

RESOLUTION NO. 2022-19

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF TOMBALL, TEXAS, CALLING FOR A PUBLIC
HEARING ON THE CREATION OF A PUBLIC
IMPROVEMENT DISTRICT AND BEING LOCATED
WITHIN THE CITY OF TOMBALL**

* * * * *

WHEREAS, the City Council (the “City Council”) of the City of Tomball, Texas (the “City”) has received a petition (the “Petition”) requesting creation of a public improvement district (the “PID”) under Chapter 372 of the Texas Local Government Code (the “Act”), from the record owners of taxable real property representing more than fifty percent (“50%”) of the appraised value of the real property liable for assessment (as determined by the most recent certified appraisal roll for Harris County) in the proposed PID and the record owners of taxable real property that constitute more than 50% of all of the area of all taxable real property that is liable for assessment in the proposed PID; and

WHEREAS, the Petition, a copy of which is attached hereto as Exhibit 1, has been examined, verified, and found to meet the requirements of Sections 372.005(a) and 372.005(b) of the Act and to be sufficient for consideration by the City Council; and

WHEREAS, the boundaries of the proposed PID are described in the Exhibit A to the Petition and shown on the map attached to the Petition as Exhibit B, said area for the PID being within the City; and

WHEREAS, the City Council accepts the Petition and desires to schedule a public hearing to consider the creation of the PID to finance the following public improvements (collectively, the “Authorized Improvements”): (i) the acquisition, construction or improvement of water, wastewater or drainage facilities or improvement; (ii) acquiring, constructing, improving,

widening, narrowing, closing or rerouting of sidewalks or of streets, any other roadways, or their rights-of-way; (iii) landscaping; (iv) the establishment or improvement of parks; (v) erection of fountains, distinctive lighting and signs; (vi) projects similar to those listed in subsections (i) - (v) above authorized by the Act, including similar off-site projects that provide a benefit to the property within the District; (vii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement; (viii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation and cultural enhancement; and; (ix) payment of expenses incurred in the establishment, administration and operation of the District, including the costs of financing the public improvements listed above, **NOW, THEREFORE**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TOMBALL,
TEXAS**

SECTION 1: That a public hearing is hereby scheduled at 6:00 P.M. on June 20, 2022, in the City Council Chamber at Tomball City Hall, 401 Market Street, Tomball, Texas 77375 to receive public comment on the creation of the PID in the area described in Exhibit A to the Petition and as shown on the map attached to the Petition as Exhibit B, pursuant to the Act; and

SECTION 2: That notice of said hearing, in the substantially final form set forth in Exhibit 2 attached hereto, with such changes as may be approved by the City's counsel, shall be published in a newspaper of general circulation in the City and in a newspaper of general circulation in the City before the 15th day prior to the hearing as required by the Act; and

SECTION 3: That written notice, in the substantially final form set forth in Exhibit 2 attached hereto with such changes as may be approved by the City's counsel, shall be mailed to

each property owner, as reflected on the tax rolls, of property subject to assessment within the PID, before the 15th day prior to the date set for the hearing; and

SECTION 4: That all of the above recitals are hereby found to be true and correct factual determinations of the City and are hereby approved and incorporated by reference as though fully set forth herein; and

SECTION 5: That if any portion of this Resolution shall, for any reason, be declared invalid by any court of competent jurisdiction, such invalidity shall not affect the remaining provisions hereof and the City Council hereby determines that it would have adopted this Resolution without the invalid provision; and

SECTION 6: That this Resolution shall be in full force and effect from and after its passage, and it is accordingly so resolved.

PASSED, APPROVED, AND RESOLVED this ___ day of May 2022.

Lori Klein-Quinn
Mayor

ATTEST:

Doris Speer
City Secretary

EXHIBIT 1

PETITION
(see attached Petition)

EXHIBIT 2

NOTICE OF PUBLIC HEARING OF THE CITY OF TOMBALL, TEXAS TO CONSIDER THE ADVISABILITY OF THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT TO MAKE CERTAIN IMPROVEMENTS OVER CERTAIN PROPERTY LOCATED WITHIN THE CITY.

NOTICE IS HEREBY GIVEN THAT the City Council (the "City Council") of the City of Tomball, Texas (the "City"), pursuant to Chapter 372 of the Texas Local Government Code, as amended (the "Act"), will hold a public hearing at 6:00 p.m. on June 20, 2022, in the City Council Chamber at Tomball City Hall, 401 Market Street, Tomball, Texas 77375 for the purpose of considering the establishment by the City of a public improvement district to be located within the extraterritorial jurisdiction of the City.

In accordance with the Act, the City Council has received a petition (the "Petition") from certain property owners within the extraterritorial jurisdiction of the City (the "Petitioners"), that requests the establishment of a public improvement district (the "PID"). The Petition and the legal description of the property to be included in the PID are on file and open for public inspection in the office of the City Secretary at 401 Market Street, Tomball, Texas 77375. The public hearing is being held with respect to the advisability of creating the PID and the improvements to be made therein.

GENERAL NATURE OF THE AUTHORIZED IMPROVEMENTS: The general nature of the proposed public improvements (collectively, the "Authorized Improvements") may include: (i) the acquisition, construction or improvement of water, wastewater or drainage facilities or improvement; (ii) acquiring, constructing, improving, widening, narrowing, closing or rerouting of sidewalks or of streets, any other roadways, or their rights-of-way; (iii) landscaping; (iv) the establishment or improvement of parks; (v) erection of fountains, distinctive lighting and signs; (vi) projects similar to those listed in subsections (i) - (v) above authorized by the Act, including similar off-site projects that provide a benefit to the property within the District; (vii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement; (viii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation and cultural enhancement; and; (ix) payment of expenses incurred in the establishment, administration and operation of the District, including the costs of financing the public improvements listed above.

ESTIMATED COST OF THE AUTHORIZED IMPROVEMENTS: The estimated cost to design, acquire and construct the Authorized Improvements, together with bond issuance costs, eligible legal and financial fees, eligible credit enhancement costs and eligible costs incurred in the establishment, administration and operation of the PID is \$5,731,000 plus the annual cost of supplemental services and operation and maintenance costs, if any. The City will pay no costs of the Authorized Improvements, supplemental services or operation and maintenance costs from funds other than assessments levied on property within the PID. The remaining costs of the proposed improvements will be paid from sources other than those described above.

PROPOSED METHOD OF ASSESSMENT: The City shall levy assessments on each parcel within the PID in a manner that results in the imposition of an equal share of the costs of the Authorized Improvements on property similarly benefitted by such Authorized Improvements. The proposed method of assessment shall be based upon (i) an equal apportionment per lot, per front foot, or per square foot of property benefiting from the Authorized Improvements, as determined by the City, (ii) the ad valorem taxable value of the property benefiting from the Authorized Improvements, with or without

regard to improvements on the property, or (iii) in any manner that results in imposing equal shares of the cost on property similarly benefitted.

PROPOSED APPORTIONMENT OF COSTS BETWEEN THE CITY AND THE PID: The City will not be obligated to provide any funds to finance the Authorized Improvements. All of the costs of the Authorized Improvements will be paid from assessments levied on properties in the PID and from other sources of funds available to the Petitioners.

BOUNDARIES OF THE PROPOSED PID: 19.34 Acres of Land within the City of Tomball, Harris County, Texas, Said Property Being Generally Located on the north side of Holderrieth Rd., and .598 miles west of the Holderrieth Rd. and Hufsmith-Kohrville Rd. intersection. **A metes and bounds description is available for inspection at the offices of the City Secretary at the location described above.**

All interested persons are invited to attend such public hearing to express their views with respect to the establishment of the PID and the Authorized Improvements to be made therein.

This Notice of Public Hearing is given and the public hearing is being held pursuant to the requirements of the Act.

THE CITY OF TOMBALL, TEXAS

EXHIBIT A

PETITION FOR THE CREATION OF A PUBLIC IMPROVEMENT DISTRICT WITHIN THE CITY OF TOMBALL, TEXAS

COMES NOW, HMH Tomball Townhomes, LLC, a Texas limited liability company (“Petitioner”), the owner of a parcel or parcels of taxable real property, who hereby petition the City of Tomball, Texas (“City”), to conduct a hearing on this Petition, and to create a Public Improvement District pursuant to Chapter 372 of the Texas Local Government Code, as amended, to be known as “Seven Oaks Public Improvement District” (the “District”). In support of the same, Owner would respectfully show the following:

I.

The boundaries of the proposed District are set forth in Exhibit “A” attached hereto and incorporated by reference herein. All of such land is located in the corporate limits of the City or its extraterritorial jurisdiction.

II.

The general nature of the proposed improvements (the “Improvements”) are: (i) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements; (ii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of-way; (iii) landscaping; (iv) the establishment or improvement of parks; (v) erection of fountains, distinctive lighting, and signs; (vi) projects similar to those listed in (i)-(v); (vii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement; (viii) special supplemental services for improvement and promotion of the District, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement; and (ix) payment of expenses incurred in the establishment, administration, and operation of the District, including the costs of financing the public improvements listed above.

III.

The estimated total cost of the proposed Improvements is \$5,731,000.

IV.

The City shall levy assessments on each parcel within the District in a manner that results in imposing equal shares of the costs on property similarly benefited. Each assessment may be paid in part or in full at any time (including interest), and certain assessments may be paid in annual installments (including interest). If the City allows an assessment to be paid in installments, then the installments must be paid in amounts necessary to meet annual costs for those public Improvements financed by the assessment and must continue for a period necessary to retire the indebtedness on those public Improvements (including interest).

V.

All of the cost of the proposed Improvements shall be apportioned to and paid by assessment of the property within the District. The City will pay none of the costs of the proposed Improvements. Any remaining costs of the proposed Improvements will be paid from sources other than assessment of the property within the District.

VI.

The management of the District will be by the City with the assistance of a third-party administrator hired by the City and paid as part of the annual administrative cost of the District.

VII.

The person or entity signing this Petition request the establishment of the District, is duly authorized, and has the corporate authority to execute and deliver the Petition.

VIII.

The Petitioner proposes that the District be established and managed without the creation of an advisory board.

IX.

Notwithstanding that the total acreage within the proposed District is less than fifty (50) acres, Petitioner is requesting that the City reimburse Petitioner for the cost of the Improvements from the proceeds of bonds to be issued by the City and secured solely by assessments levied upon benefited land within the District.

X.

The persons or entities (through authorized representatives) signing this Petition are also owners of taxable real property representing more than fifty percent (50%) of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located; and the record owners of real property liable for assessment under the proposal who: (a) constitute more than fifty percent (50%) of all record owners of property that are liable for assessment under the proposal, and (b) own taxable real property that constitutes more than fifty percent (50%) of the area of all taxable real property that is liable for assessment under the proposal.

X.

This Petition will be filed with the City Secretary, City of Tomball, Texas.

[EXECUTION PAGE FOLLOWS]

RESPECTFULLY SUBMITTED, on this the 27th ^{April} day of May, 2022.

PETITIONER:

HMH Tomball Townhomes, LLC, a Texas
limited liability company

By: [Signature]

Name: Michael J. Pizzitelli, Jr.

Title: Vice President

STATE OF TEXAS §
 §
COUNTY OF Harris §

This instrument was acknowledged before me on April 27th, 2022, by
Michael J. Pizzitelli, Jr., Vice President of HMH Tomball Townhomes, LLC, a
Texas limited liability company, on behalf of said company.



[Signature]
Notary Public, State of Texas

EXHIBIT "A"

Being a 19.34 acre (842,341 square foot) tract of land situated in the C. Pillot survey, Abstract No. 632 City of Tomball of Harris County, Texas and being the remainder of a called 5.0000 acre tract of land as described in an instrument to Franklin L. Cox and wife Karen M. Cox recorded under Harris County Clerk's File Number (H.C.C.F. No.) N337110, all of a called 2.0000 acre tract of land as described in an instrument to Franklin L. Cox and wife Karen M. Cox recorded under H.C.C.F. No. N325685 and the remainder of a called 22.1454 acre tract as described in an instrument to Franklin L. Cox and wife Karen M. Cox recorded under H.C.C.F. No. M269425, said 19.34 acre tract of land described by metes and bounds as follows, with all bearings based on the Texas coordinate system of 1983 (NAD83), South Central Zone 4204 and referenced to monuments found along the north right-of-Way line of Holderrieth Road as cited herein and as shown on a survey plat of even date prepared by the undersigned in conjunction with this metes and bounds description:

BEGINNING at a 5/8-Inch iron rod with cap stamped "GORRONDONA & ASSOC." found for the southwest corner of the herein described tract, lying on the north right-of-way line of Holderrieth Road (80 feet wide), said point being the northwest corner of a called 0.3104 acre tract (Parcel 23) as described in an instrument to Harris County recorded under H.C.C.F. No. RP-2021-276721 for the widening of said Holderrieth Road, same being the northeast corner of a called 0.2073 acre tract (Parcel 21B) as described in an instrument to Harris County recorded under H.C.C.F. No. RP-2021-358152, from which a 5/8-inch iron rod with cap stamped "EE COON" bears S 21°13' E, 20.75 feet, found for the southwest corner of said 22.1454 acre tract and the southeast corner of a called 21.361 acre tract as described in an instrument to Frank Leon Denina and wife Alma Ruth Denina recorded under H.C.C.F. No. E712621, Thence, N 21°13'03" W, along and with the common line of said 21.361 acre tract and said 22.1454 acre tract, at a distance of 1,216.08 feet passing a 2-Inch iron pipe found for the southwest corner of said 2.0000 acre tract and continuing for a total distance of 1,442.32 feet to a 1/2-Inch iron rod inside a 5-Inch metal pipe found for the northwest corner of the herein described tract and the southwest corner of a called 2.5 acre tract as described in an instrument to Gurprit Singh and Jaspreet Bains recorded under H.C.C.F. No. RP-2018-252717;

THENCE, N 69°48'38" E, along and with the southerly line of said 2.5 acre tract, a distance of 476.61 feet to a 1/2-Inch iron pipe with cap stamped "BGE INC" set for the northeast corner of the herein described tract and the southeast corner of said 2.5 acre tract, lying on the east line of said 22.1454 acre tract, same being the west line of a called 12.73942 acre tract as describe in an instrument to C & C Properties, Inc. recorded under H.C.C.F. No. L894620;

THENCE, S 28°04'44" E, along and with the common line of said 22.1454 acre tract and said 12.73942 acre tract, a distance of 1,547.71 feet to a 1/2-Inch iron pipe with cap stamped "BGE INC" set for the southeast corner of the herein described tract and the northeast corner of said 0.3104 acre tract (Parcel 23), lying on the north right-of-way line of said Holderrieth Road, from which a 5/8-Inch iron rod with cap stamped "EE COON" bears S 25°56' E, 20.9 feet, found for the common south corner of said 22.1454 acre tract and said 12.73942 acre tract;

THENCE, S 77°37'17" W, along and with the north right-of-way line of said Holderrieth Road, same being the north line of said 0.3104 acre tract (Parcel 23), a distance of 669.39 feet to the POINT OF BEGINNING and containing 19.34 acres (842,341 square feet) of land, more or less.

- i. A completed City of Tomball PID Application Form (Exhibit A);

**CITY OF TOMBALL
PUBLIC IMPROVEMENT DISTRICT POLICY
AS ADOPTED BY CITY COUNCIL ON MARCH 7, 2022**

I have read and understand this policy.


Signature

4/26/22
Date

Michael J. Pizzuto, Jr.
Printed Name

(Please sign and date this page and return to the Project Manager)

ii. Letter from developer requesting consideration of a PID and summary of the special benefits to be received by the development;

HistoryMaker Homes is requesting from the City of Tomball the creation of a Public Improvement District to assist in developer reimbursement through PID bond sales. The proceeds from the PID bond sales will be used to help fund public improvements which serve the Seven Oaks community. Seven Oaks will sit on 19.34 acres of land which is under Tomball's 50-acre threshold for PID bond sales. In exchange for Tomball's consideration for PID financing through bond sales, HistoryMaker will agree to close 25 homes in the Seven Oaks community before the PID bonds are sold

The Seven Oaks community will consist of 143 townhomes which will come in packs of 3, 4, 5 & 6. These townhomes will be 1800 SF on average, and are anticipated to have an average sales price of \$260,000. This community will be managed by a homeowner's association which will allow the Seven Oaks residents to live a lifestyle which demands little in the way of property management and maintenance. The HOA will be responsible for the exterior upkeep of the buildings in the community, as well as the landscaping & amenities throughout the community.

HistoryMaker has had tremendous success in Houston, and other major US cities, in bringing their townhome product to market. Due to design efficiency, HistoryMaker is able to deliver to their customers a level of quality that is unmatched by competing products.

Over the past 12 months HistoryMaker has seen its expected development costs for the Seven Oaks community increase by 33% due to the extreme supply chain issues constraining the housing and construction industry. It is HistoryMakers desire to deliver a product to its customers that does not cut back, in any way, on the quality of the Seven Oaks Community. The additional funds that the PID will generate will be used to embellish our amenity lake and other reserves with high quality features. These amenities include masonry walls, iron fencing to enhance views of the lake, decorative lighting features around the lake, aesthetic fountains, walking trails, entry monumentation, seating areas, and the planting of shade trees. Without such funds History maker will have no choice but to lessen its ambitions in respect to **amenity material selection** in order to provide a positive return on its investment.

iii. Evidence that the developer has the expertise, experience, necessary capital, and financial backing to complete the new development to be supported by the District financing. The developer must provide the City with adequate evidence of its committed and anticipated sources of funding to fund the balance of the improvements in the District not eligible to be funded by District issued financing;

HistoryMaker Homes:

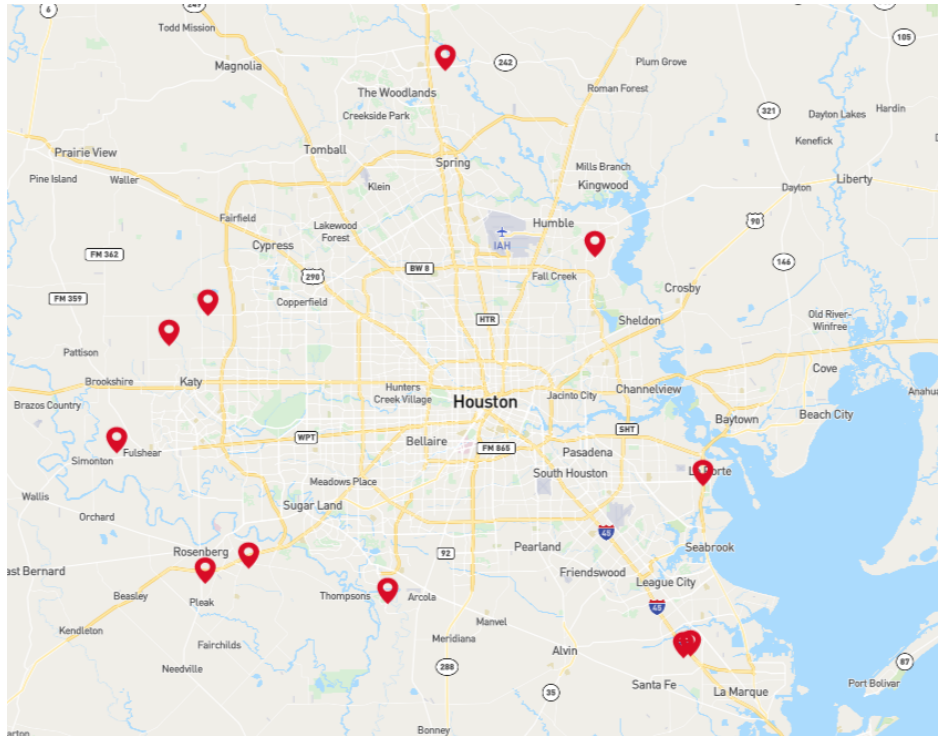
A brief history behind HistoryMaker Homes goes back to pre-World War II. The Mitchell family began building homes in the Fort Worth area in the late 1940's. From there on, the Mitchell family would establish HistoryMaker Homes and would then flourish into the prevalent home builder & developer they are today. After 60 years in the DFW market, History Maker would then open their Houston, TX hub in 2016. Since then, History Maker Homes has constructed quality homes in major master plan communities such as; Sunterra, Artesia Village, Katy Lakes, Summer Lakes, Seabourn Landing, Harpers Preserve, Sienna Townhomes at Parkway Place, & Balmoral. The success of History Maker Homes can be attributable to the company's vision, mission, and core values ``To honor God, enrich the lives of

stakeholders, and delight customers". History Maker Homes has made strides in the development and home building industry due to their adaptations in technology applications, intelligent construction methods, as well as energy efficiency.

In the past 12 months HistoryMaker has constructed approximately 290 homes in the Houston area, and approximately 846 homes in the Dallas / Fort Worth area. With an average home selling at \$332,700 that is \$378,000,000 in home sales over the past 12 months.

(SEE MAPS ON NEXT PAGE)

HISTORYMAKER COMMUNITY LOCATION MAP (HOUSTON)



Production Builder Ranking

Current Selections

Sorted By Annual Closings

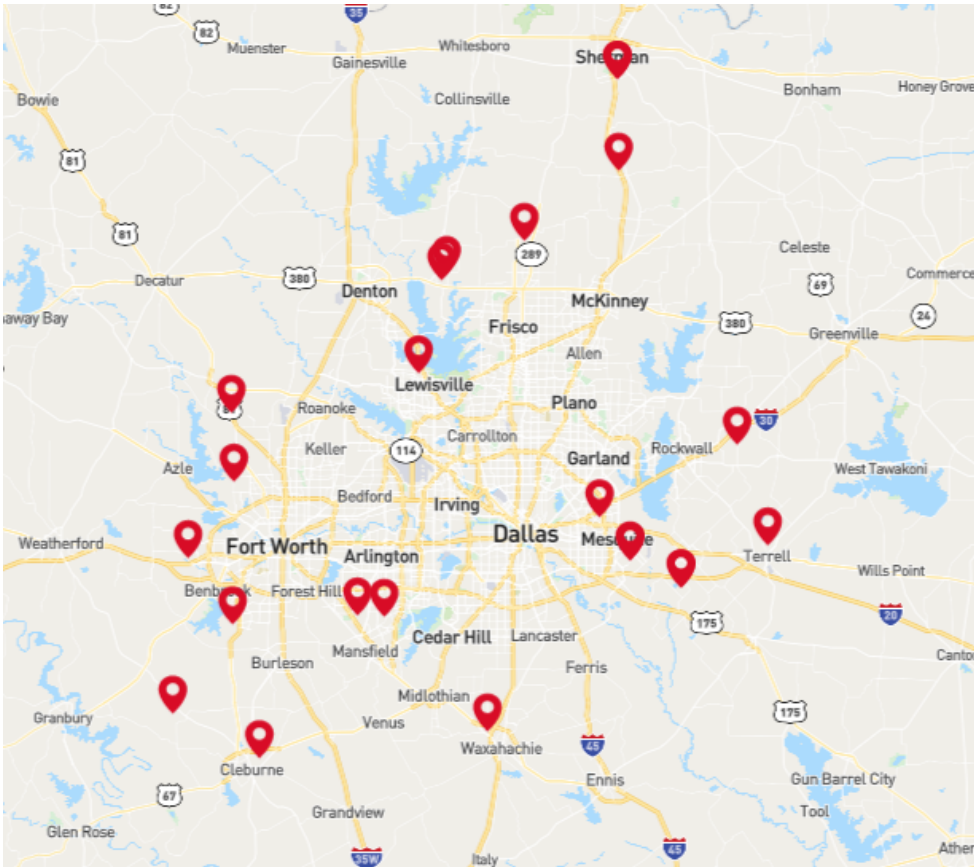
Rank	Builder Name (Production)	Single-Builder Section Closings					Shared Annual Closings	Total Annual Closings	Production Builder Share
		1Q21	2Q21	3Q21	4Q21	Annual			
22	Century Communities	132	228	122	136	618		618	1.69 %
23	Colina Homes	197	162	101	135	595		595	1.63 %
24	Anglia Homes	139	118	129	154	540		540	1.48 %
25	M/I Homes	124	160	130	109	523		523	1.43 %
26	Ashton Woods	99	187	126	95	507		507	1.39 %
27	First America Homes	113	131	131	89	464	2	466	1.28 %
28	Devon Street Homes	56	82	127	125	390		390	1.07 %
29	Pulte	112	103	55	87	357		357	0.98 %
30	Newmark Homes Houston	116	85	76	79	356		356	0.98 %
31	NuHome	81	113	74	80	348		348	0.95 %
32	Village	101	78	70	95	344		344	0.94 %
33	Princeton Classic Hom	73	80	80	80	313		313	0.86 %
34	History Maker Homes	54	77	80	79	290		290	0.79 %

S numbers in this column are based on shared (multiple-builder) sections; in these cases, the annual number is evenly distributed between builders in these sections

Houston Residential Survey (4Q21)
Copyright Metrostudy
Page 1 of 5

metrostudy
Sales: 1-800-227-8839
A hantegwood Company

HISTORYMAKER COMMUNITY LOCATION MAP (DALLAS/FT. WORTH)



Production Builder Ranking

Current Selections

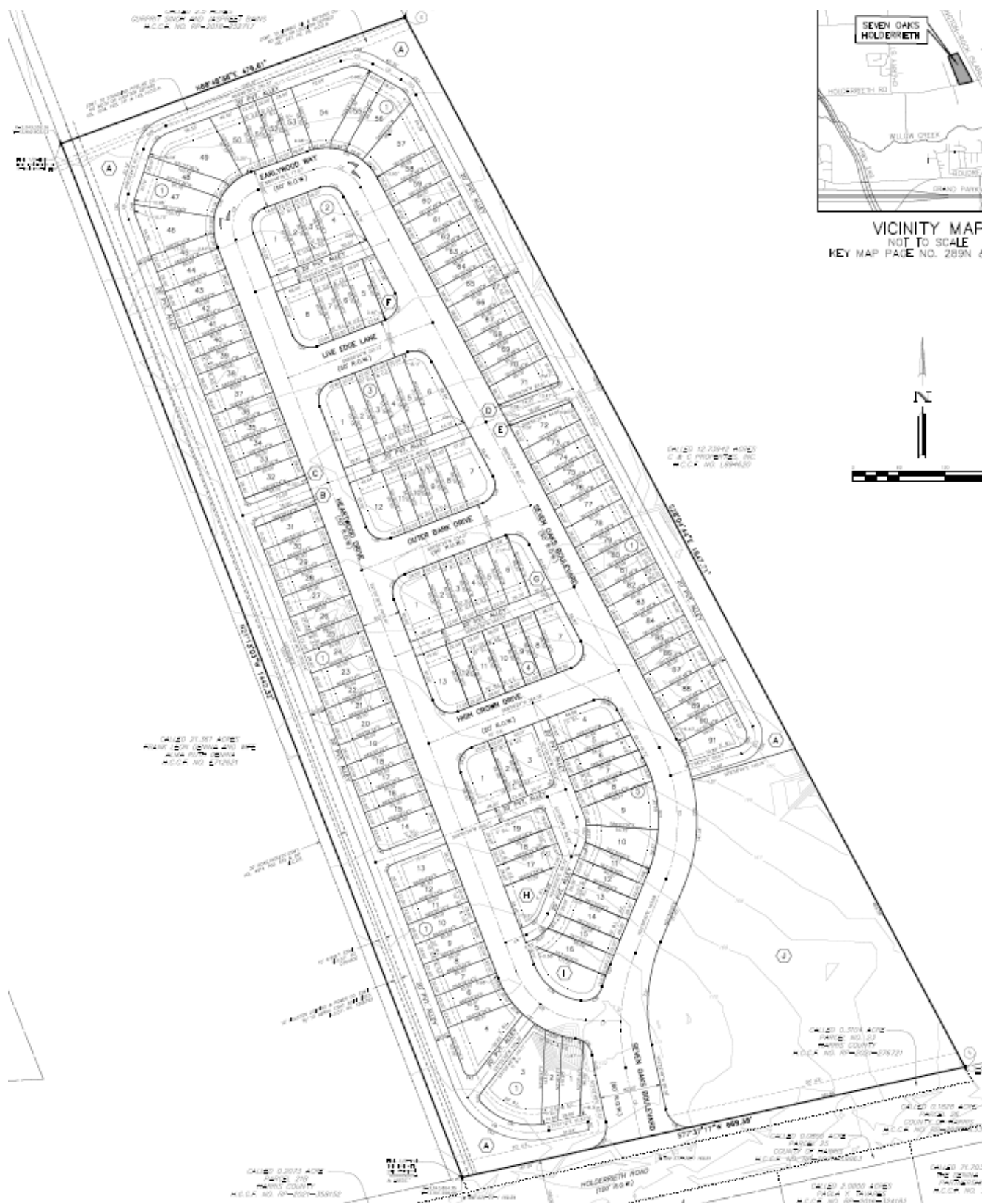
Sorted By Annual Closings

Rank	Builder Name (Production)	Single-Builder Section Closings					\$ Shared Annual Closings	Total Annual Closings	Production Builder Share
		1Q21	2Q21	3Q21	4Q21	Annual			
1	D.R. Horton Homes	937	1,210	968	1,320	4,435	1	4,436	10.80 %
2	Express Homes by DR H	606	795	858	832	3,091		3,091	7.52 %
3	Lennar Homes	580	697	674	677	2,628		2,628	6.40 %
4	Bloomfield Homes	363	572	596	509	2,040		2,040	4.97 %
5	Highland Homes	438	488	483	431	1,840	1	1,841	4.48 %
6	LGI Homes	446	645	362	333	1,786		1,786	4.35 %
7	Meritage Homes	250	333	327	291	1,201		1,201	2.92 %
8	First Texas Homes	269	356	265	186	1,076		1,076	2.62 %
9	Pulte	190	280	223	236	929		929	2.26 %
10	Trophy Signature Home	97	247	294	258	896		896	2.18 %
11	Impression Homes	209	239	150	276	874		874	2.13 %
12	History Maker Homes	190	254	187	215	846		846	2.06 %
13	Starlight Homes by As	87	254	220	259	820		820	2.00 %

- iv. A site plan or general plan of development that outlines, at a minimum, land use and thoroughfare connections and is consistent with the City's Comprehensive Plan, Strategic Plan, and all other City plans formally approved by City Council, as amended;

History Maker Homes will provide 143 luxury townhomes to the City of Tomball. These townhomes will consist of pristine landscaping at the front of each dwelling for a more inviting atmosphere for residents to walk through the entire community. The detention pond area will have a walkable trail to create a sense of place that coincides with the values and direction of the City of Tomball comprehensive plan. With driveways located in the rear of each unit the clutter of automobiles will be mitigated by the private alleyways. Please see the exhibits below for an understanding of the general plan and landscaping to be provided





VICINITY MAP
NOT TO SCALE
KEY MAP PAGE NO. 289N A



- v. Identification of how the project will contribute to funding the expansion of arterial and connector streets, major collector roadways or highways, and trunk line utility infrastructure, as applicable when necessary to address the projected demand for services and the impacts of the development;

HistoryMaker's Seven Oaks project will contribute to and enhance the public infrastructure of Tomball in several major ways. Harris County is undertaking a major project which will widen Holderrieth Road, and replace water, sewer, and drainage facilities within the Holderrieth ROW. The Seven Oaks project has caused Harris County to agree to deepen their proposed storm sewer in this area in order to better serve the 7 Oaks community and the land around this area. This action will allow nearby properties to drain to the Holderrieth storm sewer that would have otherwise not been able to. HistoryMaker has agreed to pay for the cost to lower this storm sewer line. HistoryMaker will also be providing a left-hand turn lane which will allow traffic flow to continue while passengers are entering the Seven Oaks community. The detention Pond of Seven Oaks will also enhance the flooding characteristics of the area by detaining storm water that previously sheet flowed off site. Seven Oaks will also sport an amenity pond with walking trails that will be open for public use.

- vi. Identify all project expenses and costs, including acquisition, construction, and any applicable long-term management cost;

Accounts	Budget
Engineering Design	\$ 464,785.27
Geotechnical Services	\$ 183,928.36
Erosion Control	\$ 52,249.00
Sanitary Sewer	\$2,672,108.84
Paving	\$1,626,304.85
Electric	\$ 162,512.87
Misc. Cost	\$ 77,143.22
Contingency	\$ 346,972.37
Interest Expense	\$ 348,649.00
Legal - Development	\$ 10,000.00
Misc Application Fees/Permits	\$ 50,000.00
Environmental Report	\$ 20,000.00
Clearing and Demo	\$ 125,663.00
Excavation / Detention	\$ 329,795.30
Off Site Paving	\$ 107,236.35
Landscape	\$ 707,829.60
HOA	\$ 50,400.00
Totals	\$7,335,578.04

- vii. Sources and uses budget and project pro forma detailing projected cash flows over the life of the proposed District including other public sources, private financing, and developer equity contribution to the project;

PROJECT FUNDING DEBT & EQUITY

SOURCES AND USES (DEBT / EQUITY)				
	Accounts	Budget	Equity	Loan
A.	Engineering Design	\$ 464,785.27	\$ 464,785.27	
B.	Geotechnical Services	\$ 183,928.36	\$ 183,928.36	
C.	Erosion Control	\$ 52,249.00	\$ 52,249.00	
D.	Sanitary Sewer	\$2,672,108.84	\$ 1,634,615.41	\$1,037,493.43
E.	Paving	\$1,626,304.85		\$1,626,304.85
F.	Electric	\$ 162,512.87		\$ 162,512.87
G.	Misc. Cost	\$ 77,143.22		\$ 77,143.22
H.	Contingency	\$ 346,972.37		\$ 346,972.37
I.	Interest Expense	\$ 348,649.00		\$ 348,649.00
J.	Legal - Development	\$ 10,000.00		\$ 10,000.00
K.	Misc Application Fees/Permits	\$ 50,000.00		\$ 50,000.00
L.	Environmental Report	\$ 20,000.00		\$ 20,000.00
M.	Clearing and Demo	\$ 125,663.00		\$ 125,663.00
N.	Excavation / Detention	\$ 329,795.30		\$ 329,795.30
O.	Off Site Paving	\$ 107,236.35		\$ 107,236.35
P.	Landscape	\$ 707,829.60		\$ 707,829.60
Q.	HOA	\$ 50,400.00		\$ 50,400.00
	Totals	\$7,335,578.04	\$ 2,335,578.04	\$5,000,000.00

PROJECTS DEVELOPER TO BE REIMBURSED FOR VIA PID FUNDS

SOURCES AND USES (PID FUNDS)			
	Accounts	Budget	PID
A.	Engineering Design	\$ 464,785.27	\$ (377,181.71)
B.	Geotechnical Services	\$ 183,928.36	\$ (149,261.21)
C.	Erosion Control	\$ 52,249.00	\$ (52,249.00)
D.	Sanitary Sewer	\$2,672,108.84	\$(2,086,417.00)
E.	Paving	\$1,626,304.85	\$ (928,362.00)
F.	Electric	\$ 162,512.87	
G.	Misc. Cost	\$ 77,143.22	
H.	Contingency	\$ 346,972.37	
I.	Interest Expense	\$ 348,649.00	
J.	Legal - Development	\$ 10,000.00	
K.	Misc Application Fees/Permits	\$ 50,000.00	
L.	Environmental Report	\$ 20,000.00	
M.	Clearing and Demo	\$ 125,663.00	
N.	Excavation / Detention*	\$ 329,795.30	
O.	Off Site Paving	\$ 107,236.35	\$ (107,236.35)
P.	Landscape	\$ 707,829.60	\$ (707,829.60)
Q.	HOA	\$ 50,400.00	
	Totals	\$7,335,578.04	\$(4,408,536.88)
*Excavation / Detention is under construction, and thus not eligible for reimbursement			
*The cost to sell PID bonds has not been included in this chart.			

SEVEN OAKS CASH FLOW

[illegible]

Seven Oaks Expected Sales		
	Monthly	Cumulative
3/1/2023	6	6
4/1/2023	6	12
5/1/2023	6	18
6/1/2023	6	24
7/1/2023	6	30
8/1/2023	6	36
9/1/2023	6	42
10/1/2023	6	48
11/1/2023	6	54
12/1/2023	6	60
1/1/2024	6	66
2/1/2024	6	72
3/1/2024	6	78
4/1/2024	6	84
5/1/2024	6	90
6/1/2024	6	96
7/1/2024	6	102
8/1/2024	6	108
9/1/2024	6	114
10/1/2024	6	120
11/1/2024	6	126
12/1/2024	6	132
1/1/2025	6	138
2/1/2025	5	143

- viii. Demonstration of financial capability, solvency, and generally the necessary capital to meet project costs through project completion;
- i. This could include, but is not limited to, at least three years of financial statements, complete sources and uses budget, and letters of credit or letters of support from bank or lending institutions.



April 26, 2022

Frost Bank
640 Taylor Street,
Fort Worth, TX 76102

Mr. Matt Wiggins
CFO
History Maker Homes
1038 Texan Trail
Grapevine, TX 76051

Project Name: Seven Oaks
Description: 143 Townhomes Development

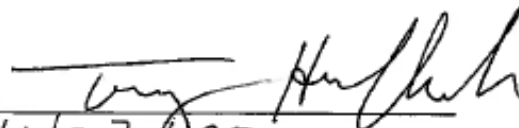
HMH Lifestyles, LP ("Borrower") has entered into a Loan Agreement ("Agreement") with Frost Bank ("Lender") for \$5,000,000 ("loan") covering the development and improvements of the Seven Oaks Development located in Tomball, Texas.

Lender has reviewed the Borrowers financial statements, and has determined Borrower to have the necessary financial capacity to successfully complete the development of the Seven Oaks community. Lender and Borrower have worked together on past residential projects, and feel confident in Borrowers development capabilities.

Tony Holzbach
Frost Bank

Signature

Date


4/27/2022

ix. Demonstration of previous experience developing similar scale and types of projects;

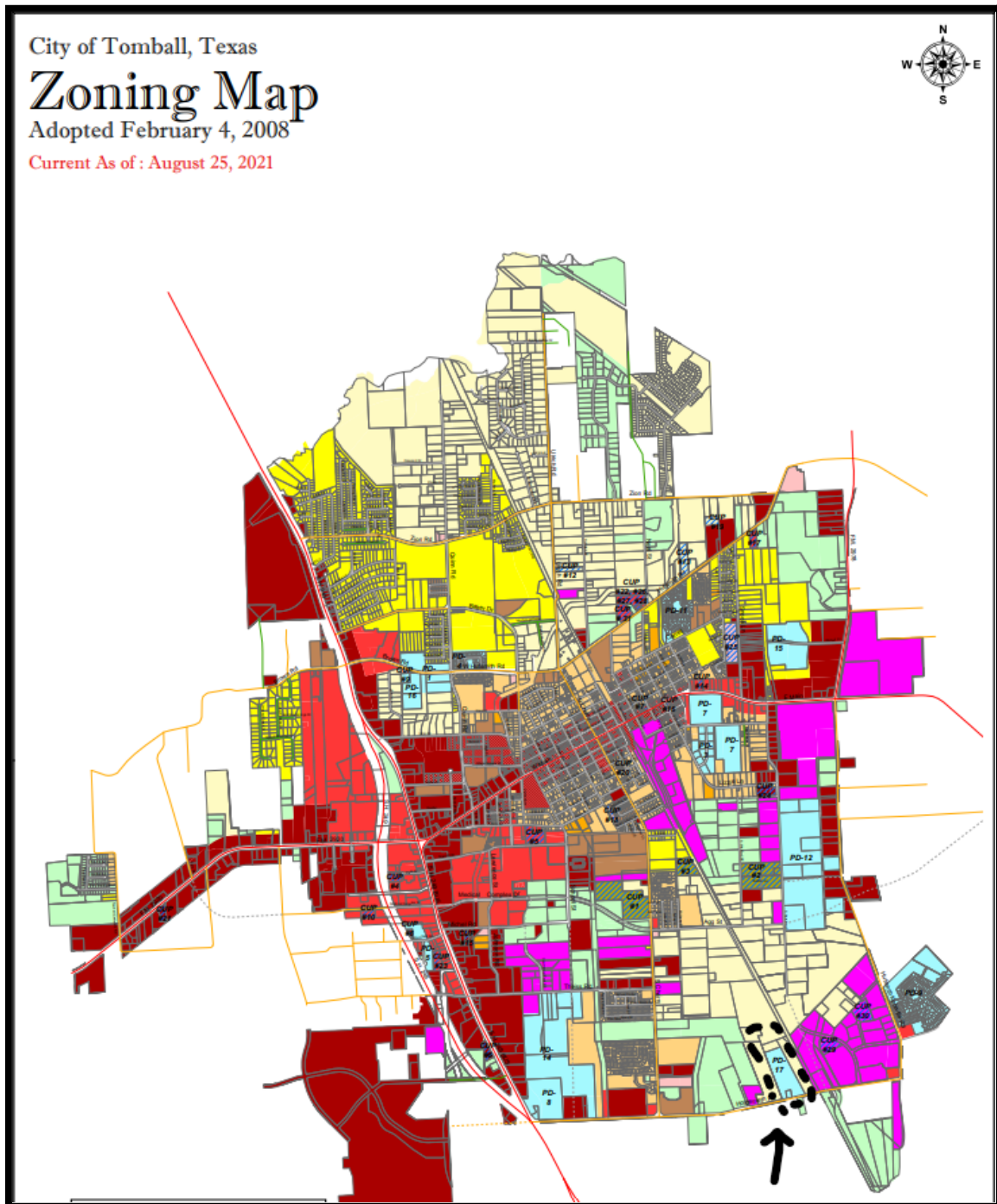
Please reference the HistoryMaker current project maps and city ranking by closings in section iii. HistoryMaker has developed and constructed homes in many communities in the Houston area as you can see in the following chart.

Houston area projects

Map No	Subdivision Name
	Artesia Village
	Balmoral/
	Balmoral/Gated
	Balmoral/THs
	Country Lake Estates Village
	Fulshear Lakes
	Harper's Preserve/East Village
	Harper's Preserve/South Village
	Hidden Creek/Preserve
	Katy Lakes
	Klein Grove
	Lakes at Mason Park
	Legends Trace/Wrights Landing
	Seabourne Landing
	Seven Oaks Holderreith
	Sienna/Sawmill Lake/Parkway
	Sierra Vista/Gated
	Summer Lakes
	Sunterra/
	Sunterra/MP
	Vanbrooke

- x. Demonstration the proposed development is consistent with the zoning of the property;
 - i. Zoning for the proposed development must be in place prior to PID creation or concurrent with PID creation, at the discretion of the City; and

On May 19, 2021 the City of Tomball agreed to a Planned Development District which governs the land use of the 19.3375 acres which the Seven Oaks Community is located. Below is an image of the Tomball Zoning Map which shows the Seven Oaks Community as being located in PD-17.



- xi. Indication of the estimated costs of proposed improvements, maximum assessment, maximum bond issuance, and maximum tax equivalent rate (in dollars, \$).

**ESTIMATED COST OF PROPOSED IMPROVEMENTS, MAX. ASSESSMENT, MAX BOND ISSUANCE, MAX.
TAX EQUIVALENT RATE IN DOLLARS**

Number of homes	143
AVG home price	\$ 260,000
Annual assesement per lot	\$ 2,490.00
Implied PID tax Rate (%)	0.958%
Implied PID tax Rate (\$)	\$ 0.958
% of tax uncollected	2.0%
Cost to sell bonds	23%
Community Total Annual Assesement	\$ 348,948.6
Bond maturity	30
BOND YEILD	5.50%
Estimated bond sale	\$ 5,071,530
Estimated bond sale minus fees	\$ 3,905,078