking such action, and (iv) that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Owners not parties to such direction.

ARTICLE XII
GENERAL COVENANTS AND REPRESENTATIONS

Section 12.1 Representations as to Trust Estate.

(a) The City represents and warrants that it is authorized by Applicable Laws to authorize and issue the Bonds, to execute and deliver this Indenture and to pledge the Trust Estate in the manner and to the extent provided in this Indenture, and that the Trust Estate are and will be and remain free and clear of any pledge, lien, charge, or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge and lien created in or authorized by this Indenture except as expressly provided herein.

(b) The City shall at all times, to the extent permitted by Applicable Laws, defend, preserve and protect the pledge of the Trust Estate and all the rights of the Owners and the Trustee, under this Indenture against all claims and demands of all Persons whomsoever.

(c) The City will take all steps reasonably necessary and appropriate, and will direct the Trustee to take all steps reasonably necessary and appropriate, to collect all delinquencies in the collection of the Assessments and any other amounts pledged to the payment of the Bonds to the fullest extent permitted by the PID Act and other Applicable Laws.

(d) To the extent permitted by law, statements for the Annual Installments shall be sent by, or on behalf of the City, to the affected property owners on the same statement or such other mechanism that is used by the City, so that such Annual Installments are collected simultaneously with ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City.

Section 12.2. Accounts, Periodic Reports and Certificates.

The Trustee shall keep or cause to be kept proper books of records and accounts (separate from all other records and accounts) in which complete and correct entries shall be made of its

transactions relating to the Funds and Accounts established by this Indenture, and which shall at all times be subject to inspection by the City during the Trustee's regular business hours and each Owner or their representatives duly authorized in writing providing reasonable notice to the Trustee.

Section 12.3. General.

The City shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the City under the provisions of this Indenture.

Section 12.4. Texas Government Code Section 2271.002.

The Trustee represents and verifies, under Section 2271.002, Texas Government Code, that the Trustee and any parent company, wholly- or majority-owned subsidiaries, and other affiliates of the Trustee, if any, do not boycott Israel and will not boycott Israel through the full term of this Agreement. The foregoing verification is made solely to enable the County to comply with such Section. As used in the foregoing verification, "boycott Israel," a term defined in Section 2271.001, Texas Government Code, by reference to Section 808.001(1), Texas Government Code, means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

Section 12.5. Texas Government Code Section 2276.002.

The Trustee represents and verifies, under Section 2276.002, Texas Government Code (as added by Senate Bill 13, 87th Texas Legislature, Regular Session ("SB 13")), as amended, that the Trustee, and the parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, of the Trustee do not boycott energy companies and, such entities will not boycott energy companies through the full term of this Agreement. The foregoing verification is made solely to enable the County to comply with such Section. As used in the foregoing verification, "boycott energy companies," a term defined in Section 2276.001(1), Texas Government Code (as enacted by SB 13) by reference to Section 809.001, Texas Government Code (also as enacted by SB 13), shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above.

Section 12.6. Texas Government Code Sections 2274.001 and 2274.002.

The Trustee represents and verifies, under Section 2274.002, Texas Government Code (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, ("SB 19")), as amended, that Trustee, nor the parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, of the Trustee have a practice, policy, guidance or directive that discriminates against a

firearm entity or firearm trade association; and such entities will not through the full term of this Agreement discriminate against a firearm entity or firearm trade association. The foregoing verification is made solely to enable the County to comply with such Section. As used in the foregoing verification and the following definitions, (a) "discriminate against a firearm entity or firearm trade association," a term defined in Section 2274.001(3), Texas Government Code (as enacted by SB 19), (A) means, with respect to the firearm entity or firearm trade association, to (i) refuse to engage in the trade of any goods or services with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, (ii) refrain from continuing an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association, or (iii) terminate an existing business relationship with the firearm entity or firearm trade association based solely on its status as a firearm entity or firearm trade association and (B) does not include (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency or (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association, (b) "firearm entity," a term defined in Section 2274.001(6), Texas Government Code (as enacted by SB 19), means a manufacturer, distributor, wholesaler, supplier, or retailer of firearms (defined in Section 2274.001(4), Texas Government Code, as enacted by SB19, as weapons that expel projectiles by the action of explosive or expanding gases), firearm accessories (defined in Section 2274.001(5), Texas Government Code, as enacted by SB 19, as devices specifically designed or adapted to enable an individual to wear, carry, store, or mount a firearm on the individual or on a conveyance and items used in conjunction with or mounted on a firearm that are not essential to the basic function of the firearm, including detachable firearm magazines), or ammunition (defined in Section 2274.001(1), Texas Government Code, as enacted by SB 19, as a loaded cartridge case, primer, bullet, or propellant powder with or without a projectile) or a sport shooting range (defined in Section 250.001, Texas Local Government Code, as a business establishment, private club, or association that operates an area for the discharge or other use of firearms for silhouette, skeet, trap, black powder, target, self-defense, or similar recreational shooting), and (c) "firearm trade association," a term defined in Section 2274.001(7), Texas Government Code (as enacted by SB 19), means any person, corporation, unincorporated association, federation, business league, or business organization that (i) is not organized or operated for profit (and none of the net earnings of which inures to the benefit of any private shareholder or individual), (ii) has two or more firearm entities as members, and (iii) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that Code.

Section 12.7. No Terrorist Organization.

The Trustee represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer's Internet website:

https://comptroller.texas.gov/purchasing/docs/sudan-list.xlsx,
https://comptroller.texas.gov/purchasing/docs/iran-list.xlsx, or
https://comptroller.texas.gov/purchasing/docs/fto-list.xlsx.

The foregoing representation is made to solely to comply with Section 2252.152, Texas Government Code, as amended, and excludes the Trustee and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Trustee understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Trustee and exists to make a profit.

Section 12.8. Survival of Representations.

As used in the foregoing verifications, the Trustee understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Trustee. Notwithstanding anything contained herein, a claim arising for the breach of the representations and covenants contained in the four preceding sections shall survive termination of this Agreement until the statute of limitations has run and shall not be liquidated or otherwise limited by any provision of this Indenture, notwithstanding anything in this Indenture to the contrary.

ARTICLE XIII
SPECIAL COVENANTS

Section 13.1. Further Assurances; Due Performance.

(a) At any and all times the City will duly execute, acknowledge and deliver, or will cause to be done, executed and delivered, all and every such further acts, conveyances, transfers, and assurances in a manner as the Trustee shall reasonably require for better conveying, transferring, pledging, and confirming unto the Trustee, all and singular, the revenues, Funds, Accounts and properties constituting the Pledged Funds, and the Trust Estate hereby transferred and pledged, or intended so to be transferred and pledged.

(b) The City will duly and punctually keep, observe and perform each and every term, covenant and condition on its part to be kept, observed and performed, contained in this Indenture.

Section 13.2 Additional Obligations or Other Liens; Refunding Bonds.

(a) The City reserves the right, subject to the provisions contained in this Section 13.2, to issue Additional Obligations under other indentures, assessment ordinances, or similar

agreements or other obligations which do not constitute or create a lien on the Trust Estate and are not payable from the Trust Estate.

(b) Other than Refunding Bonds issued to refund all or a portion of the Bonds, the City will not create or voluntarily permit to be created any debt, lien or charge on any portion of the Trust Estate, and will not cause or allow any matter or things whatsoever whereby the lien of this Indenture or the priority hereof might or could be lost or impaired; and further covenants that it will pay or cause to be paid or will make adequate provisions for the satisfaction and discharge of all lawful claims and demands which if unpaid might by law be given precedence over or any equality with this Indenture as a lien or charge upon the Trust Estate; provided, however, that nothing in this Section shall require the City to apply, discharge, or make provision for any such lien, charge, claim, or demand so long as the validity thereof shall be contested by it in good faith, unless thereby, in the opinion of Bond Counsel or counsel to the Trustee, the same would endanger the security for the Bonds.

Section 13.3. Books of Record.

(a) The City shall cause to be kept full and proper books of record and accounts, in which full, true and proper entries will be made of all dealing, business and affairs of the City, which relate to the Pledged Revenues, the Pledged Funds, and the Bonds.

(b) The Trustee shall have no responsibility with respect to the financial and other information received by it pursuant to this Section 13.3 except to receive and retain same, subject to the Trustee's document retention policies, and to distribute the same in accordance with the provisions of this Indenture. Specifically, but without limitation, the Trustee shall have no duty to review such information, is not considered to have notice of the contents of such information or a default based on such contents and has no duty to verify the accuracy of such information.

ARTICLE XIV
PAYMENT AND CANCELLATION OF THE BONDS AND SATISFACTION OF THE INDENTURE

Section 14.1. Trust Irrevocable.

The trust created by the terms and provisions of this Indenture is irrevocable until the Bonds secured hereby are fully paid or provision is made for their payment as provided in this Article.

Section 14.2. Satisfaction of Indenture.

If the City shall pay or cause to be paid, or there shall otherwise be paid to the Owners, principal of and interest on all of the Bonds, at the times and in the manner stipulated in this Indenture, and all amounts due and owing with respect to the Bonds have been paid or provided for, then the pledge of the Trust Estate and all covenants, agreements, and other obligations of the City to the Owners of such Bonds, shall thereupon cease, terminate, and become void and be discharged and satisfied. In such event, the Trustee shall execute and deliver to the City copies of all such documents as it may have evidencing that principal of and interest on all of the Bonds has been paid so that the City may determine if the Indenture is satisfied; if so, the Trustee shall pay over or deliver all moneys held by it in the Funds and Accounts held hereunder to the Person

entitled to receive such amounts, or, if no Person is entitled to receive such amounts, then to the City.

Section 14.3. Bonds Deemed Paid.

All Outstanding Bonds shall prior to the Stated Maturity or redemption date thereof be deemed to have been paid and to no longer be deemed Outstanding if (i) in case any such Bonds are to be redeemed on any date prior to their Stated Maturity, the Trustee shall have given notice of redemption on said date as provided herein, (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Defeasance Securities the principal of and the interest on which when due will provide moneys which, together with any moneys deposited with the Trustee at the same time, shall be sufficient to pay when due the principal of and interest on of the Bonds to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (iii) the Trustee shall have received a report by an independent certified public accountant selected by the City verifying the sufficiency of the moneys or Defeasance Securities deposited with the Trustee to pay when due the principal of and interest on of the Bonds to become due on such Bonds on and prior to the redemption date or maturity date thereof, as the case may be, (iv) if the Bonds are then rated, the Trustee shall have received written confirmation from each Rating Agency that such deposit will not result in the reduction or withdrawal of the rating on the Bonds, and (v) the Trustee shall have received an opinion of Bond Counsel to the effect that (A) any Bond having been deemed to have been paid as provided in this Section is no longer Outstanding hereunder and is no longer secured by or entitled to the benefits of this Indenture, (B) such defeasance is in accordance with the terms hereof and (C) such defeasance will not adversely affect the exclusion of interest on such Bond from gross income for purposes of federal income taxation. Neither Defeasance Securities nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Bonds. Any cash received from such principal of and interest on such Defeasance Securities deposited with the Trustee, if not then needed for such purpose, shall be reinvested in Defeasance Securities as directed in writing by the City maturing at times and in amounts sufficient to pay when due the principal of and interest on the Bonds on and prior to such redemption date or maturity date thereof, as the case may be. Any payment for Defeasance Securities purchased for the purpose of reinvesting cash as aforesaid shall be made only against delivery of such Defeasance Securities.

ARTICLE XV
MISCELLANEOUS

Section 15.1. Benefits of Indenture Limited to Parties.

Nothing in this Indenture, expressed or implied, is intended to give to any Person other than the City, the Trustee and the Owners, any right, remedy, or claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture by and on behalf of the City shall be for the sole and exclusive benefit of the Owners and the Trustee.

Section 15.2. Successor is Deemed Included in All References to Predecessor.

Whenever in this Indenture or any Supplemental Indenture either the City or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the City or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 15.3. Execution of Documents and Proof of Ownership by Owners.

Any request, declaration, or other instrument which this Indenture may require or permit to be executed by Owners may be in one or more instruments of similar tenor and shall be executed by Owners in person or by their attorneys duly appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, declaration, or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the Person signing such request, declaration, or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

Except as otherwise herein expressly provided, the ownership of registered Bonds and the amount, maturity, number, and date of holding the same shall be proved by the Register.

Any request, declaration or other instrument or writing of the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the City or the Trustee in good faith and in accordance therewith.

Section 15.4. Waiver of Personal Liability.

No member, officer, agent, or employee of the City shall be individually or personally liable for the payment of the principal of, or interest or any premium on, the Bonds; but nothing herein contained shall relieve any such member, officer, agent, or employee from the performance of any official duty provided by law.

Section 15.5. Notices to and Demands on City and Trustee.

(a) Except as otherwise expressly provided in this Indenture, all notices or other instruments required or permitted under this Indenture, including any City Certificate, shall be in writing and shall be delivered by hand, mailed by first class mail, postage prepaid, or transmitted by facsimile or e-mail and addressed as follows:

If to the City:

City of Manor, Texas
105 E. Eggleston Street
P.O. Box 387
Manor, Texas 78653
Attn: City Manager

	Fax No.: 512.272.8792 Email: smoore@manortx.gov
With copy to:	The Knight Law Firm, LLP Attn: Veronica Rivera, City Attorney 223 West Anderson Lane, Suite A-105 Austin, Texas 78752 Fax No.: 512.922.3004 Email: vrivera@cityattorneytexas.com
If to the Trustee or the Paying Agent/Registrar:	BOKF, N.A. Attn: Ashia Cook, MBA 5956 Sherry Lane, Suite 900 Dallas, TX, 75225 Fax No.: 972.581.5703Email: ashia.cook@bankoftexas.com

Any such notice, demand, or request may also be transmitted to the appropriate party by telephone and shall be deemed to be properly given or made at the time of such transmission if, and only if, such transmission of notice shall be confirmed in writing and sent as specified above.

Any of such addresses may be changed at any time upon written notice of such change given to the other party by the party effecting the change. Notices and consents given by mail in accordance with this Section shall be deemed to have been given five Business Days after the date of dispatch; notices and consents given by any other means shall be deemed to have been given when received.

(b) The Trustee shall mail to each Owner of a Bond notice of (i) any substitution of the Trustee; or (ii) the redemption or defeasance of all Bonds Outstanding.

(c) The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods; provided, however, that the City shall provide to the Trustee an incumbency certificate listing designated persons authorized to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method), the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The City agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

(d) The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic

files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law.

Section 15.6. Partial Invalidity.

If any Section, paragraph, sentence, clause, or phrase of this Indenture shall for any reason be held illegal or unenforceable, such holding shall not affect the validity of the remaining portions of this Indenture. The City hereby declares that it would have adopted this Indenture and each and every other Section, paragraph, sentence, clause, or phrase hereof and authorized the issue of the Bonds pursuant thereto irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses, or phrases of this Indenture may be held illegal, invalid, or unenforceable.

Section 15.7. Applicable Laws.

This Indenture shall be governed by and enforced in accordance with the laws of the State of Texas applicable to contracts made and performed in the State of Texas.

Section 15.8. Counterparts.

This Indenture may be executed in counterparts, each of which shall be deemed an original.

[remainder of page left blank intentionally]

IN WITNESS WHEREOF, the City and the Trustee have caused this Indenture of Trust to be executed all as of the date hereof.

CITY OF MANOR, TEXAS

By:_____
Dr. Christopher Harvey, Mayor

Attest:

_____
Lluvia T. Almaraz, City Secretary

[CITY SEAL]

BOKF, NA,
as Trustee

By:_____
Authorized Officer

EXHIBIT A

(a) Form of Bond.

NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF TEXAS, THE CITY, OR ANY OTHER POLITICAL CORPORATION, SUBDIVISION OR AGENCY THEREOF, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND.

REGISTERED REGISTERED

No. R-____ $_____

United States of America
State of Texas

CITY OF MANOR, TEXAS
SPECIAL ASSESSMENT REVENUE BOND, SERIES 2025
(NEWHAVEN PUBLIC IMPROVEMENT DISTRICT
)

INTEREST RATE	MATURITY DATE	DATE OF DELIVERY	CUSIP NUMBER
_____%	September 15, 20___	_____	564099____

The City of Manor, Texas (the "*City*"), for value received, hereby promises to pay, solely from the Trust Estate, to

_____

or registered assigns, on the Maturity Date, as specified above, the sum of

_____ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provision for such payment shall have been made, and to pay interest on the unpaid principal amount hereof from the Date of Delivery, as specified above, or the most recent Interest Payment Date to which interest has been paid or provided for until such principal amount shall have been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid

semiannually on March 15 and September 15 of each year, commencing [March 15, 2026], until maturity or prior redemption.

Capitalized terms appearing herein that are defined terms in the Indenture defined below, have the meanings assigned to them in the Indenture. Reference is made to the Indenture for such definitions and for all other purposes.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the corporate trust office in Dallas, Texas (the "*Designated Payment/Transfer Office*"), of BOKF, NA, as trustee and paying agent/registrar (the "*Trustee*", which term includes any successor trustee under the Indenture), or, with respect to a successor trustee and paying agent/registrar, at the Designated Payment/Transfer Office of such successor. Interest on this Bond is payable by check dated as of the Interest Payment Date, mailed by the Trustee to the registered owner at the address shown on the registration books kept by the Trustee or by such other customary banking arrangements acceptable to the Trustee, requested by, and at the risk and expense of, the Person to whom interest is to be paid. For the purpose of the payment of interest on this Bond, the registered owner shall be the Person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the last calendar day of the month next preceding such Interest Payment Date; provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, that continues for 30 days or more thereafter, a new record date for such interest payment (a "*Special Record Date*") will be established by the Trustee, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "*Special Payment Date,*" which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Bond appearing on the books of the Trustee at the close of business on the last Business Day preceding the date of mailing such notice.

If a date for the payment of the principal of or interest on the Bonds is a Saturday, Sunday, legal holiday, or a day on which banking institutions in the city in which the Designated Payment/Transfer Office is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding Business Day, and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is one of a duly authorized issue of assessment revenue bonds of the City having the designation specified in its title (herein referred to as the "*Bonds*"), dated [September 25], 2025 and issued in the aggregate principal amount of $_____ and issued, with the limitations described herein, pursuant to an Indenture of Trust, dated as of September 1, 2025 (the "Indenture"), by and between the City and the Trustee, to which Indenture reference is hereby made for a description of the amounts thereby pledged and assigned, the nature and extent of the lien and security, the respective rights thereunder to the holders of the Bonds, the Trustee, and the City, and the terms upon which the Bonds are, and are to be, authenticated and delivered and by this reference to the terms of which each holder of this Bond hereby consents. All Bonds issued under the Indenture are equally and ratably secured by the amounts thereby pledged and assigned. The Bonds are being issued for the purposes of (i) paying a portion of the Actual Costs of the PID Improvements, (ii) funding a reserve account for payment of principal and interest on the Bonds,

(iii) paying a portion of the Actual Costs incidental to the organization and administration of the District, and (iv) paying costs of issuance of the Bonds.

The Bonds are limited obligations of the City payable solely from the Trust Estate as defined in the Indenture. Reference is hereby made to the Indenture, copies of which are on file with and available upon request from the Trustee, for the provisions, among others, with respect to the nature and extent of the duties and obligations of the City, the Trustee and the Owners. The Owner of this Bond, by the acceptance hereof, is deemed to have agreed and consented to the terms, conditions and provisions of the Indenture.

Notwithstanding any provision hereof, the Indenture may be released and the obligation of the City to make money available to pay this Bond may be defeased by the deposit of money and/or certain direct or indirect Defeasance Securities sufficient for such purpose as described in the Indenture.

The Bonds are issuable as fully registered bonds only in Authorized Denominations, subject to the provisions of the Indenture authorizing redemption in Authorized Denominations.

The Bonds are subject to mandatory sinking fund redemption prior to their respective Stated Maturities and will be redeemed by the City in part at a price equal to 100% of the principal amount thereof, or portions thereof, to be redeemed plus accrued interest thereon to the date set for redemption (the "Redemption Price") from moneys available for such purpose in the Principal and Interest Account of the Bond Fund pursuant to Article VI of the Indenture, on the dates and in the Sinking Fund Installment amounts as set forth in the following schedule:

[Insert Schedules from Section 4.2]

At least forty-five (45) days prior to each scheduled mandatory redemption date and subject to any prior reduction authorized by this Indenture, the Trustee shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Bonds equal to the aggregate principal amount of such Term Bonds to be redeemed, shall call such Term Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in the Indenture.

The principal amount of Bonds of a Stated Maturity required to be redeemed on any mandatory sinking fund redemption date shall be reduced, at the option of the City, by the principal amount of any Bonds of such maturity which, at least 45 days prior to the mandatory sinking fund redemption date shall have been acquired by the City at a price not exceeding the principal amount of such Bonds plus accrued and unpaid interest to the date of purchase thereof, and delivered to the Trustee for cancellation.

The Sinking Fund Installments of Bonds required to be redeemed on any mandatory sinking fund redemption date shall be reduced in integral multiples of $1,000 by any portion of such Bonds, which, at least 45 days prior to the mandatory sinking fund redemption date, shall

have been redeemed pursuant to the optional redemption or extraordinary optional redemption provisions in Sections 4.2, 4.3, and 4.4, respectively, of the Indenture, and not previously credited to a mandatory sinking fund redemption, as follows:

(i) if the Bonds to be redeemed are selected in accordance with the 10% or Greater Manner (as defined and described below), the Sinking Fund Installment of Bonds of a Stated Maturity required to be redeemed for each mandatory sinking fund redemption date shall be reduced by the principal amount called for redemption and allocated to such Bond on a pro rata basis among the scheduled Sinking Fund Installments to be mandatorily redeemed on the mandatory sinking fund redemption dates; or

(ii) if the Bonds to be redeemed are selected in accordance with the Less Than 10% Manner (as defined and described below), the Sinking Fund Installment of Bonds of a Stated Maturity required to be redeemed for each mandatory sinking fund redemption date shall be reduced by the principal amount called for redemption and allocated to such Bond in the inverse order of mandatory sinking fund redemption dates.

The City reserves the right and option to redeem the Bonds before their scheduled maturity dates, in whole or in part, in amounts equal to Authorized Denominations, on or after September 15, 20[ ], such redemption date or dates to be fixed by the City, at the Redemption Price.

Bonds are subject to extraordinary optional redemption prior to maturity in whole or in part, on any day of any month, at the Redemption Price from amounts on deposit in the Redemption Fund as a result of Prepayments, other transfers to the Redemption Fund pursuant to the Indenture, or as a result of unexpended amounts transferred from the Project Fund as provided in the Indenture.

If less than all of the Bonds are called for optional redemption or extraordinary optional redemption pursuant to Sections 4.2, 4.3, and 4.4 of the Indenture, the Bonds or portion of a Bond of any one maturity to be redeemed shall be selected in the following manner:

(a) If the principal amount called for redemption is greater than or equal to ten percent (10%) of the original aggregate principal amount of the Bonds, the principal amount called for redemption shall be allocated on a pro rata basis among all Outstanding Bonds and a portion of all Outstanding Bonds shall be redeemed in the principal amount allocated to such Bond (the "10% or Greater Manner"); and

(b) If the principal amount called for redemption is less than ten percent (10%) of the original aggregate principal amount of the Bonds, the Outstanding Bonds shall be redeemed in inverse order of maturity (the "Less Than 10% Manner").

Bonds may be redeemed in minimum principal amounts of $1,000 or any integral thereof. Each Bond shall be treated as representing the number of Bonds that is obtained by dividing the principal amount of such Bond by $1,000.

A portion of an Outstanding Bond of any one maturity may be redeemed, but only in a principal amount equal to $1,000 or any integral thereof. If a portion of an Outstanding Bond of a maturity is selected for redemption pursuant to the Indenture, the Trustee shall select the Outstanding Bonds of such maturity to be redeemed by lot or in any manner deemed fair by the Trustee. The Trustee shall treat each $1,000 portion of such Bond as though it were a single Bond for purposes of selection for redemption. No redemption shall result in a Bond in a denomination of less than an Authorized Denomination; provided, however, if the amount of Outstanding Bonds is less than an Authorized Denomination after giving effect to such partial redemption, a Bond in the principal amount equal to the unredeemed portion, but not less than $1,000, may be issued.

Upon surrender of any Bond for redemption in part, the Trustee in accordance with the Indenture, shall authenticate and deliver and exchange the Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, which shall be an Authorized Denomination. A new Bond representing the unredeemed balance of such Bond shall be issued to the Owner thereof, such exchange being without charge. If any Bonds are to be redeemed and such redemption results in the unredeemed portion of a single Bond in an amount less than the Authorized Denomination, a Bond in the principal amount equal to the unredeemed portion, but not less than $1,000, may be issued.

The Trustee shall give notice of any redemption of the Bonds by sending notice by first class United States mail, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond (or part thereof) to be redeemed, at the address shown on the Register. The notice shall state the redemption date, the Redemption Price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds Outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed. Any notice so given shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

With respect to any optional redemption of the Bonds, unless the Trustee has received funds sufficient to pay the Redemption Price of the Bonds to be redeemed before giving of a notice of redemption, the notice may state the City may condition redemption on the receipt of such funds by the Trustee on or before the date fixed for the redemption, or on the satisfaction of any other prerequisites set forth in the notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient funds are not received, the notice shall be of no force and effect, the City shall not redeem the Bonds and the Trustee shall give notice, in the manner in which the notice of redemption was given, that the Bonds have not been redeemed.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the City and the rights of the holders of Bonds under the Indenture at any time Outstanding affected by such modification. The Indenture also contains provisions permitting the holders of specified percentages in aggregate principal amount of the Bonds at the time Outstanding, on behalf of the holders of all the Bonds, to waive compliance by the City with certain past defaults under the Bond Ordinance or the Indenture and their consequences. Any such consent or waiver by the holder of this Bond or any predecessor Bond evidencing the same debt shall be conclusive and binding upon such holder and upon all future holders thereof and of any Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, whether or not notation of such consent or waiver is made upon this Bond.

As provided in the Indenture, this Bond is transferable upon surrender of this Bond for transfer at the Designated Payment/Transfer Office, with such endorsement or other evidence of transfer as is acceptable to the Trustee, and upon delivery to the Trustee of such certifications and/or opinion of counsel as may be required under the Indenture for the transfer of this Bond. Upon satisfaction of such requirements, one or more new fully registered Bonds of the same Stated Maturity, of Authorized Denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the City nor the Trustee shall be required to issue, transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 calendar days of the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

The City, the Trustee, and any other Person may treat the Person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the Person in whose name this Bond is registered on the Record Date or Special Record Date, as applicable) and for all other purposes, whether or not this Bond be overdue, and neither the City nor the Trustee shall be affected by notice to the contrary.

NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF THE CITY OF MANOR, TEXAS, TRAVIS COUNTY, TEXAS, THE STATE OF TEXAS, OR ANY POLITICAL SUBDIVISION THEREOF, IS PLEDGED TO THE PAYMENT OF THE BONDS.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form and manner, as required by law; and that the total indebtedness of the City, including the Bonds, does not exceed any Constitutional or statutory limitation.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be executed under the official seal of the City.

_____
Dr. Christopher Harvey, Mayor
City of Manor, Texas

_____
Lluvia T. Almaraz, City Secretary
City of Manor, Texas

[City Seal]

(b) Form of Comptroller's Registration Certificate.

The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bond:

REGISTRATION CERTIFICATE OF
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER	§	
OF PUBLIC ACCOUNTS	§	REGISTER NO. _____
	§	
THE STATE OF TEXAS	§	

I HEREBY CERTIFY THAT there is on file and of record in my office an opinion to the effect that the Attorney General of the State of Texas has approved this Bond, and that this Bond has been registered this day by me.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____.

_____
Comptroller of Public Accounts
of the State of Texas

[SEAL]

(c) Form of Certificate of Trustee.

CERTIFICATE OF TRUSTEE

It is hereby certified that this is one of the Bonds of the series of Bonds referred to in the within mentioned Indenture.

BOKF, NA,
Dallas, Texas, as Trustee

DATED:_____

By:_____
Authorized Signatory

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto (print or typewrite name, address and zip code of transferee):

_____

_____

_____

(Social Security or other identifying number: _____) the within Bond and all rights hereunder and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Date:_____ _____

Signature Guaranteed By:

_____

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner acceptable to the Trustee

_____

Authorized Signatory

(e) The Initial Bond shall be in the form set forth in paragraphs (a), (b), (d) and (e) of this Exhibit A, except for the following alterations:

(i) immediately under the name of the Bond the heading "INTEREST RATE" and "MATURITY DATE" shall both be completed with the expression "As Shown Below," and the reference to the "CUSIP NUMBER" shall be deleted;

(ii) in the first paragraph of the Bond, the words "on the Maturity Date, as specified above, the sum of _____ DOLLARS" shall be deleted and the following will be inserted: "on September 15 in each of the years, in the principal amounts and bearing interest at the per annum rates set forth in the following schedule:

Year Principal Amount Interest Rate"

(Information to be inserted from Section 3.2(c) hereof); and

(iii) the Initial Bond shall be numbered I-1.

EXHIBIT B

FORM OF CITY CERTIFICATE

[City Letterhead]

BOKF, NA
Ashia Cook, MBA
5956 Sherry Lane, Suite 900
Dallas, TX, 75225
214-346-3956
ashia.cook@bankoftexas.com

Attn:

Re: City of Manor, Texas Special Assessment Revenue Bonds (Newhaven Public Improvement District)

Reference is made to the Indenture of Trust (the "Indenture") by and between the City of Manor, Texas (the "City") and BOKF, NA (the "Trustee"), regarding the above-described transaction. In accordance with the Indenture, we hereby instruct you as follows:

[insert instructions]

This City Certificate, as executed by the City Representative (as defined in the Indenture) below, is provided in accordance with and complies with the provisions of the Indenture. The Trustee is hereby authorized to rely upon this City Certificate and to take the foregoing action(s). By submission of this City Certificate, the City hereby affirms that it remains in compliance with the covenants as set forth in the Indenture and all supplements related thereto.

Very truly yours,

CITY OF MANOR, TEXAS

By: /s/_____
Name: _____
Title: _____

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APPENDIX C

FORM OF 2025 SERVICE AND ASSESSMENT PLAN

Newhaven Public Improvement District

2025 SERVICE AND ASSESSMENT PLAN

AUGUST 6, 2025

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INTRODUCTION

Capitalized terms used in this 2025 Service and Assessment Plan shall have the meanings given to them in **Section I** unless otherwise defined in this 2025 Service and Assessment Plan or unless the context in which a term is used clearly requires a different meaning. Unless otherwise defined, a reference to a "Section" or an "Exhibit" shall be a reference to a Section of this 2025 Service and Assessment Plan, or an Exhibit attached to and made a part of this 2025 Service and Assessment Plan for all purposes.

On July 19, 2023, the City passed and approved Resolution No. 2023-28 authorizing the creation of the District 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 90.34 acres located within the City, as described by metes and bounds on **Exhibit A** and depicted on **Exhibit B**.

On _____, the City Council passed and approved Ordinance No. _____ authorizing the levy of Assessments on Assessed Property within the District and approving the 2025 Service and Assessment Plan for the District.

Pursuant to the PID Act, a service and assessment plan must be reviewed and updated at least annually. This document is the 2025 Service and Assessment Plan, which serves the purposes of (1) levying the Assessment, (2) incorporating provisions relating to the City's issuance of the PID Bonds, and (3) approving the Assessment Roll.

The PID Act requires a Service Plan for the District. The Service Plan is contained in **Section IV**.

The PID Act requires that the Service Plan include an Assessment Plan that assesses the Actual Costs of the Authorized Improvements against the District based on the special benefits conferred on the District 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. The Assessment against each Assessed Property must be sufficient to pay its share of the Actual Costs apportioned to the Assessed Property and cannot exceed the special benefit conferred on the Assessed Property by the Authorized Improvements. The Assessment Roll is included as **Exhibit F-1.**

SECTION I: DEFINITIONS

"2025 Service and Assessment Plan" means this 2025 Service and Assessment Plan passed and approved by the City Council on _____, by Ordinance No. _____.

"Actual Costs" means, with respect to the Authorized Improvements, the actual costs paid or incurred by or on behalf of the Owner: (1) to plan, design, acquire, construct, install, and dedicate such improvements to the City; (2) to prepare plans, specifications (including bid packages), contracts, and as-built drawings; (3) to obtain zoning, licenses, plan approvals, permits, inspections, and other governmental approvals; (4) for third-party professional consulting services including but not limited to, engineering, surveying, geotechnical, land planning, architectural, landscaping, legal, accounting, and appraisals; (5) of labor, materials, equipment, fixtures, payment and performance bonds and other construction security, and insurance premiums; and (6) to implement, administer, and manage the above-described activities. Actual Costs shall not include general contractor's fees in an amount that exceeds a percentage equal to the percentage of work completed or construction management fees in an amount that exceeds an amount equal to the construction management fee amortized in approximately equal monthly installments over the term of the applicable construction management contract. Amounts expended for costs described in subsection (3), (4), and (6) above shall be excluded from the amount upon which the general contractor and construction management fees are calculated.

"Additional Interest" means the amount collected by application of the Additional Interest Rate.

"Additional Interest Rate" means the 0.50% additional interest charged on Assessments securing PID Bonds pursuant to Section 372.018 of the PID Act.

"**Administrative Reserves**" means the estimated Annual Collection Costs associated with the first year of the District.

"Administrator" means the City, or the person or independent firm designated by the City who shall have the responsibility provided in this 2025 Service and Assessment Plan, an Indenture, or any other agreement or document approved by the City related to the duties and responsibility of the administration of the District.

"Annual Collection Costs" means the actual or budgeted costs and expenses for: (1) the Administrator and City staff; (2) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (3) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (4) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (5) issuing, paying, and redeeming PID Bonds; (6) investing or depositing Assessments and Annual Installments; (7) complying with this 2025 Service and Assessment Plan and the Act with respect to the issuance and sale of PID

Bonds, including continuing disclosure requirements; and (8) 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 of an Assessment as calculated by the Administrator and approved by the City Council, that includes: (1) principal; (2) interest; (3) Annual Collection Costs; and (4) Additional Interest.

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

"Appraisal District" means Travis Central Appraisal District.

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

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

"Assessment Ordinance" means an ordinance adopted by the City Council in accordance with the PID Act that levies an Assessment.

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

"Assessment Roll" means one or more assessment rolls for the Assessed Property within the District, as updated, modified, or amended from time to time in accordance with the procedures set forth herein, and in the PID Act, including any Annual Service Plan Updates. The Assessment Roll is included as **Exhibit F-1.**

"Authorized Improvements" means improvements authorized by Section 372.003 of the PID Act as described in **Section III** and **Exhibit C**.

"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's 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 Manor, Texas.

"City Council" means the governing body of the City.

"County" means Travis County, Texas.

"Delinquent Collection Costs" mean, for a Parcel, interest, penalties, and other costs and expenses authorized by the PID Act that directly or indirectly relate to the collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under this 2025 Service and Assessment Plan, including costs and expenses to foreclose liens.

"District" means the Newhaven Public Improvement District containing approximately 90.34 acres located within the City and shown on **Exhibit B** and more specifically described in **Exhibit A.**

"Estimated Buildout Value" means the estimated buildout value of an Assessed Property at the time Assessments are levied, and shall be determined by the Administrator and confirmed by the City Council by considering such factors as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, builder contracts, discussions with homebuilders, reports from third party consultants, or any other information that may impact value.

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

"Initial Parcel" means all of the Assessed Property against which the entire Assessment is levied, as shown on the Assessment Roll.

"Lot" means (1) for any portion of the District for which a subdivision plat has been recorded in the official public records of the County, a tract of land described as a "lot" in such subdivision plat, and (2) for any portion of the District for which a subdivision plat has not been recorded in the official public records of the County, a tract of land anticipated to be described as a "lot" in a final recorded subdivision plat.

"Lot Type" means a classification of final building Lots with similar characteristics (e.g. commercial, light industrial, multi-family, single-family residential, etc.), as determined by the Administrator and confirmed and approved 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 determined by the Administrator and confirmed and approved by the City Council.

"Lot Type 1" means a Lot within the District designated as a 50' single-family residential lot by the Owner, as shown on the maps attached in **Exhibit H**.

"Lot Type 2" means a Lot within the District designated as a 60' single-family residential lot by the Owner, as shown on the maps attached in **Exhibit H**.

"Lot Type Commercial" means a Lot within the District designated as commercial lot by the Owner, as shown on the maps attached in **Exhibit H**.

"Maximum Assessment" means, for each Lot within the District the amount shown for each Lot Type on **Exhibit G**. The Maximum Assessment shall be reduced annually by the principal portion of the Annual Installment.

"Non-Benefited Property" means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements. Property is identified as Non-Benefited Property at the time the Assessments (1) are levied or (2) are reallocated pursuant to a subdivision of a Parcel that receives no benefit.

"Owner" means Gregg Lane Development, LLC, and any successor and assigns.

"Parcel(s)" means a property within the District, identified by either a tax map identification number assigned by the Appraisal District for real property tax purposes, by metes and bounds 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 bonds issued by the City to finance the Actual Costs of the Authorized Improvements.

"PID Improvements" means the Authorized Improvements which benefit all of the Assessed Property, as further described in **Section III.A** and depicted on **Exhibit I.**

"Prepayment" means the payment of all or a portion of an Assessment before the due date of the final 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 of the Assessment.

"Prepayment Costs" means interest and Annual Collection Costs incurred up to the date of Prepayment.

"Property ID" means a unique number assigned to each Parcel by the Appraisal District.

"Service and Assessment Plan" means any Service and Assessment Plan as amended, modified, and updated from time to time.

"Service Plan" means a plan approved by the City Council that covers a period of at least five years and defines the annual indebtedness and projected costs of the Authorized Improvements, more specifically described in **Section IV**.

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

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SECTION II: THE DISTRICT

The District includes approximately 90.34 contiguous acres located within the corporate limits of the City, as more particularly described by metes and bounds on **Exhibit A** and depicted on **Exhibit B.** Development of the District is anticipated to include approximately 261 single-family units and 21,780 square feet of commercial space.

SECTION III: AUTHORIZED IMPROVEMENTS

The City Council, based on information provided by the Owner and their engineer and reviewed by the City staff and by third-party consultants retained by the City, has determined that the PID Improvements, Bond Issuance Costs, and Administrative Reserves are Authorized Improvements and confer a special benefit on the Assessed Property. The budget for the Authorized Improvements is shown on **Exhibit C**, and maps depicting the PID Improvements are shown on **Exhibit I**.

A. PID Improvements

- *Drainage*

  Improvements include trench excavation and embedment, trench safety, reinforced concrete piping, manholes, inlets, rip rap, and headwalls. These will include the necessary appurtenances to be fully operational to convey stormwater to the limits of the District.

- *Paving*

  Improvements include subgrade stabilization (including excavation and drainage), HMAC pavement, geogrid, flexible base, and limestone base for roadways, sidewalks, trails, handicapped ramps, and curb and gutter. Intersections and signage are included. These roadway improvements include streets that will provide street access to each Lot. These projects will provide access to collector roadways.

- *Earthwork*

  Includes excavation, embankment, silt fence, rock berms, construction entrances, inlet protection, revegetation, clearing and grubbing, and concrete washout for the limits of the District.

- *Contingency*

  Estimated to be 10% of hard costs of the drainage, paving and earthwork improvements.

- *Landscape*

  Improvements include landscaped areas along the collector streets, including streets, trees, planting, lighting, irrigation, perimeter walls and walls along collector streets.

B. Bond Issuance Costs

- *Debt Service Reserve Fund*

  Equals the amount required to fund a reserve under an applicable Indenture.

- *Underwriter's Discount*

  Equals a percentage of the par amount of a particular series of PID Bonds and includes a fee for underwriter's counsel.

- *Cost of Issuance*

  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, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of PID Bonds.

C. Administrative Reserves

- *First Year Annual Collection Costs*

  Costs associated with forming the District, including but not limited to 1st year District administrative reserves, 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 must be reviewed and updated, at least annually, and approved by the City Council. **Exhibit D** summarizes the Service Plan for the District.

Exhibit E summarizes the sources and uses of funds required to construct the Authorized Improvements and pay the District Formation and Bond Issuance Costs. The sources and uses of funds shown on **Exhibit E** shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

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 governing body may establish by ordinance reasonable classifications and formulas for the apportionment of the cost between the municipality or the City and the area to be assessed and the methods of assessing the special benefits for various classes of 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 and developers of the Assessed Property.

A. Assessment Methodology

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

- The PID Improvements were allocated entirely to the Assessed Property.
- Bond Issuance Costs and Administrative Reserves shall be allocated entirely to the Assessed Property securing the applicable PID Bonds.

B. Assessments

Assessments were levied on the Assessed Property as shown on the Assessment Roll, attached hereto as **Exhibit F-1**. The projected Annual Installments are shown on **Exhibit F-2**, subject to revisions made during any Annual Service Plan Update.

Upon subdivisions of Assessed Property within the District by final plat, the Maximum Assessment for each Lot Type is shown on **Exhibit G**. In no case will the Assessment for any Lot Type exceed the Maximum Assessment.

C. Findings of Special Benefit

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

1. The costs of the Authorized Improvements equal $13,099,573, as shown on **Exhibit C**; and
2. The Assessed Property receives special benefit equal to or greater than the Actual Costs of the Authorized Improvements; and
3. The Assessed Property was allocated 100% of the Assessments levied on the Assessed Property for the Authorized Improvements , which equal $4,260,000, as shown on the Assessment Roll attached hereto as **Exhibit F-1**; and
4. The special benefit (≥ $13,099,573) received by the Assessed Property from the Authorized Improvements is equal to or greater than the amount of the Assessments ($4,260,000) levied on the Assessed Property; and
5. At the time the City Council approved the Assessment Ordinance levying the Assessments, the Owner owned 100% of the Assessed Property. The Owner acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and consented to the imposition of the Assessments to pay for the Authorized Improvements 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 in the Assessment Ordinance, (2) the Service and Assessment Plan and the Assessment Ordinance, and (3) the levying of the Assessments on the Assessed Property.

D. Annual Collection Costs

The Annual Collection Costs shall be paid for on a pro rata basis by each Parcel based on the amount of outstanding Assessment remaining on the Assessed Property. The Annual Collection Costs shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on Actual Costs incurred in Annual Service Plan Updates.

E. Additional Interest

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

SECTION VI: TERMS OF THE ASSESSMENTS

A. Reallocation of Assessments

1. Upon Division Prior to Recording of Subdivision Plat

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

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

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

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

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

The 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 an update to this 2025 Service and Assessment Plan approved by the City Council.

2. Upon Subdivision by a Recorded Subdivision Plat

Upon the subdivision of any Assessed Property based on a recorded subdivision plat and a Property ID has been assigned by the Appraisal District, 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-Benefited Property

E= the number of Lots with same Lot Type

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

The sum of the Assessments for all newly subdivided Lots shall not exceed the Assessment for the portion of the Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in an update to this 2025 Service and Assessment Plan approved by the City Council.

3. Upon Consolidation

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

B. 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 in an amount sufficient to reduce the Assessment to 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 person or entity filing the plat to pay such Assessments.

C. 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 Administrator 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 the full amount of the Assessment, plus Prepayment Costs and Delinquent Collection Costs, prior to the change in status.

D. Reduction of Assessments

If as a result of cost savings or an Authorized Improvement not being constructed, the Actual Costs of completed Authorized Improvements are less than the Assessments, the City Council shall reduce each Assessment on a pro-rata basis such that the sum of the resulting reduced Assessments for all Assessed Properties equals the reduced Actual Costs. Excess PID Bond proceeds shall be applied to redeem outstanding PID Bonds. The Assessments shall not, however, be reduced to an amount less than the outstanding PID Bonds.

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

E. Prepayment of Assessments

The owner of the Assessed Property may pay, at any time, all or any part of an Assessment in accordance with the PID Act. Interest costs from the date of prepayment to the date of redemption of the applicable PID Bonds, if any, may be paid from a reserve established under the applicable Indenture. If an Annual Installment has been billed prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

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

If an Assessment is paid in part, with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced and the Assessment Roll revised accordingly; (2) the Administrator shall cause the revised Assessment Roll to be approved by the City Council as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment and corresponding Annual Installments shall be reduced to the extent of the prepayment made.

F. 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 2025 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 the Assessment that remains due on the Remaining Property exceeds the 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 the 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 Remainder Property.

In all instances the Assessment remaining on the Remaining Property shall not exceed the 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 of 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 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 be $90.

Notwithstanding the previous paragraphs in this subsection, if the owner of the Taken 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 Maximum Assessment on the Remaining Property to support the Estimated Buildout Value requirement. Said owner will remain liable to pay the Annual Installments on both the Taken Property and the Remaining Property until such time that such Assessment has been prepaid in full.

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 requirement on all outstanding PID Bonds.

G. Payment of Assessment in Annual Installments

Exhibit F-2 shows the projected Annual Installments.

Assessments that are not paid in full shall be due and payable in Annual Installments. Annual Installments are subject to adjustment in each Annual Service Plan Update. Until a plat has been recorded on a Parcel and a Property ID has been assigned by the Appraisal District within the District, the Annual Installment will be allocated to each Property ID within the Assessed Property based on the Appraisal District acreage for billing purposes only.

The Administrator shall prepare and submit to the City Council for its review and approval, with a copy provided to the Owner contemporaneously therewith, 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. Annual Collection Costs shall be allocated equally among Parcels for which the Assessments remain unpaid. Annual Installments shall be collected in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the PID Act and in the same manner as ad valorem taxes for the City. The City Council may provide for other means of collecting Annual Installments. Assessments shall have the lien priority specified in the PID Act.

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

The City reserves the right to refund PID Bonds in accordance with the PID Act and the applicable Indenture. 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, 2026.

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 within the Assessed Property as part of each Annual Service Plan Update.

SECTION VIII: ADDITIONAL PROVISIONS

A. Calculation Errors

If the owner of a Parcel claims that an error has been made in any calculation required by this 2025 Service and Assessment Plan, including, but not limited to, any calculation made as part of any Annual Service Plan Update, 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 approval of the calculation; otherwise, the owner shall be deemed to have unconditionally approved and accepted the calculation. Upon receipt of a written notice of error from an owner the Administrator shall provide a written response to the City Council and the owner within 30 days of such referral. The City Council shall consider the owner's notice of error and the Administrator's response at a City Council meeting, and within 30 days after closing such meeting, the City Council shall make a final determination as to whether or not 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 2025 Service and Assessment Plan, the applicable ordinance authorizing the PID Bonds, or the Indenture, or is 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. Amendments

Amendments to this 2025 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 2025 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 2025 Service and Assessment Plan.

C. Administration and Interpretation

The Administrator shall: (1) perform the obligations of the Administrator as set forth in this 2025 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 2025 Service and Assessment Plan. Interpretations of this 2025 Service and Assessment Plan by the Administrator shall be in writing and shall be appealable to the City Council by owners or developers adversely affected by the interpretation. Appeals shall be decided at a meeting of the City Council during which all interested parties have an opportunity to be heard. Decisions by the City Council shall be final and binding on the owners and developers and their successors and assigns.

D. Form of Buyer Disclosure

Per Section 5.014 of the Texas Property Code, as amended, this 2025 Service and Assessment Plan, and any future Annual Service Plan Updates, shall include a form of the buyer disclosures for the District. The buyer disclosures are attached hereto in **Exhibit M.** Within seven days of approval by the City Council, the City shall file and record in the real property records of the County the executed ordinance approving this 2025 Service and Assessment Plan, or any future Annual Service Plan Updates. The executed ordinance, including any attachments, approving this 2025 Service and Assessment Plan or any future Annual Service Plan Updates shall be filed and recorded in the real property records of the County in its entirety.

E. Severability

If any provision of this 2025 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 2025 Service and Assessment Plan for all purposes:

Exhibit A	District Legal Description
Exhibit B	District Boundary Map
Exhibit C	Authorized Improvements
Exhibit D	Service Plan
Exhibit E	Sources and Uses
Exhibit F-1	Assessment Roll
Exhibit F-2	Annual Installment Schedule
Exhibit G	Maximum Assessment Per Lot Type
Exhibit H	Lot Type Classification Map
Exhibit I	Maps of PID Improvements
Exhibit J	Notice of PID Assessment Lien Termination
Exhibit K	Estimated Buildout Value
Exhibit L	PID Bond Debt Service Schedule
Exhibit M	Buyer Disclosures

EXHIBIT A – DISTRICT LEGAL DESCRIPTION

JONES | CARTER

3100 Alvin Devane Blvd, Suite 150
Austin, Texas 78741
Tel: 512.441.9493
Fax: 512.445.2286
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LEGAL DESCRIPTION

BEING 90.340-acres of land situated in the Sumner Bacon Survey No. 62 Abstract No. 63 in Travis County, Texas; being all of that certain tract of land called contain 59.765 acres to Gregg Lane Dev LLC as described in a Special Warranty Deed with Vendor's Lien in Document No. 2021051168 and all of that certain tract of land called to contain 30.580 acres to Gregg Lane Dev LLC as described in a Special Warranty Deed with Vendor's Lien in Document No. 2021051166 both of the Official Public Records of Travis County, Texas; said 90.340-acre tract of land being more particularly described by metes and bounds as follows with bearings and coordinates referenced to the Texas Coordinate System of 1983, Central Zone:

BEGINNING: at a 5/8-inch iron rod found on the northeastern right of way of said Gregg Lane (R.O.W. Varies), for the southeastern corner of the said 59.765-acre tract of land, the southwestern corner of a called 15.74-acre tract of land to The Board of Trustees of the Manor Independent School District in a General Warranty Deed in Document No. 2016051094 of the Official Public Records of Travis County, Texas, for the southeastern corner of this herein described tract;

THENCE: N 62°17'26" W a distance of 2133.10 feet along the southwestern line of the said 59.765-acre tract, the northeastern line of said Gregg Lane to a calculated point in the approximate centerline of Wilbarger Creek for the southeastern corner of that certain tract of land called contain 85.796 acres to the City of Pflugerville as described in a General Warranty Deed in Document No. 2008118667 of the Official Public Records of Travis County, Texas, for the southwestern corner of the said 59.765-acre tract, for the southwestern corner of this herein described tract;

THENCE: With the approximated centerline of said Wilbarger Creek, the eastern line of the said 85.796-acre tract, the western line of the said 59.765-acre tract and the western line of the said 30.580-acre tract with the following (73) courses and distances;

1. North 73°20'52" East a distance of 46.73 feet to a calculated point;
2. North 65°28'25" East a distance of 50.67 feet to a calculated point;
3. North 51°10'42" East a distance of 48.58 feet to a calculated point;
4. North 48°30'24" East a distance of 46.23 feet to a calculated point;
5. North 49°14'49" East a distance of 52.77 feet to a calculated point;
6. North 45°14'55" East a distance of 55.96 feet to a calculated point
7. North 43°43'26" East a distance of 52.86 feet to a calculated point
8. North 41°05'22" East a distance of 48.00 feet to a calculated point
9. North 32°42'55" East a distance of 42.39 feet to a calculated point
10. North 36°20'34" East a distance of 43.28 feet to a calculated point
11. North 24°58'46" East a distance of 45.09 feet to a calculated point
12. North 20°50'58" East a distance of 58.26 feet to a calculated point
13. North 11°43'28" East a distance of 55.36 feet to a calculated point
14. North 12°03'40" East a distance of 59.87 feet to a calculated point
15. North 11°44'50" East a distance of 49.40 feet to a calculated point
16. North 20°31'26" East a distance of 49.47 feet to a calculated point
17. North 26°12'00" East a distance of 48.98 feet to a calculated point

18. North 19°47'54" East a distance of 56.22 feet to a calculated point
19. North 08°36'09" East a distance of 45.62 feet to a calculated point
20. North 32°55'35" East a distance of 52.23 feet to a calculated point
21. North 47°27'44" East a distance of 55.81 feet to a calculated point
22. North 45°04'59" East a distance of 51.38 feet to a calculated point
23. North 43°53'12" East a distance of 32.75 feet to a calculated point
24. North 08°50'46" East a distance of 41.41 feet to a calculated point
25. North 05°45'16" West a distance of 32.84 feet to a calculated point
26. North 01°15'08" East a distance of 35.86 feet to a calculated point
27. North 14°04'03" East a distance of 26.76 feet to a calculated point
28. North 34°11'10" East a distance of 54.41 feet to a calculated point
29. North 26°59'21" East a distance of 41.68 feet to a calculated point
30. North 36°09'53" East a distance of 43.97 feet to a calculated point
31. North 25°00'27" East a distance of 44.74 feet to a calculated point
32. North 00°27'57" East a distance of 24.88 feet to a calculated point
33. North 00°28'28" East a distance of 9.07 feet to a calculated point
34. North 05°17'24" West a distance of 31.85 feet to a calculated point
35. North 01°00'43" West a distance of 39.99 feet to a calculated point
36. North 13°37'54" West a distance of 36.17 feet to a calculated point
37. North 03°30'27" West a distance of 43.17 feet to a calculated point
38. North 10°14'35" West a distance of 42.68 feet to a calculated point
39. North 22°31'57" West a distance of 57.70 feet to a calculated point
40. North 44°39'48" West a distance of 45.77 feet to a calculated point
41. North 54°56'29" West a distance of 58.93 feet to a calculated point
42. North 82°53'28" West a distance of 51.24 feet to a calculated point
43. South 71°16'10" West a distance of 39.96 feet to a calculated point
44. South 66°38'21" West a distance of 51.94 feet to a calculated point
45. North 89°22'53" West a distance of 39.25 feet to a calculated point
46. North 83°41'50" West a distance of 51.08 feet to a calculated point
47. North 89°13'01" West a distance of 53.52 feet to a calculated point
48. North 76°23'07" West a distance of 54.75 feet to a calculated point
49. North 76°02'03" West a distance of 65.60 feet to a calculated point
50. North 78°19'56" West a distance of 54.07 feet to a calculated point
51. South 73°52'38" West a distance of 52.35 feet to a calculated point
52. North 82°54'47" West a distance of 58.96 feet to a calculated point
53. North 48°39'03" West a distance of 54.65 feet to a calculated point
54. North 21°40'43" West a distance of 61.82 feet to a calculated point
55. North 00°14'42" East a distance of 52.83 feet to a calculated point
56. North 08°20'31" East a distance of 53.76 feet to a calculated point
57. North 08°21'04" East a distance of 38.04 feet to a calculated point
58. North 12°10'56" West a distance of 48.92 feet to a calculated point
59. North 26°26'40" West a distance of 51.72 feet to a calculated point
60. North 09°59'30" West a distance of 51.78 feet to a calculated point
61. North 09°26'58" West a distance of 65.60 feet to a calculated point
62. North 23°17'46" East a distance of 51.71 feet to a calculated point
63. North 34°54'31" East a distance of 42.87 feet to a calculated point
64. North 48°43'04" East a distance of 60.00 feet to a calculated point
65. South 79°51'17" East a distance of 39.39 feet to a calculated point

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66. South 58°38'03" East a distance of 48.87 feet to a calculated point
67. North 59°05'59" East a distance of 54.70 feet to a calculated point
68. North 00°19'10" East a distance of 38.05 feet to a calculated point
69. North 15°36'04" West a distance of 56.41 feet to a calculated point
70. North 06°24'18" East a distance of 49.34 feet to a calculated point
71. North 34°41'25" East a distance of 55.35 feet to a calculated point
72. North 08°45'25" West a distance of 12.36 feet to a calculated point
73. South 70°46'58" East a distance of 13.00 feet to a calculated point

THENCE: North 22°09'28" East a distance of 137.92 feet continuing along the eastern line of the said 85.796-acre tract, the western line of the said 30.580-acre tract to a 1/2-inch iron rod with cap stamped "Chaparral" found for the northwestern corner of the said 30.580-acre tract, a corner of the said 85.796-acre tract, for the northwestern corner of this herein described tract;

THENCE: South 62°50'17" East a distance of 155.27 feet along the northern line of the said 30.580-acre tract, line of the said 85.796-acre tract to a 1/2-inch iron rod found for a corner of the said 85.796-acre-tract, the southwestern corner of that certain tract of land called to contain 67.3023 acres to Helen Lucille Pearce as described in a Life Estate Deed recorded in Document No. 2021027313 of the Official Public Records of Travis County, Texas, for a corner of this herein described tract;

THENCE: South 62°31'08" East continuing along the northern line of the said 30.580-acre tract, at 612.02 feet pass a 1/2-inch iron rod found for the southeastern corner of the said 67.3023-acre tract, the southwestern corner of that certain tract of land called to contain 57.2158 acres to Harry Leonard Dearing, Sr. and Audrey T. Dearing as described in a Gift Deed in Document No. 2002251950 of the Official Public Records of Travis County, Texas, at 1456.85 feet pass a 1/2-inch iron rod found for the southeastern corner of the said 57.2158-acre tract, the southwestern corner of that certain tract of land called to contain 40.00 acres to Kenneth Sprinkles as described in a Warranty Deed in Volume 8947, Page 802 of the Real Property Records of Travis County, Texas, a distance in all of 1512.88 feet to a 1/2-inch iron pipe found for the northeastern corner of the said 30.580-acre tract, the northwestern corner of that certain tract of land called to contain 3.56 acres to Aqua Water Supply Corp. as described in a Warranty Deed in Document No. 2009010572 of the Official Public Records of Travis County, Texas, for the northeastern corner of this herein described tract;

THENCE: South 27°51'02" West along the southeastern line of the said 30.580-acre tract, at 330.19 feet pass a 5/8-inch iron rod with cap stamped "RPLS 5090" found for the southwestern corner of the said 3.56-acre tract, the westernmost northwestern corner of that certain tract of land called to contain 75.37 acres to the Board of Trustees of the Manor Independent School District as described in a Special Warranty Deed in Document No. 2008031946 of the Official Public Records of Travis County, Texas, at 548.29 feet pass a 1/2-inch iron pipe found for the westernmost southwestern corner of the said 75.37-acre tract, the northwestern corner of the remainder of that certain tract of land called to contain 121.4 acres to Alexandra Carrillo as described in a Special Warranty Deed in Document No. 2004009801 of the Official Public Records of Travis County, Texas, **a distance in all of 870.12 feet** to a 1/2-inch iron rod with cap stamped "Chaparral" found on the northeastern line of the said Gregg Lane Dev LLC 59.765-acre tract, for the southeastern corner of the said 30.580-acre tract, a corner of the remainder of the said 121.4-acre tract, for a corner of this herein described tract;

THENCE: South 61°38'37" East a distance of 350.98 along the northeastern line of the said 59.765-acre tract, a southwestern line of the remainder of the said 121.4-acre tract to a 1/2-inch iron rod with cap stamped "Chaparral" found for a corner of this herein described tract;

THENCE: South 61°40'01" East a distance of 79.74 feet continuing along the southwestern line of the remainder of the said 121.4-acre tract, the northeastern line of the said 59.765-acre tract to a 1/2-inch iron rod with cap stamped "Chaparral" found for the northeastern corner of the said 59.765-acre tract, the northwestern corner of that certain tract of land called to contain 0.45 acres to Alexandra Carrillo & James T. Lutz as described in a General Warranty Deed in Document No. 2020214199 of the Official Public Records of Travis County, Texas, for a corner of this herein described tract;

THENCE: South 00°45'28" East a distance of 309.06 along the western line of the said 0.45-acre tract, line an eastern line of the said 59.765-acre tract to a 1/2-inch iron rod found for the southern corner of the said 0.45-acre tract, a corner of the remainder of the said 121.4-acre tract, for a corner of this herein described tract;

THENCE: South 62°03'42" East a distance of 551.06 feet continuing along a line of the remainder of the said 121.4-acre tract a line of the said 59.765-acre tract to a 1/2-inch iron rod found for a corner of the remainder of the said 121.4-acre tract, the southernmost southwestern corner of the said Manor Independent School District 75.37-acre tract, for a corner of this herein described tract;

THENCE: South 61°55'55" East a distance of 250.32 feet along the southwestern line of the said Manor Independent School District 75.37-acre tract a line of the said 59.765-acre tract to a 1 1/2-inch iron pipe found for the easternmost northeastern corner of the said 59.765-acre tract, the northwestern corner of that certain tract of land called to contain 15.74 acres to the Board of Trustees of the Manor Independent School District as described in a General Warranty Deed in Document No. 2016051094 of the Official Public Records of Travis County, Texas, for the easternmost northeastern corner of this herein described tract;

THENCE: South 27°32'06" West a distance of 1131.40 feet along the northwestern line of the said 15.74-acre tract, the easternmost southeastern line of the aid 59.765-acre tract to the **POINT OF BEGINNING** and containing 90.340 acres of land.

Rex L. Hackett
Registered Professional Land Surveyor No. 5573
rhackett@jonescarter.com

3-14-2022
Date:



K:\16759\16759-0007-00 Preliminary Engineering for 92 Acre Greg\1 Surveying Phase\Documents Created\16759-0007-00 Gregg Lane FN

EXHIBIT B – DISTRICT BOUNDARY MAP

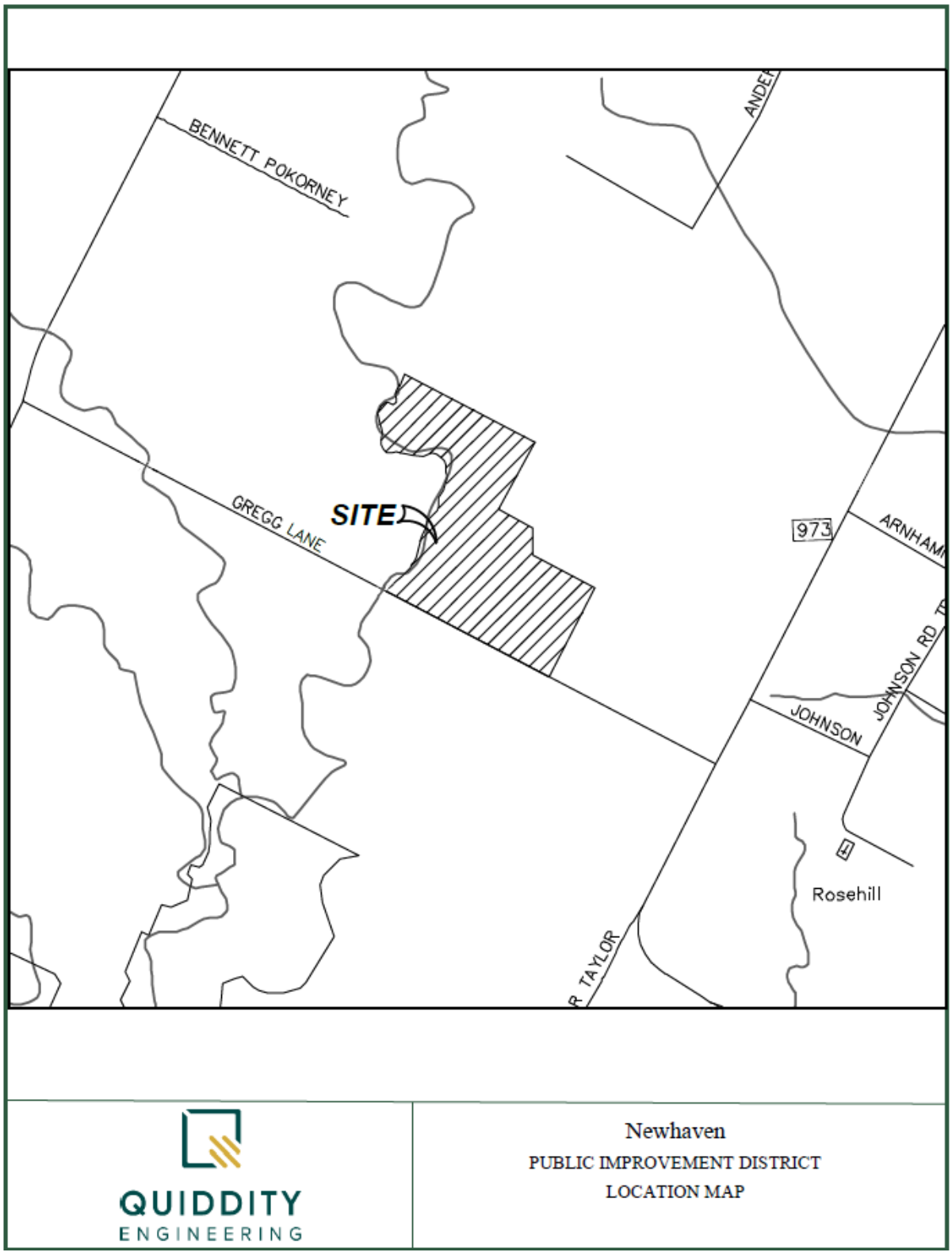


EXHIBIT C – AUTHORIZED IMPROVEMENTS

	Total Costs
PID Improvements [a]	
Drainage	$ 2,729,000
Paving	4,934,000
Earthwork	1,194,000
Contingency	886,000
Landscape	2,585,000
	$ 12,328,000
Bond Issuance Costs	
Debt Service Reserve Fund	$ 331,208
Underwriter Discount	127,800
Cost of Issuance	255,600
	$ 714,608
Administrative Reserves	
First Year Annual Collection Costs	$ 56,965
	$ 56,965
Total	**$ 13,099,573**

[a] Per Engineer's Report prepared by Quiddity, dated September 2024.

EXHIBIT D – SERVICE PLAN

Newhaven PID						
Installments Due		**1/31/2026**	**1/31/2027**	**1/31/2028**	**1/31/2029**	**1/31/2030**
Principal		$ 62,000.00	$ 57,000.00	$ 61,000.00	$ 64,000.00	$ 68,000.00
Interest		269,208.00	272,870.00	269,165.00	265,200.00	261,040.00
	(1)	$ 331,208.00	$ 329,870.00	$ 330,165.00	$ 329,200.00	$ 329,040.00
Annual Collection Costs	(2)	$ 57,765.00	$ 58,920.30	$ 60,098.71	$ 61,300.68	$ 62,526.69
Additional Interest Reserve	(3)	$ 21,300.00	$ 20,990.00	$ 20,705.00	$ 20,400.00	$ 20,080.00
Total Annual Installment	**(4) = (1) + (2) + (3)**	**$ 410,273.00**	**$ 409,780.30**	**$ 410,968.71**	**$ 410,900.68**	**$ 411,646.69**

EXHIBIT E – SOURCES AND USES

	Newhaven PID
Sources of Funds	
PID Bond Par	$ 4,260,000
Owner Contribution [a]	8,839,573
Total Sources	**$ 13,099,573**
Uses of Funds	
PID Improvements	$ 12,328,000
	$ 12,328,000
Bond Issuance Costs	
Debt Service Reserve Fund	$ 331,208
Underwriter Discount	127,800
Cost of Issuance	255,600
	$ 714,608
Administrative Reserves	
First Year Annual Collection Costs	$ 56,965
	$ 56,965
Total Uses	**$ 13,099,573**

[a] Represents Actual Costs expended or to be expended by the Owner to construct the PID Improvements in excess of the Assessment. Not subject to reimbursement to Owner.

EXHIBIT F-1 – ASSESSMENT ROLL

		Newhaven PID	
Property ID	Lot Type	Outstanding Assessment	Annual Installment Due 1/31/2026
259066	Initial Parcel	$ 2,818,074.05	$ 271,403.68
962885	Initial Parcel	$ 1,441,925.95	$ 138,869.32
Total		**$ 4,260,000.00**	**$ 410,273.00**

Note: For Billing Purposes only, until a plat has been recorded within the Initial Parcel, the Assessment will be allocated to each parcel within the Initial Parcel on the basis of acreage as provided by the Travis Central Appraisal District.

EXHIBIT F-2 – ANNUAL INSTALLMENT SCHEDULE

Installment Due 1/31	Principal	Interest [a]	Annual Collection Costs	Additional Interest [b]	Total Annual Installment
2026	$ 62,000.00	269,208.00	$ 57,765.00	$ 21,300.00	$ 410,273.00
2027	57,000.00	272,870.00	58,920.30	20,990.00	409,780.30
2028	61,000.00	269,165.00	60,098.71	20,705.00	410,968.71
2029	64,000.00	265,200.00	61,300.68	20,400.00	410,900.68
2030	68,000.00	261,040.00	62,526.69	20,080.00	411,646.69
2031	71,000.00	256,620.00	63,777.23	19,740.00	411,137.23
2032	75,000.00	252,005.00	65,052.77	19,385.00	411,442.77
2033	80,000.00	247,130.00	66,353.83	19,010.00	412,493.83
2034	84,000.00	241,930.00	67,680.90	18,610.00	412,220.90
2035	89,000.00	236,470.00	69,034.52	18,190.00	412,694.52
2036	95,000.00	230,685.00	70,415.21	17,745.00	413,845.21
2037	100,000.00	224,510.00	71,823.52	17,270.00	413,603.52
2038	106,000.00	218,010.00	73,259.99	16,770.00	414,039.99
2039	113,000.00	211,120.00	74,725.19	16,240.00	415,085.19
2040	120,000.00	203,775.00	76,219.69	15,675.00	415,669.69
2041	127,000.00	195,975.00	77,744.08	15,075.00	415,794.08
2042	135,000.00	187,720.00	79,298.97	14,440.00	416,458.97
2043	143,000.00	178,945.00	80,884.95	13,765.00	416,594.95
2044	152,000.00	169,650.00	82,502.64	13,050.00	417,202.64
2045	161,000.00	159,770.00	84,152.70	12,290.00	417,212.70
2046	171,000.00	149,305.00	85,835.75	11,485.00	417,625.75
2047	182,000.00	138,190.00	87,552.47	10,630.00	418,372.47
2048	194,000.00	126,360.00	89,303.52	9,720.00	419,383.52
2049	206,000.00	113,750.00	91,089.59	8,750.00	419,589.59
2050	219,000.00	100,360.00	92,911.38	7,720.00	419,991.38
2051	233,000.00	86,125.00	94,769.61	6,625.00	420,519.61
2052	248,000.00	70,980.00	96,665.00	5,460.00	421,105.00
2053	264,000.00	54,860.00	98,598.30	4,220.00	421,678.30
2054	281,000.00	37,700.00	100,570.26	2,900.00	422,170.26
2055	299,000.00	19,435.00	102,581.67	1,495.00	422,511.67
Total	**$ 4,260,000.00**	**$ 5,448,863.00**	**$ 2,343,415.10**	**$ 419,735.00**	**$ 12,472,013.10**

[a] Interest is calculated at a 6.50% rate for illustrative purposes.

[b] Additional Interest is calculated at the Additional Interest Rate.

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

EXHIBIT G – MAXIMUM ASSESSMENT PER LOT TYPE

Lot Type	Units/SF	Maximum Assessment[a]	Equivalent Tax Rate Per $100 of Estimated Buildout Value
Lot Type 1	174	$ 14,078.40	$0.30
Lot Type 2	87	$ 18,937.32	$0.30
Lot Type Commercial	21,780	$ 7.48	$0.30

[a] The Maximum Assessment will be reduced annually by the principal portion of the Annual Installment.

EXHIBIT H – LOT TYPE CLASSIFICATION MAP

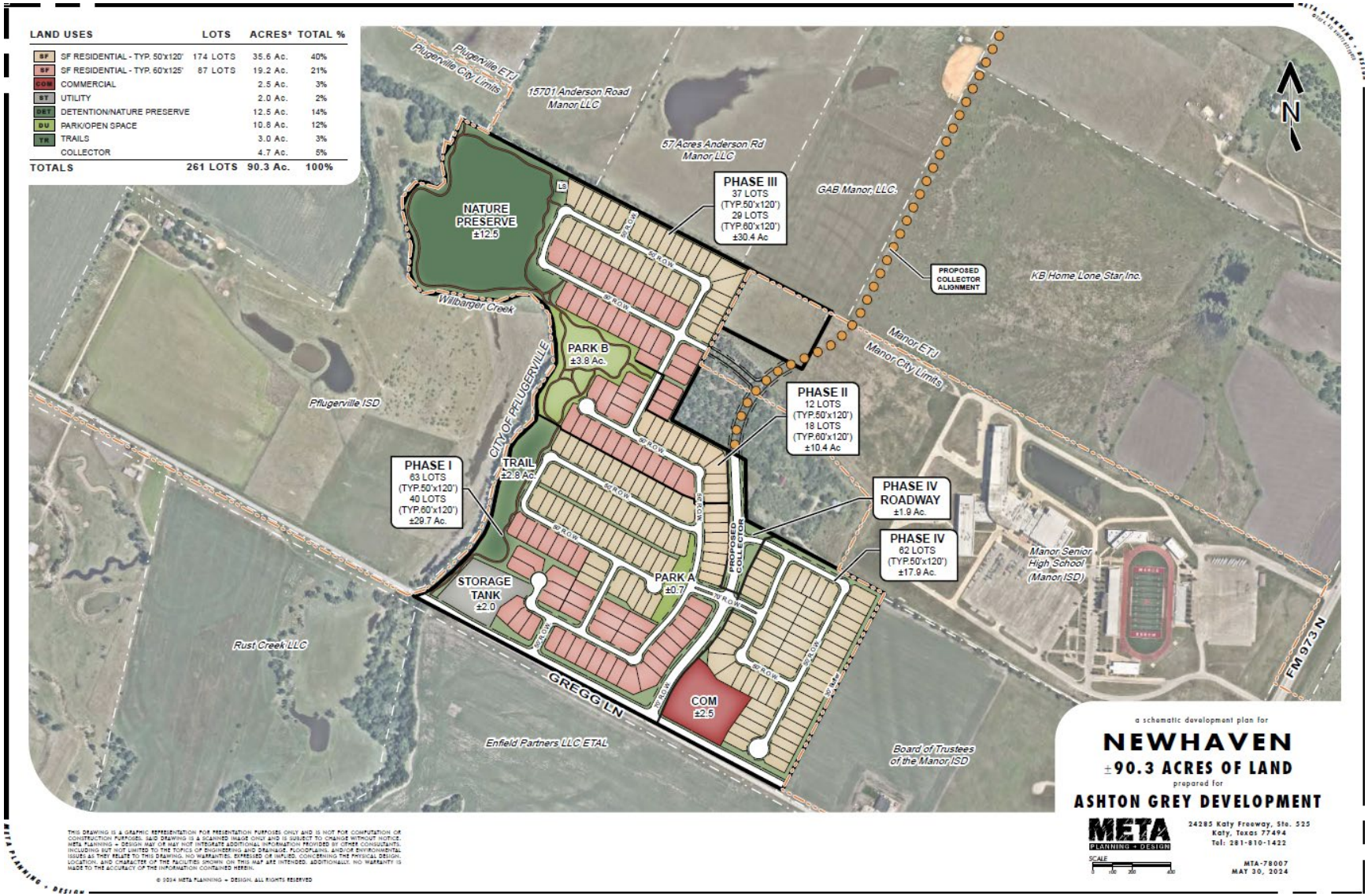
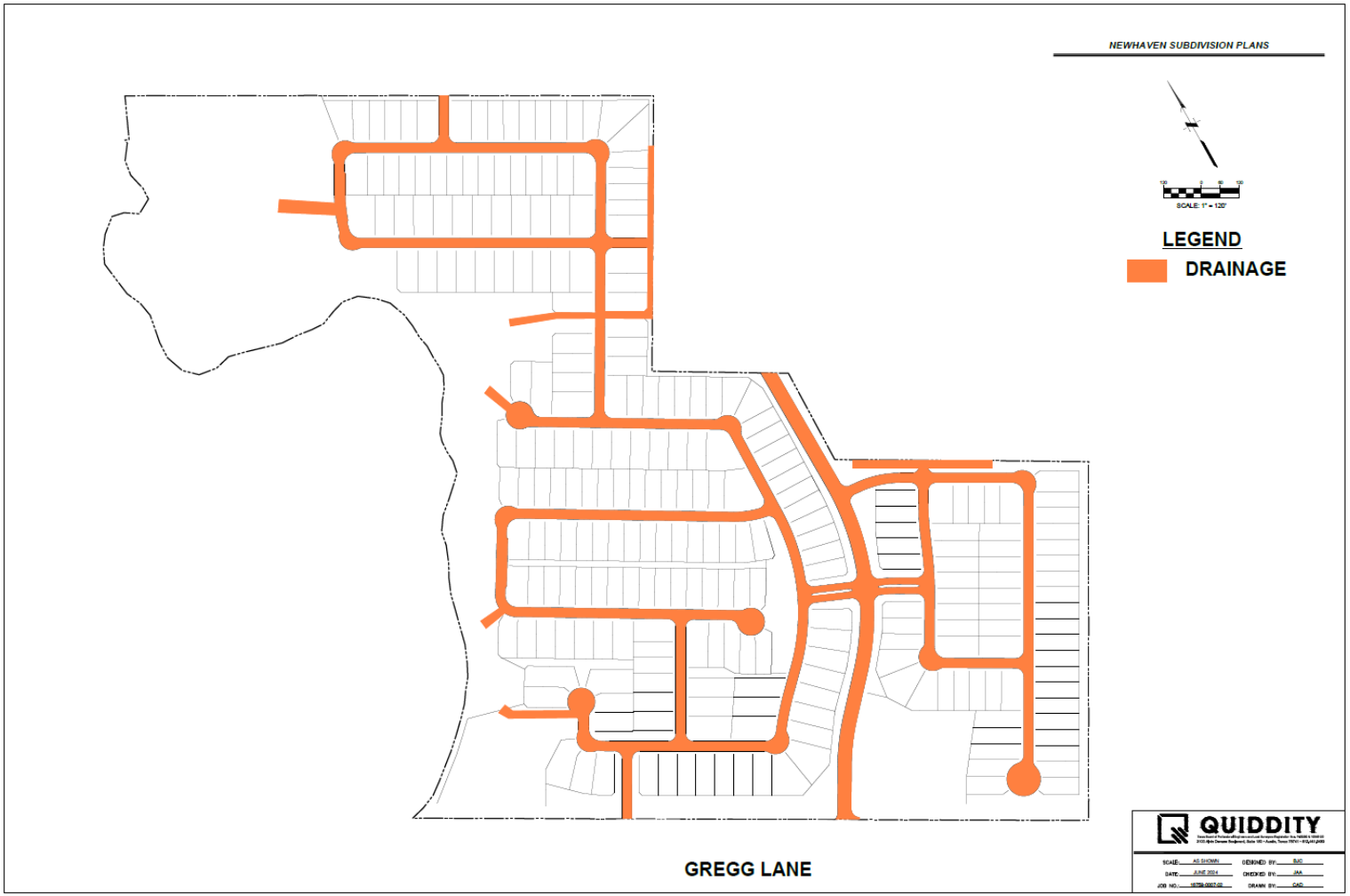


EXHIBIT I – MAPS OF PID IMPROVEMENTS



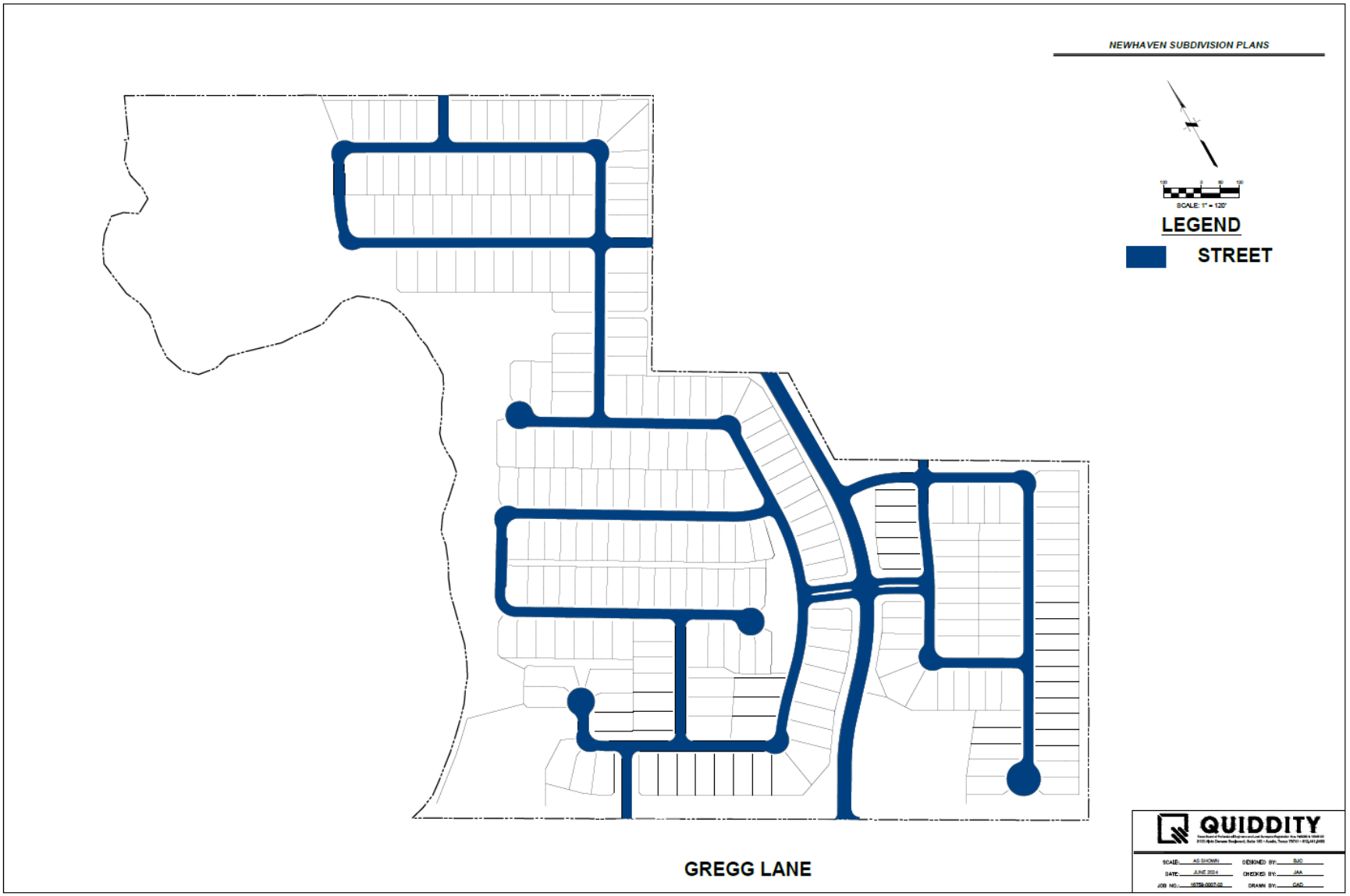

NEWHAVEN SUBDIVISION PLANS
SCALE: 1" = 120'
LEGEND
STREET
GREGG LANE
QUIDDITY
SCALE: AS SHOWN
DESIGNED BY: BJC
DATE: JUNE 2024
CHECKED BY: JAA
JOB NO.: 16759-0007-02
DRAWN BY: CAD

EXHIBIT J – NOTICE OF PID ASSESSMENT LIEN TERMINATION

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

[Date]
Travis County Clerk's Office
Honorable [County Clerk Name]
5501 Airport Boulevard
Austin, Texas 78751

Re: **City of Manor Lien Release documents for filing**

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

Enclosed is a lien release that the City of Manor 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 Manor
Attn: [City Secretary]
105 E. Eggleston Street
Manor, TX 78653

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 Name]
105 E. Eggleston Street
Manor, TX 78653

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 TRAVIS	**§**	

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

RECITALS

WHEREAS, the governing body (hereinafter referred to as the "City Council") of the City of Manor, 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 July 19, 2023, the City Council for the City, approved Resolution No. 2023-28, creating the Newhaven Public Improvement District; and

WHEREAS, the Newhaven Public Improvement District consists of approximately 90.34 contiguous acres located within the City; and

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

WHEREAS, the applicable 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 Travis County, Texas, according to the map or plat of record in Document/Instrument No. _____ of the Plat Records of Travis County, Texas (hereinafter referred to as the "Property"); and

WHEREAS, the property owners of the Property have paid unto the City the Lien Amount and Additional Lien Amount (if applicable).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

RELEASE

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

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

CITY OF MANOR, TEXAS,

By: _____
[Manager Name], City Manager

ATTEST:

_____
[Secretary Name], City Secretary

STATE OF TEXAS **§**
§
COUNTY OF TRAVIS **§**

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

_____
Notary Public, State of Texas

EXHIBIT K – ESTIMATED BUILDOUT VALUE

Lot Size	Units		Estimated Buildout Value		Total Buildout Value
50'	174	lots	$ 452,000	$	78,648,000
60'	87	lots	$ 608,000	$	52,896,000
Commercial	21,780	SF	$ 240	$	5,227,200
				$	136,771,200

District Total Estimated Buildout Value: $ 136,771,200

EXHIBIT L – PID BOND DEBT SERVICE SCHEDULE

EXHIBIT M – BUYER DISCLOSURES

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

- Lot Type 1
- Lot Type 2
- Lot Type Commercial
- Initial Parcel

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 372.005), 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 RECORDING[1] RETURN TO:

_____
_____
_____
_____
_____

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

_____
STREET ADDRESS

LOT TYPE 1 PRINCIPAL ASSESSMENT: $14,078.40

As the purchaser of the real property described above, you are obligated to pay assessments to Manor, 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 ***Newhaven 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 Manor. The exact amount of each annual installment will be approved each year by the Manor 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 Manor.

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 Travis 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 _____ §

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 Travis 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 _____ §

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 Travis County.

ANNUAL INSTALLMENTS - LOT TYPE 1

Installment Due 1/31	Principal	Interest [a]	Annual Collection Costs	Additional Interest [b]	Total Annual Installment
2026	$ 204.90	$ 889.68	$ 190.90	$ 70.39	$ 1,355.87
2027	188.37	901.78	194.72	69.37	1,354.24
2028	201.59	889.53	198.61	68.43	1,358.16
2029	211.51	876.43	202.59	67.42	1,357.94
2030	224.73	862.68	206.64	66.36	1,360.41
2031	234.64	848.08	210.77	65.24	1,358.72
2032	247.86	832.82	214.99	64.06	1,359.73
2033	264.38	816.71	219.29	62.82	1,363.21
2034	277.60	799.53	223.67	61.50	1,362.30
2035	294.13	781.48	228.14	60.11	1,363.87
2036	313.95	762.37	232.71	58.64	1,367.67
2037	330.48	741.96	237.36	57.07	1,366.87
2038	350.31	720.48	242.11	55.42	1,368.31
2039	373.44	697.71	246.95	53.67	1,371.77
2040	396.57	673.43	251.89	51.80	1,373.70
2041	419.71	647.66	256.93	49.82	1,374.11
2042	446.15	620.38	262.07	47.72	1,376.31
2043	472.58	591.38	267.31	45.49	1,376.76
2044	502.33	560.66	272.65	43.13	1,378.77
2045	532.07	528.01	278.11	40.62	1,378.80
2046	565.12	493.42	283.67	37.96	1,380.17
2047	601.47	456.69	289.34	35.13	1,382.63
2048	641.13	417.59	295.13	32.12	1,385.97
2049	680.79	375.92	301.03	28.92	1,386.66
2050	723.75	331.67	307.05	25.51	1,387.98
2051	770.02	284.62	313.19	21.89	1,389.73
2052	819.59	234.57	319.46	18.04	1,391.66
2053	872.46	181.30	325.85	13.95	1,393.56
2054	928.65	124.59	332.36	9.58	1,395.18
2055	988.13	64.23	339.01	4.94	1,396.31
Total	**$ 14,078.40**	**$ 18,007.34**	**$ 7,744.49**	**$ 1,387.14**	**$ 41,217.38**

[a] Interest is calculated at a 6.50% rate for illustrative purposes.

[b] Additional Interest is calculated at the Additional Interest Rate.

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

LOT TYPE 2 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 372.005), 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 RECORDING[1] RETURN TO:

_____
_____
_____
_____
_____

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

_____
STREET ADDRESS

LOT TYPE 2 PRINCIPAL ASSESSMENT: $18,937.32

As the purchaser of the real property described above, you are obligated to pay assessments to Manor, 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 ***Newhaven 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 Manor. The exact amount of each annual installment will be approved each year by the Manor 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 Manor.

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 Travis 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 _____ §

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 Travis 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 _____ §

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 Travis County.

ANNUAL INSTALLMENTS - LOT TYPE 2

Installment Due 1/31	Principal	Interest [a]	Annual Collection Costs	Additional Interest [b]	Total Annual Installment
2026	$ 275.61	$ 1,196.73	$ 256.79	$ 94.69	$ 1,823.82
2027	253.39	1,213.01	261.92	93.31	1,821.63
2028	271.17	1,196.54	267.16	92.04	1,826.91
2029	284.50	1,178.91	272.50	90.69	1,826.61
2030	302.29	1,160.42	277.95	89.26	1,829.93
2031	315.62	1,140.77	283.51	87.75	1,827.66
2032	333.40	1,120.26	289.18	86.17	1,829.02
2033	355.63	1,098.59	294.97	84.51	1,833.69
2034	373.41	1,075.47	300.87	82.73	1,832.48
2035	395.64	1,051.20	306.88	80.86	1,834.58
2036	422.31	1,025.48	313.02	78.88	1,839.70
2037	444.54	998.03	319.28	76.77	1,838.62
2038	471.21	969.14	325.67	74.55	1,840.57
2039	502.33	938.51	332.18	72.19	1,845.21
2040	533.45	905.86	338.83	69.68	1,847.81
2041	564.56	871.18	345.60	67.01	1,848.36
2042	600.13	834.49	352.51	64.19	1,851.32
2043	635.69	795.48	359.56	61.19	1,851.92
2044	675.70	754.16	366.76	58.01	1,854.62
2045	715.71	710.24	374.09	54.63	1,854.67
2046	760.16	663.72	381.57	51.06	1,856.51
2047	809.06	614.31	389.20	47.25	1,859.82
2048	862.40	561.72	396.99	43.21	1,864.32
2049	915.75	505.66	404.93	38.90	1,865.24
2050	973.54	446.14	413.03	34.32	1,867.02
2051	1,035.77	382.86	421.29	29.45	1,869.37
2052	1,102.45	315.53	429.71	24.27	1,871.97
2053	1,173.58	243.87	438.31	18.76	1,874.52
2054	1,249.15	167.59	447.07	12.89	1,876.71
2055	1,329.17	86.40	456.01	6.65	1,878.23
Total	**$ 18,937.32**	**$ 24,222.27**	**$ 10,417.37**	**$ 1,865.88**	**$ 55,442.84**

[a] Interest is calculated at a 6.50% rate for illustrative purposes.

[b] Additional Interest is calculated at the Additional Interest Rate.

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

LOT TYPE COMMERCIAL 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 372.005), 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 RECORDING[1] RETURN TO:

_____
_____
_____
_____
_____

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

_____
STREET ADDRESS

LOT TYPE COMMERCIAL PRINCIPAL ASSESSMENT: $7.48 PER BUILDING SQUARE FOOT

As the purchaser of the real property described above, you are obligated to pay assessments to Manor, 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 ***Newhaven 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 Manor. The exact amount of each annual installment will be approved each year by the Manor 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 Manor.

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 Travis 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 _____ §

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 Travis 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 _____ §

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 Travis County.

ANNUAL INSTALLMENTS - LOT TYPE COMMERCIAL

Installment Due 1/31	Principal	Interest [a]	Annual Collection Costs	Additional Interest [b]	Total Annual Installment
2026	$ 0.11	$ 0.47	$ 0.10	$ 0.04	$ 0.72
2027	0.10	0.48	0.10	0.04	0.72
2028	0.11	0.47	0.11	0.04	0.72
2029	0.11	0.47	0.11	0.04	0.72
2030	0.12	0.46	0.11	0.04	0.72
2031	0.12	0.45	0.11	0.03	0.72
2032	0.13	0.44	0.11	0.03	0.72
2033	0.14	0.43	0.12	0.03	0.72
2034	0.15	0.42	0.12	0.03	0.72
2035	0.16	0.41	0.12	0.03	0.72
2036	0.17	0.40	0.12	0.03	0.73
2037	0.18	0.39	0.13	0.03	0.73
2038	0.19	0.38	0.13	0.03	0.73
2039	0.20	0.37	0.13	0.03	0.73
2040	0.21	0.36	0.13	0.03	0.73
2041	0.22	0.34	0.14	0.03	0.73
2042	0.24	0.33	0.14	0.03	0.73
2043	0.25	0.31	0.14	0.02	0.73
2044	0.27	0.30	0.14	0.02	0.73
2045	0.28	0.28	0.15	0.02	0.73
2046	0.30	0.26	0.15	0.02	0.73
2047	0.32	0.24	0.15	0.02	0.73
2048	0.34	0.22	0.16	0.02	0.74
2049	0.36	0.20	0.16	0.02	0.74
2050	0.38	0.18	0.16	0.01	0.74
2051	0.41	0.15	0.17	0.01	0.74
2052	0.44	0.12	0.17	0.01	0.74
2053	0.46	0.10	0.17	0.01	0.74
2054	0.49	0.07	0.18	0.01	0.74
2055	0.52	0.03	0.18	0.00	0.74
Total	**$ 7.48**	**$ 9.56**	**$ 4.11**	**$ 0.74**	**$ 21.89**

[a] Interest is calculated at a 6.50% rate for illustrative purposes.

[b] Additional Interest is calculated at the Additional Interest Rate.

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

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 372.005), 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 RECORDING[1] RETURN TO:

_____
_____
_____
_____
_____

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

_____
STREET ADDRESS

INITIAL PARCEL PRINCIPAL ASSESSMENT: $4,260,000.00

As the purchaser of the real property described above, you are obligated to pay assessments to Manor, 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 ***Newhaven 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 Manor. The exact amount of each annual installment will be approved each year by the Manor 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 Manor.

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 Travis 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 _____ §

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 Travis 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 _____ §

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 Travis County.

ANNUAL INSTALLMENTS - LOT TYPE INITIAL PARCEL

Installment Due 1/31	Principal	Interest [a]	Annual Collection Costs	Additional Interest [b]	Total Annual Installment
2026	$ 62,000.00	269,208.00	$ 57,765.00	$ 21,300.00	$ 410,273.00
2027	57,000.00	272,870.00	58,920.30	20,990.00	409,780.30
2028	61,000.00	269,165.00	60,098.71	20,705.00	410,968.71
2029	64,000.00	265,200.00	61,300.68	20,400.00	410,900.68
2030	68,000.00	261,040.00	62,526.69	20,080.00	411,646.69
2031	71,000.00	256,620.00	63,777.23	19,740.00	411,137.23
2032	75,000.00	252,005.00	65,052.77	19,385.00	411,442.77
2033	80,000.00	247,130.00	66,353.83	19,010.00	412,493.83
2034	84,000.00	241,930.00	67,680.90	18,610.00	412,220.90
2035	89,000.00	236,470.00	69,034.52	18,190.00	412,694.52
2036	95,000.00	230,685.00	70,415.21	17,745.00	413,845.21
2037	100,000.00	224,510.00	71,823.52	17,270.00	413,603.52
2038	106,000.00	218,010.00	73,259.99	16,770.00	414,039.99
2039	113,000.00	211,120.00	74,725.19	16,240.00	415,085.19
2040	120,000.00	203,775.00	76,219.69	15,675.00	415,669.69
2041	127,000.00	195,975.00	77,744.08	15,075.00	415,794.08
2042	135,000.00	187,720.00	79,298.97	14,440.00	416,458.97
2043	143,000.00	178,945.00	80,884.95	13,765.00	416,594.95
2044	152,000.00	169,650.00	82,502.64	13,050.00	417,202.64
2045	161,000.00	159,770.00	84,152.70	12,290.00	417,212.70
2046	171,000.00	149,305.00	85,835.75	11,485.00	417,625.75
2047	182,000.00	138,190.00	87,552.47	10,630.00	418,372.47
2048	194,000.00	126,360.00	89,303.52	9,720.00	419,383.52
2049	206,000.00	113,750.00	91,089.59	8,750.00	419,589.59
2050	219,000.00	100,360.00	92,911.38	7,720.00	419,991.38
2051	233,000.00	86,125.00	94,769.61	6,625.00	420,519.61
2052	248,000.00	70,980.00	96,665.00	5,460.00	421,105.00
2053	264,000.00	54,860.00	98,598.30	4,220.00	421,678.30
2054	281,000.00	37,700.00	100,570.26	2,900.00	422,170.26
2055	299,000.00	19,435.00	102,581.67	1,495.00	422,511.67
Total	**$ 4,260,000.00**	**$ 5,448,863.00**	**$ 2,343,415.10**	**$ 419,735.00**	**$ 12,472,013.10**

[a] Interest is calculated at a 6.50% rate for illustrative purposes.

[b] Additional Interest is calculated at the Additional Interest Rate.

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

APPENDIX A – ENGINEER'S REPORT

ENGINEERING REPORT

Newhaven

Public Improvement District

City of Manor

Travis County, Texas

Prepared For:

Gregg Lane Dev LLC

And

City of Manor



Prepared By:

QUIDDITY
ENGINEERING

3100 Alvin Devane Boulevard, Suite 150

Austin, Texas 78741

September 2024

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Introduction

The Newhaven development is a single-family residential development tract currently under development and located in the City of Manor, Texas. The site is located on Gregg Ln. approximately 3 miles east of SH 130, directly in between Fuchs Grove Road and FM 973. The development is immediately west of Manor Senior High School. The development encompasses a 90.3-acre tract of land. A site location map has been included in ***Appendix 1.***

This report includes supporting documentation for the formation of the PID and the issuance of bonds by the City. The bonds are anticipated to be used to finance public infrastructure projects vital for the development within the PID.

Development Cost

An Engineer's opinion of probable cost (Engineer's OPC) has been prepared for all off-site and on-site infrastructure. The Engineer's OPC has been provided as ***Appendix 2***.

Development Improvements

Development improvements have been described below and depicted in ***Appendix 3*** & ***Appendix 4***. The overall site drainage is depicted in ***Appendix 3.*** The overall site street layout is depicted in ***Appendix 4.***

Development improvements will be designed and constructed in accordance with City of Manor standards and specifications and will be owned and operated by the city unless otherwise indicated. Development improvements include:

Streets/Paving

Improvements include subgrade stabilization (including excavation and drainage), HMAC pavement, geogrid, flexible base, and limestone base for roadways, sidewalks, trails, handicapped ramps, and curb and gutter. Intersections and signage are included. These roadway improvements include streets that will provide street access to each lot. These projects will provide access to collector roadways.

Drainage

Improvements include trench excavation and embedment, trench safety, reinforced concrete piping, manholes, inlets, rip rap, and headwalls. These will include the necessary appurtenances to be fully operational to convey stormwater to the limits of the improvement area.

Earthwork and Demolition

Includes excavation, embankment, silt fence, rock berms, construction entrances, inlet protection, revegetation, clearing and grubbing, and concrete washout for the limits of improvement area.

Landscape

Distinct neighborhoods will contain street designs, landscaping, hardscapes, drainage features, and recreational activities. A focus on public spaces, and a combination of the items listed previously, form a cohesive community. Neighborhood spaces, public places and multi-use paths promote meaningful connections to the public and residents, community activities and the future Manor development.

Entry Monument and Neighborhood Entries

Community and neighborhood entry monument signs and landscape entries are intended to identify the character of the community by expressing distinctive qualities and/or features of the neighborhood.

Common Areas

Common Areas include landscaped areas along the collector streets, including street trees, planting, lighting, and irrigation.

Fencing for Common Areas

Fencing for Common Areas may include perimeter walls and walls along collector streets. These walls may consist of durable materials including native stone, concrete fence, and masonry units or similar materials.

Development Schedule

Mass Grading

Design Stage

Newhaven mass grading design plans are complete.

Construction Stage

Construction of the mass grading of site began June 2024.

Phase 1 Subdivision Construction

Design Stage

Newhaven construction plans are complete. Approved – September 2024.

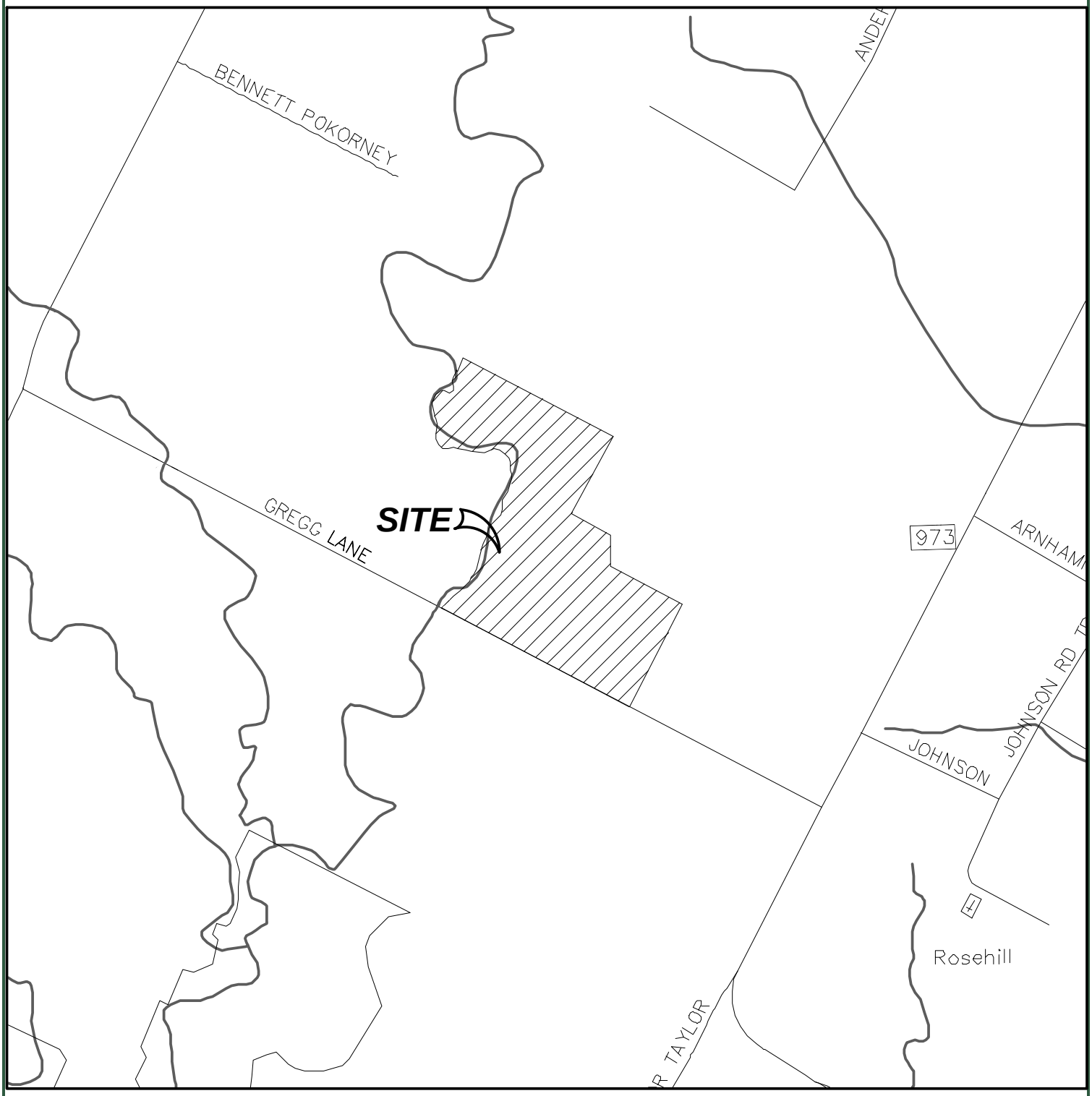
Construction Stage

Construction of Newhaven Phase 1 has an estimated start date of October 2024.

APPENDIX

APPENDIX 1

SITE LOCATION MAP



QUIDDITY
ENGINEERING

Newhaven

PUBLIC IMPROVEMENT DISTRICT

LOCATION MAP

APPENDIX 2

ENGINEER'S OPINION OF PROBABLE COST

QUIDDITY

CONSTRUCTION COST ESTIMATE SUMMARY

NEWHAVEN SUBDIVISION

90.3 ACRES - 261 LOTS

July 10, 2024

Description		TOTAL
DRAINAGE	$	2,729,000
PAVING	$	4,934,000
EARTHWORK	$	1,194,000
CONTINGENCY 10% (DRAINAGE, PAVING, & EARTHWORK)	$	886,000
LANDSCAPE	$	2,585,000
PROJECT COST	$	12,328,000
PER LOT (261 LOTS)	$	47,234

QUIDDITY

CONSTRUCTION COST ESTIMATE

NEWHAVEN SUBDIVISION

90.3 ACRES - 261 LOTS

July 10, 2024

DRAINAGE:						
1. 24-Inch RCP	LF	6,321	$	81.00	$	512,001
2. 30-Inch RCP	LF	2,715	$	112.00		304,080
3. 36-Inch RCP	LF	594	$	151.00		89,694
4. 42-Inch RCP	LF	564	$	153.00		86,292
5. 48-Inch RCP	LF	800	$	291.00		232,800
6. 54-Inch RCP	LF	491	$	342.00		167,922
7. 60-Inch RCP	LF	470	$	400.00		188,000
8. 10' Curb Inlet	EA	63	$	8,735.00		550,305
9. 15' Curb Inlet	EA	9	$	9,310.00		83,790
10. 4' Manhole, All Depths	EA	35	$	4,005.00		140,175
11. 5' Manhole, All Depths	EA	9	$	7,540.00		67,860
12. 6' Manhole, All Depths	EA	14	$	9,715.00		136,010
13. Rip Rap	SY	234	$	27.00		6,318
14. 30-Inch Headwall w/ Energy Dissipators	EA	1	$	1,832.00		1,832
15. 36-Inch Headwall w/ Energy Dissipators	EA	1	$	7,640.00		7,640
16. 42-Inch Headwall w/ Energy Dissipators	EA	2	$	2,482.00		4,964
17. 42-Inch Headwall	EA	1	$	7,500.00		7,500
18. 60-Inch Headwall w/ Energy Dissipators	EA	1	$	15,460.00		15,460
19. Trench Safety	LF	11,955	$	1.50		17,933
20. Swale Grading	LF	2,750	$	25.00		68,750
21. Drainage Spoils	CY	14,601	$	2.75		40,153
				Drainage Subtotal	$	2,729,000
PAVING:						
1. Roadway Excavation	CY	53,905	$	2.00	$	107,810
2. Grading & Compaction of Subgrade	SY	58,038	$	2.50		145,095
3. 14" Flexible Base	SY	58,038	$	19.25		1,117,232
4. 16-Inch Lime Treated Subgrade	SY	58,038	$	23.00		1,334,874
5. Geogrid	SY	8,360	$	4.50		37,620
6. HMAC (2" Thick)	SY	40,533	$	16.00		648,528
7. HMAC (2.5" Thick)	SY	7,879	$	22.50		177,278
8. HMAC (3" Thick)	SY	7,879	$	23.00		181,217
9. 6" Curb & Gutter	LF	25,047	$	18.50		463,370
10. Street Connection (Culvert, Street Cut & Demo)	EA	2	$	68,500.00		137,000
11. Striping & Signage	LS	1.00	$	10,000.00		10,000
12. 4' Wide Sidewalk	LF	13,264	$	15.50		205,592
13. ADA Ramp, Type I	EA	36	$	1,440.00		51,840
14. 8' Wide Trail	LF	3,863	$	63.50		245,301
15. 6' Wide Trail	LF	1,408	$	50.50		71,104
				Paving Subtotal	$	4,934,000

QUIDDITY

EARTHWORK:

1. Excavation	CY	321,293	$	2.00	$	642,586
2. Embankment	CY	299,673	$	1.75		524,428
3. Clearing & Grubbing ROW	AC	6.87	$	4,000.00		27,480
				Earthwork Subtotal	$	1,194,000
				Subtotal	$	8,857,000
				Contingency (10%)		886,000
				TOTAL	**$**	**9,743,000**

Notes:

1) Unit prices are taken from similar jobs where prices were applicable.
2) Excludes entry monument, municipality fees, professional service fees and soft costs.
3) This estimate represents my best judgment as a design professional familiar with the construction industry. Quiddity Engineering, LLC has no control over the cost of labor, materials, or equipment; over the Contractor's methods of determining bid prices.
4) All Traffic Improvements are based on "Newhaven Subdivision Plans" prepared by Quiddity Engineering dated 6/7/2024. All improvements are assumed based on the pro-rata share of trips generated from the property tract.

LANDSCAPE

Opinion of Probable Cost
(Newhaven - Phase I)

RE: 06/07/2024 Issue for Permit
Manor, Texas
BLD Project # AGD 2402
Date: 06/11/2024

Item	Qty.	Unit		Unit Price	Total
Site Hardscape Materials					
1	1	EA	Main Entry Monument	$150,000.00	$150,000.00
2	2	EA	Secondary Monument Column	$15,000.00	$30,000.00
3	2	EA	Cabinet Logo (Lighted)	$2,500.00	$5,000.00
4	364	SF	4' 0" Concrete Sidewalks (91 LF)	$7.50	$2,730.00
5	1,890	SF	6' 0" Concrete Sidewalks (315 LF)	$7.50	$14,175.00
6	2,126	LF	Fencecrete	$100.00	$212,600.00
7	25	EA	7' 0" Masonry Column	$4,500.00	$112,500.00
8	540	LF	7' 0" Upgraded Wood Fence	$70.00	$37,800.00
Contractor to provide material and labor installation of materials as specified per plan, complete and in place.					
Playground Materials & Site Furnishings					
1	1	LS	Playground Equipment	$200,000.00	$200,000.00
2	1	EA	Playground Shade Structure	$75,000.00	$75,000.00
3	415	SF	Shade Structure Concrete Slab	$15.00	$6,225.00
4	213	CY	Engineered Wood Fiber (12" depth)	$170.00	$36,210.00
5	125	LF	8" Playground Concrete Edge	$45.00	$5,625.00
6	5	EA	Benches	$2,500.00	$12,500.00
7	141	SF	Concrete Slab (Benches)	$8.00	$1,128.00
8	2	EA	Picnic Tables	$4,200.00	$8,400.00
9	2	EA	Trash Receptacle	$1,200.00	$2,400.00
10	1	EA	Pet Waste Station	$1,500.00	$1,500.00
Contractor to provide material and labor installation of materials as specified per plan, complete and in place.					
Grading & Drainage					
1	1	LS	Drainage (Playground Subsurface)	$20,000.00	$20,000.00
Contractor to provide material and labor installation of materials as specified per plan, complete and in place.					
Lighting					
1	1	LS	Entry Monument Lighting	$10,000.00	$10,000.00
2	1	LS	Landscape Lighting	$5,000.00	$5,000.00
3	2	EA	Cabinet Logo Lights	$1,500.00	$3,000.00
4	2	EA	Electrical Meter Drop	$10,000.00	$20,000.00

Contractor to provide material and labor installation of materials as specified per plan, complete and in place.					
Planting					
Trees					
1	100	65 Gal	Canopy Tree	$900.00	$90,000.00
2	72	30 Gal	Ornamental Tree	$350.00	$25,200.00
3	172	EA	6' Metal T-Post Kits (per detail)	$48.00	$8,256.00
Shrubs and Groundcovers					
1	7,300	SF	Planting Area	$10.00	$73,000.00
Planting Materials					
1	500	LF	Steel Edging	$12.00	$6,000.00
2	10	EA	Boulders (Large 4' - 5')	$432.00	$4,320.00
3	20	EA	Boulders (Medium 2' - 3')	$119.00	$2,380.00
4	20	EA	Boulders (Small 6" - 1.5')	$48.00	$960.00
5	6	CY	2" - 4" Bull Rock Gravel (3" Depth)	$150.00	$900.00
6	576	SF	Weed Barrier Fabric W/ Staples	$0.55	$316.80
7	39,100	SF	Common Bermuda Sod	$1.10	$43,010.00
8	110,000	SF	Hydro mulch Common Bermuda Seed	$0.12	$13,200.00
9	149,100	SF	Fine Grading	$0.06	$8,946.00
10	68	CY	Soil Amendments (xxx SF) (3" Depth)	$140.00	$9,520.00
11	68	CY	Hardwood Mulch (xxx SF) (3" Depth)	$110.00	$7,480.00
Contractor to provide material and labor installation of materials as specified per plan, complete and in place.					
Irrigation					
1	2	EA	Water Meter & Point of Connection Components	$10,000.00	$20,000.00
3	2	EA	Hunter Controller	$2,500.00	$5,000.00
4	2	EA	Hunter Rain Sensor	$500.00	$1,000.00
5	40	EA	Irrigation Zones (Sod & Planting)	$2,700.00	$108,000.00
6	10	EA	Irrigation Zones (Trees)	$2,700.00	$27,000.00
Contractor to provide material and labor installation of materials as specified per plan, complete and in place.					
Misc.					
1	3	LS	Permits	$5,000.00	$15,000.00

	BASE BID
Site Hardscape Materials	$913,793.00
Grading & Drainage	$20,000.00
Lighting	$38,000.00
Planting	$293,488.80
Irrigation	$161,000.00
Misc.	$15,000.00

TOTAL BASE BID TOTAL	**$1,441,281.80**

Opinion of Probable Cost
(Newhaven - Phase II)

RE: 06/07/2024 Issue for Permit
Manor, Texas
BLD Project # AGD 2402
Date: 06/11/2024

Item	Qty.	Unit		Unit Price	Total
Site Hardscape Materials					
1	840	SF	6' 0" Concrete Sidewalks (140 LF)	$7.50	$6,300.00
2	24	CY	Decomposed Granite Gravel - 4" Depth	$250.00	$6,000.00
3	266	LF	Fencecrete	$100.00	$26,600.00
4	3	EA	7' 0" Masonry Column	$4,500.00	$13,500.00
5	288	LF	Retaining Wall / Seating Wall	$100.00	$28,800.00
6	96	LF	Stairs (Stamped and Stained)	$30.00	$2,880.00
7	4	TON	Boulders	$200.00	$800.00
Contractor to provide material and labor installation of materials as specified per plan, complete and in place.					
Playground Materials & Site Furnishings					
1	1	LS	Fitness Equipment	$75,000.00	$75,000.00
2	702	SF	Concrete (Stamped & Stained)	$12.00	$8,424.00
3	1	EA	Playground Shade Structure	$75,000.00	$75,000.00
4	1	LS	Solar Charging Station	$1,500.00	$1,500.00
5	112	CY	Engineered Wood Fiber (12" depth)	$170.00	$19,040.00
6	112	LF	8" Playground Concrete Edge	$45.00	$5,040.00
7	4	EA	Benches	$2,500.00	$10,000.00
8	127	SF	Concrete Slab (Benches)	$8.00	$1,016.00
9	2	EA	Picnic Tables	$4,200.00	$8,400.00
10	2	EA	2-Person Tables and Chairs	$2,500.00	$5,000.00
11	2	EA	4-Person Tables and Chairs	$3,200.00	$6,400.00
12	3	EA	Trash Receptacle	$1,200.00	$3,600.00
13	1	EA	Pet Waste Station	$1,500.00	$1,500.00
14	2	EA	Commercial Grade Hammock	$4,500.00	$9,000.00
15	1	EA	Concrete Corn Hole	$2,500.00	$2,500.00
16	2	EA	Concrete Ping Pong Table	$7,000.00	$14,000.00
17	4,500	SF	Volleyball Court (with net)	$1.75	$7,875.00
18	5,125	SF	Parking Lot	$12.50	$64,062.50
19	1	LS	Striping & Handicap Marking	$800.00	$800.00

20	1	LS	Handicap Signage	$250.00	$250.00
21	1	LS	Handicap Signage	$250.00	$250.00
Contractor to provide material and labor installation of materials as specified per plan, complete and in place.					
Grading & Drainage					
1	150	CY	Bulk Soil	$250.00	$37,500.00
2	22,650	SF	Rough Grading	$1.50	$33,975.00
3	22,650	SF	Fine Grading	$0.08	$1,812.00
4	1	LS	Drainage	$15,000.00	$15,000.00
Contractor to provide material and labor installation of materials as specified per plan, complete and in place.					
Planting					
Trees					
1	34	65 Gal	Canopy Tree	$900.00	$30,600.00
2	26	30 Gal	Ornamental Tree	$350.00	$9,100.00
3	60	EA	6' Metal T-Post Kits (per detail)	$48.00	$2,880.00
Shrubs and Groundcovers					
1	825	SF	Planting Area	$10.00	$8,250.00
Planting Materials					
1	16,400	SF	Common Bermuda Sod	$0.80	$13,120.00
2	23,500	SF	Hydro mulch Common Bermuda Seed	$0.12	$2,820.00
3	39,900	SF	Fine Grading	$0.06	$2,394.00
4	8	CY	Soil Amendments (xxx SF) (3" Depth)	$140.00	$1,120.00
5	8	CY	Hardwood Mulch (xxx SF) (3" Depth)	$110.00	$880.00
Contractor to provide material and labor installation of materials as specified per plan, complete and in place.					
Irrigation					
1	20	EA	Irrigation Zones (Sod & Planting)	$2,700.00	$54,000.00
2	5	EA	Irrigation Zones (Trees)	$2,700.00	$13,500.00
Misc.					
1	1	LS	Permits	$5,000.00	$5,000.00
				Site Hardscape Materials	$402,237.50
				Grading & Drainage	$88,287.00
				Planting	$71,164.00
				Irrigation	$67,500.00
				Misc.	$5,000.00
				TOTAL BASE BID TOTAL	**$634,188.50**

Opinion of Probable Cost
(Newhaven - Phase III)

RE: 06/07/2024 Issue for Permit
Manor, Texas
BLD Project # AGD 2402
Date: 06/11/2024

Item	Qty.	Unit		Unit Price	Total
Playground Materials & Site Furnishings					
10	4	EA	Benches	$2,500.00	$10,000.00
8	117	SF	Concrete Slab (Benches)	$8.00	$936.00
Contractor to provide material and labor installation of materials as specified per plan, complete and in place.					
Planting					
Trees					
7	70	65 Gal	Canopy Tree	$900.00	$63,000.00
14	37	30 Gal	Ornamental Tree	$350.00	$12,950.00
24	107	EA	6' Metal T-Post Kits (per detail)	$48.00	$5,136.00
Planting Materials					
11	22,900	SF	Common Bermuda Sod	$0.80	$18,320.00
12	35,700	SF	Hydro mulch Common Bermuda Seed	$0.12	$4,284.00
13	58,600	SF	Fine Grading	$0.06	$3,516.00
Contractor to provide material and labor installation of materials as specified per plan, complete and in place.					
Irrigation					
5	5	EA	Irrigation Zones (Sod & Planting)	$2,700.00	$13,500.00
5	8	EA	Irrigation Zones (Trees)	$2,700.00	$21,600.00
Misc.					
1	2	LS	Permits	$5,000.00	$10,000.00
				Site Hardscape Materials	$10,936.00
				Planting	$107,206.00
				Irrigation	$35,100.00
				Misc.	$10,000.00
				TOTAL BASE BID TOTAL	**$163,242.00**

Opinion of Probable Cost
(Newhaven - Phase IV)

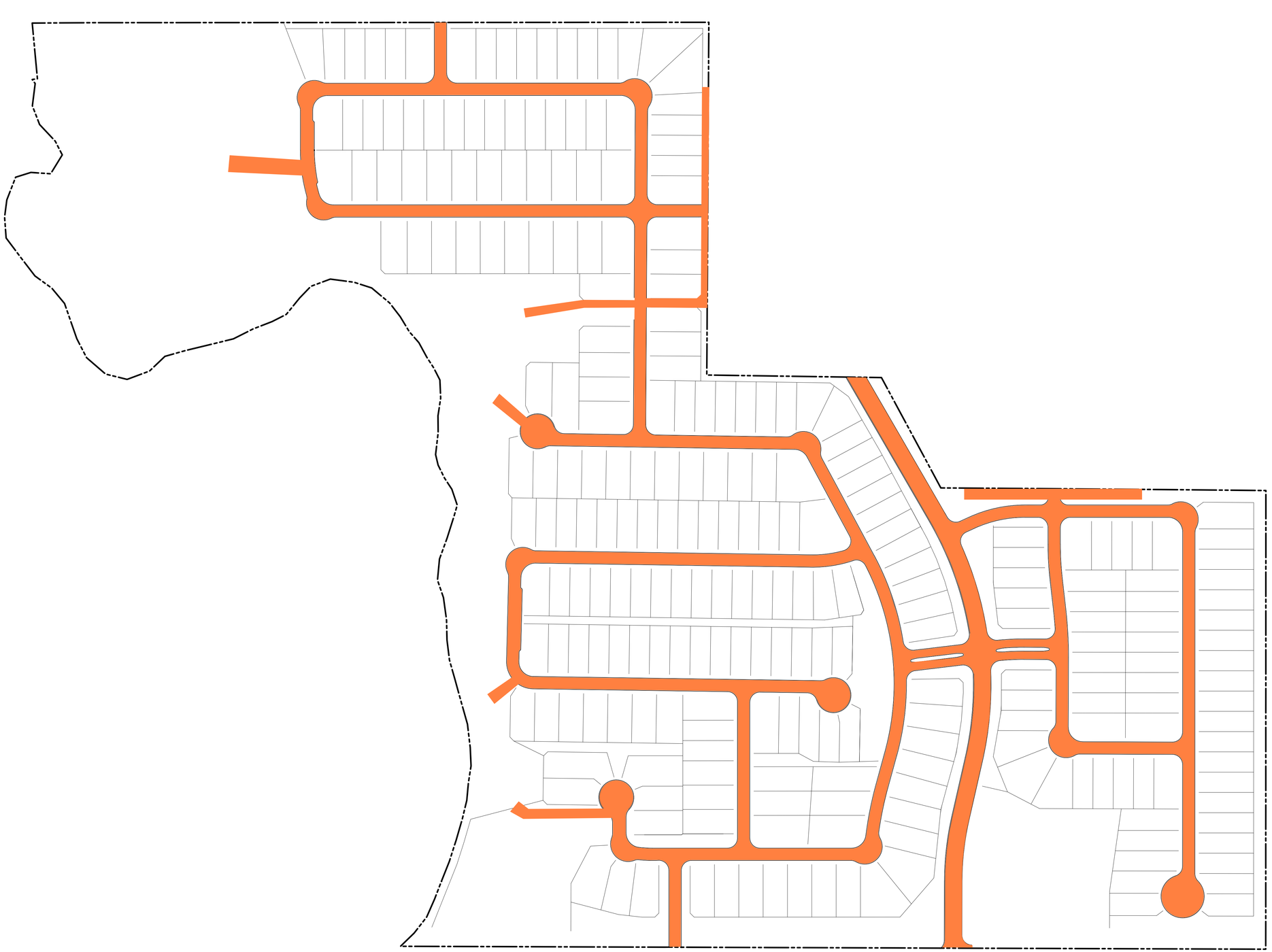
RE: 06/07/2024 Issue for Permit
Manor, Texas
BLD Project # AGD 2402
Date: 06/11/2024

Item	Qty.	Unit		Unit Price	Total
1	921	LF	Fencecrete	$100.00	$92,100.00
2	15	EA	7' 0" Masonry Column	$4,500.00	$67,500.00
3	2	EA	Cabinet Logo (Lighted)	$2,500.00	$5,000.00
Lighting					
1	2	EA	Cabinet Logo Lights	$1,500.00	$3,000.00
Contractor to provide material and labor installation of materials as specified per plan, complete and in place.					
Planting					
Trees					
1	44	65 Gal	Canopy Tree	$900.00	$39,600.00
2	34	30 Gal	Ornamental Tree	$350.00	$11,900.00
3	78	EA	6' Metal T-Post Kits (per detail)	$48.00	$3,744.00
Shrubs and Groundcovers					
1	1,150	SF	Planting Area	$10.00	$11,500.00
Planting Materials					
1	86	LF	Steel Edging	$12.00	$1,032.00
2	8,900	SF	Common Bermuda Sod	$0.80	$7,120.00
3	50,500	SF	Hydro mulch Common Bermuda Seed	$0.12	$6,060.00
4	59,400	SF	Fine Grading	$0.06	$3,564.00
5	11	CY	Soil Amendments (xxx SF) (3" Depth)	$140.00	$1,540.00
6	11	CY	Hardwood Mulch (xxx SF) (3" Depth)	$110.00	$1,210.00
Contractor to provide material and labor installation of materials as specified per plan, complete and in place.					
Irrigation					
2	14	EA	Irrigation Zones (Trees)	$2,700.00	$37,800.00
Contractor to provide material and labor installation of materials as specified per plan, complete and in place.					
Misc.					
1	1	LS	Permits	$5,000.00	$5,000.00

	BASE BID
Site Hardscape Materials	$159,600.00
Lighting	$3,000.00
Planting	$87,270.00
Irrigation	$91,800.00
Misc.	$5,000.00

APPENDIX 3

OVERALL IMPROVEMENTS MAP: DRAINAGE



120 0 60 120

SCALE: 1" = 120'

LEGEND

DRAINAGE

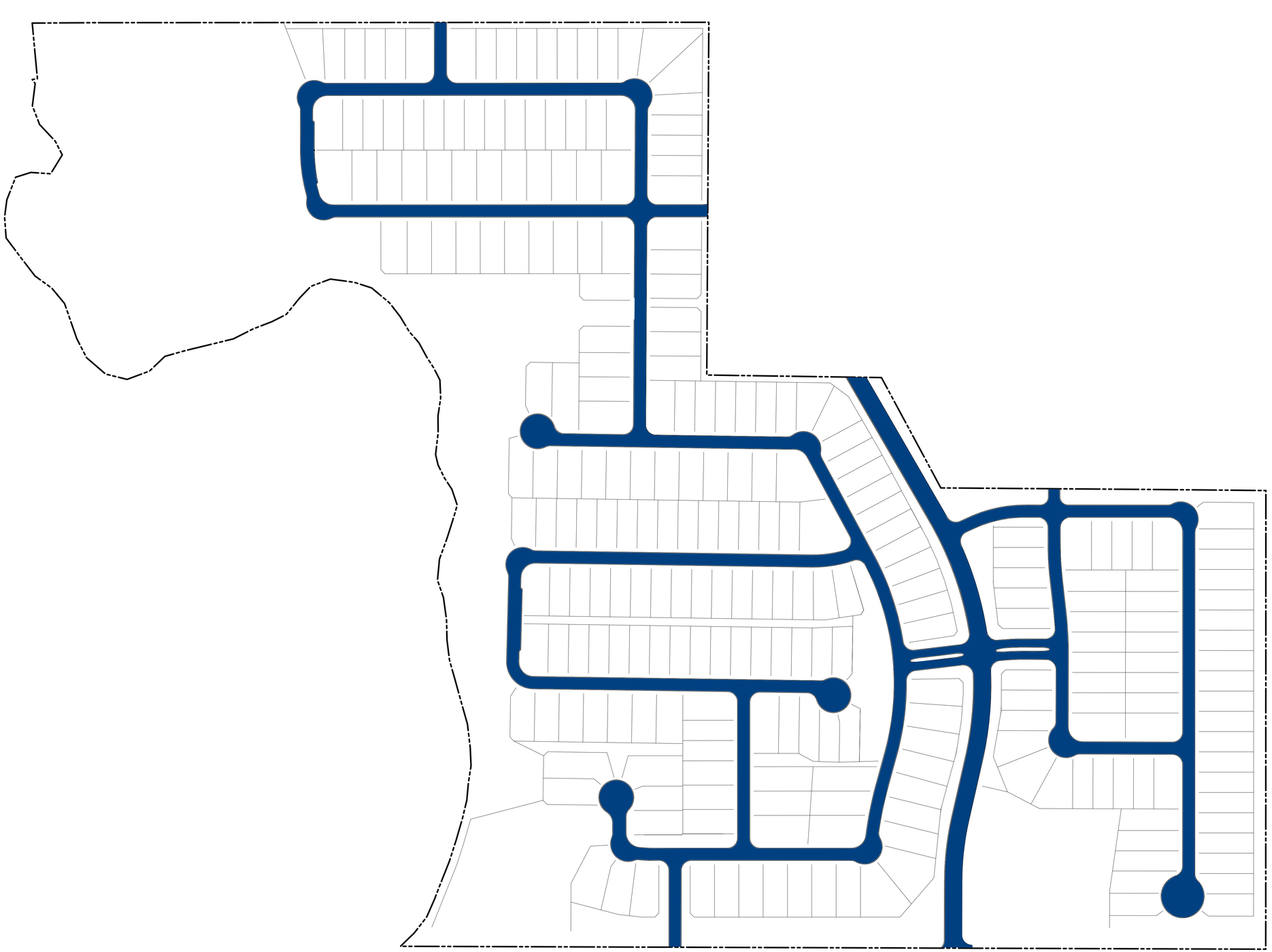
GREGG LANE

QUIDDITY
Texas Board of Professional Engineers and Land Surveyors Registration Nos. F-23290 & 10194100
3100 Alvin Devane Boulevard, Suite 150 • Austin, Texas 78741 • 512.441.9493

SCALE:	AS SHOWN	DESIGNED BY:	BJC
DATE:	JUNE 2024	CHECKED BY:	JAA
JOB NO.:	16759-0007-02	DRAWN BY:	CAD

APPENDIX 4

OVERALL IMPROVEMENTS MAP: STREETS



120 0 60 120

SCALE: 1" = 120'

LEGEND

STREET

GREGG LANE

QUIDDITY
Texas Board of Professional Engineers and Land Surveyors Registration Nos. F-23290 & 10194100
3100 Alvin Devane Boulevard, Suite 150 • Austin, Texas 78741 • 512.441.9493

SCALE:	AS SHOWN	DESIGNED BY:	BJC
DATE:	JUNE 2024	CHECKED BY:	JAA
JOB NO.:	16759-0007-02	DRAWN BY:	CAD

APPENDIX 5

LEGAL DESCRIPTION

JONES | CARTER

3100 Alvin Devane Blvd, Suite 150
Austin, Texas 78741
Tel: 512.441.9493
Fax: 512.445.2286
www.jonescarter.com

LEGAL DESCRIPTION

BEING 90.340-acres of land situated in the Sumner Bacon Survey No. 62 Abstract No. 63 in Travis County, Texas; being all of that certain tract of land called contain 59.765 acres to Gregg Lane Dev LLC as described in a Special Warranty Deed with Vendor's Lien in Document No. 2021051168 and all of that certain tract of land called to contain 30.580 acres to Gregg Lane Dev LLC as described in a Special Warranty Deed with Vendor's Lien in Document No. 2021051166 both of the Official Public Records of Travis County, Texas; said 90.340-acre tract of land being more particularly described by metes and bounds as follows with bearings and coordinates referenced to the Texas Coordinate System of 1983, Central Zone:

BEGINNING: at a 5/8-inch iron rod found on the northeastern right of way of said Gregg Lane (R.O.W. Varies), for the southeastern corner of the said 59.765-acre tract of land, the southwestern corner of a called 15.74-acre tract of land to The Board of Trustees of the Manor Independent School District in a General Warranty Deed in Document No. 2016051094 of the Official Public Records of Travis County, Texas, for the southeastern corner of this herein described tract;

THENCE: N 62°17'26" W a distance of 2133.10 feet along the southwestern line of the said 59.765-acre tract, the northeastern line of said Gregg Lane to a calculated point in the approximate centerline of Wilbarger Creek for the southeastern corner of that certain tract of land called contain 85.796 acres to the City of Pflugerville as described in a General Warranty Deed in Document No. 2008118667 of the Official Public Records of Travis County, Texas, for the southwestern corner of the said 59.765-acre tract, for the southwestern corner of this herein described tract;

THENCE: With the approximated centerline of said Wilbarger Creek, the eastern line of the said 85.796-acre tract, the western line of the said 59.765-acre tract and the western line of the said 30.580-acre tract with the following (73) courses and distances;

1. North 73°20'52" East a distance of 46.73 feet to a calculated point;
2. North 65°28'25" East a distance of 50.67 feet to a calculated point;
3. North 51°10'42" East a distance of 48.58 feet to a calculated point;
4. North 48°30'24" East a distance of 46.23 feet to a calculated point;
5. North 49°14'49" East a distance of 52.77 feet to a calculated point;
6. North 45°14'55" East a distance of 55.96 feet to a calculated point
7. North 43°43'26" East a distance of 52.86 feet to a calculated point
8. North 41°05'22" East a distance of 48.00 feet to a calculated point
9. North 32°42'55" East a distance of 42.39 feet to a calculated point
10. North 36°20'34" East a distance of 43.28 feet to a calculated point
11. North 24°58'46" East a distance of 45.09 feet to a calculated point
12. North 20°50'58" East a distance of 58.26 feet to a calculated point
13. North 11°43'28" East a distance of 55.36 feet to a calculated point
14. North 12°03'40" East a distance of 59.87 feet to a calculated point
15. North 11°44'50" East a distance of 49.40 feet to a calculated point
16. North 20°31'26" East a distance of 49.47 feet to a calculated point
17. North 26°12'00" East a distance of 48.98 feet to a calculated point

18. North 19°47'54" East a distance of 56.22 feet to a calculated point
19. North 08°36'09" East a distance of 45.62 feet to a calculated point
20. North 32°55'35" East a distance of 52.23 feet to a calculated point
21. North 47°27'44" East a distance of 55.81 feet to a calculated point
22. North 45°04'59" East a distance of 51.38 feet to a calculated point
23. North 43°53'12" East a distance of 32.75 feet to a calculated point
24. North 08°50'46" East a distance of 41.41 feet to a calculated point
25. North 05°45'16" West a distance of 32.84 feet to a calculated point
26. North 01°15'08" East a distance of 35.86 feet to a calculated point
27. North 14°04'03" East a distance of 26.76 feet to a calculated point
28. North 34°11'10" East a distance of 54.41 feet to a calculated point
29. North 26°59'21" East a distance of 41.68 feet to a calculated point
30. North 36°09'53" East a distance of 43.97 feet to a calculated point
31. North 25°00'27" East a distance of 44.74 feet to a calculated point
32. North 00°27'57" East a distance of 24.88 feet to a calculated point
33. North 00°28'28" East a distance of 9.07 feet to a calculated point
34. North 05°17'24" West a distance of 31.85 feet to a calculated point
35. North 01°00'43" West a distance of 39.99 feet to a calculated point
36. North 13°37'54" West a distance of 36.17 feet to a calculated point
37. North 03°30'27" West a distance of 43.17 feet to a calculated point
38. North 10°14'35" West a distance of 42.68 feet to a calculated point
39. North 22°31'57" West a distance of 57.70 feet to a calculated point
40. North 44°39'48" West a distance of 45.77 feet to a calculated point
41. North 54°56'29" West a distance of 58.93 feet to a calculated point
42. North 82°53'28" West a distance of 51.24 feet to a calculated point
43. South 71°16'10" West a distance of 39.96 feet to a calculated point
44. South 66°38'21" West a distance of 51.94 feet to a calculated point
45. North 89°22'53" West a distance of 39.25 feet to a calculated point
46. North 83°41'50" West a distance of 51.08 feet to a calculated point
47. North 89°13'01" West a distance of 53.52 feet to a calculated point
48. North 76°23'07" West a distance of 54.75 feet to a calculated point
49. North 76°02'03" West a distance of 65.60 feet to a calculated point
50. North 78°19'56" West a distance of 54.07 feet to a calculated point
51. South 73°52'38" West a distance of 52.35 feet to a calculated point
52. North 82°54'47" West a distance of 58.96 feet to a calculated point
53. North 48°39'03" West a distance of 54.65 feet to a calculated point
54. North 21°40'43" West a distance of 61.82 feet to a calculated point
55. North 00°14'42" East a distance of 52.83 feet to a calculated point
56. North 08°20'31" East a distance of 53.76 feet to a calculated point
57. North 08°21'04" East a distance of 38.04 feet to a calculated point
58. North 12°10'56" West a distance of 48.92 feet to a calculated point
59. North 26°26'40" West a distance of 51.72 feet to a calculated point
60. North 09°59'30" West a distance of 51.78 feet to a calculated point
61. North 09°26'58" West a distance of 65.60 feet to a calculated point
62. North 23°17'46" East a distance of 51.71 feet to a calculated point
63. North 34°54'31" East a distance of 42.87 feet to a calculated point
64. North 48°43'04" East a distance of 60.00 feet to a calculated point
65. South 79°51'17" East a distance of 39.39 feet to a calculated point

66. South 58°38'03" East a distance of 48.87 feet to a calculated point
67. North 59°05'59" East a distance of 54.70 feet to a calculated point
68. North 00°19'10" East a distance of 38.05 feet to a calculated point
69. North 15°36'04" West a distance of 56.41 feet to a calculated point
70. North 06°24'18" East a distance of 49.34 feet to a calculated point
71. North 34°41'25" East a distance of 55.35 feet to a calculated point
72. North 08°45'25" West a distance of 12.36 feet to a calculated point
73. South 70°46'58" East a distance of 13.00 feet to a calculated point

THENCE: North 22°09'28" East a distance of 137.92 feet continuing along the eastern line of the said 85.796-acre tract, the western line of the said 30.580-acre tract to a 1/2-inch iron rod with cap stamped "Chaparral" found for the northwestern corner of the said 30.580-acre tract, a corner of the said 85.796-acre tract, for the northwestern corner of this herein described tract;

THENCE: South 62°50'17" East a distance of 155.27 feet along the northern line of the said 30.580-acre tract, line of the said 85.796-acre tract to a 1/2-inch iron rod found for a corner of the said 85.796-acre-tract, the southwestern corner of that certain tract of land called to contain 67.3023 acres to Helen Lucille Pearce as described in a Life Estate Deed recorded in Document No. 2021027313 of the Official Public Records of Travis County, Texas, for a corner of this herein described tract;

THENCE: South 62°31'08" East continuing along the northern line of the said 30.580-acre tract, at 612.02 feet pass a 1/2-inch iron rod found for the southeastern corner of the said 67.3023-acre tract, the southwestern corner of that certain tract of land called to contain 57.2158 acres to Harry Leonard Dearing, Sr. and Audrey T. Dearing as described in a Gift Deed in Document No. 2002251950 of the Official Public Records of Travis County, Texas, at 1456.85 feet pass a 1/2-inch iron rod found for the southeastern corner of the said 57.2158-acre tract, the southwestern corner of that certain tract of land called to contain 40.00 acres to Kenneth Sprinkles as described in a Warranty Deed in Volume 8947, Page 802 of the Real Property Records of Travis County, Texas, a distance in all of 1512.88 feet to a 1/2-inch iron pipe found for the northeastern corner of the said 30.580-acre tract, the northwestern corner of that certain tract of land called to contain 3.56 acres to Aqua Water Supply Corp. as described in a Warranty Deed in Document No. 2009010572 of the Official Public Records of Travis County, Texas, for the northeastern corner of this herein described tract;

THENCE: South 27°51'02" West along the southeastern line of the said 30.580-acre tract, at 330.19 feet pass a 5/8-inch iron rod with cap stamped "RPLS 5090" found for the southwestern corner of the said 3.56-acre tract, the westernmost northwestern corner of that certain tract of land called to contain 75.37 acres to the Board of Trustees of the Manor Independent School District as described in a Special Warranty Deed in Document No. 2008031946 of the Official Public Records of Travis County, Texas, at 548.29 feet pass a 1/2-inch iron pipe found for the westernmost southwestern corner of the said 75.37-acre tract, the northwestern corner of the remainder of that certain tract of land called to contain 121.4 acres to Alexandra Carrillo as described in a Special Warranty Deed in Document No. 2004009801 of the Official Public Records of Travis County, Texas, **a distance in all of 870.12 feet** to a 1/2-inch iron rod with cap stamped "Chaparral" found on the northeastern line of the said Gregg Lane Dev LLC 59.765-acre tract, for the southeastern corner of the said 30.580-acre tract, a corner of the remainder of the said 121.4-acre tract, for a corner of this herein described tract;

THENCE: South 61°38'37" East a distance of 350.98 along the northeastern line of the said 59.765-acre tract, a southwestern line of the remainder of the said 121.4-acre tract to a 1/2-inch iron rod with cap stamped "Chaparral" found for a corner of this herein described tract;

THENCE: South 61°40'01" East a distance of 79.74 feet continuing along the southwestern line of the remainder of the said 121.4-acre tract, the northeastern line of the said 59.765-acre tract to a 1/2-inch iron rod with cap stamped "Chaparral" found for the northeastern corner of the said 59.765-acre tract, the northwestern corner of that certain tract of land called to contain 0.45 acres to Alexandra Carrillo & James T. Lutz as described in a General Warranty Deed in Document No. 2020214199 of the Official Public Records of Travis County, Texas, for a corner of this herein described tract;

THENCE: South 00°45'28" East a distance of 309.06 along the western line of the said 0.45-acre tract, line an eastern line of the said 59.765-acre tract to a 1/2-inch iron rod found for the southern corner of the said 0.45-acre tract, a corner of the remainder of the said 121.4-acre tract, for a corner of this herein described tract;

THENCE: South 62°03'42" East a distance of 551.06 feet continuing along a line of the remainder of the said 121.4-acre tract a line of the said 59.765-acre tract to a 1/2-inch iron rod found for a corner of the remainder of the said 121.4-acre tract, the southernmost southwestern corner of the said Manor Independent School District 75.37-acre tract, for a corner of this herein described tract;

THENCE: South 61°55'55" East a distance of 250.32 feet along the southwestern line of the said Manor Independent School District 75.37-acre tract a line of the said 59.765-acre tract to a 1 1/2-inch iron pipe found for the easternmost northeastern corner of the said 59.765-acre tract, the northwestern corner of that certain tract of land called to contain 15.74 acres to the Board of Trustees of the Manor Independent School District as described in a General Warranty Deed in Document No. 2016051094 of the Official Public Records of Travis County, Texas, for the easternmost northeastern corner of this herein described tract;

THENCE: South 27°32'06" West a distance of 1131.40 feet along the northwestern line of the said 15.74-acre tract, the easternmost southeastern line of the aid 59.765-acre tract to the **POINT OF BEGINNING** and containing 90.340 acres of land.

Rex L. Hackett
Registered Professional Land Surveyor No. 5573
rhackett@jonescarter.com

3-14-2022
Date:



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APPENDIX D

FORM OF OPINION OF BOND COUNSEL

Bickerstaff
Heath Delgado Acosta LLP

_____

$_____,000
CITY OF MANOR, TEXAS
SPECIAL ASSESSMENT REVENUE BONDS,
SERIES 2025
(NEWHAVEN PUBLIC IMPROVEMENT DISTRICT)

WE HAVE ACTED AS BOND COUNSEL in connection with the issuance by the City of Manor, Texas (the "City") of its $_____,000 aggregate original principal amount of Special Assessment Revenue Bonds, Series 2025 (Newhaven Public Improvement) (the "Bonds"), dated _____, 2025.

IN OUR CAPACITY AS BOND COUNSEL, we have examined the applicable and pertinent provisions of the Constitution and laws of the State of Texas; the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), the regulations of the United States Department of the Treasury adopted thereunder, rulings and procedures thereunder pertinent to this opinion; an ordinance of the City Council of the City (the "City Council") authorizing the Bonds adopted on September 3, 2025 (the "Bond Ordinance"); the Indenture of Trust, dated September 1, 2025 (the "Indenture"), by and between the City and BOKF, NA, as Trustee (the "Trustee") authorizing the issuance of the Bonds; a transcript of certified proceedings of the City Council relating to the authorization, issuance, sale and delivery of the Bonds, including the Bond Ordinance; the Indenture, the Bonds and opinions of officials of the City; the Arbitrage and Tax Certificate of the City; and other pertinent instruments authorizing and relating to the issuance of the Bonds. We have examined the Initial Bond (as defined in the Indenture) which we found to be in due form and properly executed. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

BASED ON OUR EXAMINATION, we are of the opinion as of the date hereof and under existing law, as follows:

1. The Bonds are valid and legally binding obligations of the City enforceable in accordance with their terms, except as their enforceability may be limited by bankruptcy, insolvency, or other laws affecting creditors' rights generally and as may be affected by matters involving the exercise of equitable or judicial discretion.

2. The Bonds are secured by and payable solely from the Trust Estate, as defined in the Indenture. The Owners of the Bonds shall never have the

right to demand payment thereof from any funds raised by taxation, or from any other revenues, properties or income of the City.

3. Under existing statutes, regulations, rulings, and court decisions, interest on the Bonds is excludable from gross income for federal income tax purposes pursuant to Section 103 of the Code and will not constitute an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest on the Bonds may be taken into account for the purpose of computing the alternative minimum tax imposed on certain corporations.

In rendering this opinion, we have assumed continuing compliance by the City with the covenants contained in the Indenture and the Arbitrage and Tax Certificate, that it will comply with the applicable requirements of the Code, including requirements relating to, *inter alia*, the use and investment of proceeds of the Bonds and rebate to the United States Treasury of specified arbitrage earnings, if any, under Section 148(f) of the Code. Failure of the City to comply with such covenants could result in the interest on the Bonds being subject to federal income tax from the date of issue. We have not undertaken to monitor compliance with such covenants or to advise any party as to changes in the law after the date hereof that may affect the tax-exempt status of the interest on the Bonds.

In the case of certain corporate holders of the Bonds, all or a portion of the interest on the Bonds may be included in the calculation of the alternative minimum tax imposed on certain corporations as a result of the inclusion of interest on the Bonds in adjusted financial statement income. We express no opinion regarding any federal tax consequences other than the opinion expressed in paragraph 3, above.

The opinions set forth above are based on existing law, which is subject to change. Such opinions are further based on our knowledge of facts as of the date hereof. We assume no duty to update or supplement these opinions to reflect any facts or circumstances that may hereafter come to our attention or to reflect any changes in any law that may hereafter occur or become effective. Moreover, our opinions are not a guarantee of result and are not binding on the Internal Revenue Service; rather, such opinions represent our legal judgment based upon our review of existing law and in reliance upon the representations and covenants referenced above that we deem relevant to such opinions. We observe that the City has covenanted in the Indenture not to take any action, or omit to take any action within its control, that if taken or omitted, respectively, may result in the treatment of interest on the Bonds as includable in gross income for federal income tax purposes.

Respectfully,

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APPENDIX E-l

FORM OF DISCLOSURE AGREEMENT OF ISSUER

CITY OF MANOR, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025
(NEWHAVEN PUBLIC IMPROVEMENT DISTRICT)

CONTINUING DISCLOSURE AGREEMENT OF ISSUER

This Continuing Disclosure Agreement of Issuer dated as of September 1, 2025 (this "Disclosure Agreement") is executed and delivered by and between the City of Manor, Texas (the "Issuer"), P3Works, LLC (the "Administrator"), and BOKF, NA, Dallas, Texas (acting solely in its capacity as dissemination agent (the "Dissemination Agent") with respect to the Issuer's "Special Assessment Revenue Bonds, Series 2025 (Newhaven Public Improvement District)" (the "Bonds"). The Issuer, the Administrator and the Dissemination Agent covenant and agree as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer, the Administrator and the Dissemination Agent for the benefit of the Owners (defined below) and beneficial owners of the Bonds. Unless and until a different filing location is designated by the MSRB (defined below) or the SEC (defined below), all filings made by the Dissemination Agent pursuant to this Disclosure Agreement shall be filed with the MSRB through EMMA (defined below).

Section 2. Definitions. In addition to the definitions set forth above and in the Indenture of Trust dated as of September 1, 2025, between the Issuer and Trustee relating to the Bonds (the "Indenture"), which apply to any capitalized term used in this Disclosure Agreement, including the Exhibits hereto, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"2025 Service and Assessment Plan" shall have the meaning assigned to such term in the Indenture.

"Administrator" shall mean P3Works, LLC, or an officer or employee of the City or third party designee of the City who is not an officer or employee thereof, identified in any indenture of trust relating to the Bonds or any other agreement or document approved by the Issuer related to the duties and responsibilities of the administration of the District.

"Annual Collection Costs" shall have the meaning assigned to such term in the Indenture.

"Annual Financial Information" shall mean annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

"Annual Installment" shall have the meaning assigned to such term in the Indenture.

"Annual Issuer Report" shall mean any Annual Issuer Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Assessment(s)" shall have the meaning assigned to such term in the Indenture.

"Business Day" means any day other than a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar (as each term is defined in the Indenture) is located are required or authorized by law or executive order to close.

"Developer" shall mean Gregg Lane Dev, LLC, a Texas limited liability company, and its designated successors and assigns.

"Disclosure Agreement of Developer" shall mean the Continuing Disclosure Agreement of Developer relating to the Bonds dated as of September 1, 2025, executed and delivered by the Developer, the Administrator and the Dissemination Agent.

"Disclosure Representative" shall mean such officer or employee of the Issuer as the Issuer may designate in writing to the Dissemination Agent from time to time.

"Dissemination Agent" shall mean BOKF, NA, Dallas, Texas, a national banking association duly organized and existing under the laws of the United States, in its capacity as dissemination agent, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee a written acceptance of such designation.

"District" shall mean Newhaven Public Improvement District.

"EMMA" shall mean the Electronic Municipal Market Access System available on the internet at http://emma.msrb.org.

"Fiscal Year" shall mean the Issuer's fiscal year, currently the calendar year from October 1 through September 30.

"Foreclosure Proceeds" shall have the meaning assigned to such term in the Indenture.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Agreement.

"MSRB" shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive reports pursuant to the Rule.

"Outstanding" shall have the meaning assigned to such term in the Indenture.

"Owner" or "Holder" means the Person who is the registered owner of a Bond or Bonds, as shown in the Register, which shall be Cede & Co., as nominee for DTC, so long as the Bonds are in book-entry only form and held by DTC as securities depository in accordance with the Indenture.

"Participating Underwriter" shall mean FMSbonds, Inc. and its successors and assigns.

"Prepayment(s)" shall have the meaning assigned to such term in the Indenture.

"Rule" shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" shall mean the United States Securities and Exchange Commission.

"Trustee" shall mean BOKF, NA, Dallas, Texas, a national banking association duly organized and existing under the laws of the United States, acting solely in its capacity as trustee, or any successor trustee pursuant to the Indenture.

Section 3. Provision of Annual Issuer Reports.

(a) The Issuer shall cause and hereby directs the Administrator to compile and prepare the Annual Financial Information. Not later than 10 business days prior to the expiration of six months after the end of each Fiscal Year commencing with the Fiscal Year ending September 30, 2025, the Issuer shall provide or direct the Administrator to provide the Annual Issuer Report to the Dissemination Agent together with written direction to file such Annual Issuer Report with the MSRB. The Dissemination Agent shall provide such Annual Issuer Report to the MSRB not later than 10 days from receipt of such Annual Issuer Report from the Issuer, but in no event later than the Annual Issuer Report Filing Date for such Fiscal Year.

(b) The Issuer shall cause and hereby directs the Dissemination Agent to provide or cause to be provided to the MSRB, in the electronic or other format required by the MSRB, commencing with the Fiscal Year ending September 30, 2025, an Annual Issuer Report provided to the Dissemination Agent which is consistent with the requirements of Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Issuer, if prepared and available, may be submitted separately from the Annual Issuer Report, and later than the date required in this paragraph for the filing of the Annual Issuer Report if audited financial statements are not available by that date; provided further, however, that the Annual Financial Information must be submitted not later than six months after the end of the Issuer's Fiscal Year. In each case, the Annual Issuer Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Agreement. If the Issuer's Fiscal Year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(a). All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(c) The Issuer shall or shall cause the Dissemination Agent to:

(1) determine the filing address or other filing location of the MSRB each year within ten (10) Business Days prior to filing the Annual Issuer Report on the date required in subsection (a);

(2) file the Annual Issuer Report (excluding the audited financial statements of the Issuer, if any, which shall be filed by the Issuer or the Dissemination Agent upon receipt from the Issuer) containing or incorporating by reference the information set forth in Section 4 hereof;

(3) file audited financial statements of the Issuer pursuant to Section 4(b) herein; and

(4) if the Issuer has provided the Dissemination Agent with the completed Annual Issuer Report and the Dissemination Agent has filed such Annual Issuer Report with the MSRB, then the Dissemination Agent shall file a report with the Issuer certifying that the Annual Issuer Report has been provided pursuant to this Disclosure Agreement,

stating the date it was provided and that it was filed with the MSRB, which report shall include a filing receipt from the MSRB.

Section 4. Content and Timing of Annual Issuer Reports. The Annual Issuer Report for the Bonds shall contain the information set forth in Exhibit A or incorporate by reference, and the Issuer agrees to provide or cause to be provided to the Dissemination Agent, the following:

(a) *Annual Financial Information*. Within six (6) months after the end of each Fiscal Year the Annual Financial Information of the Issuer (any or all of which may be unaudited) being:

(1) Tables setting forth the following information, as of the end of such Fiscal Year:

(A) For the Bonds, the maturity date or dates, the interest rate or rates, the original aggregate principal amount and principal amount and interest amount remaining Outstanding; and

(B) The amounts in the funds and accounts under the Indenture securing the Bonds and a description of the related investments.

(2) The principal and interest paid on the Bonds during such Fiscal Year and the minimum scheduled principal and interest required to be paid on the Bonds in the next Fiscal Year.

(3) Any updates to the information in the 2025 Service and Assessment Plan as most recently amended or supplemented (a "SAP Update"), including any changes to the methodology for levying the Assessments in the District.

(4) The individual and aggregate taxable assessed valuation for parcels or lots within the District, based on the most recent certified tax roll available to the Issuer.

(5) Listing of any property owners in the District representing more than five percent (5%) of the levy of Assessments, the amount of the levy of Assessments against such property owners, and the percentage of such Assessments relative to the entire levy of Assessments within the District, based on the most recent certified tax roll available to the Issuer.

(6) The current or delinquent status of the payment of the Assessments for each parcel or lot in the District as of March 1 of the calendar year immediately succeeding such Fiscal Year.

(7) The five-year collection and delinquency history of the Assessments.

(8) For each of the Assessments, the total amount of (A) Annual Installments invoiced, (B) Annual Installments collected (as reported by the County Tax Assessor Collector or the Administrator), (C) delinquent Annual Installments and the length of time of such delinquency, (D) delinquent Assessments collected, (E) Foreclosure Proceeds collected, and (F) Prepayments collected, as of the March 1 of the calendar year

immediately succeeding such Fiscal Year, in each case with respect to the most recent billing period (generally, October 1 of the preceding calendar year through January 31 of the current calendar year).

(9) A description of any amendment to this Disclosure Agreement and a copy of any restatements to the Issuer's audited financial statements during such Fiscal Year.

(b) *Audited Financial Statements*. If not provided with the financial information provided under subsection 4(a) above, if prepared and when available, the audited financial statements of the Issuer for the most recently ended Fiscal Year, prepared in accordance with generally accepted accounting principles applicable from time to time to the Issuer. If such audited financial statements are not complete within the time period specified in subsection 4(a) above, then the Issuer shall provide unaudited financial statements within such period and shall provide audited financial statements for the applicable Fiscal Year when and if the audit report on such statements becomes available.

See Exhibit B hereto for a form for submitting the information set forth in the preceding paragraphs.

The Issuer has designated P3Works, LLC as the initial Administrator. The Administrator, or the Issuer's staff if no Administrator is designated, and is hereby authorized and directed to prepare and provide the Annual Financial Information. In all cases, the Issuer shall have the sole responsibility for the content, design, and other elements comprising substantive contents of the Annual Issuer Reports under this Section 4.

Any or all of the items listed above may be included by specific reference to other documents, including disclosure documents of debt issues of the Issuer, which have been submitted to and are publicly accessible from the MSRB. If the document included by reference is a final offering document, it must be available from the MSRB. The Issuer shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5, each of the following is a Listed Event with respect to the Bonds:

(1) Principal and interest payment delinquencies.

(2) Non-payment related defaults, if material.

(3) Unscheduled draws on debt service reserves reflecting financial difficulties.

(4) Unscheduled draws on credit enhancements reflecting financial difficulties.

(5) Substitution of credit or liquidity providers, or their failure to perform.

(6) Adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other

material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds.

(7) Modifications to rights of Owners, if material.

(8) Bond calls, if material, and tender offers.

(9) Defeasances.

(10) Release, substitution, or sale of property securing repayment of bonds, if material.

(11) Rating changes.

(12) Bankruptcy, insolvency, receivership or similar event of the Issuer.

(13) The consummation of a merger, consolidation, or acquisition of the Issuer, or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

(14) Appointment of a successor or additional trustee under the Indenture or the change of name of a trustee, if material.

(15) Incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material.

(16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

The Issuer does not intend for any sale by the Developer of real property within the District in the ordinary course of the Developer's business to be considered a significant event for the purposes of number (10) above.

For these purposes, "financial obligation" means (i) a debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule. The Issuer intends the words used in numbers (15) and (16) and the definition of "financial obligation" to have the meanings ascribed to them in SEC Release No. 34-83885 (August 20, 2018).

For these purposes, any event described in the immediately preceding number (12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any

other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

Whenever the Issuer obtains knowledge of the occurrence of a Listed Event, the Issuer shall promptly notify the Dissemination Agent in writing and the Issuer shall direct the Dissemination Agent to file a notice of such occurrence with the MSRB. The Dissemination Agent shall file such notice within ten (10) Business Days of the occurrence of such Listed Event; provided that the Dissemination Agent shall not be liable for the filing of notice of any Listed Event more than ten (10) Business Days after the occurrence of such Listed Event if notice of such Listed Event is received from the Issuer more than ten (10) Business Days after the occurrence of such Listed Event.

Additionally, the Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide annual audited financial statements or Annual Financial Information as required under this Disclosure Agreement. The form for submitting such notice is attached hereto as Exhibit A. Any notice under the preceding paragraphs shall be accompanied with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Dissemination Agent to disseminate such information as provided herein, and the date the Issuer desires for the Dissemination Agent to disseminate the information (which date shall not be more than ten (10) Business Days after the occurrence of the Listed Event or failure to file).

In all cases, the Issuer shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures made pursuant to Sections 4 and 5 of this Disclosure Agreement. In addition, the Issuer shall have the sole responsibility to ensure that any notice required to be filed under this Section 5 is filed within ten (10) Business Days of the occurrence of the Listed Event.

(b) The Dissemination Agent shall, within two (2) Business Days of obtaining actual knowledge of the occurrence of any Listed Event with respect to the Bonds, notify the Disclosure Representative in writing of such Listed Event. The Dissemination Agent shall not be required to file a notice of the occurrence of such Listed Event with the MSRB unless and until it receives written instructions from the Disclosure Representative to do so. If the Dissemination Agent has been instructed by the Disclosure Representative on behalf of the Issuer to report the occurrence of a Listed Event under this subsection (b), the Dissemination Agent shall file a notice of such occurrence with the MSRB no later than two (2) Business Days immediately following the day on which it receives written instructions from the Issuer. The Issuer acknowledges the duty to make or cause to be made the disclosures herein is that of the Issuer and not that of the Trustee or the Dissemination Agent. It is agreed and understood that the Dissemination Agent has agreed to give the foregoing notice to the Issuer as an accommodation to assist it in monitoring the occurrence of such event but is under no obligation to investigate whether any such event has occurred. As used above, "actual knowledge" means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent be liable in

damages or in tort to the Issuer or any Owner or beneficial owner of any interests in the Bonds as a result of its failure to give the foregoing notice or to give such notice in a timely fashion.

(c) If in response to a notice from the Dissemination Agent under subsection (b), the Issuer determines that the Listed Event under number (2), (7), (8), (10), (13), (14), or (15) of subsection (a) above is not material under applicable federal securities laws, the Issuer shall promptly, but in no case more than five (5) Business Days after occurrence of the event, notify the Dissemination Agent and the Trustee (if the Dissemination Agent is not the Trustee) in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (b).

(d) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall immediately file a notice of such occurrence with the MSRB (which date shall not be more than ten (10) Business Days after the occurrence of the Listed Event or failure to file).

Section 6. Termination of Reporting Obligations. The obligations of the Issuer, the Administrator and the Dissemination Agent under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Administrator and the Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required. So long as any of the Bonds remain Outstanding, the Administrator and the Dissemination Agent may assume that the Issuer is an obligated person with respect to the Bonds until it receives written notice from the Disclosure Representative stating that the Issuer is no longer an obligated person with respect to the Bonds, and the Administrator and the Dissemination Agent may conclusively rely upon such written notice with no duty to make investigation or inquiry into any statements contained or matters referred to in such written notice. If such termination occurs prior to the final maturity of the Bonds, the Issuer shall give notice of such termination in the same manner as for a Listed Event with respect to the Bonds under Section 5(a).

Section 7. Dissemination Agent. The Dissemination Agent agrees to perform the duties set forth in this Disclosure Agreement. The Issuer may, from time to time, appoint or engage a Dissemination Agent or successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge such Dissemination Agent. If the Issuer discharges the Dissemination Agent, the Issuer shall use best efforts to appoint a successor Dissemination Agent within 30 days of such discharge. The Dissemination Agent may resign at any time with sixty (60) days' notice to the Issuer and the Administrator, provided that if the Dissemination Agent is serving in the same capacity under the Disclosure Agreement of Developer, the Dissemination Agent shall resign under the Disclosure Agreement of Developer simultaneously with its resignation hereunder. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be the Trustee. In addition, pursuant to the Disclosure Agreement of Developer, the Issuer may, from time to time, appoint or engage a Dissemination Agent or successor Dissemination Agent to assist the Developer, and any other party responsible for providing Quarterly Information pursuant to the Disclosure Agreement of Developer, in carrying out their respective obligations under the Disclosure Agreement of Developer, and may discharge such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any

time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. In the event the Issuer appoints a new Dissemination Agent under the Disclosure Agreement of Developer, the Issuer shall give written notice of such change to the Administrator and any Party responsible for providing Quarterly Information at least fifteen (15) days prior to the next Quarterly Filing Date. With the exception of the term "Disclosure Agreement of Developer", capitalized terms used in this paragraph shall have the meanings given to such terms in the Disclosure Agreement of Developer.

Section 8. Amendment, Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Issuer, the Administrator, and the Dissemination Agent may amend this Disclosure Agreement (and the Dissemination Agent shall not unreasonably withhold its consent to any amendment so requested by the Issuer or the Administrator), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the delivery of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or beneficial owners of the Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer shall describe such amendment in the next related Annual Issuer Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Annual Issuer Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. No amendment which adversely affects the Dissemination Agent may be made without its prior written consent (which consent will not be unreasonably withheld or delayed).

Section 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Issuer Report or notice of occurrence of a Listed

Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Issuer Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Issuer Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, the Dissemination Agent may (and, at the request of the Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds, shall, upon being indemnified to its satisfaction as provided in the Indenture), or any Owner or beneficial owner of the Bonds may, take such actions as may be necessary and appropriate to cause the Issuer, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture with respect to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer to comply with this Disclosure Agreement shall be an action for mandamus or specific performance. A default under this Disclosure Agreement by the Issuer shall not be deemed a default under the Disclosure Agreement of Developer by the Developer, and a default under the Disclosure Agreement of Developer by the Developer shall not be deemed a default under this Disclosure Agreement by the Issuer.

Section 11. Duties, Immunities and Liabilities of Dissemination Agent and Administrator. The Dissemination Agent shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Dissemination Agent. To the extent permitted by law, the Issuer agrees to hold harmless the Dissemination Agent, its officers, directors, employees and agents, but only with funds to be provided by the Developer or from Assessments collected from the property owners in the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Dissemination Agent for losses, expenses or liabilities arising from information provided to the Dissemination Agent by the Developer or the failure of the Developer to provide information to the Dissemination Agent as and when required under the Disclosure Agreement of Developer. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Dissemination Agent is an "obligated person" under the Rule. The Dissemination Agent shall not be responsible for the Issuer's failure to submit a complete Annual Report to the MSRB. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The fact that the Dissemination Agent may have a banking or other business relationship with the Issuer or any person with whom the Issuer contracts in connection with the transaction described in the Indenture, apart from the relationship created by the Indenture or this Disclosure Agreement, shall not be construed to mean that the Dissemination Agent has actual knowledge of any event described in Section 5 above, except as may be provided by written notice to the Dissemination Agent pursuant to this Disclosure Agreement.

The Dissemination Agent may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Dissemination Agent shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

The Administrator shall not have any duty with respect with respect to or responsibility for the (1) accuracy of any information provided by third parties or the Issuer for the disclosures made pursuant to the terms hereof, or (2) the untimeliness of any information provided by third parties or the Issuer for the disclosures made pursuant to the terms hereof, except where such untimeliness is attributable to the actions or inactions of the Administrator. The Administrator shall have only such duties as are specifically set forth in Sections 3 and 4 of this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Administrator. To the extent permitted by law, the Issuer agrees to indemnify and hold harmless the Administrator, its officers, directors, employees and agents, but only with funds to be provided by the Developers or from Assessments collected from the property owners in the District, against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability but excluding liabilities due to the Administrator's negligence or willful misconduct; provided, however, that nothing herein shall be construed to require the Issuer to indemnify the Administrator for losses, expenses or liabilities arising from information provided to the Administrator by third parties or the Developers, or the failure of any third party or the Developers to provide information to the Administrator as and when required under this Agreement. The obligations of the Issuer under this Section shall survive resignation or removal of the Administrator and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Administrator is an "obligated person" under the Rule. The Administrator is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The Administrator shall not in any event incur any liability with respect to (i) any action taken or omitted to be taken in good faith upon advice of legal counsel given with respect to any question relating to duties and responsibilities of the Administrator hereunder, or (ii) any action taken or omitted to be taken in reliance upon any document delivered to the Administrator and believed to be genuine and to have been signed or presented by the proper party or parties

The Administrator may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Administrator shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel.

UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT, THE ADMINISTRATOR OR THE ISSUER BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, THE ADMINISTRATOR OR THE DISSEMINATION AGENT, RESPECTIVELY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS DISCLOSURE AGREEMENT, BUT EVERY RIGHT AND REMEDY OF ANY SUCH

PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE. EITHER THE DISSEMINATION AGENT NOR THE ADMINISTRATOR ARE UNDER ANY OBLIGATION NOR ARE THEY REQUIRED TO BRING SUCH AN ACTION.

Section 12. Assessment Timeline. The basic expected timeline for the collection of Assessments and the anticipated procedures for pursuing the collection of delinquent Assessments is set forth in Exhibit C which is intended to illustrate the general procedures expected to be followed in enforcing the payment of delinquent Assessments.

Section 13. No Personal Liability. No covenant, stipulation, obligation or agreement of the Issuer, the Administrator, or the Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future council members, officer, agent or employee of the Issuer, the Administrator, or Dissemination Agent in other than that person's official capacity.

Section 14. Severability. In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reasons held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 15. Sovereign Immunity. The Dissemination Agent and the Administrator agree that nothing in this Disclosure Agreement shall constitute or be construed as a waiver of the Issuer's sovereign or governmental immunities regarding liability or suit.

Section 16. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Administrator, the Dissemination Agent, the Participating Underwriter, and the Owners and the beneficial owners from time to time of the Bonds and shall create no rights in any other person or entity. Nothing in this Disclosure Agreement is intended or shall act to disclaim, waive or otherwise limit the duties of the Issuer under federal and state securities laws.

Section 17. Dissemination Agent Compensation. The fees and expenses incurred by the Dissemination Agent for its services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the annual updates to the 2025 Service and Assessment Plan. The Issuer shall pay or reimburse the Dissemination Agent, but only with funds to be provided from the Annual Collection Costs component of the Annual Installments collected from the property owners in the District, for the fees and expenses for its services rendered in accordance with this Disclosure Agreement.

Section 18. Administrator Compensation. The fees and expenses incurred by the Administrator for its services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the annual updates to the 2025 Service and Assessment Plan. The Issuer shall pay or reimbursement the Administrator but only with funds to be provided from the Annual Collection Costs component of the Annual Installments, including the payment of the fees and expenses of the Administrator for its services rendered in accordance with this Disclosure Agreement.

Section 19. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas (the "State").

Section 20. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 21. Statutory Verifications. The Dissemination Agent and the Administrator, each respectively, make the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Disclosure Agreement. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the Dissemination Agent or the Administrator within the meaning of Securities and Exchange Commission Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Disclosure Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Disclosure Agreement, notwithstanding anything in this Disclosure Agreement to the contrary.

(a) Not a Sanctioned Company. The Dissemination Agent and the Administrator, each respectively, represent that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Dissemination Agent and the Administrator and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

(b) No Boycott of Israel. The Dissemination Agent and the Administrator, each respectively, hereby verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Disclosure Agreement. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.

(c) No Discrimination Against Firearm Entities. The Dissemination Agent and the Administrator, each respectively, hereby verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Disclosure Agreement.

As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" has the meaning provided in Section 2274.001(3), Government Code.

(d) No Boycott of Energy Companies. The Dissemination Agent and the Administrator, each respectively, hereby verify that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Disclosure Agreement. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

Section 22. Texas Government Code Section 2274.002. The Aggregate value of this Agreement is less than the dollar limitation set forth in Section 2274.002(a)(2) of the Texas Government Code, as amended.

Section 23. Disclosure of Interested Parties. Pursuant to Section 2252.908(c)(4), Texas Government Code, as amended, the Dissemination Agent hereby certifies it is a publicly traded business entity and is not required to file a Certificate of Interested Parties Form 1295 related to this Disclosure Agreement. Submitted herewith is a completed Form 1295 in connection with the Administrator's participation in the execution of this Disclosure Agreement generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The Issuer hereby confirms receipt of the Form 1295 from the Administrator, and the Issuer agrees to acknowledge such form with the TEC through its electronic filing application not later than the thirtieth (30th) day after the receipt of such form. The Administrator and the Issuer understand and agree that, with the exception of information identifying the Issuer and the contract identification number, neither the Issuer nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Administrator; and, neither the Issuer nor its consultants have verified such information.

[*Signature pages follow*.]

CITY OF MANOR, TEXAS

By: _____
Dr. Christopher Harvey
Mayor

BOKF, N.A.
(solely in its capacity as Dissemination Agent)

By: _____
Authorized Officer

P3WORKS, LLC
(as Administrator)

By: _____
Authorized Officer

EXHIBIT A

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL ISSUER REPORT

Name of Issuer:	City of Manor, Texas
Name of Bond Issue:	Special Assessment Revenue Bonds, Series 2025 (Newhaven Public Improvement District)
Date of Delivery:	_____, 20 __
CUSIP Numbers:	[Insert CUSIP Numbers]

NOTICE IS HEREBY GIVEN that the City of Manor, Texas, has not provided [an Annual Issuer Report] [annual audited financial statements] with respect to the above-named bonds as required by the Continuing Disclosure Agreement of Issuer dated as of _____ 1, 2025, between the Issuer, P3Works, LLC, as Administrator and BOKF, NA, as Dissemination Agent. The Issuer anticipates that [the Annual Issuer Report] [annual audited financial statements] will be filed by _____.

Dated: _____

BOKF, NA,
on behalf of the City of Manor, Texas
(solely in its capacity as Dissemination Agent)

By: _____

Title: _____

cc: City of Manor, Texas

EXHIBIT B

CITY OF MANOR, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025
(NEWHAVEN PUBLIC IMPROVEMENT DISTRICT)

ANNUAL ISSUER REPORT*

Delivery Date: _____, 20__

CUSIP Numbers: [insert CUSIP Numbers]

DISSEMINATION AGENT

Name: BOKF, NA,
Address: _____
City: _____, Texas _____
Telephone: (____) ___- _____
Contact Person: Attn: _____]

SECTION 4(a)(1)(A)

BONDS OUTSTANDING

CUSIP Number	Maturity Date	Interest Rate	Original Principal Amount	Outstanding Principal Amount	Outstanding Interest Amount

SECTION 4(a)(1)(B)

INVESTMENTS

Fund/Account Name	Investment Description	Par Value	Book Value	Market Value

* Excluding Audited Financial Statements of the Issuer

SECTION 4(a)(2)

FINANCIAL INFORMATION AND OPERATING DATA WITH RESPECT TO THE ISSUER OF THE GENERAL TYPE AS OF THE END OF THE FISCAL YEAR

Debt Service Requirements on the Bonds

Year Ending (September 30)	Principal	Interest	Total

ITEMS REQUIRED BY SECTION 4(a)(3) - (6)
[Insert a line item for each applicable listing]

SECTION 4(a)(7)

Collection and Delinquency History of Assessments

Time Period	Total Assessment Levied	Parcels Levied[1]	Delinquent Amount as of 3/1	Delinquent % as of 3/1	Delinquent Amount as of 9/1	Delinquent % as of 9/1	Total Assessments Collected[2]
[FISCAL YEAR END]	$		$	%	$	%	$
[FEB 1. OF CURRENT YEAR][3]	$		$	%	N/A	N/A	$

(1) Pursuant to Section 31.031, Texas Tax Code, certain veterans, persons aged 65 or older, and the disabled, who qualify for an exemption under either Section 11.13(c), 11.32, or 11.22, Texas Tax Code, are eligible to pay property taxes in four equal installments ("Installment Payments"). Effective January 1, 2018, pursuant to Section 31.031(a-1), Texas Tax Code, the Installment Payments are each due before February 1, April 1, June 1, and August 1. Each unpaid Installment Payment is delinquent and incurs penalties and interest if not paid by the applicable date.

(2) [Does/does not] include interest and penalties.

(3) Collected as of February 1, 20__.

ITEMS REQUIRED BY SECTION 4(a)(8) - (9)
[Insert a line item for each applicable listing]

EXHIBIT C

BASIC EXPECTED TIMELINE FOR ASSESSMENTS COLLECTIONS AND PURSUIT OF DELINQUENCIES

Date	Delinquency Clock (Days)	Activity
January 31		Assessments are due.
February 1	1	Assessments Delinquent if not received
February 15	15	Upon receipt, but no later than February 15, Issuer forwards payment to Trustee for all collections received as of February 15, along with detailed breakdown. Subsequent payments and relevant details will follow monthly thereafter.
		Issuer and/or Administrator should be aware of actual and specific delinquencies
		Administrator should be aware if Reserve Fund needs to be utilized for debt service payments during the corresponding Fiscal Year.
		Issuer and/or Administrator should determine if previously collected surplus funds, if any, plus actual Annual Installment collections will be fully adequate for debt service in the corresponding March and September.
February 15	15	Issuer and/or Administrator should be aware of actual and specific delinquencies.
March 15	43/44	Trustee pays bond interest payments to bondholders.
April 1	59/60	At this point, if total delinquencies are under 5% and if there is adequate funding in the Pledged Revenue Fund for transfer to the Principal and Interest Account for full September payments, no further action is anticipated for collection of Assessments except that the Issuer or Administrator, working with the City Attorney or an appropriate designee, will begin process to cure deficiency.
		Issuer, or the Trustee on behalf of the Issuer, to notify Dissemination Agent in writing of the occurrence of draw on the Reserve Fund and, following receipt of such notice, Dissemination Agent to notify MSRB of such draw or the Reserve Fund.
July 1	152/153	**If there are over 5% delinquencies or if there is insufficient funding in the Pledged Revenue Fund for transfer to the Principal and Interest Account of such amounts as shall be required for the full September payment, Issuer and/or Administrator to notify Dissemination Agent in writing for inclusion in the next Annual Report.**
		Preliminary Foreclosure activity commences in accordance with the County Tax Assessor's procedures.
		If Dissemination Agent has not received Foreclosure Schedule and Plan of Collections, Dissemination Agent to request same from the Issuer.

Date	Delinquency Clock (Days)	Activity
		If the Issuer has not provided the Dissemination Agent with Foreclosure Schedule and Plan of Collections, Dissemination Agent requests that the Issuer commence foreclosure or provide plan for collection.
August 15	197/198	The designated lawyers or law firm will be preparing the formal foreclosure documents and will provide periodic updates to the Dissemination Agent and the Trustee. The goal for the foreclosure actions is a filing by no later than August 15 (day 197/198).
		Foreclosure action to be filed with the court as soon as practicable, in accordance with the County Tax Assessor's procedures.
		Issuer notifies Trustee and Dissemination Agent of Foreclosure filing status in writing for inclusion in next Annual Report.

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APPENDIX E-2

FORM OF DISCLOSURE AGREEMENT OF DEVELOPER

CITY OF MANOR, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025
(NEWHAVEN PUBLIC IMPROVEMENT DISTRICT)

CONTINUING DISCLOSURE AGREEMENT OF DEVELOPER

This Continuing Disclosure Agreement of Developer, dated as of September 1, 2025 (this "Disclosure Agreement"), is executed and delivered by and among Gregg Lane Dev, LLC (the "Developer"), P3Works, LLC (the "Administrator"), and BOKF, NA, Dallas, Texas (acting solely in its capacity as dissemination agent (the "Dissemination Agent") with respect to the "City of Manor, Texas, Special Assessment Revenue Bonds, Series 2025 (Newhaven Public Improvement District)" (the "Bonds"). The Developer, the Administrator and the Dissemination Agent covenant and agree as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Developer, the Administrator, and the Dissemination Agent for the benefit of the Owners (defined below) and beneficial owners of the Bonds. Unless and until a different filing location is designated by the MSRB (defined below) or the SEC (defined below), all filings made by the Dissemination Agent pursuant to this Disclosure Agreement shall be filed with the MSRB through EMMA (defined below).

Section 2. Definitions. In addition to the definitions set forth above and in the Indenture of Trust dated as of September 1, 2025, relating to the Bonds (the "Indenture"), which apply to any capitalized term used in this Disclosure Agreement, including the Exhibits hereto, unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"2025 Service and Assessment Plan" shall have the meaning assigned to such term in the Indenture.

"Additional Improvements" shall mean the internal water and wastewater improvements connecting the District to the City water and wastewater facilities.

"Administrator" shall mean P3Works, LLC, or the person or independent firm designated by the Issuer who shall have the responsibility provided in the 2025 Service and Assessment Plan, the Indenture, or any other agreement or document approved by the Issuer related to the duties and responsibilities of the administration of the District.

"Annual Collection Costs" shall have the meaning assigned to such term in the Indenture.

"Annual Installment" shall have the meaning assigned to such term in the Indenture.

"Assessed Property" shall have the meaning assigned to such term in the Indenture.

"Assessment(s)" shall have the meaning assigned in Indenture.

"Business Day" means any day other than a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Designated Payment/Transfer Office of

the Paying Agent/Registrar (as each term is defined in the Indenture) is located are required or authorized by law or executive order to close.

"Certification Letter" shall mean a certification letter provided by the Developer or any Significant Homebuilder, pursuant to Section 3, in substantially the form attached as Exhibit D.

"Developer" shall mean Gregg Lane Dev, LLC, a Texas limited liability company, and each other Person, through assignment, who assumes the obligations, requirements or covenants to construct one or more of the PID Improvements or Additional Improvements and their designated successors and assigns.

"Developer Listed Events" shall mean any of the events listed in Section 4(a) of this Disclosure Agreement.

"Disclosure Agreement of Issuer" shall mean the Continuing Disclosure Agreement of Issuer, dated as of September 1, 2025 executed and delivered by and among the Issuer, the Administrator, and the Dissemination Agent.

"Dissemination Agent" shall mean BOKF, NA, Dallas, Texas, a national banking association duly organized and existing under the laws of the United States, acting solely in its capacity as dissemination agent, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Trustee a written acceptance of such designation.

"District" shall mean Newhaven Public Improvement District.

"EMMA" shall mean the Electronic Municipal Market Access System available on the internet at http://emma.msrb.org.

"Issuer" shall mean the City of Manor, Texas.

"Listed Events" shall mean, collectively, Developer Listed Events and Significant Homebuilder Listed Events.

"MSRB" shall mean the Municipal Securities Rulemaking Board or any other entity designated or authorized by the SEC to receive continuing disclosure reports pursuant to the Rule.

"Outstanding" shall have the meaning assigned to such term in the Indenture.

"Owner" shall have the meaning assigned to such term in the Indenture.

"Participating Underwriter" shall mean FMSbonds, Inc., and its successors and assigns.

"Person" or "Persons" shall mean any legal person, including any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government, or any agency or political subdivision thereof.

"PID Improvements" shall have the meaning assigned to such term in the Indenture.

"Quarterly Ending Date" shall mean each March 31, June 30, September 30, and December 31, beginning March 31, 2026.

"Quarterly Filing Date" shall mean for each Quarterly Ending Date, the fifteenth calendar day of the second month following such Quarterly Ending Date being May 15, August 15, November 15, and February 15.

"Quarterly Information" shall have the meaning assigned to such term in Section 3 of this Disclosure Agreement.

"Quarterly Report" shall mean any Quarterly Report described in Section 3 of this Disclosure Agreement and substantially similar to that attached as Exhibit A hereto.

"Reporting Party" shall mean the Developer and/or Significant Homebuilder, as applicable.

"Rule" shall mean Rule 15c2-12 adopted by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"SEC" shall mean the United States Securities and Exchange Commission.

"Significant Homebuilder" shall mean a Single-Family Homebuilder that then owns five percent (5%)[1] or more of the single-family residential lots within The District.

"Significant Homebuilder Listed Events" shall mean any of the events listed in Section 4(b) of this Disclosure Agreement.

"Single-Family Homebuilder(s)" shall mean any merchant builder who enters into a Single-Family Lot Sale Agreement with the Developer, and the successors and assigns of such homebuilder under such Single-Family Lot Sale Agreement.

"Single-Family Lot Sale Agreement" shall mean, with respect to lots or land within the District, both the Earnest Money Contract between the Developer and Chesmar Homes, LLC, a Texas limited liability company, including the portion assigned by Chesmar Homes to Westin Homes, a Texas limited liability company, and the Earnest Money Contract between the Developer and Brightland Homes, Ltd., a Texas limited partnership, and any other lot purchase and sale agreement between a Single Family-Homebuilder and the Developer to purchase lots or to purchase land.

"Trustee" shall mean BOKF, NA, Dallas, Texas, a national banking association duly organized and existing under the laws of the United States, acting solely in its capacity as trustee, or any successor trustee pursuant to the Indenture.

Section 3. Quarterly Reports.

(a) The Developer and any Significant Homebuilder, with respect to its acquired real property, shall, at its cost and expense, provide, or cause to be provided, to the Administrator, not more than ten (10) days after each Quarterly Ending Date, beginning with March 31, 2026, the information required for the preparation of the Quarterly Report (with respect to each party, the

[1] At closing of the Bonds, based on the 2025 Service and Assessment Plan, five percent (5%) of the total single-family residential lots within the District is currently equal to approximately thirteen (13) lots.

"Quarterly Information"). The Developer and any Significant Homebuilder shall provide, or cause to be provided to the Administrator, such Quarterly Information until such party's obligations terminate pursuant to Section 7 of this Disclosure Agreement. For the avoidance of doubt, if the Developer elects, the Developer may, but shall not be obligated to, provide any Quarterly Information on behalf of any Significant Homebuilder. The Developer shall remain obligated with respect to any real property acquired by a Significant Homebuilder until an acknowledgment of assignment with respect to such real property is delivered in accordance with Section 6 of this Disclosure Agreement, at which time Developer shall have no further obligation or liability for disclosures or other responsibilities under this Disclosure Agreement as to the property so transferred.

(b) The Administrator shall (i) review each Quarterly Report containing the Quarterly Information provided by each Reporting Party pursuant to subsection (a) above, and (ii) no later than 20 days after each Quarterly Ending Date, either (1) advise the applicable Reporting Party as to any necessary changes to such Person's Quarterly Information, or (2) provide to the Dissemination Agent the Quarterly Report in accordance with subsection (c) below. If the Administrator advises a Reporting Party as to any necessary changes to their respective Quarterly Information, such Reporting Party shall provide, or cause to be provided, to the Administrator, not more than 30 days after each Quarterly Ending Date, the revised Quarterly Information. The Administrator shall review the revised Quarterly Information within the Quarterly Report and provide the Quarterly Report to the Dissemination Agent in accordance with subsection (c) below. In all cases, the Developer and/or any Significant Homebuilder, as applicable, shall have the sole responsibility for the content, design and other elements comprising substantive contents of all of the Quarterly Information provided by such party contained in the Quarterly Report.

(c) The Administrator shall provide to the Dissemination Agent, with a copy to the applicable Reporting Party, no later than thirty-five (35) days after each Quarterly Ending Date, the Quarterly Report containing the information described in this Section 3 and the Certification Letter(s) provided by the Developer and/or any Significant Homebuilder, as applicable, with written direction to the Dissemination Agent to file such documents with the MSRB. Pursuant to the written direction of the Administrator, the Dissemination Agent shall file the Quarterly Report and the Certification Letter(s) with the MSRB and provide a copy of such report to the Issuer, the Developer and the Participating Underwriter within ten (10) days of the Dissemination Agent's receipt thereof pursuant to this subsection 3(c); provided, however, that the Quarterly Report and the Certification Letter(s) must be submitted to the MSRB not later than each Quarterly Filing Date. In the event that the Developer, any Significant Homebuilder or the Administrator does not provide the information required by subsection (a) or (b) of this Section, as applicable, in a timely manner and, as a result, either an incomplete Quarterly Report or no Quarterly Information is filed with the MSRB, or a Quarterly Report is not filed with the MSRB by each Quarterly Filing Date, the Dissemination Agent shall, upon written direction from the Developer, Significant Homebuilder or Administrator, as applicable, file a notice of failure to provide Quarterly Information or failure to file a Quarterly Report with the MSRB in substantially the form attached as Exhibit B, as soon as practicable. If incomplete Quarterly Information is provided by the Developer or any Significant Homebuilder to the Dissemination Agent, the Dissemination Agent shall not be responsible for the failure to submit a complete Quarterly Report to the MSRB. If the Developer and/or any Significant Homebuilder timely provides the required Quarterly Information to the Administrator as described in this Section 3, the failure of the Administrator to provide the

Quarterly Information to the Dissemination Agent, or the failure of the Dissemination Agent to provide such information to the Participating Underwriter in a timely manner, shall not be deemed a default by the Developer, or any Significant Homebuilder, as applicable, under this Disclosure Agreement.

(d) Each Quarterly Report shall consist of the information listed in Exhibit A hereof; provided, however, that each Reporting Party shall only be obligated to disclose the Quarterly Information for which such Reporting Party has reporting obligations pursuant to this Disclosure Agreement.

Section 4. Event Reporting Obligations.

(a) Pursuant to the provisions of this Section 4, each of the following is a Developer Listed Event with respect to the Bonds:

(i) Failure to pay any real property taxes or Assessments levied within the District on a Assessed Property owned by the Developer; provided, however, that the exercise of any right of the Developer as a landowner within the District to exercise legal and/or administrative procedures to dispute the amount or validity of all or any part of any real property taxes shall not be considered a Developer Listed Event under this Section 4(a) nor a breach or default of this Disclosure Agreement; provided that the Developer has complied with all legal requirements relating to the protest of such value, including the posting of a bond, if required;

(ii) Material damage to or destruction of any development or improvements within the District, including the PID Improvements and the Additional Improvements;

(iii) Material default by the Developer or any of the Developer's affiliates on any loan with respect to the acquisition, development or permanent financing of improvements in the District undertaken by the Developer or any of the Developer's affiliates;

(iv) Material default by the Developer or any of Developer's affiliates on any loan secured by property within the District owned by the Developer or any of the Developer's affiliates;

(v) The bankruptcy, insolvency, or similar filing of the Developer or any of the Developer's affiliates or any determination that the Developer or any of the Developer's affiliates is unable to pay its debts as they become due;

(vi) The consummation of a merger, consolidation, or acquisition of the Developer, or the sale of all or substantially all of the assets of the Developer or any of the Developer's affiliates, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(vii) The filing of any lawsuit with a claim for damages, in excess of $1,000,000 against the Developer or any of the Developer's affiliates that may adversely affect the

completion of development of the District or litigation that may materially adversely affect the financial condition of the Developer or any of the Developer's affiliates;

(viii) Any change in the legal structure, chief executive officer or controlling ownership of the Developer; and

(ix) Any assignment and assumption of disclosure obligations under this Disclosure Agreement pursuant to Section 5 or 6 herein.

(b) Pursuant to the provisions of this Section 4, each of the following occurrences related to any Significant Homebuilder is a Significant Homebuilder Listed Event with respect to the Bonds:

(i) Failure to pay any real property taxes or Assessments levied within the District on an assessed lot or parcel owned by such Significant Homebuilder; provided, however, that the exercise of any right of such Significant Homebuilder as a landowner within the District to exercise legal and/or administrative procedures to dispute the amount or validity of all or any part of any real property taxes shall not be considered a Significant Homebuilder Listed Event under this Section 4(b) nor a breach or default of this Disclosure Agreement;

(ii) The bankruptcy, insolvency or similar filing of such Significant Homebuilder or any determination that such Significant Homebuilder is unable to pay its debts as they become due;

(iii) The consummation of a merger, consolidation, or acquisition involving such Significant Homebuilder or the sale of all or substantially all of the assets of the Significant Homebuilder, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(iv) Any change in the type of legal entity, chief executive officer or controlling ownership of such Significant Homebuilder;

(v) Early termination of or material default by such Significant Homebuilder under a Single-Family Lot Sale Agreement; and

(vi) Any assignment and assumption of disclosure obligations under this Disclosure Agreement pursuant to Section 6 herein.

(c) Whenever the Developer obtains knowledge of the occurrence of a Developer Listed Event, the Developer shall promptly notify the Issuer, the Administrator and the Dissemination Agent in writing and the Developer shall direct the Dissemination Agent to file a notice of such occurrence with the MSRB, in the manner hereinafter described, and provide a copy of such notice to the Issuer and the Participating Underwriter. Any such notice is required to be filed within ten (10) Business Days after the Developer becomes aware of the occurrence of such Developer Listed Event. If the Developer timely notifies the Dissemination Agent of the occurrence of a Developer Listed Event, as described in this Section 4, the failure of the

Dissemination Agent to provide such notice to the Participating Underwriter in a timely manner shall not be deemed a default by the Developer under this Disclosure Agreement.

Whenever a Significant Homebuilder obtains knowledge of the occurrence of a Significant Homebuilder Listed Event, the applicable Significant Homebuilder shall promptly notify the Issuer, the Administrator and the Dissemination Agent in writing and such Significant Homebuilder shall direct the Dissemination Agent in writing to file a notice of such occurrence with the MSRB, in the manner hereinafter described, and provide a copy of such notice to the Issuer, the Developer and the Participating Underwriter. Any such notice is required to be filed within ten (10) Business Days after the Significant Homebuilder becomes aware of the occurrence of such Significant Homebuilder Listed Event. If the Significant Homebuilder timely notifies the Dissemination Agent of the occurrence of a Significant Homebuilder Listed Event, as described in this Section 4, the failure of the Dissemination Agent to provide such notice to the Participating Underwriter in a timely manner shall not be deemed a default by the Significant Homebuilder under this Disclosure Agreement.

Any notice under the two (2) preceding paragraphs shall be accompanied with the text of the disclosure that the Developer or Significant Homebuilder, as applicable, desires to make, the written authorization of the Developer or the Significant Homebuilder, as applicable, for the Dissemination Agent to disseminate such information as provided herein, and the date the Developer or Significant Homebuilder, as applicable, desires for the Dissemination Agent to disseminate the information (which date shall not be more than two (2) Business Days after the Developer or Significant Homebuilder, as applicable, provides written notice to the Dissemination Agent of the occurrence of the Developer Listed Event or Significant Homebuilder Listed Event, as applicable).

The Developer and each Significant Homebuilder, if any, shall only be responsible for reporting the occurrence of a Listed Event applicable to such Reporting Party and shall not be responsible for reporting the occurrence of a Listed Event applicable to any other Reporting Party, regardless of if such Person is providing Quarterly Information on behalf of any other Reporting Party. In all cases, the Developer or the Significant Homebuilder, as applicable, shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures. In addition, the Developer or the Significant Homebuilder, as applicable, shall have the sole responsibility to ensure that any notice required to be filed with the MSRB under this Section 4 is actually filed within ten (10) Business Days after the Developer or Significant Homebuilder, as applicable, becomes aware of the occurrence of the applicable Listed Event.

(d) The Dissemination Agent shall, promptly, and not more than five (5) Business Days after obtaining actual knowledge of the occurrence of any Listed Event, notify the Issuer, the Developer, the Administrator, and the Significant Homebuilder, if applicable, of such Listed Event. The Dissemination Agent shall not be required to file a notice of the occurrence of such Listed Event with the MSRB unless and until it receives written instructions from the Developer or Significant Homebuilder, as applicable, to do so. It is agreed and understood that the duty to make or cause to be made the disclosures herein is that of the Developer or Significant Homebuilder, as applicable, and not that of the Trustee or the Dissemination Agent. It is agreed and understood that the Dissemination Agent has agreed to give the foregoing notice to the Developer and Significant Homebuilder, as applicable, as an accommodation to assist it in

monitoring the occurrence of such event but is under no obligation to investigate whether any such event has occurred. As used above, "actual knowledge" means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent be liable in damages or in tort to the Participating Underwriter, the Issuer, the Developer, Significant Homebuilder, or any Owner or beneficial owner of any interests in the Bonds as a result of its failure to give the foregoing notice or to give such notice in a timely fashion.

(e) If the Dissemination Agent has been notified in writing by the Developer or Significant Homebuilder to report the occurrence of a Listed Event in accordance with subsections (c) or (d) of this Section 4, the Dissemination Agent shall file a notice of such occurrence with the MSRB within two (2) Business Days after its receipt of such written instructions from the Developer or Significant Homebuilder, as applicable; provided that all such notices must be filed no later than the date specified in subsection (c) of this Section 4 for such Listed Event. The Dissemination Agent shall, within three (3) Business Days of obtaining actual knowledge of the occurrence of any Listed Event, notify the Issuer and the Developer of such Listed Event. The Dissemination Agent shall not be required to file a notice of the occurrence of such Listed Event with the MSRB unless and until it receives written instructions from the Developer to do so. It is agreed and understood that the duty to make or cause to be made the disclosures herein is that of the Developer and not that of the Trustee or the Dissemination Agent. It is agreed and understood that the Dissemination Agent has agreed to give the foregoing notice to the Developer as an accommodation to assist it in monitoring the occurrence of such event but is under no obligation to investigate whether any such event has occurred. As used above, "actual knowledge" means the actual fact or statement of knowing, without a duty to make any investigation with respect thereto. In no event shall the Dissemination Agent be liable in damages or in tort to the Participating Underwriter, the Issuer, the Developer or any Owner or beneficial owner of any interests in the Bonds as a result of its failure to give the foregoing notice or to give such notice in a timely fashion.

Section 5. Assumption of Reporting Obligations by Developers.

The Developer shall cause each Person, who, through assignment, assumes the obligations, requirements or covenants to construct one or more of the PID Improvements or Additional Improvements to assume and comply with the disclosure obligations of the Developer under this Disclosure Agreement. The Developer shall deliver to the Dissemination Agent, Administrator and the Issuer, a written acknowledgement and assumption from each Person who assumes the obligations, requirements or covenants to construct one or more of the PID Improvements or Additional Improvements, in substantially the form attached as Exhibit E (the "Developer Acknowledgment"), acknowledging and assuming its obligations under this Disclosure Agreement. Pursuant to Section 4(a)(ix) above, the Developer shall direct the Dissemination Agent to file a copy of each Developer Acknowledgment with the MSRB, in accordance with Sections 4(c) and 4(e) above. Upon any such transfer to a Person, and such Person's delivery of written acknowledgement of assumption of Developer's obligations under this Disclosure Agreement as to the property transferred, the Developer shall have no further obligation or liability for disclosures or other responsibilities under this Disclosure Agreement as to the property transferred or the obligations assigned. Notwithstanding anything to the contrary elsewhere herein, after such transfer of ownership, the Developer shall not be liable for the acts or omissions of such Person arising from or in connection with such disclosure obligations under this Disclosure

Agreement. Additionally, for the avoidance of doubt, the Developer shall require that any Person comply with obligations of this Section 5 with respect to any subsequent transfers by such Person to any individual or entity meeting the definition of a "Developer" in the future.

Section 6. Assumption of Reporting Obligations by Significant Homebuilders.

If a Single-Family Homebuilder acquires ownership of real property in The District resulting in such Single-Family Homebuilder becoming a Significant Homebuilder, the Developer shall cause such Significant Homebuilder to comply with the Developer's disclosure obligations under Section 3 and 4(b) hereof, with respect to such acquired real property until such party's disclosure obligations terminate pursuant to Section 7 of this Disclosure Agreement; provided, however, a Significant Homebuilder who is also a Developer shall be required to provide the disclosure information required by Sections 3 and 4(a), as applicable, pursuant to Section 5 above. The Developer shall deliver to the Dissemination Agent, Administrator and the Issuer, a written acknowledgement from each Significant Homebuilder, in substantially the form attached as Exhibit F (the "Significant Homebuilder Acknowledgment"), acknowledging and assuming its obligations under this Disclosure Agreement. Pursuant to Sections 4(a)(ix) and 4(b)(vi) above, the Developer or Significant Homebuilder, as applicable, shall direct the Dissemination Agent to file a copy of the Significant Homebuilder Acknowledgment with the MSRB, in accordance with Sections 4(c) and 4(e) above. Upon any such transfer to a Significant Homebuilder, and such Significant Homebuilder's delivery of written acknowledgement of assumption of Developer's obligations under this Disclosure Agreement as to the property transferred, the Developer shall have no further obligation or liability for disclosures or other responsibilities under this Disclosure Agreement as to the property transferred or the obligations assigned. Notwithstanding anything to the contrary elsewhere herein, after such transfer of ownership, the Developer shall not be liable for the acts or omissions of such Significant Homebuilder arising from or in connection with such disclosure obligations under this Disclosure Agreement.

Section 7. Termination of Reporting Obligations.

(a) The reporting obligations of the Developer under this Disclosure Agreement shall terminate upon the earlier of (i) the date when none of the Bonds remain Outstanding or (ii) the date when (A) all of the PID Improvements and Additional Improvements within the District are complete, and (B) the Developer no longer owns at least ten percent (10%)[2] of the single-family residential lots (proposed or actual) within the District, as of the applicable Quarterly Ending Date.

(b) The reporting obligations of a Significant Homebuilder, if any, under this Disclosure Agreement shall terminate upon the earlier of when (i) none of the Bonds remain Outstanding, or (ii) the Significant Homebuilder no longer owns at least five percent (5%)[3] of the single-family residential lots, within the District, as of the applicable Quarterly Ending Date.

(c) Upon receipt of written notice from a Reporting Party or the Dissemination Agent that the reporting obligations of a Reporting Party have terminated in accordance with subsection (a) or (b) of this Section 7, the Administrator shall provide written notice to the applicable

[2] At closing of the Bonds, based on the 2025 Service and Assessment Plan, ten percent (10%) of the total single-family residential lots (proposed or actual) within the District is equal to approximately twenty six (26) lots.

[3] At closing of the Bonds, based on the 2025 Service and Assessment Plan, five percent (5%) of the total single-family residential lots within the District is currently equal to approximately thirteen (13) lots.

Reporting Party, the Participating Underwriter, the Issuer, and the Dissemination Agent in substantially the form attached as Exhibit C, thereby, terminating such Reporting Party's reporting obligations under this Disclosure Agreement (the "Termination Notice"). If such Termination Notice with respect to a Reporting Party occurs while any of the Bonds remain Outstanding, the Administrator shall immediately provide, or cause to be provided, the Termination Notice to the Dissemination Agent, and the Dissemination Agent shall provide such Termination Notice to the MSRB, the Issuer, the Trustee, the applicable Reporting Party and the Participating Underwriter on or before the next succeeding Quarterly Filing Date.

(d) The obligations of the Administrator and the Dissemination Agent under this Disclosure Agreement shall terminate upon, the earlier of (i) the date when none of the Bonds remain Outstanding, or (ii) termination of all Reporting Parties' reporting obligations in accordance with subsection (a) or (b) of this Section 7 and any Termination Notice required by subsection (c) of this Section 7 has been provided to the MSRB, the Issuer, the Trustee, the Dissemination Agent, the Reporting Parties, and the Participating Underwriter, as applicable.

Section 8. Dissemination Agent. The initial Dissemination Agent appointed hereunder shall be BOKF, N.A. The Issuer may, from time to time, appoint or engage a successor Dissemination Agent to assist the Developer, any Person that has executed a Developer Acknowledgement pursuant to Section 5 hereof or any Significant Homebuilder that has executed a Significant Homebuilder Acknowledgment pursuant to Section 6 hereof in carrying out their obligations under this Disclosure Agreement, and may discharge such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign at any time with sixty (60) days' notice to the Issuer, the Developer and the Administrator; provided, however, that if the Dissemination Agent is serving in the same capacity under the Disclosure Agreement of Issuer, the Dissemination Agent shall resign under the Disclosure Agreement of Issuer simultaneously with its resignation hereunder; provided, further, that if the Issuer is the Dissemination Agent, the Issuer may not resign without first appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. Pursuant to the Disclosure Agreement of Issuer, the Issuer has agreed to provide written notice to each of the Developer, any Person that has executed a Developer Acknowledgement pursuant to Section 5 hereof or any Significant Homebuilder that has executed a Significant Homebuilder Acknowledgment pursuant to Section 6 hereof of any change in the identity of the Dissemination Agent.

Section 9. Amendment, Waiver. Notwithstanding any other provisions of this Disclosure Agreement, the Developer, the Administrator and the Dissemination Agent may jointly amend this Disclosure Agreement (and the Dissemination Agent shall not unreasonably withhold its consent to any amendment so requested by the Developer or Administrator), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3 or 4, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Developer or any Significant Homebuilder, or the type of business conducted; and

(b) The amendment or waiver either (i) is approved by the Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or beneficial owners of the Bonds. No amendment which adversely affects the Dissemination Agent or the Issuer may be made without the respective party's prior written consent (which consent will not be unreasonably withheld or delayed).

(c) In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Administrator shall describe such amendment in the next related Quarterly Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type of financial information or operating data being presented by the Developer. The Developer shall provide, or cause to be provided, at its cost and expense, an executed copy of any amendment or waiver entered into under this Section 9 to the Issuer, the Administrator, the Dissemination Agent, and the Participating Underwriter.

Section 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Developer or any Significant Homebuilder from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in addition to that which is required by this Disclosure Agreement. If the Developer or Significant Homebuilder chooses to include any information in any Quarterly Report or notice of occurrence of a Developer Listed Event or Significant Homebuilder Listed Event, as applicable, in addition to that which is specifically required by this Disclosure Agreement, the Developer or the Significant Homebuilder, as applicable, shall have no obligation under this Disclosure Agreement to update such information or include it in any future Quarterly Report or notice of occurrence of a Developer Listed Event or Significant Homebuilder Listed Event.

Section 11. Content of Disclosures. In all cases, the Developer or Significant Homebuilder, as applicable, shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures, whether provided under Section 3, 4 or 10 of this Disclosure Agreement.

Section 12. Default. In the event of a failure of the Developer, any Significant Homebuilder or the Administrator to comply with any provision of this Disclosure Agreement, the Dissemination Agent or any Owner or beneficial owner of the Bonds may, and the Trustee (at the request of any Participating Underwriter or the Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds and upon being indemnified to its satisfaction) shall, take such actions as may be necessary and appropriate to cause the Developer, Significant Homebuilder and/or the Administrator to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture with respect to the Bonds, and the sole remedy under this Disclosure Agreement in the event of any failure of the Developer, Significant Homebuilder or the Administrator to comply with this Disclosure Agreement shall be an action to mandamus or specific performance. A default under this Disclosure Agreement by the Developer, or any Significant Homebuilder, as applicable, shall not be deemed a default under the Disclosure Agreement of Issuer by the Issuer, and a default under the Disclosure Agreement of Issuer by the Issuer shall not be deemed a default under this Disclosure Agreement by the Developer, any

Significant Homebuilder or the Administrator. Additionally, a default by the Developer of its obligations under this Disclosure Agreement shall not be deemed a default by any Significant Homebuilder of such Significant Homebuilder's obligations under this Disclosure Agreement; and, likewise, a default by any Significant Homebuilder of such Significant Homebuilder's obligations under this Disclosure Agreement shall not be deemed a default of the Developer of the Developer's obligations under this Disclosure Agreement.

Section 13. Duties, Immunities and Liabilities of Dissemination Agent and Administrator.

(a) The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Quarterly Report) prepared by the Developer, Significant Homebuilder and/or the Administrator pursuant to this Disclosure Agreement. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Dissemination Agent. The Developer agrees to hold harmless the Dissemination Agent, its officers, directors, employees and agents against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the Developer under this Section shall survive resignation or removal of the Dissemination Agent and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Dissemination Agent is an "obligated person" under the Rule. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The Dissemination Agent shall not in any event incur any liability with respect to (i) any action taken or omitted to be taken in good faith upon advice of legal counsel given with respect to any question relating to duties and responsibilities of the Dissemination Agent hereunder, or (ii) any action taken or omitted to be taken in reliance upon any document delivered to the Dissemination Agent and believed to be genuine and to have been signed or presented by the proper party or parties.

(b) The Administrator shall not have any duty with respect to the content of any disclosures made pursuant to the terms hereof. The Administrator shall have only such duties as are specifically set forth in this Disclosure Agreement, and no implied covenants shall be read into this Disclosure Agreement with respect to the Administrator. The Developer agrees to indemnify and hold harmless the Administrator, its officers, directors, employees and agents against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including reasonable attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Administrator's breach, negligence or willful misconduct. The obligations of the Developer under this Section shall survive termination of this Disclosure Agreement, resignation or removal of the Administrator and payment in full of the Bonds. Nothing in this Disclosure Agreement shall be construed to mean or to imply that the Administrator is an "obligated person" under the Rule. The Administrator is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder. The Administrator shall not in any event incur any liability with respect to (i) any action taken or omitted to be taken in good faith upon advice of legal counsel given with respect to any question relating to duties and responsibilities of the Administrator

hereunder, or (ii) any action taken or omitted to be taken in reliance upon any document delivered to the Administrator and believed to be genuine and to have been signed or presented by the proper party or parties.

(c) The Dissemination Agent or the Administrator may, from time to time, consult with legal counsel of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or their respective duties hereunder, and the Dissemination Agent and Administrator shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The Developer, the Administrator, and the Dissemination Agent agree that the legal expenses of the Dissemination Agent or the Administrator to which it is expressly entitled to be paid pursuant to this subsection 13(c) are Annual Collection Costs.

UNDER NO CIRCUMSTANCES SHALL THE DISSEMINATION AGENT, THE ADMINISTRATOR OR THE DEVELOPER, OR ANY SIGNIFICANT HOMEBUILDER BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY ANY OTHER PARTY TO THIS DISCLOSURE AGREEMENT OR A SIGNIFICANT HOMEBUILDER, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS DISCLOSURE AGREEMENT, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE. THE DISSEMINATION AGENT AND THE ADMINISTRATOR ARE UNDER NO OBLIGATION NOR ARE THEY REQUIRED TO BRING SUCH AN ACTION.

Section 14. No Personal Liability. No covenant, stipulation, obligation or agreement of the Developer, any Significant Homebuilder, the Administrator or the Dissemination Agent contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future officer, agent or employee of the Developer, any Significant Homebuilder, the Administrator or Dissemination Agent in other than that person's official capacity.

Section 15. Severability. In case any section or provision of this Disclosure Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder or any application thereof, is for any reasons held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof or any other section or provision thereof or any other covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into, or taken thereunder (except to the extent that such remainder or section or provision or other covenant, stipulation, obligation, agreement, act or action, or part thereof is wholly dependent for its operation on the provision determined to be invalid), which shall be construed and enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application thereof affect any legal and valid application thereof, and each such section, provision, covenant, stipulation, obligation, agreement, act or action, or part thereof shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 16. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Developer, the Administrator, the Dissemination Agent, the Issuer, the Participating Underwriter, and the Owners and the beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity. Nothing in this Disclosure Agreement is intended or shall act to disclaim, waive or otherwise limit the duties of the Issuer under federal and state securities laws.

Section 17. Dissemination Agent Compensation. The fees and expenses incurred by the Dissemination Agent for its services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the annual updates to the 2025 Service and Assessment Plan. The Issuer shall pay or reimburse the Dissemination Agent, but only with funds to be provided from the Annual Collection Costs component of the Annual Installments collected from the property owners in the District, for the fees and expenses for its services rendered in accordance with this Disclosure Agreement.

Section 18. Administrator Compensation. The fees and expenses incurred by the Administrator for its services rendered in accordance with this Disclosure Agreement constitute Annual Collection Costs and will be included in the Annual Installments as provided in the annual updates to the 2025 Service and Assessment Plan. The Administrator has entered into a separate agreement with the Issuer, which agreement governs the administration of the District, including the payment of the fees and expenses of the Administrator for its services rendered in accordance with this Disclosure Agreement.

Section 19. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas.

Section 20. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature pages follow.]

BOKF, N.A.
(solely in its capacity as Dissemination Agent)

By: _____
Authorized Officer

Gregg Lane Dev, LLC, a Texas limited liability company (as Developer)

By: _____
Name: _____
Title: _____

P3WORKS, LLC
(as Administrator)

By: _____
Name: _____
Title: _____

EXHIBIT A

CITY OF MANOR, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025
(NEWHAVEN PUBLIC IMPROVEMENT DISTRICT)

DEVELOPER QUARTERLY REPORT
[*INSERT QUARTERLY ENDING DATE*]

Delivery Date: , 20_____

CUSIP Numbers: [Insert CUSIP Numbers]

DISSEMINATION AGENT

Name: BOKF, N.A.
Address:
City:
Telephone: (___) -
Contact Person: Attn:

I. Unit Mix in The District

Product Type	Number of Units
Single Family 50’	
Single Family 60’	

II. Ownership of Lots/Units in the District

PLANNED LOTS IN THE DISTRICT: [_____]

Of the [_____] lots in the District:

1. Number of lots owned by the Developer: [_____]
   a. Number of lots under contract but not closed to Homebuilder(s): [_____]
2. Number of lots owned by all Homebuilder(s): [_____]
   a. Number of lots owned by [*insert name of Homebuilder*]: [_____][4]
   b. Number of lots owned by [*insert name of Homebuilder*]: [_____]
   c. CHART[5]
3. Number of units owned by homeowners: [_____]

[4] Include a line item for each individual Homebuilder.
[5] If Developer is using EMMA filing assistance software, a chart containing the Quarterly Information provided under this item will be generated. If Developer is not using EMMA filing assistance software, Developer shall prepare a chart containing such Quarterly Information.

III. Lot Status in the District

Of the lots in the District, what is the status:

1. Planned lots as of the date of issuance of the Bonds: [_____]
2. Planned lots as of the date of this Quarterly Report: [_____]
3. Number of Lots developed: [_____]
4. Expected completion date of all lots in the District (if incomplete): [_____]

IV. Home Sales Information in The District

PLANNED HOMES IN THE DISTRICT: [_____]

Of the [_____] homes planned for the District:

1. How many total building permits were issued **during the current quarter**? [_____]
    a. Number of building permits issued during the current quarter for [*insert name of Homebuilder*]: [_____][6]
    b. Number of building permits issued during the current quarter for [*insert name of Homebuilder*]: [_____][6]
2. How many total homes have closed with homebuyers **during the current quarter**? [_____]
    a. Number of homes closed with homebuyers during the current quarter for [*insert name of Homebuilder*]: [_____][6]
    b. Number of homes closed with homebuyers during the current quarter for [*insert name of Homebuilder*]: [_____][6]
3. How many total homes have closed with homebuyers **cumulatively**? [_____]
    a. Number of homes closed with homebuyers cumulatively for [*insert name of Homebuilder*]: [_____][6]
    b. Number of homes closed with homebuyers cumulatively for [*insert name of Homebuilder*]: [_____][6]

V. Expenditures Paid from Accounts under Indenture

TOTAL BUDGETED COSTS REQUIRED TO COMPLETE THE PID IMPROVEMENTS: $[_____]

Of the budgeted costs shown in the Service and Assessment Plan for the District:

1. Actual costs drawn from the Improvement Account: $[_____]
2.

VI. Status of Improvements in the District

1. [Actual/Excepted] date of completion of the Public Improvements: [_____]

[6] Include a line item for each individual Homebuilder.

2. If applicable, Explanation of any delay/change in projected completion date since last Quarterly Report was filed:
[_____]

VII. Amenities[7]

TOTAL [EXPECTED/ACTUAL] COSTS OF AMENITIES: N/A

Of the N/A [expected/actual] costs of the Amenities:

1. Amount spent as of Quarterly Ending Date: N/A

2. [Actual/Expected] completion date of Amenities: N/A

VIII. Material Changes

Describe any material changes, if applicable:

1. **Permits and Approvals** - Since the issuance of the Bonds, have there been any material changes to permits or development approvals (including any zoning) impacting the development of the land subject to the Assessments securing the Bonds, which were not disclosed in a previously filed Quarterly Report? If so, describe the material changes.

2. **Mortgage Loans** - Since the issuance of the Bonds, have there been any material changes to mortgage loans (whether changes to an existing loan or incurrence of a new mortgage loan), if applicable, for the land subject to the Assessments securing the Bonds, which were not disclosed in a previously filed Quarterly Report? If so, describe the material changes.

3. **Builder Contracts** - Since the issuance of the Bonds, have there been any material changes to builder contracts (including but not limited to changes to price, substantial completion dates, number of lots, or other terms) with respect to the land subject to the Assessments securing the Bonds, which were not disclosed in a previously filed Quarterly Report? If so, describe the material changes.

4. **Ownership** - Since the issuance of the Bonds, other than a sale to a homebuilder pursuant to a Purchase Agreement, has there been any sale, assignment or transfer of ownership of lands subject to the Assessments securing the Bonds by the Developer to any third-party Developer/land bank, which was not disclosed in a previously filed Quarterly Report? If so, provide the name of the third-party and indicate whether this third-party Developer/land bank has executed a Developer Acknowledgment pursuant to the Disclosure Agreement.

5. **Completion Agreement** – Is the Developer required to provide evidence of available funds, in addition to the amounts on deposit in the Project Fund, to complete the construction of the

[7] An amenities section is included in the form of Quarterly Report. However, the information will be marked not-applicable, as the improvements that would be considered amenities in the District are also Public Improvements. The costs and completion date of these improvements will be reported in connection with the Public Improvements in Sections V and VI above.

PID Improvements? If so, identify the available sources of funding and provide the amount of funding needed to complete the PID Improvements.

6. **Amendments** – Since the issuance of the Bonds and except as otherwise disclosed in a previously filed Quarterly Report, (i) describe any amendments or waivers to any provision of the Disclosure Agreement, including a narrative explanation of the reason for the amendment or waiver and its impact on the type of financial information or operating data being presented by the Reporting Parties and (ii) include a copy of the amendment, as applicable.

7. **Other** – Provide any other material information that should be disclosed.

EXHIBIT B

NOTICE TO MSRB OF FAILURE TO
[PROVIDE QUARTERLY INFORMATION] [FILE QUARTERLY REPORT]

[DATE]

Name of Issuer:	City of Manor, Texas
Name of Bond Issue:	Special Assessment Revenue Bonds, Series 2025 (Newhaven Public Improvement District) (the "Bonds")
CUSIP Numbers:	[insert CUSIP Numbers]
Date of Delivery:	_____, 20__

SECTION 1.

NOTICE IS HEREBY GIVEN that _____, a _____ (the ["Developer[1]"] ["Significant Homebuilder"] has not provided the [Quarterly Information] [Quarterly Report] for the period ending on [*Insert Quarterly Ending Date*] with respect to the Bonds as required by the Continuing Disclosure Agreement of Developer dated as of _____ 1, 2025, by and among Gregg Lane Dev, LLC, a Texas limited liability company (the "Developer"), P3Works, LLC, as the "Administrator" and BOKF, NA, as the "Dissemination Agent." The [Developer] ["Significant Homebuilder"] anticipates that the [Quarterly Information] [Quarterly Report] will be [provided] [filed] by _____.

[NOTICE IS HEREBY GIVEN that [Quarterly Information][the Quarterly Report] for the period ending on [*Insert Quarterly Ending Date*] with respect to the Bonds as required by the Continuing Disclosure Agreement of the Developer dated as of [_____] 1, 2025, by and among Gregg Lane Dev, LLC (the "Developer"), P3Works, LLC (the "Administrator"), and BOKF, NA, Dallas, Texas (acting solely in its capacity as dissemination agent (the "Dissemination Agent") was not filed in a timely manner due to [_____]. [_____, a _____ (the ["Developer"]["Significant Homebuilder"]) anticipates that the [Quarterly Information][Quarterly Report] will be [provided][filed] by _____.][The [Quarterly Information][Quarterly Report] was filed on [_____.]]

Dated: _____

BOKF, N.A.
on behalf of the Developer
(acting solely in its capacity as
Dissemination Agent)

[1] If applicable, replace with applicable successor(s)/assign(s).

By: _____

Title: _____

cc: City of Manor, Texas

EXHIBIT C

TERMINATION NOTICE

[DATE]

Name of Issuer:	City of Manor, Texas
Name of Bond Issue:	Special Assessment Revenue Bonds, Series 2025 (Newhaven Public Improvement District) (the "Bonds")
CUSIP Numbers.	[insert CUSIP Numbers]
Date of Delivery:	_____, 20__

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

BOKF, N.A.

City of Manor, Texas
105 E. Eggleston Street
Manor, Texas 78653

Gregg Lane Dev, LLC

NOTICE IS HEREBY GIVEN that that _____, a _____ (the ["Developer[9]"] ["Significant Homebuilder"]) is no longer responsible for providing [any Quarterly Information] [the Quarterly Report] with respect to the Bonds, thereby, terminating such party's reporting obligations under the Continuing Disclosure Agreement of Developer dated as of _____ 1, 2025, by and among Gregg Lane Dev, LLC, a Texas limited liability company (the "Developer"), P3Works, LLC, as the "Administrator" and BOKF, NA, as the "Dissemination Agent."

Dated: _____

P3Works, LLC
on behalf of the Developer
(solely in its capacity as Administrator)

By: _____

Title: _____

[9] If applicable, replace with applicable successor(s)/assign(s).

EXHIBIT D

CERTIFICATION LETTER

[DATE]

Name of Issuer: City of Manor, Texas
Name of Bond Issue: Special Assessment Revenue Bonds, Series 2025 (Newhaven Public Improvement District) (the "Bonds")
CUSIP Numbers. [insert CUSIP Numbers]
Date of Delivery: _____, 20__
Re: Quarterly Report for Newhaven Public Improvement District

To whom it may concern:

Pursuant to the Continuing Disclosure Agreement of Developer dated as of _____ 1, 2025 by and among Gregg Lane Dev, LLC[1] (the "Developer"), P3Works, LLC, as the "Administrator", and BOKF, NA, as the "Dissemination Agent," this letter constitutes the certificate stating that the Quarterly Information, provided by [Developer] [_____, as a "Significant Homebuilder"], contained in this Quarterly Report herein submitted by the Administrator, on behalf of the [Developer] [Significant Homebuilder], constitutes the [portion of the] Quarterly Report required to be furnished by the [Developer][Significant Homebuilder], Any and all Quarterly Information, provided by the [Developer][Significant Homebuilder], contained in this Quarterly Report for the three month period ending on [Insert Quarterly Ending Date], to the best of my knowledge, is true and correct, as of [insert date].

Please do not hesitate to contact our office if you have any questions or comments.

GREGG LANE DEV, LLC, a Texas limited liability company
(as Developer)

By: _____
Name: _____
Title: _____

OR

[SIGNIFICANT HOMEBUILDER]

(as Significant Homebuilder)

[1] 1 If applicable, replace with applicable successor(s)/assign(s).

By: _____
Title: _____

EXHIBIT E

FORM OF ACKNOWLEDGEMENT OF ASSIGNMENT OF DEVELOPER REPORTING OBLIGATIONS

[DATE]

[INSERT ASSIGNEE CONTACT INFORMATION]

Re: Newhaven Public Improvement District - Continuing Disclosure Obligation

Dear _____,

Per [*Insert name of applicable agreement*], as of, _____20__, you have been assigned and have assumed the obligations, requirements or covenants to construct one or more of the PID Improvements or Additional Improvements (as those terms are defined in the Disclosure Agreement of Developer) within the Newhaven Public Improvement District (the "District").

Pursuant to Section 2 of the Continuing Disclosure Agreement of Developer dated as of _____ 1, 2025 (the "Disclosure Agreement of Developer") by and among Gregg Lane Dev, LLC (the "Developer"), P3Works, LLC (the "Administrator"), and BOKF, N.A. (the "Dissemination Agent") with respect to the "City of Manor, Texas, Special Assessment Revenue Bonds, Series 2025 (Newhaven Public Improvement District)," any person that, through assignment, assumes the obligations, requirements or covenants to construct one or more of the [PID Improvements] or [Additional Improvements] within the District is defined as a Developer.

As a Developer, pursuant to Section 6 of the Disclosure Agreement of Developer, you acknowledge and assume the reporting obligations of the Disclosure Agreement of Developer for the property which is owned as detailed in the Disclosure Agreement of Developer, which is included herewith.

Sincerely,

GREGG LANE DEV, LLC,
a Texas limited liability company (as Developer)
By: _____
Name: _____
Title: _____

Acknowledged by:
[INSERT ASSIGNEE NAME]
By: _____
Title: _____

EXHIBIT F

FORM OF ACKNOWLEDGEMENT OF ASSIGNMENT OF SIGNIFICANT HOMEBUILDER REPORTING OBLIGATIONS

[DATE]

[INSERT ASSIGNEE CONTACT INFORMATION]

Re: Newhaven Public Improvement District - Continuing Disclosure Obligation

Dear _____,

As of, _____ 20__, you own [__] lots within the Newhaven Public Improvement District (the "District"), which is equal to approximately _____% of the single-family residential lots within the District.

Pursuant to Section 2 of the Continuing Disclosure Agreement of Developer dated as of _____ 1, 2025, (the "Disclosure Agreement of Developer") by and among Gregg Lane Dev, LLC (the "Developer"), P3Works, LLC (the "Administrator"), and BOKF, N.A. (the "Dissemination Agent") with respect to the "City of Manor, Texas, Special Assessment Revenue Bonds, Series 2025 (Newhaven Public Improvement District),''any person or entity that owns thirteen (13) or more of the single-family residential lots within the District is defined as a Significant Homebuilder.

As a Significant Homebuilder, pursuant to Section 6 of the Disclosure Agreement of Developer, you acknowledge and assume the reporting obligations under Sections 3 and 4(b) of the Disclosure Agreement of Developer for the property described in Attachment I hereto, as further detailed in the Disclosure Agreement of Developer, which is included herewith.

Sincerely,

GREGG LANE DEV, LLC,
a Texas limited liability company (as Developer)
By: _____
Name: _____
Title: _____

Acknowledged by:
[INSERT ASSIGNEE NAME]
By: _____
Title: _____

ATTACHMENT I TO EXHIBIT F

[Insert legal description of relevant lots]

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APPENDIX F

FINANCING AGREEMENT

ORIGINAL

NEWHAVEN PUBLIC IMPROVEMENT DISTRICT
FINANCING AGREEMENT

BY AND BETWEEN

GREGG LANE DEV, LLC, A TEXAS LIMITED LIABILITY COMPANY

AND

THE CITY OF MANOR, TEXAS

NEWHAVEN PUBLIC IMPROVEMENT DISTRICT
FINANCING AGREEMENT

This Newhaven Public Improvement District Financing Agreement (this "**Agreement**"), dated as of _____, 2024 (the "**Effective Date**"), is entered into by and between Gregg Lane Dev, LLC, a Texas limited liability company (including its Designated Successors and Assigns (defined below), the "**Owner**"), and the City of Manor, Texas (the "**City**"), a home-rule municipal corporation of the State of Texas. The Owner and the City are sometimes collectively referred to herein as the "**Parties**", or, each individually, as the "**Party**". Unless otherwise defined herein, capitalized terms used herein are set forth in Exhibit "A", attached hereto, and made a part hereof and in the Service and Assessment Plan.

Recitals:

WHEREAS, the Owner owns a total of approximately 90.35 acres of land located within the City (the "**Property**"), which Property is more particularly described in Exhibit "B", attached hereto and made a part hereof;

WHEREAS, the Owner and the City entered into a Development Agreement (Newhaven), effective April 19, 2023, which was amended by that certain First Amendment to Development Agreement (Newhaven), effective July 19, 2023 (collectively and as may be further amended, the "**Development Agreement**") pertaining to development matters with respect to the Property;

WHEREAS, it is intended that the Property will be developed as a master planned mixed use development with approximately 271 dwelling units and 2.5 acres planned for commercial uses, in accordance with the Development Agreement and the Planned Unit Development Zoning (as may be further amended, the "**PUD**"), adopted by the City Council of the City (the "**City Council**") pursuant to Ordinance No. 698 on April 19, 2023 and as amended pursuant to Ordinance No. 737 on April 3, 2024 (the "**Project**");

WHEREAS, on July 19, 2023, the City Council passed and approved Resolution No. 2023-28 (the "**Creation Resolution**") authorizing the formation of the Newhaven Public Improvement District (the "**District**"), in accordance with Chapter 372 of the Local Government Code (the "**PID Act**"), covering approximately 90.35 contiguous acres within the City's corporate limits, which land is described in the District's Creation Resolution;

WHEREAS, it is contemplated that the Owner and the City will enter into an acquisition and reimbursement agreement, as authorized by Section 372.023(d)(l) of the PID Act (the "**Acquisition and Reimbursement Agreement**");

WHEREAS, pursuant to the terms of this Agreement, the City has agreed that the Authorized Improvements provide a special benefit to the City;

WHEREAS, the Owner intends to construct or have its Designated Successors and Assigned construct certain Authorized Improvements over time to serve property located in the District (or portions thereof) and cause ownership of those improvements to vest with the City in

accordance with the terms and provisions of this Agreement;

WHEREAS, the City intends to (upon satisfaction of the conditions and in accordance with the terms set forth in this Agreement) levy Special Assessments on all or a portion of the property located within the District and issue bonds in one or more series for payment of costs associated with construction and/or acquisition of the Authorized Improvements included in a service and assessment plan to be approved by the City Council, as such plan may be amended from time to time (the "Service and Assessment Plan");

WHEREAS, the lesser of $3.26 or a PID rate of $0.30 per $100.00 of assessed value shall be the maximum aggregate Tax Equivalent Assessment Rate of Special Assessments (including the Annual Installment) plus all ad valorem taxes levied by all political subdivisions within the District, and $10,000,000 is the maximum aggregate par amount of PID Bonds that may be issued to finance, fund or reimburse eligible Authorized Improvements constructed by the Owner;

WHEREAS, the City, subject to the consent and approval of the City Council, the satisfaction of all conditions for the issuance of PID Bonds and Owner's compliance with the Development Agreement, as applicable to the construction of the Authorized Improvements, and in accordance with the terms of this Agreement and any other legal requirements, will consider: (i) the adoption of a Service and Assessment Plan on all or a portion of the property located within the District; (ii) the adoption of any Assessment Ordinance; and (iii) authorizing the issuance of PID Bonds, in one or more series at the City's sole discretion, for the District for the purpose of financing the costs of the Authorized Improvements within the District and paying associated costs as described herein;

WHEREAS, the City will, upon satisfaction of the conditions and in accordance with the terms set forth in this Agreement, accept the Authorized Improvements, or Segments thereof, provided for in this Agreement and the Owner will be paid or reimbursed for the costs of the Authorized Improvements, or Segments thereof, solely from Special Assessments or from the proceeds of the PID Bonds, for the costs of acquisition, construction and improvement of the Authorized Improvements or Segments thereof that are completed, dedicated to and accepted by the City subject to the terms and limitations set forth herein;

WHEREAS, the City agrees to pay or reimburse the Owner for the Actual Costs of the Authorized Improvements from the proceeds of PID Bonds or Assessment Revenues derived from levy of Special Assessments on property located within the District in accordance with the terms and provisions of this Agreement. Subject to the limitations of the PID Act and the City Charter of the City (the "City Charter"), the City has the authority to issue, from time to time, one or more series of PID Bonds, the proceeds of which will be used to pay the costs of Authorized Improvements, or Segments thereof, including indebtedness to pay capitalized interest and a reserve fund permitted by the PID Act for revenue bonds issued under the PID Act and indebtedness issued to pay the City's costs of issuance in accordance with this Agreement; and

WHEREAS, the City has determined that it is in its best interests to enter into this Agreement with the Owner for the construction and/or acquisition of the Authorized Improvements, or Segments thereof, which will result in the efficient and effective implementation of each Service and Assessment Plan.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained herein, and other good and valuable consideration, the parties hereto agree as follows:

ARTICLE I. SCOPE OF AGREEMENT

Section 1.01. Definitions.

Definitions used herein are set forth in Exhibit "A", attached hereto and made a part hereof.

Section 1.02. Overview of Agreement

This Agreement establishes provisions for the apportionment, levying, and collection of Special Assessments on the Property (Article II), the construction of Authorized Improvements to be acquired by the City (Article III), the payment of Authorized Improvements within the District (Article IV), the issuance of bonds for the financing of the Authorized Improvements (Article V), representations, warranties, and indemnification (Article VI), default and remedies (Article VII), and general provisions (Article VIII).

ARTICLE II. APPORTIONMENT, LEVY AND COLLECTION OF SPECIAL ASSESSMENTS

Section 2.01. Preliminary Matters

(a) The recitals set forth in the preamble of this Agreement are hereby incorporated into this Agreement as if fully set forth herein.

(b) On July 19, 2023, the City authorized the formation of the District by Resolution No. 2023-28. The District includes all of the Property.

(c) Special Assessments on any portion of the Property will bear a direct proportional relationship to and be less than or equal to the special benefit of the Authorized Improvements within the District.

(d) Special Assessments on any portion of the Property may be adjusted in connection with subsequent PID Bond issues or otherwise so long as the Special Assessments are determined in accordance with the Service and Assessment Plan and the PID Act.

(e) The Property may also be subject to an Owners Association assessment.

(f) Following preparation of the initial Service and Assessment Plan acceptable in form and substance to the City and to the Owner with respect to the matters therein that require approval by the Owner as provided in this Agreement, the City Council shall, by resolution approve the preliminary Service and Assessment Plan and call a public hearing on the levy of Special Assessments. After conducting the public hearing, the City Council may consider approval of an Assessment Ordinance relating to the Service and Assessment Plan. If an Assessment Ordinance is adopted, the City shall use reasonable efforts to expeditiously initiate and approve all necessary

documents and orders required to effectuate the Service and Assessment Plan and Assessment Ordinance. The City Council, by order, will update, amend and/or restate the Service and Assessment Plan each time Special Assessments are levied.

Section 2.02. Apportionment and Levy of Special Assessments

(a) The City shall use its best efforts to initiate and approve all necessary documents and ordinances required to effectuate this Agreement and to levy Special Assessments. The Owner acknowledges and agrees that a Service and Assessment Plan must meet the requirements of Texas Local Government Code § 372.013 and § 372.014 and be presented to the City Council for review and approval prior to a series of PID Bonds being issued. A Service and Assessment Plan will be modified as required to comply with the requirements of the PID Act and the Texas Attorney General's Office. The annual indebtedness defined by the Service and Assessment Plan shall be consistent with the terms for the issuance of PID Bonds as set forth in this Agreement. The Developer will be provided with the initial draft Service and Assessment Plan and any updates a minimum of four (4) weeks prior to consideration by City Council and be given an opportunity to review and revise said plan or update.

(b) The City shall use its best efforts to levy Special Assessments on the Assessed Parcels in accordance herewith and with each Service and Assessment Plan. It is contemplated that the City will issue multiple series of PID Bonds, to pay or reimburse the Owner for a portion of the Actual Costs of the Authorized Improvements. The Parties anticipate that the Actual Cost to construct the Authorized Improvements will be greater than the net proceeds of the PID Bonds or the Assessment Revenues available for reimbursement of the costs of the Authorized Improvements and the Owner shall fund the difference.

(c) Prior to or in connection with the issuance of PID Bonds, the Owner may submit to the City one or more Special Assessment Levy Requests to finance the costs of Authorized Improvements in accordance with Section 4.02 hereof. Upon the receipt of an Assessment Levy Request, the City Council will consider the adoption of an Assessment Ordinance, which levies Special Assessments on property located in the District in accordance herewith and with the Service and Assessment Plan. The City's apportionment of the costs of Authorized Improvements and levy of Special Assessments will be made in accordance with the PID Act.

Section 2.03. Collection of Special Assessments

(a) So long as the City is obligated to reimburse the Owner for the costs of the Authorized Improvements hereunder or any PID Bonds are outstanding, the City covenants and agrees that it shall, as authorized by the PID Act and other applicable law, continuously collect or cause to be collected Special Assessments levied pursuant to an Assessment Ordinance. The Annual Installment of such Special Assessments will be updated at least annually in a Service and Assessment Plan pursuant to the terms of the PID Act in the manner and to the maximum extent permitted by applicable law. The City will deposit or cause to be deposited the respective Assessment Revenues into a segregated account, or if PID Bonds have been issued, then transferred to the Trustee and deposited in the funds and accounts in the priority set forth in the respective Indenture.

(b) Further notwithstanding anything to the contrary contained herein, the City covenants to use diligent, good faith efforts to contract with the Travis County Tax Assessor-Collector for the collection of the Special Assessments such that the Special Assessments will be included on the ad valorem tax bill(s) for the Assessed Parcels and will be collected as part of and in the same manner as ad valorem taxes.

(c) Owner will be reimbursed for Actual Costs associated with Authorized Improvements from Special Assessments collected by the City and held by the City pursuant to an applicable Acquisition and Reimbursement Agreement or, if PID Bonds are issued, from the proceeds of PID Bonds, until Owner is fully reimbursed by Special Assessments and/or the proceeds of PID Bonds. The balance of any reimbursement obligation due to Owner under an Acquisition and Reimbursement Agreement will be subordinate to payment of the applicable PID Bonds.

Section 2.04. Approval and Recordation of Special Assessments through Landowner Agreement and Recording of the Service and Assessment Plan.

(a) Concurrently with the levy of the Special Assessments for the District, the Owner, any other owners of land within the District, and the City, shall execute a "Landowner Agreement" (herein so called) in which the Owner and other owners, if applicable, (collectively, the "Landowners") shall ratify, confirm, accept, agree to and approve: (a) the apportionment of assessments in the Service and Assessment Plan and the levy of the Special Assessments for the District by the City; (b) the Home Buyer Disclosure Program; and (c) the creation of the District, the boundaries of the District, and the boundaries of the applicable Assessed Parcels. The Landowner Agreement further shall: (A) evidence the Landowners' intent that all Special Assessments be covenants running with the land that (i) shall bind any and all current and successor owners of the Property to the Special Assessments, including applicable interest thereon, as and when due and payable thereunder and (ii) provide that subsequent purchasers of such property take their title subject to and expressly assume the terms and provisions of the Special Assessments; and (B) provide that the liens created by the levy of the Special Assessments are a first and prior lien on the Property, subject only to liens for State, municipality, county or school district ad valorem taxes.

(b) After the Landowner Agreement is fully executed, the Owner shall file the Landowner Agreement in the Official Public Records of the County.

(c) Further, in accordance with the PID Act, the City shall file a copy of the Service and Assessment Plan and any updates thereto with the County Clerk, within seven (7) days of approval.

Section 2.05 Reimbursement of Actual Costs.

(a) Notwithstanding anything to the contrary contained herein, the Parties hereby acknowledge and agree that the Actual Costs expended by the Owner to construct the Authorized Improvements may not be fully reimbursed from the Assessment Revenues or the proceeds of PID Bonds. The Actual Costs expended by the Owner, but not funded by a series of PID Bonds, are payable solely from available Assessment Revenues pursuant to the applicable Acquisition and Reimbursement Agreement; provided, however that sufficient Assessment Revenues are available to make the payments.

(b) The Owner reimbursement provisions contained in this Section 2.05 shall not, under any circumstances, give rise to or create (i) a charge against the general credit or taxing power of the City or (ii) a debt or other obligation of the City payable from any source other than proceeds from the PID Bonds and Assessment Revenues.

ARTICLE III. CONSTRUCTION AND ACQUISITION

Section 3.01. Acquisition of Authorized Improvements

With respect to those Authorized Improvements to be dedicated and owned by the City, the Owner will dedicate such Authorized Improvements to the City upon completion of the Authorized Improvements, and the City will accept dedication of such Authorized Improvements after confirming that such Authorized Improvements have been completed in accordance with this Agreement. The City's Applicable Regulations shall govern the procedure for inspection, dedication, and acceptance of such Authorized Improvements being conveyed to the City.

Section 3.02. Designation of Construction Manager, Construction Engineers

(a) The City hereby designates the Owner, or its assignees, as the Construction Manager with full responsibility for the design, the designation of easement locations, facilities site designations and acquisitions, supervision of construction, and the bidding and letting of construction contracts for the construction of the Authorized Improvements in accordance with the provisions of this Agreement.

(b) Except as otherwise provided herein, inspection of the construction of any Authorized Improvement being conveyed to the City will be by the City's Construction Representative or its designee. Any City inspection of an Authorized Improvement being conveyed to the City will be in accordance with any requirements of the City.

(c) The Owner shall be entitled to a separate Construction Management Fee for the construction of each Authorized Improvement (or Segment thereof), unless Owner contracts with a third party to act as the Construction Manager with respect to construction of the Authorized Improvements. The Construction Management Fee is part of Actual Costs and will be paid to Owner from Assessment Revenues or Bond Proceeds, as applicable.

(d) The City shall cooperate with the Owner in connection with the Owner's services as Construction Manager.

(e) The Owner shall designate the consulting engineers for the Authorized Improvements for the compensation specified by the Owner. Any fees paid to a consulting engineer must be reasonable and customary.

Section 3.03. Designation of Construction Manager Subcontractor

The City acknowledges and agrees that Owner may subcontract out all or some of the duties of Construction Manager to a third party. Owner may designate an individual, company, or partnership or other entity as a subcontractor for construction management services for one or more Authorized Improvements or distinct Segments, provided that such designee has the

technical capacity, experience, and expertise to perform such construction management duties or obligations. Owner may make such designation under the same terms as set out in Section 8.03(a) of this Agreement.

Section 3.04. Mandatory Owners Association.

(a) Prior to the sale of any platted lots within the District, the Managing Developer shall create an Owners Association for the Property, and shall establish bylaws, rules, regulations and restrictive covenants (collectively the "**Association Regulations**") to assure the Owners Association performs and accomplishes the duties and purposes required to be performed and accomplished by the Owners Association pursuant to this Section.

(b) The Owners Association will have a binding, continuing responsibility for the maintenance, repair and operation of the HOA-Maintained Improvements. The Association Regulations shall establish periodic Owners Association dues and assessments, to be charged and paid by the lot owners within the Property, that are and will be sufficient to (i) pay the Owners Association's Annual Installments of Special Assessments (if any), (ii) maintain the HOA-Maintained Improvements and (iii) to provide funds required for the management and operation of the Owners Association.

(c) The Owners Association dues and assessments that are established, maintained and collected by the Owners Association shall be in addition to, and not in lieu of, any and all other fees, charges and Special Assessments that will be applicable to the Property.

Section 3.05. Maintenance of Project, Warranties

Unless otherwise provided for the Owner shall maintain each Authorized Improvement, or Segment thereof, in good and safe condition in accordance with all Applicable Regulations until such Authorized Improvement, or Segment thereof, is accepted by the City. The City's acceptance of Authorized Improvements, or Segment thereof, shall be in accordance with all Applicable Regulations and procedures for the acceptance of subdivision improvements. Prior to such acceptance, the Owner shall be responsible for performing any required maintenance on such Authorized Improvement, or Segment thereof. On or before the acceptance by the City of an Authorized Improvement, or Segment thereof, the Owner shall assign to the City all of the Owner's rights in any warranties, guarantees, maintenance obligations or other evidences of contingent obligations of third persons with respect to such Authorized Improvement, or Segment thereof, and shall provide the City with a two year maintenance bond from the date of final acceptance of the Authorized Improvements, or Segment thereof, that guarantee the costs of any repairs which may become necessary to any part of the construction work performed in connection with the Authorized Improvements, or Segment thereof, for each Authorized Improvement to be accepted by the City. Other than the requirement to provide such maintenance bond, the Owner shall have no further liability to the City for the upkeep, maintenance, operation, or status of the Authorized Improvements once accepted by the City.

Section 3.06. Sales and Use Tax Exemptions

(a) The Parties understand that, as municipally and publicly owned and acquired properties, all costs of materials, other properties and services used in constructing the Authorized Improvements to be acquired by the City are exempt under the current Tax Code from sales and use taxes levied by the State of Texas, or by any county, city, special district, or other political subdivision of the State, as set forth in Texas Tax Code Section 151.309 and 34 Tex. Admin. Code sec. 3.291.

(b) Upon request of the Owner, and to the extent provided by law, the City will provide such certifications to the Owner and/or to suppliers and contractors as may be required to assure the exemptions claimed herein.

(c) The City and the Owner shall cooperate in structuring the construction contracts for the Authorized Improvements to comply with requirements (including those set forth in 34 Tex. Admin. Code sec. 3.291) for exemption from sales and use taxes.

Section 3.07. Regulatory Requirements

(a) Notwithstanding anything to the contrary contained herein, the Owners shall be responsible for the costs of designing, constructing, and obtaining the City's acceptance of the Authorized Improvements, in accordance with all Applicable Regulations, the City-approved plans and specifications, and "Recognized and Generally Accepted Good Engineering Practices," as such term is defined and interpreted by the Federal Occupational Safety and Health Administration.

(b) With respect to the construction of the Authorized Improvements, it is understood that their construction will be exempt from any public bidding or other purchasing and procurement policies pursuant to the current Texas Local Government Code, Section 252.022(a)(9), which states that an expenditure is exempt from such policies for "paving drainage, street widening, and other public improvements, or related matters, if at least one third of the cost is to be paid by or through Special Assessments levied on Property that will benefit from the improvements." The Owner will request bids from at least three (3) independent, competent contractors for the construction of the Authorized Improvements and provide copies of the bids to the City.

Section 3.08. Additional Requirements for Authorized Improvements

(a) The Construction Manager will maintain an ongoing monthly updated accounting of funds disbursed, work progress and remaining funding needed to complete each applicable Authorized Improvement. The Construction Manager will provide such monthly reports to the Owner, the City Construction Representative, the PID Administrator, the Financial Advisor, and the Trustee, as applicable.

(b) After bids and construction contracts have been executed for the applicable Authorized Improvements, all change orders or costs increases for such applicable Authorized Improvements must be approved by the Owner, Construction Manager and the City Construction Representative, to the extent any such change order is in excess of $100,000.00 for any Segment

of such applicable Authorized Improvement. The Construction Manager shall provide copies of all approved change orders to the Financial Advisor and, as applicable, the Trustee, within ten (10) days after approval.

ARTICLE IV. PAYMENT FOR AUTHORIZED IMPROVEMENTS

Section 4.01. Overall Requirements

(a) The City shall not be obligated to provide funds for any Authorized Improvement except from Assessment Revenues or, if PID Bonds are issued, the proceeds of the PID Bonds. The City makes no warranty, either express or implied, that the proceeds of the PID Bonds available for the payment of the Actual Cost of the Authorized Improvements to be constructed for or acquired by the City will be sufficient for the construction or acquisition of all of those particular Authorized Improvements. The Parties anticipate that the Actual Cost to construct the Authorized Improvements may be greater than the proceeds of the PID Bonds available for Authorized Improvements.

(b) Upon written acceptance of an Authorized Improvement, and subject to any applicable maintenance-bond period, the City shall be responsible for all operation and maintenance of such Authorized Improvement, including all costs thereof and relating thereto.

(c) The Parties hereby acknowledge and agree that:

(1) Owner will construct or cause the construction of the applicable Authorized Improvements.

(2) Authorized Improvements are initially intended to be constructed pursuant to one or more Acquisition and Reimbursement Agreements and paid for by the Owner prior to the levy of Special Assessments and the issuance of the PID Bonds intended to fund the Actual Costs of such Authorized Improvements. Such funding of the Authorized Improvements will be governed by the applicable Acquisition and Reimbursement Agreement and Section 4.02 of this Agreement.

(3) Within sixty (60) days of receipt of an Assessment Levy Request, the City will consider the adoption of an Assessment Ordinance that (i) approves a Service and Assessment Plan (or amendment or update thereof) identifying the Special Assessments applicable to the District, (ii) levies said Special Assessments, and (iii) establishes the timeframe for collection of said Special Assessments. The City will levy and collect such Special Assessments in accordance with the approved Service and Assessment Plan, as amended or updated, and the applicable Assessment Ordinance, as further provided in this Agreement.

(4) Upon satisfying the conditions precedent described in Section 5.01 of this Agreement, the City Council intends to consider the issuance of the PID Bonds to refinance any unpaid Reimbursement Obligation Balance under an Acquisition and Reimbursement Agreement and, if applicable, to finance the Actual Costs of any Authorized Improvement

not completed at the time of PID Bond issuance. Such funding of the Authorized Improvements will be governed by the Indenture and Section 4.03 of this Agreement.

(5) The maximum aggregate Tax Equivalent Assessment Rate of Special Assessments (including the Annual Installment) plus all ad valorem taxes levied by all political subdivisions within the District shall be the lesser of $3.26 or a PID rate of $0.30 per $100.00 of assessed value, but Owner may voluntarily elect to have the Tax Equivalent Assessment Rate of Special Assessments be less than the lesser of $3.26 or $0.30 per $100.00 of assessed value, and this shall not require approval by City Council.

Section 4.02. Payments for Authorized Improvements Prior the Issuance of PID Bonds

(a) Upon the approval of an Assessment Ordinance and prior to the issuance of a series of PID Bonds, the City shall bill the Special Assessments and collect the Assessment Revenues from the Assessed Parcels.

(b) Subject to Section 4.02(a) above, the costs of the Authorized Improvements will be initially funded through the applicable Acquisition and Reimbursement Agreement. Pursuant to the terms of such Acquisition and Reimbursement Agreement, the Owner shall dedicate or convey, and the City or the Owners Association, as applicable, shall accept or acquire, as more particularly described in Article III of this Agreement, the Authorized Improvement, after such Authorized Improvement is completed. The general process for funding the Authorized Improvements before the issuance of PID Bonds is described in this Section 4.02(b), and more specifically described in the Acquisition and Reimbursement Agreement.

(c) Pursuant to an Acquisition and Reimbursement Agreement, the City will reimburse the Owner for Actual Costs incurred in connection with the applicable Authorized Improvements until PID Bonds are issued to reimburse the Owner for the Actual Costs of the Authorizing Improvements benefiting the District, the proceeds of which equal the Reimbursement Obligation (defined in the applicable Acquisition and Reimbursement Agreement), less any amounts required for reserves and any other costs or expenses associated with issuing the PID Bonds, and less any payments made from the Trustee pursuant to the applicable Acquisition and Reimbursement Agreement. The Owner will be reimbursed for only those Actual Costs for which Assessment Revenues or Bond Proceeds are available.

(d) Following receipt of an Assessment Levy Request, the City shall consider the adoption of an Assessment Ordinance for the District. The City will collect the Special Assessments in accordance with a Service and Assessment Plan and the applicable Assessment Ordinance. Upon collection of such Special Assessments, the City will transfer or cause to be transferred the Assessment Revenues such that the Assessment Revenues will be held in a designated account separate from the City's other accounts (referred to herein as the "Operating Account"), such funds to be used to reimburse the Owner for the Actual Costs of the applicable Authorized Improvements pursuant to the terms of the applicable Acquisition and Reimbursement Agreement, or, if PID Bonds have been issued, then transferred to the Trustee and deposited in the proper funds and accounts in the priority set forth in the applicable Indenture. Assessment Revenues shall only be used to pay Actual Costs of the Authorized Improvements in accordance with this Agreement.

(e) Pursuant to an Acquisition and Reimbursement Agreement, the Owner may submit a Certification for Payment, in the form provided in Exhibit "C", to the City for payment of the Actual Costs of an Authorized Improvement from funds then available in the appropriate subaccount of the Operating Account held by the City.

Section 4.03. Payments for Authorized Improvements Upon the Issuance of PID Bonds

(a) As more particularly described in Section 5.01 hereof, upon receipt of a Bond Issuance Request, the City will consider the adoption of a resolution or ordinance consenting to the issuance of PID Bonds to reimburse the Owner for Actual Costs of those Authorized Improvements that are complete at the time of bond issue less any amounts already reimbursed to Owner pursuant to an Acquisition and Reimbursement Agreement.

(b) The proceeds from the issuance of the PID Bonds remaining after payment of amounts under Section 4.02 of this Agreement (if applicable) will be held by the Trustee in various segregated accounts under the Project Fund established pursuant to an Indenture. Those sums held in the various segregated accounts will be advanced to the Owner by the Trustee to fund the Actual Costs (as more particularly specified herein and in a Service and Assessment Plan) upon receipt of a completed Certification for Payment in the form as attached hereto in Exhibit "C." At least ten (10) calendar days prior to the time of the closing of a series of PID Bonds, the Owner may submit a Closing Disbursement Request substantially in the form attached hereto in Exhibit "D," executed by the Construction Manager, and if the request pertains to items subject to a seal of the Project Engineer, such request shall be additionally executed by the Project Engineer as to such items, to the City Construction Representative to be reimbursed for those Owner Expended Funds accrued to date of such Closing Disbursement Request and not previously reimbursed. The City Construction Representative shall conduct a review to verify the Owner Expended Funds specified in such Closing Disbursement Request. Prior to disbursement of proceeds, the City Construction Representative will sign the Closing Disbursement Request and deliver said Closing Disbursement Request to the Trustee. At the closing of a series of PID Bonds, the Owner shall be reimbursed an amount equal to the applicable Owner Expended Funds in accordance with the procedures set forth in this Section 4.03.

(c) Any Authorized Improvements that have not been (i) reimbursed at the closing of the PID Bonds, (ii) completed by Owner, or (iii) accepted by the City by the time the PID Bonds are issued, will be payable periodically as construction progresses. The procedures for such progress payments are contained in this Section 4.03 and the Indenture. Such payments shall be made by the Trustee no more frequently than monthly and within five (5) business days of the Trustee's receipt of the completed Certification for Payment from the Construction Manager. If the City Construction Representative disapproves any Certification for Payment, the City shall provide a written explanation of the reasons for such disapproval so that if the Certification for Payment is revised in accordance with the City Construction Representative's comments, the Certification for Payment can be submitted to the Trustee for payment.

(d) The general process for funding of Authorized Improvements from funds on deposit in a Project Fund is as follows:

(1) the Owner shall deliver to the City's Construction Representative and the City Engineer the following:

(i) a Certification for Payment substantially in the form attached hereto as Exhibit "C" executed by the Construction Manager and the Project Engineer evidencing the Actual Costs;

(ii) evidence of the acceptance by the City of those Authorized Improvements to be funded by the respective series of PID Bonds and the conveyance to the City (for completed Authorized Improvements only);

(iii) a certification that all bills for work on, or materials provided for, the Authorized Improvements have been paid; and

(iv) evidence that there are no liens for the work on, or materials provided for, the applicable Authorized Improvements, receipts for payment and verification in form acceptable that any subcontractors have been paid.

(2) After the Certification for Payment is submitted to the City Construction Representative, the City shall (i) conduct a review to confirm those Authorized Improvements to be funded by proceeds of a series of PID Bonds were constructed in accordance with the plans therefor (for completed Authorized Improvements only), and (ii) the City will verify the Actual Costs of Authorized Improvements specified in such Certification for Payment. The City agrees to conduct such review and cost verification in a manner consistent with the City's standard operating procedures after the Certification for Payment is submitted to the City, and the Owner agrees to cooperate with the City in conducting each such review and to provide the City with such additional information and documentation as is reasonably necessary for the City to conclude each such review. Upon confirmation by the City Construction Representative that Authorized Improvements to be funded by the PID Bonds have been constructed in accordance with the plans therefor and this Agreement (for completed Authorized Improvements only), and verification and approval by the PID Administrator of the applicable Certification for Payment, the City shall within thirty (30) calendar days after receipt of the applicable Certification for Payment accept those Authorized Improvements not previously accepted by the City Construction Representative, and shall sign the Certification for Payment and forward the executed Certification for Payment to the Trustee for payment. Other than the PID Administrator's approval of the applicable Certification for Payment, City approval is not required for the Owner's application of cost savings in completing any one Authorized Improvement that the City has accepted towards overages in the costs of a different Authorized Improvement.

(e) In addition to the submitted items required in 4.03(d) above, in order to obtain the final progress payment for an Authorized Improvement funded by a series of PID Bonds pursuant to this Section 4.03, the Owner shall have provided to the City an assignment of the warranties and guaranties, if applicable, and a two-year maintenance bond for such Authorized Improvement. Upon receipt of a Bond Issuance Request, the City will consider the issuance of the PID Bonds, subject to meeting the requirements and conditions stated in the Development Agreement, as

applicable, Section 5.01 hereof, and State law, to reimburse the Owner for Actual Costs of those Authorized Improvements that are complete at the time of bond issue and those Authorized Improvements to be completed after bond issue and reimbursed by progress payments. The City will use diligent, reasonable and good faith efforts, subject to meeting the requirements and conditions stated herein and State law, to issue PID Bonds within four (4) to six (6) months after receiving a Bond Issuance Request from Owner.

(f) Once PID Bonds are issued pursuant to Article V hereof, the City shall bill, collect, and deposit into the Pledged Revenue Fund all Assessment Revenues constituting "pledged revenues" as defined in the Indenture. The City shall also deposit the proceeds of the PID Bonds and any other funds authorized by the applicable Indenture into the Project Fund. Funds in the Project Fund shall only be used to pay Actual Costs of the Authorized Improvements in accordance with the Indenture. When PID Bonds are issued, the proceeds of the PID Bonds shall be used to pay or reimburse the Owner for Actual Costs incurred in constructing the Authorized Improvements that are or will be dedicated and transferred to and accepted by the City. The Owner is responsible for Actual Costs of Authorized Improvements not paid from proceeds of the PID Bonds from the Pledged Revenue Fund, and any cost overruns (after applying cost savings). The lack of proceeds of the PID Bonds or the availability of other funds in the Pledged Revenue Fund or the Project Fund shall not diminish the obligation of the Owner to pay the Actual Costs of the Authorized Improvements.

(g) At least thirty (30) calendar days prior to the time of the closing of the PID Bonds, Owner may submit a Closing Disbursement Request (including any supporting documentation requested by the City) substantially in the form attached hereto in Exhibit "E" executed by the Construction Manager and the Project Engineer to the City Construction Representative to be reimbursed for those Owner Expended Funds accrued to date of such Closing Disbursement Request and not previously reimbursed. The City shall conduct a review to verify the Owner Expended Funds specified in such Closing Disbursement Request. Prior to disbursement of proceeds, City Construction Representative will sign the Closing Disbursement Request and deliver said Closing Disbursement Request to the Trustee. At the closing of the PID Bonds, Owner shall be reimbursed an amount equal to the applicable Owner Expended Funds.

(h) Any Authorized Improvements that have not been completed by Owner by the time the PID Bonds are issued, will be payable periodically as construction progresses. The procedures for such progress payments are contained in this Section 4.03 and the Indenture. Such payments shall be made by Trustee no more frequently than monthly and within five (5) business days of the Trustee's receipt of the completed Certification for Payment from the City Construction Representative. If the City disapproves any Certification for Payment, the City shall provide a written explanation of the reasons for such disapproval so that if the Certification for Payment is revised in accordance with City's comments, the Certification for Payment can be approved. Notwithstanding anything to the contrary contained herein, if the Quarterly Accounting provided by the Construction Manager for a particular Authorized Improvement shows there are not enough funds in the segregated account to fund the remaining design and construction Actual Costs of that Authorized Improvement after taking into consideration any contingencies, the City Construction Representative shall not be obligated to authorize payments of a Certification for Payment until such time as Owner provides evidence satisfactory to the City Construction Representative that

Owner has or will provide funds in an amount sufficient to fully fund the remaining design and construction Actual Costs of that Authorized Improvement. Furthermore, notwithstanding anything contained herein to the contrary, in the event a subcontractor supplying labor or materials for the Authorized Improvements claims that the subcontractor has not been paid for such labor or materials, the City Construction Representative shall not be obligated to authorize payment of a Certification for Payment until such claim is resolved.

(i) The general process for funding of Authorized Improvements from funds on deposit in the Project Fund is as follows:

(1) the Owner shall deliver to the City Construction Representative and the City Engineer the following:

(i) a Certification for Payment substantially in the form attached hereto as Exhibit "D" executed by the Construction Manager and the Project Engineer evidencing the Actual Costs,

(ii) evidence of the acceptance by the City of those Authorized Improvements to be funded by the PID Bond in question and the conveyance to the City (for Completed Authorized Improvements only), and

(iii) waivers of liens for the work on the applicable Authorized Improvements through the previous Certification for Payment, receipts for payment and verification in form acceptable that any subcontractors have been paid.

(2) After the Certification for Payment is submitted to the City Construction Representative, the City shall conduct a review to confirm those Authorized Improvements to be funded by proceeds of the PID Bonds were constructed in accordance with the plans therefor (for Completed Authorized Improvements only) and to verify the Actual Costs of Authorized Improvements specified in such Certification for Payment. The City agrees to conduct such review in an expeditious manner after the Certification for Payment is submitted to the City and the Owner agrees to cooperate with the City in conducting each such review and to provide the City with such additional information and documentation as is reasonably necessary for the City to conclude each such review. Upon confirmation by the City that Authorized Improvements to be funded by the PID Bonds have been constructed in accordance with the plans therefor and this Agreement (for Completed Authorized Improvements only), verification and approval of the Actual Costs of those Authorized Improvements, the City shall within thirty (30) calendar days thereafter accept those Authorized Improvements not previously accepted by the City and the City Construction Representative shall sign the Certification for Payment and forward the same to the City Manager. The City Manager shall then have up to ten (10) business days to forward the executed Certification for Payment to the Trustee for payment.

(j) In addition to the submitted items required in 4.03(i) above, in order to obtain the final progress payment for an Authorized Improvement funded by the PID Bonds pursuant to this Section 4.03, the Owner shall have provided to the City an assignment of the warranties and guaranties, if applicable, and a two-year maintenance bond for such Authorized Improvement.

Section 4.04. Assignment of Right to Payment of Unreimbursed Costs

Owner's right, title and interest into the payments of unreimbursed Actual Costs shall be the sole and exclusive property of Owner (or its Transferee (as defined below) and no other third party shall have any claim or right to such funds unless Owner transfers its rights to its unreimbursed Actual Costs to a Transferee in writing and otherwise in accordance with the requirements set forth herein. Owner has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part without the consent of (but with notice to) the City, all or any portion of Owner's right, title, or interest under this Agreement to receive payment of its unreimbursed Actual Costs, including either Bond Proceeds or Assessment Revenues, (a "Transfer," and the person or entity to whom the transfer is made, a "Transferee"); provided, however, that no such conveyance, transfer, assignment, mortgage, pledge or other encumbrance shall be made without the prior written approval of the City Council if such conveyance, transfer, assignment, mortgage, pledge or other encumbrance would result in the payments hereunder being pledged to the payment of debt service on public securities issued by any other state of the United States or political subdivision thereof. Notwithstanding the foregoing, no Transfer shall be effective until written notice of the Transfer, including the name and address of the Transferee, is provided to the City. The City may rely conclusively on any written notice of a Transfer provided by the Owner without any obligation to investigate or confirm the Transfer. A Transferee shall be responsible for all continuing disclosure requirements and obligations as agreed to by the Owner and the City in the Disclosure Agreement of Owner.

ARTICLE V. PID BONDS

Section 5.01. Issuance of PID Bonds

Subject to the satisfaction of conditions set forth in this Article V, the City may issue PID Bonds solely for the purposes of acquiring or constructing Authorized Improvements. The Owner may request issuance of PID Bonds by filing with the City a list of the Authorized Improvements to be funded with the PID Bonds and the estimated costs of such Authorized Improvements. The issuance of PID Bonds is subject to all of the following conditions.

(a) The City has evaluated and determined that there will be no negative impact on the City's creditworthiness, bond rating, access to or cost of capital, or potential for liability.

(b) The City has determined that the PID Bonds assessment level, structure, terms, conditions and timing of the issuance of the PID Bonds are reasonable for the Actual Costs to be financed and that there is sufficient security for the PID Bonds to be creditworthy.

(c) All costs incurred by the City that are associated with the administration of the District shall be paid out of special assessment revenue levied against property within the District. City administration costs shall include those associated with continuing disclosure, compliance with federal tax law, agent fees, regulatory reporting and legal and financial reporting requirements.

(d) The adoption of a Service and Assessment Plan and an Assessment Ordinance levying Special Assessments on all or any portion of the Property benefitted by such Authorized Improvements in amounts sufficient to pay all costs related to such District.

(e) The City has formed and utilized its own financing team including, but not limited to, Bond Counsel, Financial Advisor, PID Administrator, and underwriters related to the issuance of PID Bonds and bond financing proceedings.

(f) The City has chosen and utilized its own continuing disclosure consultant and arbitrage rebate consultant, if applicable or required. Any and all costs incurred by these activities will be included in City administration costs recouped from Assessment Revenue. The continuing disclosure will be divided into City disclosure and Owner disclosure, and neither Party will be responsible or liable for the other Party's disclosure, but the City's disclosures professional will be used for both disclosures.

(g) The aggregate principal amount of PID Bonds issued and to be issued shall not exceed $10,000,000.

(h) Each series of PID Bonds shall be in an amount estimated to be sufficient to fund the Authorized Improvements or portions thereof for which such PID Bonds are being issued.

(i) Delivery by the Owner to the City of a certification or other evidence from an independent appraiser acceptable to the City confirming that the special benefits conferred on the properties being assessed for the Authorized Improvements increase the value of the property by an amount at least equal to the amount assessed against such property.

(j) Approval by the Texas Attorney General of the PID Bonds and registration of the PID Bonds by the Comptroller of Public Accounts of the State of Texas.

(k) The Owner is current on all taxes, assessments, fees and obligations to the City including without limitation payment of Special Assessments.

(l) The Owner is not in default under this Agreement or, with respect to the Property, any other agreement to which Owner and the City are parties.

(m) No outstanding PID Bonds are in default and no reserve funds established for outstanding PID Bonds have been drawn upon that have not been replenished.

(n) The PID Administrator has certified that the specified portions of the costs of the Authorized Improvements to be paid from the proceeds of the PID Bonds are eligible to be paid with the proceeds of such PID Bonds.

(o) The Authorized Improvements to be financed by the PID Bonds have been or will be constructed according to the City's required standards for similar developments including without limitation any Applicable Regulations.

(p) The City has determined that the amount of proposed Special Assessments and the structure, terms, conditions and timing of the issuance of the PID Bonds are reasonable for

the project costs to be financed and the degree of development activity within the PID, and that there is sufficient security for the PID Bonds to be creditworthy.

(q) Unless otherwise approved by City Council at the time of issuance of a series of PID Bonds, the maturity for a series of PID Bonds shall not exceed a 30 fiscal year amortization from the date of issuance.

(r) The final maturity for any PID Bonds shall be not later than 30 years from the Effective Date.

(s) The City has determined that the PID Bonds meet all regulatory and legal requirements applicable to the issuance of the PID Bonds.

(t) If the applicable portion of Authorized Improvements has not already been constructed and to the extent proceeds from a series of PID Bonds are insufficient to fund such Actual Costs, Owner shall, at the time of closing of the PID Bonds, provide a completion guarantee or other similar type of credit support in the amount of the difference between the Actual Costs and the Bond Proceeds available to fund such Actual Costs related to the applicable Authorized Improvement, or Segment thereof (without limiting any other provision, in the event Owner does not or cannot provide such funding, the City shall not be required to sell such PID Bonds, and Owner shall reimburse the City for all expenses and liabilities incurred by the City in connection with the proposed issuance of the PID Bonds).

(u) No information regarding the City, including without limitation financial information, shall be included in any offering document relating to PID Bonds without the consent of the City.

(v) The Owner agrees to provide periodic information and notices of material events regarding the Owner and the Owner's development within the District in accordance with Securities and Exchange Commission Rule 15c2-12 and any continuing disclosure agreements executed by the Owner in connection with the issuance of PID Bonds.

(w) The Owner is not in default under any Continuing Disclosure Agreement related to an issuance of PID Bonds to which it is a party.

(x) Bonds issued for the purpose of refunding any outstanding PID Bonds shall be issued in a principal amount less than or equal to the outstanding Special Assessments levied as security for the PID Bonds being refunded thereby.

(y) The maximum aggregate Tax Equivalent Assessment Rate of Special Assessments (including the Annual Installment) plus all ad valorem taxes levied by all political subdivisions within the District shall be the lesser of a combined tax rate of $3.26 or a PID rate of $0.30 per $100.00 of taxable assessed valuation. Notwithstanding the foregoing, (i) Owner may voluntarily elect to have the Tax Equivalent Assessment Rate of Special Assessments be less than the lesser of $3.26 or $0.30 per $100.00, and this shall not require approval by City Council; and (ii) the Tax Equivalent Assessment Rate of Special Assessments may exceed the lesser of a combined tax rate of $3.26 or a PID rate of $0.30 per $100.00 taxable assessed valuation if approved by the City Council.

(z) Owner has completed and the City has accepted the Authorized Improvements, or Segment thereof, for any previous phase of the Property.

(aa) The value to lien shall be at least 3:1 for PID Bonds, unless otherwise agreed to by the City and in accordance with an Indenture.

(bb) The Owner and the City shall have entered into an Acquisition and Reimbursement Agreement that provides for the Owner's construction of certain Authorized Improvements, or Segments thereof, and the City's reimbursement to the Owner of certain Actual Costs.

(cc) The applicable requirements of any Indenture for bonds previously issued for the District are satisfied.

Section 5.02. Disclosure Information

Prior to the issuance of PID Bonds by the City, the Owner agrees to provide all relevant information, including financial information, that is reasonably necessary in order to provide potential bond investors with a true and accurate offering document for any PID Bonds. The Owner agrees, represents, and warrants that any information provided by the Owner for inclusion in a disclosure document for an issue of PID Bonds will not, to the Owner's actual knowledge, contain any untrue statement of a material fact or omit any statement of material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, and the Owner further agrees that it will provide a certification to such effect as of the date of the closing of any PID Bonds.

Section 5.03. Qualified Tax-Exempt Status

(a) Generally, in any calendar year in which PID Bonds are issued, the Owner agrees to pay the City its actual additional costs ("Additional Costs") the City may incur in the issuance of its own public securities or obligations on its own taxing power of municipal revenues (the "City Obligations"), as described in this section, if the City Obligations are deemed not to qualify for the designation of qualified tax-exempt obligations ("QTEO"), as defined in section 265(b)(3) of the Internal Revenue Code ("IRC") as amended, as a result of the issuance of PID Bonds by the City in any given year. The City agrees to deposit all funds for the payment of such Additional Costs received under this section into a segregated account of the City, and such funds shall remain separate and apart from all other funds and accounts of the City until December 31 of the calendar year in which the PID Bonds are issued, at which time the City is authorized to utilize such funds for any purpose permitted by law. On or before January 15th of the following calendar year, the final Additional Costs shall be calculated. By January 31st of such year, any funds in excess of the final Additional Costs that remain in such segregated account on December 31st of the preceding calendar year shall be refunded to the Owner and any deficiencies in the estimated Additional Costs paid to the City by the Owner shall be remitted to the City by the Owner.

(b) Issuance of PID Bonds prior to City Obligations. In the event the City issues PID Bonds prior to the issuance of City Obligations, the City, with assistance from its Financial Advisor, shall estimate the Additional Costs based on the market conditions as they exist approximately thirty (30) days prior to the date of the pricing of the PID Bonds (the "Estimated

Costs"). The Estimated Costs are an estimate of the increased cost to the City to issue its City Obligations as non QTEO. Promptly following the determination of the Estimated Costs, the City shall provide a written invoice to the Owner in an amount less than or equal to the Estimated Costs. The Owner, in turn, shall remunerate to the City the amount shown on said invoice on or before the earlier of: (i) fifteen (15) business days after the date of said invoice, or (ii) five (5) business days prior to pricing the PID Bonds. The City shall not be required to price or sell any series of PID Bonds until the Owner has paid the invoice of Estimated Costs related to the PID Bonds then being issued.

(c) Upon the City's approval of the City Obligations, the Financial Advisor shall calculate the Additional Costs to the City of issuing its City Obligations as non QTEO. The City will, within five (5) business days of the issuance of the City Obligations, provide written notice to the Owner of the amount of the Additional Costs. In the event the Additional Costs are less than the Estimated Costs, the City will refund to the Owner the difference between the Additional Costs and the Estimated Costs within fifteen (15) business days of the date of the City's notice to the Owner required under this paragraph. If the Additional Costs are more than the Estimated Costs, the Owner will pay to the City the difference between the Additional Costs and the Estimated Costs within fifteen (15) business days of the date of the City's notice required under this paragraph. If the Owner does not pay the City the difference between the Additional Costs and the Estimated Costs within fifteen (15) business days of the date of the City's notice required under this paragraph, the Owner shall not be paid any reimbursement amounts under any PID reimbursement agreement related to the Property until such payment of Additional Costs is made in full.

(d) Issuance of City Obligations prior to PID Bonds.

(1) In the event the City issues City Obligations prior to the issuance of PID Bonds, the City, with assistance from the Financial Advisor, shall calculate the Estimated Costs based on the market conditions as they exist twenty (20) days prior to the date of the pricing of the City Obligations. Promptly following the determination of the Estimated Costs, the City shall provide a written invoice to the Owner: (1) in an amount less than or equal to the Estimated Costs, and (2) that includes the pricing date for such City Obligations. The Owner, in turn, shall remunerate to the City the amount shown on said invoice at least fifteen (15) days prior to the pricing date indicated on the invoice. If the Owner fails to pay the Estimated Costs as required under this paragraph, the City, at its option, may elect to designate the City Obligations as QTEO, and the City shall not be required to issue any PID Bonds in such calendar year.

(2) Upon the City's approval of the City Obligations, the Financial Advisor shall calculate the Additional Costs to the City of issuing non QTEO City Obligations. The City will, within five (5) business days of the issuance of the City Obligations, provide written notice to the Owner of the Additional Costs. In the event the Additional Costs are less than the Estimated Costs, the City will refund to the Owner the difference between the Additional Costs and the Estimated Costs within fifteen (15) business days of the date of the City's notice to the Owner. If the Additional Costs are more than the Estimated Costs, the Owner will pay to the City the difference between the Additional Costs and the Estimated Costs within fifteen (15) business days of the date of the City's notice. If the

Owner does not pay to the City the difference between the Additional Costs and the Estimated Costs as required under this paragraph, then the Owner shall not be paid any reimbursement amounts under any Acquisition and Reimbursement Agreement related to the Property until such payment of Additional Costs is made in full.

(e) To the extent any Owner(s) or property owner(s) (including the Owner, as applicable) has (have) paid Additional Costs for any particular calendar year, any such Additional Costs paid subsequently by a developer or property owner (including the Owner, as applicable) to the City applicable to the same calendar year shall be reimbursed by the City to the developer(s) or property owner(s) (including the Owner, as applicable) as necessary so as to put all developers and property owners (including the Owner, if applicable) so paying for the same calendar year in the proportion set forth in subsection (f), below, said reimbursement to be made by the City within fifteen (15) business days after its receipt of such subsequent payments of such Additional Costs.

(f) The City shall charge Additional Costs attributable to any other developer or property owner on whose behalf the City has issued debt in the same manner as described in this section, and the Owner shall only be liable for its portion of the Additional Costs under this provision, and if any Additional Costs in excess of the Owner's portion has already been paid to the City under this provision, then such excess of Additional Costs shall be reimbursed to the Owner. The portion owed by the Owner shall be determined by dividing the total proceeds from any debt issued on behalf of the Owner in such calendar year by the total proceeds from any debt issued by the City pursuant to the PID Act for the benefit of all developers (including the Owner) in such calendar year.

Section 5.04. Tax Certificate

If in connection with the issuance of PID Bonds, the City is required to deliver a certificate as to tax exemption (a "Tax Certificate") to satisfy requirements of the Internal Revenue Code, the Owner agrees to provide, or cause to be provided, such facts and estimates as the City reasonably considers necessary to enable it to execute and deliver its Tax Certificate. The Owner represents that such facts and estimates will be based on its reasonable expectations on the date of issuance of the PID Bonds and will be, to the best of the knowledge of the officers of the Owner providing such facts and estimates, true, correct and complete as of such date. To the extent that it exercises control or direction over the use or investment of the Bond Proceeds (including, but not limited to, the use of the Authorized Improvements), the Owner further agrees that it will not knowingly make, or permit to be made, any use or investment of such funds that would cause any of the covenants or agreements of the City contained in a Tax Certificate to be violated or that would otherwise have an adverse effect on the tax-exempt status of the interest payable on the PID Bonds for federal income tax purposes.

Section 5.05. Special Obligations

THE PID BONDS ARE SPECIAL OBLIGATIONS OF THE CITY SECURED SOLELY BY PLEDGED REVENUES (AS DEFINED IN AN INDENTURE) AND ANY OTHER FUNDS HELD UNDER AN INDENTURE, AS AND TO THE EXTENT PROVIDED IN SUCH INDENTURE. THE PID BONDS DO NOT GIVE RISE TO A

CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE CITY AND ARE NOT SECURED EXCEPT AS PROVIDED IN AN INDENTURE. THE OWNERS OF PID BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED REVENUES AND ANY OTHER FUNDS HELD UNDER AN INDENTURE, AS AND TO THE EXTENT PROVIDED IN SUCH INDENTURE. THE CITY SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO THE OWNERS OF PID BONDS TO PAY THE BONDS OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED REVENUES. NONE OF THE CITY, NOR ANY OF ITS ELECTED OR APPOINTED OFFICIALS NOR ANY OF ITS OFFICERS, EMPLOYEES, CONSULTANTS OR REPRESENTATIVES SHALL INCUR ANY LIABILITY HEREUNDER TO THE OWNER OR ANY OTHER PARTY IN THEIR INDIVIDUAL CAPACITIES BY REASON OF THIS AGREEMENT OR THEIR ACTS OR OMISSIONS UNDER THIS AGREEMENT.

Section 5.06. Project Fund

The City hereby covenants and agrees that if PID Bonds are issued, the Indenture will establish a Project Fund as a separate fund to be held by the Trustee under the Indenture. The portion of the proceeds of the PID Bonds issued to pay Actual Costs of Authorized Improvements and Bond Issuance Costs shall be deposited upon issuance into separate accounts within the Project Fund, which will be held by the Trustee under the Indenture.

Section 5.07. Denomination, Maturity, Interest, and Security for Bonds

(a) Each series of PID Bonds shall be finally authorized by the City Council and shall be issued in the denominations, shall mature and be prepaid, shall bear interest, and shall be secured by and payable solely from the PID Bond Security, all to be as described and provided in the PID Bond Ordinance or Indenture, as applicable.

(b) The final and adopted versions of the PID Bond Ordinance and the Indenture (and all documents incorporated or approved therein) shall contain provisions relating to the withdrawal, application, and uses of the proceeds of the PID Bonds when and as issued and delivered and otherwise contain such terms and provisions as are mutually approved by the City and the Owner.

Section 5.08. Sale of PID Bonds

The PID Bonds, if issued by the City, shall be marketed and sold through a negotiated sale to an underwriter selected by the City with the cooperation and assistance of the Owner in all respects, with respect to the preparation of marketing documents, such as preliminary and final official statements or in such other marketing and/or sales method mutually agreed upon by the City and the Owner. The Owner agrees to fully cooperate with City with respect to the preparation of the offering document.

ARTICLE VI. REPRESENTATIONS, WARRANTIES, AND INDEMNIFICATION

Section 6.01. Representations and Warranties of City

The City makes the following covenants, representations and warranties for the benefit of the Owner:

(a) The City is a home-rule municipal corporation of the State of Texas, duly incorporated, organized and existing under the Constitution and general laws of the State, and has full legal right, power and authority under the PID Act and other applicable law (i) to enter into, execute and deliver this Agreement, (ii) to adopt an Assessment Ordinance, and (iii) to carry out and consummate the transactions contemplated by this Agreement.

(b) The City will not unreasonably condition, delay, or withhold consideration, documentation, and approval of an Assessment Levy Request or Bond Issuance Request.

(c) The City will not unreasonably condition, delay, or withhold final acceptance of any of the Authorized Improvements.

(d) The City will maintain proper books of record and account for all costs incurred by the City that are associated with the administration of the District, including, but not limited to, those costs associated with continuing disclosure, compliance with federal tax law, agent fees, consultant fees, regulatory reporting and legal and financial reporting requirements. The City covenants that such accounting books will be maintained in accordance with generally accepted accounting practices and will be available for inspection by the Owner or its agent at any reasonable time during regular business hours upon at least 72 hours' notice.

(e) The City will deliver a Tax Certificate as a condition of the issuance of each series of PID Bonds.

(f) The City will not unreasonably condition, delay, or withhold execution a Certification for Payment once the conditions outlined in Section 4.03(d)(2)(i)-(ii) have been met.

Section 6.02. Covenants, Representation, and Warranties of Owner

The Owner makes the following representations, warranties and covenants for the benefit of the City:

(a) The Owner represents and warrants that it is a limited liability company duly organized and validly existing under the laws of the State of Texas, is in compliance with the laws of the State of Texas and has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated.

(b) The Owner represents and warrants that the Owner has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of the Owner.

(c) The Owner represents and warrants that this Agreement is valid and enforceable obligation of the Owner and is enforceable against the Owner in accordance with its terms, subject to bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles.

(d) The Owner covenants that once it commences construction of an Authorized Improvement (or a Segment thereof) it will use its reasonable and diligent efforts to do all things which may be lawfully required of it in order to cause such Authorized Improvements (or Segment thereof) to be completed in accordance with this Agreement.

(e) The Owner covenants that it will not commit or knowingly permit any act in, upon or to the Property or the Project in violation of any law, ordinance, rule, regulation, or order of any governmental authority or any covenant, condition, or restriction now or hereafter affecting the Property or the Project.

(f) The Owner represents and warrants that (i) it will not request payment from the City for the acquisition or financing of any Authorized Improvements that are not part of the Project, and (ii) it will diligently follow all procedures set forth in this Agreement, including each Certification for Payment.

(g) For a period of four (4) years after (i) the final Acceptance Date of each applicable Authorized Improvement, or (ii) claims filed upon completion, whichever is later, the Owner covenants to maintain proper books of record and account for the Authorized Improvements and all costs related thereto. The Owner covenants that such accounting books will be maintained in accordance with sound accounting practices. The Owner shall provide copies (including electronic copies in a form acceptable to the City if electronic copies are requested) of such records to the City upon written request to the Owner, and those copies shall be provided no later than ten (10) business days after receipt of a written request from the City at a cost that is no more than the rates applicable to copies provided pursuant to the Texas Public Information Act.

(h) The Owner agrees to provide the information required pursuant to an Owner Continuing Disclosure Agreement executed by the Owner in connection with the PID Bonds.

(i) The Owner covenants to provide, or cause to be provided, such facts and estimates as the City reasonably considers necessary to enable it to execute and deliver its Tax Certificate. The Owner further covenants that (i) such facts and estimates will be based on its reasonable expectations on the date of issuance of the PID Bonds and will be, to the best of the knowledge of the officers of the Owner providing such facts and estimates, true, correct, and complete as of that date, and (ii) the Owner will make reasonable inquires to ensure such truth, correctness, and completeness. The Owner covenants that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use or investment of the Bond Proceeds that would cause any of the covenants or agreements of the City contained in the Tax Certificate to be violated or that would otherwise have an adverse effect on the tax-exempt status of the interest payable on the PID Bonds for federal income tax purposes.

(j) The Owner agrees not to take any action or actions to reduce the total amount of such Special Assessments to be levied as of the Effective Date.

Section 6.03. Buyer Disclosures

The Owner shall comply with Chapter 5 of the Property Code, as amended, and shall contractually obligate (and promptly provide written evidence of such contractual provisions to the City) any party who purchases any Parcel owned by the Owner, or any portion thereof, to comply with the notice requirements set forth in Chapter 5 of the Property Code regarding any subsequent sale or conveyance of the Parcel. The Owner's compliance obligation shall terminate as to each Lot (as defined in the Service and Assessment Plan) if and when there is a sale of a Lot to a purchaser.

Section 6.04. Indemnification and Hold Harmless by Owner

(a) THE OWNER WILL (WITHOUT USING ANY ASSESSMENT REVENUES OR BOND PROCEEDS) DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY AND ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES, AND AGENTS (INDIVIDUALLY, AN "**INDEMNIFIED PARTY**," AND COLLECTIVELY, THE "**INDEMNIFIED PARTIES**") AGAINST AND FROM, AND WILL PAY TO THE INDEMNIFIED PARTIES, ALL WITHOUT WAIVING ANY SOVEREIGN OR GOVERNMENTAL IMMUNITY AVAILABLE TO ANY INDEMNIFIED PARTY UNDER TEXAS OR FEDERAL LAW, AND WITHOUT WAIVING ANY DEFENSES OR REMEDIES UNDER TEXAS OR FEDERAL LAW, THE AMOUNT OF, ALL ACTIONS, DAMAGES, CLAIMS, LOSSES, FEES, FINES, PENALTIES, OR EXPENSE OF ANY TYPE, WHETHER OR NOT INVOLVING A THIRD-PARTY CLAIM (COLLECTIVELY, "**DAMAGES**"), ARISING DIRECTLY OR INDIRECTLY, FROM:

(1) THE BREACH OF ANY PROVISION OF THIS AGREEMENT BY THE OWNER;

(2) THE NEGLIGENT DESIGN, ENGINEERING, OR CONSTRUCTION BY THE OWNER OF ANY AUTHORIZED IMPROVEMENT;

(3) THE OWNER'S NONPAYMENT UNDER CONTRACTS WITH THE GENERAL CONTRACTOR OR SUBCONTRACTORS FOR ANY AUTHORIZED IMPROVEMENT UNDER THIS AGREEMENT;

(4) ANY CLAIMS AGAINST ONE OR MORE OF THE INDEMNIFIED PARTIES RELATING TO ANY AUTHORIZED IMPROVEMENT ACQUIRED UNDER THIS AGREEMENT; AND

(5) ANY THIRD-PARTY CLAIMS RELATING TO ANY AUTHORIZED IMPROVEMENT ACQUIRED UNDER THIS AGREEMENT.

(b) THE OWNER WILL DEFEND THE INDEMNIFIED PARTIES AGAINST ALL CLAIMS DESCRIBED IN THIS SECTION, AND THE INDEMNIFIED PARTIES WILL REASONABLY COOPERATE AND ASSIST IN PROVIDING SUCH DEFENSE.

(c) THE INDEMNIFIED PARTIES WILL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY THE OWNER IN FULFILLING ITS

OBLIGATIONS HEREUNDER.

(d) THE INDEMNIFIED PARTIES RESERVE THE RIGHT, BUT ARE NOT REQUIRED, TO PROVIDE A PORTION OR ALL OF ITS OWN DEFENSE AT THEIR OWN EXPENSE.

(e) THE OWNER SHALL RETAIN INDEMNIFIED PARTY-APPROVED DEFENSE COUNSEL WITHIN 10 BUSINESS DAYS OF WRITTEN NOTICE THAT THE CITY IS INVOKING ITS RIGHT TO INDEMNIFICATION, AND IF THE OWNER DOES NOT DO SO, THE INDEMNIFIED PARTY MAY RETAIN ITS OWN DEFENSE COUNSEL AND THE OWNER WILL BE LIABLE FOR ALL SUCH COSTS.

ARTICLE VII. THIS SECTION SURVIVES THE TERMINATION OF THIS AGREEMENT INDEFINITELY, SUBJECT TO APPROPRIATE STATUTES OF LIMITATIONS, AS THEY MAY BE TOLLED OR EXTENDED BY AGREEMENT OR OPERATION OF LAW.DEFAULT AND REMEDIES

Section 7.01. Default

A Party shall be deemed in default under this Agreement (which shall be deemed a breach hereunder) if such Party fails to materially perform, observe or comply with any of its covenants, agreements or obligations hereunder or breaches or violates any of its representations contained in this Agreement.

Section 7.02. Breach

Before any failure of any Party to perform its obligations under this Agreement shall be deemed to be a breach of this Agreement, the Party claiming such failure shall notify, in writing, the Party alleged to have failed to perform of the alleged failure and shall demand performance. No breach of this Agreement may be found to have occurred if performance has commenced to the reasonable satisfaction of the complaining Party within thirty (30) days of the receipt of such notice (or five (5) days in the case of a monetary default), subject, however, in the case of non-monetary default, to the terms and provisions of Section 7.03 below. Upon a breach of this Agreement, the non-defaulting Party in any court of competent jurisdiction, by an action or proceeding at law or in equity, may secure the specific performance of the covenants and agreements herein contained (and/or an action for mandamus as and if appropriate). Except as otherwise set forth herein, no action taken by a Party pursuant to the provisions of this Article VII or pursuant to the provisions of any other Section of this Agreement shall be deemed to constitute an election of remedies and all remedies set forth in this Agreement shall be cumulative and non-exclusive of any other remedy either set forth herein or available to any Party at law or in equity. Each of the Parties shall have the affirmative obligation to mitigate its damages in the event of a default by the other Party. Notwithstanding any provision contained herein to the contrary, the Owner shall not be required to construct any portion of the Authorized Improvements (or take any other action related to or in furtherance of same) while the City is in default under this Agreement.

Section 7.03. Force Majeure

Notwithstanding any provision in this Agreement to the contrary, if the performance of any

covenant or obligation to be performed hereunder by any Party is delayed as a result of circumstances which are beyond the reasonable control of such Party (which circumstances may include, without limitation, pending litigation, acts of God, war, acts of civil disobedience, widespread pestilence, fire or other casualty, shortage of materials, any pandemic or other event declared a disaster (including a disaster declared by the County Judge of the County) adverse weather conditions such as, by way of illustration and not limitation, severe rain storms, drought, or tornadoes, labor action, strikes, changes in the law affecting the obligations of the Parties hereunder, or similar acts) (each, a "**Force Majeure**"), the time for such performance shall be extended by the amount of time of the delay directly caused by and relating to such uncontrolled circumstances. The Party claiming delay of performance as a result of any of the foregoing Force Majeure events shall deliver written notice of the commencement of any such delay resulting from such Force Majeure event not later than seven (7) days after the claiming Party becomes aware of the same, and if the claiming Party fails to so notify the other Party of the occurrence of a Force Majeure event causing such delay, the claiming Party shall not be entitled to avail itself of the provisions for the extension of performance contained in this Article. Notwithstanding any provision to the contrary, Force Majeure will not excuse any obligation to make payment under this Agreement unless the event of Force Majeure affects the ability of financial institutions generally to transfer funds in the normal course of business.

Section 7.04. No Waiver

No provision of this Agreement shall affect or waive any sovereign or governmental immunity available to the City and/or its elected officials, officers, employees, and agents under federal or State law nor waive any defenses or remedies at law available to the City or its elected officials, employees, and agents under federal or State law.

ARTICLE VIII. GENERAL PROVISIONS

Section 8.01. Notices

Any notice, communication, or disbursement required to be given or made hereunder shall be in writing and shall be given or made by facsimile, hand delivery, overnight courier, or by United States mail, certified or registered mail, return receipt requested, postage prepaid, at the addresses set forth below or at such other addresses as any be specified in writing by any Party hereto to the other parties hereto. Each notice which shall be mailed or delivered in the manner described above shall be deemed sufficiently given, served, sent, and received for all purpose at such time as it is received by the addressee (with return receipt, the delivery receipt or the affidavit of messenger being deemed conclusive evidence of such receipt) at the following addresses:

If to City:	City of Manor Attn: City Manager 105 East Eggleston Street Manor, Texas 78653
With a copy to:	The Knight Law Firm, LLP Attn: Paige Saenz/Veronica Rivera

223 West Anderson Lane, Suite A-105
Austin, Texas 78752

If to Owner: Greg Lane Dev, LLC
101 Parklane Blvd., Suite 102
Sugar Land, Texas 77478

With a copy to: Metcalfe Wolff Stuart & Williams, LLP
Attn: Talley Williams
221 W. 6th, Suite 1300
Austin, Texas 78701

Section 8.02. Fee Arrangement /Administration of District

(a) The Owner agrees that it will pay all reasonable City costs and expenses (including the City's third-party advisors and consultants) related to the creation and administration of the District, including this Agreement, as well as costs and expenses relating to the development and review of the Service and Assessment Plan, including any applicable Acquisition and Reimbursement Agreement (including legal fees and financial advisory fees) ("**City PID Costs**"). To the extent that City PID Costs have not previously been paid by the Owner, prior to closing of any PID Bonds, the City shall (i) submit to the Owner and the Trustee invoices and other supporting documentation evidencing the City PID Costs and (ii) direct the Trustee to pay these fees, as applicable, to the City or on behalf of the City from proceeds of the applicable PID Bonds.

(b) In addition to any City PID Costs pursuant to the preceding sentences, all fees of legal counsel related to the issuance of the applicable PID Bonds, including fees for the review of the District creation and District administration documentation, the preparation of customary bond documents and the obtaining of Attorney General approval for the applicable PID Bonds, will be paid at closing from proceeds of the applicable PID Bonds.

(c) Notwithstanding the foregoing, Owner and the City have entered into that certain Professional Services Agreement, dated June 7, 2023 (as amended, the "**Deposit Agreement**") where Owner agreed to pay the City PID Costs. All City PID Costs paid by the Owner pursuant to the Deposit Agreement prior to the closing of the applicable PID Bonds shall be included in invoices paid at closing from proceeds of the PID Bonds.

(d) The Owner shall be solely responsible for the costs associated with the issuance of any Parity Bonds. The terms of subparagraph (a) above shall apply to the Owner in the event that any Parity Bonds are issued.

(e) The City may hire an Administrator of its choosing, and the Administrator's duties shall include general administration of the PID. The City hereby agrees to include the following terms in the agreement for services entered into with the Administrator:

(1) The City will work with the Administrator to use good faith efforts to maintain reasonable Annual Collection Costs, as such term will defined in the Service and Assessment Plan. Any increase to such fee shall be for additional services provided, and in no case

shall increase by more than 2% annually.

(2) The Administrator shall be responsible for preparation of the Service and Assessment Plan and any annual updates or amendments thereto. The Administrator shall be required by the City to provide all final copies of the Service and Assessment Plan, including amendments and annual updates thereto, to the Owner, at the same time such copies are provided to the City Council.

Section 8.03. Assignment

(a) Subject to the preceding Section 4.04 of this Agreement and to subsection (b) below, Owner may, in its sole and absolute discretion, transfer or assign its rights or obligations under this Agreement with respect to all or part of the Project from time to time to an Affiliate without the consent of the City. Prior to the issuance of the initial PID Bonds, however, Owner shall not transfer or assign its rights or obligations under this Agreement with respect to all or part of the Project to a non-affiliated entity without the prior consent of the City Council, not to be unreasonably withheld conditioned or delayed. After the issuance of the initial PID Bonds, the Owner may not transfer or assign its rights or obligations under this Agreement to any party without the City Council's consent, not to be unreasonably withheld conditioned or delayed. Owner shall provide the City thirty (30) days prior written notice of any such assignment. Upon consent by City Council of such assignment or partial assignment, Owner shall be fully released from any and all future obligations under this Agreement and shall have no liability for such obligations with respect to this Agreement for the part of the Project so assigned. Notwithstanding the above, City's execution of this Agreement shall constitute the City's consent to the Owner's assignment of this Agreement, in whole or in part, to a regional or national homebuilder.

(b) The City hereby acknowledges and agrees that Owner shall have the right to make a collateral assignment of any reimbursements and/or proceeds under this Agreement to any lender on the Project and the City shall execute any documentation reasonably requested by such lender evidencing such fact.

(c) Any sale of a portion of the Property or assignment of any right hereunder shall not be deemed a sale or assignment to a Designated Successor or Assign unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is to a Designated Successor or Assign.

(d) Any sale of a portion of the Property or assignment of any right hereunder shall not be deemed a Transfer unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is deemed to be a Transfer.

Section 8.04. Term of Agreement

This Agreement shall terminate on the date on which the City and Owner discharge all of their obligations hereunder. In the case of any termination of this Agreement and/or dissolution of the District, the obligation of any Party to pay any Actual Costs expended prior to the termination of this Agreement and/or dissolution of the District and remaining unpaid will survive such termination and/or dissolution; provided however, that any payment obligation of the City shall be

payable solely from Assessment Revenues or, if PID Bonds are issued, the proceeds of such bonds.

Section 8.05. Construction of Certain Terms

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction shall apply:

(a) Words importing a gender include any gender.

(b) Words importing the singular include the plural and vice versa.

(c) A reference to a document includes an amendment, supplement, or addition to, or replacement, substitution, or novation of, that document but, if applicable, only if such amendment, supplement, addition, replacement, substitution, or novation is permitted by and in accordance with that applicable document.

(d) Any term defined herein by reference to another instrument or document shall continue to have the meaning ascribed thereto whether or not such other instrument or document remains in effect.

(e) A reference to any Party includes, with respect to Owner, its Designated Successors and Assigns, and reference to any Party in a particular capacity excludes such Party in any other capacity or individually.

(f) All references in this Agreement to designated "Articles," "Sections," and other subdivisions are to the designated Articles, Sections, and other subdivisions of this Agreement. All references in this Agreement to "Exhibits" are to the designated Exhibits to this Agreement.

(g) The words "herein," "hereof," "hereto," "hereby," "hereunder," and other words of similar import refer to this Agreement as a whole and not to the specific Section or provision where such word appears.

(h) The words "including" and "includes," and words of similar import, are deemed to be followed by the phrase "without limitation."

(i) Unless the context otherwise requires, a reference to the "Property," the "Authorized Improvements," or the "District" is deemed to be followed by the phrase "or a portion thereof."

(j) Every "request," "order," "demand," "direction," "application," "appointment," "notice," "statement," "certificate," "consent," "approval, " "waiver," "identification," or similar action under this Agreement by any Party shall, unless the form of such instrument is specifically provided, be in writing duly signed by a duly authorized representative of such Party.

(k) The Parties hereto acknowledge that each such party and their respective counsel have participated in the drafting and revision of this Agreement. Accordingly, the Parties agree that any rule of construction that disfavors the drafting party shall not apply in the interpretation of this Agreement.

Section 8.06. Table of Contents; Titles and Headings

The titles of the articles and the headings of the sections of this Agreement are solely for convenience of reference, are not a part of this Agreement, and shall not be deemed to affect the meaning, construction, or effect of any of its provisions.

Section 8.07. Amendments

This Agreement may be amended, modified, revised or changed by written instrument executed by the Parties. The Owner acknowledges that no officer, agent, employee, or representative of the City has any authority to change the terms of this Agreement unless expressly granted that authority by the City Council.

Section 8.08. Time

In computing the number of days for purposes of this Agreement, all days will be counted, including Saturdays, Sundays, and legal holidays; however, if the final day of any time period falls on a Saturday, Sunday, or legal holiday, then the final day will be deemed to be the next day that is not a Saturday, Sunday, or legal holiday.

Section 8.09. Counterparts

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, and all of which will together constitute the same instrument. Signatures transmitted electronically by email in a "PDF" format shall have the same force and effect as original signatures in this Agreement.

Section 8.10. Entire Agreement

This Agreement contains the entire agreement of the Parties.

Section 8.11. Severability; Waiver

If any provision of this Agreement is illegal, invalid, or unenforceable, under present or future laws, it is the intention of the parties that the remainder of this Agreement not be affected and, in lieu of each illegal, invalid, or unenforceable provision, a provision be added to this Agreement which is legal, valid, and enforceable and is as similar in terms to the illegal, invalid, or enforceable provision as is possible.

Any failure by a Party to insist upon strict performance by the other party of any material provision of this Agreement will not be deemed a waiver or of any other provision, and such Party may at any time thereafter insist upon strict performance of any and all of the provisions of this Agreement.

Section 8.12. Owner as Independent Contractor

In performing under this Agreement, it is mutually understood that the Owner is acting as an independent contractor, and not an agent of the City.

Section 8.13. Supplemental Agreements

Other agreements and details concerning the obligations of the Parties under and with respect to this Agreement are/or will be included in the Service and Assessment Plan, the Assessment Ordinance, PID Bond Ordinance and/or Indenture. The Owner will provide any continuing disclosures required under the Indenture and will execute a separate agreement outlining Owner's continuing disclosure obligations, if required.

Section 8.14. City's Acceptance of Authorized Improvements

The City hereby agrees that it will not unreasonably withhold the final acceptance of any of the Authorized Improvements and will work with the Owner in good faith to expedite review and acceptance of such Authorized Improvements.

Section 8.15. Audit

The City Construction Representative, City Manager, Director of Finance of the City, or any other City official or employee duly designated by the City Manager, shall have the right, during normal business hours and upon the giving of three (3) business days' prior written notice to an Owner, to review all books and records of the Owner pertaining to costs and expenses incurred by the Owner with respect to any of the Authorized Improvements and any bids taken or received for the construction thereof or materials therefor.

Section 8.16. Venue

This Agreement shall be construed under and in accordance with the laws of the State of Texas. All obligations of the parties created hereunder are performable in Travis County, Texas, and venue for any action arising hereunder shall be in Travis County, Texas.

Section 8.17. Verifications of Statutory Representations and Covenants.

The Owner makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Agreement. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the Owner within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything in this Agreement to the contrary.

(a) Not a Sanctioned Company. The Owner represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Owner and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a

foreign terrorist organization.

(b) No Boycott of Israel. The Owner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.

(c) No Discrimination Against Firearm Entities. The Owner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" has the meaning provided in Section 2274.001(3), Government Code.

(d) No Boycott of Energy Companies. The Owner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

(e) Submitted herewith is a completed Form 1295 in connection with the Owner's participation in the execution of this Agreement generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The City hereby confirms receipt of the Form 1295 from the Owner. The Owner and the City understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Owner; and, neither the City nor its consultants have verified such information.

Section 8.18. Notification

If any Party receives notice or becomes aware of any claim or other action, including proceedings before an administrative agency, which is made or brought by any person, firm, corporation, or other entity against a Party in relation to this Agreement, the Party receiving such notice must give written notice to the other Parties of the claim or other action within three business days after being notified of it or the threat of it; the name and address of the person, firm, corporation or other entity that made or threatened to make a claim or that instituted or threatened to institute any type of action or proceeding; the basis of the claim, action, or proceeding; the court or administrative tribunal, if any, where the claim, action, or proceeding was instituted; and the name or names of any person against whom this claim is being made or threatened. This written notice must be given in the manner provided in this Agreement. Except as otherwise directed, the notifying Party must furnish to the other Parties copies of all pertinent papers received by that Party with respect to these claims or actions.

Section 8.19. Texas Public Information Act

The Parties agree that this Agreement, all performance under this Agreement, and all information obtained by City in connection with this Agreement is subject to applicable provisions of the Texas Public Information Act, Texas Government Code Chapter 552, and all legal authorities relating to the Texas Public Information Act, including decisions and letter rulings issued by the Texas Attorney General's Office; and the Owner agrees to provide City, citizens, public agencies, and other interested parties with reasonable access to all records pertaining to this Agreement subject to and in accordance with the Texas Public Information Act. Notwithstanding any provision to the contrary, nothing in this Agreement requires a Party to waive any applicable exceptions to disclosure under the Texas Public Information Act.

Section 8.20. Correction of Technical Errors

If, by reason of inadvertence, and contrary to the intention of the Parties, errors are made in this Agreement in the legal descriptions or the references thereto or within any exhibit with respect to the legal descriptions, in the boundaries of any parcel in any map or drawing which is an exhibit, or in the typing of this Agreement or any of its exhibits or any other similar matters, the Parties by mutual agreement may correct such error by memorandum executed by them without the necessity of amendment of this Agreement.

Section 8.21. No Third-Party Beneficiary

This Agreement is solely for the benefit of the Parties, and neither the City nor the Owner intends by any provision of this Agreement to create any rights in any third-party beneficiaries or to confer any benefit upon or enforceable rights under this Agreement or otherwise upon anyone other than the City and the Owner.

Section 8.22. Exhibits

The following exhibits are attached to and incorporated into this Agreement for all purposes:

Exhibit A	-	Definitions
Exhibit B	-	Property Description
Exhibit C	-	Proposed Authorized Improvements
Exhibit D	-	Form of Certification for Payment
Exhibit E	-	Form of Closing Disbursement Request
Exhibit F	-	Home Buyer Disclosure Program

[*Signature Pages Follow*]

CITY:

CITY OF MANOR, TEXAS

By: _____
Dr. Christopher Harvey, Mayor
CITY OF MANOR

ATTEST:

_____
Lluvia T. Almaraz, City Secretary
CITY OF MANOR

OWNER:

GREGG LANE DEV, LLC,
a Texas limited liability company

By: Gregg Lane Manager, LLC,
a Texas limited liability company,
its Manager

By: SVAG Asset Management LLC,
A Texas limited liability company,
its Manager

By: _____
Name: Sudharshan Vembutty
Title: Manager

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:

"**Acceptance Date**" means, with respect to an Authorized Improvement or Segment, the date that the Actual Cost thereof is paid to the Owner pursuant to the terms hereof.

"**Acquisition and Reimbursement Agreement**" means that certain [Newhaven Public Improvement District Reimbursement Agreement] entered into on [_____ __], 2024, by and between the Owner and the City.

"**Actual Cost(s)**" means, with respect to the Authorized Improvements, the Owner's demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement, as specified in a payment request in a form that has been reviewed and approved by the City and in an amount not to exceed the amount for each Authorized Improvements as set forth in the Service and Assessment Plan (subject to cost overruns). Actual Costs may include (a) the costs incurred by or on behalf of the Owner (either directly or through affiliates) for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such Authorized Improvements, (b) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvements, (c) Construction Management Fee, (d) the costs incurred by or on behalf of the Owner for external professional costs, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, (e) all labor, bonds and materials, including equipment and fixtures, by contractors, builders and materialmen in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting and public approval expenses, architectural, engineering, and consulting fees, financing charges, taxes, governmental fees and charges, insurance premiums, and all payments for Annual Collection Costs after the date of a resolution authorizing such reimbursement, plus Interest, if any, at the lower of (x) the maximum interest rate permitted by the PID Act or (y) the interest rate of the Bonds calculated from the respective dates of the expenditures until the date of reimbursement therefore. "**Actual Cost(s)**" with respect to the Wastewater Facilities 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.

"Administrator" or **"PID Administrator"** shall mean P3Works, LLC, or any subsequent person or entity designated by the City.

"Affiliate" means an entity which is controlled by, controls, or is under common control with Owner.

"**Agreement**" has the meaning given in the recitals to this Agreement.

"Annual Collection Costs" means the administrative, organization, maintenance and operation costs and expenses associated with, or incident to, the administration, organization,

maintenance and operation of the District, including, but not limited to, the costs of (i) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, (ii) creating and organizing the District 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 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, (viii) paying the paying agent/registrar's and trustee's fees and expenses (including the fees and expenses of its legal counsel), and (ix) administering the construction of the Authorized Improvements, in accordance with the terms of this Agreement.

"Annual Installment" shall have the meaning given in the Service and Assessment Plan.

"**Applicable Rules**" shall mean the City's ordinances, rules and regulations, the City Charter, and other local, state, and federal laws and regulations that apply to the Property and the development thereof, as they exist on the Effective Date.

"Appraisal" means each appraisal of the Property (or applicable component thereof, as required by Section 2.01(j) hereof.

"Assessed Property" shall have the meaning given in the Service and Assessment Plan.

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

"**Assessment Revenues**" means money collected by or on behalf of the City from any one or more of the following: (i) an Assessment levied against an assessed parcel, or Annual Installment payment thereof, including any interest on such Assessment or Annual Installment thereof during any period of delinquency, (ii) a Prepayment, (iii) Delinquent Collection Costs (as defined in the Indenture), and (iv) Foreclosure Proceeds (as defined in the Indenture).

"**Association Regulations** is defined in Section 3.04 of this Agreement.

"**Attorney General**" means the Texas Attorney General's Office.

"**Authorized Improvements**" means the improvements authorized by Section 372.003 of the PID Act, as further described in the Service and Assessment Plan. The Authorized Improvements contemplated for this Project are listed on Exhibit "C" attached hereto.

"**Bond Counsel**" means Bickerstaff Heath Delgado Acosta LLP.

"Bond Issuance Costs" means costs relating to the authorization, sale and issuance of the 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, including its first annual administration fee, expenses incurred by the City or Owners in connection with the issuance of the PID Bonds (provided such expenses are defined as "issuance costs" under the Tax Code), the SAP Consultant's fees, 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 in good faith as evidenced by Owner's expenditure of necessary amounts for market studies, financial analysis, legal counsel, and other professional services and due diligence necessary to support the request.

"**Bond Proceeds**" shall have the meaning given in Section 5.01(g) hereof.

"**Certification for Payment**" means the certificate (whether one or more) in substantially the same form as Exhibit "D" attached hereto.

"City" means the City of Manor, Texas.

"City Charter" shall have the meaning given in the recitals of this Agreement.

"City Construction Representative" means the City Engineer or such other person selected by the City to oversee the construction of the Authorized Improvements on behalf of the City.

"**City Council**" means the City Council of the City of Manor, Texas.

"**City Engineer**" means the City Engineer of the City of Manor, Texas.

"**City Manager**" means the City Manager of the City of Manor, Texas.

"City PID Costs" shall have the meaning given in Section 8.02(a) of this Agreement.

"**Closing Disbursement Request**" means the request (whether one or more) in substantially the same form as Exhibit "E" attached hereto.

"Completed Authorized Improvements" means any Authorized Improvement that has been 100% completed, dedicated and conveyed by the Owner and accepted by the City.

"**Construction Management Fee**" means 4% of the costs incurred by or on behalf of Owner for the construction of each Segment. The Construction Management Fee is part of the Actual Costs.

"**Construction Manager**" means initially the Owner, and thereafter subject to change in accordance with Article III 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 Article III of this Agreement.

"**County**" means Travis County, Texas.

"Delinquent Collection Costs" means interest, penalties and expenses incurred or imposed with respect to any delinquent installment of an Assessment, or an Annual Installment

thereof, in accordance with the PID Act which includes the Actual Costs related to pursuing collection of such delinquent Assessment, or an Annual Installment thereof, and the Actual Costs related to foreclosing the lien against the Assessed Property, including attorney's fees to the extent permitted under State law.

"**Deposit Agreement**" shall have the meaning given in Section 8.02(b) of this Agreement.

"**Designated Successors and Assigns**" shall mean (i) an entity to which Owner assigns (in writing) its rights and obligations contained in this Agreement pursuant to Section 8.03 related to all or a portion of the Property, (ii) any entity which is the successor by merger or otherwise to all or substantially all of Owner's assets and liabilities including, but not limited to, any merger or acquisition pursuant to any public offering or reorganization to obtain financing and/or growth capital; or (iii) any entity which may have acquired all of the outstanding stock or ownership of assets of Owner.

"**Development Agreement**" has the meaning given in the recitals of this Agreement.

"**District**" has the meaning given in the recitals to this Agreement.

"**Effective Date**" has the meaning given in the recitals to this Agreement.

"**End User**" means any owner of a fully developed and improved lot.

"**Financial Advisor**" shall mean initially Belen Peña.

"**Force Majeure**" shall mean delays due to strikes, acts of God, inability to obtain labor or materials, litigation, enemy action, civil commotion, fire, rain or windstorm, governmental action or inaction, or similar causes, provided such similar causes are beyond the reasonable control of the party whose obligations are affected by such acts.

"**HOA-Maintained Improvements**" means the Authorized Improvements to be maintained by the Owners Association in accordance with this Agreement.

"**Home Buyer Disclosure Program**" means the disclosure program, administered by the Administrator as set forth in a document in substantially the same form as Exhibit "F" attached hereto, that establishes a mechanism to disclose to each End User the terms and conditions under which their lot is burdened by the District.

"**Indenture**" means the applicable Indenture of Trust between the City and a 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.

"**Landowner**" shall mean the owner(s) of the Property, which is currently the Owner.

"**Landowner Agreement**" shall have the meaning given in Section 2.04 hereof.

"Lot" means (i) for any portion of the Property for which a subdivision plat has been recorded in the official public records of the County, a tract of land described as a "lot" in such subdivision plat, and (ii) for any portion of the Property for which a subdivision plat has not been recorded in the official public records of the County, a tract of land anticipated to be described as a "lot" in a final recorded subdivision plat.

"Maximum Assessment" shall have the meaning given in the Service and Assessment Plan.

"Maximum Equivalent Tax Rate" means, for each lot classification identified in the Service and Assessment Plan, $0.30 per $100 of estimated buildout value. The estimated buildout value for a lot classification shall be determined by the Administrator and confirmed by the City Council by considering such factors as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, builder contracts, discussions with homebuilders, reports from third party consultants, information provided by the Owner, or any other information that may help determine buildout value.

"**Operating Account**" shall have the meaning given in the Acquisition and Reimbursement Agreement.

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

"**Owner Continuing Disclosure Agreement**" shall have the meaning given in the Indenture or any purchase agreement relating to the sale of the PID Bonds.

"**Owner Expended Funds**" means Actual Costs expended by the Owner for the establishment, administration, and operation of the District.

"Owners Association" means a homeowner's association or property owner's association.

"Parity Bonds" means any PID Bonds issued subsequent to the initial PID Bonds and secured on a parity basis therewith.

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

"**PID Act**" means Chapter 372, Local Government Code.

"PID Bond Ordinance" means and refers to the order(s) 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, either under the terms of the bond order or a trust 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 special assessment revenue bonds to be issued by the City, in one or more series, to finance the Authorized Improvements that confer special benefit on the land within the District, which may include funds for any required reserves and amounts necessary to pay the Bond Issuance Costs, and to be secured by the revenues and funds pledged under an Indenture, consisting primarily of the Special Assessments, pursuant to the authority granted in the PID Act, and as described by this Agreement for the purposes of (i) financing the costs of Authorized Improvements and related costs and (ii) reimbursing the Owner for Actual Costs paid prior to the issuance of the PID Bonds. This term is used to collectively refer the initial PID Bonds as well as any Parity Bonds throughout this Agreement.

"Pledged Revenue Fund" means the separate and unique fund established by the City under such name pursuant to the Indenture wherein the Assessment Revenues are deposited.

"Prepayment" means the payment of all or a portion of an Assessment before the due date thereof. Amounts received at the time of a Prepayment that 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 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 Kimley-Horn. Owner reserves the right to replace the Project Engineer at any time in Owner's sole discretion.

"**Project Fund**" means the separate and unique fund 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.

"**PUD**" has the meaning given in the recitals to this Agreement.

"**Regulatory Requirements**" means the requirements and provisions of the City over the Authorized Improvements, as adjusted by the PUD and Development Agreement.

"Reimbursement Obligation Balance" has the meaning given to such term in the applicable Acquisition and Reimbursement Agreement.

"SAP Consultant" means Development Planning & Financing Group, Inc.

"**Segment" or "Segments**" means the discrete portions of the Authorized Improvements identified as such.

"**Service and Assessment Plan**" means the Newhaven Public Improvement District Service and Assessment Plan (as such plan is amended, supplemented, and updated 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.

"**Special Assessment(s)**" means the assessments levied against properties in the District, as provided for in an Assessment Ordinance, including any supplemental assessments or reallocation of assessments levied in accordance with Sections 372.019 and 372.020 of the PID Act.

"**State**" means the State of Texas.

"**Tax Certificate**" shall have the meaning given in Section 5.01(g) hereof.

"**Tax Code**" means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings and court decisions.

"**Transfer**" shall have the meaning given in Section 2.05 hereof.

"**Transferee**" shall have the meaning given in Section 2.05 hereof.

"**Trustee**" means the trustee under the Indenture, and any successor thereto permitted under such Indenture and any other Trustee under a future Indenture.

"**Underwriter**" means FMSbonds, Inc., or its successor.

Exhibit “B”

PROPERTY DESCRIPTION

EXHIBIT B
PROPERTY DESCRIPTION

Chaparral
Professional Land Surveying, Inc.
Surveying and Mapping
Office: 512-443-1724
Fax: 512-389-0943
3500 McCall Lane
Austin, Texas 78744

30.580 ACRES
SUMNER BACON SURVEY No. 62, ABSTRACT No. 63
TRAVIS COUNTY, TEXAS

A DESCRIPTION OF 30.580 ACRES OUT OF THE SUMNER BACON SURVEY NO. 62, ABSTRACT NO. 63, IN TRAVIS COUNTY, TEXAS, BEING A WESTERN PORTION OF THAT CERTAIN CALLED 39.4 ACRE TRACT DESCRIBED IN DEED RECORDED IN DOCUMENT NO. 2004009801 OFFICIAL PUBLIC RECORDS, TRAVIS COUNTY, TEXAS; SAID 30.580 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES & BOUNDS AS FOLLOWS:

BEGINNING at a 1/2" rebar with 'CHAPARRAL' cap set in the north line of a 60.292 acre tract described in Document No. 2013001967 of the Official Public Records of Travis County, Texas, same being the south line of said 39.4 acre tract, from which a 1/2" rebar found for the northernmost northeast corner of the 60.292, same being an angle point in the south line of the 39.4 acre tract, bears South 61°38'05" East a distance of 575.95 feet;

THENCE North 61°37'58" West with the south line of the 39.4 acre tract, same being the north line of the 60.292 acre tract, passing a 1/2" rebar found at a distance of 648.82 feet, and continuing 20.62 feet, for total distance of 669.44 feet to a calculated point in the approximate centerline of Wilbarger Creek, also being the west line of the 39.4 acres and the being also the east line of an 85.769 acre tract described Document No. 2008118667 of the Official Public Records of Travis County, Texas;

THENCE with the approximate centerline of Wilbarger Creek, being the west line of the 39.4 acre tract and the east line of 85.796 acres described in Document No. 2008118667 of the Official Public Records of Travis County, Texas, the following forty (40) courses:

1. North 00°28'28" East, a distance of 9.07 feet to a to a calculated point;
2. North 05°17'24" West, a distance of 31.85 feet to a to a calculated point;
3. North 01°00'43" West, a distance of 39.99 feet to a to a calculated point;
4. North 13°37'54" West, a distance of 36.17 feet to a to a calculated point;
5. North 03°30'27" West, a distance of 43.17 feet to a to a calculated point;
6. North 10°14'35" West, a distance of 42.68 feet to a to a calculated point;

7. North 22°31'57" West, a distance of 57.70 feet to a to a calculated point;
8. North 44°39'48" West, a distance of 45.77 feet to a to a calculated point;
9. North 54°56'29" West, a distance of 58.93 feet to a to a calculated point;
10. North 82°53'28" West, a distance of 51.24 feet to a to a calculated point;
11. South 71°16'10" West, a distance of 39.96 feet to a to a calculated point;
12. South 66°38'21" West, a distance of 51.94 feet to a to a calculated point;
13. North 89°22'53" West, a distance of 39.25 feet to a to a calculated point;
14. North 83°41'50" West, a distance of 51.08 feet to a to a calculated point;
15. North 89°13'01" West, a distance of 53.52 feet to a to a calculated point;
16. North 76°23'07" West, a distance of 54.75 feet to a to a calculated point;
17. North 76°02'03" West, a distance of 65.60 feet to a to a calculated point;
18. North 78°19'56" West, a distance of 54.07 feet to a to a calculated point;
19. South 73°52'38" West, a distance of 52.35 feet to a to a calculated point;
20. North 82°54'47" West, a distance of 58.96 feet to a to a calculated point;
21. North 48°39'03" West, a distance of 54.65 feet to a to a calculated point;
22. North 21°40'43" West, a distance of 61.82 feet to a to a calculated point;
23. North 00°14'42" East, a distance of 52.83 feet to a to a calculated point;
24. North 08°20'31" East, a distance of 53.76 feet to a to a calculated point;
25. North 08°21'04" East, a distance of 38.04 feet to a to a calculated point;
26. North 12°10'56" West, a distance of 48.92 feet to a to a calculated point;
27. North 26°26'40" West, a distance of 51.72 feet to a to a calculated point;
28. North 09°59'30" West, a distance of 51.78 feet to a to a calculated point;
29. North 09°26'58" West, a distance of 65.60 feet to a to a calculated point;

30. North 23°17'46" East, a distance of 51.71 feet to a to a calculated point;

31. North 34°54'31" East, a distance of 42.87 feet to a to a calculated point;

32. North 48°43'04" East, a distance of 60.00 feet to a to a calculated point;

33. South 79°51'17" East, a distance of 39.39 feet to a to a calculated point;

34. South 58°38'03" East, a distance of 48.87 feet to a to a calculated point;

35. North 59°05'59" East, a distance of 54.70 feet to a to a calculated point;

36. North 00°19'10" East, a distance of 38.05 feet to a to a calculated point;

37. North 15°36'04" West, a distance of 56.41 feet to a to a calculated point;

38. North 06°24'18" East, a distance of 49.34 feet to a to a calculated point;

39. North 34°41'25" East, a distance of 55.35 feet to a to a calculated point;

40. North 08°45'25" West, a distance of 12.36 feet to a to a calculated point;

THENCE South 70°46'58" East, a distance of 13.00, to a 1/2" rebar found for an angle point in the west line of the 39.4 acres, same being the east line of the 85.796 acres;

THENCE North 22°06'01" East, a distance of 137.89 feet to a 1/2" rebar with 'CHAPARRAL' cap found for the northwest corner of the 39.4 acre tract, same being an interior corner of the 85.796 acre tract;

THENCE South 62°49'58" East, with the north line of the 39.4 acre tract, same being a south line of the 85.796 acre tract, a distance of 155.36 feet to a 1/2" rebar found for an angle point on the north line of the 39.4 acre tract, also being the southernmost northeast corner of the 85.796 acre tract, also being the southwest corner of a 170 acre tract described in Volume 8293, Page 104 of the Deed Records of Travis County, Texas;

THENCE South 62°31'16" East, continuing with the north line of the 39.4 acre tract, same being the south line of said 170 acre tract, being the south line of a 57.215 acre tract described in Document No. 2002251950 of the Official Public Records of Travis County, Texas; also being the south line of 39.00 acres described in Volume 8947, Page 802 of the Real Property Records of Travis County, Texas; a distance of 1513.14 feet to a 1/2" iron pipe found in the south line of the 39.00 acre tract, for the most northernmost corner of the 39.4 acre tract, same being the northwest corner of a 3.56 acre tract described in Document No. 2009010572 of the Official Public Records of Travis County, Texas;

THENCE South 27°51'31" West, with an east line of the 39.4 acre tract, same being the west line of said 3.56 acre tract, also being the west line of a 75.37 acre tract described in Document No. 2008031946 of the Official Public Records of Travis County, Texas, passing a 1/2" iron pipe found for the most westerly southwest corner of said 75.37 acre tract at a distance of 548.40 feet and continuing 321.78 feet, for a total distance of 870.18 feet to the **POINT OF BEGINNING**, containing 30.580 acres of land, more or less.

Surveyed on the ground on August 3, 2020.

Bearing Basis: The Texas Coordinate System of 1983 (NAD83), Central Zone, based on GPS solutions from the National Geodetic Survey (NGS) On-line Positioning User Service (OPUS).

Attachments: Drawing 1662-001-30.580ac

Paul J. Flugel 1-6-2024



Paul J. Flugel
Registered Professional Land Surveyor
State of Texas No. 5096
TBPLS Firm No. 10124500

Chaparral
Professional Land Surveying, Inc.
Surveying and Mapping
Office: 512-443-1724
Fax: 512-389-0943
3500 McCall Lane
Austin, Texas 78744

59.765 ACRES
SUMNER BACON SURVEY No. 62, ABSTRACT No. 63
TRAVIS COUNTY, TEXAS

A DESCRIPTION OF 59.765 ACRES, BEING A PORTION OF THAT CERTAIN TRACT OF LAND STATED TO CONTAIN 60.292 ACRES, MORE OR LESS, OUT OF THE SUMNER BACON SURVEY NO. 62, ABSTRACT NO. 63, IN TRAVIS COUNTY, TEXAS AS DESCRIBED IN DISTRIBUTION DEED RECORDED IN DOCUMENT NO. 2020120760 OFFICIAL PUBLIC RECORDS, TRAVIS COUNTY, TEXAS, AND BEING THE SAME LAND CONVEYED TO THE CARRILLO FAMILY PARTNERSHIP IN DOCUMENT NO. 2013001967, OFFICIAL PUBLIC RECORDS, TRAVIS COUNTY, TEXAS; SAID 59.765 ACRES BEING MORE PARTICULARLY DESCRIBED BY METES & BOUNDS AS FOLLOWS:

BEGINNING at a 1/2" rebar found in the north right-of-way of Gregg Lane (variable width right-of-way), being the southeast corner of said 60.292 acre tract, and also the southwest corner of a 15.74 acre tract described in Document No. 2016051094 of the Official Public Records of Travis County, Texas, from which a TxDot Type II disk found in the north right-of-way of Gregg Lane, for the southeast corner of a 36.14 acre tract described in Document No. 2014113251 of the Official Public Records of Travis County, Texas bears South 62°01'41" East a distance of 1995.25 feet;

THENCE North 62°17'26" West, with the south line of the 60.292 acre tract, same being the north right-of-way line of Gregg Lane, a distance of 2133.10 feet to a calculated point in the approximate centerline of Wilbarger Creek;

THENCE with the approximate centerline of Wilbarger Creek, being the west line of said 60.292 acre tract, and the east line of an 85.796 acre tract described Document No. 2008118667 of the Official Public records of Travis County, Texas, the following thirty-two (32) courses:

1. North 73°18'55" East, a distance of 46.89 feet to a to a calculated point;
2. North 65°28'25" East, a distance of 50.67 feet to a to a calculated point;
3. North 51°10'42" East, a distance of 48.58 feet to a to a calculated point;
4. North 48°30'24" East, a distance of 46.23 feet to a to a calculated point;
5. North 49°14'49" East, a distance of 52.77 feet to a to a calculated point;

6. North 45°14'55" East, a distance of 55.96 feet to a to a calculated point;
7. North 43°43'26" East, a distance of 52.86 feet to a to a calculated point;
8. North 41°05'22" East, a distance of 48.00 feet to a to a calculated point;
9. North 32°42'55" East, a distance of 42.39 feet to a to a calculated point;
10. North 36°20'34" East, a distance of 43.28 feet to a to a calculated point;
11. North 24°58'46" East, a distance of 45.09 feet to a to a calculated point;
12. North 20°50'58" East, a distance of 58.26 feet to a to a calculated point;
13. North 11°43'28" East, a distance of 55.36 feet to a to a calculated point;
14. North 12°03'40" East, a distance of 59.87 feet to a to a calculated point;
15. North 11°44'50" East, a distance of 49.40 feet to a to a calculated point;
16. North 20°31'26" East, a distance of 49.47 feet to a to a calculated point;
17. North 26°12'00" East, a distance of 48.98 feet to a to a calculated point;
18. North 19°47'54" East, a distance of 56.22 feet to a to a calculated point;
19. North 08°36'09" East, a distance of 45.62 feet to a to a calculated point;
20. North 32°55'35" East, a distance of 52.23 feet to a to a calculated point;
21. North 47°27'44" East, a distance of 55.81 feet to a to a calculated point;
22. North 45°04'59" East, a distance of 51.38 feet to a to a calculated point;
23. North 43°53'12" East, a distance of 32.75 feet to a to a calculated point;
24. North 08°50'46" East, a distance of 41.41 feet to a to a calculated point;
25. North 05°45'16" West, a distance of 32.84 feet to a to a calculated point;
26. North 01°15'08" East, a distance of 35.86 feet to a to a calculated point;
27. North 14°04'03" East, a distance of 26.74 feet to a to a calculated point;
28. North 34°11'10" East, a distance of 54.41 feet to a to a calculated point;

29. North 26°59'21" East, a distance of 41.68 feet to a to a calculated point;

30. North 36°09'53" East, a distance of 43.97 feet to a to a calculated point;

31. North 25°00'27" East, a distance of 44.74 feet to a to a calculated point;

32. North 00°27'57" East, a distance of 24.90 feet to a to a calculated point for the northwest corner of the 60.292 acre tract, being the southwest corner of a 39.4 acre tract described in Document No. 2004009801 of the Official Public Records of Travis County, Texas ;

THENCE South 61°38'01" East with the south line of said 39.4 acre tract, same being the north line of the 60.292 acre tract, passing a 1/2" rebar at 20.62 feet, and continuing for a total distance of 1100.33 feet to a 1/2 " rebar with 'Chaparral' cap set;

THENCE South 00°41'52" East, crossing the 60.292 acre tract a distance of 308.96 feet to a 1/2" rebar found for an interior corner of the 60.292 acre tract, same being the southernmost southwest corner of the 39.4 acre tract;

THENCE South 62°04'50" East with the north line of the 60.292 acre tract, same being the south line of the 39.4 acre tract, a distance of 551.18 feet to a 1/2" rebar found with plastic cap for the southeast corner of the 39.4 acre tract;

THENCE South 61°50'55" East, continuing with the north line of the 60.292 acre tract, a distance of 250.39 feet to a 2" iron pipe found in for the northeast corner of the 60.292 acre tract, same being the northwest corner of said 15.74 acre tract;

THENCE South 27°32'42" West, with the east line of the 60.292 acre tract, same being the west line of said 15.74 acre tract, a distance of 1131.13 feet to the **POINT OF BEGINNING**; containing 59.765 acres of land, more or less;

Surveyed on the ground on August 3, 2020.

Bearing Basis: The Texas Coordinate System of 1983 (NAD83), Central Zone, based on GPS solutions from the National Geodetic Survey (NGS) On-line Positioning User Service (OPUS).

Attachments: Drawing 1662-001-59.765ac

Paul J. Flugel 1-18-2021



Paul J. Flugel
Registered Professional Land Surveyor
State of Texas No. 5096
TBPLS Firm No. 10124500

1662-001-59.765 ACS

Exhibit "C"

PROPOSED AUTHORIZED IMPROVEMENTS

- Landscaping
- Drainage
- Paving
- Earthwork and Demolition

Exhibit "D"
FORM OF CERTIFICATION FOR PAYMENT
(Design – Newhaven)

_____ ("Construction Manager") hereby requests payment for the percentage of design costs completed (the "Design Costs") described in Attachment A attached hereto. Capitalized undefined terms shall have the meanings ascribed thereto in the Newhaven Public Improvement District Financing and Reimbursement Agreement between Gregg Lane Dev, LLC, a Texas limited liability company, and the City of Manor (the "City"), dated as of _____ (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 request for payment on behalf of the Construction Manager and knowledgeable as to the matters forth herein.

2. The design work described in Attachment A has been completed in the percentages stated therein.

3. The true and correct Design 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 request for payment.

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

5. 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 Design Costs for which payment is requested.

[Signature Page Follows]

SIGNATURE PAGE TO

FORM OF CERTIFICATION FOR PAYMENT

Date :_____

[Construction Manager Signature Block to be added]

APPROVAL BY THE CITY

The Design described in Attachment A has been reviewed, verified, and approved by the City Construction Representative. Payment of the Design Costs is hereby approved.

Date: _____ **CITY OF MANOR, TEXAS**

By: _____

ATTACHMENT A TO CERTIFICATION OF PAYMENT (DESIGN)

Jurisdiction Name: Travis County
Bella Fortuna Public Improvement District
Certification of Payment #:
Date:

Reimbursement Detail						Required Documents (Completed By Administrator)			Allocation to Project Accounts		
Vendor	Description of Work	Invoice Number	Check Number	Date Paid	Amount	Invoice	Cancelled Check	Lien Release or All Bills Paid Affidavit	Project Category #1	Project Category #2	Project Ca
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
						Total		(1)	$ -	$ -	$
						Original Budget		(2)	$ -	$ -	$
						Budget Revisions		(3)	$ -	$ -	$
						Revised Budger		(4) = (2) + (3)	$ -	$ -	$
						LESS: Drawn to Date		(5)	$ -	$ -	$
						LESS: This Draw		= (1)	$ -	$ -	$
						Remaining Budget		(6) = (4) - (5) - (1)	$ -	$ -	$

ATTACHMENT B TO CERTIFICATION OF PAYMENT (DESIGN)

[attached – bills paid affidavit]

ATTACHMENT C TO CERTIFICATION OF PAYMENT (DESIGN)

[attached – receipts]

FORM OF CERTIFICATION FOR PAYMENT
(Construction – Newhaven)

_____ ("Construction Manager") hereby requests payment of the Actual Cost of the work described in Attachment A attached hereto (the "Draw Actual Costs"). Capitalized undefined terms shall have the meanings ascribed thereto in the Newhaven Public Improvement District Financing and Reimbursement Agreement between Gregg Lane Dev, LLC, a Texas limited liability company, and the City of Manor (the "City") dated as of _____. 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 request 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 request for payment.

3. 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.

4. 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.

[Signature Page Follows]

SIGNATURE PAGE TO

FORM OF CERTIFICATION FOR PAYMENT

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

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 MANOR, TEXAS

By: _____

ATTACHMENT A TO CERTIFICATION OF PAYMENT (CONSTRUCTION)

Jurisdiction Name: Travis County
Bella Fortuna Public Improvement District
Certification of Payment #:
Date:

Reimbursement Detail						Required Documents (Completed By Administrator)			Allocation to Project Accounts		
Vendor	Description of Work	Invoice Number	Check Number	Date Paid	Amount	Invoice	Cancelled Check	Lien Release or All Bills Paid Affidavit	Project Category #1	Project Category #2	Project Category
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
					$ -				$ -	$ -	$
						Total		(1)	$ -	$ -	$
						Original Budget		(2)	$ -	$ -	$
						Budget Revisions		(3)	$ -	$ -	$
						Revised Budget		(4) = (2) + (3)	$ -	$ -	$
						LESS: Drawn to Date		(5)	$ -	$ -	$
						LESS: This Draw		= (1)	$ -	$ -	$
						Remaining Budget		(6) = (4) - (5) - (1)	$ -	$ -	$

ATTACHMENT B TO CERTIFICATION OF PAYMENT (CONSTRUCTION)

[bills paid affidavit – attached]

ATTACHMENT C TO CERTIFICATION OF PAYMENT (CONSTRUCTION)

[receipts – attached]

Exhibit "E"

FORM OF CLOSING DISBURSEMENT REQUEST

The undersigned is a lawfully authorized representative for Gregg Lane Dev, LLC, a Texas limited liability company, (the "Owner") and requests payment from the [ ] Costs of Issuance Account of the Project Fund (as defined in the Newhaven Public Improvement District Financing and Reimbursement Agreement between Owner and the City of Manor, Texas (the "City")) from _____ (the "Trustee") in the amount of _____ ($_____) to be transferred from the [_____ Costs of Issuance Account of the Project Fund] upon the delivery of the [_____ Bonds] for costs incurred in the establishment, administration, and operation of the Newhaven Public Improvement District (the "District"), as follows.

In connection to 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 at the time of the delivery of the Bonds has not been the subject of any prior payment request submitted to the City.

3. The amount listed for the below itemized costs is a true and accurate representation of the Actual Costs incurred by Owner with the establishment of the District at the time of the delivery of the Bonds, and such costs are in compliance with the Service and Assessment Plan. The itemized costs are as follows:

[insert itemized list of costs here]

TOTAL REQUESTED: $_____

4. The Owner is in compliance with the terms and provisions of the Newhaven Public Improvement District Financing and Reimbursement Agreement, the Indenture, and the Service and Assessment Plan.

5. All conditions set forth in the Indenture and [the Acquisition and Reimbursement Agreement for _____] 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 its review.

Payments requested hereunder shall be made as directed below:

[Information regarding Payee, amount, and deposit instructions]

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

[GREGG LANE DEV, LLC,
a Texas limited liability company

By: Gregg Lane Manager, LLC,
a Texas limited liability company,
its Manager

By: SVAG Asset Management LLC,
A Texas limited liability company,
its Manager

By: _____
Name: Sudharshan Vembutty
Title: Manager]

APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Closing Disbursement Request. After reviewing the Closing Disbursement Request, the City approves the Closing Disbursement Request and shall include said payments in the City Certificate submitted to the Trustee directing payments to be made from the [____] Costs of Issuance Account upon delivery of the Bonds.

CITY OF MANOR, TEXAS

By: _____
Name: _____
Title: _____

Exhibit "F"

HOME BUYER DISCLOSURE PROGRAM

1. A Builder[1] for an Assessed Property shall provide each residential homebuyer with the "Notice of Obligation to Pay Public Improvement District Assessment to the City", the form of which is attached hereto.

2. A Builder for an Assessed Property shall provide evidence of compliance with 1 above, signed by such residential homebuyer, to the City upon receipt of written request by the City or the Builder which sets forth the County's mailing address and other contact information.

3. A Builder for an Assessed Property shall prominently display signage provided by the Owner or the Administrator in the Builder's model homes, if any, located within the Property.

4. If prepared and provided by the City and approved by Owner (such approval not to be unreasonably withheld), a Builder for an Assessed Property shall distribute informational brochures about the existence and effect of the District in prospective homebuyer sales packets.

5. A Builder shall include Special Assessments in estimated property taxes, if such Builder estimates monthly ownership Actual Costs for prospective homebuyers for an Assessed Property.

6. The Owner must post signage along the main entry/exits located at the boundaries of the District that identifies the area as a public improvement district. All signage shall be clearly visible to all motorists entering and exiting the District.

[1] Builder" means a commercial builder who is in the business of constructing and/or selling residences to individual home buyers.

NEWHAVEN PID – LOT TYPE [___]: HOMEBUYER DISCLOSURE

NOTICE OF OBLIGATION TO PAY
PUBLIC IMPROVEMENT DISTRICT ASSESSMENTS
TO THE CITY OF MANOR, TEXAS

CONCERNING THE PROPERTY AT:

_____

STREET ADDRESS

OUTSTANDING PRINCIPAL OF ASSESSMENT FOR AUTHORIZED IMPROVEMENT: $[_____]

As the purchaser of the real property located at the street address set forth above, you are obligated to pay assessments to Travis County, Texas, for the Actual Costs of a portion of Authorized Improvements (the "**Authorized Improvements**"), undertaken for the benefit of the property within the "Newhaven Public Improvement District" (the "**District**"), also known as "Newhaven", created under Subchapter A, Chapter 372, Local Government Code, as amended.

THE OUTSTANDING PRINCIPAL OF THE ASSESSMENT AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS IS [$], WHICH MAY BE PAID IN FULL AT ANY TIME; HOWEVER, IF NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS WHICH MAY VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION ACTUAL COSTS, ADMINISTRATIVE ACTUAL COSTS, AND DELINQUENCY ACTUAL COSTS.

An estimate of the annual installments is attached; **however, it is only an estimate and is subject to change**. The exact amount of the annual installments, including the annual installments thereof, will be approved each year by the City Council of the City of Manor, Texas 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 Manor, Texas.

You may ask your mortgage company to include the Annual Installments in your monthly escrow payment.

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

The undersigned purchaser acknowledges receipt of the foregoing notice prior to the effective date of a binding contract for the purchase of the real property at the street address set forth above.

IN WITNESS WHEREOF, I have signed this certificate on the date specified below my signature.

PURCHASER:

By:	_____	By:	_____
Name:	_____	Name:	_____
Title:	_____	Title:	_____
Date:	_____	Date:	_____

STATE OF TEXAS §
§
TRAVIS COUNTY §

The foregoing instrument was acknowledged before me by _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

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

_____
Notary Public, State of Texas

STATE OF TEXAS §
§
TRAVIS COUNTY §

The foregoing instrument was acknowledged before me by _____, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed, in the capacity stated and as the act and deed of the above-referenced entities as an authorized signatory of said entities.

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

_____
Notary Public, State of Texas

PROJECTED ANNUAL INSTALLMENTS – LOT TYPE [___]

[WILL INSERT SCHEDULE OF PROJECTED ANNUAL INSTALLMENTS ONCE FINALIZED]

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APPENDIX G

REIMBURSEMENT AGREEMENT

ORIGINAL

REIMBURSEMENT AGREEMENT
Newhaven Public Improvement District

This Reimbursement Agreement (this "Agreement") is entered into by GREGG LANE DEV, LLC, a Texas limited liability company ("Developer"), and the CITY OF MANOR, TEXAS (the "City"), effective as of April 16, 2025 (the "Effective Date") in relation to the Newhaven Public Improvement District (the "PID"). Developer and the City are individually referred to herein as a "Party" and collectively as the "Parties."

SECTION 1.
RECITALS

1.1 WHEREAS, capitalized terms used in this Agreement shall have the meanings given to them in Section 2;

1.2 WHEREAS, unless otherwise defined: (1) all references to "sections" shall mean sections of this Agreement; (2) all references to "exhibits" shall mean exhibits to this Agreement which are incorporated as part of this Agreement for all purposes; and (3) all references to "ordinances" or "resolutions" shall mean ordinances or resolutions adopted by the City Council;

1.3 WHEREAS, Developer and the City have entered into a Development Agreement, effective as of April 19, 2023, and as amended on July 19, 2023, relating to the development of the property within the PID and the financing of public improvements within the PID;

1.4 WHEREAS, on July 19, 2023, the City Council passed and approved the PID Creation Resolution No. 2023-28 authorizing the creation of the PID pursuant to the Act, covering approximately 90.3 contiguous acres within the City's corporate limits, which land is described in the PID Creation Resolution;

1.5 WHEREAS, prior to the issuance of PID Bonds, Developer has paid and may continue to pay for the Actual Costs of the PID Projects benefitting the property within the PID;

1.6 WHEREAS, this Agreement is a "reimbursement agreement" authorized by Section 372.023(d)(1) of the Act;

1.7. WHEREAS, on September 4, 2024, and pursuant to a resolution passed and approved by the City Council, the City and the Developer entered into that certain Newhaven Public Improvement District Financing Agreement (the "Financing Agreement");

1.8 WHEREAS, the recitals: (a) are part of this Agreement for all purposes; (b) are true and correct; and (c) each Party has relied upon such recitals in entering into this Agreement; and

NOW THEREFORE, for and in consideration of the mutual obligations of the Parties set forth herein, the Parties agree as follows:

SECTION 2.
DEFINITIONS

"Act" means Chapter 372, Texas Local Government Code, as amended.

"Actual Costs" means with respect to PID Projects, the actual costs paid or incurred by or on behalf of the Developer, including: (1) the costs incurred by the Developer, or on behalf of the Developer (either directly or through affiliates) or the City for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such PID Projects; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for such PID Projects; (3) the costs incurred by or on behalf of the Developer for external professional costs, such as engineering, geotechnical, surveying, land planning, architectural landscapes, appraisals, legal, accounting, and similar professional services; (4) all labor, bonds, and materials, including equipment and fixtures, by contractors, builders, and materialmen in connection with the acquisition, construction, or implementation of the PID Projects; (5) all related permitting, and public approval expenses, architectural, engineering, legal and consulting fees, and governmental fees and charges; and (6) costs to implement, administer, and manage the above-described activities. Actual Costs refers to the PID Project costs actually incurred.

"Annual Collection Costs" means the actual or budgeted costs and expenses related to the operation of the PID, including, but not limited to, costs and expenses for: (1) the PID administrator; (2) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (3) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (4) preparing and maintaining records with respect to Assessment Rolls and annual service plan updates; (5) paying and redeeming PID Bonds; (6) investing or depositing Assessments and Annual Installments; (7) complying with the Service and Assessment Plan and the Act with respect to the PID Bonds, including the City's continuing disclosure and arbitrage rebate requirements; and (8) 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 of an Assessment, as calculated by the PID administrator and approved by the City Council, that includes: (1) principal; (2) interest; and (3) Annual Collection Costs, as may be further defined in the SAP.

"Assessed Parcels" means any parcel within the PID against which an Assessment is levied.

"Assessment(s)" means an assessment levied against Assessed Parcels pursuant to the provisions of the Act for payment of PID Project Costs, including the payment of PID Bonds and obligations under this Agreement, as may be further defined in the SAP.

"Assessment Ordinance" means the ordinance(s) adopted by the City Council levying Assessments on one or more Assessed Parcels within the PID to pay PID Project Costs, PID Bonds, and obligations under this Agreement, as may be further defined in the SAP.

"Assessment Revenues" means the revenues received by the City from the collection of

Assessments, including Prepayments, Annual Installments, and Foreclosure Proceeds, as may be further defined in the SAP, as authorized by and collected pursuant to each applicable Assessment Ordinance.

"Assessment Roll" means any assessment roll for the Assessed Parcel within the District, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID act, including updates prepared in connection with the issuance of PID Bonds or any annual service plan update, as may be further defined in the SAP.

"Authorized Improvement Costs" means the actual costs of the Authorized Improvements.

"Authorized Improvements" means (1) improvements authorized by Section 372.003 of the PID Act, (2) the costs of issuance of the PID Bonds, and (3) the costs of the formation of the PID, as may be further defined in the SAP.

"Bond Indenture" means the indenture of trust pursuant to which a series of PID Bonds is issued.

"Bond Proceeds" means the proceeds derived from the issuance and sale of PID Bonds that are deposited into a PID Project Fund and made available to pay PID Project Costs including design, engineering, construction, and inspection costs in accordance with this Agreement and any Bond Indenture or SAP.

"Budgeted Cost" means the estimated cost for an Authorized Improvement as provided for in the SAP.

"Certification for Payment" means a certificate (substantially in the form provided in the Financing Agreement or as attached to the Bond Indenture or as otherwise approved by Developer and the City Representative) executed by a representative of Developer and approved by the City Representative, delivered to the City Representative (and/or, if applicable, to the Trustee named in the Bond Indenture), specifying the work performed and the amount charged (including materials and labor costs) for PID Project Costs, and requesting payment of such amount from the appropriate fund or funds. Each certificate shall include supporting documentation in the standard form for City construction projects and evidence that the PID Projects (or their completed segment(s)) covered by the certificate have been inspected by the City.

"City Council" means the governing body of the City.

"City Representative" means the Mayor or City Manager of the City, who are hereby authorized by the City Council to undertake the actions referenced herein.

"Closing Disbursement Request" means a request in the form of attached to the Financing Agreement or as otherwise approved by the Parties and the trustee named in the Bond Indenture.

"Cost Overrun" means, with respect to each Authorized Improvement, the amount of the Actual Cost paid for the Authorized Improvement in excess of the Budgeted Cost for such Authorized Improvement as provided for in the SAP.

"Default" is defined in Section 4.5.1.

"Delinquent Collection Costs" means costs related to the foreclosure on an Assessed Parcel and the costs of collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under the Service and Assessment Plan, including penalties and reasonable attorney's fees actually paid, but excluding amounts representing interest and penalty interest, as may be further defined in the SAP.

"Developer Advances" means monetary advances made by Developer to pay PID Project Costs.

"Developer Continuing Disclosure Agreement" means the Continuing Disclosure Agreement of Developer executed contemporaneously with the issuance and sale of PID Bonds.

"Development Agreement" means that certain Development Agreement, effective as of April 19, 2023, and as amended on July 19, 2023, by and between the Developer and the City, and as may be further amended from time to time in the future.

"Failure" is defined in Section 4.5.1.

"Final Completion" means completion of an Authorized Improvement in compliance with existing City standards for dedication under the City's ordinances and the Development Agreement.

"Financing Agreement" means that certain Newhaven Public Improvement District Financing Agreement entered into by the City and the Developer on September 4, 2024.

"Maturity Date" is the date one year after the final scheduled and non-delinquent Annual Installment is collected.

"PID" means the Newhaven Public Improvement District created by the PID Creation Resolution.

"PID Bonds" means the bonds issued pursuant to the provisions of the Act in one or more series to fund PID Project Costs or to reimburse Developer for PID Project Costs.

"PID Creation Resolution" means Resolution No. 2023-28 passed and approved by the City Council on July 19, 2023, authorizing the creation of the PID.

"PID Pledged Revenue Fund" means the Pledged Revenue Fund, as defined in the Bond Indenture, established or to be established by the City (and segregated from all other funds of the City) into which the City deposits Assessment Revenue securing PID Bonds issued and still outstanding, as described in the Bond Indenture.

"PID Project Fund" means the Project Fund, as defined in a Bond Indenture, including all accounts created within such fund, established or to be established by the City (and segregated from all other funds of the City) into which the City deposits Bond Proceeds in the amounts and as described in the Bond Indenture.

"PID Projects" means the public improvements or services to be constructed or acquired by or on behalf of the Developer within the PID, as may be further defined in the SAP, whether the SAP defines such public improvements or services as PID Projects or utilizes another term.

"PID Reimbursement Fund(s)" means a fund established by the City under this Agreement (and segregated from all other funds of the City) into which the City deposits Assessment Revenue until such revenue is required to be deposited into a PID Pledged Revenue Fund.

"Reimbursement Obligation Balance" shall mean initially the sum of $4,635,000; provided, however, that if the City approves the SAP then such sum shall equal the amount of Assessments levied on the Assessed Property for the Authorized Improvements, as will be shown in the SAP.

"Service and Assessment Plan" or "SAP" means the service and assessment plan and any updates thereto approved by the City Council, prepared in relation to the property within the PID.

"Trustee" is defined in Section 3.5.

SECTION 3.
FUNDING PROJECT COSTS

3.1 Fund Deposits.

3.1.1 The City, upon the adoption of each Assessment Ordinance, shall cause to be created and established a Reimbursement Fund (whether one or more, each a "PID Reimbursement Fund") for the deposit of Assessment Revenue authorized by and collected pursuant to such Assessment Ordinance. Each PID Reimbursement Fund so created and established shall consist solely of the Assessment Revenue authorized by and collected pursuant to the applicable Assessment Ordinance.

3.1.2 Unless and until PID Bonds are issued, and subject to the following Section 3.1.3 of this Agreement, the City shall bill, collect, and immediately deposit all Assessment Revenue into the applicable PID Reimbursement Fund. After the issuance and delivery of PID Bonds, the City shall bill, collect, and immediately deposit all Assessment Revenue in the manner set forth in the applicable Bond Indenture. The City shall also deposit Bond Proceeds in the manner set forth in the applicable Bond Indenture. Annual Installments shall be billed and collected by the City (or on behalf of the City by any person, entity, or governmental agency permitted by law) in the same manner and at the same time as the City ad valorem taxes are billed and collected. The funds in each applicable PID Project Fund shall only be used in accordance with the applicable Bond Indenture. The funds in each applicable PID Reimbursement Fund shall only be used to pay all or any portion of the applicable Reimbursement Obligation Balance in accordance with this Agreement.

3.1.3 The City hereby confirms, covenants, and agrees that for so long as amounts are due to Developer under this Agreement either, or both, before PID Bonds are issued or for so long as PID Bonds are outstanding, that the City will do the following in the manner and to the maximum extent permitted by applicable law, subject to any conflicting provisions in any applicable Bond Indenture: (a) take and pursue all actions necessary to cause the Assessments to

be levied and collected; (b) take and pursue all actions necessary to cause the liens related to the Assessments to be enforced continuously, including diligently prosecuting an action in district court to foreclose for delinquent or nonpayment of Assessments, including Annual Installments; and (c) take and pursue all actions necessary to cause no reduction, abatement or exemption of the Assessments. Notwithstanding the foregoing, the City shall not be required under any circumstances to purchase or make payment for the purchase of the delinquent Assessments or the corresponding Assessed Parcel. The City shall not be required under any circumstances to expend any funds for Delinquent Collection Costs or Annual Collection Costs in connection with its covenants and agreements under this Section or otherwise other than funds for such purpose on deposit in the PID Reimbursement Fund. Notwithstanding its collection efforts, if the City fails to receive all or any part of the Assessment Revenue and, as a result, is unable to make transfers from the applicable PID Reimbursement Fund for payments to the Developer as required under this Agreement, such failure and inability shall not constitute a Failure or Default by the City under this Agreement. The applicable Bond Indenture shall control in the event of any conflicts with this Agreement.

3.2 [Reserved]

3.3 [Reserved]

3.4 PID Bonds. The City, in its sole, legislative discretion, may issue PID Bonds, in one or more series, when and if the City Council determines it is financially feasible for the purposes of paying PID Project Costs directly. PID Bonds issued for such purpose will be secured by and paid solely as authorized by the applicable Bond Indenture. Upon the issuance of PID Bonds for such purpose, Developer's right to receive payments each year in accordance herewith shall be subordinate to the deposits required under the applicable Bond Indenture related to any outstanding PID Bonds. The failure of the City to issue PID Bonds shall not constitute a Failure by the City or otherwise result in a Default by the City. Upon the issuance of PID Bonds, Developer has a duty to construct the related PID Projects and shall not be relieved of such duty even if there are insufficient funds in the applicable PID Project Fund to pay PID Project Costs. If the City issues PID Bonds under this Section 3.4 of this Agreement, such issuance shall be at the same meeting of the City Council at which Assessments are levied.

3.5 Disbursements and Transfers at and after Bond Closing. Upon receipt of a Certification for Payment (along with all accompanying documentation reasonably required by the City) from Developer, and in accordance with the terms of the Financing Agreement, the City shall conduct a review in order to confirm that such request is complete, confirm that the work for which payment is requested was performed in accordance with all applicable governmental laws, rules and regulations and applicable plans therefor with the terms of this Agreement and any other agreement between the Parties related to property in the PID, and to verify and approve PID Project Costs of such work specified in such Certification for Payment. The City shall also conduct such review as is required to confirm the matters certified in the Certification for Payment. The Developer agrees to cooperate with the City in conducting each such review and to provide the City with such additional information and documentation as is reasonably necessary for the City to conclude each such review. Within fifteen (15) business days following receipt of any Certification for Payment, the City shall either: (a) approve the Certification for Payment and (i) forward it to the trustee bank named in the Bond Indenture (the "Trustee") for payment or (ii) pay

such amount from the PID Reimbursement Fund; or, (b) provide Developer with written notification of disapproval of all or part of a Certification for Payment, specifying in detail the basis for any such disapproval. If PID Bonds are issued, the City shall deliver the approved or partially approved Certification for Payment to the Trustee for payment.

3.6 Obligations Limited. The obligations of the City under this Agreement shall not, under any circumstances, give rise to or create a charge against the general credit or taxing power of the City or constitute a debt or other obligation of the City payable from any source other than the PID Reimbursement Fund or the PID Project Fund. Unless approved by the City, no other City funds, revenues, taxes, or income of any kind other than the funds on deposit in the applicable PID Reimbursement Fund or PID Project Fund shall be used to pay: (a) PID Project Costs; (b) the Reimbursement Obligation Balance, even if the Reimbursement Obligation Balance is not paid-in-full on or before the Maturity Date; or (c) debt service on the applicable PID Bonds. None of the City or any of its elected or appointed officials or any of its officers, employees, consultants, or representatives shall incur any liability hereunder to Developer or any other party in their individual capacities by reason of this Agreement or their acts or omissions under this Agreement.

3.7 Obligation to Pay. If Developer is then in current compliance with its obligations under the Development Agreement, the Developer Continuing Disclosure Agreement if applicable, and this Agreement, and is not delinquent in payment of the Special Assessments and paying property taxes, then following the inspection and approval of any portion of the PID Projects for which Developer seeks reimbursement of the PID Project Costs by submission of a Certification for Payment or City approval of a Closing Disbursement Request, the obligations of the City under this Agreement to pay disbursements (whether to Developer or to any person designated by Developer) identified in any Closing Disbursement Request or in any Certification for Payment are unconditional and not subject to any defenses or rights of offset except as may be provided in any Bond Indenture.

3.8 Ownership and Transfer of PID Projects. The Developer shall furnish to the City a preliminary title report for land related to the PID Projects to be acquired and accepted by the City from Developer and not previously dedicated or otherwise conveyed to the City, if the City requests such a report. The report shall be made available for City review and approval at least fifteen (15) business days prior to the scheduled transfer of title. The City shall approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the City, would materially affect the common use and enjoyment subscribed to such PID Projects. If the City objects to any preliminary title report, the City shall not be obligated to accept title to the applicable PID Projects until Developer has cured the objections to the reasonable satisfaction of the City.

SECTION 4.
ADDITIONAL PROVISIONS

4.1 Term. The term of this Agreement shall begin on the Effective Date and shall continue until the earliest to occur of: (i) the latest applicable Maturity Date, (ii) the date on which the Reimbursement Obligation Balance has been paid in full, or (iii) the date on which all of the PID Bonds are fully retired.

4.2 Independent Contractor. In performing this Agreement, Developer is an independent contractor and not the agent or employee of the City.

4.3 Audit. The City Representative shall have the right, during normal business hours and upon three (3) business days' prior written notice to Developer, to review all books and records of Developer pertaining to costs and expenses incurred by Developer with respect to any of the PID Projects. For a period of two (2) years after completion of the PID Projects, books shall be maintained in accordance with customary real estate accounting principles.

4.4 Representations and Warranties.

4.4.1 The Developer represents and warrants to the City that: (a) Developer has the authority to enter into and perform its obligations under this Agreement; (b) Developer has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Agreement; (c) the person executing this Agreement on behalf of the Developer has been duly authorized to do so; (d) this Agreement is binding upon Developer in accordance with its terms; (e) the Developer is current on all taxes, assessments, fees and obligations to the City; (f) to the Developer's knowledge, neither the Developer nor the City is in default under the Development Agreement or any other agreement with the City related to the PID; and (g) the execution of this Agreement and the performance by Developer of its obligations under this Agreement do not constitute a breach or event of default by Developer under any other agreement, instrument, or order to which Developer is a party or by which Developer is bound.

4.4.2 The City represents and warrants to Developer that: (a) the City has the authority to enter into and perform its obligations under this Agreement; (b) the person executing this Agreement on behalf of the City has been duly authorized to do so; (c) this Agreement is binding upon the City in accordance with its terms; (d) to the City's knowledge, neither the Developer nor the City is in default under the Development Agreement or any other agreement with the City related to the PID; and (e) the execution of this Agreement and the performance by the City of its obligations under this Agreement do not constitute a breach or event of default by the City under any other agreement, instrument, or order to which the City is a party or by which the City is bound.

4.5 Default/Remedies.

4.5.1 If either Party fails to perform an obligation imposed on such Party by this Agreement (a "Failure") and such Failure is not cured after written notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a "Default." If a Failure is monetary, the non-performing Party shall have ten (10) business days within which to cure. If the Failure is non-monetary, the non-performing Party shall have thirty (30) days within which to cure. However, if the non-monetary Failure is of such a nature that it cannot reasonably be expected to be cured within thirty (30) days, then the Party who failed to perform shall have such time as is necessary to cure the default, so long as the failing Party commences the cure within thirty (30) days and diligently pursues such cure to completion.

4.5.2 If Developer is in Default, the City shall have available all remedies at law or in equity; provided, however, no default by Developer shall entitle the City to terminate this

Agreement, cease collection of the Assessments and deposit of the Assessment Revenues, or to withhold properly due payments to Developer from the PID Reimbursement Fund or the PID Project Fund in accordance with this Agreement and the Bond Indenture or on deposit in the PID Reimbursement Fund.

4.5.3 Subject to Section 3.7, if the City is in Default, Developer shall have available all remedies at law or in equity; provided, however, that: (a) the City does not by this Agreement waive its sovereign immunity from suit or sovereign immunity from liability, and (b)no Default by the City shall entitle Developer to terminate this Agreement and that any financial obligation of the City will only be payable from monies available under an applicable Bond Indenture or under this Agreement.

4.6 Remedies Outside the Agreement. Nothing in this Agreement constitutes a waiver by the City its sovereign immunity from suit or sovereign immunity from liability, or of any remedy the City may have outside this Agreement against Developer or any other person or entity involved in the design, construction, or installation of the PID Projects. The obligations of Developer hereunder shall be those of a Party hereto and not as an owner of property in the PID. Nothing herein shall be construed as affecting the City's or Developer's rights or duties to perform their respective obligations under other agreements, use regulations, or subdivision requirements relating to the development property in the PID.

4.7 Applicable Law; Venue. This Agreement is being executed and delivered and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply, the substantive laws of the State of Texas shall govern the interpretation and enforcement of this Agreement. In the event of a dispute involving this Agreement, venue shall lie in any court of competent jurisdiction in Travis County, Texas.

4.8 Notice. Any notice referenced in this Agreement must be in writing and shall be deemed given at the addresses shown below: (a) when delivered by a nationally recognized delivery service such as FedEx or UPS with evidence of delivery signed by any person at the delivery address regardless of whether such person is the named addressee; or (b) 72 hours after deposited with the United States Postal Service, Certified Mail, Return Receipt Requested.

To the City:	City of Manor, Texas Attn: City Manager 105 E. Eggleston Street Manor, Texas 78653
With a copy to:	The Knight Law Firm, LLP Attn: Veronica Rivera 223 West Anderson Lane, Suite A-105 Austin, Texas 78752

To Developer: Gregg Lane Dev, LLC
101 Parklane Blvd., Suite 102
Sugar Land, Texas 77478

With a copy to: Metcalfe Wolff Stuart & Williams
Attn: Talley Williams
221 W 6th Street, #1300
Austin, Texas 78701

Any Party may change its address by delivering notice of the change in accordance with this section.

4.9 Conflicts; Amendment. In the event of any conflict between this Agreement and any other instrument, document, or agreement by which either Party is bound, the provisions and intent of the Bond Indenture controls; provided, however, that in the event of any conflict between this Agreement and the Financing Agreement, the Financing Agreement controls. This Agreement may only be amended by written agreement of the Parties.

4.10 Severability. If any provision of this Agreement is held invalid by any court, such holding shall not affect the validity of the remaining provisions.

4.11 Non-Waiver. The failure by a Party to insist upon the strict performance of any provision of this Agreement by the other Party, or the failure by a Party to exercise its rights upon a Default by the other Party, shall not constitute a waiver of such Party's right to insist and demand strict compliance by such other Party with the provisions of this Agreement.

4.12 Third Party Beneficiaries. Nothing in this Agreement is intended to or shall be construed to confer upon any person or entity other than the City and Developer, any rights under or by reason of this Agreement. All provisions of this Agreement shall be for the sole and exclusive benefit of the City and Developer.

4.13 Counterparts. This Agreement may be executed in multiple counterparts, which, when taken together, shall be deemed one original.

4.14 Employment of Undocumented Workers. During the term of this Agreement, Developer agrees not to knowingly employ any undocumented workers and if convicted of a violation under 8 U.S.C. Section 1324a (f), Developer shall repay the amount of any Reimbursement Payment or other funds received by Developer from City from the date of this Agreement to the date of such violation within 120 days after the date Developer is notified by City of such violation, plus interest at the rate of 4% compounded annually from the date of violation until paid. Developer is not liable for a violation of this section by a subsidiary, affiliate, or franchisee of Developer or by a person with whom Developer contracts.

4.15 Verifications of Statutory Representations and Covenants. Developer makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Agreement. As used in such verifications, "affiliate" means an entity that controls, is controlled

by, or is under common control with the Owner within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Agreement shall survive until barred by the applicable statute of limitations.

4.15.1 Not a Sanctioned Company. Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Owner and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

4.15.2 No Boycott of Israel. Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.

4.15.3 No Discrimination Against Firearm Entities. Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" has the meaning provided in Section 2274.001(3), Government Code.

4.15.4 No Boycott of Energy Companies. Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

4.16 Recitals. Recitals. The recitals contained in this Agreement: (a) contain legislative findings by the City Council; (b) are true and correct as of the Effective Date; (c) contribute to the basis upon which the Parties negotiated and entered into this Agreement; and (d) reflect the final intent of the Parties as stated therein. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

4.17 Form 1295. Submitted herewith is a completed Form 1295 in connection with the Developer's participation in the execution of this Agreement generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The City hereby confirms receipt of the Form 1295 from the Developer, and the

City agrees to acknowledge such form with the TEC through its electronic filing application not later than the 30th day after the receipt of such form. The Developer and the City understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Developer; and, neither the City nor its consultants have verified such information.

4.18 Assignment. The Developer may, in its sole discretion, assign this Agreement with respect to all or part of the property within the PID from time to time to any party in connection with the sale of the property within the PID or any portion thereof so long as: (a) the assigned rights and obligations are assumed without modifications to this Agreement; and (b) the Developer provides the City thirty (30) days prior written notice of any such assignment which shall include (i) the name and address of the assignee and (ii) a representation by the Developer that the assignment does not and will not result in the issuance of municipal securities by any other state of the United States or political subdivision thereof. The Developer hereby represents that the City may rely conclusively on any written notice of an assignment provided by the Developer without any obligation of the City to investigate or confirm the assignment or any aspects thereof. Upon such assignment or partial assignment, the Developer shall be fully released from any and all obligations under this Agreement and shall have no further liability with respect to this Agreement for the part of the property within the PID so assigned save and except that if a Failure occurs prior to or contemporaneously with an assignment described in this Section 4.18. Developer shall be obligated to cure such Failure in accordance with Sections 4.5 and 4.6 of this Agreement as if Developer owned all of the property so assigned in fee, and City shall have all rights and remedies that would otherwise be available to it at law and under Sections 4.5 and 4.6 of this Agreement if Developer owned all such property in fee.

4.19 Conflicts- Order of Precedence. To the extent that this Agreement conflicts or contains any material ambiguity, such conflict or ambiguity shall be resolved by reference to the following documents as stated in descending order with the most precedential document listed first:

1. Indenture of Trust
2. Development Agreement
3. Financing Agreement
4. Reimbursement Agreement

[*Execution Pages Follow*]

CITY:

CITY OF MANOR, TEXAS

By: _____
Dr. Christopher Harvey
Mayor

Attest:

By: _____
Lluvia T. Almaraz
City Secretary

DEVELOPER:

GREGG LANE DEV, LLC,
a Texas limited liability company

By: Gregg Lane Manager, LLC,
a Texas limited liability company,
its Manager

By: SVAG Asset Management LLC,
A Texas limited liability company,
its Manager

By: _____
Name: Sudharshan Vembutty
Title: Manager

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APPENDIX H

APPRAISAL



MARKET VALUE APPRAISAL REPORT

DRAFT

NEWHAVEN PUBLIC IMPROVEMENT DISTRICT
Northeast side Gregg Lane
Manor, Texas

FRA Job No.: 25-FRA-1101

PERTINENT DATES:
Valuation Date "As Is": May 10, 2025
Report Date: July 7, 2025

PREPARED FOR:
Mr. R.R. Tripp Davenport, III
Director
FMS Bonds, Inc.
5 Cowboys Way, Ste. 300-25
Frisco, Texas 75034

PREPARED BY:
Flato Realty Advisors, LLC
901 NE Loop 410, Suite 650
San Antonio, Texas 78209

July 7, 2025

Mr. R.R. Tripp Davenport, III
Director
FMS Bonds, Inc.
5 Cowboys Way, Ste. 300-25
Frisco, Texas 75034

RE: Market Value Appraisal of Real Property
Newhaven Public Improvement District
Northeast side Gregg Lane
Manor, Texas

Flato Realty Adv. Job No.: 25-FRA-1101

Dear Mr. Davenport, III:

At the request and authorization of FMS Bonds, Inc., Flato Realty Advisors, LLC ("Flato") has prepared an appraisal to determine the "as is" and "prospective as complete" market value of the referenced property and presented our analysis in the following appraisal report.

In the course of completing the valuation of the appraised property, numerous sources have been contacted. These include government sources, active real estate brokers in Manor, review of the information provided regarding the subject property as well as per the Travis County Appraisal District records, visual onsite inspection, driving the neighborhood and other areas of Manor, etc.

The appraised property is identified as the proposed Newhaven Public Improvement District, "PID", and includes 261 proposed single family lots, a 2.5 acres tract of commercial land and associated landscaping along collector streets including streets, trees, planting, lighting, irrigation, perimeter walls and walls along collector streets. The lots and commercial site are proposed to be developed out of a 90.34 acre property located along the northeast side of Gregg Lane just northwest of FM 973 lying adjacent to and just west of Manor Senior High School and Manor ISD Athletic Complex. The subject currently has frontage along the northeast side of Gregg Lane. The Newhaven PID will include 261 single family residential lots which will include 174-50' lots and 87-60' lots as well as a 2.5 acre tract of vacant commercial land. The subject lots will have an average size of 0.17 acres (7,344 SF) to 0.30 acres (13,237 SF) in size, based upon the survey provided. The existing terrain is generally level and each lot will have a buildable site area. Subdivision improvements will include asphalt paved streets, concrete curbing, street lighting, fire hydrants, underground water, sewer, and electricity, walking trails, a greenbelt and park area, entry monument, etc. Each lot will include electrical stub outs, water lines, sewer lines etc.

The property is appraised utilizing the Cost Approach as well as the Income Capitalization Approach (lot sell-out) incorporating the Sales Comparison Approach in the valuation of the lots and land. The Sales Comparison approach related to the entire development has not been included due to the lack of sales of similar developments. The exclusion of the Sales Comparison Approach is not judged to lessen the reliability

of this appraisal. The Income Approach most closely reflects the actions of buyers and sellers in the transaction of existing single-family lots.

Recent residential lot prices in various subdivisions in the general market area as well as the subject lot contracts, have been confirmed and utilized in the valuation of the subject property. Data, information, and calculations leading to the value conclusion(s) are incorporated in the report following this letter. The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter. The number of lots is per the existing plat provided by the client. Should the number of lots or the estimated lot size based upon the existing development change, the value conclusion is subject to revision.

Based on the analysis contained in the following report, and after considering the extraordinary assumptions and hypothetical conditions of this report (if any), the opinion of value of the subject is concluded as follows:

MARKET VALUE CONCLUSION			
Appraisal Premise	**Interest Appraised**	**Date of Value**	**Value Conclusion**
Market Value (As Is)	**Fee Simple**	**May 10, 2025**	**$4,995,000**
Prospective Market Value (As Complete)	**Fee Simple**	**May 10, 2026**	**$22,500,000**

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, our interpretation of the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), and the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The appraisers have not performed any services regarding the subject within the three-year period immediately preceding acceptance of this assignment.. The intended use of this appraisal is for use in determining the market value of the above referenced property for Newhaven Public Improvement District Project purposes in connection with the upcoming issuance of special assessment revenue bonds by Travis County. The intended user and Client is the City of Manor Texas and related parties involved in the bond issue.. The intended user is City of Manor.

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It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if Flato Realty Advisors, LLC can be of further service, please contact us.

Respectfully submitted,

FLATO REALTY ADVISORS, LLC

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View of subject looking northwest



View of southeastern portion of subject site



View south along Gregg Lane; subject on left



View northwest along Gregg Lane; subject on right



View of main entry road under construction in subject



View of site development in subject



View of interior roads under construction



Interior view of subject showing site work



View of interior roadway in subject



Interior view of subject showing site work



View northwest showing site development



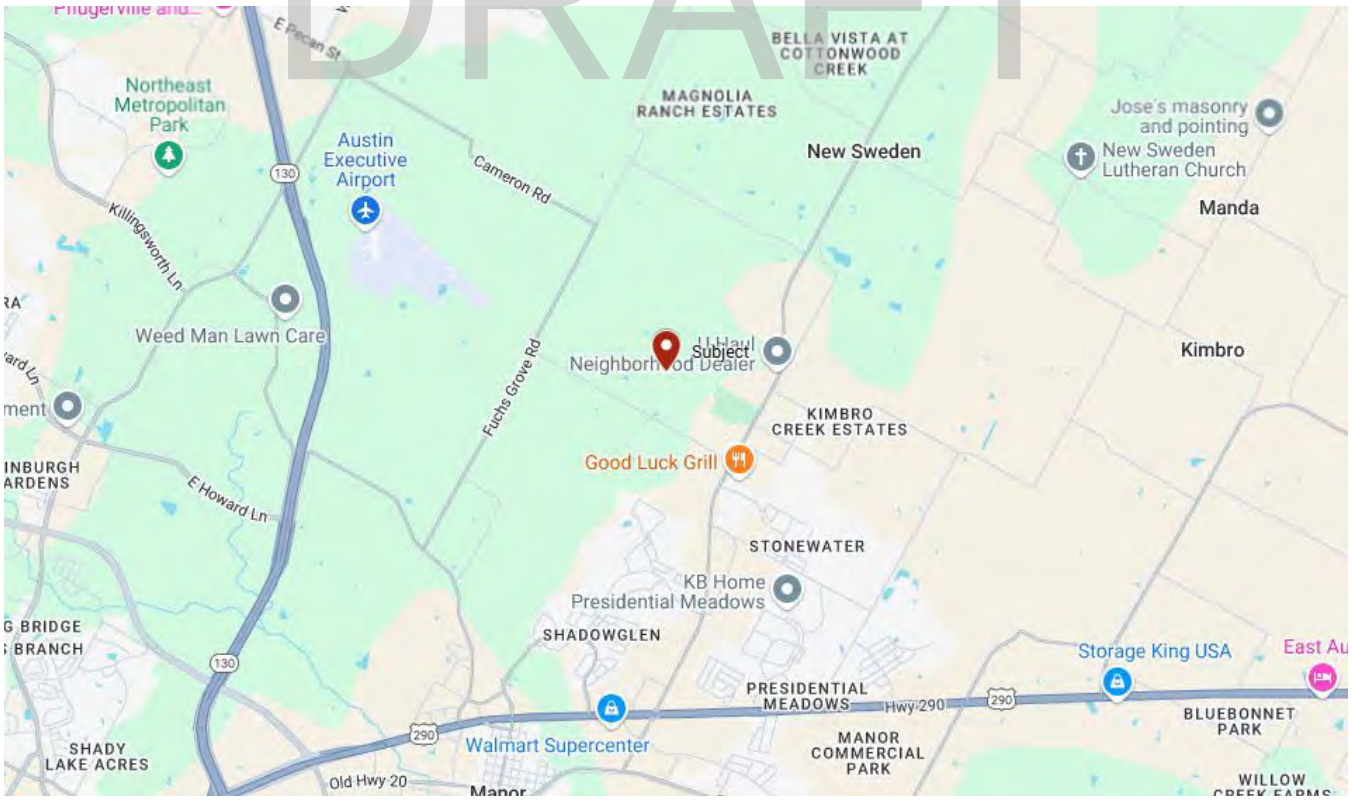
Interior view of subject showing site work

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AERIAL

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SUBJECT LOCATION

EXECUTIVE SUMMARY	
Property Name	**Newhaven Public Improvement District**
Location	NS Gregg Lane just west of FM 973
City	Manor
County	Travis
State	Texas
Property Tax Identification Number(s)	259066, 962885
Legal Description "As Is"	Out of S. Bacon Survey No. 62, Abstract 63, Travis, County, Texas
Legal Description "As Proposed"	Not available
Property Owner	Gregg Lane Development, LLC
Interest Appraised	Fee Simple

Appraisal Data	
Valuation Date - As Is	May 10, 2025
Valuation Date - As Complete	May 10, 2026
Valuation Date - As Stabilized	January 0, 1900
Report Date	July 7, 2025
Highest & Best Use - As Vacant	Future single family residential development
Highest & Best Use - As Improved	Development according to the proposed plat plan

Physical Data		
Land Area	90.340 Acres	3,935,210 SF
Site Shape	Irregular	
Number of Proposed Lots	261 Lots	
Proposed Lots - Average Size	0.210 Acres	9,146 SF
Typical Lot Shape	Rectangular to somewhat irregular	
Average Lot Frontage Feet	50' and 60'	
Tax Assessment Per Lot - Projected	$20,000	
Property Condition	Proposed	
Frontage	1850	

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Valuation Data	**$ Nominal**	**$ per Acre/Lot**
Land Value - As Is	$4,995,000	$55,300 per Acre
Cost Approach - As Complete	$22,745,000	$0 per Lot
DCF Analysis - As Complete	$22,140,000	$82,739 per Lot

Conclusion	**As Is**	**As Complete**
Market Value "As Is"	**$4,995,000**	**$4,995,000**
Market Value "As Complete"	**$22,500,000**	
Est. Exposure Time	6 months	

INCOME APPROACH SUMMARY	
	Proposed Lots
Average Retail Lot Price	$106,667
Income Approach - DCF	Fee Simple
Absorption Period (years)	13 Quarters
Gross Sales Proceeds Over Period	$30,341,536
Expenses Over Period	-$1,889,570
Net Cash Flow Over Period	$28,451,967
Discount Rate (Annual)	17.00%
"As Complete" Market Value - Income Approach	**$22,500,000**

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ADDENDA

ADDENDUM A: DEFINITIONS
ADDENDUM B: APPRAISER QUALIFICATIONS
ADDENDUM C: CLIENT CORRESPONDENCE
ADDENDUM D: FIELD NOTES
ADDENDUM E: COMPARABLE LAND SALES

INTRODUCTION

IDENTIFICATION OF THE PROPERTY

The appraised property is identified as the proposed Newhaven Public Improvement District, "PID", which will include 261 proposed single-family lots, a 2.5 acres tract of commercial land and associated Parkland, greenways and walking trails. The lots, parkland and commercial site are proposed to be developed out of a 90.34-acre tract of land located along the northeast side of Gregg Lane just northwest of FM 973 lying adjacent to and just west of Manor Senior High School and Manor ISD Athletic Complex. The subject is further described in the following table:

SUBJECT IDENTIFICATION	
Property Name	Newhaven Public Improvement District
Address	Gregg Lane
City	Manor
County	Travis
State	Texas
Country	United States
MSA	Austin-Round Rock
Market	Central Texas
Abbreviated Legal Description	Out of S. Bacon Survey No. 62, Abstract 63, Travis, County, Texas
"As Proposed" Legal Description	Not available

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OWNERSHIP HISTORY

The appraised property was acquired by the current owner in two separate transactions on 3/10/2021 from Alexandra Carrillo and James Lutz. The property has not been marketed for sale and no other transactions have occurred within the past three years.

OWNERSHIP HISTORY AND TRANSACTION SUMMARY	
Current Ownership	Gregg Lane Development, LLC
Listing Status	Not currently listed for sale
Tr. 1 Prior Ownership (Grantor)	Alexandra Carrillo, et al.
Date of Sale	3/10/2021
Deed - Volume/Page/Number	2021051168
Tr. 2 Prior Ownership (Grantor)	James Lutz, et al.
Date of Sale	3/10/2021
Deed - Volume/Page/Number	2021051166

INTENDED USE AND USERS OF THE APPRAISAL

The intended use of this appraisal is for use in determining the market value of the above referenced property for Newhaven Public Improvement District Project purposes in connection with the upcoming issuance of special assessment revenue bonds by Travis County. The intended user and Client is the City of Manor Texas and related parties involved in the bond issue. The intended user and client is City of Manor.

PROPERTY RIGHTS APPRAISED

The fee simple estate has been appraised.

The following definition is from the Dictionary of Real Estate Appraisal, Seventh Edition (2022), published by the Appraisal Institute.

Fee Simple Estate: Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Additional appraisal definitions applicable to the analysis presented herein are presented in the Addenda.

RELEVANT DATES

The date of inspection of the subject property was May 10, 2025. The date of the report is July 7, 2025. Relevant dates are summarized in the subsequent table.

DATE OF VALUE SUMMARY

Premise	Interest Appraised	Date
Market Value (As Is)	Fee Simple	May 10, 2025
Prospective Market Value (As Complete)	Fee Simple	May 10, 2026

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DEFINITION OF MARKET VALUE

As defined by the Office of the Comptroller of the Currency under 13 CFR, Part 34, Sub-part C – Appraisals, 323.2 Definitions (g), market value is defined as:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their own best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and,
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

This definition of market value is generally accepted by agencies regulating financial institutions in the United States.

SCOPE OF WORK

The scope of work refers to the type and extent of research and analyses employed in the appraisal assignment and presented in the appraisal report.

This appraisal is presented in the form of a real estate appraisal report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of USPAP. That is, this report incorporates a summary explanation of the data, reasoning and analysis that were used to develop the opinion of value.

The Extent to Which the Property was Identified

The subject is identified via legal description, aerial photograph, and physical description.

The Extent to Which the Property was Inspected

The subject property was inspected, and the surrounding area was driven by Franklin L. Flato, MAI, and Ted A. Moore, Staff Appraiser on May 10, 2025. The land size utilized in this report is per the survey provided. The proposed subdivision is per the plat provided.

The Type and Extent of Data Researched

We have physically observed the pertinent market with respect to the appraised property regarding physical and economic factors relevant to the valuation process through interviews with regional and/or local market participants, and available published data and other various resources. Our research included: exposure and marketing time; neighborhood and land use trends; demographic trends; market trends relative to the subject property type; flood zone status; zoning requirements and compliance; real estate tax data; and comparable listing and available sales data. All data utilized has been analyzed and confirmed with sources assumed to be reliable.

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The Type and Extent of Analyses Applied

We analyzed the property and market data gathered through the use of accepted market-derived methods and procedures, employed the appropriate approaches to value, and correlated and reconciled the results into an estimate of market value, as defined within the appraisal report.

EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

Extraordinary Assumptions

Extraordinary assumptions are defined in the Uniform Standards of Professional Appraisal Practice as

"...an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions."

Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. The use of extraordinary assumptions can have an effect on the concluded value(s) presented herein.

The 'As Complete' value estimate in this appraisal is based on the extraordinary assumption that construction of the proposed development is complete per the plans and specifications provided and that the subject can be leased to a level of market occupancy. No further extraordinary assumptions have been identified for this appraisal.

No further extraordinary assumptions are considered for this appraisal.

Hypothetical Conditions

Hypothetical conditions are defined in the Uniform Standards of Professional Appraisal Practice as

"...that which is contrary to what exists but is supposed for the purpose of analysis."

Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in the analysis.

There are no hypothetical conditions employed in this appraisal.

SIGNIFICANT APPRAISAL ASSISTANCE OR CONTRIBUTION

No other person provided real property assistance to the persons signing this report in the form of property inspection, research, or general report preparation.

EXPOSURE AND MARKETING TIME

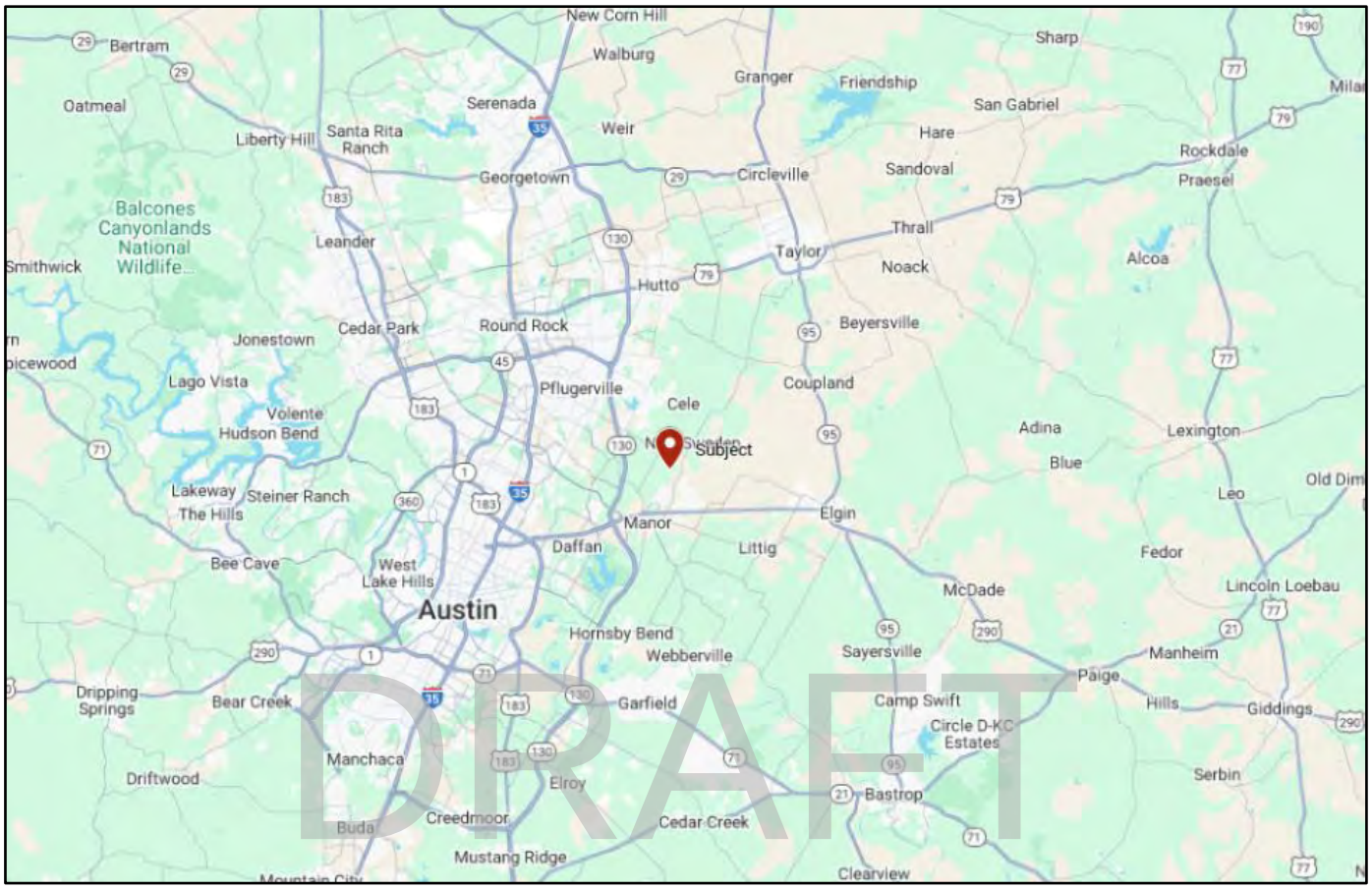
Current appraisal guidelines require an estimate of a reasonable time period in which the subject property could be brought to market and sold. Exposure time precedes the date of value with the underlying premise being the time a property would have been on the market prior to the date of value, such that it would sell at its appraised value as of the date of value. On a prospective basis, the term used is marketing time. The exposure/marketing time is a function of price, time, and use. In estimating an appropriate exposure/marketing time for the subject property, we considered general market conditions, available sales data, and interviews with market participants (exposure and marketing times).

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Based on this analysis, we have concluded that an exposure/marketing time of 6 months would be considered reasonable for the subject property in its current state. This exposure/marketing time reflects typical current economic conditions in Manor, current real estate investment market conditions, the terms and availability of financing for real estate acquisitions, and property and market-specific factors. It assumes that the subject property is (or has been) actively and professionally marketed. The exposure/marketing time would apply to all valuation premises included in this report.

REGIONAL ANALYSIS

The following map shows the location of the appraised property within the Austin-Round Rock MSA.



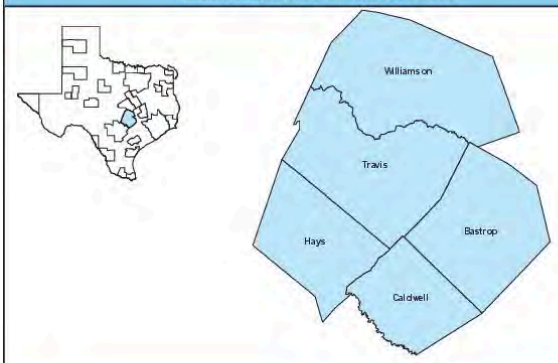
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The subject property is situated within the far northeastern sector of Travis County, approximately 15 miles northeast of downtown Austin. Austin, the state capital and county seat, is approximately 100 miles southwest of Waco and 75 miles northeast of San Antonio. Travis County comprises 989 square miles on the eastern edge of the Edwards Plateau. Elevations in Travis County range from 400 to 1,300 feet above sea level. The Colorado River, which bisects the county from northwest to southeast, flows from the Hill Country onto the Coastal Plain and provides drainage for the entire area. The climate is subtropical, with an average low temperature in January of 38 degrees and an average high in July of 96 degrees. The average yearly rainfall is 32 inches, and the growing season is 270 days (source: Texas State Historical Association – Travis County).

A detailed analysis of the Austin-Round Rock MSA provided by the Texas Labor Market is included on the following page.

TEXAS Labor Market Information

Austin-Round Rock-San Marcos MSA — May 2025



MSA Labor Force Statistics

	May-25	Apr-25	May-24	Yearly Change
Civilian Labor Force	1,524,471	1,531,703	1,493,121	31,350
Employed	1,473,590	1,483,643	1,443,874	29,716
Unemployed	50,881	48,060	49,247	1,634
Unemployment Rate	3.3%	3.1%	3.3%	0.0%

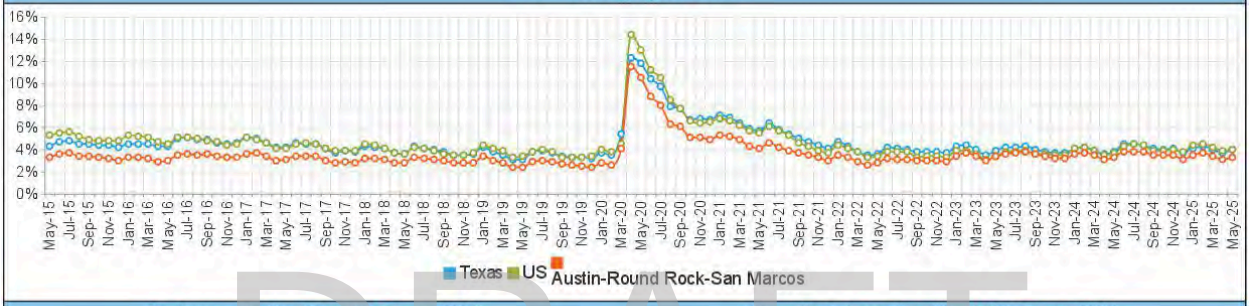
Texas Labor Force Statistics

	May-25	Apr-25	May-24	Yearly Change
Civilian Labor Force	15,826,370	15,922,902	15,501,676	324,694
Employed	15,194,230	15,334,895	14,913,510	280,720
Unemployed	632,140	588,007	588,166	43,974
Unemployment Rate	4.0%	3.7%	3.8%	0.2%

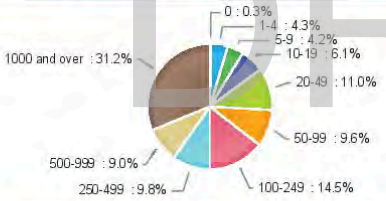
US Labor Force Statistics

	May-25	Apr-25	May-24	Yearly Change
Civilian Labor Force	170,216,000	170,650,000	167,576,000	2,640,000
Employed	163,401,000	164,069,000	161,341,000	2,060,000
Unemployed	6,815,000	6,582,000	6,235,000	580,000
Unemployment Rate	4.0%	3.9%	3.7%	0.3%

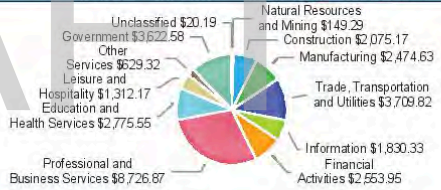
Historical Unemployment Rates



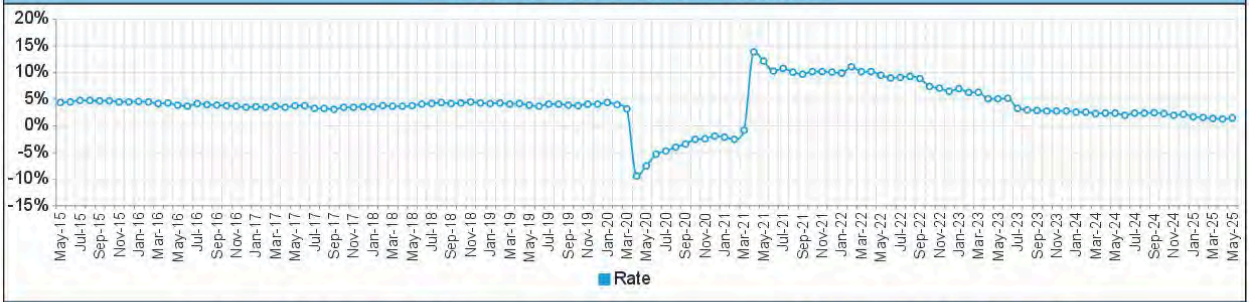
Employment by Size Class (4th Quarter 2024)



Wages by Industry (in millions) (4th Quarter 2024)



Annual Growth Rate Total Non-agricultural employment



Employment by Industry (May 2025)

Industry	Current Month Employment	% Monthly Change	% Yearly Change
Total Nonfarm	1,378,800	0.5%	1.4%
Mining, Logging and Construction	89,500	0.9%	1.0%
Manufacturing	72,500	0.3%	-1.4%
Trade, Transportation, and Utilities	210,400	-0.1%	1.6%
Information	47,200	0.4%	-5.2%
Financial Activities	90,100	1.1%	3.6%
Professional and Business Services	279,100	-0.1%	0.5%
Private Education and Health Services	167,700	-0.2%	3.6%
Leisure and Hospitality	154,700	2.5%	1.8%
Other Services	53,800	0.4%	-1.3%
Government	213,800	0.6%	2.6%

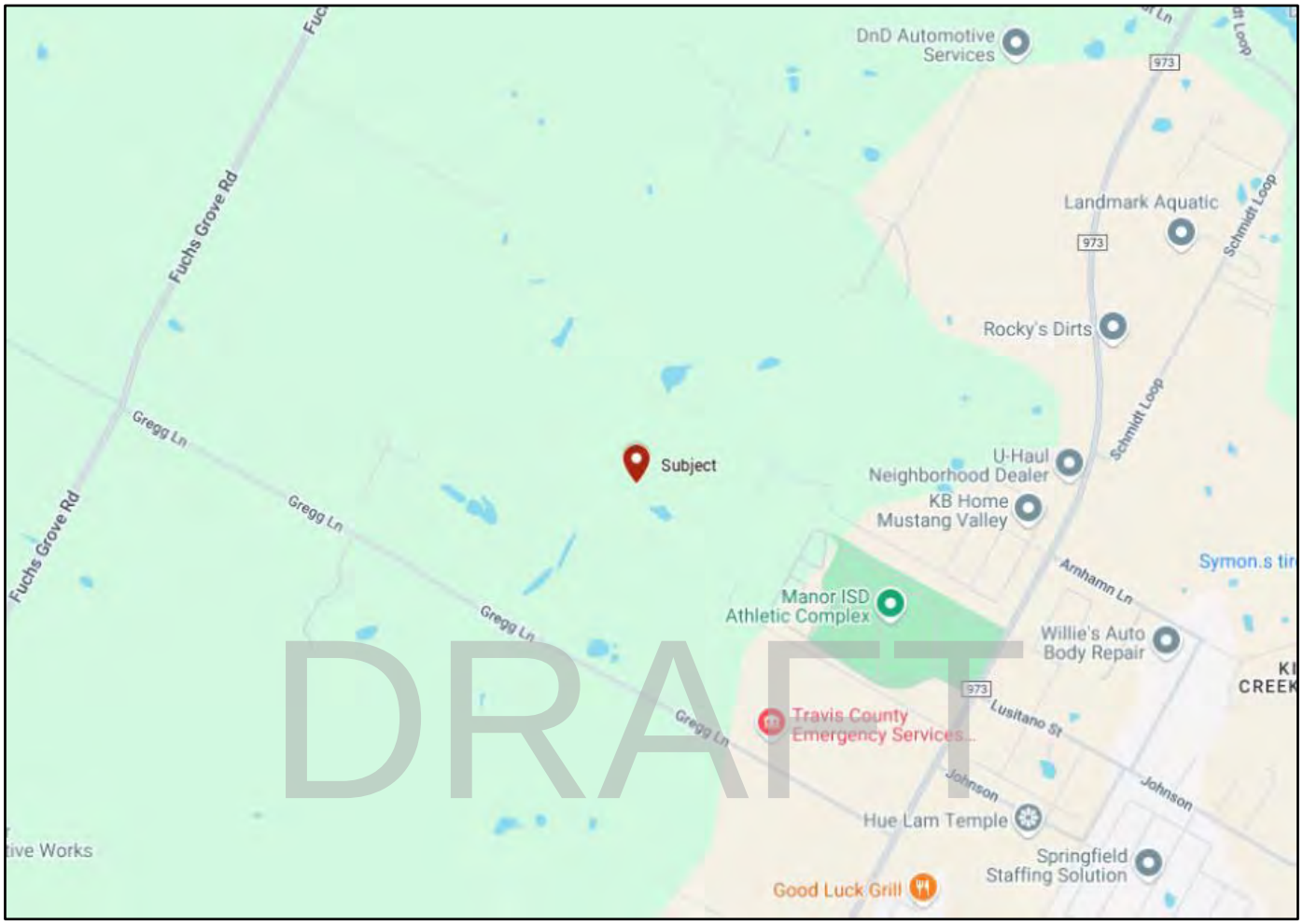
Employment by Industry (May 2025)



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NEIGHBORHOOD ANALYSIS

The map below identifies the location of the appraised property within the neighborhood.



LOCATION

The subject property is located along the northeast side of Gregg Lane, just northwest of FM 973. FM 973 is the major traffic artery through the neighborhood with travels in a north/south direction extending from Manor into parts of northeast Travis County.

The appraised property is located within a developing area in northern Manor, northeast of Highway 290 and Highway 130 Toll Road. The surrounding area features a large amount of undeveloped and cultivated land, new and developing single-family residential subdivisions, various roadside multifamily projects, and mixed municipal and commercial roadside development. The Manor ISD Early College High School, Senior High School and Athletic Complex is situated within the neighborhood area, along the west side of FM 973. The Manor Early College High School features over 85,000 square feet of space, serving approximately 800 students in grades 9-12, and was opened during the fall semester of 2023, for a reported cost of $35.5 million. Several other newer commercial and municipal developments have been constructed over the past few years in the neighborhood area including: Compass Rose Destiny (public school specializing in STEM

and computer sciences, opened August 2022), Manor Rise Academy (116,000 square foot, 40-acre, $45 million dollar development on FM 973, K-8 facility opened fall 2024), etc.

Additionally, single-family residential subdivision development is ongoing throughout the area. Subdivisions in the area include:

• Mustang Valley: Phase 1-135 single family lots

• Palomino by D.R. Horton: Townhome development, 234 Lots, ongoing in 4Q2024

• Monarch Ranch: 134.5-acre master planned community with 400 residential lots

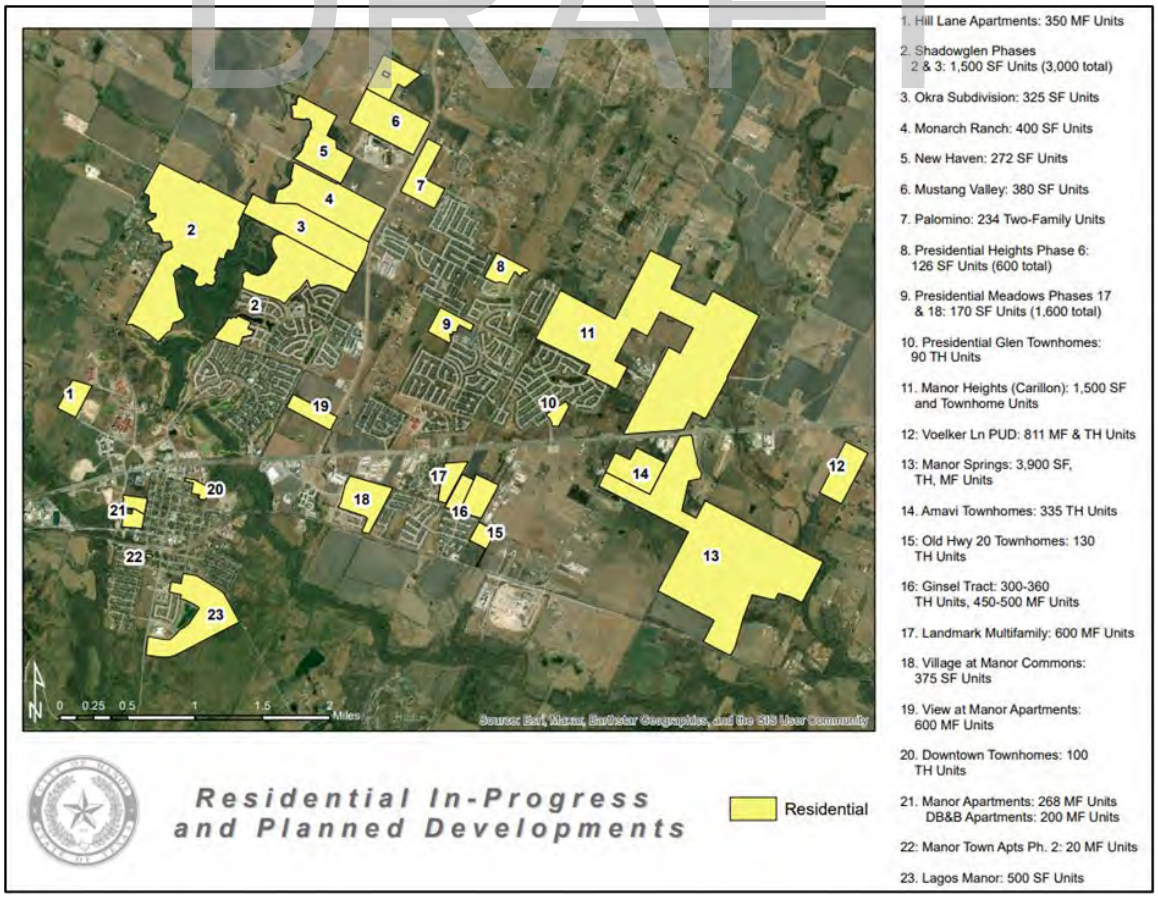
• Okra Subdivision: 325 single family lots

• Shadowglen (Phases II and III): 1,500 single family units (3,000 total in the larger development)

Additional subdivisions in the area (existing and planned) include: Stonewater North, Presidential Heights, Presidential Meadows, Manor Heights, Carillon, Manor Springs, Estate at Bell Farms, Village at Manor Commons, Manor Commons, etc.

The following map denotes the ongoing and future planned residential developments in the northern Manor area as provided by the City of Manor.

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ACCESS

Access to and from the subject neighborhood is good utilizing FM 973. A number of secondary roadways extend, generally east/west from FM 973. FM 973 provides access south to Highway 290 and north to the Highway 79/Taylor area. Highway 290 is the primary commercial thoroughfare in the area, providing access west to Austin and the Highway 130 toll road. Commercial development is most prevalent along, or in proximity to, Highway 290, in the greater Manor area.

NEWHAVEN PID

The proposed Newhaven subdivision is a master planned community being designated as a Public Improvement District (PID). The subject encompasses Phases 1-4 of the PID which includes 261 single family lots and 1 tract of vacant commercial land. The lots have been developed by Ashton Gray Development Company and are under contract to Brightland Homes, Westin Homes and Properties, LP, and Chesmar Homes, homebuilders who will develop the lots with single family homes and market the completed product to end user retail buyers.

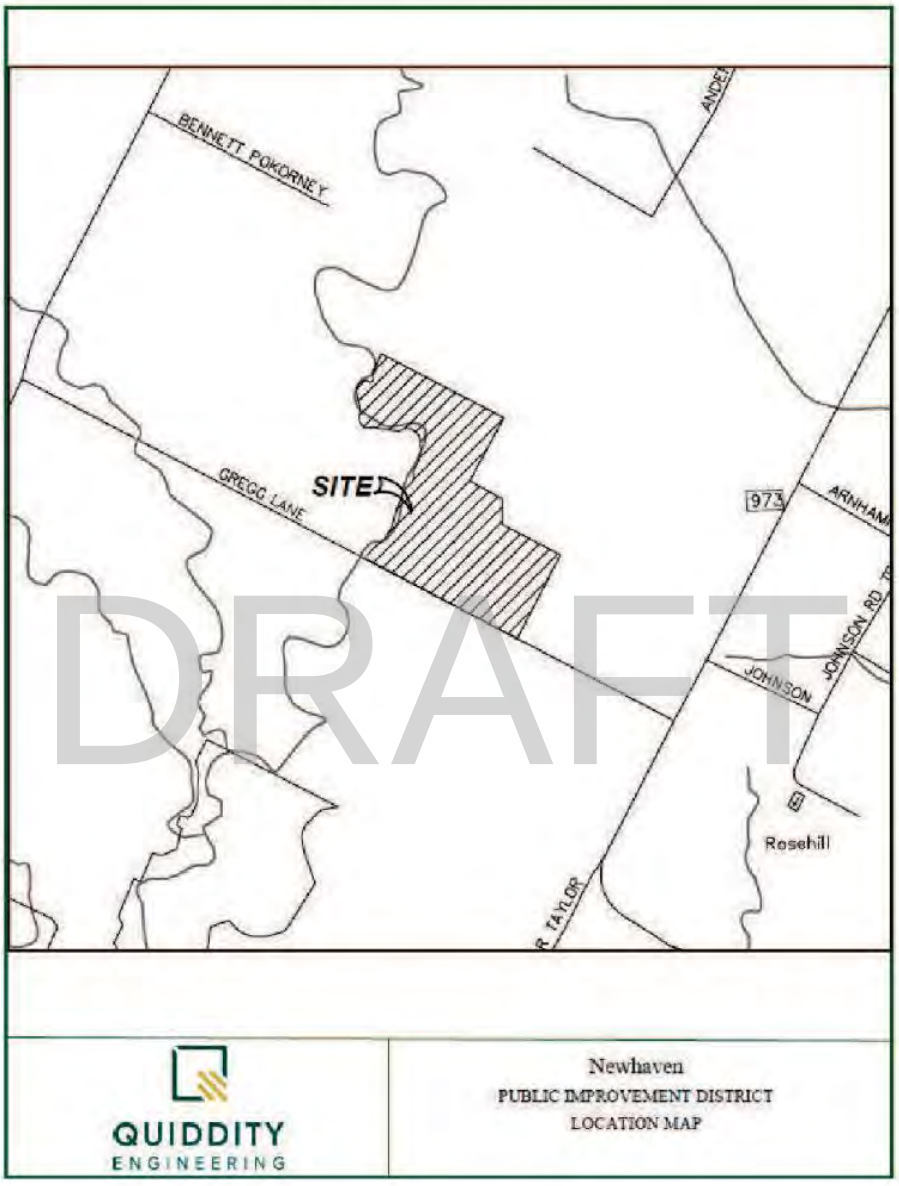
Each lot includes all city utilities including water, sewer and electricity. Access is and will be provided via asphalt paved private street with flat concrete curbs. New homes in the development are typically priced in the range of just under $375,000 to over $550,000.

The subject lots will all front a street within the development to public roadways. The topography is generally level to gently sloping and all of the lots will be buildable. Per a topical investigation the appraised property shape, utility service, land use restrictions, nuisances and hazards do not appear to be restrictive to development of the property. Overall, the existing lots are judged to be functionally adequate for single-family residential development. The subject existing lots will be designated as the Newhaven PID Phases 1-4.

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The PID District Boundary Map and proposed PID improvements are shown on the following pages.

EXHIBIT B – DISTRICT BOUNDARY MAP



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NEWHAVEN PID 2025 SERVICE AND ASSESSMENT PLAN 24

EXHIBIT C – AUTHORIZED IMPROVEMENTS

	Total Costs
PID Improvements [a]	
Drainage	$ 2,729,000
Paving	4,934,000
Earthwork	1,194,000
Contingency	886,000
Landscape	2,585,000
	$ 12,328,000
Bond Issuance Costs	
Debt Service Reserve Fund	$ 346,535
Underwriter Discount	139,050
Cost of Issuance	278,100
	$ 763,685
Administrative Reserves	
First Year Annual Collection Costs	$ 40,000
	$ 40,000
Total	$ **13,131,685**

[a] Per Engineer's Report prepared by Quiddity, dated September 2024.

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DEMOGRAPHIC PROFILE

The following table summarizes the select neighborhood demographics in one-, three- and five-mile concentric circles from the subject as well as the metro area. The analysis is provided by Environics Analytics.

DEMOGRAPHIC ANALYSIS				
	1-Mile Radius	3-Mile Radius	5-Mile Radius	2025 Austin-Round Rock CBSA
Population				
2030 Projection	156	27,714	64,881	2,753,878
2025 Estimate	135	23,905	56,500	2,526,214
2020 Census	111	18,996	45,423	2,283,371
2010 Census	36	6,892	17,549	1,716,198
Percent Change: 2025 to 2030	15.56%	15.93%	14.83%	9.01%
Percent Change: 2020 to 2025	21.62%	25.84%	24.39%	10.63%
Percent Change: 2010 to 2020	208.33%	175.62%	158.84%	33.05%
Households				
2030 Projection	48	9,038	21,240	1,070,533
2025 Estimate	42	7,737	18,330	978,767
2020 Census	34	5,999	14,450	880,668
2010 Census	11	2,140	5,541	650,423
Percent Change: 2025 to 2030	14.29%	16.82%	15.88%	9.38%
Percent Change: 2020 to 2025	23.53%	28.97%	26.85%	11.14%
Percent Change: 2010 to 2020	209.09%	180.33%	160.78%	35.40%
2025 Est. Average Household Income	$120,543	$138,256	$141,343	$129,996
2025 Est. Median Household Income	$100,000	$107,477	$112,445	$94,179
2025 Est. Average Household Size	3.13	3.09	3.07	2.53
Renter-Occupied	9.52%	12.29%	16.26%	43.54%
Owner-Occupied	90.48%	87.72%	83.74%	56.46%
2025 Households by Household Income				
Income < $15,000	2.38%	1.01%	1.46%	6.45%
Income $15,000 - $24,999	2.38%	1.16%	1.32%	4.82%
Income $25,000 - $34,999	2.38%	1.69%	2.65%	5.40%
Income $35,000 - $49,999	4.76%	3.63%	5.00%	9.10%
Income $50,000 - $74,999	19.05%	18.86%	16.34%	14.59%
Income $75,000 - $99,999	19.05%	18.77%	16.16%	12.37%
Income $100,000 - $124,999	16.67%	15.06%	13.65%	10.66%
Income $125,000 - $149,999	11.90%	11.50%	11.99%	8.57%
Income $150,000 - $199,999	11.90%	12.18%	13.84%	11.12%
Income $200,000 - $249,999	4.76%	6.85%	7.53%	6.10%
Income $250,000 - $499,999	4.76%	6.51%	7.27%	6.74%
Income $500,000+	0.00%	2.79%	2.78%	4.09%

Source: Claritas Pop-Facts® Premier 2024

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SUBJECT LAND USE

Subject property will include 261 single family lots will have one product type, which is projected to be “Single Family Lots” with single family residences. The lots are all generally level and generally rectangular in configuration. In our product analysis the appraisers will analyze the market data and develop revenue estimates (base price) for the product types included. The appraisers have reviewed the competitive home pricing by submarket, lot size, and on a project-by-project basis. The appraisers formulated hypothetical product and pricing assumptions for the subject’s detached product. The chart at the end of this section summarizes our findings and will be referenced in the following discussion.

SPECIAL HAZARDS OR ADVERSE INFLUENCES

The appraisers observed no major detrimental influences in the local market area.

LAND USE CHANGES

Development is expected to continue to convert vacant land into single family subdivisions and scattered commercial uses in the vicinity over the foreseeable future.

OUTLOOK AND CONCLUSIONS

The subject area, although relatively well developed, remains in a growth stage, with a strong demographic profile. In comparison to other areas in the region, the area is rated as follows:

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SURROUNDING AREA ATTRIBUTE RATINGS	
Highway Access	Good
Demand Generators	Good
Convenience to Supporting Land Uses	Average
Employment Stability	Good
Demographic Trends	Good
Property Compatibility	Good
General Appearance of Properties	Good
Appeal to Market	Good
Price/Value Trend	Upward

The immediate subject area is in the growth stage of its life cycle. Population growth is above average and average household earnings are higher than other surrounding market areas. The area benefits from good transportation linkages, and positive population and employment growth trends. The subject’s trade area is suburban and comprised of generally newer single-family residential subdivisions with commercial uses along highway frontage parcels. The outlook for the subject’s local market area is positive with positive growth trends forecast to continue into the foreseeable future.

SINGLE FAMILY MARKET ANALYSIS

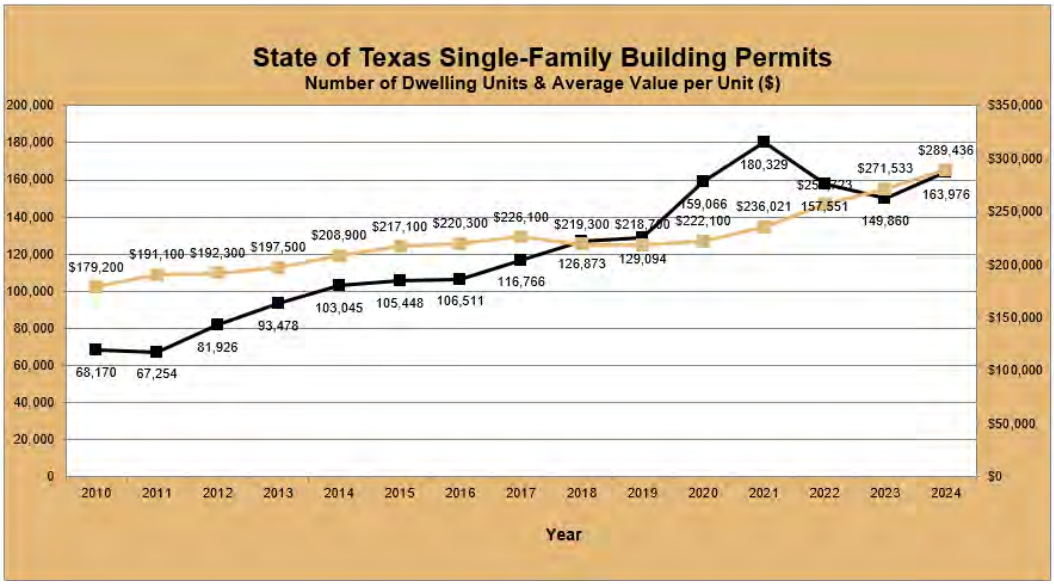
The strength of any market depends on supply and demand. Supply and demand in this submarket directly affect the subject's value, as well as its potential exposure time and marketing period. As the subject is situated within the Austin-Georgetown MSA, we have included an overview of the Austin-Georgetown Single Family market.

Single Family Market Overview – State

In 2024, YTD data through November, the State showed an increase in the number of building permits of 9.20% over the previous year after two years of annual decreases. In 2023, Texas issued a total of 149,860 single family building permits a decrease of -4.88% over 2022 due primarily to the increase in interest rates. The Year 2022 also showed a decrease over the previous year of -12.63%; however, in 2021, the state reflected a total of 180,329 which was an increase of 13.37% over the previous year. Previous years also reflected annual increases as far back as 2012. Additionally, the average value per dwelling increased from $236,000 in 2021 to $257,067 in 2022.

State of Texas Single-Family Building Permits				
	Number of Dwelling Units		Average Value per DU($)	
Year	Units	Percent Change	Value	Percent Change
2010	68,170	-9.00%	$179,200	3.00%
2011	67,254	-1.34%	$191,100	6.64%
2012	81,926	21.82%	$192,300	0.63%
2013	93,478	14.10%	$197,500	2.70%
2014	103,045	10.23%	$208,900	5.77%
2015	105,448	2.33%	$217,100	3.93%
2016	106,511	1.01%	$220,300	1.47%
2017	116,766	9.63%	$226,100	2.63%
2018	126,873	8.66%	$219,300	-3.01%
2019	129,094	1.75%	$218,700	-0.27%
2020	159,066	23.22%	$222,100	1.55%
2021	180,329	13.37%	$236,021	6.27%
2022	157,551	-12.63%	$256,723	8.77%
2023	149,860	-4.88%	$271,533	5.77%
2024	163,976	9.42%	$289,436	6.59%

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SINGLE FAMILY MARKET ANALYSIS – AUSTIN-GEORGETOWN MSA

Single family permit activity in the Austin MSA, which includes condominium units, from 2010 through 2024 is as follows. The source of all data in the charts in this section is the Real Estate Center at Texas A&M University.

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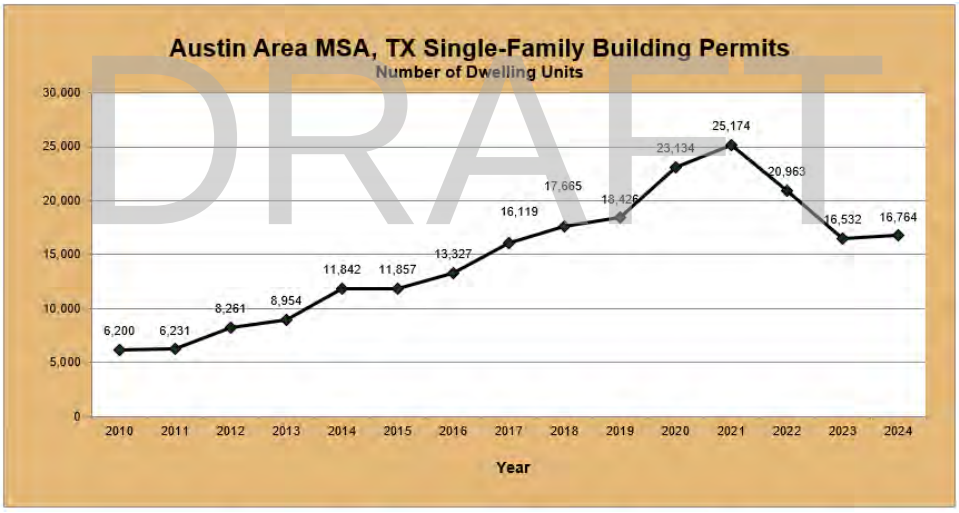
The year-end data for 2024 shows an increase of 1.4% over 2023. Single Family Building Permits for the City of Austin showed positive increases on an annual basis from 2012 through 2021. The next two years (2022 and 2023) showed annual decreases of -16.73% and -21.14% respectively. Although 2022 was lower than the total reflected for 2021, it was higher than the total for 2019 and only slightly lower than the previous high in 2020. The average value per dwelling for 2024 is $306,202 which is 5.0% higher than the previous year. The single-family building permits are summarized in the following chart and depicted in the associated graphs.

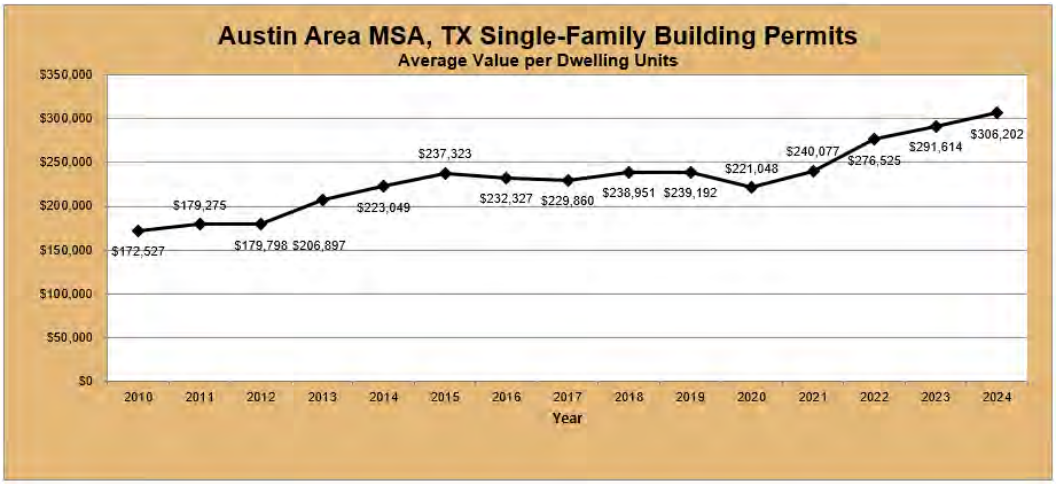
The long term outlook for the city of Austin is favorable based on historic results, the growth of the city and the fact that 2024 shows an increase in building activity over 2023.

Austin Area MSA, TX Single-Family Building Permits				
	Number of Dwelling Units		Average Value per DU($)	
Year	Units	Percent Change	Value	Percent Change
2010	6,200	-7.16%	$172,527	-27.00%
2011	6,231	0.50%	$179,275	3.91%
2012	8,261	32.58%	$179,798	0.29%
2013	8,954	8.39%	$206,897	15.07%
2014	11,842	32.25%	$223,049	7.81%
2015	11,857	0.13%	$237,323	6.40%
2016	13,327	12.40%	$232,327	-2.11%
2017	16,119	20.95%	$229,860	-1.06%
2018	17,665	9.59%	$238,951	3.96%
2019	18,426	4.31%	$239,192	0.10%
2020	23,134	25.55%	$221,048	-7.59%
2021	25,174	8.82%	$240,077	8.61%
2022	20,963	-16.73%	$276,525	15.18%
2023	16,532	-21.14%	$291,614	5.46%
2024	16,764	1.40%	$306,202	5.00%

Source: U.S. Bureau of Census and Real Estate Center at Texas A&M University

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RETAIL MARKET ANALYSIS

The retail market in Manor, Texas has been researched utilizing a custom CoStar for the City of Manor submarket of the Greater Austin Area.

According to CoStar, the retail market in the subject sector decreased in vacancy -1.6% from 1.8% as of 12 months ago to 0.2% currently. The average asking rent per square foot per year increased 2.0% from $30.62 to $31.22. The total retail market in the subject sector indicated to be 930K square feet.

The average market sale price per square foot for retail space was $356 showing an increase of 1.4% over the previous twelve month period. The average overall cap rate for sold properties over the past 12 month terms was 6.2%.

The survey indicates healthy occupancy and rent growth.

Search Analytics

INVENTORY SF	UNDER CONSTRUCTION SF	12 MO NET ABSORPTION SF	VACANCY RATE	MARKET ASKING RENT/SF	MARKET SALE PRICE/SF	MARKET CAP RATE
930K	593K	24.4K	0.2%	$31.22	$356	6.2%

Key Metrics

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Availability		Inventory	
Vacant SF	1.5K	Existing Buildings	94
Sublet SF	0	Under Construction Avg SF	59.3K
Availability Rate	1.5%	12 Mo Demolished SF	0
Available SF Total	22.3K	12 Mo Occupancy % at Delivery	100.0%
Available Asking Rent/SF	$37.38	12 Mo Construction Starts SF	578K
Occupancy Rate	99.8%	12 Mo Delivered SF	9.2K
Percent Leased Rate	99.8%	12 Mo Avg Delivered SF	3.3K

Sales Past Year		Demand	
Asking Price Per SF	$154	12 Mo Net Absorp % of Inventory	2.6%
Sale to Asking Price Differential	-8.7%	12 Mo Leased SF	47.2K
Sales Volume	$2.8M	Months on Market	5.8
Properties Sold	4	Months to Lease	-
Months to Sale	3.0	Months Vacant	-
For Sale Listings	3	24 Mo Lease Renewal Rate	90.5%
Total For Sale SF	25.6K	Population Growth 5 Yrs	11.4%

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SINGLE FAMILY MARKET OVERVIEW – IMMEDIATE AREA

Existing and projected household growth in the Travis County market area of the appraised property, which is judged to be the primary market area, is outlined in the following chart.

Projected Household Growth for Subject Area (5-Mile Radius) - Per Environics Analytics

	2025	2026	2027	2028	2029	2030
Subject Area Percentage of Growth	3.18%	3.18%	3.18%	3.18%	3.18%	3.18%
Subject Area Households	18,330	18,912	19,513	20,133	20,772	21,432
Subject Area Annual Household Growth	582	601	620	639	660	681

The Travis County market area supports an annual demand of 582 homes in 2025, growing to 681 homes in 2030.

QUALIFYING POTENTIAL

Qualifying potential was also considered in ascertaining effective demand for the subject homes. Using projections from the builder, as well as existing new homes in Mustang Valley as a basis to estimate the price range of proposed homes, it is estimated that the average home price will range from $375,000 to $550,000 according to the developer. The required annual household income needed to qualify for a conventional 30-year 5.73% fixed mortgage was determined using a 90% loan-to-value ratio, a 2.589% factor for property taxes, 1.0% for insurance and a mortgage-debt ratio of 27.5% of annual income (assuming some level of consumer debt, on average). Per these assumptions, the annual household income required to qualify for the subject home is as indicated in the table on the following page.

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Qualifying Purchasers

Home Price	90% Mortgage	Annual PITI	Indicated Income
$375,000	$337,500	$36,929	$134,288
to			27.5%
$550,000	$495,000	$54,163	$196,956

The range of household income requirements is indicative of middle to upper-level housing for the area. For this analysis, the household income levels for the immediate area have been utilized. As evidenced by absorption of similar product in the submarket and the qualifying analysis, there are a reasonable number of prospective buyers having sufficient purchasing power for housing in this price range.

TARGET MARKET

Based on the builder's existing subdivision and the appraisers' survey of competitive projects, the expected target market is for entry to mid-level home buyers. The following reflects the projected household demand within the micro market using a base of 18,330 homes in 2025, growing to 21,628 homes in 2030. This household growth is then qualified to the income requirements for the specified housing type. For the pricing of the subject homes, as discussed, we have included income categories in the range of $135,000 to $500,000. (Approximately 28.33% households within the subject area fall within the income category).

Total Market by Income Strata - (5-Mile Radius)					
	2026	2027	2028	2029	2030
Household Growth	601	620	639	660	681
% of Households in Income Strata	43.41%	43.41%	43.41%	43.41%	43.41%
Total Annual Market by Income Strata	261	269	278	286	295

The total submarket demand can be estimated at approximately 59 homes per quarter (236 per annum). With 90.5% of homeowners having a single-family ownership preference (from Environics Analytics data), this equates to Quarterly absorption of 59 lots/homes per quarter for the area. Then, based current activity within the subdivision with 9 homes under contract and our projections based on demographics and activity in the market area, a capture ratio for the subject is estimated to be in the range of 35.0%, or 21 homes per quarter.

Based on the preceding absorption projections, the subject lot inventory would sell out within 13 quarters (3.25 years) or less.

Projected Quarterly Absorption														
Period		Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Q13
Total Market by Income Strata		65	65	65	65	67	67	67	67	69	69	69	69	72
Single Family Preference	90.48%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%	90.5%
Total Market for Development		59	59	59	59	61	61	61	61	63	63	63	63	65
Estimated Capture Rate		35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%
Potential Subject Sales per Quarter		21	21	21	21	21	21	21	21	22	22	22	22	23
Subtotal		21	21	21	21	21	21	21	21	22	22	22	22	5
Running Total		21	42	63	84	105	126	147	168	190	212	234	256	261

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The above information is prefaced in that the projections are based on Environics Analytics. The indication is a 13-quarter projected sellout of the subject lots.

SUBDIVISION IMPROVEMENT ANALYSIS

261 PROPOSED SINGLE-FAMILY LOTS, PARKLAND & 2.5 ACRES COMMERCIAL SITE

As the subject lots contain an approximate net lot area of approximately 35.600 acres according to our calculations based on the site survey provided by the developer. The subdivision includes 261 single family lots. The lots will be 50' X 120" with an average site area of 6,000 square feet and 60' X 120' with an average site area of 7,200 square feet. *If lot sizes are changed or altered during the development of the single-family lots, this report is subject to revision.*

LAND USE SUMMARY							
Type	Lot FF	Total Lots	Ac/Lot	Gross SF/Lot	Total Gross SF	Acres	Future Condition
50' SFR Lots	50'	174	0.20	8,912	1,550,736	35.600	Proposed Lots
60' SFR Lots	60'	87	0.22	9,613	836,352	19.200	Proposed Lots
Commercial Site					108,900	2.500	Commercial Dev.
Roadways					204,732	4.700	50' ROW Streets
Utility					87,120	2.000	Utility works
Detention/Nature Preserve					544,500	12.500	Green space
Parks/Open Space					470,448	10.800	Green space
Trails					130,680	3.000	Green space
Total		**261**	**0.21**	**9,146 SF**	**3,933,468 SF**	**90.300 Ac.**	**---**

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The subject property 261 proposed single-family lots include a net land area of 54.8 acres (net of open space and roadways). The lots vary somewhat in size and are generally rectangular in shape with a few being irregular in shape. There are two primary lot types, being 50' lots and 60' lots. Both have an average depth of 120-feet. There will also be a 2.5-acre commercial site located along the Gregg Lane frontage and the main interior street into the proposed subject subdivision. The site will be generally rectangular in configuration with two-street frontage along the northeast side of Gregg Lane and the southeast side of the main interior street into the Newhaven Subdivision. Additionally, there will be parkland in the northwest corner of the site and walking trails as well as greenbelt along the northwest side of the tract. There will be a 2.0-acre utility site in the southwest corner of the site.

Topography

The subject lots will be generally level to gently sloping and generally rectangular in configuration with a buildable site area on each lot.

Streets

The subject includes 261 lots which will all have frontage along interior streets which will be developed as part of the subdivision. There will be 11 interior streets which are generally 50-foot in width with a total of 204,732 square feet of asphalt paved streets with concrete curbing. Traffic within the subdivision is limited to local neighborhood traffic.

Utilities

The property will be served by public utilities including water, electricity, and telephone. All utilities will be provided by the City of Manor as part of the proposed PID improvements.

Development Schedule

The lots are proposed for construction with completion of Phase 1 scheduled for August of 2025 and for Phases 2 & 3 for August 2026 with Phase 4 completion in August of 2027.

Furniture, Fixtures and Equipment

The personal property items were not considered in the valuation of the real estate.

Functional Utility

The lot size and layout are considered adequately functional in terms of utility.

Quality

The overall quality of the project is considered to be average to good quality for the market. The site development and associated improvements for the subject lots are proposed to be completed in accordance with subdivision development requirements of the City of Manor and Travis County.

Easements/Encroachments

Based on our visit and available maps, no easements or encroachments were noted which would be detrimental to development of the subject site. There are several green spaces/parks and a conservation lake located throughout the property which increase the ambience and outdoor amenity package of the subdivision. Our value conclusions are subject to revision should a current title policy reveal that any adverse easements or encroachments are present.

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Soil and Sub-soil Conditions

No soil engineer's report was available to us, and no recent soil tests are known to have been performed. We have assumed a stable soil condition that would ensure the structural integrity of any improvement which may be constructed. Our value conclusions are subject to revision should these assumptions prove incorrect. We caution and advise the user of this report to obtain engineering studies, which may be required to ascertain any structural integrity.

Environmental Conditions

No environmental report was available to us, and no recent environmental tests are known to have been performed. Because we have no evidence to the contrary, we have assumed that the property is free of any material which would adversely affect the value, including, but not limited to, asbestos and toxic waste. Our value conclusions are subject to revision should these assumptions prove incorrect. We caution and advise the user of this report to obtain environmental studies which may be required to ascertain status of the property with regard to asbestos and other hazardous materials.

Flood Zone

According to National Flood Insurance Rate Map Community Panel Number 48453C0295H, a portion of the site designated for use as Parkland and Greenbelt is located with the flood plain, Zone A. The remainder of the site including the proposed lots and commercial tracts are all located within Zone X and not subject to the floodplain. It is judged that there is a buildable site area on each lot that will be outside the 100 and 500-year flood plain.

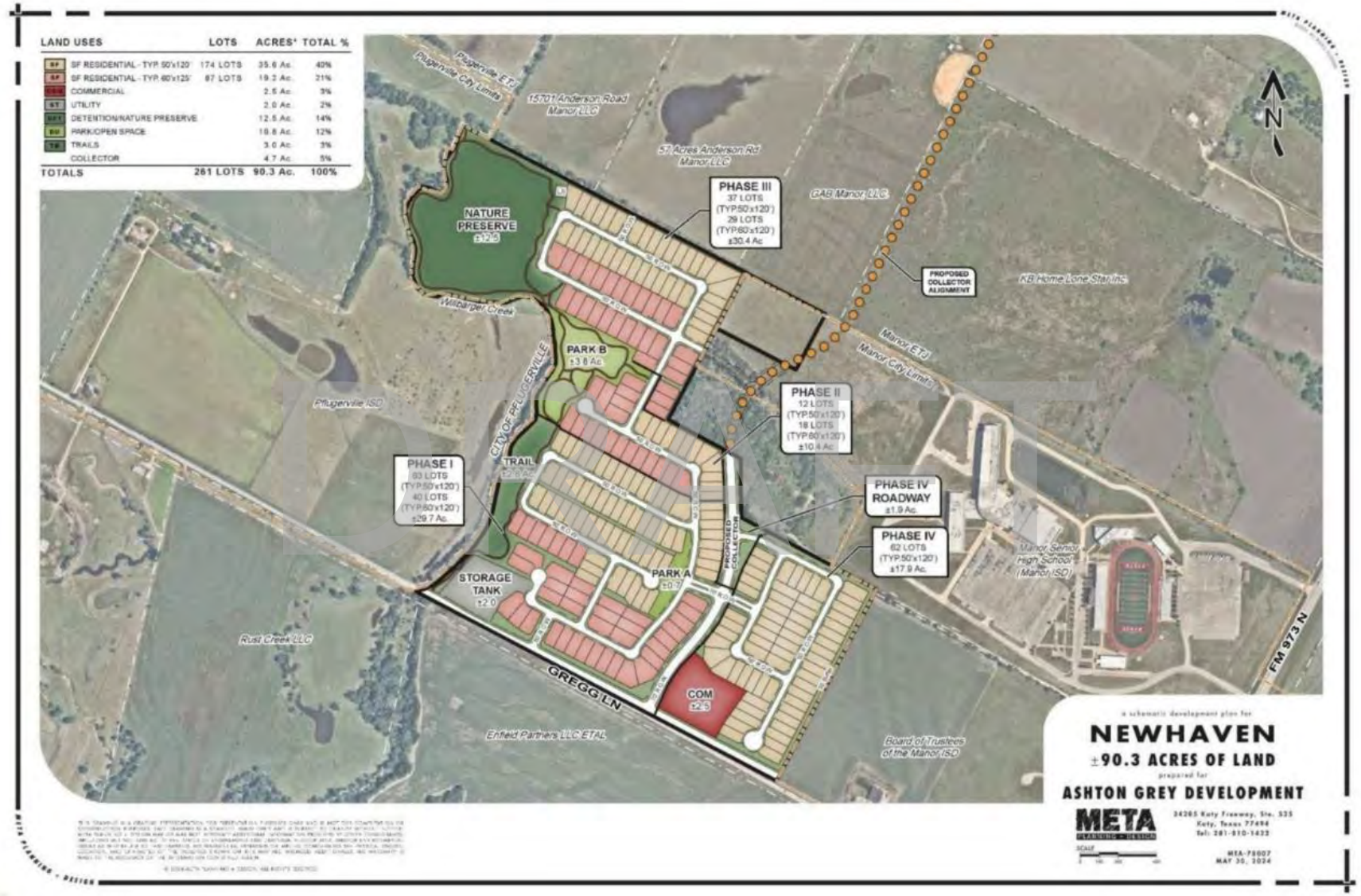
Development Summary

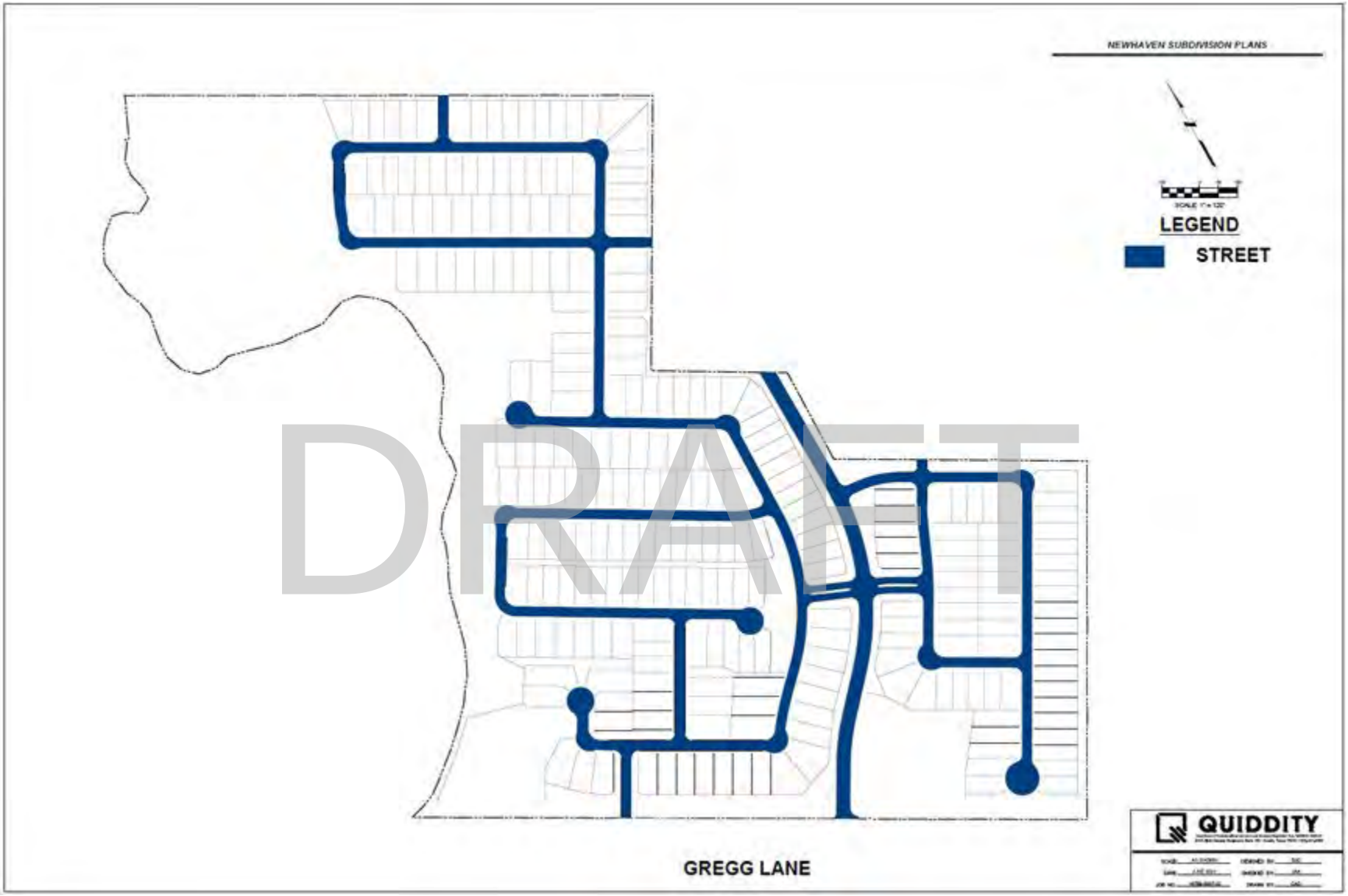
The subject subdivision lots will have access to private streets which extend to surrounding public streets and major traffic arteries. The topography is generally level and there will be a buildable area on each lot which is considered appropriate to accommodate the proposed single-family residential development. Per a topical investigation the appraised property shape, utility service, land use restrictions, nuisances and hazards do not appear to be restrictive to development of the property. Overall, the subject lots are judged to be functionally adequate for residential single-family development. The subject lots will be designated as 261 Lots Newhaven PID Phases 1-4 which will be an average to good quality tract built home subdivision developed by Ashton Gray Development Company.

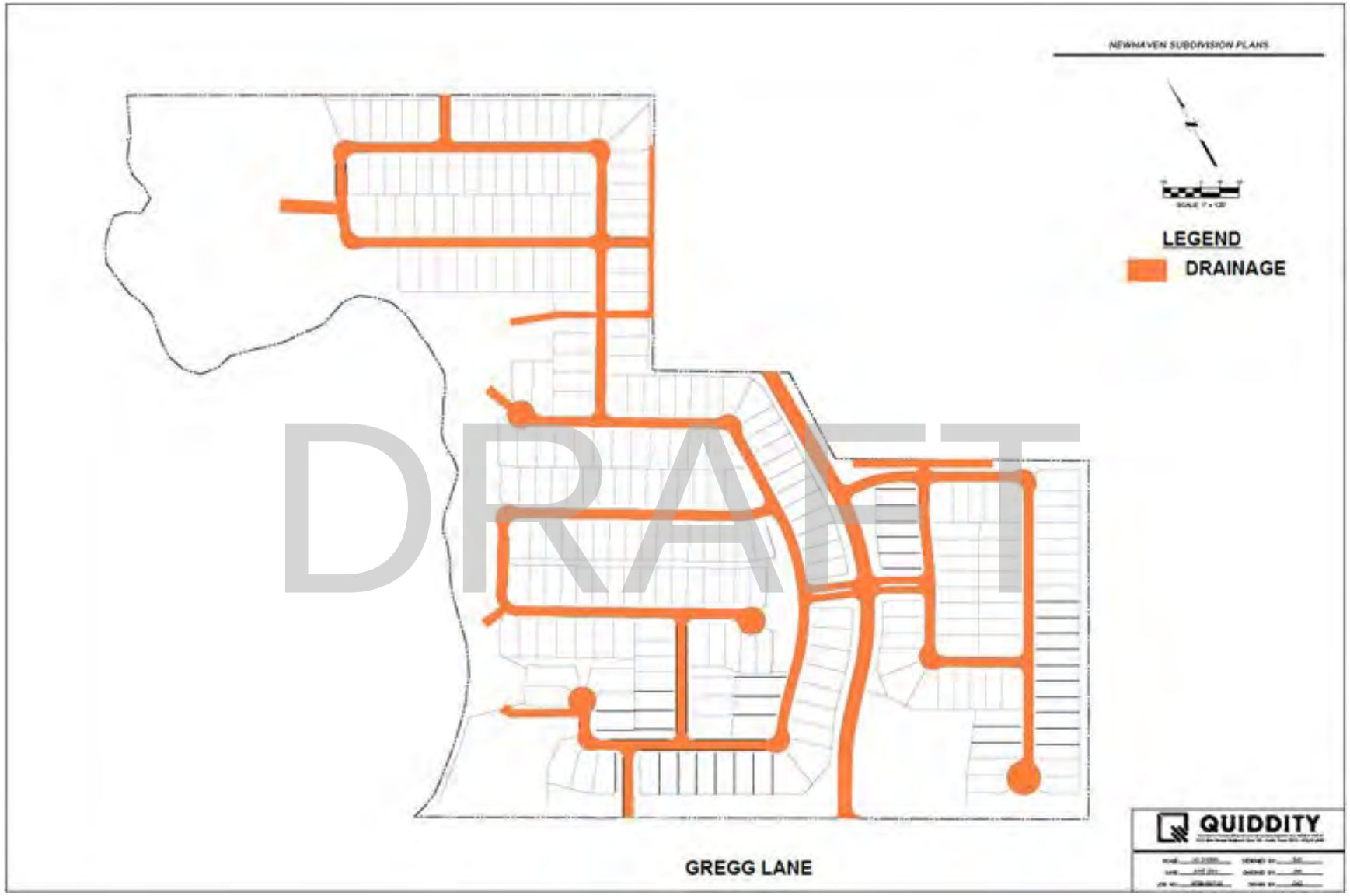
The subdivision plat and engineer's drawing of the improvements are included on the following pages followed by a tax parcel map and flood hazard map.

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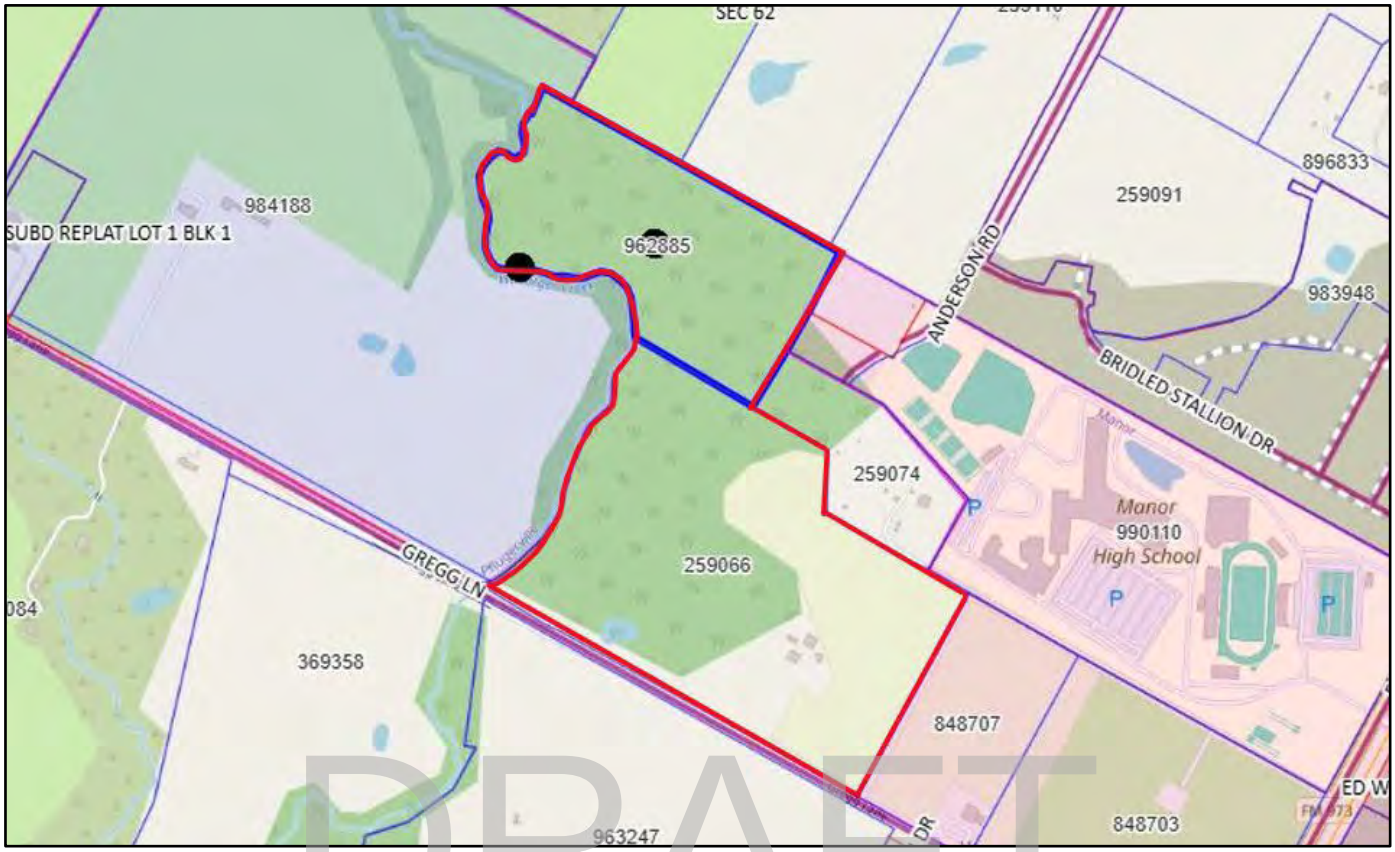
SITE PLAN


LAND USES LOTS ACRES* TOTAL %
SF RESIDENTIAL - TYP. 50'x120' 174 LOTS 35.6 Ac. 40%
SF RESIDENTIAL - TYP. 60'x125' 87 LOTS 19.2 Ac. 21%
COMMERCIAL 2.5 Ac. 3%
UTILITY 2.0 Ac. 2%
DETENTION/NATURE PRESERVE 12.5 Ac. 14%
PARK/OPEN SPACE 10.8 Ac. 12%
TRAILS 3.0 Ac. 3%
COLLECTOR 4.7 Ac. 5%
TOTALS 261 LOTS 90.3 Ac. 100%
NATURE PRESERVE ±2.5
PHASE III 37 LOTS (TYP.50'x120') 29 LOTS (TYP.60'x120') ±30.4 Ac
PROPOSED COLLECTOR ALIGNMENT
PARK B ±3.8 Ac.
PHASE II 12 LOTS (TYP.50'x120') 18 LOTS (TYP.60'x120') ±10.4 Ac.
PHASE I 93 LOTS (TYP.50'x120') 40 LOTS (TYP.60'x120') ±29.7 Ac.
TRAIL ±2.0 Ac.
PHASE IV ROADWAY ±1.9 Ac.
PHASE IV 62 LOTS (TYP.50'x120') ±17.9 Ac.
STORAGE TANK ±2.0
PARK A ±0.7
COM ±2.5
GREGG LN
FM 973 N
Pflugerville City Limits
15701 Anderson Road Manor,LLC
57 Acres Anderson Rd Manor,LLC
GAB Manor, LLC
KB Home Lone Star Inc
Manor ETJ
Manor City Limits
Pflugerville ISD
CITY OF PFLUGERVILLE
Rusi Creek LLC
Enfield Partners LLC ETAL
Board of Trustees of the Manor ISD
Manor Senior High School (Manor ISD)
N
a schematic development plan for
NEWHAVEN
±90.3 ACRES OF LAND
prepared for
ASHTON GREY DEVELOPMENT
META
PLANNING + DESIGN


NEWHAVEN SUBDIVISION PLANS
LEGEND
STREET
DRAFT
QUIDDITY
GREGG LANE


NEWHAVEN SUBDIVISION PLANS
LEGEND
DRAINAGE
DRAFT
QUIDDITY
GREGG LANE

TAX PARCEL MAP



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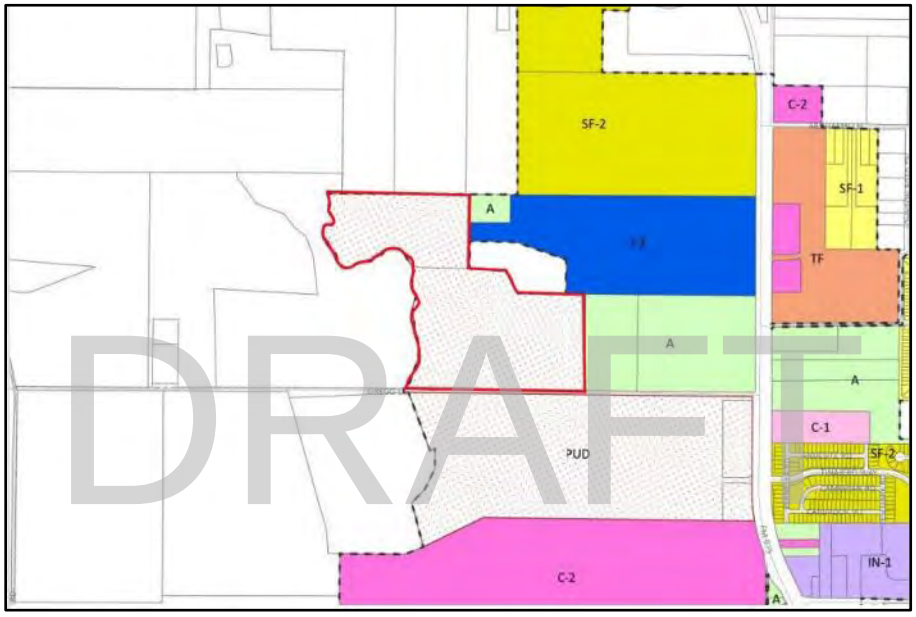
FLOOD HAZARD MAP



ZONING

The appraised property is zoned “PUD” Planned Unit Development by the City of Manor. The zoning is outlined in the following chart:

ZONING SUMMARY	
Component	**Detail**
Zoning Code	PUD
Zoning District	Planned Unit Development
Zoning Jurisdiction	City of Manor
Legally Conforming	Yes
Zoning Change	A zoning change is unlikely



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The appraisers are not experts in the interpretation of complex zoning ordinances. The subject property appears to be a conforming use based on a review of public information. Please note that the determination of compliance is beyond the scope of a real estate appraisal. It is recommended that local planning and zoning personnel be contacted regarding more specific information that might be applicable to the subject. In addition, we know of no deed restrictions, private or public, that further limit the subject property's use. The research required to determine whether such restrictions exist, however, is beyond the scope of this appraisal assignment. Deed restrictions are a legal matter and only a title examination by an attorney or a title company can usually uncover such restrictive covenants. Thus, we recommend a title search to determine if any such restrictions do exist.

ASSESSMENT AND TAXES

Real estate tax assessments are administered by the Travis County Appraisal District. The taxing jurisdictions and rates applicable to the appraised property are included in the table below.

TAX ACCOUNTS	
Travis County Appraisal District	**Account Number**
Tax ID #1	259066
Tax ID #2	962885

TAX RATE SUMMARY	
Jurisdiction	**2025 Tax Rate**
Travis County	$0.344445
Travis Co Healthcare	$0.107969
Manor ISD	$1.081400
Austin Comm Coll	$0.101300
Travis Co ESD No 12	$0.100000
City of Manor	$0.853700
Total	**$2.588814**

ASSESSMENT & TAX SUMMARY	
Description - As Is	**2025 Tax Rate**
Assessed Value - Land	$6,775,875
Assessed Value - Improvements	$0
Assessed Value - Total	$6,775,875
Tax Rate (from above)	$2.588814
Total Tax Burden	$175,415
Description - As Proposed	**2025 Tax Rate**
Projected Assessed Value	$20,000
Assessed Value per Land SF	$2.19
Tax Rate (from above)	$2.588814
Total Projected Tax Burden	$518

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Based on our analysis of the property, the total assessed value is judged to be well above the estimated market value of the property; however, is in line with other Vacant Land projects in the area. Ad valorem tax increases in the future are possible, however, unlikely in the near term.

A survey of comparable lots in the immediate area has been completed in order to estimate an assessed value for the subject lots. The comparable lots are shown in the chart below. A concluded market value of $20,000 per lot is reach based on the comparable assessed values for similar lots in the area.

TAX COMPARABLE SUMMARY							
No.	**Tax ID**	**Address**	**GLA (SF)**	**Total Assessed Value**	**Assessed Value / SF**	**Total Taxes**	**Taxes / SF**
1	984030	Bridled Stallion Drive	7,998 SF	$19,686	$2.46	$510	$0.06
2	984031	Bridled Stallion Drive	7,998 SF	$19,686	$2.46	$510	$0.06
3	984032	Bridled Stallion Drive	7,998 SF	$19,686	$2.46	$510	$0.06
4	984033	Bridled Stallion Drive	7,998 SF	$19,686	$2.46	$510	$0.06
5	984043	Onager Pass	8,289 SF	$19,995	$2.41	$518	$0.06
6	984043	Kiger Mustang Drive	8,729 SF	$20,029	$2.29	$519	$0.06
Subj:		***Newhaven PID***	***9,146 SF***	***$20,000***		***$518***	***$0.06***

HIGHEST AND BEST USE

In appraisal practice, the concept of highest and best use represents the premise upon which value is based. The four criteria the highest and best use must meet are:

- Legally permissible;
- Physically possible;
- Financially feasible; and
- Maximum profitability.

Highest and best use analysis involves assessing the subject both as if vacant and as proposed to be improved. Due to the subject property being proposed for improvement as a residential subdivision, the highest and best use of the site as if vacant and as improved is addressed below.

AS IF VACANT

Legally Permissible

The subject is zoned "PUD" Planned Unit Development which is a common zoning classification in the immediate area of newer single family residential development. The subject plat showing the proposed lots has been approved by the City of Manor. The property will be deed-restricted to one single-family home per lot. Additional building restrictions concerning size of homes and exterior finish must also be adhered to.

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Physically Possible

The second test is as to physically possible uses. The appraised property includes 261 proposed single-family lots. The lots will be generally rectangular in shape and range in size from 50' to 60'. The lots will be generally level and all utilities will be extended to each lot. Streets will be developed provided access to each lot.

Financially Feasible

The determination of financial feasibility is dependent primarily on the relationship of supply and demand for the legally permissible and physically possible land uses versus the cost to create the uses. Numerous new projects have been initiated in the immediate area of the appraised property over the past several years with strong sellout results. It is judged that future single family residential subdivision development of the site would be financially feasible.

Maximum Profitability

The final test of highest and best use of the site as though vacant is that the use be maximally productive, yielding the highest returns to the land. In the case of the subject as vacant, our analysis has indicated that development of the site as a residential subdivision with a small amount of commercial use along the street frontage would be most appropriate.

CONCLUSION: HIGHEST AND BEST USE AS IF VACANT

Based on the information presented above and upon information contained in the market and neighborhood analysis, we conclude that the highest and best use of the subject as vacant, would be for development as a single family residential subdivision.

HIGHEST AND BEST USE AS IMPROVED

The proposed development is judged to be in accordance with the highest and best use as vacant. The property is generally level in terrain with good highway frontage and is located within the path of growth for the city of Manor. The subject lot size, utility availability and surrounding development are commensurate with the proposed subject development. An analysis of the proposed subject development indicates that the project is judged to be the highest and best use as improved.

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APPRAISAL METHODOLOGY

In appraisal practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality and quantity of information available.

COST APPROACH

The cost approach is based upon the proposition that the informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements that represent the highest and best use of the land, or when relatively unique or specialized improvements are located on the site, and for which there exist few sales or leases of comparable properties.

SALES COMPARISON APPROACH

The sales comparison approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject. Valuation is typically accomplished using physical units of comparison such as price per square foot, price per unit, price per floor, etc., or economic units of comparison such as gross rent multiplier. Adjustments are applied to the physical units of comparison derived from the comparable sale. The unit of comparison chosen for the subject is then used to yield a total value.

INCOME CAPITALIZATION APPROACH

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The income capitalization approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

METHODOLOGY APPLICABLE TO THE SUBJECT

In valuing the subject land, the Sales Comparison Approach to market value is considered to be applicable in deriving the market value of the vacant land for use in the Cost Approach and has been utilized. The Cost Approach has been utilized to indicate the value of the vacant land plus development costs. The income approach has been utilized to indicate the value of the subject property to an investor based on sell-out of the proposed developed lots at the projected achievable lot sales price deducting holding costs, sales expenses and other related expenses. The net cash flows have been discounted to present value using a market derived discount rate to reflect the value of the property to and investor based on the sellout of the subject subdivision at completion of the development. The Sales Comparison Approach related to the development as if complete has not been utilized due to the lack of sales of completed residential subdivisions in the area. In the process of this valuation analysis, we have contacted a number of real estate brokers and market participants in the local market.

The market has been researched using county deed records, interviewing active real estate brokers, available statistics and other contact sources. These sources have been contacted and interviewed extensively with reference to confirmation of market information, sales, rental data, absorption, and general perceptions and have been utilized in each of the valuation approaches to follow.

VALUATION OF THE SUBJECT LAND

In the valuation of the subject's fee simple interest in the underlying land, the (land) sales comparison approach is used to estimate market value for the appraised property site. There are three land grids and analysis including one for the entire site for use in the cost approach, as well as one for the parkland and another for the small commercial site to be added to the results of the DCF of lot sales for the Income Approach. The most widely used and market-oriented unit of comparison for the subject entire site is the sale price per acre; however, the sale price per square foot has been utilized in the analysis of the small commercial site.

WHOLE SITE AND PARKLAND

The sales and discussion for the whole site and the parkland are combined as the same sales and the same adjustments (with the exception of size and floodplain) the same adjustments are used for both. The most comparable sales are outlined in the following chart. A detailed write-up of each land sale is provided in the addenda.

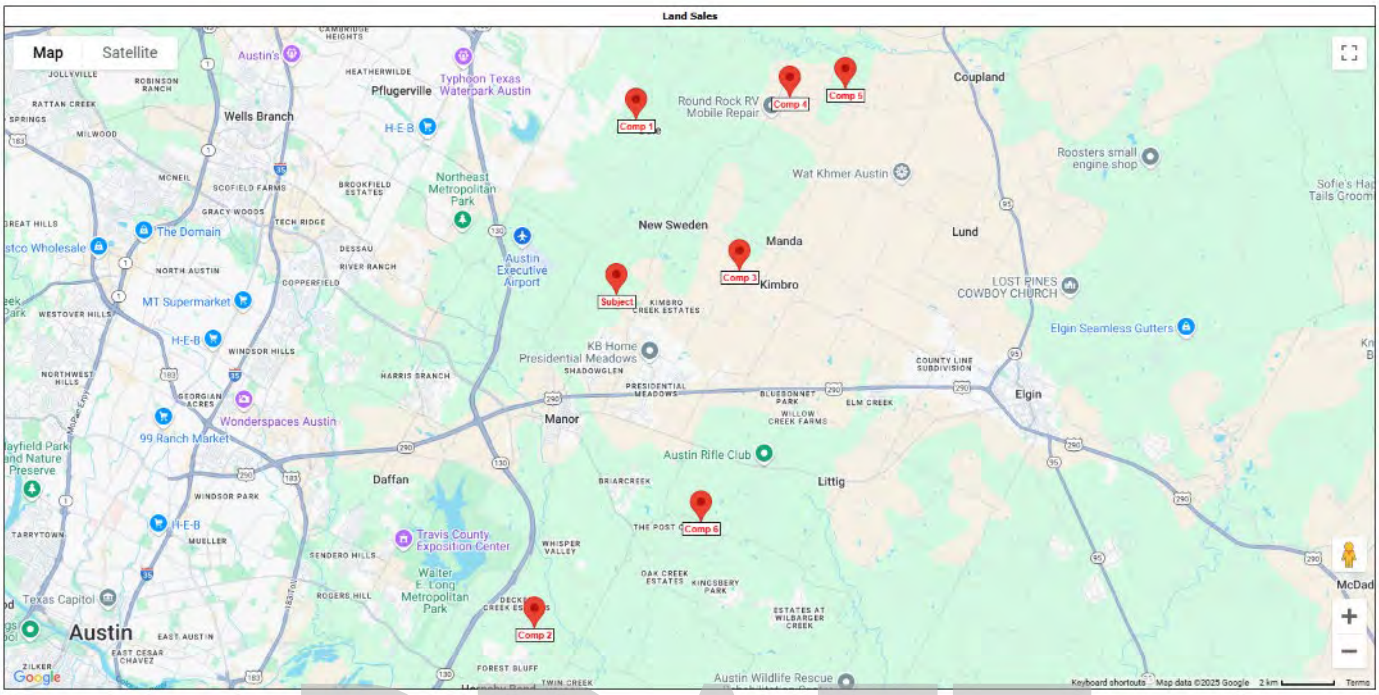
LAND SALES SUMMARY-WHOLE SITE AND PARKLAND

	Subject	Land Sale No. 1	Land Sale No. 2	Land Sale No. 3	Land Sale No. 4	Land Sale No. 5	Land Sale No. 6
ID	20871	20672	20673	20674	20675	20676	20677
Property Name	Newhaven Public Improvement District	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land
Address	Gregg Lane	8450 Cele Road	15847 Decker Lake Road	13405 Jacobson Road	12217 Pfluger Berkman Lane	13508 Pfluger Berkman Road	19918 Lockwood Road
City	Manor	Manor (OCL)	Manor (OCL)	Manor (OCL)	Coupland (OCL)	Coupland (OCL)	Manor (OCL)
County	Travis	Travis	Travis	Travis	Travis	Travis	Travis
Use at Sale	Proposed Subdivision	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land
Transaction Type		Closed Sale	Closed Sale	Closed Sale	Closed Sale	Closed Sale	Closed Sale
Financing	--	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller
Tax Account Number	259066, 962885	271720	190471	813368, 259197	278336	278311	214385, 214386
Topography	Generally level	Generally level	Generally level	Generally level	Generally level	Generally level	Generally level
Shape	Irregular	Irregular	Rectangular	Rectangular	Rectangular	Rectangular	Rectangular
Utilities	Electricity, sewer, water	Water, electricity	Water, electric	Water, electricity	Elecricity	Electricity	Electric
Zoning	PUD	OCL	OCL	OCL	OCL	OCL	OCL
Grantor	--	Dorothy Gault	Keyna Rodriguez	Jamie and Carolyn Norwood	Lucy Elena Pfluger	Mary and Lucy Pfluger	Estate of John G. Franson
Grantee	--	OMCELE, LLC	DAPD, Inc.	Mohammed Shahid Imam	Ruvati Properties, LLC	05 Ranch Investments, LLC	Aladdin World, LLC
Marketing Time	--	195 days	232 days	337 days	305 days	731 days	305 days
Sale Date	--	1/17/2023	8/31/2023	9/20/2024	12/16/2024	11/1/2024	9/16/2024
Sale Price	--	$1,622,250	$1,200,000	$1,375,000	$6,960,000	$5,947,707	$1,575,000
Gross Land Area (Acres)	90.300 Acres	19.89 Acres	24.00 Acres	24.67 Acres	127.00 Acres	198.50 Acres	52.27 Acres
Gross Land Area (SF)	3,933,468 SF	866,408 SF	1,045,440 SF	1,074,625 SF	5,532,120 SF	8,646,660 SF	2,276,881 SF
Usable Land Area (Acres)	90.30 Acres	19.89 Acres	24.00 Acres	24.67 Acres	127.00 Acres	198.50 Acres	52.27 Acres
Usable Land Area (SF)	3,933,468 SF	866,408 SF	1,045,440 SF	1,074,625 SF	5,532,120 SF	8,646,660 SF	2,276,881 SF
Sale Price per Acre	--	**$81,561**	**$50,000**	**$55,736**	**$54,803**	**$29,963**	**$30,132**
Verification	--	Broker	Broker	Broker	Broker	Broker	Broker

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LAND SALES MAP

The following map provides a visual of the land sales' locations relative to the subject.



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LAND SALES DISCUSSION

The most comparable land sales with regard to size, location and physical characteristics have been selected. Six (6) sales are considered. The sales all occurred in 2024. They range in size from 19.89 to 198.50 acres, and in price from $29,963 to $81,561 per acre.

ADJUSTMENT PROCESS

Due to the imperfect nature of real estate markets, we have analyzed the comparables through the application of adjustments based on qualitative comparison. The adjustments made are subjective and are based on market evidence as well as the appraiser's research, judgment, and experience. The adjustments are not based on a quantitative analysis tool such as "paired sales" due to the lack of paired sales data; or on multiple regression analysis, due to the lack of enough comparable sales to constitute a statistically valid sample. Therefore, the percentage adjustments summarized on the following grid should be viewed as conveying the degree of subjective adjustment applied, and not the result of a quantitative analysis. Finally, the percentage adjustments applied are reflective of different base numbers, to avoid distortion.

In our final rating of the comparable sales, we have considered the following items of comparability in forming our opinion of land value for the subject.

Property Rights Conveyed

The sales utilized in this analysis involved the transfer of the fee simple interest. All of the sales have similar property rights characteristics; no adjustments are applied.

Financial Terms

To the best of our knowledge, all of the sales utilized in this analysis were accomplished with cash and/or cash down to market-oriented financing. All of the sales have similar financing terms; no adjustments are applied.

Conditions of Sale

Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. In many situations, the conditions of sale may significantly affect transaction prices. All of the sales used in this analysis are considered to be "arms-length" market transactions between both knowledgeable buyers and sellers on the open market. All of the sales have similar conditions of sale; no adjustments are applied.

Market Conditions

This factor considers the differences in market conditions between the time of the comparable sale and the subject's date of value. For example, a comparable property which sold during a time of better market conditions would be superior to the subject as of the date of value.

The sales all occurred in 2024. All of the sales have similar market conditions; no adjustments are applied.

Location/Access/Exposure

An adjustment for location is required when the location characteristics of a comparable property are different from those of the subject property. The subject is located along an interior county road just off FM 973 and adjacent to the Manor High School and sports complex as well as other single-family subdivisions of similar quality. As most large acreage land sales which have occurred are located further out than the subject, the subject is judged to be superior in location to all of the sales. Each of the sales are adjusted upward for location/access/exposure.

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Size

The size adjustment generally reflects the inverse relationship expressed between unit price and lot size. Smaller lots tend to sell for higher unit prices than larger lots, and vice versa. Hence, positive adjustments were made to larger land parcels, and negative adjustments were made to smaller land parcels when deemed appropriate. Sale Nos. 1, 2, 3 and 6 are smaller and Sale Nos. 4 and 5 are larger. Sale Nos. 4, 5 are adjusted upward for size. Sale Nos. 1, 2, 3, 6 are adjusted downward for size. For the Parkland Site, Sale Nos. 1-3 are smaller and adjusted downward and Sale Nos. 4-6 are larger and adjusted upward for size.

Shape/Frontage

The appraised property is an interior site with frontage along the north side of Gregg Lane. Sale Nos. 4 and 5 are judged superior as they each have two street frontage. The remaining sales are judged similar. Sale Nos. 4, 5 are adjusted downward for shape/frontage.

Topography/Flood Zone

The appraised property site is generally level in topography; however approximately 25% of the entire site is situated within the floodplain which will be utilized as Parkland and Greenbelt. The sales are judged superior as they are not affected by floodplain. Each of the sales are adjusted downward for

topography/flood zone. A larger adjustment for floodplain is made to the Parkland Site as it is almost entirely located within the floodplain.

Zoning

The appraised property is zoned PUD. All of the sales feature similar zoning; no adjustments are applied.

PID Improvements/Utilities/Utilities

The subject is located within a PID which includes drainage work, paving, earthwork and landscaping. Additionally, the subject will have access to all public utilities. All of the sales are judged inferior in this regard as they do not benefit from PID improvements and being located further out do not have the same access to utilities. Each of the sales are adjusted upward for PID improvements/utilities.

SUMMARY OF ADJUSTMENTS

Based on the comparative analysis, the table on the following page summarizes the adjustments warranted to each land sale.

LAND VALUE CONCLUSION – WHOLE SITE

Prior to adjustments, the land sales indicated prices ranging from $29,963 to $81,561 per acre with an average of $50,366 per acre. After adjustments, the land sales indicate the value of the subject site to be in the range of $45,198 to $69,327 with an average of $55,318 per acre. The concluded land value is **$55,300** per acre.

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Based upon our analysis of the land sales and knowledge of the local real estate market, we conclude that the indicated fee simple value (rounded) as of the effective date of value by the (land) sales comparison approach is **$4,995,000**. The Land Sales Adjustment Analysis is included on the following page.

LAND VALUE CONCLUSION	
	Indicators
Subject Land Area - Acres	90.30 Acres
Reconciled Land Value per Acre	$55,300
Reconciled Land Value (Rd)	**$4,995,000**

LAND SALES COMPARISON ADJUSTMENT ANALYSIS-WHOLE SITE							
Comparable	**20672**	**Land Sale No. 1**	**Land Sale No. 2**	**Land Sale No. 3**	**Land Sale No. 4**	**Land Sale No. 5**	**Land Sale No. 6**
Record ID	Subject	20672	20673	20674	20675	20676	20677
Property Name	20871	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land
Address	Newhaven Public Improvement District	8450 Cele Road	15847 Decker Lake Road	13405 Jacobson Road	12217 Pfluger Berkman Lane	13508 Pfluger Berkman Road	19918 Lockwood Road
City	Manor	Manor (OCL)	Manor (OCL)	Manor (OCL)	Coupland (OCL)	Coupland (OCL)	Manor (OCL)
County	Travis	Travis	Travis	Travis	Travis	Travis	Travis
Use at Sale	--	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land
Transaction Type	--	Closed Sale	Closed Sale	Closed Sale	Closed Sale	Closed Sale	Closed Sale
Financing	--	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller
Grantor	--	Dorothy Gault	Keyna Rodriguez	Jamie and Carolyn Norwood	Lucy Elena Pfluger	Mary and Lucy Pfluger	Estate of John G. Franson
Grantee	--	OMCELE, LLC	DAPD, Inc.	Mohammed Shahid Imam	Ruvati Properties, LLC	05 Ranch Investments, LLC	Aladdin World, LLC
Marketing Time	--	195 days	232 days	337 days	305 days	731 days	305 days
Sale Date	--	1/17/2023	8/31/2023	9/20/2024	12/16/2024	11/1/2024	9/16/2024
Sale Price	--	$1,622,250	$1,200,000	$1,375,000	$6,960,000	$5,947,707	$1,575,000
Gross Land Area (Acres)	90.300 Acres	19.89 Acres	24.00 Acres	24.67 Acres	127.00 Acres	198.50 Acres	52.27 Acres
Gross Land Area (SF)	3,933,468 SF	866,408 SF	1,045,440 SF	1,074,625 SF	5,532,120 SF	8,646,660 SF	2,276,881 SF
Usable Land Area (Acres)	90.30 Acres	19.89 Acres	24.00 Acres	24.67 Acres	127.00 Acres	198.50 Acres	52.27 Acres
Usable Land Area (SF)	3,933,468 SF	866,408 SF	1,045,440 SF	1,074,625 SF	5,532,120 SF	8,646,660 SF	2,276,881 SF
Sale Price per Acre	**--**	**$81,561**	**$50,000**	**$55,736**	**$54,803**	**$29,963**	**$30,132**
Transaction Adjustments							
		Similar	Similar	Similar	Similar	Similar	Similar
Property Rights		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Financing		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Conditions of Sale		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Market Conditions (Time)		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Total Transaction Adjustments		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Subtotal (per Acre)		**$81,561**	**$50,000**	**$55,736**	**$54,803**	**$29,963**	**$30,132**
Physical Adjustments							
		Inferior	Inferior	Inferior	Inferior	Inferior	Inferior
Location/Access/Exposure		25.00%	50.00%	25.00%	25.00%	75.00%	75.00%
		Superior	Superior	Superior	Inferior	Inferior	Superior
Size		-25.00%	-20.00%	-20.00%	5.00%	10.00%	-10.00%
		Similar	Similar	Similar	Superior	Superior	Similar
Shape/Frontage		0.00%	0.00%	0.00%	-5.00%	-5.00%	0.00%
		Superior	Superior	Superior	Superior	Superior	Superior
Topography/Flood Zone		-25.00%	-25.00%	-25.00%	-25.00%	-25.00%	-25.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Zoning		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
PID Improvements/Utilities		10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Total Physical Adjustments		-15.00%	15.00%	-10.00%	10.00%	65.00%	50.00%
Overall Qualitative Adjustment		**Superior**	**Inferior**	**Superior**	**Inferior**	**Inferior**	**Inferior**
Indicated Value per Acre		**$69,327**	**$57,500**	**$50,162**	**$60,283**	**$49,439**	**$45,198**

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LAND VALUE CONCLUSION – PARKLAND

Prior to adjustments, the land sales indicated prices ranging from $29,963 to $81,561 per acre with an average of $50,366 per acre. After adjustments, the land sales indicate the value of the subject site to be in the range of $22,294 to $44,859 with an average of $35,978 per acre. The concluded land value is **$36,000** per acre.

Based upon our analysis of the land sales and knowledge of the local real estate market, we conclude that the indicated fee simple value (rounded) as of the effective date of value by the (land) sales comparison approach is **$4,995,000**. The Land Sales Adjustment Analysis is included on the following page.

LAND VALUE CONCLUSION	
	Indicators
Subject Land Area - Acres	28.30 Acres
Reconciled Land Value per Acre	$36,000
Reconciled Land Value (Rd)	**$1,020,000**

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LAND SALES COMPARISON ADJUSTMENT ANALYSIS-PARKLAND							
Comparable	**20672**	**Land Sale No. 1**	**Land Sale No. 2**	**Land Sale No. 3**	**Land Sale No. 4**	**Land Sale No. 5**	**Land Sale No. 6**
Record ID	20871	20672	20673	20674	20675	20676	20677
Property Name	Newhaven Public Improvement District	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land
Address	Gregg Lane	8450 Cele Road	15847 Decker Lake Road	13405 Jacobson Road	12217 Pfluger Berkman Lane	13508 Pfluger Berkman Road	19918 Lockwood Road
City	Manor	Manor (OCL)	Manor (OCL)	Manor (OCL)	Coupland (OCL)	Coupland (OCL)	Manor (OCL)
County	Travis	Travis	Travis	Travis	Travis	Travis	Travis
Use at Sale	--	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land
Transaction Type	--	Closed Sale	Closed Sale	Closed Sale	Closed Sale	Closed Sale	Closed Sale
Financing	--	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller
Grantor	--	Dorothy Gault	Keyna Rodriguez	Jamie and Carolyn Norwood	Lucy Elena Pfluger	Mary and Lucy Pfluger	Est. of John G. Franson
Grantee	--	OMCELE, LLC	DAPD, Inc.	Mohammed Shahid Imam	Ruvati Properties, LLC	05 Ranch Investments, LLC	Aladdin World, LLC
Marketing Time	--	195 days	232 days	337 days	305 days	731 days	305 days
Sale Date	--	1/17/2023	8/31/2023	9/20/2024	12/16/2024	11/1/2024	9/16/2024
Sale Price	--	$1,622,250	$1,200,000	$1,375,000	$6,960,000	$5,947,707	$1,575,000
Gross Land Area (Acres)	28.300 Acres	19.89 Acres	24.00 Acres	24.67 Acres	127.00 Acres	198.50 Acres	52.27 Acres
Gross Land Area (SF)	1,232,748 SF	866,408 SF	1,045,440 SF	1,074,625 SF	5,532,120 SF	8,646,660 SF	2,276,881 SF
Usable Land Area (Acres)	28.30 Acres	19.89 Acres	24.00 Acres	24.67 Acres	127.00 Acres	198.50 Acres	52.27 Acres
Usable Land Area (SF)	1,232,748 SF	866,408 SF	1,045,440 SF	1,074,625 SF	5,532,120 SF	8,646,660 SF	2,276,881 SF
Sale Price per Acre	**--**	**$81,561**	**$50,000**	**$55,736**	**$54,803**	**$29,963**	**$30,132**
Transaction Adjustments							
		Similar	Similar	Similar	Similar	Similar	Similar
Property Rights		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Financing		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Conditions of Sale		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Market Conditions (Time)		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Total Transaction Adjustments		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Subtotal (per Acre)		**$81,561**	**$50,000**	**$55,736**	**$54,803**	**$29,963**	**$30,132**
Physical Adjustments							
		Inferior	Inferior	Inferior	Inferior	Inferior	Inferior
Location/Access/Exposure		25.00%	50.00%	25.00%	25.00%	75.00%	75.00%
		Superior	Superior	Superior	Inferior	Inferior	Inferior
Size		-5.00%	-20.00%	-20.00%	20.00%	25.00%	10.00%
		Similar	Similar	Similar	Superior	Superior	Similar
Shape/Frontage		0.00%	0.00%	0.00%	-5.00%	-5.00%	0.00%
		Superior	Superior	Superior	Superior	Superior	Superior
Topography/Flood Zone		-75.00%	-75.00%	-75.00%	-75.00%	-75.00%	-75.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Utilities		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Zoning		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
PID Improvements		10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Total Physical Adjustments		-45.00%	-35.00%	-60.00%	-25.00%	30.00%	20.00%
Overall Qualitative Adjustment		**Superior**	**Superior**	**Superior**	**Superior**	**Inferior**	**Inferior**
Indicated Value per Acre		**$44,859**	**$32,500**	**$22,294**	**$41,102**	**$38,952**	**$36,158**

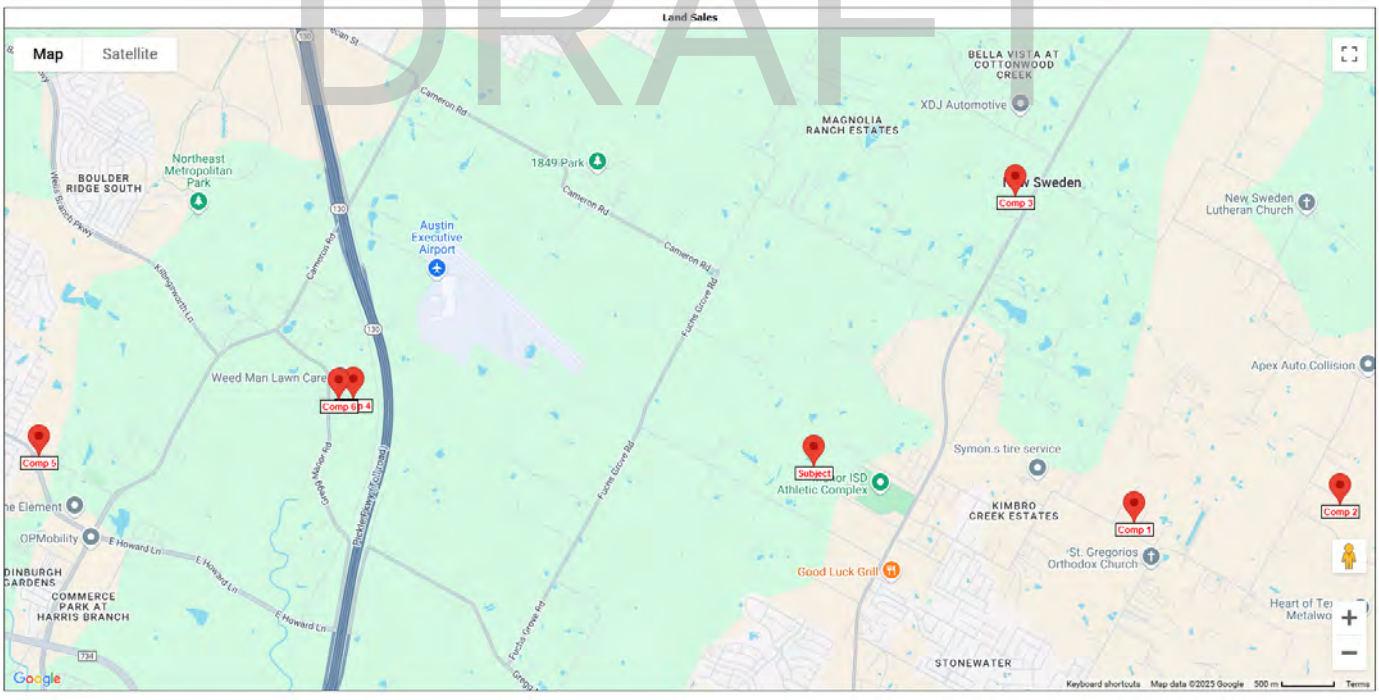
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2.5 ACRE COMMERCIAL SITE

The sales and discussion for the 2.5 acre commercial site are included below. The most comparable sales are outlined in the following chart. A detailed write-up of each land sale is provided in the addenda.

LAND SALES SUMMARY-SMALL COMMERCIAL SITE							
	Subject	**Land Sale No. 1**	**Land Sale No. 2**	**Land Sale No. 3**	**Land Sale No. 4**	**Land Sale No. 5**	**Land Sale No. 6**
ID	20871	18754	18753	18755	20966	20968	20970
Address	Gregg Lane	12906 Johnson Road	13910 Kimbro West Road	NW FM 973	6918 Lee Manor Cove	5105 Gregg Lane	6817 Lee Manor Cove
City	Manor	Manor	Manor (OCL)	Manor (OCL)	Manor (OCL)	Manor (OCL)	Manor (OCL)
County	Travis	Travis	Travis	Travis	Travis	Travis	Travis
Use at Sale	Proposed Subdivision	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land
Transaction Type		Closed Sale	Closed Sale	Closed Sale	Closed Sale	Closed Sale	Closed Sale
Financing	--	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller
Tax Account Number	259066, 962885	977851	971060	905720	460976	814408	460968
Topography	Generally level	Sloping	Generally level	Level to undulating	Gently sloping	Generally level	Gently sloping
Shape	Irregular	Near rectangular	Irregular	Rectangular	Pie shaped	Irregular	Pie shaped
Utilities	Electricity, sewer, water	Electrical, Water available	Electrical, Water available	Electrical, Water available	All available	Electricity	All available
Zoning	PUD	SF-1	OCL	OCL	OCL	OCL	OCL
Grantor	SF-1	Carl and Dian Repp	Rafael and Maria Rodriguez, et al.	Augustine Ortega	Cooplease Ltd.	Austin Parks Foundation	Running Rope, LLC
Grantee	--	Patsy M. Graham	Rogelio M. Avila	Broadhead Donohoo Investments, LLC	Ivan Struthers, et al.	5105 Gregg Lane, LLC	Triumph CS Holdings LLC
Marketing Time	--	248 days	280 days	17 days	78 days	169 days	228 days
Sale Date	--	6/6/2023	1/30/2024	4/9/2024	11/21/2024	10/30/2023	9/16/2024
Sale Price	--	$446,200	$300,000	$837,000	$550,000	$1,450,000	$529,000
Gross Land Area (Acres)	2.500 Acres	5.45 Acres	2.75 Acres	10.00 Acres	2.01 Acres	2.44 Acres	2.02 Acres
Gross Land Area (SF)	108,900 SF	237,402 SF	119,776 SF	435,644 SF	87,556 SF	106,286 SF	87,991 SF
Usable Land Area (Acres)	2.50 Acres	5.45 Acres	2.75 Acres	10.00 Acres	2.01 Acres	2.44 Acres	2.02 Acres
Usable Land Area (SF)	108,900 SF	237,402 SF	119,776 SF	435,644 SF	87,556 SF	106,286 SF	87,991 SF
Sale Price per SF	--	**$1.88**	**$2.50**	**$1.92**	**$6.28**	**$13.64**	**$6.01**
Verification	--	Broker	Broker	Broker	Broker	Broker	Broker

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LAND SALES DISCUSSION

The most comparable land sales with regard to size, location and physical characteristics have been selected. Six (6) sales are considered. The sales all occurred between 2023 and 2024. They range in size from 2.01 to 10.00 square foot, and in price from $1.88 to $13.64 per square foot.

ADJUSTMENT PROCESS

Due to the imperfect nature of real estate markets, we have analyzed the comparables through the application of adjustments based on qualitative comparison. The adjustments made are subjective and are based on market evidence as well as the appraiser's research, judgment, and experience. The adjustments are not based on a quantitative analysis tool such as "paired sales" due to the lack of paired sales data; or on multiple regression analysis, due to the lack of enough comparable sales to constitute a statistically valid sample. Therefore, the percentage adjustments summarized on the following grid should be viewed as conveying the degree of subjective adjustment applied, and not the result of a quantitative analysis. Finally, the percentage adjustments applied are reflective of different base numbers, to avoid distortion.

In our final rating of the comparable sales, we have considered the following items of comparability in forming our opinion of land value for the subject.

Property Rights Conveyed

The sales utilized in this analysis involved the transfer of the fee simple interest. All of the sales have similar property rights characteristics; no adjustments are applied.

Financial Terms

To the best of our knowledge, all of the sales utilized in this analysis were accomplished with cash and/or cash down to market-oriented financing. All of the sales have similar financing terms; no adjustments are applied.

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Conditions of Sale

Adjustments for conditions of sale usually reflect the motivations of the buyer and the seller. In many situations, the conditions of sale may significantly affect transaction prices. All of the sales used in this analysis are considered to be "arms-length" market transactions between both knowledgeable buyers and sellers on the open market. All of the sales have similar conditions of sale; no adjustments are applied.

Market Conditions

This factor considers the differences in market conditions between the time of the comparable sale and the subject's date of value. For example, a comparable property which sold during a time of better market conditions would be superior to the subject as of the date of value.

The sales all occurred in between 2023 and 2024. All of the sales have similar market conditions; no adjustments are applied.

Location/Access/Exposure

An adjustment for location is required when the location characteristics of a comparable property are different from those of the subject property. The subject is located along an interior county road just off FM 973 and adjacent to the Manor High School and sports complex as well as other single-family subdivisions of similar quality. Sale Nos. 1-3 were located much further out and were judged significantly inferior to the location of the subject; These three sales are adjusted upward. Sale Nos. 4-6 are located closer in than the subject in areas of more significant surrounding development with higher traffic counts and land values; these sales are adjusted downward accordingly.

Size

The size adjustment generally reflects the inverse relationship expressed between unit price and lot size. Smaller lots tend to sell for higher unit prices than larger lots, and vice versa. Hence, positive adjustments were made to larger land parcels, and negative adjustments were made to smaller land parcels when deemed appropriate. Sale Nos. 1 and 3 are larger in comparison to the subject and are adjusted upward accordingly. The remaining sales are similar in size and not adjusted.

Shape/Frontage

The appraised property is a corner site with two-street frontage along Gregg Road and the main entry street into the subject subdivision. Sale Nos. 2 and 3 are judged inferior and are adjusted upward. Sale No. 5 is judged superior and is adjusted downward. The remaining sales are judged similar and not adjusted.

Topography/Flood Zone

The appraised property site is generally level in topography and is not subject to floodplain. All of the sales are judged similar and no adjustments are made.

Utilities

The appraised property site will have access to utilities when extended to the subject division. Sale Nos. 4-6 are judged superior as utilities are available and connected to those three sites; these sales are adjusted downward. The remaining sales are judged similar and not adjusted.

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Zoning

The appraised property is zoned PUD. All of the sales feature similar zoning; no adjustments are applied.

PID Improvements/Utilities/Utilities

The subject is located within a PID which includes drainage work, paving, earthwork and landscaping. Additionally, the subject will have access to all public utilities. All of the sales are judged inferior in this regard as they do not benefit from PID improvements and being located further out do not have the same access to utilities. All of the sales are adjusted upward for the subject's PID improvements.

SUMMARY OF ADJUSTMENTS

Based on the comparative analysis, the table on the following page summarizes the adjustments warranted to each land sale.

LAND VALUE CONCLUSION-COMMMERCIAL SITE

Prior to adjustments, the land sales indicated prices ranging from 2023 and 2024 per square foot with an average of $5.37 per square foot. After adjustments, the land sales indicate the value of the subject site to be in the range of $3.67 to $5.65 with an average of $4.81 per square foot. The concluded commercial land value is **$5.00** per square foot.

Based upon our analysis of the land sales and knowledge of the local real estate market, we conclude that the indicated fee simple value (rounded) as of the effective date of value by the (land) sales comparison approach is **$545,000**. The Land Sales Adjustment Analysis is included on the following page.

LAND VALUE CONCLUSION

	Indicators
Subject Land Area - Acres	2.50 Acres
Subject Land Area - SF	108,900 SF
Reconciled Land Value per Square Foot	$5.00
Reconciled Land Value (Rd)	**$545,000**

LAND SALES COMPARISON ADJUSTMENT ANALYSIS-SMALL COMMERCIAL SITE

Comparable	18754	Land Sale No. 1	Land Sale No. 2	Land Sale No. 3	Land Sale No. 4	Land Sale No. 5	Land Sale No. 6
Record ID	20871	18754	18753	18755	20966	20968	20970
Address	Gregg Lane	12906 Johnson Road	13910 Kimbro West Road	NW FM 973	6918 Lee Manor Cove	5105 Gregg Lane	6817 Lee Manor Cove
City	Manor	Manor	Manor (OCL)	Manor (OCL)	Manor (OCL)	Manor (OCL)	Manor (OCL)
County	Travis	Travis	Travis	Travis	Travis	Travis	Travis
Use at Sale	--	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land	Vacant Land
Transaction Type	--	Closed Sale	Closed Sale	Closed Sale	Closed Sale	Closed Sale	Closed Sale
Financing	--	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller	Cash to Seller
Grantor	SF-1	Carl and Dian Repp	Rafael and Maria Rodriguez, et al.	Augustine Ortega	Cooplease Ltd.	Austin Parks Foundation	Running Rope, LLC
Grantee	--	Patsy M. Graham	Rogelio M. Avila	Broadhead Donohoo Investments, LLC	Ivan Struthers, et al.	5105 Gregg Lane, LLC	Triumph CS Holdings LLC
Marketing Time	--	248 days	280 days	17 days	78 days	169 days	228 days
Sale Date	--	6/6/2023	1/30/2024	4/9/2024	11/21/2024	10/30/2023	9/16/2024
Sale Price	--	$446,200	$300,000	$837,000	$550,000	$1,450,000	$529,000
Gross Land Area (Acres)	2.500 Acres	5.45 Acres	2.75 Acres	10.00 Acres	2.01 Acres	2.44 Acres	2.02 Acres
Gross Land Area (SF)	108,900 SF	237,402 SF	119,776 SF	435,644 SF	87,556 SF	106,286 SF	87,991 SF
Usable Land Area (Acres)	2.50 Acres	5.45 Acres	2.75 Acres	10.00 Acres	2.01 Acres	2.44 Acres	2.02 Acres
Usable Land Area (SF)	108,900 SF	237,402 SF	119,776 SF	435,644 SF	87,556 SF	106,286 SF	87,991 SF
Sale Price per SF	**--**	**$1.88**	**$2.50**	**$1.92**	**$6.28**	**$13.64**	**$6.01**
Transaction Adjustments							
		Similar	Similar	Similar	Similar	Similar	Similar
Property Rights		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Financing		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Conditions of Sale		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Market Conditions (Time)		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Total Transaction Adjustments		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Subtotal (per SF)		**$1.88**	**$2.50**	**$1.92**	**$6.28**	**$13.64**	**$6.01**
Physical Adjustments							
		Inferior	Inferior	Inferior	Superior	Superior	Superior
Location/Access/Exposure		75.00%	75.00%	75.00%	-10.00%	-50.00%	-10.00%
		Inferior	Similar	Inferior	Similar	Similar	Similar
Size		10.00%	0.00%	15.00%	0.00%	0.00%	0.00%
		Similar	Inferior	Inferior	Similar	Superior	Similar
Shape/Frontage		0.00%	5.00%	5.00%	0.00%	-10.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Topography		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Superior	Superior	Superior
Utilities		0.00%	0.00%	0.00%	-10.00%	-10.00%	-10.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Zoning		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
		Similar	Similar	Similar	Similar	Similar	Similar
PID Improvements		10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
		Similar	Similar	Similar	Similar	Similar	Similar
Total Physical Adjustments		95.00%	90.00%	105.00%	-10.00%	-60.00%	-10.00%
Overall Qualitative Adjustment		**Inferior**	**Inferior**	**Inferior**	**Superior**	**Superior**	**Superior**
Indicated Price per SF		**$3.67**	**$4.76**	**$3.94**	**$5.65**	**$5.46**	**$5.41**

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COST APPROACH

The Cost Approach is based upon various cost sources including the Marshall & Swift Valuation Service handbook as well as discussions with local builders and contractors and discussions regarding the projected construction cost with the developer as well as comparison of recent development cost per lot of similar developments in the area. The Cost Approach is the indication of value produced by adding the depreciated replacement cost of the building as if new and the site improvements to the estimated value of the land.

DIRECT COSTS

Direct costs include labor, materials, contractor overhead, design fees, engineering costs, architectural fees, financing, interest and holding costs during construction, etc. Based on the estimate of total site improvements, the total direct cost new of the appraised property development is shown to be $14,029,917 (as complete), which is equivalent to $40,000 per lot plus landscaping, engineering (7.5% of hard costs and landscaping), electrical and mailbox costs, etc.

INDIRECT COSTS

Indirect costs include developer's profit and taxes on land during construction and entrepreneurial profit. Indirect costs associated with the construction are estimated to total 10.0%. Other indirect costs are estimated to be $1,402,992. Entrepreneurial profit is estimated at 15.0% of direct costs, or $2,314,936. Total indirect costs are estimated to be $3,717,928.

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TOTAL DEVELOPMENT COST NEW

The total development cost new therefore is estimated to be $17,747,845 (as proposed). The estimated cost new is judged reasonable and is reflective of the construction bid of the proposed improvements based on cost projections from the developer and from our experience with comparable subdivisions in the area. Excluding entrepreneurial profit, the total direct and other indirect cost is estimated to be $15,432,909.

LESS ACCRUED DEPRECIATION

Depreciation typically includes physical depreciation as well as functional and economic obsolescence. The property is not judged to suffer from functional or economic obsolescence, as of the projected date of completion, May 10, 2026. No physical depreciation adjustment is applied due to the age and condition of the improvements. The total depreciated replacement cost new is equal to $17,747,845.

COST APPROACH CONCLUSION

The indicated "As IS" and "As Complete" market value of the appraised property by the Cost Approach is the addition of the Replacement Cost to the Estimated Land Value or as follows:

COST APPROACH CONCLUSION		
	As Is	As Complete
Land Value	$4,995,000	$4,995,000
Depreciated Cost		$17,747,845
Reconciled Value by the Cost Approach	$4,995,000	$22,745,000

The calculations of the cost approach are included as follows:

COST APPROACH SUMMARY (AS IS)			
Replacement Cost New		**Total**	**Total Cost**
Hard Costs-Utilities, Roads, Dirt Work, etc.		$10,440,000	
Landscaping		$1,900,000	
Engineering, planning, etc.		$1,234,000	
SWPPP, Electrical, Mailboxes, etc.		$455,917	
Total Direct Costs			**$14,029,917**
Plus: Other Indirect Costs (% of Direct Costs)	10.0%	$1,402,992	
Subtotal Replacement Cost New			**$15,432,909**
Plus: Entrepreneurial Profit (% of RCN)	15.0%	$2,314,936	
Total Replacement Cost New (RCN)			**$17,747,845**
Less Accrued Depreciation	**as %**		
Total Physical Deterioration	0.00%	$0	
Functional Obsolescence	0.00%	$0	
External Obsolescence	0.00%	$0	
Total Depreciation	0.00%	$0	
Depreciated Replacement Cost New			**$17,747,845**
Plus Land Value			**$4,995,000**
Value Indication			
Indicated Value by Cost Approach			**$22,742,845**
Rounded			**$22,745,000**

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INCOME APPROACH - 261 PROPOSED SINGLE-FAMILY LOTS

For purposes of the Income Approach, the individual market value of the existing lots must be estimated. In this initial analysis the appraisers are estimating the market value of the individual lots using the Sales Comparison Approach.

In the Sales Comparison Approach, the appraisers estimate the value of the existing lots by comparing them to similar, recently sold lots in the competing area. Inherent in this approach is the principle of substitution, which holds that when a property is replaceable in the market, its value tends to be set at the cost of acquiring an equally desirable substitute property assuming that no costly delay is encountered in developing the substitution.

By analyzing sales that qualify as arms-length transactions between willing and knowledgeable buyers and sellers, the appraisers can identify value and price trends. The properties must be comparable to the subject in physical, locational, and economic characteristics. The basic steps of this approach are:

1. Research recent, relevant property sales and current offerings throughout the competitive area;
2. Select and analyze properties that are similar to the subject;
3. Identify sales that include favorable financing and calculate the cash equivalent price;
4. Reduce the sale prices to a common Unit of comparison;
5. Make appropriate adjustments to the prices of the comparable properties;
6. Interpret the adjusted sales data and provide an opinion of value.

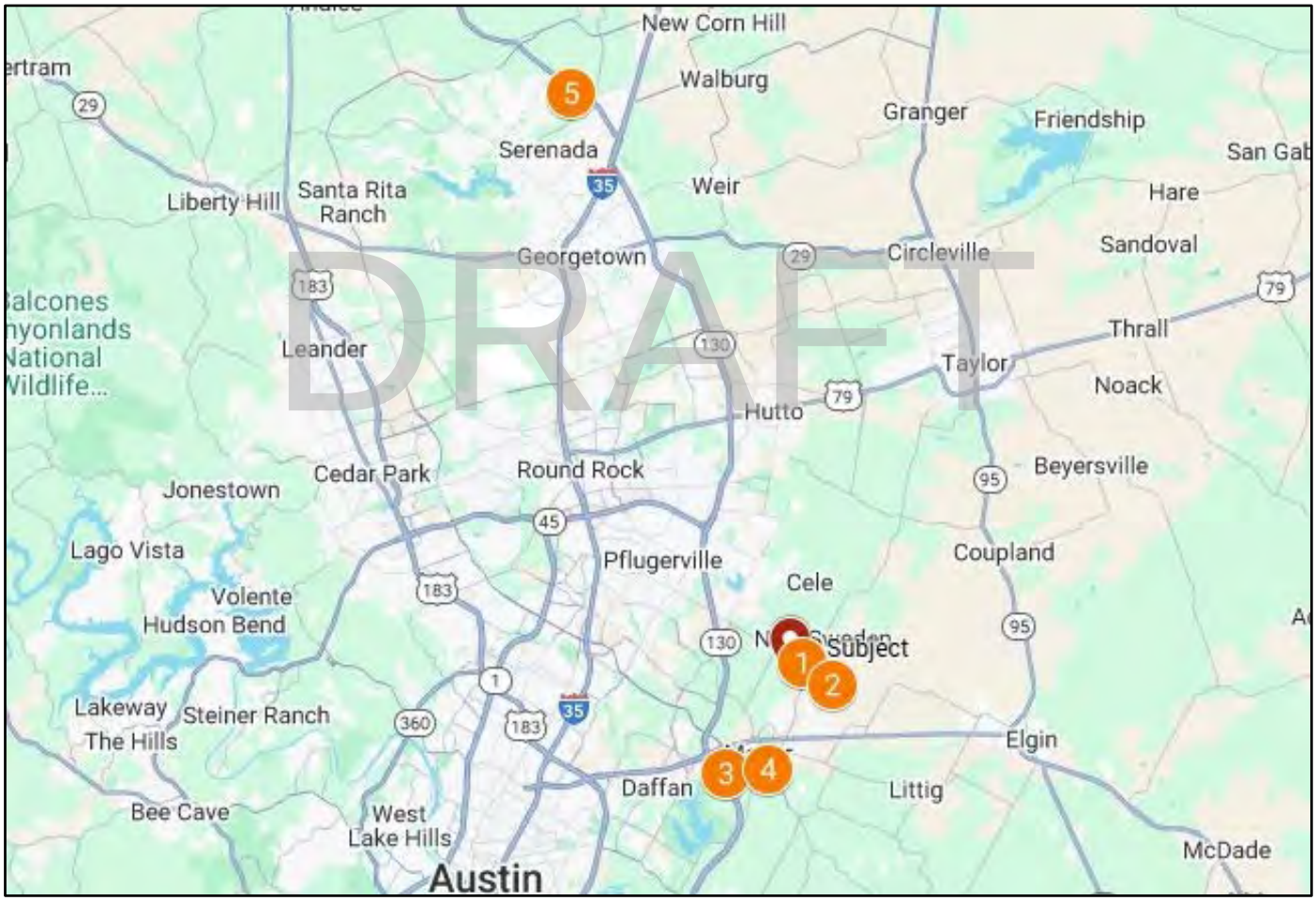
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The first objective of this approach is to value the subject residential lots in a finished condition. Finished lots are defined as having interior streets and utilities complete to the lot.

COMPARABLE LOT SALES

The table and map on the following page summarize the most meaningful comparable lot sales data in the area. Five comparable groups of lot sales (ranging from 87 to 165 lot sales each) ranging in total lot price from $86,000 to $114,000 with an average of $103,000. The lots range in size per FF from 50’ to 60’. Four of the sales are located in the immediate Manor area including two in the subject subdivision. One is the sale of comparable lots in the nearby community of Georgetown.

LOT SALE COMPARABLES										
Sale No.	Project Address/Location	Buyer Seller	Lot Type Front Feet	Sale Date	Bulk Sale Price Purchase Type	# of Lots	Lot Price	$ per FF	Avg Home Price	Lot to Home Ratio
Subj.	Newhaven PID Manor, Texas		Proposed	Subject lots						
			50'			174	N/A		$452,000	N/A
			60'			87	N/A		$608,000	N/A
1	Newhaven PID	Brightland	Proposed		$9,353,000	94		$1,990	$462,500	22%
	Manor, Texas	Gregg Lane Dev.	50'	U/C 2025	Takedown		$99,500			
2	Newhaven PID	Westin Homes	Proposed		$17,878,000	160			$462,500	24%
			50			80	$99,500	$1,990		
	Manor, Texas	Gregg Lane Dev.	60'	U/C 2025	Takedown	87	$114,000	$1,900		
3	Wildhorse Ranch	Pulte Homes	Finished		$17,784,000	156		$2,280	$575,000	20%
	Manor, Texas	Developer	50'	U/C 2025	Bulk Sale Price		$114,000			
4	Lagos Manor	Tripoint Homes	Finished		$9,632,000	112		$1,720	$425,000	20%
	Manor, Texas	Developer	50'	2024	Bulk Sale Price		$86,000			
5	Berry Creek Highlands	Chesmar Homes	Finished		$17,325,000	165		$2,100	$475,000	22%
	Georgetown Texas	Developer	50'	2024	Bulk Sale Price		$105,000			
	Average					**$80,917**	**$103,000**	**$2,023**	**$480,000**	**17%**



Discussion of Lot Sales

The data search focused on builder takedown or bulk lot sales of similar sized lots in locally competing subdivisions and in similar priced subdivisions in surrounding market area. In our search, sales, pending sales, offers, and/or listings were researched and confirmed. The most comparable data were specifically analyzed and reported herein. Note that builder lot sales that do occur are often very difficult to confirm and research for critical information. The comparable sales utilized were the best available to the appraisers. All

are similar lots in similar priced single family residential communities with similar priced homes and similar lot sizes.

The subject lots are being developed as 50' and 60' lots to be sold to homebuilders. Most comparable lots in the area have historically been sold on takedown basis to area builders or on a bulk basis (sometimes with a discount given to the builder for a bulk sale price). The appraisers have chosen five comparable lot sales for the adjustment process including two current contracts in the subject subdivision. These sales are analyzed on a price per front foot basis which is the normal basis of comparison for lots in this price range.

Adjustments to the Comparables – Lot Sales

An adjustment grid has been utilized to estimate market value for the subject lots. The adjustments for the subject single-family lots were applied to the whole lot price. In order to value the subject lots, the comparable transactions were adjusted to reflect differences with the subject in regard to various categories that affect market value. If a comparable has an attribute that is considered superior to that of the subject, it is adjusted downward to negate the effect the item has on the price of the comparable. The opposite is true of categories that are considered inferior to the subject and are adjusted upward. The adjustment process considered variations in property rights conveyed, financing terms, conditions of sale, change in market conditions, location, physical and economic characteristics.

Property Rights Conveyed

The subject and the comparables reflected fee simple transactions. No adjustments were warranted. All of the sales were builder takedown and/or builder bulk lot purchases which are judged to be typical for the subject market. Although a bulk discount is sometimes given to builders for bulk lot sales, the sales utilized did not indicate that any discount was given; therefore, no adjustment was made.

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Financing

All of the transactions were "arms-length" market sales on a per lot basis and per lot pricing in the comparable analysis. No adjustments were warranted.

Conditions of Sale

Only comparables with typical conditions of sale were considered in the analysis and no adjustments for condition of sale were considered.

Market Conditions

Because current economic conditions reflect real estate market volatility, the appraisers have considered the difference in market conditions between the time of the comparable sale and the date of value. All of the comparable sales are fairly recent having occurred in 2024 through 2025. As the market is generally stable at the present time, no time adjustment has been applied.

Other Adjustments

Before adjustments, these lots range in pricing from $86,000 to $151,556 per lot. Sale Nos. 3 and 5 are judged to be slightly superior being located in subdivisions with more amenities and higher home pricing. Downward adjustments are made to these two sales for their superior locations. All of the sales are 50-foot lots so no size adjustments are made. After adjustments, the sales indicate values ranging from $94,500 to $108,300 per front foot with a mean of $99,710. The concluded market value is **$100,000** per lot for the subject 50-foot lots. When the price per Front Foot is applied to the 60-foot lots, the lot price for the subject

60-foot lots is $120,000. This gives an average lot price for the subject based on the number of lots in each size group of $106,667.

50' SFR Lots	
Price Range	**Lot Price**
High	$108,300
Low	$94,500
Average	$99,710

Lot Type	Finished Lot Price
50' SFR Lots	$100,000
60' SFR Lots	$120,000
Ind Avg Value/Lot	$106,667

COMPARABLE LOT SALES ADJUSTMENT GRID

Based on the preceding discussion, adjustments to the lot sales are outlined in the tables on the following page.

LOT ADJUSTMENT GRID											
Comparable No.	**Subject**		**COMPARABLE SALE 1**		**COMPARABLE SALE 2**		**COMPARABLE SALE 3**		**COMPARABLE SALE 4**		**COMPARABLE SALE 5**	
Location	Newhaven PID Manor, Texas Subject lots		Newhaven PID Manor, Texas		Newhaven PID Manor, Texas		Wildhorse Ranch Manor, Texas		Lagos Manor Manor, Texas		Berry Creek Highlands Georgetown Texas	
Sale Price/Lot			$99,500		$99,500		$114,000		$86,000		$105,000	
Verification Source	Subject Contract		Seller		Seller		Seller		Seller			
VALUE ADJUSTMENTS	**DESCRIPTION**		**DESCRIPTION**	**+(-) $ Adjust**	**DESCRIPTION**	**+(-) $ Adjust**	**DESCRIPTION**	**+(-) $ Adjust**	**DESCRIPTION**	**+(-) $ Adjust**	**DESCRIPTION**	**+(-) $ Adjust**
	0		Takedown		Takedown		Bulk Sale		Bulk Sale		Bulk Sale	
Sale or Financing		$ -		$ -		$ -	Price	$ -	Price	$ -	Price	$ -
Concessions	None	$ -	None	$ -	None	$ -	None	$ -	None	$ -	None	$ -
Property Rights	Fee Simple	$ -	Fee Simple	$ -	Fee Simple	$ -	Fee Simple	$ -	Fee Simple	$ -	Fee Simple	$ -
Date of Sale/Time	Current	$ -	U/C 2025	$ -	U/C 2025	$ -	U/C 2025	$ -	2024	$ -	2024	$ -
Adjusted to Market Price		**$ -**		**$ 99,500**		**$ 99,500**		**$114,000**		**$ 86,000**		**$ 105,000**
Location	Similar	$ -	Similar	$ -	Similar	$ -	Superior	$ (5,700)	Inferior	$ 10,750	Superior	$ (10,500)
Site Characteristics	Similar	$ -	Similar	$ -	Similar	$ -	Similar	$ -	Similar	$ -	Similar	$ -
Impact Fees	Paid	$ -	Paid	$ -	Paid	$ -	Paid	$ -	Paid	$ -	Paid	$ -
Other - Easements	None	$ -	None	$ -	None	$ -	None	$ -	None	$ -	None	$ -
Lot FF	50'	$ -	50	$ -	50	$ -	50	$ -	50	$ -	50	$ -
Net Adjustment (Total)				**$ -**		**$ -**		**$ (5,700)**		**$ 10,750**		**$ (10,500)**
Adjusted Sale Price		**$ -**		**$ 99,500**		**$ 99,500**		**$108,300**		**$ 96,750**		**$ 94,500**

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DISCOUNTED CASH FLOW ANALYSIS – INCOME APPROACH

The Income Approach is used by developers to determine the price they can afford to pay for the property and assuming support of a development, utilizing discounted cash flow analysis considering the likely absorption, pricing and selling expenses associated with the development. The residual value conclusion results from taking into account anticipated sales revenues of the lots, costs of infrastructure construction, administration and sales/closing, absorption timing and return expectations. The appraisers developed "market based" build-out models to conclude the following:

In order to derive sales revenue, the retail values of the finished lots were estimated via the sales comparison approach. The resulting cash flows will be discounted into an as is market value estimate.

TIMING AND ABSORPTION

The absorption rates experienced by competing custom home residential subdivisions were discussed in the Residential Market Overview section of the report and a projection was made as to the subject lot sellout. Supported with the market study and historic lot sales in the area, the subject should be able to absorb housing at levels noted in the following schedule. Lot prices are projected to increase at a rate of 1.25% per quarter after the first quarter based on price increasing shown in the subject and competing subdivisions over the past several years and projected based partially on increased development cost and inflation.

The abruption projections and gross revenue projections are outlined in the chart on the following page.

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ABSORPTION PROJECTIONS AND GROSS REVENUE

Quarterly Analysis		Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Q13	Total
Type	**Lots**	**Projected Absorption**													
Absorption from Demo Stats															
Newhaven PID	261	21	21	21	21	21	21	21	21	22	22	22	22	5	**261**
Total Absorption	**---**	**21**	**21**	**21**	**21**	**21**	**21**	**21**	**21**	**22**	**22**	**22**	**22**	**5**	**261**
Type	**Revenue Per Lot**	**Projected Absorption**													
Newhaven PID	261	21	21	21	21	21	21	21	21	22	22	22	22	5	
Price/Lot	$106,667	$106,667	$108,267	$109,891	$111,539	$113,212	$114,910	$116,634	$118,383	$120,159	$121,962	$123,791	$125,648	$127,533	
Aggregate Revenue		$2,240,000	$2,273,600	$2,307,704	$2,342,320	$2,377,454	$2,413,116	$2,449,313	$2,486,053	$2,643,503	$2,683,155	$2,723,402	$2,764,254	$637,663	**$30,341,536**
Aggregate Revenue		**$2,240,000**	**$2,273,600**	**$2,307,704**	**$2,342,320**	**$2,377,454**	**$2,413,116**	**$2,449,313**	**$2,486,053**	**$2,643,503**	**$2,683,155**	**$2,723,402**	**$2,764,254**	**$637,663**	**$30,341,536**
Note: Quarterly inflation		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	

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COSTS, REIMBURSEMENTS AND EXPENSES (SOFT COSTS)

These costs are attributable to the sellout of the existing subject lots “as complete”.

MUNICIPAL/DISTRICT REIMBURSEMENTS

The appraisers have not included any potential for reimbursement associated with previously spent infrastructure.

INFRASTRUCTURE COSTS

The single-family lots “as complete” will be in a finished condition with no remaining infrastructure costs. No additional costs associated with the existing development have been included.

SALES COMMISSIONS, TITLE AND CLOSING COSTS

It is necessary to include sales commissions in the pro forma plus additional title and closing costs. These costs are typical for a land broker to sell the property over the absorption period. Since the subject lots are sold directly to homebuilders, it is judged that closing costs, marketing costs and administration costs will be slightly lower than those reflected when finished lots are sold to on a retail basis. Typically, a total 5.0% cost for sales commissions, title and closing costs would be appropriate. However, lower than typical sales commissions for the subject subdivision are projected as the lots will be sold to homebuilders. An estimate of 2.0% is judged appropriate for sales commissions, title and closing costs.

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MARKETING/ADVERTISING COSTS

An average sales and marketing allowance is warranted, and brokers suggest 1.0% to 2.0% of sales revenue is adequate. The appraisers have deducted a 1.5% marketing/advertising costs to the developer on an annual basis over the projected holding period.

GENERAL ADMINISTRATIVE/OVERHEAD COSTS AND TAXES

Over the duration of the project, the developer's staff and/or hired consultants will have to oversee all aspects of acquisition and periodic site inspections, financial reporting, etc. Per a review of similar cost budgets from comparable developments, general and administrative expenses typically range from 2.0% to 4.0%, trending to lower expense ratios, especially as reported in the current inflationary period. The appraisers have estimated an allowance of 2.0% of gross sales for general and administration/overhead costs and/or equivalent management fee.

AD VALOREM TAXES

Total taxes are currently assessed under an agricultural exemption for a larger parent tract. We have calculated the tax burden based on a projected assessed value of $20,000 per lot based on assessed values of inventory held lots in the similar surrounding subdivisions. We have included a line-item cost to reflect declining inventory as Units are sold with annual increases in lot assessed values as the sellout is approximately 13 quarters. Taxes are deducted on a quarterly basis per the lot sales projection. The tax payment for each quarter is based on an average of the number of lots held in inventory at the beginning of the quarter and the number of lots held at the end of the quarter. Therefore, for the 1st Quarter taxes are calculated as an average of 261 lots at the beginning of the quarter and 241 lots at the end of the quarter or

an average of 251 times the estimated annual ad valorem tax burden divided by 4 (per quarter) for the first quarter. Taxes are based on quarterly projected sales and reduction in inventory.

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Quarterly Tax Projections - Proposed Lots															
		Total Income Projections													
Quarterly Revenue Source	**No. of Lots**	**Q1**	**Q2**	**Q3**	**Q4**	**Q5**	**Q6**	**Q7**	**Q8**	**Q9**	**Q10**	**Q11**	**Q12**	**Q13**	
Subtotal Finished Lots	261	261	240	219	198	177	156	135	114	93	71	49	27	5	
Lot Sales		21	21	21	21	21	21	21	21	22	22	22	22	5	
Lots Remaining		**240**	**219**	**198**	**177**	**156**	**135**	**114**	**93**	**71**	**49**	**27**	**5**	**0**	
Assessed Value/Lot	**$20,000**	**$ 20,000**	**$ 20,300**	**$ 20,605**	**$ 20,914**	**$ 21,227**	**$ 21,546**	**$ 21,869**	**$ 22,197**	**$ 22,530**	**$ 22,868**	**$ 23,211**	**$ 23,559**	**$ 23,912**	
Remaining Ass Vle		**$ 5,010,000**	**$ 4,658,850**	**$ 4,296,038**	**$ 3,921,294**	**$ 3,534,341**	**$ 3,134,896**	**$ 2,722,674**	**$ 2,297,379**	**$ 1,847,448**	**$ 1,372,068**	**$ 882,011**	**$ 376,944**	**$ 59,781**	
Tax Rate/$100		0.02588814	0.02588814	0.02588814	0.02588814	0.02588814	0.02588814	0.02588814	0.02588814	0.02588814	0.02588814	0.02588814	0.02588814	0.02588814	
Taxes - per Quarter		**$ 32,425**	**$ 30,152**	**$ 27,804**	**$ 25,379**	**$ 22,874**	**$ 20,289**	**$ 17,621**	**$ 14,869**	**$ 11,957**	**$ 8,880**	**$ 5,708**	**$ 2,440**	**$ 387**	
		1.015	1.015	1.015	1.015	1.015	1.015	1.015	1.015	1.015	1.015	1.015	1.015	1.015	

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REVENUE APPRECIATION

Based on trends in the market we believe prices to be stabilized and should follow heightened inflationary trends in the near future; price increases of 6.0% per annum, or 1.5% per quarter are projected.

PROFIT

Typically, developer profit is accounted for in the overall discount rate selection, which is typical market practice and similar to the Korpacz market rate reporting. The discount rates referred to later as per most studies, includes developers profit as well as risk of capital.

DISCOUNT RATE

Based upon the projected sell-out period, the current status of the subject's entitlements and estimated risk in the development process, an appropriate discount rate must be selected in arriving at an "as complete" discounted value. In estimating an "as complete" value, the appraiser would project a sell-out period for the bulk parcel at an appropriate market supported absorption rate. Based on the limited amount of risk involved in sellout of finished lots, an appropriate discount rate below what would be used for subdivision development would be employed. Thus, a market supported discount rate would be applied to the net cash flows in arriving at an "as complete" value. Typically, an "all in" discount rate, which includes developer profit, would be utilized in discounting the net cash flows in arriving at an "as complete" value.

In addition, the appraisers have reviewed Korpacz and Realty Rate surveys regarding discounts rates (free and clear) for subdivision and development properties. It should be noted the Korpacz is primarily focused on discount rates for residential land development, prior to development. The most recent Korpacz survey related to undeveloped land is as of 1st Quarter 2025.

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DISCOUNT RATES (IRRS)

Subdivision Discount Rates SFR
FREE and CLEAR

	Korpacz 1st Quarter 2025	Realty Rates 1st Quarter 2025
Range	12.0% - 30.0%	15.30%-30.82%
Average	17.00%	22.14%

Note: Rate on unleveraged, all-cash transactions; including developer's profit

The most recent PWC Korpacz survey (1Q 2025) listed free and clear discount rates for finished subdivision developments warranting on site infrastructure, ranging from a low of 12% to a high of 30% with an average of 17.0%. The 1st Quarter 2025 RealtyRates Developer Survey indicates Discount rates for finished site built residential subdivisions of 100 to 500 Units to be in the 15.3% to 30.82% range and average 22.14%. However, both the Korpacz and the RealtyRates Surveys are for development land and include development risk (timing, financing, etc.). Discount rates for projects that have entitlements in established developments, like the subject, are typically at the lower end of the range of the above noted rates. Discount rates for longer projections are typically slightly higher than those with very short sellout projections. The discount rate added to the developer's profit, as combined, is judged to approximate the discount rate reported by RealtyRates.

The greatest risk for development is when a property is in the raw land stage; however, is an extension of a much larger, successful development. As the development progresses through the different stages, the risk is reduced. For this assignment, the subject will contain only finished lots, which carry the lowest risk. Additionally, new home development in the Austin market area is currently projected to remain stable and home builders and developers indicate continued and stable demand, for the luxury home product, and limited "on ground" available inventory, increasing demand for developed lots. Therefore, we have considered a range of discount rates at the lower end to below the range of rates reflected by the above rates as the subject is existing/developed and the surveyed rates are for proposed projects.

Considering the subject property represents 261 lots with a 13-quarter sellout projection located within a high demand area relatively distant from dense population centers, within a proven development and PID funding in place; investment risk is below average. A discount rate of 16.0% to 18.0% say 17% (including both developers profit and cost of capital) has been selected based on growth, economics and the completed status of the development.

Discount Rate and Risk Comparisons		
Factor	**Characteristic**	**Risk Rating**
Property Location		
Regionally	Travis	Low
Locally	Newhaven PID	Medium
Property Type Supply/Demand		
Nationally	Stable at historical low levels	Low
State	Year over year growth at historically low levels, but most areas exceed the national trend	Medium
Local	Growing new home demand, limited supply	Low
Property Status	Next phase of development	Low
Build Out Timeline (Years)	3 years	Low
Pending Sales	Yes	Low
Household Income	Mid-Upper	Low
Proposed Home Pricing	At the mid-range of the competitive market	Low
Overall Risk Rating		**Low to Low Medium**
Applicable Discount Rate Range		**16.00% to 18.00%**

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INCOME APROACH VALUE CONCLUSION

The appraisers employed the Excel spreadsheet program. It should be noted, the cash flow is discounted quarterly. A spreadsheet showing our assumptions and calculations are located on the following page. The cash flow is shown both including and excluding developers profit within the same DCF summary. It is noted that the concluded market value is based on the initial scenario wherein developer's profit is inherent in the market derived discount rate which is the typical method utilized in the market. The value including developer's profit as a line item is slightly lower than the value indication wherein developer's profit is inherent in the discount rate and not deducted as a line item. Both indications are included in the DCF chart below. Primary emphasis is placed on the first approach wherein a market derived discount rate is utilized in which the developer's profit is inherent in the rate.

Based on our discounted cash flow, utilizing an appropriate discount rate, the indicated “as is” value of the subject, as of May 10, 2026, is $21,595,000. When the previously concluded market value of the 2.5 acre commercial site and the parkland is included, the total market value of the Newhaven PID from the Income Approach (DCF Analysis) is $22,140,000.

"As Proposed" Market Value				
Low to High Survey Rate Increments	Quarterly Discount	Net Present Value	NPV Rounded	NPV Per Lot
16.00%	4.00%	$21,925,951	$21,925,000	$84,004
16.50%	4.13%	$21,758,304	$21,760,000	$83,372
17.00%	**4.25%**	**$21,592,526**	**$21,595,000**	**$82,739**
17.50%	4.38%	$21,428,593	$21,430,000	$82,107
18.00%	4.50%	$21,266,479	$21,265,000	$81,475

Value Conclusion	**261 Lots**	**$21,595,000**	
Add Contributory Value of Commercial Land		**$545,000**	
Add Contributory Value of Parkland		**$1,020,000**	
Concluded Market Value by the Income Approach		**$22,140,000**	

The calculations of the DCF are shown on the following page.

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Lot Sellout Discounted Cash Flow Analysis															
Revenue		**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**Total**
Gross Revenue (Inflated)		**$2,240,000**	**$2,273,600**	**$2,307,704**	**$2,342,320**	**$2,377,454**	**$2,413,116**	**$2,449,313**	**$2,486,053**	**$2,643,503**	**$2,683,155**	**$2,723,402**	**$2,764,254**	**$637,663**	**$30,341,536**
Expenses, Cost of Sales															
Commission/Closing Costs	-2.0%	-$44,800	-$45,472	-$46,154	-$46,846	-$47,549	-$48,262	-$48,986	-$49,721	-$52,870	-$53,663	-$54,468	-$55,285	-$12,753	-$606,831
Marketing	-1.5%	-$33,600	-$34,104	-$34,616	-$35,135	-$35,662	-$36,197	-$36,740	-$37,291	-$39,653	-$40,247	-$40,851	-$41,464	-$9,565	-$455,123
Administrative	-2.0%	-$44,800	-$45,472	-$46,154	-$46,846	-$47,549	-$48,262	-$48,986	-$49,721	-$52,870	-$53,663	-$54,468	-$55,285	-$12,753	-$606,831
Property Tax		-$32,425	-$30,152	-$27,804	-$25,379	-$22,874	-$20,289	-$17,621	-$14,869	-$11,957	-$8,880	-$5,708	-$2,440	-$387	-$220,785
Total Expenses		**-$155,625**	**-$155,200**	**-$154,728**	**-$154,206**	**-$153,634**	**-$153,011**	**-$152,333**	**-$151,602**	**-$157,349**	**-$156,454**	**-$155,496**	**-$154,474**	**-$35,458**	-$1,889,570
Net Cash Flow		**$2,084,375**	**$2,118,400**	**$2,152,976**	**$2,188,113**	**$2,223,820**	**$2,260,106**	**$2,296,979**	**$2,334,451**	**$2,486,153**	**$2,526,702**	**$2,567,907**	**$2,609,780**	**$602,205**	$28,451,967
Present Value Factor	**17.0%**	0.95923	0.92013	0.88262	0.84663	0.81212	0.77901	0.74725	0.71679	0.68757	0.65954	0.63265	0.60686	0.58212	
Present Value		**$1,999,401**	**$1,949,197**	**$1,900,251**	**$1,852,531**	**$1,806,007**	**$1,760,647**	**$1,716,424**	**$1,673,309**	**$1,709,398**	**$1,666,454**	**$1,624,586**	**$1,583,766**	**$350,554**	$21,592,526
Running total	261	21	21	21	21	21	21	21	21	22	22	22	22	5	

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RECONCILIATION

The value of the appraised single-family subdivision and commercial land is derived utilizing the Sales Comparison Approach to estimate the land value of the development for inclusion in the Cost Approach and the individual lot values; the Cost Approach reflects the cost of development plus land value; and the Income Capitalization Approach to indicate the value of the entire property as if sold as a single transaction. The comparable lot sales are judged to closely bracket the appraised property and are adequate in supporting absorption projections. Demographic analysis was also utilized in support as well as market indications.

The final market value conclusion including both the proposed lots, 2.5 acre tract of commercial land and the parkland, “as complete” is based primarily upon the Cost Approach and the Income Approach.

The concluded “As Is” values of the subject proposed single-family lots and commercial and parkland, is outlined as follows:

MARKET VALUE CONCLUSION			
Appraisal Premise	**Interest Appraised**	**Date of Value**	**Value Conclusion**
Market Value (As Is)	**Fee Simple**	**May 10, 2025**	**$4,995,000**
Prospective Market Value (As Complete)	**Fee Simple**	**May 10, 2026**	**$22,500,000**

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CERTIFICATION

We certify to the best of our knowledge and belief:

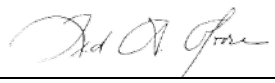
1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report and have no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. Compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the Client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
8. Franklin L. Flato, MAI and Ted A. Moore, MAI have both made a personal inspection of this property on May 10, 2025. No one provided significant real property appraisal assistance to the person(s) signing this certification.
9. The appraisers have not performed any services regarding the subject within the three-year period immediately preceding acceptance of this assignment.
10. This appraisal assignment was not based upon a requested minimum valuation, a specific valuation, or the approval of a loan.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
12. As of the date of this report, Franklin L. Flato, MAI and Ted A. Moore, MAI have both completed the continuing education program of the Appraisal Institute.
13. Franklin L. Flato, MAI and Ted A. Moore, MAI both have extensive experience in the appraisal of similar properties and are both licensed by the State of Texas.

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FLATO REALTY ADVISORS, LLC



Franklin L. Flato, MAI
President
Certified General Real Estate Appraiser
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E-Mail: franklin@flato-rea.com



Ted A. Moore
Staff Appraiser
Certified General Real Estate Appraiser
Texas – 1320476 G; Exp. 1/31/2027
Email: ted@flato-rea.com

ASSUMPTIONS AND LIMITING CONDITIONS

1. Unless otherwise specifically noted in the body of the report, it is assumed that title to the property or properties appraised is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. Flato Realty Advisors, LLC is not aware of any title defects, nor has it been advised of any unless such is specifically noted in the report. However, Flato Realty Advisors, LLC has not examined title and makes no representations relative to the condition thereof. Documents dealing with liens, encumbrances, easements, deed restrictions, clouds and other conditions that may affect the quality of title have not been reviewed. Insurance against financial loss resulting in claims that may arise out of defects in the subject's title should be sought from a qualified title company that issues or insures title to real property.

2. Unless otherwise specifically noted in the body of this report, it is assumed: that the existing improvements on the property or properties being appraised are structurally sound, seismically safe and code conforming; that all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; that the roof and exterior are in good condition and free from intrusion by the elements; that the property or properties have been engineered in such a manner that the improvements, as currently constituted, conform to all applicable local, state, and federal building codes and ordinances. Flato Realty Advisors, LLC professionals are not engineers and are not competent to judge matters of an engineering nature. Flato Realty Advisors, LLC has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. Unless otherwise specifically noted in the body of the report: no problems were brought to the attention of Flato Realty Advisors, LLC by ownership or management; Flato Realty Advisors, LLC inspected less than 100% of the entire interior and exterior portions of the improvements; and Flato Realty Advisors, LLC was not furnished any engineering studies by the owners or by the party requesting this appraisal. If questions in these areas are critical to the decision process of the reader, the advice of competent engineering consultants should be obtained and relied upon. It is specifically assumed that any knowledgeable and prudent purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems. Structural problems and/or building system problems may not be visually detectable. If engineering consultants retained should report negative factors of a material nature, or if such are later discovered, relative to the condition of improvements, such information could have a substantial negative impact on the conclusions reported in this appraisal. Accordingly, if negative findings are reported by engineering consultants, Flato Realty Advisors, LLC reserves the right to amend the appraisal conclusions reported herein.

3. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property was not observed by the appraisers. Flato Realty Advisors, LLC has no knowledge of the existence of such materials on or in the property. Flato Realty Advisors, LLC, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The Client is urged to retain an expert in this field, if desired.

   Flato Realty Advisors, LLC has inspected, as thoroughly as possible by observation, the land; however, it was impossible to personally inspect conditions beneath the soil. Therefore, no representation is made as to these matters unless specifically considered in the appraisal.

4. All furnishings, equipment, and business operations, except as specifically stated and typically considered as part of real property, have been disregarded with only real property being considered in the report unless otherwise stated. Any existing or proposed improvements, on or off-site, as well as any alterations or repairs considered, are assumed to be completed in a workmanlike manner according to standard practices based upon the information submitted to Flato Realty Advisors, LLC. This report may be subject to amendment upon re-inspection of the subject subsequent to repairs, modifications, alterations and completed new construction. Any estimate of Market Value is as of the date indicated; based upon the information, conditions and projected levels of operation.

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5. It is assumed that all factual data furnished by the Client, property owner, owner's representative, or persons designated by the Client or owner to supply said data are accurate and correct unless otherwise specifically noted in the appraisal report. Unless otherwise specifically noted in the appraisal report, Flato Realty Advisors, LLC has no reason to believe that any of the data furnished contain any material error. Information and data referred to in this paragraph include, without being limited to, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any material error in any of the above data could have a substantial impact on the conclusions reported. Thus, Flato Realty Advisors, LLC reserves the right to amend conclusions reported if made aware of any such error. Accordingly, the Client should carefully review all assumptions, data, relevant calculations, and conclusions within 30 days after the date of delivery of this report and should immediately notify Flato Realty Advisors, LLC of any questions or errors.

6. The date of value to which any of the conclusions and opinions expressed in this report apply, is set forth in the Letter of Transmittal. Further, that the dollar amount of any value opinion herein rendered is based upon the purchasing power of the American Dollar on that date. This appraisal is based on market conditions existing as of the date of this appraisal. Under the terms of the engagement, we will have no obligation to revise this report to reflect events or conditions that occur subsequent to the date of the appraisal. However, Flato Realty Advisors, LLC will be available to discuss the necessity for revision resulting from changes in economic or market factors affecting the subject.

7. Flato Realty Advisors, LLC assumes no private deed restrictions, limiting the use of the subject in any way.

8. Unless otherwise noted in the body of the report, it is assumed that there are no mineral deposits or subsurface rights of value involved in this appraisal, whether they be gas, liquid, or solid. Nor are the rights associated with extraction or exploration of such elements considered unless otherwise stated in this appraisal report. Unless otherwise stated it is also assumed that there are no air or development rights of value that may be transferred.

9. Flato Realty Advisors, LLC is not aware of any contemplated public initiatives, governmental development controls, or rent controls that would significantly affect the value of the subject.

10. The estimate of Market Value, which may be defined within the body of this report, is subject to change with market fluctuations over time. Market value is highly related to exposure time, promotional effort, terms, motivation, and conclusions surrounding the offering. The value estimate(s) consider the productivity and relative attractiveness of the property, both physically and economically, on the open market.

11. Any cash flows included in the analysis are forecasts of estimated future operating characteristics are predicated on the information and assumptions contained within the report. Any projections of income, expenses and economic conditions utilized in this report are not predictions of the future. Rather, they are estimates of current market expectations of future income and expenses. The achievement of the financial projections will be affected by fluctuating economic conditions and is dependent upon other future occurrences that cannot be assured. Actual results may vary from the projections considered herein. Flato Realty Advisors, LLC does not warrant these forecasts will occur. Projections may be affected by circumstances beyond the current realm of knowledge or control of Flato Realty Advisors, LLC.

12. Unless specifically set forth in the body of the report, nothing contained herein shall be construed to represent any direct or indirect recommendation of Flato Realty Advisors, LLC to buy, sell, or hold the properties at the value stated. Such decisions involve substantial investment strategy questions and must be specifically addressed in consultation form.

13. Unless otherwise noted in the body of this report, it is assumed that no changes in the present zoning ordinances or regulations governing use, density, or shape are being considered. The property is appraised assuming that all required licenses, certificates of occupancy, consents, or other legislative or

administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value estimates contained in this report is based, unless otherwise stated.

14. This study may not be duplicated in whole or in part without the specific written consent of Flato Realty Advisors, LLC nor may this report or copies hereof be transmitted to third parties without said consent, which consent Flato Realty Advisors, LLC reserves the right to deny. Exempt from this restriction is duplication for the internal use of the Client-addressee and/or transmission to attorneys, accountants, or advisors of the Client-addressee. Also exempt from this restriction is transmission of the report to any court, governmental authority, or regulatory agency having jurisdiction over the party/parties for whom this appraisal was prepared, provided that this report and/or its contents shall not be published, in whole or in part, in any public document without the express written consent of Flato Realty Advisors, LLC which consent Flato Realty Advisors, LLC reserves the right to deny. Finally, this report shall not be advertised to the public or otherwise used to induce a third party to purchase the property or to make a "sale" or "offer for sale" of any "security", as such terms are defined and used in the Securities Act of 1933, as amended. Any third party, not covered by the exemptions herein, who may possess this report, is advised that they should rely on their own independently secured advice for any decision in connection with this property. Flato Realty Advisors, LLC shall have no accountability or responsibility to any such third party.

15. Any value estimate provided in the report applies to the entire property, and any pro ration or division of the title into fractional interests will invalidate the value estimate, unless such pro ration or division of interests has been set forth in the report.

16. The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. Component values for land and/or buildings are not intended to be used in conjunction with any other property or appraisal and are invalid if so used.

17. The maps, plats, sketches, graphs, photographs and exhibits included in this report are for illustration purposes only and are to be utilized only to assist in visualizing matters discussed within this report. Except as specifically stated, data relative to size or area of the subject and comparable properties has been obtained from sources deemed accurate and reliable. None of the exhibits are to be removed, reproduced, or used apart from this report.

18. No opinion is intended to be expressed on matters which may require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers. Values and opinions expressed presume that environmental and other governmental restrictions/conditions by applicable agencies have been met, including but not limited to seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, licenses, etc. No survey, engineering study or architectural analysis has been made known to Flato Realty Advisors, LLC unless otherwise stated within the body of this report. If the consultant has not been supplied with a termite inspection, survey or occupancy permit, no responsibility or representation is assumed or made for any costs associated with obtaining same or for any deficiencies discovered before or after they are obtained. No representation or warranty is made concerning obtaining these items. Flato Realty Advisors, LLC assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.

19. Acceptance and/or use of this report constitutes full acceptance of the Contingent and Limiting Conditions and special assumptions set forth in this report. It is the responsibility of the Client, or Client's designees, to read in full, comprehend and thus become aware of the aforementioned contingencies and limiting conditions. Neither the Appraiser nor Flato Realty Advisors, LLC assumes responsibility for any situation arising out of the Client's failure to become familiar with and understand the same. The Client is advised to retain experts in areas that fall outside the scope of the real estate appraisal/consulting profession if so desired.

20. Flato Realty Advisors, LLC assumes that the subject analyzed herein will be under prudent and competent management and ownership; neither inefficient nor super-efficient.

21. It is assumed that there is full compliance with all applicable federal, state, and local environmental regulations and laws unless noncompliance is stated, defined, and considered in the appraisal report.

22. No survey of the boundaries of the property was undertaken. All areas and dimensions furnished are presumed to be correct. It is further assumed that no encroachments to the realty exist.

23. The Americans with Disabilities Act (ADA) became effective January 26, 1992. Notwithstanding any discussion of possible readily achievable barrier removal construction items in this report, Flato Realty Advisors, LLC has not made a specific compliance survey and analysis of this property to determine whether it is in conformance with the various detailed requirements of the ADA. It is possible that a compliance survey of the property together with a detailed analysis of the requirements of the ADA could reveal that the property is not in compliance with one or more of the requirements of the ADA. If so, this fact could have a negative effect on the value estimated herein. Since Flato Realty Advisors, LLC has no specific information relating to this issue, nor is Flato Realty Advisors, LLC qualified to make such an assessment, the effect of any possible non-compliance with the requirements of the ADA was not considered in estimating the value of the subject.

24. Client shall not indemnify Appraiser or hold Appraiser harmless unless and only to the extent that the Client misrepresents, distorts, or provides incomplete or inaccurate appraisal results to others, which acts of the Client proximately result in damage to Appraiser. The Client shall indemnify and hold Appraiser harmless from any claims, expenses, judgments or other items or costs arising as a result of the Client's failure or the failure of any of the Client's agents to provide a complete copy of the appraisal report to any third party. In the event of any litigation between the parties, the prevailing party to such litigation shall be entitled to recover from the other reasonable attorney fees and costs.

25. The report is for the sole use of the Client; however, Client may provide only complete, final copies of the appraisal report in its entirety (but not component parts) to third parties who shall review such reports in connection with loan underwriting or securitization efforts. Appraiser is not required to explain or testify as to appraisal results other than to respond to the Client for routine and customary questions. Please note that our consent to allow an appraisal report prepared by Flato Realty Advisors, LLC or portions of such report, to become part of or be referenced in any public offering, the granting of such consent will be at our sole discretion and, if given, will be on condition that we will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to us, by a party satisfactory to us. We do consent to your submission of the reports to rating agencies, loan participants or your auditors in its entirety (but not component parts) without the need to provide us with an Indemnification Agreement and/or Non-Reliance letter.

26. Provision of an Insurable Value by the appraiser does not change the intended use or user of the appraisal. The appraiser assumes no liability for the Insurable Value estimate provided and does not guarantee that any estimate or opinion will result in the subject being fully insured for any possible loss that may be sustained. The appraiser recommends that an insurance professional be consulted. The Insurable Value estimate may not be a reliable indication of the replacement or reproduction cost for any date other than the effective date of this appraisal due to changing costs of labor and materials and due to the changing building codes and governmental regulations and requirements.

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DEFINITIONS

The following definitions are derived from *The Dictionary of Real Estate Appraisal*, 7th edition (2022), published by the Appraisal Institute.

- **Absorption Period:** The actual or expected period required from the time a property, group of properties, or commodity is initially offered for lease, purchase, or use by its eventual users until all portions have been sold or stabilized occupancy has been achieved.
- **Absorption Rate:** Broadly, the rate at which vacant space in a property or group of properties for sale or lease has been or is expected to be successfully sold or leased over a specified period of time. In subdivision analysis, the rate of sales of lots or units in a subdivision.
- **Ad Valorem Tax:** A tax levied in proportion to the value of the thing(s) being taxed. Exclusive of exemptions, use-value assessment provisions, and the like, the property tax is an ad valorem tax. (IAAO)
- **Assessed Value:** The value of a property according to the tax rolls in ad valorem taxation; may be higher or lower than market value, or based on an assessment ratio that is a percentage of market value.
- **Cash Equivalency Analysis:** An analytical process in which the sale price of a transaction with atypical financing or financing with unusual conditions or incentives is converted into a price equivalent or consistent with what a cash buyer would pay with all other factors the same.
- **Confidential Information:** 1) Information that is either: identified by the client as confidential when providing it to a valuer and that is not available from any other source; or classified as confidential or private by applicable law or regulation. (CEP); 2) identified by the client as confidential when providing it to an appraiser and that is not available from any other source; or classified as confidential or private by applicable law or regulation.
- **Contract Rent:** The actual rental income specified in a lease.
- **Disposition Value:** The most probable price that a specified interest in property should bring under the following conditions: 1) Consummation of a sale within a specified time, which is shorter than the typical exposure time for such a property in that market; 2) The property is subjected to market conditions prevailing as of the date of valuation; 3) Both the buyer and seller are acting prudently and knowledgeably; 4) The seller is under compulsion to sell; 5) The buyer is typically motivated; 6) Both parties are acting in what they consider to be their best interests; 7) An adequate marketing effort will be made during the exposure time; 8) Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto; and 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.
- **Effective Rent:** Total base rent, or minimum rent stipulated in a lease, over the specified lease term minus rent concessions; the rent that is effectively paid by a tenant net of financial concessions provided by a landlord.
- **Excess Land:** Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land has the potential to be sold separately and is valued separately.
- **Excess Rent:** The amount by which contract rent exceeds market rent at the time of the appraisal; created by a lease favorable to the landlord (lessor) and may reflect unusual management, unknowledgeable or unusually motivated parties, a lease execution in an earlier, stronger rental market, or an agreement of the parties.
- **Exposure Time:** 1) The time a property remains on the market; 2) An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. (USPAP, 2024 ed.)
- **Extraordinary Assumption:** An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property, or conditions external to the property, such as market conditions or trends, or about the integrity of data used in an analysis. (USPAP, 2024 ed.)
- **Fee Simple Estate:** Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.
- **Floor Area Ratio (FAR):** The relationship between the above-ground floor area of a building, as described by the zoning or building code, and the area of the plot on which it stands; in planning and zoning, often expressed as a decimal, e.g., a ratio of 2.0 indicates that the permissible floor area of a building is twice the total land area.

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- **Frictional Vacancy:** The amount of vacant space need in a market for its orderly operation. Frictional vacancy allows for move-ins and move-outs.
- **Full Service Lease:** See gross lease.
- **General Vacancy:** A method of calculating any remaining vacancy and collection loss considerations when using discounted cash flow (DCF) analysis, where turnover vacancy has been used as part of the income estimate. The combined effects of turnover vacancy and general vacancy relate to total vacancy and collection loss.
- **Going Concern Value:** An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed *the market value of the going concern* or *market value of the total assets of the business*.
- **Gross Building Area (GBA):** 1) The total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved; 2) Gross leasable area plus all common areas;3) 3. For residential space, the total area of all floor levels measured from the exterior of the walls and including the superstructure and substructure basement; typically does not include garage space.
- **Gross Lease:** A lease in which the landlord receives stipulated rent and is obligated to pay all of the property's operating and fixed expenses; also called full-service lease.
- **Hypothetical Condition:** 1) A condition that is presumed to be true when it is known to be false. (SVP); 2) A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purpose of analysis. Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2024 ed.)
- **Investment Value:** 1) The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market; 2) The value of an asset to the owner or a prospective owner given individual investment or operational objectives (may also be known as worth). (IVS)
- **Land-to-Building Ratio:** The proportion of land area to gross building area; one of the factors determining comparability of properties.
- **Lease:** A contract in which the rights to use and occupy land, space, or structures are transferred by the owner to another for a specified period of time in return for a specified rent.
- **Leased Fee Interest:** The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires.
- **Leasehold Interest:** The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.
- **Lessee:** One who has the right to occupancy and use of the property of another for a period of time according to a lease agreement.
- **Lessor:** One who conveys the rights of occupancy and use to others under a lease agreement.
- **Liquidation Value:** The most probable price that a specified interest in property should bring under the following conditions: 1) Consummation of a sale within a short time period; 2) The property is subjected to market conditions prevailing as of the date of valuation; 3) Both the buyer and seller are acting prudently and knowledgeably; 4) The seller is under extreme compulsion to sell; 5) The buyer is typically motivated; 6) Both parties are acting in what they consider to be their best interests; 7) A normal marketing effort is not possible due to the brief exposure time; 8) Payment will be made in cash in U.S. dollars (or the local currency) or in terms of financial arrangements comparable thereto; and 9) The price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.
- **Market Rent**: The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. Implicit in this definition is the execution. of a lease as of a specified date under conditions whereby 1) Lessee and lessor are typically motivated; 2) Both parties are well informed or well advised, and acting in what they consider their best interests; 3) Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and 4) The rent reflects specified terms and conditions typically found in that market, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, frequency of payments (annual, monthly, etc.), and tenant improvements (TIs).
- **Market Value:** See body of report for market value definition used in this appraisal.

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- **Marketing Time:** An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation addresses the application and determination of reasonable exposure and marketing time.)
- **Net Lease:** A lease in which the landlord passes on all expenses to the tenant.
- **Net Net Net Lease:** An alternative term for a type of net lease. In some markets, a net net net lease is defined as a lease in which the tenant assumes all expenses (fixed and variable) of operating a property except that the landlord is responsible for structural maintenance, building reserves, and management; also called NNN lease, triple net lease, or fully net lease.
- **Occupancy Rate:** 1) The relationship or ratio between the potential income from the currently rented units in a property and the income that would be received if all the units were occupied; 2) The ratio of occupied space to total rentable space in the building.
- **Overage Rent:** The percentage rent paid over and above the guaranteed minimum rent or base rent; calculated as a percentage of sales in excess of a specified breakpoint sales volume.
- **Prospective Opinion of Value:** A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or stabilized level of long-term occupancy.
- **Rentable Area:** For office or retail buildings, the tenant's pro rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to the areas below. The rentable area of a floor is computed by measuring to the inside finished surface of the dominant portion of the permanent building walls, excluding any major vertical penetrations of the floor. Alternatively, the amount of space on which rent is based; calculated according to local practice.
- **Retrospective Value Opinion:** A value opinion effective as of a specified historical date. The term *retrospective* does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion.
- **Shell Rent:** The typical rent paid for retail, office, or industrial tenant space based on minimal "shell" interior finishes (called vanilla finish or white wall finish in some areas). Usually the landlord delivers the main building shell space or some minimum level of interior build-out, and the tenant completes the interior finish, which can include wall, ceiling, and floor finishes; mechanical systems, interior electricity, and plumbing. Typically these are long-term leases with tenants paying all or most property expenses.
- **Surplus Land:** Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel.
- **Turnover Vacancy:** A method of calculating vacancy allowance that is estimated or considered as part of the potential income estimate when using discounted cash flow (DCF) analysis. As units or suites turn over and are available for re-leasing, the periodic vacancy time frame (vacancy window) to re-lease the space is considered.
- **Usable Area:** 1) For office buildings, the actual occupied area of a floor or an office space; computed by measuring from the finished surface or the office side of corridor and other permanent walls, to the center of partitions that separate the office from adjoining usable areas, and to the inside finished surface of the dominant portion of the permanent outer building walls. Sometimes called net building area or net floor area. 2) The area that is actually used by the tenants measured from the inside of the exterior walls to the inside of walls separating the space from hallways and common areas.
- **Value Indication:** A valuer's conclusion of value resulting from the application of an approach to value, e.g., the value indication by the sales comparison approach.
- **Value In Use:** 1. The amount determined by discounting the future cash flows (including the ultimate proceeds of disposal) expected to be derived from the use of an asset at an appropriate rate that allows for the risk of the activities concerned. (FASB Accounting Standards Codification, Master Glossary) 2. Formerly used in valuation practice as a synonym for c*ontributory value* or *use value*.

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QUALIFICATIONS OF FRANKLIN L. FLATO, MAI

CAREER SUMMARY

Franklin L. Flato, MAI, founder and president of Flato Realty Advisors, LLC, a commercial real estate appraisal firm active in South Texas and Mexico, since 2012. Prior to founding Flato Realty Advisors, LLC, Mr. Flato served as Vice President – Senior Appraiser, directing the San Antonio office of Grubb & Ellis Landauer, from 2010 through 2012, Senior commercial appraiser at Dugger, Canaday, Grafe, Inc., a San Antonio based appraisal firm, from 1988 through 2010, and Leasing Director for Flato Realty Investments, Inc. from 1986 through 1988. Experience includes significant legal/court testimony, right-of-way valuation, investment counseling, traditional commercial real estate appraisal, etc.

Mr. Flato has analyzed properties including retail (single tenant, pad site, ground lease, retail centers to regional malls), office buildings (single tenant garden to high rise multi-tenant, call centers, corporate headquarters), industrial properties (warehouse, manufacturing plants, special purpose, maquiladora plants), vacant development tracts, mixed use developments, commercial sites, rural land, ranches, farms, apartment complexes, residential and commercial subdivisions, aircraft related buildings, automobile dealerships, hotels, recreational theme parks, golf courses and country clubs, marinas, etc. on an "as-is" and prospective "as-proposed" basis.

Assignments completed in Texas, Georgia, Louisiana, Florida, Oklahoma, New Mexico, Colorado, New Jersey, Pennsylvania, Puerto Rico, Honduras and the Republic of Mexico (over 20 states in Mexico). He has also qualified as an expert witness in Bexar, San Patricio, Webb, Live Oak, Travis, Goliad, Nueces, Reeves, Harris, Hidalgo and Cameron Counties of Texas and has lectured and been on speaker panels at national and local Appraisal Institute meetings and Right-of-Way functions in San Antonio, Texas, Chicago, Illinois, Cancun, Mexico and Madrid, Spain.

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Mr. Flato is fluent in Spanish and has extensive contacts in Mexico and Latin America. Assignments in Mexico include complex retail and mixed-use developments, industrial portfolios in most major cities, manufacturing plants including major automobile parts suppliers, resort properties, subdivisions, ranches and rural properties, etc., for international and local clients including major banks, investment firms, developers, etc.

PROFESSIONAL DESIGNATIONS/STATE & REGULATORY LICENSURE

- MAI Designation – Appraisal Institute, Certificate No. 11792
- Texas – State Certified General Real Estate Appraiser, License No. 1321148-G
- Texas – Licensed Right-of-Way Agent, License No. 33979
- Colorado – State Certified General Appraiser; Temporary License No. CG200001416
- Georgia – State Certified General Real Property Appraiser; Temporary License No. 405356
- USA DOT FAA – Remote Pilot Certificate No. 5111983

PROFESSIONAL AFFILIATIONS

- Treasurer, Union of Pan American Valuation Associations (UPAV; 2010-2012)
- Chief Delegate to Mexico, Appraisal Institute (2009)
- Member, Free Trade Alliance (2009)
- President, South Texas Chapter of the Appraisal Institute (2008)
- Ambassador to Mexico, Appraisal Institute (2004-2008)
- Director to Past President, South Texas Chapter of the Appraisal Institute (2001-2009)

EDUCATION

Courses and seminars – Appraisal Institute, International Council of Shopping Centers (ICSC); BBA in Real Estate and Urban Land Development at the University of Texas at Austin; certified under the Appraisal Institute's voluntary program of continuing education for designated members of the Appraisal Institute.

QUALIFICATIONS OF TED A. MOORE, MAI

APPRAISAL EXPERIENCE

Worked on routine and complex assignments throughout the State of Texas with several firms. Extensive experience in land, subdivisions, multi-family, hotel, office, industrial warehouses/manufacturing, office, retail, special purpose, etc. Experience includes appraising under various categories including assistant, primary appraiser, supervisor and review appraiser. Clients have included financial institutions, city, county and state government, law firms, investors, etc.

STATE & REGULATORY LICENSURE

MAI Designation – Appraisal Institute, Certificate No. 7739
Texas – State Certified General Real Estate Appraiser, License No. 1320476-G

EDUCATION

1978 - 1979 **Baylor University: M.B.A.**
Focus on finance, business management and economics. Completed term project for degree on the projected startup and operation of a nursing home/retirement center.

1976 - 1978 **Baylor University: B.B.A.**
Completed double major in marketing and real estate.

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EMPLOYMENT HISTORY

Since 07/12 **Flato Realty Advisors**
Commercial Real Estate Appraiser/Analyst

Since 04/07 **Heart To Heart Homecare**
Owner/CEO

06/97 - 04/07 **Long Term Care**
Administrator, served as Administrator in several communities

1995 - 1997 **Aegis Group**
Commercial Real Estate Appraiser

1987 - 1995 **Ted A. Moore & Associates**
Owner/Appraiser

1985 - 1987 **Cushman & Wakefield**
Commercial Real Estate Appraiser

1984 - 1985 **Love & Dugger**
Commercial Real Estate Appraiser

TALCB
TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

Certified General Real Estate Appraiser

Appraiser: **Franklin Lockard Flato**
License #: **TX 1321148 G** License Expires: **06/30/2027**

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Occupations Code, Chapter 1103, authorization is granted to use this title: Certified General Real Estate Appraiser

For additional information or to file a complaint please contact TALCB at www.talcb.texas.gov.

Chelsea Buchholtz
Executive Director

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TALCB
TEXAS APPRAISER LICENSING & CERTIFICATION BOARD

Certified General Real Estate Appraiser

Appraiser: **Ted Alan Moore**
License #: **TX 1320476 G** License Expires: **01/31/2027**

Having provided satisfactory evidence of the qualifications required by the Texas Appraiser Licensing and Certification Act, Occupations Code, Chapter 1103, authorization is granted to use this title: Certified General Real Estate Appraiser

For additional information or to file a complaint please contact TALCB at www.talcb.texas.gov.

Chelsea Buchholtz
Executive Director

FLATO
REALTY ADVISORS, LLC
901 NE Loop, Suite 650 | San Antonio, Texas 78209
Phone: 210-446-3825 | Web: www.flatorealtyadvisors.com

April 14, 2025

Mr. R.R. "Tripp" Davenport, III
Director
FMSbonds, Inc.
5 Cowboys Way, Ste. 300-25
Frisco, Texas 75034

RE: Newhaven Public Improvement District, Manor, Travis County, Texas

Dear Mr. Davenport:

Thank you for the opportunity to provide appraisal services regarding the above noted property. Flato Realty Advisors, LLC, will complete a market value appraisal of Newhaven PID including approximately 261 single family residential lots, a 2.5 acre commercial parcel, nature preserve, park, trails and storage tank, situated on a 90.34 acre site. The project is located along the north side of Gregg Lane and the east side of Wilbarger Creek, west of FM 973N, in Manor, Texas. Our firm has completed a significant number of appraisals of both "as-is" and "prospective" lots and developments both for PID and traditional development financing in the region over the past number of years, including prior phases of the subject development.

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The analysis and report provided will meet the requirements of the Uniform Standards of Professional Practice of the Appraisal Foundation and Code of Ethics of the Appraisal Institute. The scope of work will consist of a physical property inspection, perusal of documents provided, confirmation of comparable single family lot and commercial lot sales, development costs as well as acreage land sales and listings, research and confirmation, market analysis, valuation analysis, and preparation of the appraisal report.

It is understood that the purpose of the appraisal is to be for inclusion in an offering document which will be distributed for the purpose of issuing municipal bonds. Flato Realty Advisors, LLC consents to execute necessary certificates in connection therewith (i.e. letter of representation). It is understood that the developer will provide evidence of sufficient funds to complete the improvements contemplated in the appraisal, on hand at the time of bond closing.

Our fee for the market value appraisal, will be $11,500 payable as 50% upon engagement and the balance upon completion of the assignment and delivery of the report. Additional work after completion of the report including, but not limited to, research, preparation for, or court testimony, will be billed at the rate of $300 per hour. The report can be completed within three to four weeks of receipt of the executed engagement letter, retainer and subject property information to include (1) survey of land, (2) plat/survey of planned lots, (3) projected development cost, (4) projected development schedule and (5) any executed or proposed entitled lot sales contracts related to this development. We are in receipt of the Newhaven Public Improvement District preliminary Service and Assessment Plan, dated March 28, 2025.

FLATO
REALTY ADVISORS, LLC
901 NE Loop, Suite 650 | San Antonio, Texas 78209
Phone: 210-446-3825 | Web: www.flatorealtyadvisors.com

If this proposal is acceptable, please sign and date a copy of this letter and return it. We will begin work upon receipt of this executed engagement and retainer. Thank you for consideration of our firm in this important assignment.

Signed,

Franklin L. Flato, MAI
President
Flato Realty Advisors, LLC

Signed,

Tripp Davenport

R.R. "Tripp" Davenport, III
Director
FMSbonds, Inc

***Mutual Limitation of Liability**: Appraiser and Client agree that the following mutual limitation of liability is agreed to in consideration of the fees to be charged and the nature of Appraiser's services under this Agreement. Appraiser and Client agree that to the fullest extent permitted by applicable law, each party's and its Personnel's maximum aggregate or joint liability to the other party for claims and causes of action relating to this Agreement or to appraisals or other services under this Agreement shall be limited to the total fees and costs charged by the Appraiser for the services that are subject of the claim(s) or cause(s) of action. This limitation of liability extends to all types of claims or causes of action, whether in breach of contract or tort, including without limitation claims/causes of action for negligence, professional negligence, or negligent misrepresentation on the part of either party or its Personnel, but excluding claims/causes of action for intentionally fraudulent conduct, criminal conduct or intentionally caused injury. The Personnel of each party are intended third-party beneficiaries of this limitation of liability. "Personnel," as used in this paragraph, means the respective party's staff, employees, contractors, members, partners and shareholders. Appraiser and Client agree that they each have been free to negotiate different terms than stated above or contract with other parties.*

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EXHIBIT A – DISTRICT LEGAL DESCRIPTION

JONES | CARTER

3100 Alvin Devane Blvd, Suite 150
Austin, Texas 78741
Tel: 512.441.9493
Fax: 512.445.2286
www.jonescarter.com

LEGAL DESCRIPTION

BEING 90.340-acres of land situated in the Sumner Bacon Survey No. 62 Abstract No. 63 in Travis County, Texas; being all of that certain tract of land called contain 59.765 acres to Gregg Lane Dev LLC as described in a Special Warranty Deed with Vendor's Lien in Document No. 2021051168 and all of that certain tract of land called to contain 30.580 acres to Gregg Lane Dev LLC as described in a Special Warranty Deed with Vendor's Lien in Document No. 2021051166 both of the Official Public Records of Travis County, Texas; said 90.340-acre tract of land being more particularly described by metes and bounds as follows with bearings and coordinates referenced to the Texas Coordinate System of 1983, Central Zone:

BEGINNING: at a 5/8-inch iron rod found on the northeastern right of way of said Gregg Lane (R.O.W. Varies), for the southeastern corner of the said 59.765-acre tract of land, the southwestern corner of a called 15.74-acre tract of land to The Board of Trustees of the Manor Independent School District in a General Warranty Deed in Document No. 2016051094 of the Official Public Records of Travis County, Texas, for the southeastern corner of this herein described tract;

THENCE: N 62°17'26" W a distance of 2133.10 feet along the southwestern line of the said 59.765-acre tract, the northeastern line of said Gregg Lane to a calculated point in the approximate centerline of Wilbarger Creek for the southeastern corner of that certain tract of land called contain 85.796 acres to the City of Pflugerville as described in a General Warranty Deed in Document No. 2008118667 of the Official Public Records of Travis County, Texas, for the southwestern corner of the said 59.765-acre tract, for the southwestern corner of this herein described tract;

THENCE: With the approximated centerline of said Wilbarger Creek, the eastern line of the said 85.796-acre tract, the western line of the said 59.765-acre tract and the western line of the said 30.580-acre tract with the following (73) courses and distances;

1. North 73°20'52" East a distance of 46.73 feet to a calculated point;
2. North 65°28'25" East a distance of 50.67 feet to a calculated point;
3. North 51°10'42" East a distance of 48.58 feet to a calculated point;
4. North 48°30'24" East a distance of 46.23 feet to a calculated point;
5. North 49°14'49" East a distance of 52.77 feet to a calculated point;
6. North 45°14'55" East a distance of 55.96 feet to a calculated point
7. North 43°43'26" East a distance of 52.86 feet to a calculated point
8. North 41°05'22" East a distance of 48.00 feet to a calculated point
9. North 32°42'55" East a distance of 42.39 feet to a calculated point
10. North 36°20'34" East a distance of 43.28 feet to a calculated point
11. North 24°58'46" East a distance of 45.09 feet to a calculated point
12. North 20°50'58" East a distance of 58.26 feet to a calculated point
13. North 11°43'28" East a distance of 55.36 feet to a calculated point
14. North 12°03'40" East a distance of 59.87 feet to a calculated point
15. North 11°44'50" East a distance of 49.40 feet to a calculated point
16. North 20°31'26" East a distance of 49.47 feet to a calculated point
17. North 26°12'00" East a distance of 48.98 feet to a calculated point

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18. North 19°47'54" East a distance of 56.22 feet to a calculated point
19. North 08°36'09" East a distance of 45.62 feet to a calculated point
20. North 32°55'35" East a distance of 52.23 feet to a calculated point
21. North 47°27'44" East a distance of 55.81 feet to a calculated point
22. North 45°04'59" East a distance of 51.38 feet to a calculated point
23. North 43°53'12" East a distance of 32.75 feet to a calculated point
24. North 08°50'46" East a distance of 41.41 feet to a calculated point
25. North 05°45'16" West a distance of 32.84 feet to a calculated point
26. North 01°15'08" East a distance of 35.86 feet to a calculated point
27. North 14°04'03" East a distance of 26.76 feet to a calculated point
28. North 34°11'10" East a distance of 54.41 feet to a calculated point
29. North 26°59'21" East a distance of 41.68 feet to a calculated point
30. North 36°09'53" East a distance of 43.97 feet to a calculated point
31. North 25°00'27" East a distance of 44.74 feet to a calculated point
32. North 00°27'57" East a distance of 24.88 feet to a calculated point
33. North 00°28'28" East a distance of 9.07 feet to a calculated point
34. North 05°17'24" West a distance of 31.85 feet to a calculated point
35. North 01°00'43" West a distance of 39.99 feet to a calculated point
36. North 13°37'54" West a distance of 36.17 feet to a calculated point
37. North 03°30'27" West a distance of 43.17 feet to a calculated point
38. North 10°14'35" West a distance of 42.68 feet to a calculated point
39. North 22°31'57" West a distance of 57.70 feet to a calculated point
40. North 44°39'48" West a distance of 45.77 feet to a calculated point
41. North 54°56'29" West a distance of 58.93 feet to a calculated point
42. North 82°53'28" West a distance of 51.24 feet to a calculated point
43. South 71°16'10" West a distance of 39.96 feet to a calculated point
44. South 66°38'21" West a distance of 51.94 feet to a calculated point
45. North 89°22'53" West a distance of 39.25 feet to a calculated point
46. North 83°41'50" West a distance of 51.08 feet to a calculated point
47. North 89°13'01" West a distance of 53.52 feet to a calculated point
48. North 76°23'07" West a distance of 54.75 feet to a calculated point
49. North 76°02'03" West a distance of 65.60 feet to a calculated point
50. North 78°19'56" West a distance of 54.07 feet to a calculated point
51. South 73°52'38" West a distance of 52.35 feet to a calculated point
52. North 82°54'47" West a distance of 58.96 feet to a calculated point
53. North 48°39'03" West a distance of 54.65 feet to a calculated point
54. North 21°40'43" West a distance of 61.82 feet to a calculated point
55. North 00°14'42" East a distance of 52.83 feet to a calculated point
56. North 08°20'31" East a distance of 53.76 feet to a calculated point
57. North 08°21'04" East a distance of 38.04 feet to a calculated point
58. North 12°10'56" West a distance of 48.92 feet to a calculated point
59. North 26°26'40" West a distance of 51.72 feet to a calculated point
60. North 09°59'30" West a distance of 51.78 feet to a calculated point
61. North 09°26'58" West a distance of 65.60 feet to a calculated point
62. North 23°17'46" East a distance of 51.71 feet to a calculated point
63. North 34°54'31" East a distance of 42.87 feet to a calculated point
64. North 48°43'04" East a distance of 60.00 feet to a calculated point
65. South 79°51'17" East a distance of 39.39 feet to a calculated point

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66. South 58°38'03" East a distance of 48.87 feet to a calculated point
67. North 59°05'59" East a distance of 54.70 feet to a calculated point
68. North 00°19'10" East a distance of 38.05 feet to a calculated point
69. North 15°36'04" West a distance of 56.41 feet to a calculated point
70. North 06°24'18" East a distance of 49.34 feet to a calculated point
71. North 34°41'25" East a distance of 55.35 feet to a calculated point
72. North 08°45'25" West a distance of 12.36 feet to a calculated point
73. South 70°46'58" East a distance of 13.00 feet to a calculated point

THENCE: North 22°09'28" East a distance of 137.92 feet continuing along the eastern line of the said 85.796-acre tract, the western line of the said 30.580-acre tract to a 1/2-inch iron rod with cap stamped "Chaparral" found for the northwestern corner of the said 30.580-acre tract, a corner of the said 85.796-acre tract, for the northwestern corner of this herein described tract;

THENCE: South 62°50'17" East a distance of 155.27 feet along the northern line of the said 30.580-acre tract, line of the said 85.796-acre tract to a 1/2-inch iron rod found for a corner of the said 85.796-acre-tract, the southwestern corner of that certain tract of land called to contain 67.3023 acres to Helen Lucille Pearce as described in a Life Estate Deed recorded in Document No. 2021027313 of the Official Public Records of Travis County, Texas, for a corner of this herein described tract;

THENCE: South 62°31'08" East continuing along the northern line of the said 30.580-acre tract, at 612.02 feet pass a 1/2-inch iron rod found for the southeastern corner of the said 67.3023-acre tract, the southwestern corner of that certain tract of land called to contain 57.2158 acres to Harry Leonard Dearing, Sr. and Audrey T. Dearing as described in a Gift Deed in Document No. 2002251950 of the Official Public Records of Travis County, Texas, at 1456.85 feet pass a 1/2-inch iron rod found for the southeastern corner of the said 57.2158-acre tract, the southwestern corner of that certain tract of land called to contain 40.00 acres to Kenneth Sprinkles as described in a Warranty Deed in Volume 8947, Page 802 of the Real Property Records of Travis County, Texas, a distance in all of 1512.88 feet to a 1/2-inch iron pipe found for the northeastern corner of the said 30.580-acre tract, the northwestern corner of that certain tract of land called to contain 3.56 acres to Aqua Water Supply Corp. as described in a Warranty Deed in Document No. 2009010572 of the Official Public Records of Travis County, Texas, for the northeastern corner of this herein described tract;

THENCE: South 27°51'02" West along the southeastern line of the said 30.580-acre tract, at 330.19 feet pass a 5/8-inch iron rod with cap stamped "RPLS 5090" found for the southwestern corner of the said 3.56-acre tract, the westernmost northwestern corner of that certain tract of land called to contain 75.37 acres to the Board of Trustees of the Manor Independent School District as described in a Special Warranty Deed in Document No. 2008031946 of the Official Public Records of Travis County, Texas, at 548.29 feet pass a 1/2-inch iron pipe found for the westernmost southwestern corner of the said 75.37-acre tract, the northwestern corner of the remainder of that certain tract of land called to contain 121.4 acres to Alexandra Carrillo as described in a Special Warranty Deed in Document No. 2004009801 of the Official Public Records of Travis County, Texas, a distance in all of 870.12 feet to a 1/2-inch iron rod with cap stamped "Chaparral" found on the northeastern line of the said Gregg Lane Dev LLC 59.765-acre tract, for the southeastern corner of the said 30.580-acre tract, a corner of the remainder of the said 121.4-acre tract, for a corner of this herein described tract;

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THENCE: South 61°38'37" East a distance of 350.98 along the northeastern line of the said 59.765-acre tract, a southwestern line of the remainder of the said 121.4-acre tract to a 1/2-inch iron rod with cap stamped "Chaparral" found for a corner of this herein described tract;

THENCE: South 61°40'01" East a distance of 79.74 feet continuing along the southwestern line of the remainder of the said 121.4-acre tract, the northeastern line of the said 59.765-acre tract to a 1/2-inch iron rod with cap stamped "Chaparral" found for the northeastern corner of the said 59.765-acre tract, the northwestern corner of that certain tract of land called to contain 0.45 acres to Alexandra Carrillo & James T. Lutz as described in a General Warranty Deed in Document No. 2020214199 of the Official Public Records of Travis County, Texas, for a corner of this herein described tract;

THENCE: South 00°45'28" East a distance of 309.06 along the western line of the said 0.45-acre tract, line an eastern line of the said 59.765-acre tract to a 1/2-inch iron rod found for the southern corner of the said 0.45-acre tract, a corner of the remainder of the said 121.4-acre tract, for a corner of this herein described tract;

THENCE: South 62°03'42" East a distance of 551.06 feet continuing along a line of the remainder of the said 121.4-acre tract a line of the said 59.765-acre tract to a 1/2-inch iron rod found for a corner of the remainder of the said 121.4-acre tract, the southernmost southwestern corner of the said Manor Independent School District 75.37-acre tract, for a corner of this herein described tract;

THENCE: South 61°55'55" East a distance of 250.32 feet along the southwestern line of the said Manor Independent School District 75.37-acre tract a line of the said 59.765-acre tract to a 1 1/2-inch iron pipe found for the easternmost northeastern corner of the said 59.765-acre tract, the northwestern corner of that certain tract of land called to contain 15.74 acres to the Board of Trustees of the Manor Independent School District as described in a General Warranty Deed in Document No. 2016051094 of the Official Public Records of Travis County, Texas, for the easternmost northeastern corner of this herein described tract;

THENCE: South 27°32'06" West a distance of 1131.40 feet along the northwestern line of the said 15.74-acre tract, the easternmost southeastern line of the aid 59.765-acre tract to the **POINT OF BEGINNING** and containing 90.340 acres of land.

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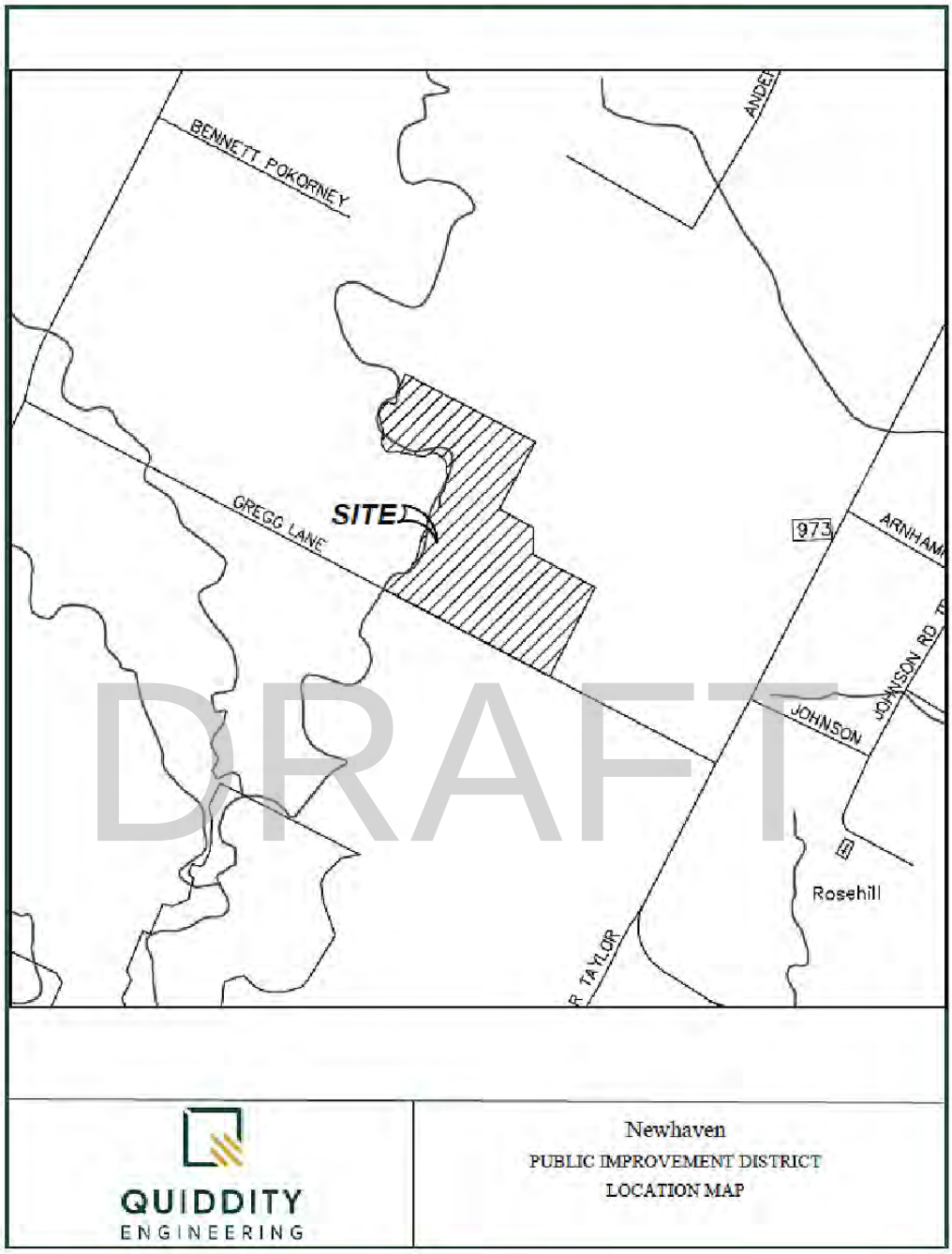
Rex L. Hackett
Registered Professional Land Surveyor No. 5573
rhackett@jonescarter.com

3-14-2022
Date:



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EXHIBIT B – DISTRICT BOUNDARY MAP



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Land Sale No. 1



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Property Identification

Record ID	20672
Property Type	Land, Vacant Land
Property Name	Vacant Land
Address	8450 Cele Road, Manor (OCL), Travis County, Texas 78653
Tax ID	271720
MSA	Austin-Round Rock
Market Type	North Texas

Sale Data

Grantor	Dorothy Gault
Grantee	OMCELE, LLC
Sale Date	January 17, 2023
Deed Book/Page	2023005440
Property Rights	Fee Simple
Marketing Time	195 days
Conditions of Sale	Arm's Length
Financing	Cash to Seller
Verification	Broker

Land Sale No. 1 (Cont.)

Sale Price	$1,622,250
Cash Equivalent	$1,622,250
Adjusted Price	$1,622,250

Land Data

Zoning	OCL, Outside City Limits
Topography	Generally level
Utilities	Water, electricity
Shape	Irregular
Landscaping	Native grass, mature trees
Rail Service	None
Fencing	Partial chain link
Flood Info	48453C0285H
FEMA Date	09/26/2008
Flood Zone	X
Acres in Flood Zone	0

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Land Size Information

Gross Land Size	19.890 Acres or 866,408 SF
Useable Land Size	19.890 Acres or 866,408 SF, 100.00%
Front Footage	60 ft Cele Road

Indicators

Sale Price/Gross Acre	$81,561
Sale Price/Gross SF	$1.87
Sale Price/Useable Acre	$81,561
Sale Price/Useable SF	$1.87

Legal Description

Being 19.89 acres out of A. Austin Survey No. 19, Abstract 38, Travis County, Texas

Remarks

This 19.89 acre tract of vacant land sold on January 17, 2023 for $1,622,250.

Land Sale No. 2



Property Identification

Record ID	20673
Property Type	Agricultural-Undeveloped, Vacant Land
Property Name	Vacant Land
Address	15847 Decker Lake Road, Manor (OCL), Travis County, Texas 78653
Tax ID	190471
MSA	Austin-Round Rock
Market Type	North Texas

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Sale Data

Grantor	Keyna Rodriguez
Grantee	DAPD, Inc.
Sale Date	August 31, 2023
Deed Book/Page	2023101450
Property Rights	Fee Simple
Marketing Time	232 days
Conditions of Sale	Arm's Length
Financing	Cash to Seller
Verification	Broker

Land Sale No. 2 (Cont.)

Sale Price	$1,200,000
Cash Equivalent	$1,200,000
Adjusted Price	$1,200,000

Land Data

Zoning	OCL, Outside City Limits
Topography	Generally Level
Utilities	Water, electric
Shape	Rectangular
Landscaping	Native grass, mature trees
Rail Service	None
Fencing	None
Flood Info	48453C0490
FEMA Date	01/22/2020
Flood Zone	X, AE

Land Size Information

Gross Land Size	24.000 Acres or 1,045,440 SF
Useable Land Size	24.000 Acres or 1,045,440 SF, 100.00%
Front Footage	575 ft Decker Lake Road

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Indicators

Sale Price/Gross Acre	$50,000
Sale Price/Gross SF	$1.15
Sale Price/Useable Acre	$50,000
Sale Price/Useable SF	$1.15

Legal Description

Being 24 acres out of J. Burleson Survey No. 33, Abstract No. 5, Travis County, Texas

Remarks

This 24 acre tract of land located at 15847 Decker Lake Road near Manor, Texas in Travis County, sold on 09/01/2023 for $1,200,000.

Land Sale No. 3



Property Identification

Record ID	20674
Property Type	Land, Vacant Land
Property Name	Vacant Land
Address	13405 Jacobson Road, Manor (OCL), Travis County, Texas 78653
Tax ID	813368, 259197
MSA	Austin-Round Rock
Market Type	North Texas

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Sale Data

Grantor	Jamie and Carolyn Norwood
Grantee	Mohammed Shahid Imam
Sale Date	September 20, 2024
Deed Book/Page	2024104884
Property Rights	Fee Simple
Marketing Time	337 days
Conditions of Sale	Arm's Length
Financing	Cash to Seller
Verification	Broker
Sale Price	$1,375,000

Land Sale No. 3 (Cont.)

Cash Equivalent	$1,375,000
Adjusted Price	$1,375,000

Land Data

Zoning	OCL, Outside City Limits
Topography	Generally level
Utilities	Water, electricity
Shape	Rectangular
Landscaping	Native grass
Rail Service	None
Fencing	None
Flood Info	48453C0315
FEMA Date	09/26/2008
Flood Zone	X
Acres in Flood Zone	0

Land Size Information

Gross Land Size	24.670 Acres or 1,074,625 SF
Net Land Area Land Size	24.670 Acres or 1,074,625 SF, 100.00%
Front Footage	585 ft Jacobson Road

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Indicators

Sale Price/Gross Acre	$55,736
Sale Price/Gross SF	$1.28
Sale Price/Net Land Area Acre	$55,736
Sale Price/Net Land Area SF	$1.28

Legal Description

Being 24.67 acres out of L. Kimbro Survey No. 64, Abstract 456 and Daniel Bergen Survey No. 79, Abstract 2308, Travis County, Texas

Remarks

This 24.67 acre tract of land located at 13405 Jacobson Road in Travis County near Manor, Texas sold on 9/20/2024 for $1,375,000.

Land Sale No. 4



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Property Identification

Record ID	20675
Property Type	Agricultural-Undeveloped, Vacant Land
Property Name	Vacant Land
Address	12217 Pfluger Berkman Lane, Coupland (OCL), Travis County, Texas 78615
Tax ID	278336
MSA	Austin-Round Rock
Market Type	North Texas

Sale Data

Grantor	Lucy Elena Pfluger
Grantee	Ruvati Properties, LLC
Sale Date	December 16, 2024
Deed Book/Page	2024138981
Property Rights	Fee Simple
Marketing Time	305 days
Conditions of Sale	Arm's Length
Financing	Cash to Seller
Verification	Broker
Sale Price	$6,960,000
Cash Equivalent	$6,960,000

Land Sale No. 4 (Cont.)

Adjusted Price	$6,960,000

Land Data

Zoning	OCL, Outside City Limits
Topography	Generally level
Utilities	Electricity
Shape	Rectangular
Landscaping	Native grass, undeveloped land
Rail Service	None
Fencing	Partial wood
Flood Info	48453C0305H
FEMA Date	09/26/2008
Flood Zone	X
Acres in Flood Zone	0

Land Size Information

Gross Land Size	127.000 Acres or 5,532,120 SF
Useable Land Size	127.000 Acres or 5,532,120 SF, 100.00%
Front Footage	2,119 ft Pfluger Berkman Road; 2,246 ft FM 969

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Indicators

Sale Price/Gross Acre	$54,803
Sale Price/Gross SF	$1.26
Sale Price/Useable Acre	$54,803
Sale Price/Useable SF	$1.26

Legal Description

Being 127 acres out of I Lindsey Survey 67, Abstract 476, Travis County, Texas

Remarks

This 127 acre tract of land located at 12217 Pfluger Berkman Road in Travis County near Manor, Texas sold on 12/16/2024 for $6,960,000.

Land Sale No. 5



Property Identification

Record ID	20676
Property Type	Agricultural-Undeveloped, Vacant Land
Property Name	Vacant Land
Address	13508 Pfluger Berkman Road, Coupland (OCL), Travis County, Texas 78615
Tax ID	278311
MSA	Austin-Round Rock
Market Type	North Texas

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Sale Data

Grantor	Mary & Lucy Pfluger
Grantee	05 Ranch Investments, LLC
Sale Date	November 01, 2024
Deed Book/Page	2024122025
Property Rights	Fee Simple
Marketing Time	731 days
Conditions of Sale	Arm's length
Financing	Cash to Seller
Verification	Broker

Sale Price	$5,947,707
Cash Equivalent	$5,947,707
Adjusted Price	$5,947,707

Land Sale No. 5 (Cont.)

Land Data

Zoning	OCL, Outside City Limits
Topography	Generally level
Utilities	Electricity
Shape	Rectangular
Landscaping	Native grass, mature trees
Rail Service	None
Fencing	None
Flood Info	48453C0305H
FEMA Date	09/26/2008
Flood Zone	X
Acres in Flood Zone	0

Land Size Information

Gross Land Size	198.500 Acres or 8,646,660 SF
Useable Land Size	198.500 Acres or 8,646,660 SF, 100.00%
Front Footage	2,300 ft FM 458; 1,320 ft Brushy Creek; 3,960 ft Pfluger Berkman

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Indicators

Sale Price/Gross Acre	$29,963
Sale Price/Gross SF	$0.69
Sale Price/Useable Acre	$29,963
Sale Price/Useable SF	$0.69

Legal Description

Being 198.5 acres out of W C Hays Survey No. 7, Abstract 2708, Travis County, Texas

Remarks

This 198.5 acre tract of land located at 13508 Pfluger Berkman Road in Travis County, Texas, near Manor, sold on 11/01/2024 for $5,947,707.

Land Sale No. 6



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Property Identification

Record ID	20677
Property Type	Agricultural-Undeveloped, Vacant Land
Property Name	Vacant Land
Address	19918 Lockwood Road, Manor (OCL), Travis County, Texas 78653
Tax ID	214385, 214386
MSA	Austin-Round Rock
Market Type	North Texas

Sale Data

Grantor	Est. of John G. Franson
Grantee	Aladdin World, LLC
Sale Date	September 16, 2024
Deed Book/Page	202413659
Property Rights	Fee Simple
Marketing Time	305 days
Conditions of Sale	Arm's length
Financing	Cash to Seller
Verification	Broker
Sale Price	$1,575,000
Cash Equivalent	$1,575,000

Land Sale No. 6 (Cont.)

Adjusted Price	$1,575,000

Land Data

Zoning	OCL, Outside City Limits
Topography	Generally level
Utilities	Electric
Shape	Rectangular
Landscaping	Native Grass
Rail Service	None
Fencing	None
Flood Info	48453C0495J
FEMA Date	08/18/2014
Flood Zone	X
Acres in Flood Zone	0

Land Size Information

Gross Land Size	52.270 Acres or 2,276,881 SF
Useable Land Size	52.270 Acres or 2,276,881 SF, 100.00%
Front Footage	875 ft Lockwood Road

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Indicators

Sale Price/Gross Acre	$30,132
Sale Price/Gross SF	$0.69
Sale Price/Useable Acre	$30,132
Sale Price/Useable SF	$0.69

Legal Description

Being 52.57 acres out of G C Jennings Survey, Abstract A0438, Travis County, Texas

Remarks

This 52.27 acre tract of land located at 19918 Lockwood Road in Travis County, near Manor Texas, sold on 09/16/2024 For $1,575,000.

Land Sale No. 1



Property Identification

Record ID	18754
Property Type	Agricultural-Undeveloped
Property Name	12906 Johnson Road
Address	12906 Johnson Road, Manor, Travis County, Texas 78653
Tax ID	977851
Latitude, Longitude	N30.379066, W-97.503837

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Sale Data

Grantor	Carl and Dian Repp
Grantee	Patsy M. Graham
Sale Date	June 06, 2023
Deed Book/Page	2023063111
Property Rights	Fee Simple
Marketing Time	248
Conditions of Sale	Arm's length
Financing	Cash to Seller
User 4	Patsy M. Graham
Sale Price	$446,200

Land Data

Zoning	SF-1, Single Family Suburban District
Topography	Sloping

Utilities	Electrical, Water available

Land Sale No. 1 (Cont.)

Shape	Near rectangular
Landscaping	Grassland
Rail Service	None
Flood Info	48453C0295H
Flood Zone	X

Land Size Information

Gross Land Size	5.450 Acres or 237,402 SF
Useable Land Size	5.450 Acres or 237,402 SF
Front Footage	Johnson Road

Legal Description

Being 5.45 acres of land, situated in the Greenbury Gates Survey Number 63, Abstract Number 315, and the Lemuel Kimbro League Number 64, City of Manor, Travis County, Texas

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Remarks

The site features 5.45 acres of cleared, gently sloping land located along the north side of Johnson Road, east of FM 973, in Manor.

Land Sale No. 2



Property Identification

Record ID	18753
Property Type	Agricultural-Undeveloped
Property Name	Kimbro West Land Lot 4
Address	13910 Kimbro West Road, Manor (OCL), Travis County, Texas 78653
Tax ID	971060
Latitude, Longitude	N30.380625, W-97.483121

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Sale Data

Grantor	Rafael and Maria Rodriguez, et al.
Grantee	Rogelio M. Avila
Sale Date	January 30, 2024
Deed Book/Page	2024012337
Property Rights	Fee Simple
Marketing Time	280
Conditions of Sale	Arm's length
Financing	Cash to Seller
User 4	Rogelio M. Avila
Sale Price	$300,000

Land Data

Zoning	OCL, Outside City Limits
Topography	Generally level
Utilities	Electrical, water available

Land Sale No. 2 (Cont.)

Shape	Irregular
Landscaping	Grassland
Rail Service	None
Flood Info	48453C0315H
Flood Zone	X

Land Size Information

Gross Land Size	2.750 Acres or 119,776 SF
Useable Land Size	2.750 Acres or 119,776 SF
Front Footage	Kimbro West Road

Legal Description

Lot 4, Block A, of R&M Subdivision, Travis County, Texas

Remarks

The site is irregular in shape with generally level/cleared land with access to public electrical and water service.

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Land Sale No. 3



Property Identification

Record ID	18755
Property Type	Agricultural-Undeveloped
Property Name	NW FM 973 Manor Land 10.001 Ac.
Address	NW FM 973, Manor (OCL), Travis County, Texas 78653
Tax ID	905720
Latitude, Longitude	N30.407403, W-97.515776

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Sale Data

Grantor	Augustine Ortega
Grantee	Broadhead Donohoo Investments, LLC
Sale Date	April 09, 2024
Deed Book/Page	2024038432
Property Rights	Fee Simple
Marketing Time	17
Conditions of Sale	Arm's length
Financing	Cash to Seller
User 4	Broadhead Donohoo Investments, LLC
Verification	Deed/Travis CAD
Sale Price	$837,000

Land Data

Zoning	OCL, Outside City Limits
Topography	Level to undulating

Land Sale No. 3 (Cont.)

Utilities	Electrical, Water available
Shape	Rectangular
Landscaping	Cleared pasture, dense brush, creek
Rail Service	None
Flood Info	48453C0295H
Flood Zone	X

Land Size Information

Gross Land Size	10.001 Acres or 435,644 SF
Useable Land Size	10.001 Acres or 435,644 SF
Front Footage	FM 973

Legal Description

Being a 10.001 acre tract of land out of the Thomas Hancock Survey Number 20, Abstract Number 392, Travis County, Texas

Remarks

The 10 acre rectangular site is level in topography near the road frontage and is gently undulating within the rear of the site, where dense brush/tree cover, an earthen tank, and winding creek are located. The site is located outside of city limits, and is partially situated within the floodplain.

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Land Sale No. 4



Property Identification

Record ID	20966
Property Type	Land, Commercial
Property Name	Vacant Land
Address	6918 Lee Manor Cove, Manor (OCL), Travis County, Texas 78653
Tax ID	460976
MSA	Austin-Round Rock
Market Type	South Texas

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Sale Data

Grantor	Cooplease Ltd.
Grantee	Ivan Struthers, et al.
Sale Date	November 21, 2024
Deed Book/Page	2024129713
Property Rights	Fee Simple
Marketing Time	78
Conditions of Sale	Arm's Length
Financing	Cash to Seller
Verification	Broker
Sale Price	$550,000

Land Sale No. 4 (Cont.)

Cash Equivalent	$550,000
Adjusted Price	$550,000

Land Data

Zoning	OCL
Topography	Gently sloping
Utilities	All available
Shape	Pie shaped
Flood Info	48453C0290J
Flood Zone	X

Land Size Information

Gross Land Size	2.010 Acres or 87,556 SF
Net Land Area Land Size	2.010 Acres or 87,556 SF, 100.00%
Front Footage	100 ft Lee Manor Cove

Indicators

Sale Price/Gross Acre	$273,632
Sale Price/Gross SF	$6.28
Sale Price/Net Land Area Acre	$273,631
Sale Price/Net Land Area SF	$6.28

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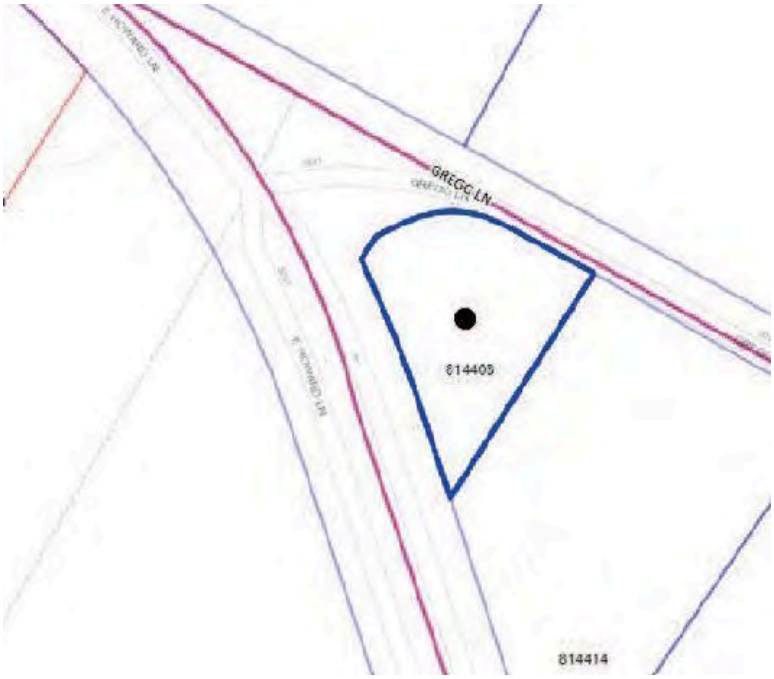
Legal Description

Lot 10, Block A, Gregg Manor Road Business Park, Travis County, Texas.

Remarks

This 2.01 tract of vacant land located in the Gregg Manor Road Business Park sold on 3/3/2023 for $495,000.

Land Sale No. 5



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Property Identification

Record ID	20968
Property Type	Land, Commercial
Property Name	Vacant Land
Address	5105 Gregg Lane, Manor (OCL), Travis County, Texas 78653
Tax ID	814408
MSA	Austin-Round Rock
Market Type	South Texas

Sale Data

Grantor	Austin Parks Foundation
Grantee	5105 Gregg Lane, LLC
Sale Date	October 30, 2023
Deed Book/Page	2023122773
Property Rights	Fee Simple
Marketing Time	169
Conditions of Sale	Arm's Length
Financing	Cash to Seller
Verification	Broker

Land Sale No. 5 (Cont.)

Sale Price	$1,450,000
Cash Equivalent	$1,450,000
Adjusted Price	$1,450,000

Land Data

Zoning	OCL
Topography	Generally level
Utilities	Electricity
Shape	Irregular
Flood Info	48453C0290J
Flood Zone	X

Land Size Information

Gross Land Size	2.440 Acres or 106,286 SF
Net Land Area Land Size	2.440 Acres or 106,286 SF, 100.00%
Front Footage	480 ft E. Howard Lane; 395 ft Gregg Lane

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Indicators

Sale Price/Gross Acre	$594,262
Sale Price/Gross SF	$13.64
Sale Price/Net Land Area Acre	$594,265
Sale Price/Net Land Area SF	$13.64

Legal Description

2.44 acres out of M. Castro Survey No. 50, Abstract No. 160, Travis County, Texas

Remarks

This 2.44 acre tract of land located at 5105 Gregg Lane at E. Howard Lane sold on 10/27/2023 for $1,450,000.

Land Sale No. 6



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Property Identification

Record ID	20970
Property Type	Land, Commercial
Property Name	Vacant Land
Address	6817 Lee Manor Cove, Manor (OCL), Travis County, Texas 78653
Tax ID	460968
MSA	Austin-Round Rock
Market Type	South Texas

Sale Data

Grantor	Running Rope, LLC
Grantee	Triumph CS Holdings LLC
Sale Date	September 16, 2024
Deed Book/Page	2024059615
Property Rights	Fee Simple
Marketing Time	228
Conditions of Sale	Arm's Length
Financing	Cash to Seller
Verification	Broker

Land Sale No. 6 (Cont.)

Sale Price	$529,000
Cash Equivalent	$529,000
Adjusted Price	$529,000

Land Data

Zoning	OCL
Topography	Gently sloping
Utilities	All available
Shape	Pie shaped
Flood Info	48453C0290J
Flood Zone	X

Land Size Information

Gross Land Size	2.020 Acres or 87,991 SF
Net Land Area Land Size	2.020 Acres or 87,991 SF, 100.00%
Front Footage	159 ft Lee Manor Cove

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Indicators

Sale Price/Gross Acre	$261,881
Sale Price/Gross SF	$6.01
Sale Price/Net Land Area Acre	$261,882
Sale Price/Net Land Area SF	$6.01

Legal Description

Lot 2, Block A, Gregg Manor Road Business Park, Travis County, Texas

Remarks

This 2.02 tract of vacant land located at 6817 Lee Manor Cove in the Gregg Manor Road Business Park sold on 09/16/2024 for $529,000.

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