Ryan Stevens, Place 1
Tomas Mendoza, Place 2
Steven Teschke, Place 3

James Castle, Place 4
Daniel Dennis, Place 5
Shelby St. Claire, Mayor Pro Tem, Place 6

**James Clark, Mayor**
**CITY OF JUSTIN**
**CITY COUNCIL AGENDA**
**OCTOBER 9, 2025**
**415 N. COLLEGE AVE.**
**5:00 PM**

## A) CALL TO ORDER

Convene into Session:
Invocation and Pledge of Allegiance
American Flag

Texas Flag: ***"Honor the Texas Flag; I pledge allegiance to thee, Texas, one state, under God, one and indivisible"***

## B) EXECUTIVE SESSION

Any item on this posted agenda could be discussed in Executive Session as long as it is within one of the permitted categories under sections 551.071 through 551.076 and Section 551.087 of the Texas Government Code.

1. Under Section 551.071, to conduct a private consultation with the City Attorney regarding:

    - Trafford Terrace Developers Agreement

2. Under Section 551.087 the City Council may convene in an executive session to discuss or deliberate regarding commercial or financial information that the City of Justin has received from a business prospect that the City seeks to have locate, stay, or expand in or near the City and with which the City is conducting economic development negotiations; or to deliberate the offer of a financial or other incentive to a business prospect described below

    - Discuss Project Tricycle
    - Discuss Project Parkway

3. Under Section 551.072, to deliberate regarding the purchase, exchange, lease, or sale of real property related to the following:

    Water Infrastructure

    BKV Gas Lease

**C) TAKE ANY ACTION AS A RESULT OF CLOSED EXECUTIVE SESSION ITEM(S)**

**D) UPCOMING MEETINGS AND EVENT(S)**

1. The following is a list of upcoming meetings and events:
   - October 12, 2025, City Staff Softball Tournament
   - October 14, 2025, Park Board meeting @ 6:00 p.m.
   - October 16, 2025, Joint EDC/CDC and Park Board meeting @ 5:30 p.m.
   - October 18, 2025, Clean Up Event 8 am-Noon; Volunteer Fire Department Fish Fry 4:30-6:30
   - October 21, 2025, Library Board meeting @ 4:30 p.m.
   - October 21, 2025, Planning & Zoning Meeting @ 6:30 p.m.
   - October 23, 2025, Joint Planning & Zoning/City Council meeting @ 5:00 p.m.

**E) CEREMONIAL ITEM(S)**

1. Recognition of Justin Resident Cooper Lutkenhaus.

2. Presentation of a Proclamation declaring October 5–11, 2025, as Fire Prevention Week.

**F) PUBLIC COMMENT**

In order to expedite the flow of business and to provide all citizens with the opportunity to speak, the mayor may impose a three-minute time limitation for each citizen to speak with a seasonal limitation on speakers on one topic or item with a maximum of fifteen total minutes on the same topic. The Texas Open Meetings Act prohibits the City Council from discussing issues which are not listed on the posted agenda. Issues raised may be referred to City staff for research and/or placed on a future agenda.

**G) WORKSHOP ITEM(S)**

1. Receive a report on Municipal Building roof replacement.

**H) PUBLIC HEARING**

1. Conduct a public hearing to hear testimony and make a consideration accepting and approving an Amended and Restated Service and Assessment Plan and an Assessment Roll for Improvement Area #2 for the Timberbrook Public Improvement District No. 2; making a finding of special benefit to property within Improvement Area #2 of the District; levying special assessments against property within Improvement Area #2 and establishing a lien on such property; providing for the method of assessment and the payment of the assessments in accordance with Chapter 372 of the Texas Local Government Code, as amended; and providing penalties and interest on delinquent assessments.

**I) CONSENT AGENDA**

***Any Council Member may request an item on the Consent Agenda to be taken up for individual consideration.***

1. Consider approving the September 25, 2025, City Council meeting minutes; and take appropriate action.

2. Consider and act upon Ordinance 824-25, second and final reading, accepting and approving an Amended and Restated Service and Assessment Plan and an Assessment Roll for Improvement Area #2 for the Timberbrook Public Improvement District No. 2; making a finding of special benefit to property within Improvement Area #2 of the District; levying special assessments against property within Improvement Area #2 and establishing a lien on such property; providing for the method of assessment and the payment of the assessments in accordance with Chapter 372 of the Texas Local Government Code, as amended; and providing penalties and interest on delinquent assessments.

3. Consider approving Resolution 789-25, authorizing an interlocal agreement with Denton County for Library Services, and take appropriate action.

4. Consider all matters incident and related to the November 4, 2025, Bond Election, including the adoption of Resolution 790-25 approving the voter information document; and take appropriate action.

5. Consider and act upon Ordinance 825-25 of the City of Justin, Texas, approving and authorizing the issuance and sale of the City of Justin, Texas, Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project); and approving and authorizing related agreements.

6. Consider approving Resolution 791-25 approving the FY 25-26 Capital Improvement Projects (CIP) projects; and take appropriate action.

7. Consider approving Resolution 792-25 Authorizing an Exception Under the 2018 International Existing Building Code for the Gaston House (Historical Restoration and Preservation); and take appropriate action.

**J) ITEMS PULLED FROM CONSENT AGENDA**

**K) FUTURE AGENDA ITEMS**

**L) ADJOURN**

I, the undersigned authority, do hereby certify that the above notice of the meeting of the City Council of the City of Justin, Texas, is a true and correct copy of the said notice that I posted on the official bulletin board at Justin Municipal Complex, 415 North College Street, Justin, Texas, a place of convenience and readily accessible to the general public at all times, and said notice posted this 10/2/25 p.m., in compliance with the Texas Open Meetings Act.

*Amy Piukana*
Amy Piukana, TRMC, City Secretary

JUSTIN
1887

# PROCLAMATION

## FIRE PREVENTION WEEK
## OCTOBER 5-11, 2025

**WHEREAS,** the City of Justin is committed to ensuring the safety and security of all those living in and visiting our community; and

**WHEREAS**, fire is a serious public safety concern both locally and nationally, and the presence of lithium-ion batteries in many household devices can overheat, start a fire, or explode if misused, damaged, or improperly charged; and

**WHEREAS,** most of the electronics used in homes daily—including smartphones, laptops, power tools, e-bikes and toys—are powered by lithium-ion batteries; and

**WHEREAS,** simple steps like the proper purchase, disposal and recycling of lithium-ion batteries can help prevent environmental hazards and reduce fire risks in the home.

**NOW, THEREFORE, BE IT PROCLAIMED THAT:** I, James Clark, Mayor of the City of Justin, do hereby proclaim "***October 5-11, 2025 as National Fire Prevention Week in the City of Justin."***

Proclaimed this 9th day of October 2025.

James Clark

James Clark, Mayor

City Council Coversheet
October 9, 2025
415 N. COLLEGE AVE.

Agenda Item: 1. (WORKSHOP ITEM(S))

Title: Receive a report on Municipal Building roof replacement.

Department: Administration

Contact: Janet Holden, Human Resources Generalist

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**Recommendation:**

To have the City Hall Complex roof replaced. Cost is covered under a TML insurance claim. TML has estimated the cost to replace the city hall/library/court roof in the amount of $104,000.00. The bid that has been received from PMR Roofing, through TML is $65,916.24 for the City Hall Building & Library/Court roof. The gym was not included in the original cost to replace the roof as there was no damage to the gym roof. To put a protective coat on the gym roof to protect the gym roof from leaks is an additional $24,641.37 for a total of $90,530.61. This total amount, including the gym, is less than the TML estimate and TML has agreed to cover all the cost for both the gym, city hall and library/court roofs, minus the $1,000 deductible. There has been a tentative replacement date set for October 13th and replacement will take approximately two weeks to complete.

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**Background:**

In April 2024, during a rain/hail storm, it was discovered that the roof was leaking in the program room of the Library. After the insurance adjuster sent out a local adjuster who reviewed the roof, finding hail damage along with the areas, along with other damage that the City incurred at other locations, the gym roof suffered no damage, so it was not included in the original bid. It was determined that the city hall/library/court roof would need to be replaced. The current roof was done in 2017. TML has already paid for several patches to be done on the program area roof, as the bidding process was being completed, but they have not stopped the leaking. The leaks are continuing to spread throughout the Library/Court areas.

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**City Attorney Review:** N/A

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**Attachments:**

1. Photos












POLICE



City Council Coversheet
October 9, 2025
415 N. COLLEGE AVE.

Agenda Item: 1. (CONSENT AGENDA)

Title: Consider approving the September 25, 2025, City Council meeting minutes; and take appropriate action.

Department: Administration

Contact: Amy Piukana, City Secretary

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**Recommendation:**

City Staff recommends the City Council adopt minutes.

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**Background:**

The City Council shall review and approve the minutes, per City Charter. The minutes shall be kept on file in the City Secretary's Office in compliance with the Texas State Records Retention requirements.

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**City Attorney Review:** No

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**Attachments:**

1. 9.25.25 CCM Draft

Ryan Stevens, Place 1
Tomas Mendoza, Place 2
Steven Teschke, Place 3

James Castle, Place 4
Daniel Dennis, Place 5
Shelby St. Claire, Mayor Pro Tem, Place 6

**James Clark, Mayor**

**MINUTES**

**State of Texas**
**County of Denton**
**City of Justin**

**Justin City Council Regular Session Meeting - September 25, 2025**

**A) CALL TO ORDER**

Convene into Session:
Invocation and Pledge of Allegiance
American Flag

Texas Flag: ***"Honor the Texas Flag; I pledge allegiance to thee, Texas, one state, under God, one and indivisible"***

Present: Mayor James Clark, Mayor Pro Tem Shelby St. Claire, Council Member Ryan Stevens, Council Member Steven Teschke, Council Member Tomas Mendoza, Council Member James Castle, Council Member Daniel Dennis *(Absent)*

City Staff: City Manager Jarrod Greenwood, City Secretary Amy Piukana, Assistant City Manager Abbey Reece, and Director of Development and Economic Development Services Matthew Cyr

With a quorum of members present, Mayor Clark called the meeting to order at 5:00 p.m. at Justin City Hall, located at 415 N. College Avenue, Justin, Texas 76247.

Mayor Pro Tem St. Claire led the Pledge of Allegiance, and Councilman Stevens provided the Pledge to the Texas Flag. Mayor Clark led the invocation.

**B) EXECUTIVE SESSION**

Any item on this posted agenda could be discussed in Executive Session as long as it is within one of the permitted categories under sections 551.071 through 551.076 and Section 551.087 of the Texas Government Code.

City Attorney Matthew Boyle announced the City Council would recess into closed executive session at 5:23 p.m.

1. Under Section 551.071, to conduct a private consultation with the City Attorney regarding:

    - Trafford Terrace Developers Agreement
    - Justin Crossing Developers Agreement

2. Under Section 551.072, to deliberate regarding the purchase, exchange, lease, or sale of real property located north of Wilkerson Lane and Boss Range Road, south of Timberbrook Parkway and FM 156, east of Timberbrook Parkway and FM 407, and west of FM 156

3. Under Section 551.072, to deliberate regarding the purchase, exchange, lease, or sale of real property related to Water Infrastructure

**C) TAKE ANY ACTION AS A RESULT OF CLOSED EXECUTIVE SESSION ITEM(S)**

Mayor Pro Tem St. Claire made a motion to approve a Lease Agreement for the Gaston House and authorize the City Manager to execute the same and to take all necessary action. The motion was seconded by Councilman Stevens. Motion approved by vote of 5-1, Councilman Castle was opposed.

**D) UPCOMING MEETING(S) AND EVENT(S)**

Director of Communications Amy Borders briefed the City Council regarding upcoming meetings and events.

Mayor Clark announced Cruisin for a Cause is set for October 25th, noting this year is a "Super Mario" theme.

1. The following is a list of upcoming meetings and events:
   - October 7, 2025, National Night Out @ 6:00 p.m.
   - October 9, 2025, City Council meeting @ 5:30 p.m.
   - October 14, 2025, Planning & Zoning meeting @ 630 p.m.
   - October 16, 2025, Joint EDC/CDC and Park Board meeting @ 5:30 p.m.
   - October 18, 2025, Clean Up Event 8 am-Noon; Volunteer Fire Department Fish Fry 4:30-6:30
   - October 21, 2025, Library Board meeting @ 4:30 p.m.
   - October 21, 2025, Planning & Zoning Meeting @ 6:30 p.m.
   - October 23, 2025, City Council meeting @ 5:30 p.m.

**E) WORKSHOP ITEM(S)**

1. Presentation and discussion regarding an Eagle Scout project

Chair Robin Amerine of the Parks and Recreation Board introduced Ms. Carley Reeder, representing Eagle Scout Troop 931, briefed the City Council regarding a fire pit project for Bishop Park.

After discussion, the City Council agreed with the project and offered personal donations for the cause. Mayor Clark presented Ms. Reeder with a Mayor's coin.

2. Receive a Veterans Day Event Report from the Parks and Recreation Board

Vice Chair Jacqueline Steinbacher of the Justin Park Board briefed the City Council regarding a proposed Veterans Day event.

The City Council expressed their gratitude for the idea and discussed the trail route, option for go-karts, donations, and suggested making this an annual event.

**F) PUBLIC COMMENT**

In order to expedite the flow of business and to provide all citizens with the opportunity to speak, the mayor may impose a three-minute time limitation for each citizen to speak with a seasonal limitation on speakers on one topic or item with a maximum of fifteen total minutes on the same topic. The Texas Open Meetings Act prohibits the City Council from discussing issues which the public have not been given a seventy-two (72) hour notice. Issues raised may be referred to City staff for research and/or placed on a future agenda.

There were no public comments.

**G) CONSENT AGENDA**

***Any Council Member may request an item on the Consent Agenda to be taken up for individual consideration.***

Councilman Castle made a motion to pull Item G.4 (Resolution 788-25 demolition permit) for further discussion.

A motion was made by Mayor Pro Tem St. Claire to approve Consent Items G.1 through G. 3, as presented. Motion seconded by Councilman Stevens. Motion passed unanimously.

1. Consider and take appropriate action to approve City Council minutes dated:

    - *September 9, 2025, Special Called City Council Meeting*
    - *September 11, 2025, Regular City Council Meeting*

2. Consider adopting Ordinance 823-25 on second and final reading to approve an end-of-the-year budget amendment; and take appropriate action

3. Consider approving Resolution 787-25 accepting a donation from Scout Carly Reeder, with Troop #931 to construct a heavy-duty park-style barbecue grill and an ash box in Bishop Park; and take appropriate action

4. Consider approving Resolution 788-25 for a demolition permit for 703 W 3rd street; and take appropriate action

Councilman Castle explained that he withdrew this item due to the formation of the Old Town Plan Committee, which is tasked with reviewing preservation and design concepts. Mayor Pro Tem St. Claire stated that he supports the removal of the structure, but would need to see a concept plan for the replacement of the structure.

Director of Development Matthew Cyr noted that tonight's consideration is for the demolition only and noted the proposed structure is not for review at this time.

The City Council discussed the current moratorium on demolition until the Old Town Plan Committee has reviewed it to ensure we preserve the look of the Old Town, and the option to table the item to allow the committee to review.

A homeowner's representative voiced his concerns about the timing of the removal of the existing garage structure and requested a target date by which the City Council might have a decision.

After the discussion, Councilman Castle made a motion to table this item for the January 22, 2026, City Council meeting. Motion seconded by Councilman Mendoza. Motion approved unanimously.

**H) ITEMS PULLED FROM CONSENT AGENDA**

Agenda Item G.4, was pulled for discussion.

**I) FUTURE AGENDA ITEMS**

Councilman Castle noted he requested a future agenda item to rename Community Park to Jack Allen Holloway Park.

Ms. Suzy Holloway spoke, expressing her gratitude to the City Council for consideration, noting that this would be an honor for her late husband.

After discussion, the City Council approved this request unanimously. Mayor Clark requested that staff bring this item back to the City Council on December 11th.

**J) ADJOURN**

There being no further business, Mayor Clark adjourned the meeting at 6:35 p.m.

Seal:

_____
Mayor James Clark

City Council Coversheet
October 9, 2025
415 N. COLLEGE AVE.

Agenda Item: 2. (CONSENT AGENDA)

Title: Consider and act upon Ordinance 824-25, second and final reading, accepting and approving an Amended and Restated Service and Assessment Plan and an Assessment Roll for Improvement Area #2 for the Timberbrook Public Improvement District No. 2; making a finding of special benefit to property within Improvement Area #2 of the District; levying special assessments against property within Improvement Area #2 and establishing a lien on such property; providing for the method of assessment and the payment of the assessments in accordance with Chapter 372 of the Texas Local Government Code, as amended; and providing penalties and interest on delinquent assessments.

Department: Administration

Contact: Abbey Reece

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**Recommendation:**

City Staff recommends the City Council adopt the Ordinance, as presented.

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**Background:**

This is a second reading for an updated SAP Timberbrook #2 Improvement Area #2.

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**City Attorney Review:** No

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**Attachments:**

1. Ord 824-25 Timberbrook amended adn restated SAP

**ORDINANCE NO. 824-25**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF JUSTIN, TEXAS ACCEPTING AND APPROVING AN AMENDED AND RESTATED SERVICE AND ASSESSMENT PLAN AND AN ASSESSMENT ROLL FOR IMPROVEMENT AREA #2 FOR THE TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2; MAKING A FINDING OF SPECIAL BENEFIT TO THE PROPERTY IN IMPROVEMENT AREA #2 OF THE DISTRICT; LEVYING SPECIAL ASSESSMENTS AGAINST PROPERTY WITHIN IMPROVEMENT AREA #2 OF THE DISTRICT AND ESTABLISHING A LIEN ON SUCH PROPERTY; PROVIDING FOR THE METHOD OF ASSESSMENT AND THE PAYMENT OF THE ASSESSMENTS IN ACCORDANCE WITH CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED; PROVIDING PENALTIES AND INTEREST ON DELINQUENT ASSESSMENTS; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS,** a petition was submitted and filed with the City Secretary (the "City Secretary") of the City of Justin, Texas (the "City") pursuant to the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "PID Act"), requesting the creation of a public improvement district consisting of certain property located within the corporate limits of the City; and

**WHEREAS,** the petition contained the signature of the owner of taxable property representing more than fifty percent of the appraised value of taxable real property liable for assessment within the proposed district, as determined by the then current ad valorem tax rolls of the Denton County Appraisal District, and the signature of the record owner of taxable real property that constitutes more than fifty percent of the area of all taxable property that is liable for assessment by the proposed district; and

**WHEREAS,** on February 8, 2024, 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 public improvements and services described in the petition as required by Section 372.009 of the PID Act and made the findings required by Section 372.009(b) of the PID Act and, by resolution (the "Authorization Resolution") adopted by a majority of the members of the City Council, authorized and created the Timberbrook Public Improvement District No. 2 (the "District") in accordance with its finding as to the advisability of the Authorized Improvements; and

**WHEREAS,** on February 13, 2024 the City Secretary filed a copy of the Authorization Resolution with the county clerk of each county in which all or part of the District is located in accordance with the provisions of the PID Act; and

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

**WHEREAS,** on September 11, 2025, the City Council adopted a resolution approving a preliminary amended and restated service and assessment plan, including a proposed assessment roll for Improvement Area #2 of the District; calling for a public hearing to consider

an ordinance levying assessments on property within Improvement Area #2 of the District (the "Improvement Area #2 Assessments"); authorizing and directing the City Secretary of the City to file the proposed assessment roll for Improvement Area #2 of the District and make such assessment roll available for public inspection; authorizing and directing the publication of notice of a public hearing to consider the levying of the Improvement Area #2 Assessments against the property within Improvement Area #2 of the District (the "Levy and Assessment Hearing"); authorizing and directing the mailing of notice of the Levy and Assessment Hearing to owners of property liable for assessment; and directing related action; and

**WHEREAS,** the City Secretary filed the Improvement Area #2 Assessment Roll and made the same available for public inspection; and

**WHEREAS,** the City Secretary, pursuant to Section 372.016(b) of the PID Act, published notice of the Levy and Assessment Hearing on September 20, 2025 in the *Denton Record-Chronicle*, a newspaper of general circulation in the City; and

**WHEREAS,** pursuant to Section 372.016(c) of the PID Act, notice of the Levy and Assessment Hearing was mailed to the last known addresses of the owners of the property liable for the Improvement Area #2 Assessments; and

**WHEREAS,** the City Council opened the Levy and Assessment Hearing on October 9, 2025, and at which all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the Improvement Area #2 Assessment Roll, and the proposed Improvement Area #2 Assessments, and to offer testimony pertinent to any issue presented on the amount of the Improvement Area #2 Assessments, the allocation of the Actual Costs of the improvements to be undertaken for the benefit of the Improvement Area #2 Assessed Property (the "Improvement Area #2 Projects"), the purposes of the Improvement Area #2 Assessments, the special benefits of the Improvement Area #2 Projects, and the penalties and interest on annual installments and on delinquent annual installments of the Improvement Area #2 Assessments; and

**WHEREAS,** the Service and Assessment Plan, when accepted and approved by the City Council, will amend and restate in its entirety the "Timberbrook Public Improvement District No. 2 Service and Assessment Plan" (the "Original Service and Assessment Plan") relating to the District; and

**WHEREAS,** the City Council finds and determines that the Improvement Area #2 Assessment Roll and the "Timberbrook Public Improvement District No. 2 2025 Amended and Restated Service and Assessment Plan", dated October 9, 2025, in a form substantially similar to the attached ***Exhibit A*** (as updated from time to time, the "Service and Assessment Plan"), and which is incorporated herein for all purposes, should be approved and that the Improvement Area #2 Assessments should be levied as provided in this Ordinance and the Service and Assessment Plan and the Improvement Area #2 Assessment Roll attached thereto as Exhibit G-1; and

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

of the Actual Costs of the Improvement Area #2 Projects (as described in the Service and Assessment Plan), the Improvement Area #2 Assessment Roll, or the levy of the Improvement Area #2 Assessments against the Improvement Area #2 Assessed Property; and

**WHEREAS,** the owners (the "Landowners"), or their representatives, of all of the privately-owned and taxable property located within Improvement Area #2 of the District, who are the persons to be assessed pursuant to this Ordinance, have indicated their approval and acceptance of the Service and Assessment Plan, approval of the Improvement Area #2 Assessment Roll, approval of this Ordinance, and approval of the levy of the Improvement Area #2 Assessments against their property located within Improvement Area #2 of the District; and

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

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

**Section 1**. **Terms**.

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

**Section 2. Findings**.

The findings and determinations set forth in the preambles hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section. The City Council hereby finds, determines, and ordains, as follows:

(a) The apportionment of the Actual Costs of the Improvement Area #2 Projects (as reflected in the Service and Assessment Plan), the Annual Collection Costs and the Bond Issuance Costs (collectively, the "Improvement Area #2 Authorized Improvements") pursuant to the Service and Assessment Plan is fair and reasonable, reflects an accurate presentation of the special benefit each parcel of Improvement Area #2 Assessed Property will receive from the Improvement Area #2 Authorized Improvements identified in the Service and Assessment Plan, and is hereby approved;

(b) The Service and Assessment Plan (i) covers a period of at least five years, (ii) defines the annual indebtedness and projected costs for the Improvement Area #2 Authorized Improvements, and (iii) includes a copy of the notice form required by Section 5.014 of the Texas Property Code, as amended;

(c) The Service and Assessment Plan apportions the Actual Costs of the Improvement Area #2 Authorized Improvements to be assessed against the Improvement Area #2 Assessed Property as Improvement Area #2 Assessments and such apportionment is made on the basis of special benefits accruing to the Improvement Area #2 Assessed Property because of the Improvement Area #2 Authorized Improvements;

(d) All of the real property in Improvement Area #2 of the District which is being assessed in the amounts shown in the Improvement Area #2 Assessment Roll will be benefited by the Improvement Area #2 Authorized Improvements proposed to be constructed as described in the Service and Assessment Plan, and each assessed parcel of Improvement Area #2 Assessed Property will receive special benefits during the term of the Improvement Area #2 Assessments equal to or greater than the total amount assessed;

(e) The method of apportionment of the Actual Costs of the Improvement Area #2 Authorized Improvements set forth in the Service and Assessment Plan results in imposing equal shares of the Actual Costs of the Improvement Area #2 Authorized Improvements on property similarly benefited, and results in a reasonable classification and formula for the apportionment of the Actual Costs;

(f) The Service and Assessment Plan should be approved as the service plan and assessment plan for the District as described in Sections 372.013 and 372.014 of the PID Act;

(g) The Improvement Area #2 Assessment Roll should be approved as the assessment roll for the Improvement Area #2 Assessed Property within Improvement Area #2 of the District;

(h) The provisions of the Service and Assessment Plan relating to due and delinquency dates for the Improvement Area #2 Assessments, interest on Annual Installments, interest and penalties on delinquent Improvement Area #2 Assessments and delinquent Annual Installments, and procedures in connection with the imposition and collection of Improvement Area #2 Assessments should be approved and will expedite collection of the Improvement Area #2 Assessments in a timely manner in order to provide the services and improvements needed and required for Improvement Area #2 of the District; and

(i) A written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended, and this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter hereof has been discussed, considered, and formally acted upon.

**Section 3. Service and Assessment Plan**.

The Service and Assessment Plan is hereby accepted and approved pursuant to Sections 372.013 and 372.014 of the PID Act as the service plan and the assessment plan for the District. The Service and Assessment Plan amends and restates the Original Service and Assessment Plan in its entirety.

**Section 4. Improvement Area #2 Assessment Roll**.

The Improvement Area #2 Assessment Roll is hereby accepted and approved pursuant to Section 372.016 of the PID Act as the assessment roll for Improvement Area #2 of the District.

**Section 5**. **Levy and Payment of Improvement Area #2 Assessments for Actual Costs of the Improvement Area #2 Authorized Improvements.**

(a) The City Council hereby levies an assessment on each parcel of Improvement Area #2 Assessed Property (excluding Non-Assessed Property and Non-Benefited Property), as shown and described in the Service and Assessment Plan and the Improvement Area #2 Assessment Roll, in the respective amounts shown on the Improvement Area #2 Assessment Roll, as a special assessment on the properties set forth in the Improvement Area #2 Assessment Roll.

(b) The levy of the Improvement Area #2 Assessments shall be effective on the date of the adoption of this Ordinance levying the Improvement Area #2 Assessments and strictly in accordance with the terms of the Service and Assessment Plan and the PID Act.

(c) The collection of the Improvement Area #2 Assessments shall be as described in the Service and Assessment Plan and the PID Act.

(d) Each the Improvement Area #2 Assessment may be paid in a lump sum at any time or may be paid in Annual Installments pursuant to the terms of the Service and Assessment Plan.

(e) Each the Improvement Area #2 Assessment shall bear interest at the rate or rates specified in the Service and Assessment Plan.

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

(g) The Annual Collection Costs for Improvement Area #2 Assessed Property shall be calculated and collected pursuant to the terms of the Service and Assessment Plan.

**Section 6**. **Method of Assessment**.

The method of apportioning the Actual Costs of the Improvement Area #2 Authorized Improvements are set forth in the Service and Assessment Plan.

**Section 7**. **Penalties and Interest on Delinquent Improvement Area #2 Assessments.**

Delinquent Improvement Area #2 Assessments shall be subject to the penalties, interest, procedures, and foreclosure sales set forth in the Service and Assessment Plan and as allowed by law.

**Section 8**. **Prepayments of Improvement Area #2 Assessments**.

As provided in the Service and Assessment Plan, the owner of any Improvement Area #2 Assessed Property subject to an Improvement Area #2 Assessment may prepay the Improvement Area #2 Assessments levied by this Ordinance.

**Section 9**. **Lien Priority**.

The City Council and the Landowners intend for the obligations, covenants and burdens on the Landowners of each parcel of Improvement Area #2 Assessed Property, including without limitation such Landowners' obligations related to payment of the Improvement Area #2 Assessments and the Annual Installments thereof, to constitute covenants that shall run with the land. The Improvement Area #2 Assessments and the Annual Installments thereof which are levied hereby shall be binding upon the Landowners, as the owners of each parcel of Improvement Area #2 Assessed Property, and their respective transferees, legal representatives, heirs, devisees, successors and assigns in the same manner and for the same period as such parties would be personally liable for the payment of ad valorem taxes under applicable law. Improvement Area #2 Assessments shall have lien priority as specified in the Service and Assessment Plan and the PID Act.

**Section 10**. **Appointment of Administrator and Collector of Improvement Area #2 Assessments**.

(a) Appointment of Administrator.

P3Works, LLC is hereby appointed and designated to initially serve, or until otherwise determined by the City Council, as the Administrator of the Service and Assessment Plan and of the Improvement Area #2 Assessments levied by this Ordinance. The Administrator shall perform the duties of the Administrator described in the Service and Assessment Plan and in this Ordinance. The Administrator's fees, charges and expenses for providing such service shall constitute an Annual Collection Cost.

(b) Appointment of Collector.

The Denton County Tax Assessor and Collector is hereby appointed and designated as the collector of the Improvement Area #2 Assessments.

**Section 11**. **Applicability of Tax Code.**

To the extent not inconsistent with this Ordinance, and not inconsistent with the PID Act or the other laws governing public improvement districts, the provisions of the Texas Tax Code shall be applicable to the imposition and collection of the Improvement Area #2 Assessments by the City.

**Section 12**. **Filing in Land Records**. The City Secretary is directed to cause a copy of this Ordinance, including the Service and Assessment Plan and the Improvement Area #2 Assessment Roll, to be recorded in the real property records of Denton County, not later than the seventh day after the date the City Council adopts this Ordinance approving the Service and

Assessment Plan. The City Secretary is further directed to similarly file each Annual Service Plan Update approved by the City Council not later than the seventh day after the date that the City Council approves each Annual Service Plan Update.

**Section 13. Severability.**

If any provision, section, subsection, sentence, clause, or phrase of this Ordinance, or the application of the same to any person or set of circumstances is for any reason held to be unconstitutional, void, or invalid, the validity of the remaining portions of this Ordinance or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council that no portion hereof, or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness, or invalidity or any other portion hereof, and all provisions of this ordinance are declared to be severable for that purpose.

**Section 14. Effective Date**.

This Ordinance shall take effect, and the levy of the Improvement Area #2 Assessments, and the provisions and terms of the Service and Assessment Plan shall be and become effective upon passage hereof.

(Signature page follows.)

**PASSED AND ADOPTED**, this the 9th day of October, 2025.

CITY OF JUSTIN, TEXAS



James Clark, Mayor

ATTEST:



Amy M. Piukana, City Secretary

(City Seal)

STATE OF TEXAS §
§
COUNTY OF DENTON §

Before me, on this day personally appeared the foregoing individuals, known to me to be the persons whose names were subscribed in my presence to the foregoing instrument.

Notary Public, State of Texas

(SEAL)

# EXHIBIT A

## Service and Assessment Plan

# Timberbrook Public Improvement District No. 2

## 2025 AMENDED AND RESTATED SERVICE AND ASSESSMENT PLAN

OCTOBER 9, 2025

AUSTIN, TX | NORTH RICHLAND HILLS, TX | HOUSTON, TX

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# INTRODUCTION

Capitalized terms used in this 2025 A&R Service and Assessment Plan shall have the meanings given to them in **Section I** unless otherwise defined in this 2025 A&R 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", "Exhibit", or an "Appendix" shall be a reference to a Section of this 2025 A&R Service and Assessment Plan or an Exhibit or Appendix attached to and made a part of this 2025 A&R Service and Assessment Plan for all purposes.

On February 8, 2024, the City Council passed and approved Resolution No. 651-24 authorizing the establishment of the District in accordance with the PID Act, which authorization was effective upon the date the resolution was adopted in accordance with the provisions as required by the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 155.285 acres located within the corporate limits of the City, as described by the legal description on **Exhibit K-1** and depicted on **Exhibit A-1**.

On March 28, 2024, the City Council passed and approved the 2024 Service and Assessment Plan and levied the Improvement Area #1 Assessments to finance the Improvement Area #1 Projects to be constructed for the benefit of the Improvement Area #1 Assessed Property within the District by approving the 2024 Assessment Ordinance. The 2024 Assessment Ordinance (1) identified the Improvement Area #1 Authorized Improvements to be provided by the District; (2) identified the costs of the Improvement Area #1 Authorized Improvements; (3) identified the indebtedness to be incurred for the Improvement Area #1 Authorized Improvements, and the manner of assessing the Improvement Area #1 Assessed Property for the costs of the Improvement Area #1 Authorized Improvements; (4) levied the Improvement Area #1 Assessments for the Improvement Area #1 Assessed Property; and (5) approved the Improvement Area #1 Assessment Roll.

On March 28, 2024, the City Council passed and approved Ordinance No. 774-24 authorizing the issuance and sale of the Improvement Area #1 Bonds.

On August 28, 2025, the City Council approved the 2025 Annual Service Plan Update for the District by adopting an ordinance which updated the Improvement Area #1 Assessment Roll for 2025.

This 2025 A&R Service and Assessment Plan serves to amend and restate the 2024 Service and Assessment Plan in its entirety, including any previously approved Annual Service Plan Updates, for the purposes of (1) updating the Improvement Area #1 Assessment Roll; (2) identifying the Improvement Area #2 Authorized Improvements to be provided by the District; (3) identifying

the costs of the Improvement Area #2 Authorized Improvements; (4) identifying the indebtedness to be incurred for the Improvement Area #2 Authorized Improvements, and the manner of assessing the Improvement Area #2 Assessed Property for the costs of the Improvement Area #2 Authorized Improvements; (5) levying the Improvement Area #2 Assessments for the Improvement Area #2 Assessed Property; and (6) approving the Improvement Area #2 Assessment Roll.

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

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

The PID Act requires an Assessment Roll that states the Assessment against each Parcel as determined by the method chosen by the City Council. The Assessment against each Parcel of Assessed Property must be sufficient to pay the share of the Actual Costs of the Authorized Improvements apportioned to such Parcel and cannot exceed the special benefit conferred on the Parcel by such Authorized Improvements. The Improvement Area #1 Assessment Roll is included as **Exhibit F-1** and the Improvement Area #2 Assessment Roll is included as **Exhibit G-1**.

## SECTION I: DEFINITIONS

**"2024 Assessment Ordinance"** means Assessment Ordinance No. 773-24 approved and adopted by the City Council on March 28, 2024, which levied the Improvement Area #1 Assessment against the Improvement Area #1 Assessed Property and approved the 2024 Service and Assessment Plan.

**"2024 Service and Assessment Plan"** means the Timberbrook Public Improvement District No. 2 Service and Assessment Plan that was approved by the City Council on March 28, 2024.

**"2025 A&R Service and Assessment Plan"** means this Timberbrook Public Improvement District No. 2 2025 Amended and Restated Service and Assessment Plan as updated, amended, and supplemented from time to time, which is to replace in its entirety the 2024 Service and Assessment Plan and any and all prior Annual Service Plan Updates.

**"2025 Assessment Ordinance"** means an Assessment Ordinance approved and adopted by the City Council on October 9, 2025, which levied the Improvement Area #2 Assessment against the Improvement Area #2 Assessed Property and approved this 2025 A&R Service and Assessment Plan.

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

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

**"Additional Interest Rate"** means the up to 0.50% additional interest rate that may be charged on Assessments securing PID Bonds pursuant to Section 372.018 of the PID Act.

**"Administrator"** means the City or independent firm designated by the City who shall have the responsibilities provided in this 2025 A&R Service and Assessment Plan, any Indenture, or any other agreement or document approved by the City related to the duties and responsibilities of the administration of the District. The initial Administrator is P3Works, LLC.

**"Annual Collection Costs"** mean the actual or budgeted costs and expenses related to the operation of the District, including, but not limited to, costs and expenses for: (1) the Administrator; (2) City staff; (3) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (4) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (5) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (6) paying and redeeming PID Bonds; (7) investing or depositing Assessments and Annual Installments; (8) complying with this 2025 A&R Service and Assessment Plan, the PID Act, and any Indenture, with respect to the PID Bonds, including the City's continuing disclosure requirements; and (9) the paying agent/registrar and Trustee in connection with PID Bonds, including their respective legal counsel. Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

**"Annual Installment"** means the annual installment payment of an Assessment as calculated by the Administrator and approved by the City Council, that includes: (1) the principal amount of any Assessment; (2) the interest associated with any Assessment; (3) Annual Collection Costs; and (4) Additional Interest related to the PID Bonds, if applicable.

**"Annual Service Plan Update"** means an update to this 2025 A&R Service and Assessment Plan prepared no less frequently than annually by the Administrator and approved by the City Council.

**"Apportioned Property"** means any Parcel within the District against which the costs of the Authorized Improvements are apportioned based on special conferred benefit and against which an Assessment is anticipated to be levied, but not yet levied.

**"Apportionment of Costs"** means an amount allocated by this 2025 A&R Service and Assessment Plan to a Parcel within the District, other than Non-Benefited Property, for Actual Costs of Authorized Improvements, subject to a future levy of Assessments by the City, as shown on **Exhibit B-3**, and also subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and in the PID Act.

**"Assessed Property"** means any Parcel within the District against which an Assessment is levied.

**"Assessment"** means an assessment levied against Assessed Property located within the District, other than Non-Benefited Property, to pay the costs of certain Authorized Improvements as specified herein, which Assessment is imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on an Assessment Roll, and is subject to reallocation upon the subdivision of such Assessed Property or reduction according to the provisions herein and in the PID Act.

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

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

**"Assessment Roll"** means any assessment roll for the Assessed Property, including the Improvement Area #1 Assessment Roll and the Improvement Area #2 Assessment Roll, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including updates prepared in connection with any Annual Service Plan Update.

**"Authorized Improvements"** means the improvements authorized by Section 372.003 of the PID Act, as depicted on **Exhibit H-1**, **Exhibit H-2**, and **Exhibit H-3** and described in **Section III.**

**"Bond Issuance Costs"** means the costs associated with issuing PID Bonds, including, but not limited to, attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, capitalized interest, reserve fund requirements, underwriter's discount, fees charged by the Texas Attorney General, and any other cost or expense incurred by the City directly associated with the issuance of any series of PID Bonds.

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

**"City Council"** means the governing body of the City.

**"County"** means Denton County, Texas.

**"Delinquent Collection Costs"** mean costs related to the foreclosure on Assessed Property and the costs of collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under this 2025 A&R Service and Assessment Plan including penalties

and reasonable attorney's fees actually paid, but excluding amounts representing interest and penalty interest.

**"Developer"** means Bloomfield Homes, L.P., a Texas limited partnership and any successors or assignees thereof that intends to develop the property in the District for the ultimate purpose of transferring title to end users.

**"District"** means Timberbrook Public Improvement District No. 2 containing approximately 155.285 acres located within the corporate limits of the City, and more specifically described in **Exhibit K-1** and depicted in **Exhibit A-1.**

**"District Formation Costs"** means the costs associated with forming the District, including, but not limited to, attorney fees, and any other cost or expense incurred by the City or the Developer directly associated with the establishment of the District.

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

**"Estimated Buildout Value"** means the estimated value of an Assessed Property or Apportioned Property, as applicable, with fully constructed buildings, as provided by the Developer and confirmed by the City Council by considering such factors as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, builder contracts, discussions with homebuilders, reports from third party consultants, or any other factors that, in the judgment of the City, may impact value. The Estimated Buildout Value for each Lot Type is shown on **Exhibit E.**

**"Improvement Area #1"** means approximately 46.162 acres located within the District, as more specifically described in **Exhibit K-2** and depicted on **Exhibit A-2**.

**"Improvement Area #1 Annual Installment"** means the Annual Installment of the Improvement Area #1 Assessment as calculated by the Administrator and approved by the City Council, that includes: (1) principal; (2) interest; (3) Annual Collection Costs related to Improvement Area #1; and (4) Additional Interest related to the Improvement Area #1 Bonds, as shown on **Exhibit F-2**.

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

**"Improvement Area #1 Assessment"** means an Assessment levied against Improvement Area #1 Assessed Property to pay the Actual Costs of the Improvement Area #1 Authorized Improvements, which Improvement Area #1 Assessment is imposed pursuant to the 2024

Assessment Ordinance and the provisions herein, as shown on the Improvement Area #1 Assessment Roll, and is subject to reallocation upon the subdivision of such Parcel or reduction pursuant to the provisions set forth in **Section VI** herein and in the PID Act.

**"Improvement Area #1 Assessment Roll"** means the Assessment Roll for the Improvement Area #1 Assessed Property, as updated, modified, or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any updates prepared in connection with the issuance of PID Bonds or any Annual Service Plan Updates. The Improvement Area #1 Assessment Roll is included in this 2025 A&R Service and Assessment Plan as **Exhibit F-1**.

**"Improvement Area #1 Authorized Improvements"** means collectively, (1) the Improvement Area #1 Projects; (2) the deposit to the administrative fund related to the Improvement Area #1 Bonds; and (3) Bond Issuance Costs associated with the issuance of Improvement Area #1 Bonds.

**"Improvement Area #1 Bonds"** means those certain "City of Justin, Texas, Special Assessment Revenue Bonds, Series 2024 (Timberbrook Public Improvement District No. 2 Improvement Area #1 Project)" that are primarily secured by Improvement Area #1 Assessments.

**"Improvement Area #1 Improvements"** means the Authorized Improvements which only benefit the Improvement Area #1 Assessed Property, as further described in **Section III.B** and depicted on **Exhibit H-2**.

**"Improvement Area #1 Projects"** means, collectively (1) the pro rata portion of the Major Improvements allocable to Improvement Area #1; and (2) the Improvement Area #1 Improvements.

**"Improvement Area #2"** means approximately 39.005 acres located within the District, as more specifically described in **Exhibit K-3** and depicted on **Exhibit A-3**.

**"Improvement Area #2 Annual Installment"** means the Annual Installment of the Improvement Area #2 Assessment as calculated by the Administrator and approved by the City Council, that includes: (1) principal; (2) interest; (3) Annual Collection Costs related to Improvement Area #2; and (4) Additional Interest related to the Improvement Area #2 Bonds, as shown on **Exhibit G-2**.

**"Improvement Area #2 Assessed Property"** means any Parcel within Improvement Area #2 against which an Improvement Area #2 Assessment is levied.

**"Improvement Area #2 Assessment"** means an Assessment levied against Improvement Area #2 Assessed Property to pay the Actual Costs of the Improvement Area #2 Authorized Improvements, which Improvement Area #2 Assessment is imposed pursuant to the 2025 Assessment Ordinance and the provisions herein, as shown on the Improvement Area #2

Assessment Roll, and is subject to reallocation upon the subdivision of such Parcel or reduction pursuant to the provisions set forth in **Section VI** herein and in the PID Act.

**"Improvement Area #2 Assessment Roll"** means the Assessment Roll for the Improvement Area #2 Assessed Property, as updated, modified, or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any updates prepared in connection with the issuance of PID Bonds or any Annual Service Plan Updates. The Improvement Area #2 Assessment Roll is included in this 2025 A&R Service and Assessment Plan as **Exhibit G-1**.

**"Improvement Area #2 Authorized Improvements"** means collectively, (1) the Improvement Area #2 Projects; (2) the deposit to the administrative fund related to the Improvement Area #2 Bonds; and (3) Bond Issuance Costs associated with the issuance of Improvement Area #2 Bonds.

**"Improvement Area #2 Bonds"** means those certain "City of Justin, Texas, Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project)" that are primarily secured by Improvement Area #2 Assessments.

**"Improvement Area #2 Improvements"** means the Authorized Improvements which only benefit the Improvement Area #2 Assessed Property, as further described in **Section III.C** and depicted on **Exhibit H-3**.

**"Improvement Area #2 Initial Parcel"** means all of the Improvement Area #2 Assessed Property against which the entire Improvement Area #2 Assessment is levied, as shown on the Improvement Area #2 Assessment Roll.

**"Improvement Area #2 Projects"** means, collectively (1) the pro rata portion of the Major Improvements allocable to Improvement Area #2; and (2) the Improvement Area #2 Improvements.

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

**"Lot"** means (1) for any portion of the District for which a final subdivision plat has been recorded in the Plat or Official Public Records of the County, a tract of land described by "lot" in such subdivision plat; and (2) for any portion of the District for which a subdivision plat has not been recorded in the Plat or Official Public Records of the County, a tract of land anticipated to be described as a "lot" in a final recorded subdivision plat as shown on a concept plan or a preliminary plat. A "Lot" shall not include real property owned by a government entity, even if such property is designated as a separate described tract or lot on a recorded subdivision plat.

**"Lot Type"** means a classification of final building Lots with similar characteristics (e.g. lot size, home product, Estimated Buildout Value, etc.), as determined at the time of the applicable Assessment Ordinance and confirmed by the City Council. In the case of single-family residential Lots, the Lot Type shall be further defined by classifying the residential Lots by the Estimated Buildout Value of the Lot as provided by the Developer, and confirmed by the City Council, as shown on **Exhibit E.**

**"Lot Type 1"** means a Lot within Improvement Area #1 generally marketed to homebuilders as a 50' Lot. The buyer disclosure for Lot Type 1 is attached in **Appendix B**.

**"Lot Type 2"** means a Lot within Improvement Area #1 generally marketed to homebuilders as a 60' Lot. The buyer disclosure for Lot Type 2 is attached in **Appendix B**.

**"Lot Type 3"** means a Lot within Improvement Area #2 generally marketed to homebuilders as a 50' Lot. The buyer disclosure for Lot Type 3 is attached in **Appendix B**.

**"Lot Type 4"** means a Lot within Improvement Area #2 generally marketed to homebuilders as a 60' Lot. The buyer disclosure for Lot Type 4 is attached in **Appendix B**.

"**Major Improvements**" means those Authorized Improvements that confer a special benefit to all of the Assessed Property, the Non-Assessed Property, and Apportioned Property within the District, as further described in **Section III.A** and depicted on **Exhibit H-1**, and as allocated to Improvement Area #1, Improvement Area #2, and apportioned to the Remainder Area, as shown in **Exhibit B-3**.

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

**"Non-Assessed Property"** means Parcels located outside the boundary of the District that accrue special benefit from the Authorized Improvements as determined by the City Council but are not assessed. Non-Assessed Property consists of a school site of approximately 14.018 acres. The Developer has agreed to pay for the portion of the Actual Costs of the Authorized Improvements that benefit the Non-Assessed Property in lieu of the City levying assessments against such property.

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

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

**"Parcel"** or **"Parcels"** means a specific property within the District identified by either a tax parcel identification number assigned by the Denton Central Appraisal District for real property tax purposes, by legal description, or by lot and block number in a final subdivision plat recorded in the Official Public Records of the County, or by any other means determined by the City.

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

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

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

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

**"Private Improvements"** means improvements required to be constructed by the Developer that are not Authorized Improvements. Costs of Private Improvements will not be paid nor reimbursed through Annual Installments.

**"Remainder Area"** means approximately 70.118 acres located within the District and entirely outside of Improvement Area #1 and Improvement Area #2, as more specifically described in **Exhibit K-4** and depicted on **Exhibit A-4**, to be developed as one or more future improvement areas.

**"Remainder Area Apportioned Property"** means any Parcel within the Remainder Area against which a portion of the Actual Costs of the Remainder Area Projects are apportioned based on special conferred benefit, and against which an Assessment is expected to be levied, but not yet levied.

**"Remainder Area Apportionment of Costs"** means an Apportionment of Costs against the Remainder Area Apportioned Property for the Remainder Area Projects, as shown on **Exhibit B-3**, subject to (1) reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and in the PID Act; and (2) a future levy of Assessments by the City.

**"Remainder Area Projects"** means the pro rata portion of the Major Improvements allocable to the Remainder Area.

**"Service Plan"** 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 the trustee or successor trustee under an Indenture.

*[Remainder of page intentionally left blank.]*

## SECTION II: THE DISTRICT

The District includes approximately 155.285 contiguous acres located within the corporate limits of the City, the boundaries of which are more particularly described by the legal description on **Exhibit K-1** and depicted on **Exhibit A-1**. Development of the District is anticipated to include approximately 456 Lots developed with single-family homes.

Improvement Area #1 includes approximately 46.162 contiguous acres, the boundaries of which are more particularly described by legal description on **Exhibit K-2** and depicted on **Exhibit A-2**. Development of Improvement Area #1 is anticipated to include approximately 155 Lots developed with single-family homes (119 single-family homes that are on Lots classified as Lot Type 1 and 36 single-family homes that are on Lots classified as Lot Type 2).

Improvement Area #2 includes approximately 39.005 contiguous acres, the boundaries of which are more particularly described by legal description on **Exhibit K-3** and depicted on **Exhibit A-3**. Development of Improvement Area #2 is anticipated to include approximately 172 Lots developed with single-family homes (93 single-family homes that are on Lots classified as Lot Type 3 and 79 single-family homes that are on Lots classified as Lot Type 4).

The Remainder Area includes approximately 70.118 contiguous acres, the boundaries of which are more particularly described by legal description on **Exhibit K-4** and depicted on **Exhibit A-4**. Development of the Remainder Area is anticipated to include approximately 129 Lots developed with single-family homes.

## SECTION III: AUTHORIZED IMPROVEMENTS

Based on information in the Engineer's Report provided by the Developer and its engineer and reviewed by the City staff and by third-party consultants retained by the City, the City has determined that the Authorized Improvements confer a special benefit on the Assessed Property, Apportioned Property, and Non-Assessed Property. Authorized Improvements will be designed and constructed in accordance with the City's standards and specifications and will be owned and operated by the City. The budget and allocation for the Authorized Improvements is shown on **Exhibit B-1, Exhibit B-2,** and **Exhibit B-3**.

### A. Major Improvements

- *Paving*

  Improvements including subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, handicapped ramps, and

sidewalks. All related earthwork, clearing and grubbing, excavation, erosion control, intersections, signage, lighting, and re-vegetation of all disturbed areas within the right-of-way are included. The paving improvements will provide street access to each Lot within the District.

- *Water*

  Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, valves, fire hydrants, testing, related earthwork, excavation, erosion control, and all necessary appurtenances required to provide water service to all Lots within the District.

- *Sanitary Sewer*

  Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, related earthwork, excavation, erosion control, and all necessary appurtenances required to provide wastewater service to all Lots within the District.

- *Storm Drainage*

  Improvements including earthen channels, swales, curb and drop inlets, RCP piping and boxes, headwalls, concrete flumes, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, and erosion control necessary to provide storm drainage for all Lots in the District.

- *Soft Costs*

  Costs related to designing, constructing, and installing the Major Improvements including engineering and design, construction inspection fees, geotechnical testing and governmental submittal fees associated with the street, water, sanitary sewer, and storm drainage improvements as described above, and District Formation Costs.

**B. Improvement Area #1 Improvements**

- *Paving*

  Improvements including subgrade stabilization (including lime treatment and compaction), concrete and reinforcing steel for roadways, handicapped ramps, and sidewalks. All related earthwork, clearing and grubbing, excavation, erosion control, intersections, signage, lighting, and re-vegetation of all disturbed areas within the right-of-way are included. The paving improvements will provide street access to each Lot

within Improvement Area #1.

- *Water*

  Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, valves, fire hydrants, testing, related earthwork, excavation, erosion control, and all necessary appurtenances required to provide water service to all Lots within Improvement Area #1.

- *Sanitary Sewer*

  Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, related earthwork, excavation, erosion control, and all necessary appurtenances required to provide wastewater service to all Lots within Improvement Area #1.

- *Storm Drainage*

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

- *Soft Costs*

  Costs related to designing, constructing, and installing the Improvement Area #1 Improvements including engineering and design, construction inspection fees, geotechnical testing and governmental submittal fees for the costs associated with the street, water, sanitary sewer, and storm drainage improvements as described above.

**C. Improvement Area #2 Improvements**

- *Paving*

  Improvements including subgrade stabilization, concrete and reinforcing steel for roadways, testing, barrier free ramps, sidewalks, barricades, traffic control, platting, and staking. All related earthwork, excavation, erosion control, intersections, signage, lighting, and re-vegetation of all disturbed areas within the right-of-way are included. The road improvements will provide benefit to each Lot within Improvement Area #2.

- *Water*

  Improvements including trench excavation and embedment, trench safety, PVC piping, manholes, service connections, testing, related earthwork, excavation, erosion control, hydrants, platting, staking, steel encasement, and all necessary appurtenances required to provide water service to all Lots within Improvement Area #2.

- *Sanitary Sewer*

  Improvements including trench excavation and embedment, trench safety, PVC piping, encasement, boring, manholes, service connections, testing, related earthwork, excavation, erosion control, platting, staking, and all necessary appurtenances required to provide wastewater service to all Lots within Improvement Area #2.

- *Storm Drainage*

  Improvements including earthen channels, swales, curb and drop inlets, RCP piping and boxes, headwalls, concrete flumes, rock rip rap, concrete outfalls, and testing as well as all related earthwork, excavation, erosion control, manholes, traffic control, encasement, removal and replacement of existing pavement, platting, staking, and all necessary appurtenances required to provide storm drainage for all Lots within Improvement Area #2.

- *Soft Costs*

  Costs related to designing, constructing, and installing the Improvement Area #2 Improvements including land planning, engineering and design, construction inspection fees, geotechnical testing, survey, construction management, contingency, legal fees, consultants, and governmental submittal fees.

**D. Bond Issuance Costs**

- *Debt Service Reserve Fund*

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

- *Capitalized Interest*

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

- *Underwriter's Discount*

  Equals a percentage of the par amount of a particular series of PID Bonds related to the costs of underwriting such PID Bonds, including the fees of the underwriter's counsel.

- *Cost of Issuance*

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

**E. Other Costs**

- *Deposit to Administrative Fund*

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

## SECTION IV: SERVICE PLAN

The PID Act requires the Service Plan to cover a period of at least five years. The Service Plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the District during the five year period. The Service Plan is also required to include a copy of the buyer disclosure notice form required by Section 5.014 of the Texas Property Code, as amended. The Service Plan must be reviewed and updated in each Annual Service Plan Update. **Exhibit C** summarizes the initial Service Plan for Improvement Area #1 and Improvement Area #2. Per the PID Act and Section 5.014 of the Texas Property Code, as amended, this 2025 A&R Service and Assessment Plan, and any future Annual Service Plan Updates, shall include a form of the buyer disclosure for the District. The buyer disclosures are attached hereto as **Appendix B.**

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

## SECTION V: ASSESSMENT PLAN

The PID Act allows the City Council to apportion the costs of the Authorized Improvements to the Assessed Property, Non-Assessed Property, and Apportioned Property based on the special

benefit received from the Authorized Improvements. The PID Act provides that such costs may be apportioned: (1) equally per front foot or square foot; (2) according to the value of property as determined by the City Council, with or without regard to improvements constructed on the property; or (3) in any other manner approved by the City Council that results in imposing equal shares of such costs on property similarly benefited. The PID Act further provides that the City Council may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the City and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

This section of this 2025 A&R Service and Assessment Plan describes the special benefit received by each Parcel within the District as a result of the Authorized Improvements and provides the basis and justification for the determination that this special benefit equals or exceeds the amount of the Assessments levied on the Assessed Property for such Authorized Improvements.

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

### A. Assessment Methodology

Acting in its legislative capacity and based on information provided by the Developer and their engineer and reviewed by the City staff and by third-party consultants retained by the City, the City Council has determined that the costs related to the Authorized Improvements shall be allocated and/or apportioned as follows:

- By the adoption of the 2024 Assessment Ordinance, the costs of the Major Improvements were allocated to the District and the Non-Assessed Property pro rata based upon acreage. The District is allocated 91.72% of the costs of the Major Improvements and the Non-Assessed Property is allocated 8.28%. See **Exhibit B-2** for the allocation of the Major Improvements between the District and the Non-Assessed Property.

- The costs of the Major Improvements allocated to the District, after the allocation to the Non-Assessed Property, shall be allocated to each Assessed Property and apportioned to the Apportioned Property in the District pro rata based on the proportionate share of the Estimated Buildout Value of each Assessed Property and Apportioned Property relative to the total Estimated Buildout Value of the District. By the adoption of the 2024 Assessment Ordinance, a portion of the costs of the Major Improvements were allocated to Improvement Area #1 Assessed Property.

- By the adoption of the 2025 Assessment Ordinance, the remainder of such Major Improvements costs, after the allocation to Improvement Area #1, shall be allocated 55.63% to the Improvement Area #2 Assessed Property, and 44.37% apportioned to the Remainder Area Apportioned Property based on the proportionate share of the Estimated Buildout Value of each Assessed Property and Apportioned Property relative to the total Estimated Buildout Value of Improvement Area #2 and the Remainder Area, as shown on **Exhibit B-3**. Currently, of the Major Improvements costs allocated to the Assessed Property and Apportioned Property, the Improvement Area #1 Assessed Property is allocated 32.45% of such Major Improvements costs, the Improvement Area #2 Assessed Property is allocated 37.58% of such Major Improvements costs, and the Remainder Area Apportioned Property is apportioned 29.97% of such Major Improvements costs. See **Exhibit B-1** for the allocation and apportionment of such Major Improvements costs to Improvement Area #1, Improvement Area #2, and the Remainder Area.

- The costs of the Improvement Area #1 Authorized Improvements shall be allocated to each Parcel within Improvement Area #1 based on the ratio of the Estimated Buildout Value of each Parcel designated as Improvement Area #1 Assessed Property to the Estimated Buildout Value of all Improvement Area #1 Assessed Property.

- The costs of the Improvement Area #2 Authorized Improvements shall be allocated to each Parcel within Improvement Area #2 based on the ratio of the Estimated Buildout Value of each Parcel designated as Improvement Area #2 Assessed Property to the Estimated Buildout Value of all Improvement Area #2 Assessed Property. Currently, the Improvement Area #2 Initial Parcel is the only Parcel within Improvement Area #2, and as such, the Improvement Area #2 Initial Parcel is allocated 100% of the Improvement Area #2 Authorized Improvements.

**B. Assessments**

The Improvement Area #1 Assessment shall be levied on the Improvement Area #1 Assessed Property according to the Improvement Area #1 Assessment Roll attached hereto as **Exhibit F-1**. The Improvement Area #1 Annual Installments are shown on **Exhibit F-2** and are subject to revisions made in any Annual Service Plan Update.

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

The Maximum Assessment for each Lot Type within the District is shown on **Exhibit E**. In no case will the Assessment for Lots classified as Lot Type 1, Lot Type 2, Lot Type 3, or Lot Type 4, respectively, exceed the corresponding Maximum Assessment for each Lot Type classification.

### C. Findings of Special Benefit

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

- *Improvement Area #1*

    - The Actual Costs of the Improvement Area #1 Authorized Improvements equal $8,876,646 as shown on **Exhibit B-1**;

    - The Improvement Area #1 Assessed Property receives special benefit from the Improvement Area #1 Authorized Improvements equal to or greater than the Actual Cost of the Improvement Area #1 Authorized Improvements;

    - As of the approval of the 2024 Assessment Ordinance by the City Council, the Improvement Area #1 Assessed Property was allocated 100% of the Improvement Area #1 Assessment levied for the Improvement Area #1 Authorized Improvements, which equaled $5,501,000; of which $5,412,000 remains outstanding, as shown on the Improvement Area #1 Assessment Roll attached hereto as **Exhibit F-1**;

    - The special benefit ( $\geq$ $8,876,646) received by the Improvement Area #1 Assessed Property from the Improvement Area #1 Authorized Improvements is equal to or greater than the amount of the Improvement Area #1 Assessment ($5,501,000) levied on the Improvement Area #1 Assessed Property at the time the City Council approved the 2024 Assessment Ordinance for the Improvement Area #1 Authorized Improvements; and

    - At the time the City Council approved the 2024 Service and Assessment Plan, the Developer owned 100% of the Improvement Area #1 Assessed Property. The Developer acknowledged that the Improvement Area #1 Authorized Improvements confer a special benefit on the Improvement Area #1 Assessed Property and consented to the imposition of the Improvement Area #1 Assessment to pay for the Actual Costs associated therewith. The Developer ratified, confirmed, accepted, agreed to, and approved: (1) the determinations

and findings by the City Council as to the special benefits described herein and the 2024 Assessment Ordinance; (2) the 2024 Service and Assessment Plan and the 2024 Assessment Ordinance; and (3) the levying of the Improvement Area #1 Assessment on the Improvement Area #1 Assessed Property.

- *Improvement Area #2*

    a. The costs of the Improvement Area #2 Authorized Improvements equal $7,851,456, as shown on **Exhibit B-1**;

    b. The Improvement Area #2 Assessed Property receives special benefit from the Improvement Area #2 Authorized Improvements equal to or greater than the Actual Cost of the Improvement Area #2 Authorized Improvements;

    c. As of the approval of the 2025 Assessment Ordinance by the City Council, the Improvement Area #2 Initial Parcel was allocated 100% of the Improvement Area #2 Assessment levied for the Improvement Area #2 Authorized Improvements, which equals $6,770,000 as shown on the Improvement Area #2 Assessment Roll attached hereto as **Exhibit G-1**;

    d. The special benefit ( $\geq$ $7,851,456) received by the Improvement Area #2 Initial Parcel from the Improvement Area #2 Authorized Improvements is equal to or greater than the amount of the Improvement Area #2 Assessment ($6,770,000) levied on the Improvement Area #2 Initial Parcel for the Improvement Area #2 Authorized Improvements; and

    e. As of the approval of this 2025 A&R Service and Assessment Plan by the City Council, the Developer owned 100% of the Improvement Area #2 Initial Parcel. The Developer acknowledged that the Improvement Area #2 Authorized Improvements confer a special benefit on the Improvement Area #2 Assessed Property and consented to the imposition of the Improvement Area #2 Assessment to pay for the Actual Costs associated therewith. The Developer ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described herein and the 2025 Assessment Ordinance; (2) this 2025 A&R Service and Assessment Plan and the 2025 Assessment Ordinance; and (3) the levying of the Improvement Area #2 Assessment on the Improvement Area #2 Assessed Property.

- *Remainder Area*

    - The costs of the Remainder Area Projects apportioned to the Remainder Area equal to $2,134,358 as shown on **Exhibit B-3**; and

    - The Remainder Area is expected to receive special benefit from the Remainder Area Projects equal to or greater than the Actual Cost of the Remainder Area Projects apportioned to the Remainder Area Apportioned Property; and

    - The Remainder Area Apportioned Property will be apportioned 29.97% of the total costs of the Major Improvements (excluding the portion of the Major Improvements allocated to the Non-Assessed Property) as shown on **Exhibit B-3**, which equals $2,134,358 as shown on **Exhibit B-1**, of which all or a portion is anticipated to be financed by Assessments levied at a later date; and

    - At the time the City Council approved this 2025 A&R Service and Assessment Plan, the Developer owned 100% of the Remainder Area. The Developer acknowledged that the Remainder Area Projects confer a special benefit on the Remainder Area and consented to the apportionment of the Remainder Area Apportionment of Costs in anticipation of a future levy of Assessments by the City Council to pay for all or a portion of the Remainder Area Apportionment of Costs associated therewith. The Developer ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described herein; (2) this 2025 A&R Service and Assessment Plan; and (3) the Remainder Area Apportionment of Costs.

### D. Annual Collection Costs

The Annual Collection Costs shall be paid for annually by the owner of each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. The Annual Collection Costs shall be collected as part of and in the same manner as 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 securing each respective series of PID Bonds may exceed the interest rate on each respective series of PID Bonds by the Additional Interest Rate. To the extent required by any Indenture, Additional Interest shall be collected as part of each Annual

Installment related to a series of PID Bonds and shall be deposited pursuant to the applicable Indenture.

## SECTION VI: TERMS OF THE ASSESSMENTS

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

### A. Reallocation of Assessments

*1. Upon Division Prior to Recording of Subdivision Plat*

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

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

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property
B = the Assessment for the Assessed Property prior to division
C = the Estimated Buildout Value of the newly divided Assessed Property
D = the sum of the Estimated Buildout Value for all of the newly divided Assessed Properties

The calculation of the Assessment of an Assessed Property shall be performed by the Administrator and shall be based on the Estimated Buildout Value of that Assessed Property relying on information from homebuilders, market studies, appraisals, Official Public Records of the County, and any other relevant information regarding the Assessed Property, as provided by the Developer. The Estimated Buildout Value for Lot Type 1, Lot Type 2, Lot Type 3, and Lot Type 4 are shown on **Exhibit E** and will not change in future Annual Service Plan Updates. The calculation as confirmed by the City Council shall be conclusive and binding.

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the

Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the Annual Service Plan Update immediately following such reallocation.

*2. Upon Subdivision by a Recorded Subdivision Plat*

Upon the subdivision of any Assessed Property based on a recorded subdivision plat, the Administrator shall reallocate the Assessment for the Assessed Property prior to the subdivision among the new subdivided Lots based on Estimated Buildout Value according to the following formula:

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

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot
B = the Assessment for the Parcel prior to subdivision
C = the sum of the Estimated Buildout Value of all newly subdivided Lots with the 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 newly subdivided Lots with the same Lot Type

Prior to the recording of a subdivision plat, the Developer shall provide the City an Estimated Buildout Value as of the date of the recorded subdivision plat for each Lot created by the recorded subdivision plat. The calculation of the Assessment for a Lot shall be performed by the Administrator and confirmed by the City Council based on Estimated Buildout Value information provided by the Developer, homebuilders, third party consultants, and/or the Official Public Records of the County regarding the Lot. The Estimated Buildout Value for Lot Type 1, Lot Type 2, Lot Type 3, and Lot Type 4 are shown on **Exhibit E** and will not change in future Annual Service Plan Updates. The calculation as confirmed by the City Council shall be conclusive and binding.

The sum of the Assessments for all newly subdivided 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 the Annual Service Plan Update immediately following such reallocation.

*3. Upon Consolidation*

If two or more Lots or Parcels are consolidated into a single Lot or Parcel, the Administrator shall allocate the Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be approved by the City Council in the next Annual Service Plan Update immediately following such consolidation. The Assessment for any resulting Lot may not exceed the Maximum Assessment for the applicable Lot Type and compliance may require a mandatory Prepayment of Assessments pursuant to **Section VI.C.**

### B. Mandatory Prepayment of Assessments

If an Assessed Property or a portion thereof is conveyed to a party that is exempt from payment of the Assessment under applicable law, or the owner causes a Lot, Parcel or portion thereof to become Non-Benefited Property, the owner of such Lot, Parcel or portion thereof shall pay to the City, or cause to be paid to the City, the full amount of the Assessment, plus all Prepayment Costs and Delinquent Collection Costs for such Assessed Property, prior to any such conveyance or act, and no such conveyance shall be effective until the City receives such payment. Following payment of the foregoing costs in full, the City shall provide the owner with a recordable "Notice of Assessment Termination," a form of which is attached hereto as **Exhibit I.**

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

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

### D. Reduction of Assessments

If as a result of cost savings or the failure to construct all or a portion of an Authorized Improvement the Actual Costs of any Authorized Improvements are less than the Assessments, then (i) in the event PID Bonds have not been issued for the purpose of financing Authorized Improvements affected by such reduction in Actual Costs, the City Council shall reduce each Assessment on a pro rata basis such that the sum of the resulting reduced Assessments for all

Assessed Property equals the reduced Actual Costs that were expended, or (ii) in the event that a related series of PID Bonds have been issued for the purpose of financing Authorized Improvements affected by such reduction in Actual Costs, the Trustee shall apply amounts on deposit in the applicable account of the project fund created under the Indenture relating to such series of PID Bonds that are not expected to be used for the purposes of the project fund as directed by the City pursuant to the terms of such Indenture. Such excess PID Bond proceeds may be used for any purpose authorized by such Indenture. The Assessments shall never be reduced to an amount less than the amount required to pay all outstanding debt service requirements on all outstanding PID Bonds.

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

If an Assessment on an Assessed Property is prepaid in full, with Prepayment Costs, (1) the Administrator shall cause the Assessment to be reduced to zero on said Assessed Property and the Assessment Roll to be revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit such revised Assessment Roll to the City Council for review and approval as part of the next Annual Service Plan Update; (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate with respect to said Assessed Property; and (4) the City shall provide the owner with a recordable "Notice of Assessment Termination."

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

## F. Payment of Assessment in Annual Installments

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

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

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

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

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

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

Installments of the Improvement Area #1 Assessments were due when billed and were delinquent if not paid prior to February 1, 2025. The initial Annual Installments of the Improvement Area #2 Assessments shall be due when billed and shall be delinquent if not paid prior to February 1, 2027.

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

### G. Prepayment as a Result of an 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 "**Retained Property**"), following the reclassification of the Taken Property as Non-Benefited Property, subject to an adjustment of the Assessment applicable to the Retained Property after any required Prepayment as set forth below. The owner of the Retained Property will remain liable to pay in Annual Installments, or payable as otherwise provided by this 2025 A&R Service and Assessment Plan, as updated, or the PID Act, the Assessment that remains due on the Retained Property, subject to an adjustment in the Assessment applicable to the Retained Property after any required Prepayment as set forth below. Notwithstanding the foregoing, if the Assessment that remains due on the Retained Property exceeds the applicable Maximum Assessment, the owner of the Retained Property will be required to make a Prepayment in an amount necessary to ensure that the Assessment against the Retained Property does not exceed such Maximum Assessment, in which case the Assessment applicable to the Retained 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 Retained Property shall not exceed the applicable Maximum Assessment.

By way of illustration, if an owner owns 100 acres of Assessed Property subject to a $100 Assessment and 10 acres is taken through a Taking, the 10 acres of Taken Property shall be reclassified as Non-Benefited Property and the remaining 90 acres of Retained Property shall be subject to the $100 Assessment (provided that this $100 Assessment does not exceed the Maximum Assessment on the Retained Property). If the Administrator determines that the $100 Assessment reallocated to the Retained Property would exceed the Maximum Assessment, as applicable, on the Retained Property by $10, then the owner shall be required to pay $10 as a Prepayment of the Assessment against the Retained Property and the Assessment on the Retained Property shall be adjusted to be $90.

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

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

## SECTION VII: ASSESSMENT ROLL

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

The Improvement Area #2 Assessment Roll is attached as **Exhibit G-1**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Improvement Area #2 Assessment Roll and Improvement Area #2 Annual Installments for each Parcel 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 A&R 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 the year following City Council's approval of the calculation. Otherwise, the owner shall be deemed to have unconditionally approved and accepted the calculation. The Administrator shall provide a written response to the City Council and the owner not later than 30 days of such receipt of a written notice of error by the Administrator. The City Council shall consider the owner's notice of error and the Administrator's response at a public meeting, and, not later than 30 days after closing such meeting, the City Council shall make a final determination as to whether an error has been made. If the City Council determines that an error has been made, the City Council shall take such corrective action as is authorized by the PID Act, this 2025 A&R Service and Assessment Plan, the applicable Assessment Ordinance, the applicable Indenture, or as otherwise authorized by the discretionary power of the City Council. The determination by the City Council as to whether an error has been made, and any corrective action taken by the City Council, shall be final and binding on the owner and the Administrator.

## B. Amendments

Amendments to this 2025 A&R 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 A&R 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 A&R Service and Assessment Plan.

## C. Administration and Interpretation

The Administrator shall: (1) perform the obligations of the Administrator as set forth in this 2025 A&R 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 A&R Service and Assessment Plan. Interpretations of this 2025 A&R Service and Assessment Plan by the Administrator shall be in writing and shall be appealable to the City Council by owners of Assessed Property adversely affected by the interpretation. Appeals shall be decided by the City Council after holding a public meeting at which all interested parties have an opportunity to be heard.

Decisions by the City Council shall be final and binding on the owners of Assessed Property and developers and their successors and assigns.

### D. Form of Buyer Disclosure; Filing Requirements

Per Section 5.014 of the Texas Property Code, as amended, this 2025 A&R 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 as **Appendix B.** 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 A&R Service and Assessment Plan, or any future Annual Service Plan Updates. The executed ordinance, including any attachments, approving this 2025 A&R Service and Assessment Plan or any future Annual Service Plan Updates shall be filed and recorded in their entirety.

### E. Severability

If any provision of this 2025 A&R 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.

## SECTION IX: ADDITIONAL INFORMATION

### A. Parcel Subdivision

Improvement Area #1

The final plat of Timberbrook, Phase 7, attached hereto as **Exhibit L**, was filed and recorded with the County on July 1, 2024, and consists of 155 residential Lots and 15 Lots of Non-Benefited Property located within the boundary of Improvement Area #1.

See the completed Lot Type classification summary within Improvement Area #1 below:

| Improvement Area #1 | |
|---|---|
| **Lot Type** | **Number of Units** |
| 1 | 119 |
| 2 | 36 |
| **Total** | **155** |

See **Exhibit A-5** for the Improvement Area #1 Lot Type classification map.

**B. Lot and Home Sales**

Improvement Area #1

Per the Quarterly Report dated May 15, 2025, the lot ownership composition is provided below:

- Developer Owned:
  - Lot Type 1: 119 Lots
  - Lot Type 2: 36 Lots
- Homebuilder Owned:
  - Lot Type 1: 0 Lots
  - Lot Type 2: 0 Lots
- End-User Owner:
  - Lot Type 1: 0 Lots
  - Lot Type 2: 0 Lots

See **Appendix B** for the buyer disclosures.

**C. Outstanding Assessment**

Improvement Area #1

Net of the principal bond payment due September 1, 2025, Improvement Area #1 has an outstanding Assessment of $5,412,000.00.

**D. Annual Installment Due 1/31/2026**

Improvement Area #1

- ***Principal and Interest*** – The total principal and interest required for the Annual Installment is $391,132.50.

- **Additional Interest** – The total Additional Interest Reserve Requirement, as defined in the Indenture, is equal to $297,660.00 and has not been met. As such, the Additional Interest Reserve Account will be funded with Additional Interest on the outstanding Assessments, resulting in an Additional Interest amount due of $27,060.00.

- ***Annual Collection Costs*** – The cost of administering Improvement Area #1 and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of outstanding Assessment remaining on the Parcel. The total Annual Collection Costs budgeted for the Annual Installment is $64,754.97.

| Improvement Area #1 | | |
|---|---|---|
| **Due January 31, 2026** | | |
| Principal | $ | 93,000.00 |
| Interest | | 298,132.50 |
| | $ | 391,132.50 |
| Additional Interest | $ | 27,060.00 |
| Annual Collection Costs | $ | 64,754.97 |
| **Total Annual Installment** | **$** | **482,947.47** |

See below for a table showing the breakdown of the Annual Collection Costs for the Annual Installments due 1/31/2026.

| Improvement Area #1 | |
|---|---|
| **Annual Collection Costs Breakdown** | |
| P3Works Administration | $ 31,212.00 |
| City Auditor | 1,000.00 |
| Filing Fees | 1,000.00 |
| County Collection | 1,000.00 |
| PID Trustee Fees | 4,500.00 |
| Dissemination Agent | 3,500.00 |
| Draw Request Review | 3,800.00 |
| P3Works Dev/Issuer CDA Review | 3,500.00 |
| Past Due P3Works, LLC Invoices | 3,742.97 |
| Collection Cost Maintenance Balance | 10,000.00 |
| Arbitrage Calculation | 1,500.00 |
| **Total Annual Collection Costs** | **$ 64,754.97** |

See the limited offering memorandum for the Improvement Area #1 Bonds pay period. See **Exhibit J-1** for the debt service schedule for the Improvement Area #1 Bonds as shown in the limited offering memorandum.

## EXHIBITS

The following Exhibits are attached to and made a part of this 2025 A&R Service and Assessment Plan for all purposes:

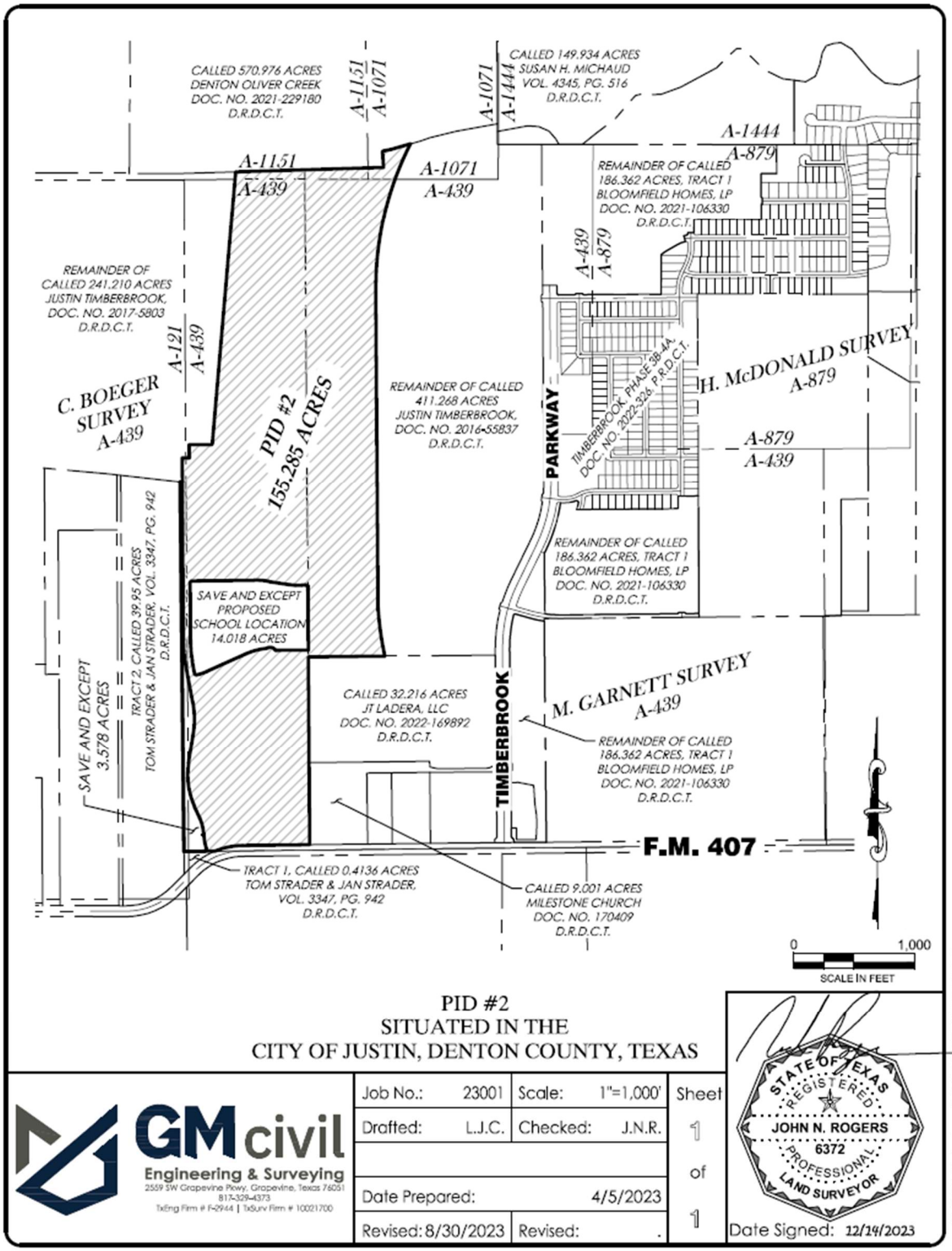
| | |
|---|---|
| **Exhibit A-1** | Map of the District |
| **Exhibit A-2** | Map of Improvement Area #1 |
| **Exhibit A-3** | Map of Improvement Area #2 |
| **Exhibit A-4** | Map of Remainder Area |
| **Exhibit A-5** | Improvement Area #1 Lot Type Classification Map |
| **Exhibit A-6** | Improvement Area #2 Lot Type Classification Map |
| **Exhibit B-1** | Project Costs |
| **Exhibit B-2** | Major Improvements Allocation of Costs |
| **Exhibit B-3** | Major Improvements Apportionment of Costs |
| **Exhibit C** | Service Plan |
| **Exhibit D** | Sources and Uses of Funds |
| **Exhibit E** | Maximum Assessment and Tax Rate Equivalent |
| **Exhibit F-1** | Improvement Area #1 Assessment Roll |
| **Exhibit F-2** | Improvement Area #1 Annual Installments |
| **Exhibit G-1** | Improvement Area #2 Assessment Roll |
| **Exhibit G-2** | Improvement Area #2 Annual Installments |
| **Exhibit H-1** | Maps of Major Improvements |
| **Exhibit H-2** | Maps of Improvement Area #1 Improvements |
| **Exhibit H-3** | Maps of Improvement Area #2 Improvements |
| **Exhibit I** | Notice of Termination of Assessment |
| **Exhibit J-1** | Debt Service Schedule for Improvement Area #1 Bonds |
| **Exhibit J-2** | Debt Service Schedule for Improvement Area #2 Bonds |
| **Exhibit K-1** | District Legal Description |
| **Exhibit K-2** | Improvement Area #1 Legal Description |
| **Exhibit K-3** | Improvement Area #2 Legal Description |
| **Exhibit K-4** | Remainder Area Legal Description |
| **Exhibit L** | Timberbrook, Phase 7 Final Plat |

## APPENDICES

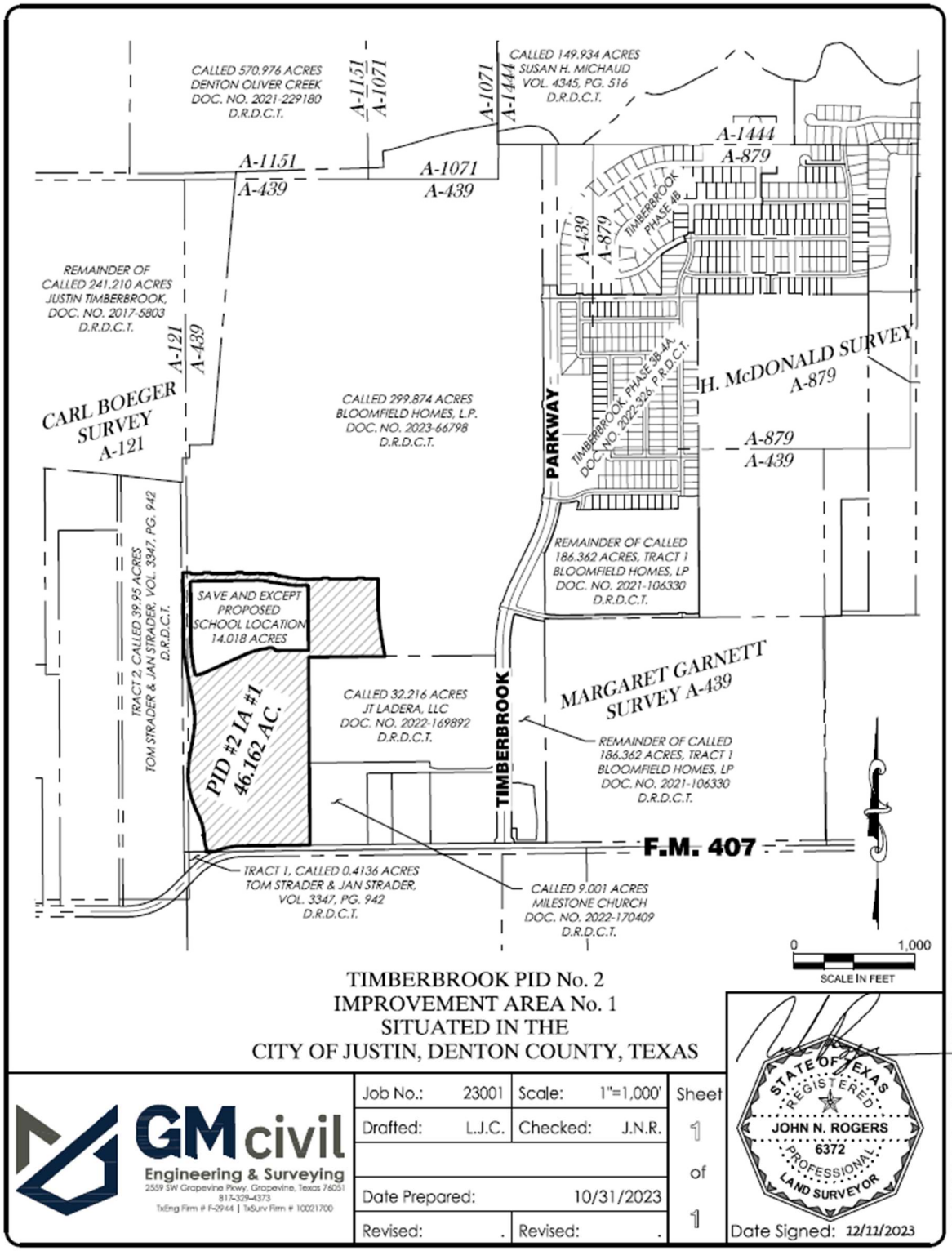
The following Appendices are attached to and made a part of this 2025 A&R Service and Assessment Plan for all purposes:

| | |
|---|---|
| **Appendix A** | Engineer's Report |
| **Appendix B** | Buyer Disclosure |

# EXHIBIT A-1 – MAP OF THE DISTRICT



# EXHIBIT A-2 – MAP OF IMPROVEMENT AREA #1




TIMBERBROOK PID No. 2
IMPROVEMENT AREA No. 1
SITUATED IN THE
CITY OF JUSTIN, DENTON COUNTY, TEXAS

GM civil
Engineering & Surveying
2559 SW Grapevine Pkwy, Grapevine, Texas 76051
817-329-4373
TxEng Firm # F-2944 | TxSurv Firm # 10021700

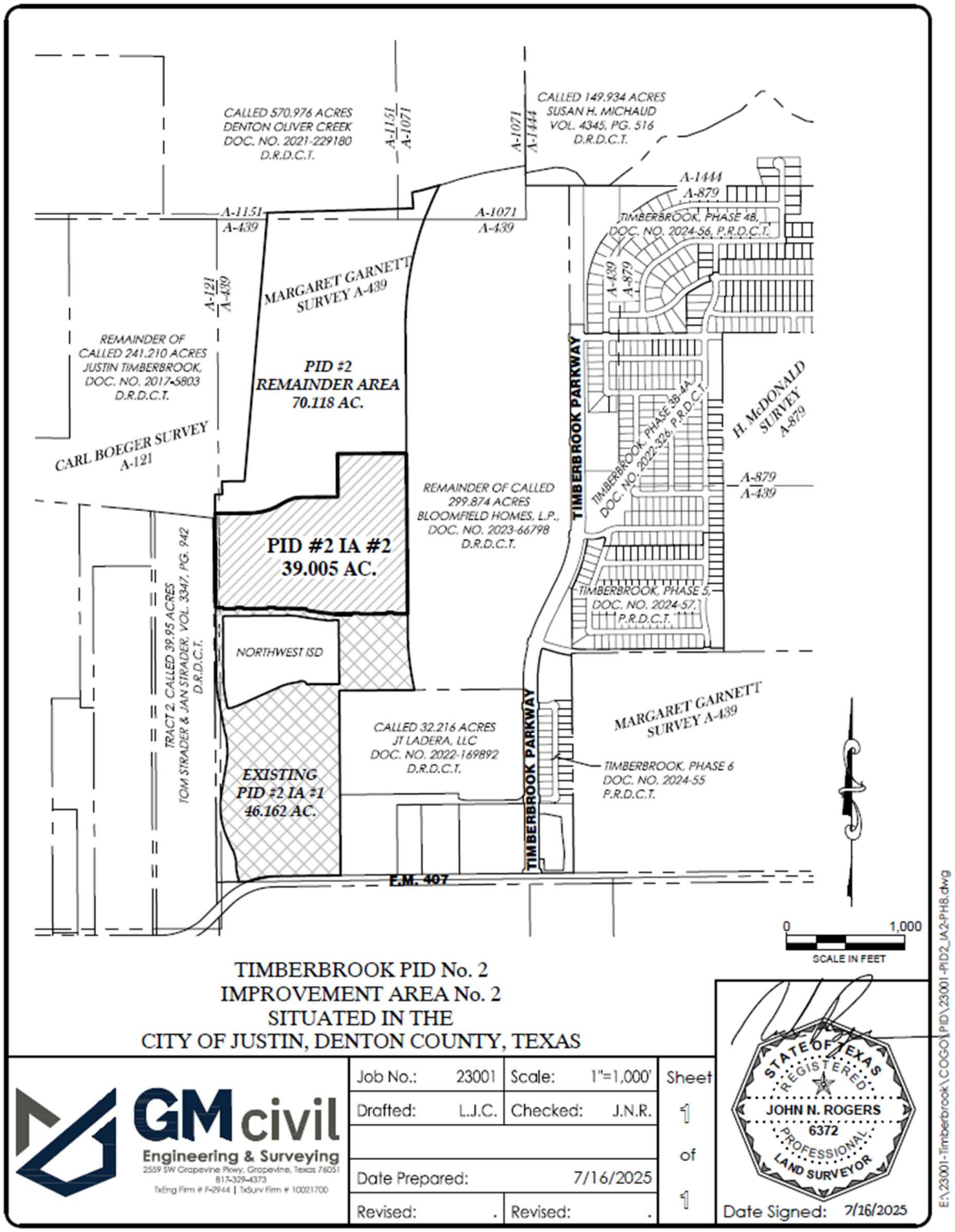
| | | | | |
|---|---|---|---|---|
| Job No.: | 23001 | Scale: | 1"=1,000' | Sheet 1 of 1 |
| Drafted: | L.J.C. | Checked: | J.N.R. | |
| Date Prepared: | | 10/31/2023 | | |
| Revised: | . | Revised: | . | |

STATE OF TEXAS
REGISTERED
JOHN N. ROGERS
6372
PROFESSIONAL
LAND SURVEYOR

Date Signed: 12/11/2023

E:\23001-Timberbrook\COGO\PID\23001-PID2_IA1.dwg

# EXHIBIT A-3 – MAP OF IMPROVEMENT AREA #2




TIMBERBROOK PID No. 2
IMPROVEMENT AREA No. 2
SITUATED IN THE
CITY OF JUSTIN, DENTON COUNTY, TEXAS

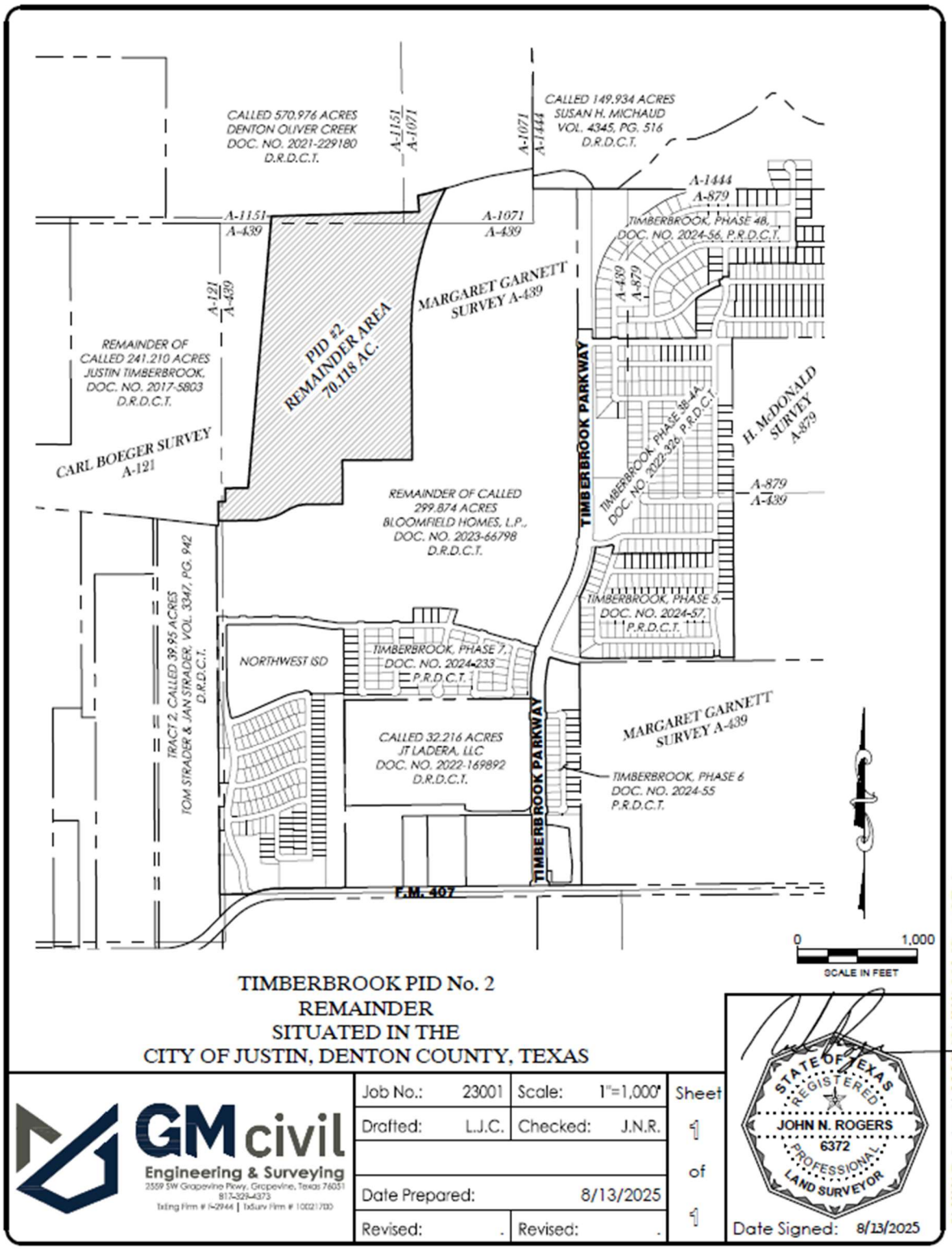
GM civil
Engineering & Surveying
2559 SW Grapevine Pkwy, Grapevine, Texas 76051
817-329-4373
TxEng Firm # F-2944 | TxSurv Firm # 10021700

| | | | | |
|---|---|---|---|---|
| Job No.: | 23001 | Scale: | 1"=1,000' | Sheet 1 of 1 |
| Drafted: | L.J.C. | Checked: | J.N.R. | |
| Date Prepared: | | 7/16/2025 | | |
| Revised: | . | Revised: | . | |

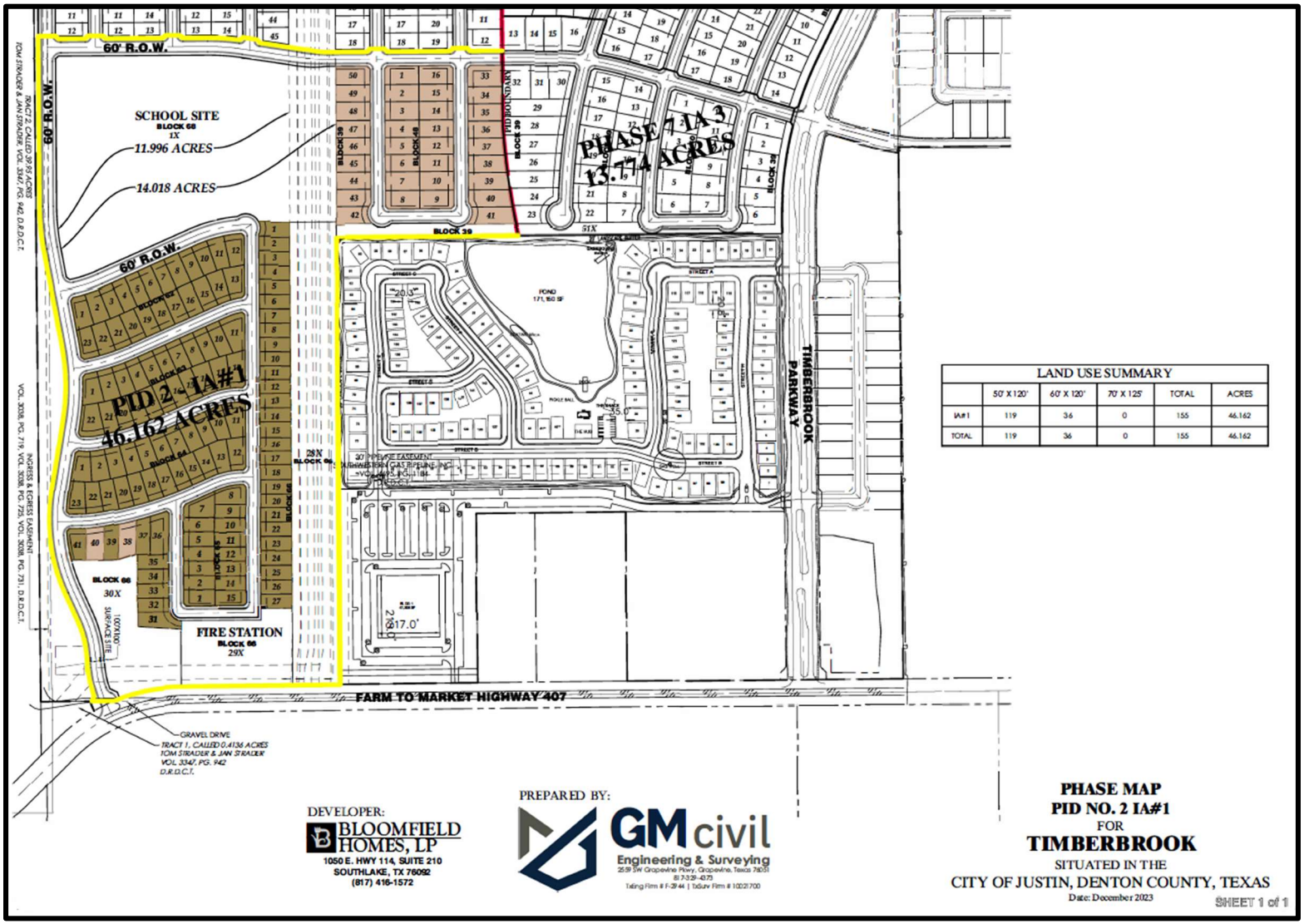
STATE OF TEXAS
REGISTERED
JOHN N. ROGERS
6372
PROFESSIONAL
LAND SURVEYOR

Date Signed: 7/16/2025

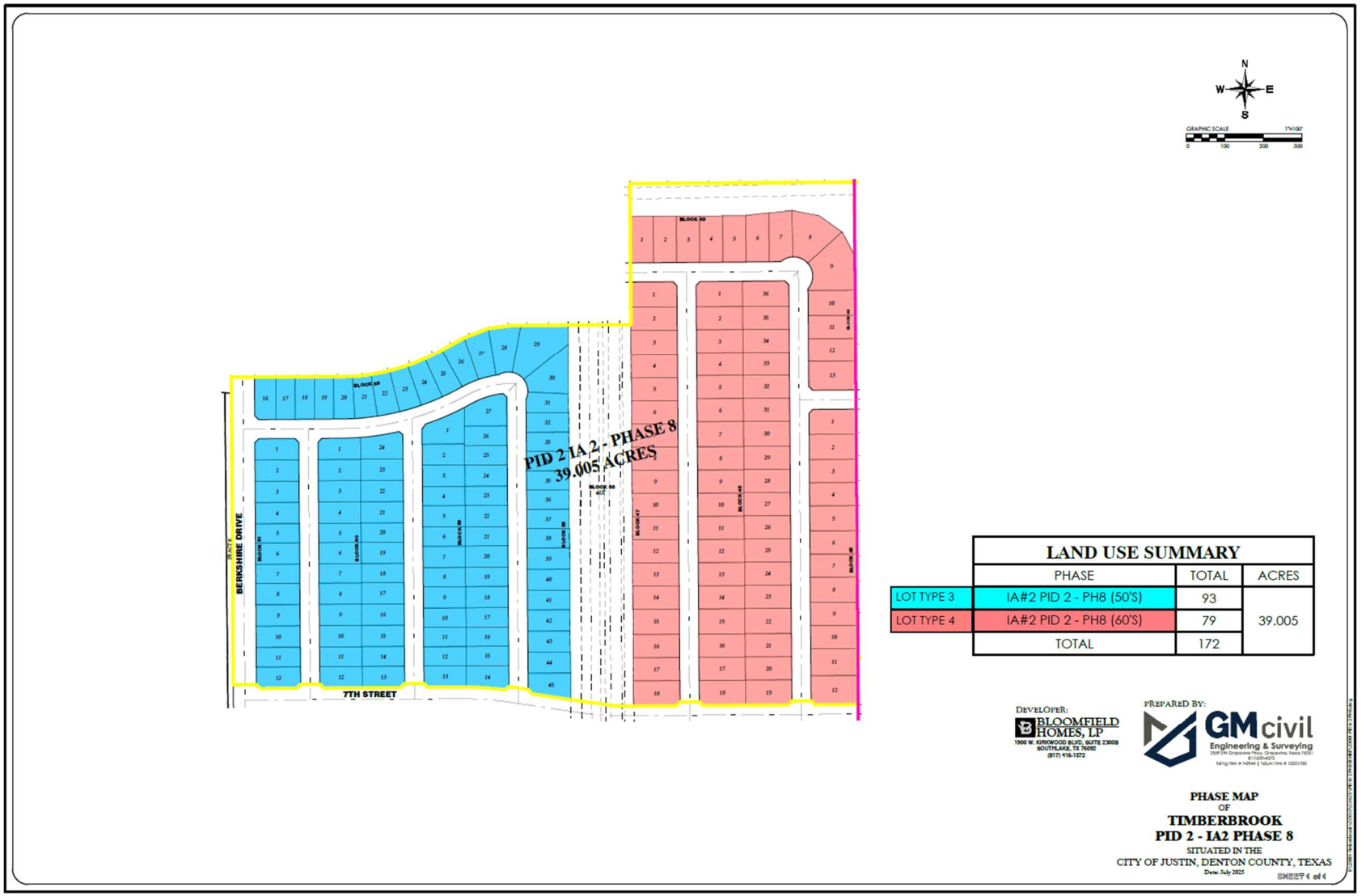
# EXHIBIT A-4 – MAP OF REMAINDER AREA



## EXHIBIT A-5 – IMPROVEMENT AREA #1 LOT TYPE CLASSIFICATION MAP



# EXHIBIT A-6 – IMPROVEMENT AREA #2 LOT TYPE CLASSIFICATION MAP



# EXHIBIT B-1 – PROJECT COSTS

| | Total[a] | Non-Assessed Property[b] | Private | Authorized Improvements | Improvement Area #1 % | Improvement Area #1 Cost | Improvement Area #2 % | Improvement Area #2 Cost | Remainder Area % | Remainder Area Cost |
|---|---|---|---|---|---|---|---|---|---|---|
| *Major Improvements [d],[e]* | | | | | | | | | | |
| Paving | $ 2,049,531 | $ 169,698 | $ - | $ 1,879,833 | 32.45% | $ 610,062 | 37.58% | $ 706,348 | 29.97% | $ 563,423 |
| Water | 804,560 | 66,616 | - | 737,944 | 32.45% | 239,485 | 37.58% | 277,283 | 29.97% | 221,176 |
| Sanitary Sewer | 939,435 | 77,784 | - | 861,651 | 32.45% | 279,632 | 37.58% | 323,766 | 29.97% | 258,254 |
| Storm Drainage | 1,960,525 | 162,328 | - | 1,798,197 | 32.45% | 583,568 | 37.58% | 675,673 | 29.97% | 538,955 |
| Soft Costs[c] | 2,009,971 | 166,422 | - | 1,843,549 | 32.45% | 598,287 | 37.58% | 692,714 | 29.97% | 552,548 |
| | $ 7,764,022 | $ 642,848 | $ - | $ 7,121,174 | | $ 2,311,033 | | $ 2,675,783 | | $ 2,134,358 |
| *Improvement Area #1 Improvements* | | | | | | | | | | |
| Paving | $ 1,757,148 | $ - | $ - | $ 1,757,148 | 100% | $ 1,757,148 | 0.00% | $ - | 0.00% | $ - |
| Water | 704,541 | - | - | 704,541 | 100% | 704,541 | 0.00% | - | 0.00% | - |
| Sanitary Sewer | 492,430 | - | - | 492,430 | 100% | 492,430 | 0.00% | - | 0.00% | - |
| Storm Drainage | 1,188,748 | - | - | 1,188,748 | 100% | 1,188,748 | 0.00% | - | 0.00% | - |
| Soft Costs[c] | 1,416,456 | - | - | 1,416,456 | 100% | 1,416,456 | 0.00% | - | 0.00% | - |
| | $ 5,559,322 | $ - | $ - | $ 5,559,322 | | $ 5,559,322 | | $ - | | $ - |
| *Improvement Area #2 Improvements* | | | | | | | | | | |
| Paving | $ 1,356,360 | $ - | $ - | $ 1,356,360 | 0.00% | $ - | 100% | $ 1,356,360 | 0.00% | $ - |
| Water | 578,905 | - | - | 578,905 | 0.00% | - | 100% | 578,905 | 0.00% | - |
| Sanitary Sewer | 591,718 | - | - | 591,718 | 0.00% | - | 100% | 591,718 | 0.00% | - |
| Storm Drainage | 160,039 | - | - | 160,039 | 0.00% | - | 100% | 160,039 | 0.00% | - |
| Soft Costs[c] | 921,773 | - | - | 921,773 | 0.00% | - | 100% | 921,773 | 0.00% | - |
| | $ 3,608,793 | $ - | $ - | $ 3,608,793 | | $ - | | $ 3,608,793 | | $ - |
| *Private Improvements [f]* | | | | | | | | | | |
| Private Improvements | $ 1,437,452 | $ - | $ 1,437,452 | $ - | | $ - | | $ - | | $ - |
| | $ 1,437,452 | $ - | $ 1,437,452 | $ - | | $ - | | $ - | | $ - |
| *Bond Issuance Costs [g]* | | | | | | | | | | |
| Debt Service Reserve Fund | $ 892,518 | $ - | $ - | $ 892,518 | | $ 391,138 | | $ 501,380 | | $ - |
| Capitalized Interest | 483,973 | - | - | 483,973 | | 111,623 | | 372,350 | | - |
| Underwriter's Discount | 368,130 | - | - | 368,130 | | 165,030 | | 203,100 | | - |
| Cost of Issuance | 738,550 | - | - | 738,550 | | 298,500 | | 440,050 | | - |
| | $ 2,483,171 | $ - | $ - | $ 2,483,171 | | $ 966,291 | | $ 1,516,880 | | $ - |
| *Other Costs [g]* | | | | | | | | | | |
| Deposit to Administrative Fund | $ 90,000 | $ - | $ - | $ 90,000 | | $ 40,000 | | $ 50,000 | | $ - |
| | $ 90,000 | $ - | $ - | $ 90,000 | | $ 40,000 | | $ 50,000 | | $ - |
| **Total** | **$ 20,942,759** | **$ 642,848** | **$ 1,437,452** | **$ 18,862,459** | | **$ 8,876,646** | | **$ 7,851,456** | | **$ 2,134,358** |

**Footnotes:**

[a] The costs of the Improvement Area #1 Improvements and the Major Improvements are as provided at the time the City Council approved the 2024 Assessment Ordinances. The costs of the Improvement Area #2 Improvements are as provided in the Engineer's Report dated 7/22/2025 and subject to change, attached hereto as **Appendix A**. Authorized Improvement costs are estimates and will be updated with each Annual Service Plan Update, or the Service and Assessment Plan as amended.

[b] The Developer has agreed to pay for the allocable share of the Actual Costs of these Authorized Improvements that benefit the Non-Assessed Property and is shown as Developer Contribution - Non-Assessed Property on **Exhibit D**.

[c] Soft Costs include engineering, surveying, testing, platting, inspection, construction management, and District Formation Costs.

[d] The Major Improvements are allocated and/or apportioned to Improvement Area #1, Improvement Area #2, and the Remainder Area pro rata based on Estimated Buildout Value after removing Non-Assessed Property allocation, as described herein.

[e] The Non-Assessed Property is allocated a portion of the Major Improvements pro rata based on acreage to the Non-Assessed Property and the District total acreage (the Non-Assessed Property is 14.018 acres, the District is 155.285 acres, therefore the Non-Assessed Property is allocated 8.28% of the Major Improvements costs, and the District is allocated the remainder of the Major Improvements costs, as described herein).

[f] Costs required to complete lots in Improvement Area #1 and Improvement Area #2 to reach final lot completion; non-reimbursable to the Developer from the collection of Assessments or PID Bonds.

[g] Improvement Area #2 Bond Issuance Costs and Other Costs are preliminary estimates and subject to change and will be updated to reflect the actual cost when PID Bonds are issued.

# EXHIBIT B-2 – MAJOR IMPROVEMENTS ALLOCATION OF COSTS

| Property Type | Acreage | Major Improvements | |
|---|---|---|---|
| | | % | Costs |
| District | 155.285 | 91.72% | $ 7,121,174 |
| Non-Assessed Property[a] | 14.018 | 8.28% | $ 642,848 |
| **Total** | **169.303** | **100.00%** | **$ 7,764,022** |

**Footnotes:**

[a] Includes 14.018 acres of school site property.

# EXHIBIT B-3 – MAJOR IMPROVEMENTS APPORTIONMENT OF COSTS

| | | | Major Improvements | | | |
|---|---|---|---|---|---|---|
| | | | 2024 Assessment Ordinance[a] | 2025 Assessment Ordinance[b] | | Total Apportionment for Future Funding[c] |
| Improvement Area | Units | Estimated Buildout Value | Costs | % | Costs | |
| Improvement Area #1 | 155 | $ 81,100,000 | $ 2,311,033 | 0.00% | $ - | |
| Improvement Area #2 | 172 | $ 93,900,000 | $ - | 55.63% | $ 2,675,783 | |
| Remainder Area | 129 | $ 74,900,000 | $ - | 44.37% | $ 2,134,358 | $ 2,134,358 |
| **Total** | **456** | **$ 249,900,000** | **$ 2,311,033** | | **$ 4,810,141** | **$ 2,134,358** |

**Footnotes:**

[a] A portion of the costs of the Major Improvements were allocated to Improvement Area #1 at the time the City Council approved the 2024 Assessment Ordinance.

[b] The costs of the Major Improvements ($4,810,141), after the allocation to Improvement Area #1, are allocated to Improvement Area #2 and the Remainder Area based the proportionate share of the Estimated Buildout Value of each Assessed Property and Apportioned Property relative to the total Estimated Buildout Value of Improvement Area #2 and the Remainder Area, as further described in **Section V** herein.

[c] Reimbursable in part or in full from future Assessments expected to be levied on the Remainder Area.

# EXHIBIT C – SERVICE PLAN

| Improvement Area #1 | | | | | | |
|---|---|---|---|---|---|---|
| **Annual Installments Due** | | **1/31/2026** | **1/31/2027** | **1/31/2028** | **1/31/2029** | **1/31/2030** |
| Principal | | $ 93,000.00 | $ 96,000.00 | $ 100,000.00 | $ 105,000.00 | $ 109,000.00 |
| Interest | | 298,132.50 | 293,947.50 | 289,627.50 | 285,127.50 | 280,402.50 |
| | (1) | $ 391,132.50 | $ 389,947.50 | $ 389,627.50 | $ 390,127.50 | $ 389,402.50 |
| Additional Interest | (2) | $ 27,060.00 | $ 26,595.00 | $ 26,115.00 | $ 25,615.00 | $ 25,090.00 |
| Annual Collection Costs | (3) | $ 64,754.97 | $ 50,502.24 | $ 51,512.28 | $ 52,542.53 | $ 53,593.38 |
| **Total Annual Installment** | **(4) = (1) + (2) + (3)** | **$ 482,947.47** | **$ 467,044.74** | **$ 467,254.78** | **$ 468,285.03** | **$ 468,085.88** |

| Improvement Area #2 | | | | | | |
|---|---|---|---|---|---|---|
| **Annual Installments Due** | | **1/31/2026** | **1/31/2027** | **1/31/2028** | **1/31/2029** | **1/31/2030** |
| Principal | | $ - | $ 94,000.00 | $ 99,000.00 | $ 105,000.00 | $ 111,000.00 |
| Interest | | 372,350.00 | 406,200.00 | 400,560.00 | 394,620.00 | 388,320.00 |
| Capitalized Interest[a] | | (372,350.00) | - | - | - | - |
| | (1) | $ - | $ 500,200.00 | $ 499,560.00 | $ 499,620.00 | $ 499,320.00 |
| Additional Interest | (2) | $ - | $ 33,850.00 | $ 33,380.00 | $ 32,885.00 | $ 32,360.00 |
| Annual Collection Costs | (3) | $ - | $ 40,800.00 | $ 41,616.00 | $ 42,448.32 | $ 43,297.29 |
| **Total Annual Installment** | **(4) = (1) + (2) + (3)** | **$ -** | **$ 574,850.00** | **$ 574,556.00** | **$ 574,953.32** | **$ 574,977.29** |

**Footnotes:**

[a] Capitalized Interest for the Annual Installment due 1/31/2026 are for months from bond issuance to 9/1/2026.

# EXHIBIT D – SOURCES AND USES OF FUNDS

| | Private | Improvement Area #1 | Improvement Area #2 | Remainder Area | Total |
|---|---|---|---|---|---|
| **Sources of Funds** | | | | | |
| PID Bonds | $ - | $ 5,501,000 | $ 6,770,000 | $ - | $ 12,271,000 |
| Developer Contribution - Improvement Area #1[a] | - | 3,375,646 | - | - | 3,375,646 |
| Developer Contribution - Improvement Area #2[a] | - | - | 1,081,456 | - | 1,081,456 |
| Developer Contribution - Major Improvements[b] | - | - | - | 2,134,358 | 2,134,358 |
| Developer Contribution - Non-Assessed Property[a],[c] | 642,848 | - | - | - | 642,848 |
| Developer Contribution - Private Improvements[a] | 1,437,452 | - | - | - | 1,437,452 |
| **Total Sources** | **$ 2,080,299** | **$ 8,876,646** | **$ 7,851,456** | **$ 2,134,358** | **$ 20,942,759** |
| **Uses of Funds** | | | | | |
| Major Improvements | $ 642,848 | $ 2,311,033 | $ 2,675,783 | $ 2,134,358 | $ 7,764,022 |
| Improvement Area #1 Improvements | - | 5,559,322 | - | - | 5,559,322 |
| Improvement Area #2 Improvements | - | - | 3,608,793 | - | 3,608,793 |
| Private Improvements[a] | 1,437,452 | - | - | - | 1,437,452 |
| | $ 2,080,299 | $ 7,870,355 | $ 6,284,576 | $ 2,134,358 | $ 18,369,588 |
| *Bond Issuance Costs* [d] | | | | | |
| Debt Service Reserve Fund | $ - | $ 391,138 | $ 501,380 | $ - | $ 892,518 |
| Capitalized Interest | - | 111,623 | 372,350 | - | 483,973 |
| Underwriter's Discount | - | 165,030 | 203,100 | - | 368,130 |
| Cost of Issuance | - | 298,500 | 440,050 | - | 738,550 |
| | $ - | $ 966,291 | $ 1,516,880 | $ - | $ 2,483,171 |
| *Other Costs* [d] | | | | | |
| Deposit to Administrative Fund | $ - | $ 40,000 | $ 50,000 | $ - | $ 90,000 |
| | $ - | $ 40,000 | $ 50,000 | $ - | $ 90,000 |
| **Total Uses** | **$ 2,080,299** | **$ 8,876,646** | **$ 7,851,456** | **$ 2,134,358** | **$ 20,942,759** |

**Footnotes:**

[a] Non-reimbursable to the Developer from Assessments or PID Bonds.

[b] To be apportioned to the Remainder Area based on conferred benefit and is anticipated to be reimbursed, in whole or in part, from Assessments anticipated to be but not yet levied.

[c] The Developer has agreed to pay for the allocable share of the Actual Costs of the Authorized Improvements that benefit the Non-Assessed Property. These costs are non-reimbursable to the Developer from Assessments or PID Bonds.

[d] Improvement Area #2 Bond Issuance Costs and Other Costs are preliminary estimates and subject to change and will be updated to reflect the actual cost when PID Bonds are issued.

# EXHIBIT E – MAXIMUM ASSESSMENT AND TAX RATE EQUIVALENT

| Lot Type | Units[a] | Appraised Lot Value[b] | | Estimated Buildout Value[a] | | Outstanding Assessment | | Average Annual Installment | | District Tax Rate Equivalent |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Per Unit | Total | Per Unit | Total | Per Unit | Total | Per Unit | Total | |
| *Improvement Area #1* | | | | | | | | | | |
| Lot Type 1 | 119 | $ 93,095 | $ 11,078,298 | $ 500,000 | $ 59,500,000 | $ 33,366.21 | $ 3,970,580 | $ 2,899.04 | $ 344,986 | $ 0.5798 |
| Lot Type 2 | 36 | $ 111,714 | $ 4,021,702 | $ 600,000 | $ 21,600,000 | $ 40,039.46 | $ 1,441,420 | $ 3,478.85 | $ 125,239 | $ 0.5798 |
| **Improvement Area #1 Subtotal** | **155** | | **$ 15,100,000** | | **$ 81,100,000** | | **$ 5,412,000** | | **$ 470,224** | |
| *Improvement Area #2* | | | | | | | | | | |
| Lot Type 3 | 93 | $ 100,977 | $ 9,390,888 | $ 500,000 | $ 46,500,000 | $ 36,048.99 | $ 3,352,556 | $ 3,059.62 | $ 284,545 | $ 0.6119 |
| Lot Type 4 | 79 | $ 120,356 | $ 9,508,112 | $ 600,000 | $ 47,400,000 | $ 43,258.79 | $ 3,417,444 | $ 3,671.55 | $ 290,052 | $ 0.6119 |
| **Improvement Area #2 Subtotal** | **172** | | **$ 18,899,000** | | **$ 93,900,000** | | **$ 6,770,000** | | **$ 574,597** | |

**Footnotes:**

[a] Improvement Area #1 at the time the City Council approved the 2024 Assessment Ordinance per information provided by the Developer. Improvement Area #2 per information provided by the Developer dated 7/25/2025.

[b] Improvement Area #1 appraised lot value based on the final appraisal dated 2/20/2024. Improvement Area #2 based on the appraisal dated 9/15/2025.

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

| Property ID[a] | Lot Type | Outstanding Assessment[b] | Annual Installment Due 1/31/2026 |
|---|---|---|---|
| 1048677 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048678 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048679 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048680 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048681 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048682 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048683 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048684 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048685 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048686 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048687 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048688 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048689 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048690 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048691 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048692 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048693 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048694 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048695 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048696 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048697 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048698 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048699 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048700 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048701 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048702 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048703 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048719 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048720 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048721 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048722 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048723 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048724 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048725 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048726 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048727 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048728 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048729 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048730 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048731 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |

| Property ID[a] | Lot Type | Outstanding Assessment[b] | Annual Installment Due 1/31/2026 |
|---|---|---|---|
| 1048732 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048733 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048734 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048735 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048736 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048737 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048738 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048739 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048740 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048741 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048742 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048743 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048744 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048745 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048746 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048747 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048748 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048749 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048750 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048751 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048752 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048753 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048754 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048755 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048756 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048757 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048758 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048759 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048760 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048761 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048762 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048763 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048764 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048765 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048766 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048767 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048768 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048769 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048770 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048771 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |

| Property ID[a] | Lot Type | Outstanding Assessment[b] | Annual Installment Due 1/31/2026 |
|---|---|---|---|
| 1048772 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048773 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048774 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048775 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048776 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048777 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048778 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048779 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048780 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048781 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048782 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048783 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048784 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048785 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048786 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048787 | Non-Benefited Property | $ - | $ - |
| 1048788 | Non-Benefited Property | $ - | $ - |
| 1048789 | Non-Benefited Property | $ - | $ - |
| 1048790 | Non-Benefited Property | $ - | $ - |
| 1048791 | Non-Benefited Property | $ - | $ - |
| 1048792 | Non-Benefited Property | $ - | $ - |
| 1048793 | Non-Benefited Property | $ - | $ - |
| 1048794 | Non-Benefited Property | $ - | $ - |
| 1048795 | Non-Benefited Property | $ - | $ - |
| 1048796 | Non-Benefited Property | $ - | $ - |
| 1048797 | Non-Benefited Property | $ - | $ - |
| 1048798 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048799 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048800 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048801 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048802 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048803 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048804 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048805 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048806 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048807 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048808 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048809 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048810 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048811 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |

| Property ID[a] | Lot Type | Outstanding Assessment[b] | Annual Installment Due 1/31/2026 |
|---|---|---|---|
| 1048812 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048813 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048814 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048815 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048816 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048817 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048818 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048819 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048820 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048821 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048822 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048823 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048824 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048825 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048826 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048827 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048828 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048829 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048830 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048831 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048832 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048833 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048834 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048835 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048836 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048837 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048838 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048839 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048840 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048841 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048842 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048843 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048844 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048845 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048846 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048861 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048862 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048863 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |
| 1048864 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048865 | Lot Type 2 | $ 40,039.46 | $ 3,572.98 |

| Property ID[a] | Lot Type | Outstanding Assessment[b] | Annual Installment Due 1/31/2026 |
|---|---|---|---|
| 1048866 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048867 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048868 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048869 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048870 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048871 | Lot Type 1 | $ 33,366.21 | $ 2,977.48 |
| 1048889 | Non-Benefited Property | $ - | $ - |
| 1048890 | Non-Benefited Property | $ - | $ - |
| 1048891 | Non-Benefited Property | $ - | $ - |
| 1048895 | Non-Benefited Property | $ - | $ - |
| **Total[c]** | | **$ 5,412,000.00** | **$ 482,947.40** |

**Footnotes:**

[a] Property IDs preliminary and subject to change based on the final certified rolls provided by the County prior to billing.

[b] Outstanding Assessment prior to 1/31/2026 Annual Installment.

[c] Totals may not match the Service Plan or Improvement Area #1 Annual Installment schedule due to rounding.

# EXHIBIT F-2 – IMPROVEMENT AREA #1 ANNUAL INSTALLMENTS

| Annual Installment Due 1/31 | Principal | Interest[a] | Additional Interest | Reserve Fund[b] | Annual Collection Costs | Annual Installment[c] |
|---|---|---|---|---|---|---|
| 2026 | $ 93,000.00 | $ 298,132.50 | $ 27,060.00 | $ - | $ 64,754.97 | $ 482,947.47 |
| 2027 | $ 96,000.00 | $ 293,947.50 | $ 26,595.00 | $ - | $ 54,320.07 | $ 470,862.57 |
| 2028 | $ 100,000.00 | $ 289,627.50 | $ 26,115.00 | $ - | $ 55,406.47 | $ 471,148.97 |
| 2029 | $ 105,000.00 | $ 285,127.50 | $ 25,615.00 | $ - | $ 56,514.60 | $ 472,257.10 |
| 2030 | $ 109,000.00 | $ 280,402.50 | $ 25,090.00 | $ - | $ 57,644.89 | $ 472,137.39 |
| 2031 | $ 114,000.00 | $ 275,497.50 | $ 24,545.00 | $ - | $ 58,797.79 | $ 472,840.29 |
| 2032 | $ 118,000.00 | $ 270,367.50 | $ 23,975.00 | $ - | $ 59,973.75 | $ 472,316.25 |
| 2033 | $ 124,000.00 | $ 263,877.50 | $ 23,385.00 | $ - | $ 61,173.23 | $ 472,435.73 |
| 2034 | $ 131,000.00 | $ 257,057.50 | $ 22,765.00 | $ - | $ 62,396.69 | $ 473,219.19 |
| 2035 | $ 138,000.00 | $ 249,852.50 | $ 22,110.00 | $ - | $ 63,644.62 | $ 473,607.12 |
| 2036 | $ 145,000.00 | $ 242,262.50 | $ 21,420.00 | $ - | $ 64,917.51 | $ 473,600.01 |
| 2037 | $ 153,000.00 | $ 234,287.50 | $ 20,695.00 | $ - | $ 66,215.86 | $ 474,198.36 |
| 2038 | $ 161,000.00 | $ 225,872.50 | $ 19,930.00 | $ - | $ 67,540.18 | $ 474,342.68 |
| 2039 | $ 170,000.00 | $ 217,017.50 | $ 19,125.00 | $ - | $ 68,890.98 | $ 475,033.48 |
| 2040 | $ 179,000.00 | $ 207,667.50 | $ 18,275.00 | $ - | $ 70,268.80 | $ 475,211.30 |
| 2041 | $ 189,000.00 | $ 197,822.50 | $ 17,380.00 | $ - | $ 71,674.18 | $ 475,876.68 |
| 2042 | $ 199,000.00 | $ 187,427.50 | $ 16,435.00 | $ - | $ 73,107.66 | $ 475,970.16 |
| 2043 | $ 210,000.00 | $ 176,482.50 | $ 15,440.00 | $ - | $ 74,569.81 | $ 476,492.31 |
| 2044 | $ 221,000.00 | $ 164,932.50 | $ 14,390.00 | $ - | $ 76,061.21 | $ 476,383.71 |
| 2045 | $ 233,000.00 | $ 152,777.50 | $ 13,285.00 | $ - | $ 77,582.43 | $ 476,644.93 |
| 2046 | $ 247,000.00 | $ 139,380.00 | $ 12,120.00 | $ - | $ 79,134.08 | $ 477,634.08 |
| 2047 | $ 261,000.00 | $ 125,177.50 | $ 10,885.00 | $ - | $ 80,716.76 | $ 477,779.26 |
| 2048 | $ 276,000.00 | $ 110,170.00 | $ 9,580.00 | $ - | $ 82,331.10 | $ 478,081.10 |
| 2049 | $ 292,000.00 | $ 94,300.00 | $ 8,200.00 | $ - | $ 83,977.72 | $ 478,477.72 |
| 2050 | $ 309,000.00 | $ 77,510.00 | $ 6,740.00 | $ - | $ 85,657.27 | $ 478,907.27 |
| 2051 | $ 327,000.00 | $ 59,742.50 | $ 5,195.00 | $ - | $ 87,370.42 | $ 479,307.92 |
| 2052 | $ 346,000.00 | $ 40,940.00 | $ 3,560.00 | $ - | $ 89,117.83 | $ 479,617.83 |
| 2053 | $ 366,000.00 | $ 21,045.00 | $ 1,830.00 | $ (391,137.50) | $ 90,900.19 | $ 88,637.69 |
| **Total** | **$ 5,412,000.00** | **$ 5,438,705.00** | **$ 481,740.00** | **$ (391,137.50)** | **$ 1,984,661.07** | **$ 12,925,968.57** |

**Footnotes:**

[a] Interest rate on the Improvement Area #1 Bonds is 4.50% for bonds maturing 2031, 5.50% for bonds maturing 2044, and 5.75% for bonds maturing 2053.

[b] Assumes the Reserve Fund is fully funded and available to reduce Annual Installments in the final year.

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

# EXHIBIT G-1 – IMPROVEMENT AREA #2 ASSESSMENT ROLL

| Property ID[a] | Lot Type | Outstanding Assessment | Annual Installment Due 1/31/2026 |
|---|---|---|---|
| 68277 | Improvement Area #2 Initial Parcel | $ 940,273.74 | $ - |
| 147863 | Improvement Area #2 Initial Parcel | $ 1,556,469.73 | $ - |
| 1025473 | Improvement Area #2 Initial Parcel | $ 4,273,256.52 | $ - |
| **Total** | | **$ 6,770,000.00** | **$ -** |

**Footnotes:**

[a] The entire Improvement Area #2 Initial Parcel is contained within Property IDs 68277, 147863, and 1025473.

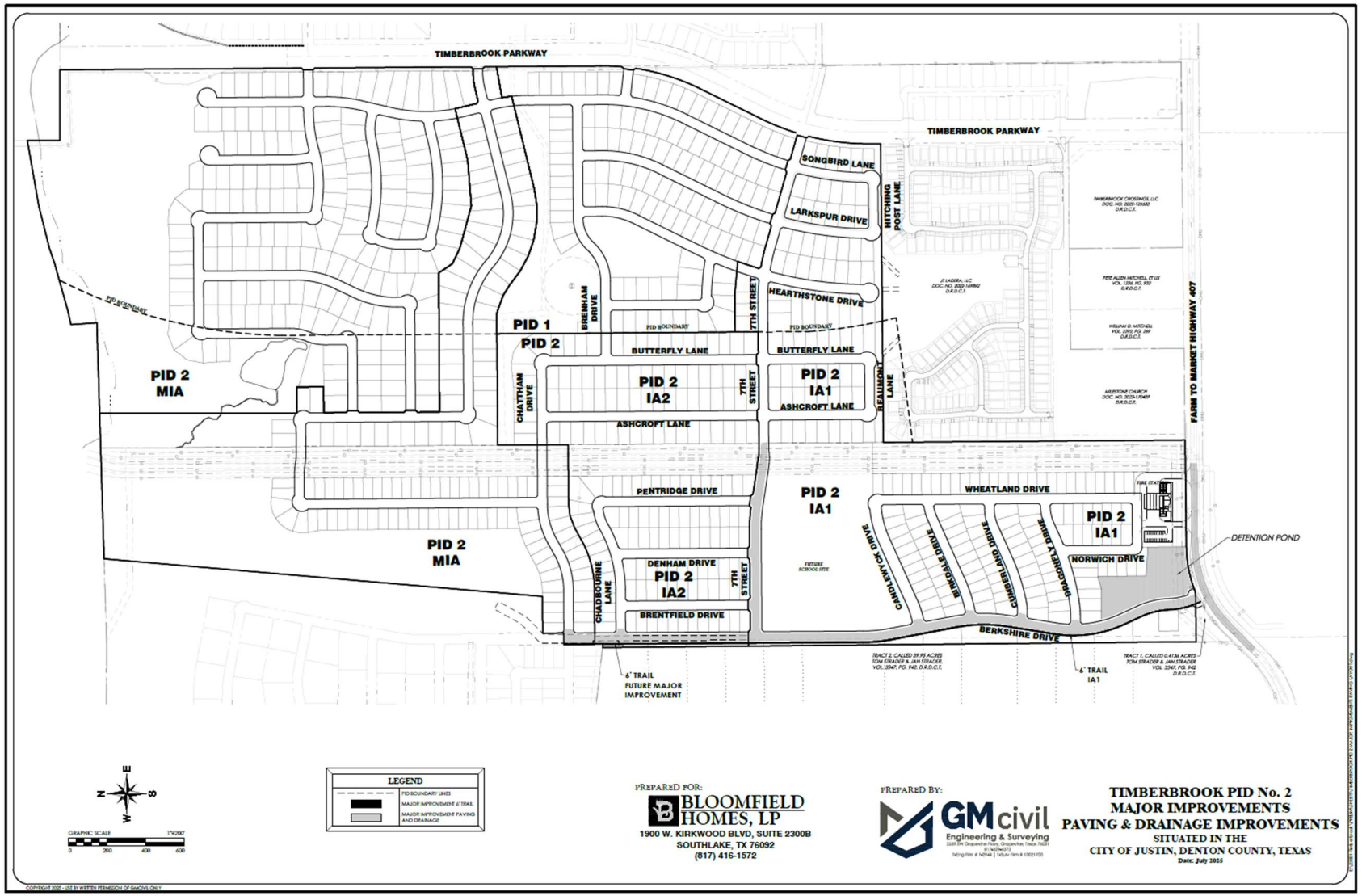
# EXHIBIT G-2 – IMPROVEMENT AREA #2 ANNUAL INSTALLMENTS

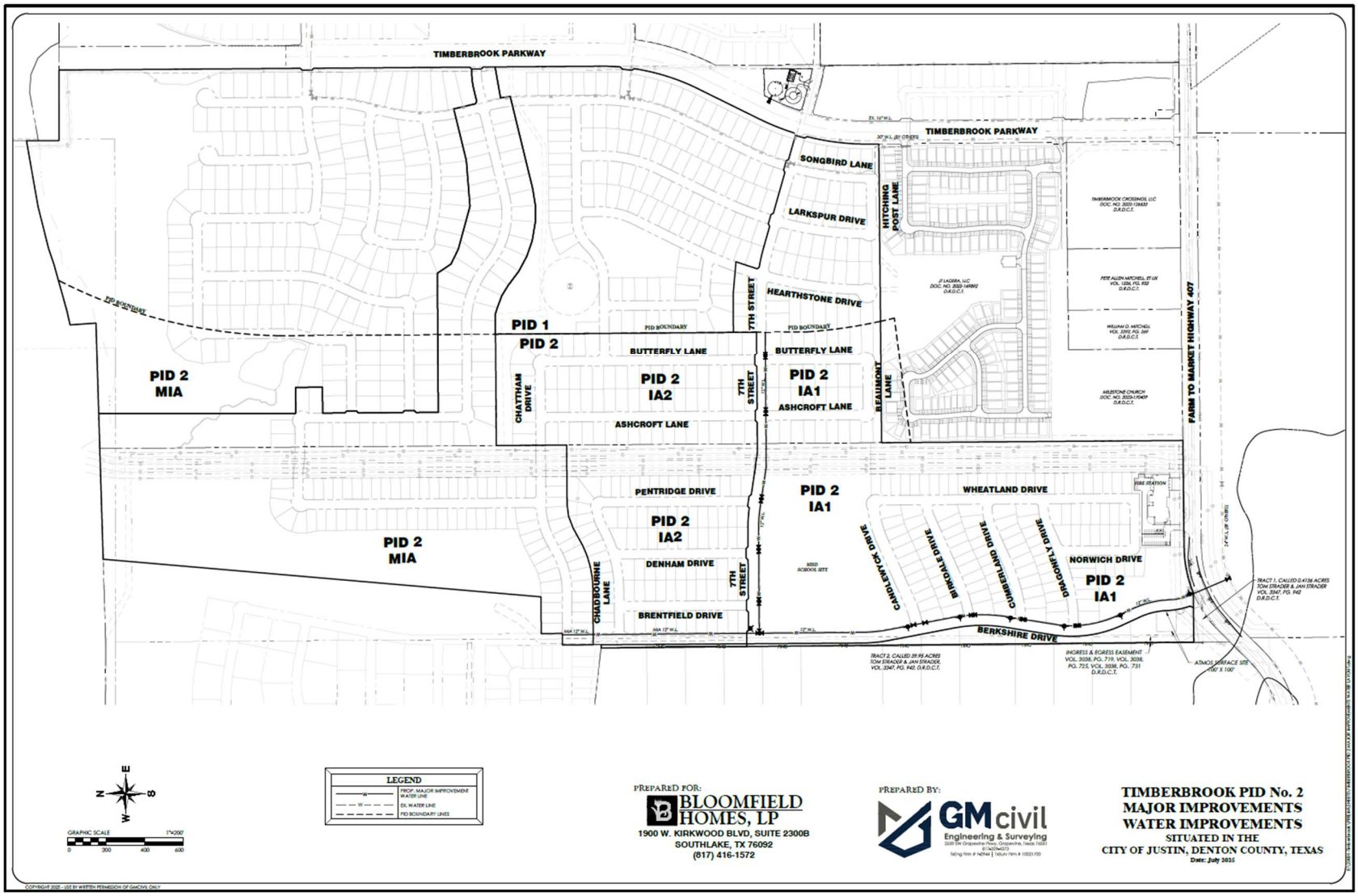
| Annual Installment Due 1/31 | Principal | Interest[a] | Additional Interest | Capitalized Interest | Reserve Fund[b] | Annual Collection Costs | Annual Installment[c] |
|---|---|---|---|---|---|---|---|
| 2026 | $ - | $ 372,350.00 | $ - | $ (372,350.00) | $ - | $ - | $ - |
| 2027 | $ 94,000.00 | $ 406,200.00 | $ 33,850.00 | $ - | $ - | $ 40,800.00 | $ 574,850.00 |
| 2028 | $ 99,000.00 | $ 400,560.00 | $ 33,380.00 | $ - | $ - | $ 41,616.00 | $ 574,556.00 |
| 2029 | $ 105,000.00 | $ 394,620.00 | $ 32,885.00 | $ - | $ - | $ 42,448.32 | $ 574,953.32 |
| 2030 | $ 111,000.00 | $ 388,320.00 | $ 32,360.00 | $ - | $ - | $ 43,297.29 | $ 574,977.29 |
| 2031 | $ 117,000.00 | $ 381,660.00 | $ 31,805.00 | $ - | $ - | $ 44,163.24 | $ 574,628.24 |
| 2032 | $ 124,000.00 | $ 374,640.00 | $ 31,220.00 | $ - | $ - | $ 45,046.50 | $ 574,906.50 |
| 2033 | $ 131,000.00 | $ 367,200.00 | $ 30,600.00 | $ - | $ - | $ 45,947.43 | $ 574,747.43 |
| 2034 | $ 138,000.00 | $ 359,340.00 | $ 29,945.00 | $ - | $ - | $ 46,866.38 | $ 574,151.38 |
| 2035 | $ 147,000.00 | $ 351,060.00 | $ 29,255.00 | $ - | $ - | $ 47,803.71 | $ 575,118.71 |
| 2036 | $ 155,000.00 | $ 342,240.00 | $ 28,520.00 | $ - | $ - | $ 48,759.78 | $ 574,519.78 |
| 2037 | $ 164,000.00 | $ 332,940.00 | $ 27,745.00 | $ - | $ - | $ 49,734.98 | $ 574,419.98 |
| 2038 | $ 174,000.00 | $ 323,100.00 | $ 26,925.00 | $ - | $ - | $ 50,729.68 | $ 574,754.68 |
| 2039 | $ 184,000.00 | $ 312,660.00 | $ 26,055.00 | $ - | $ - | $ 51,744.27 | $ 574,459.27 |
| 2040 | $ 195,000.00 | $ 301,620.00 | $ 25,135.00 | $ - | $ - | $ 52,779.16 | $ 574,534.16 |
| 2041 | $ 207,000.00 | $ 289,920.00 | $ 24,160.00 | $ - | $ - | $ 53,834.74 | $ 574,914.74 |
| 2042 | $ 219,000.00 | $ 277,500.00 | $ 23,125.00 | $ - | $ - | $ 54,911.43 | $ 574,536.43 |
| 2043 | $ 232,000.00 | $ 264,360.00 | $ 22,030.00 | $ - | $ - | $ 56,009.66 | $ 574,399.66 |
| 2044 | $ 246,000.00 | $ 250,440.00 | $ 20,870.00 | $ - | $ - | $ 57,129.85 | $ 574,439.85 |
| 2045 | $ 261,000.00 | $ 235,680.00 | $ 19,640.00 | $ - | $ - | $ 58,272.45 | $ 574,592.45 |
| 2046 | $ 277,000.00 | $ 220,020.00 | $ 18,335.00 | $ - | $ - | $ 59,437.90 | $ 574,792.90 |
| 2047 | $ 294,000.00 | $ 203,400.00 | $ 16,950.00 | $ - | $ - | $ 60,626.66 | $ 574,976.66 |
| 2048 | $ 311,000.00 | $ 185,760.00 | $ 15,480.00 | $ - | $ - | $ 61,839.19 | $ 574,079.19 |
| 2049 | $ 330,000.00 | $ 167,100.00 | $ 13,925.00 | $ - | $ - | $ 63,075.97 | $ 574,100.97 |
| 2050 | $ 351,000.00 | $ 147,300.00 | $ 12,275.00 | $ - | $ - | $ 64,337.49 | $ 574,912.49 |
| 2051 | $ 372,000.00 | $ 126,240.00 | $ 10,520.00 | $ - | $ - | $ 65,624.24 | $ 574,384.24 |
| 2052 | $ 395,000.00 | $ 103,920.00 | $ 8,660.00 | $ - | $ - | $ 66,936.72 | $ 574,516.72 |
| 2053 | $ 419,000.00 | $ 80,220.00 | $ 6,685.00 | $ - | $ - | $ 68,275.45 | $ 574,180.45 |
| 2054 | $ 445,000.00 | $ 55,080.00 | $ 4,590.00 | $ - | $ - | $ 69,640.96 | $ 574,310.96 |
| 2055 | $ 473,000.00 | $ 28,380.00 | $ 2,365.00 | $ - | $ (501,380.00) | $ 71,033.78 | $ 73,398.78 |
| **Total** | **$ 6,770,000.00** | **$ 8,043,830.00** | **$ 639,290.00** | **$ (372,350.00)** | **$ (501,380.00)** | **$ 1,582,723.23** | **$ 16,162,113.23** |

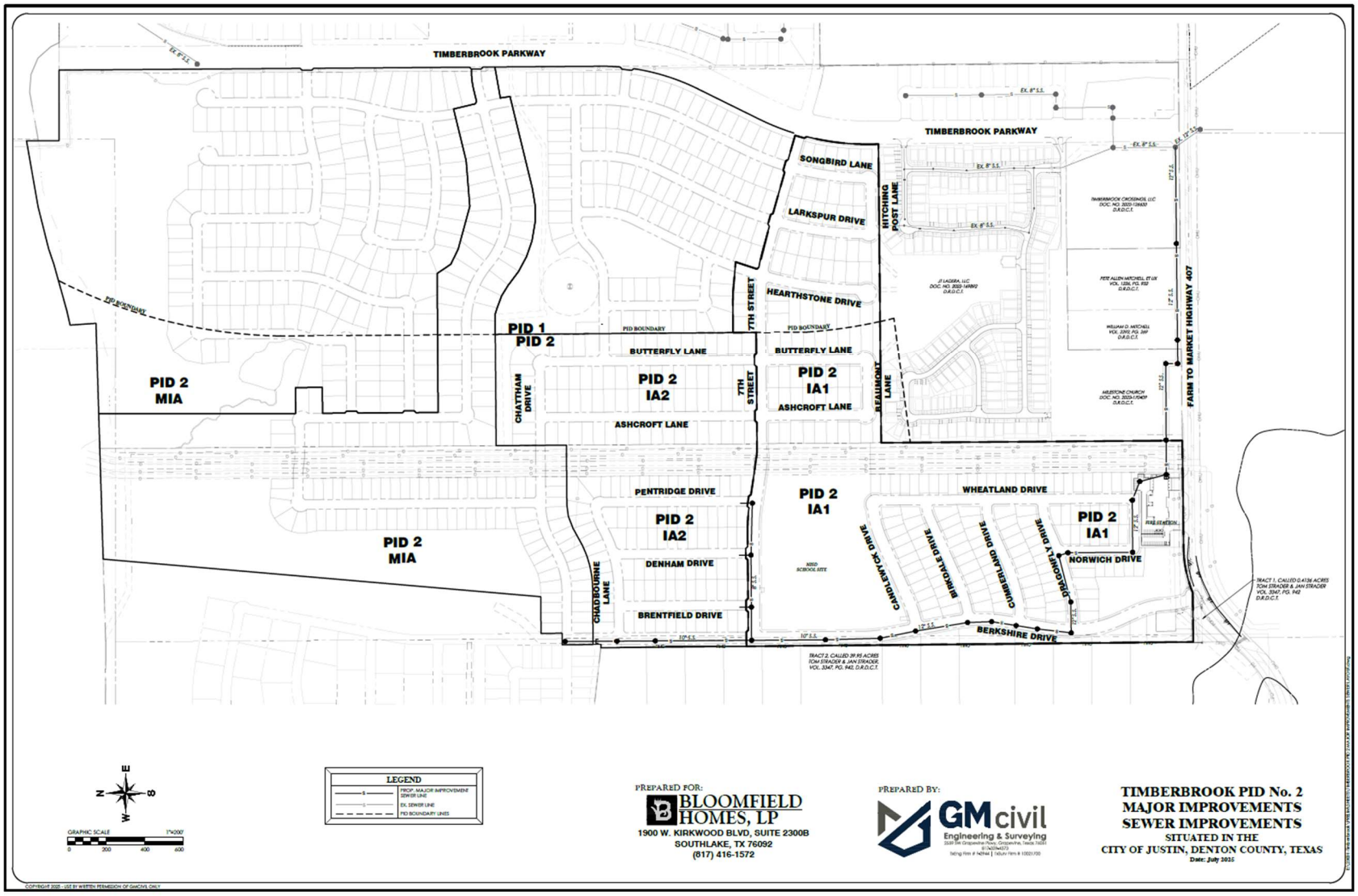
**Footnotes:**

[a] Interest rate on the Improvement Area #2 Bonds is 6.00% for illustrative purposes and subject to change.
[b] Assumes the Reserve Fund is fully funded and available to reduce Annual Installments in the final year.
[c] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

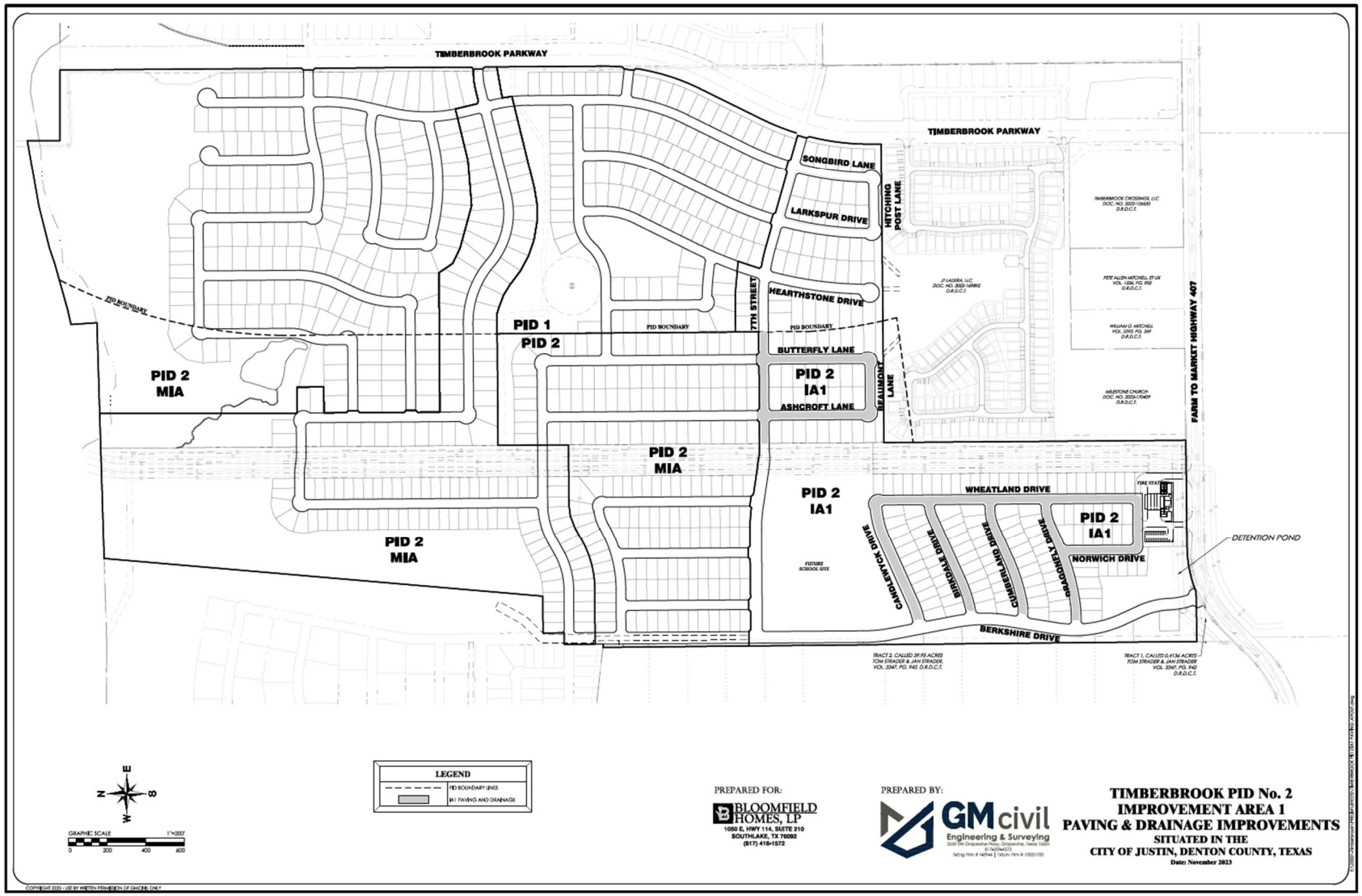
# EXHIBIT H-1 – MAPS OF MAJOR IMPROVEMENTS

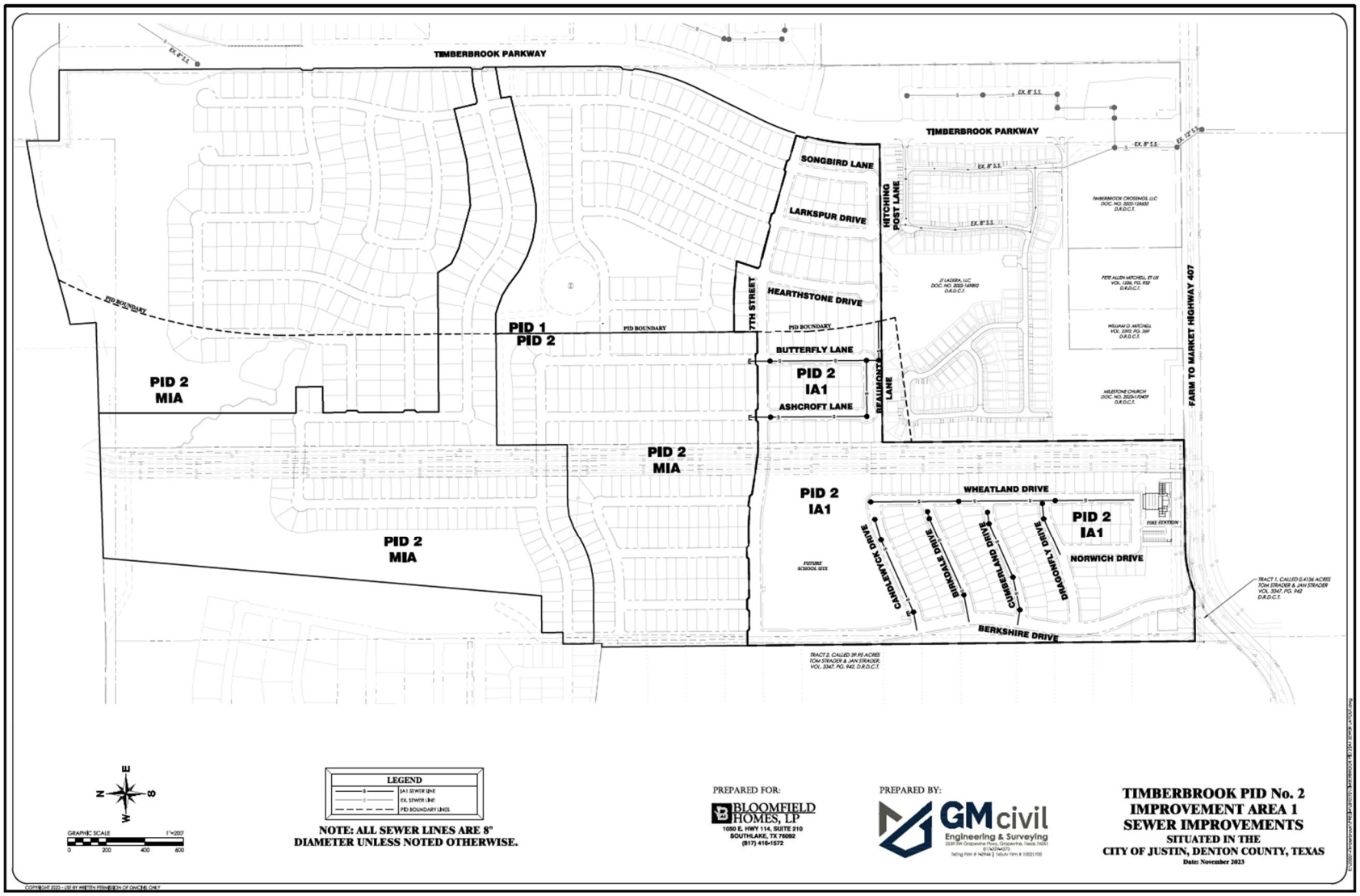


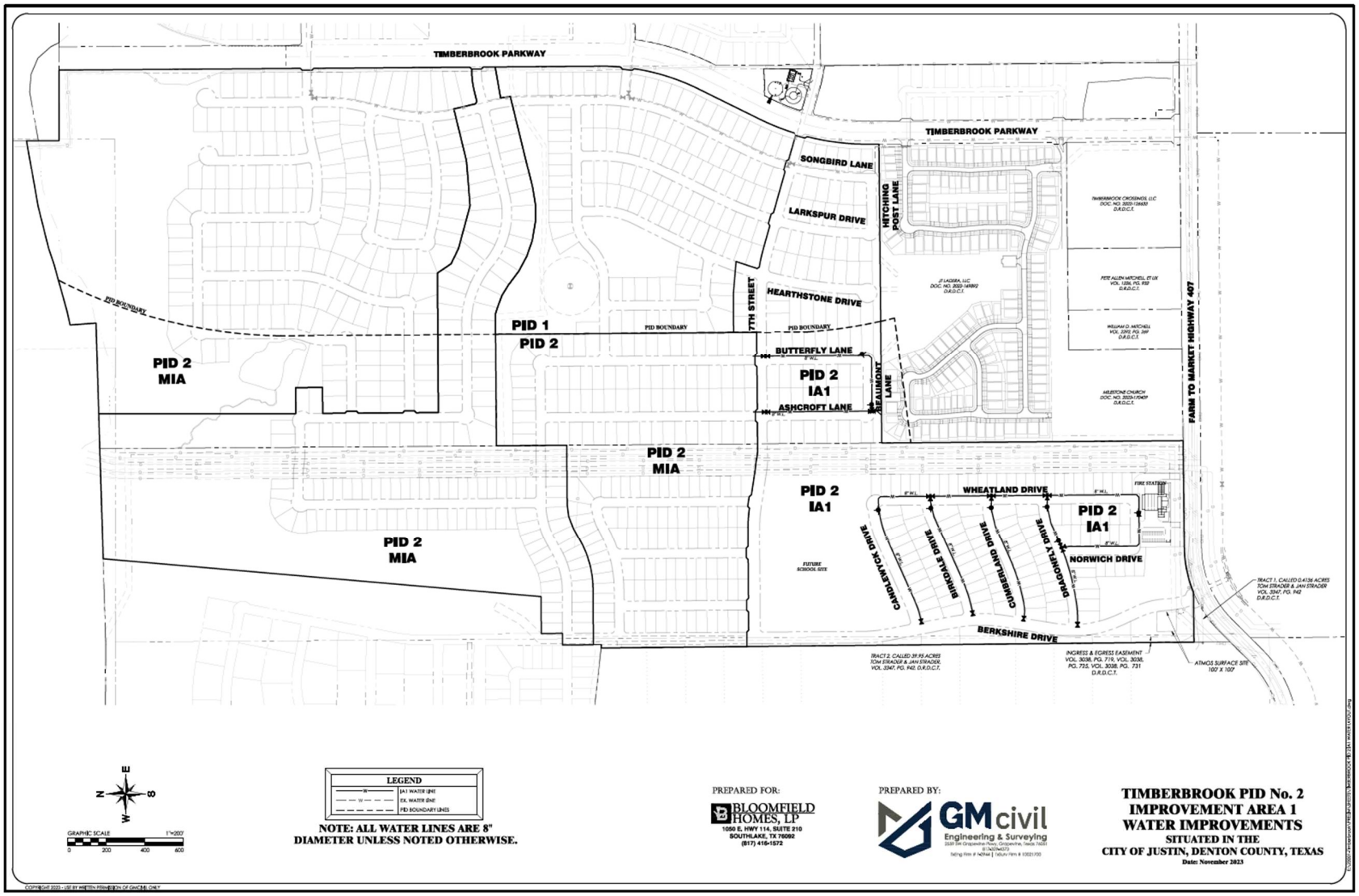

TIMBERBROOK PARKWAY
TIMBERBROOK PARKWAY
SONGBIRD LANE
LARKSPUR DRIVE
HITCHING POST LANE
HEARTHSTONE DRIVE
7TH STREET
FARM TO MARKET HIGHWAY 407
PID 1
PID 2
PID BOUNDARY
BUTTERFLY LANE
PID 2 MIA
CHATTHAM DRIVE
PID 2 IA2
ASHCROFT LANE
PID 2 IA1
BEAUMONT LANE
PENTRIDGE DRIVE
WHEATLAND DRIVE
DENHAM DRIVE
CHADBOURNE LANE
BRENTFIELD DRIVE
CARLENCY DRIVE
BIRDALE DRIVE
CURTISLEY DRIVE
DRAYCOTT DRIVE
NORWICH DRIVE
BERKSHIRE DRIVE
FIRE STATION
LEGEND
PREPARED FOR:
BLOOMFIELD HOMES, LP
1900 W. KIRKWOOD BLVD, SUITE 2300B
SOUTHLAKE, TX 76092
(817) 416-1572
PREPARED BY:
GMcivil
Engineering & Surveying
TIMBERBROOK PID No. 2
MAJOR IMPROVEMENTS
WATER IMPROVEMENTS
SITUATED IN THE
CITY OF JUSTIN, DENTON COUNTY, TEXAS
Date: July 2025


TIMBERBROOK PARKWAY
TIMBERBROOK PARKWAY
SONGBIRD LANE
LARKSPUR DRIVE
HITCHING POST LANE
HEARTHSTONE DRIVE
7TH STREET
PID 1
PID 2
PID BOUNDARY
BUTTERFLY LANE
BUTTERFLY LANE
PID 2 MIA
PID 2 IA2
PID 2 IA1
CHATTHAM DRIVE
ASHCROFT LANE
ASHCROFT LANE
BEAUMONT LANE
FARM TO MARKET HIGHWAY 407
PENTRIDGE DRIVE
WHEATLAND DRIVE
PID 2 IA2
PID 2 IA1
PID 2 MIA
DENHAM DRIVE
NORWICH DRIVE
CHADBOURNE LANE
BRENTFIELD DRIVE
BERKSHIRE DRIVE
CANDLEWICK DRIVE
BRIDGEVALE DRIVE
CUMBERLAND DRIVE
DOVERCLIFF DRIVE
LEGEND
PROP. MAJOR IMPROVEMENT SEWER LINE
EX. SEWER LINE
PID BOUNDARY LINES
PREPARED FOR:
BLOOMFIELD HOMES, LP
1900 W. KIRKWOOD BLVD, SUITE 2300B
SOUTHLAKE, TX 76092
(817) 416-1572
PREPARED BY:
GMcivil
Engineering & Surveying
TIMBERBROOK PID No. 2
MAJOR IMPROVEMENTS
SEWER IMPROVEMENTS
SITUATED IN THE
CITY OF JUSTIN, DENTON COUNTY, TEXAS
Date: July 2025

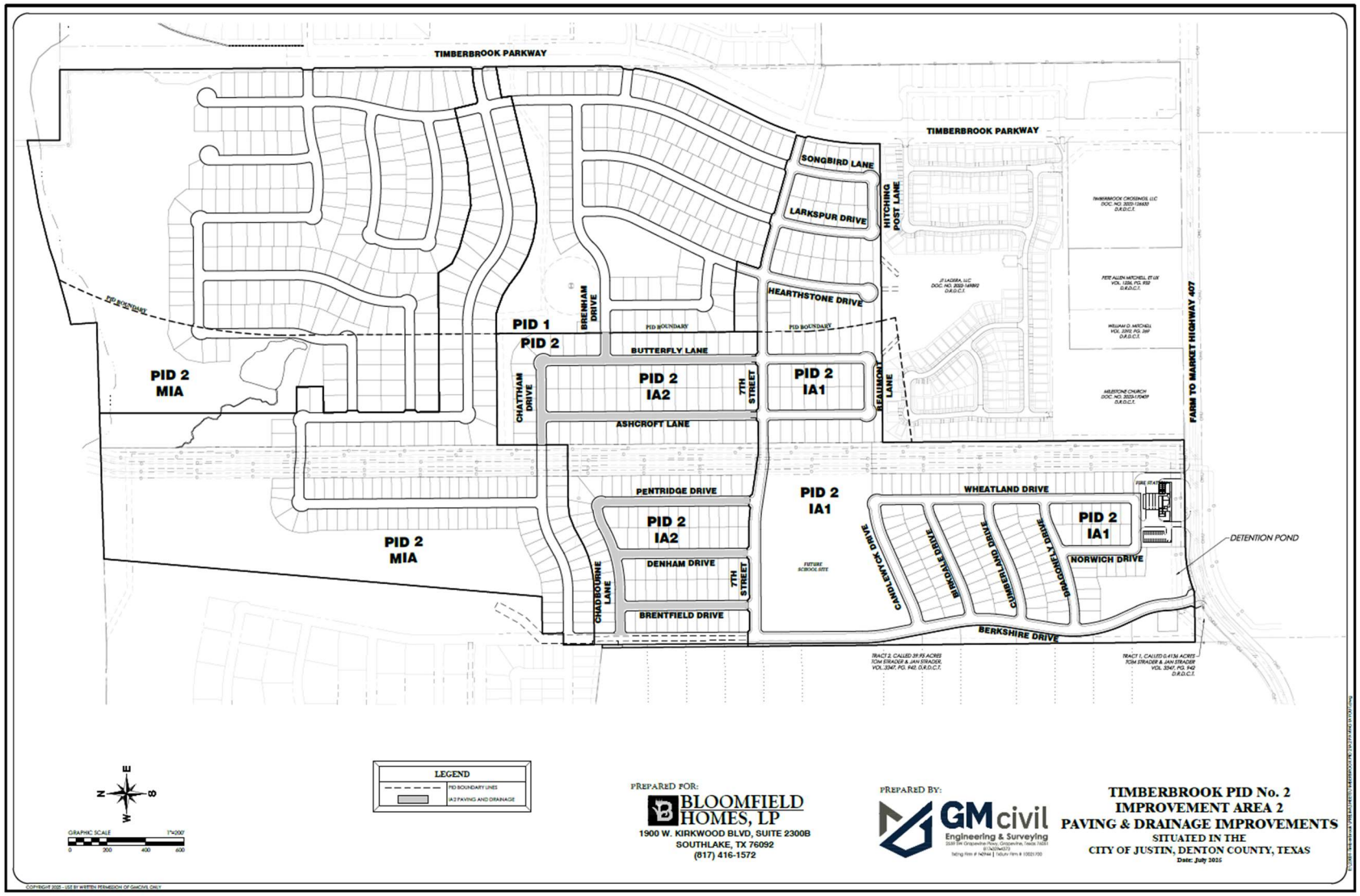
# EXHIBIT H-2 – MAPS OF IMPROVEMENT AREA #1 IMPROVEMENTS

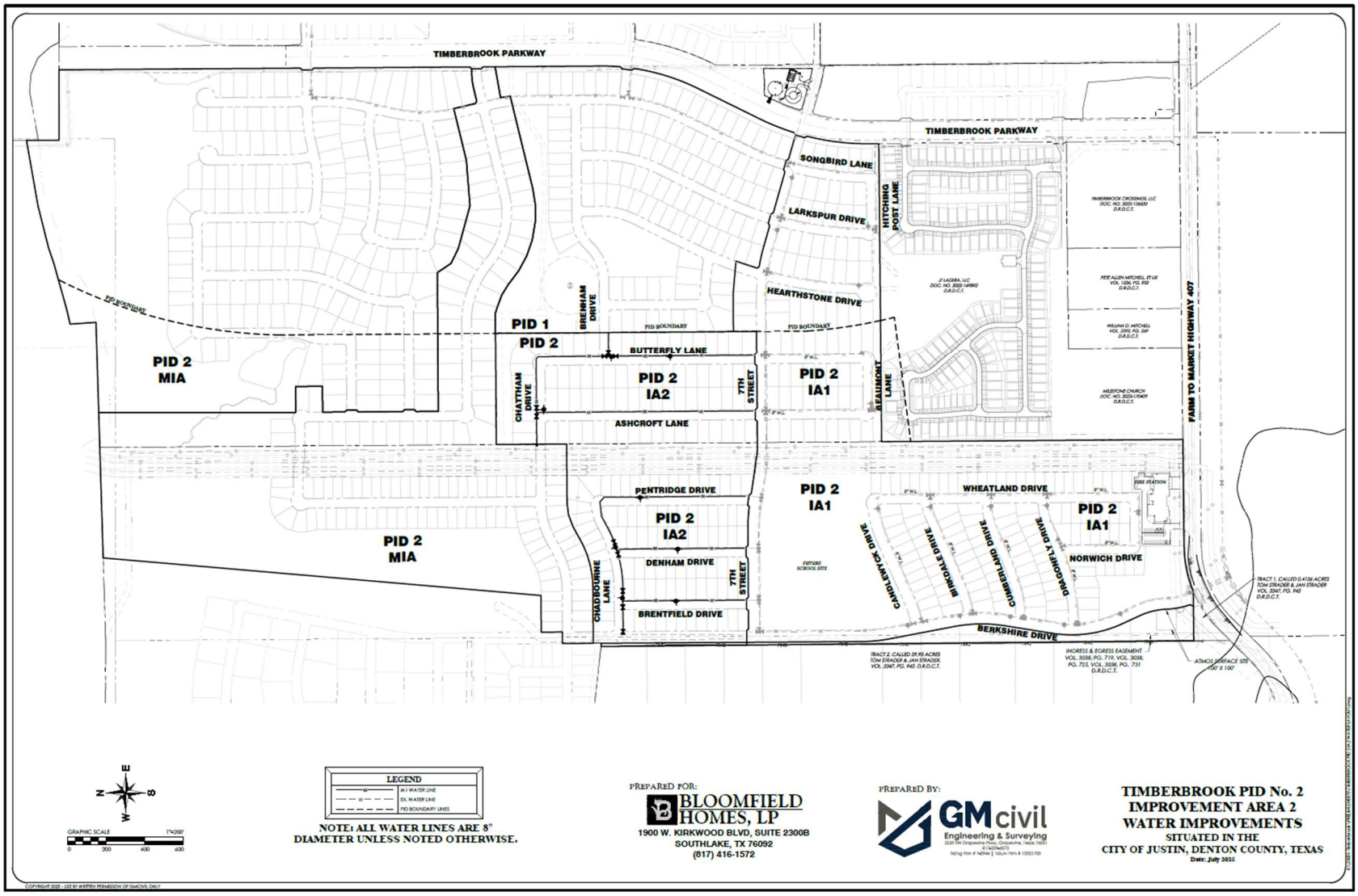


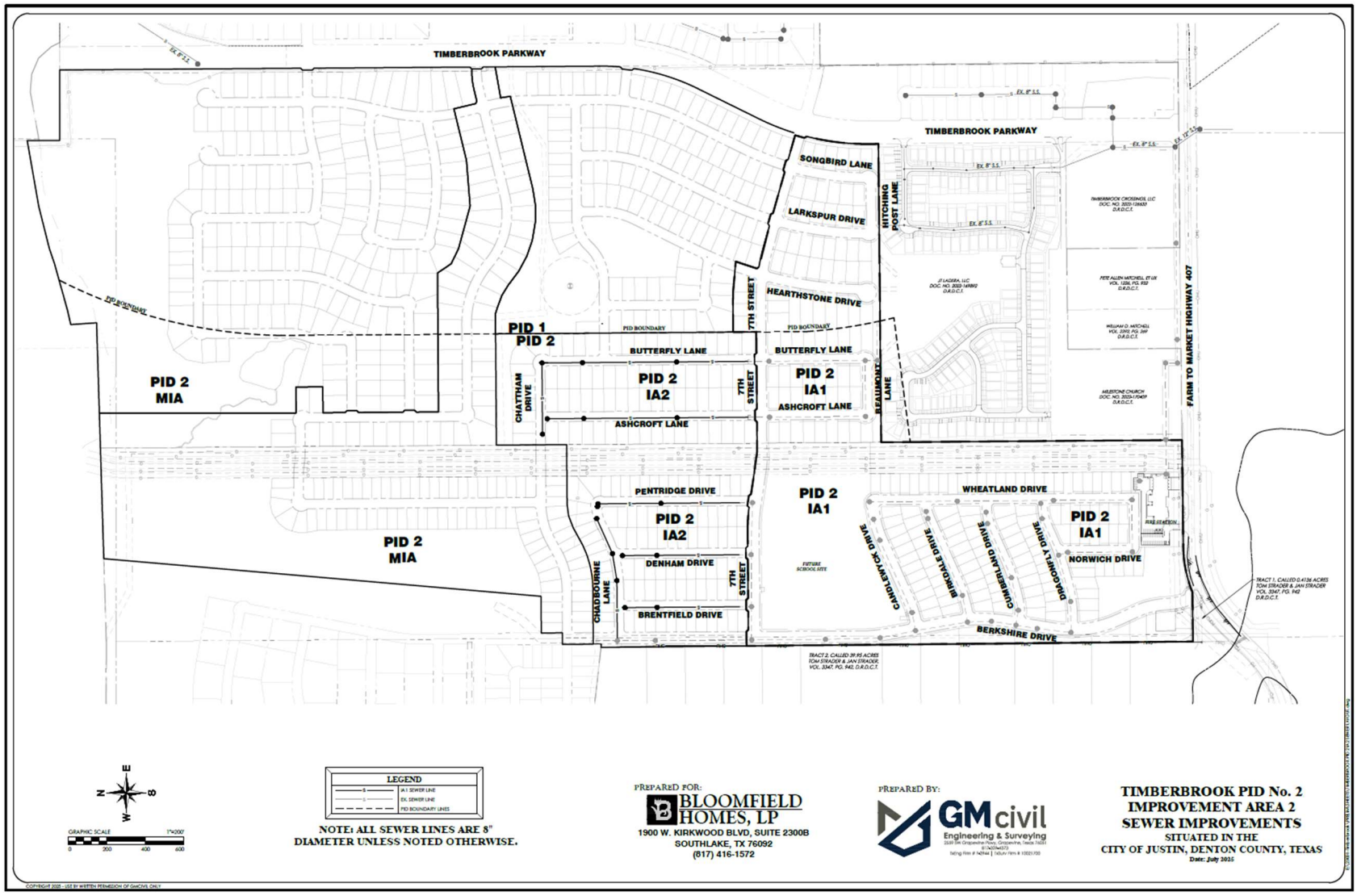

TIMBERBROOK PARKWAY
TIMBERBROOK PARKWAY
SONGBIRD LANE
LARKSPUR DRIVE
HITCHING POST LANE
HEARTHSTONE DRIVE
7TH STREET
FARM TO MARKET HIGHWAY 407
PID BOUNDARY
PID 1
PID 2
BUTTERFLY LANE
PID 2
IA1
ASHCROFT LANE
BEAUMONTE LANE
PID 2
MIA
PID 2
MIA
PID 2
MIA
PID 2
IA1
WHEATLAND DRIVE
PID 2
IA1
NORWICH DRIVE
CANDLEWICK DRIVE
BIRMINGHAM DRIVE
CUMBERLAND DRIVE
DRAGONFLY DRIVE
BERKSHIRE DRIVE
FUTURE SCHOOL SITE
FIRE STATION
LEGEND
IA1 SEWER LINE
EX. SEWER LINE
PID BOUNDARY LINES
NOTE: ALL SEWER LINES ARE 8" DIAMETER UNLESS NOTED OTHERWISE.
PREPARED FOR:
BLOOMFIELD HOMES, LP
1050 E. HWY 114, SUITE 210
SOUTHLAKE, TX 76092
(817) 416-1572
PREPARED BY:
GMcivil
Engineering & Surveying
TIMBERBROOK PID No. 2
IMPROVEMENT AREA 1
SEWER IMPROVEMENTS
SITUATED IN THE
CITY OF JUSTIN, DENTON COUNTY, TEXAS
Date: November 2023


TIMBERBROOK PARKWAY
TIMBERBROOK PARKWAY
SONGBIRD LANE
LARKSPUR DRIVE
HITCHING POST LANE
FARM TO MARKET HIGHWAY 407
17TH STREET
HEARTHSTONE DRIVE
PID BOUNDARY
PID 1
PID 2
PID 2
MIA
BUTTERFLY LANE
PID 2
IA1
ASHCROFT LANE
BELLMONT LANE
PID 2
MIA
PID 2
IA1
WHEATLAND DRIVE
PID 2
IA1
NORWICH DRIVE
CANDLEWICK DRIVE
BIRDDALE DRIVE
CUMBERLAND DRIVE
DEADCHERRY DRIVE
BERKSHIRE DRIVE
PID 2
MIA
FUTURE SCHOOL SITE
FIRE STATION
MILESTONE CHURCH
ATMOS SURFACE SITE 100' X 100'
N
E
S
W
GRAPHIC SCALE
0
200
400
600
LEGEND
IA1 WATER LINE
D1, WATER LINE
PID BOUNDARY LINES
NOTE: ALL WATER LINES ARE 8" DIAMETER UNLESS NOTED OTHERWISE.
PREPARED FOR:
BLOOMFIELD HOMES, LP
1050 E. HWY 114, SUITE 210
SOUTHLAKE, TX 76092
(817) 416-1572
PREPARED BY:
GMcivil
Engineering & Surveying
TIMBERBROOK PID No. 2
IMPROVEMENT AREA 1
WATER IMPROVEMENTS
SITUATED IN THE
CITY OF JUSTIN, DENTON COUNTY, TEXAS
Date: November 2023

# EXHIBIT H-3 – MAPS OF IMPROVEMENT AREA #2 IMPROVEMENTS




TIMBERBROOK PARKWAY
TIMBERBROOK PARKWAY
SONGBIRD LANE
LARKSPUR DRIVE
HITCHING POST LANE
HEARTHSTONE DRIVE
FARM TO MARKET HIGHWAY 407
PID 1
PID 2
BRENHAM DRIVE
PID BOUNDARY
PID BOUNDARY
PID 2 MIA
BUTTERFLY LANE
PID 2 IA2
7TH STREET
PID 2 IA1
BELMONT LANE
CHATTHAM DRIVE
ASHCROFT LANE
PENTRIDGE DRIVE
PID 2 IA2
PID 2 IA1
WHEATLAND DRIVE
PID 2 IA1
PID 2 MIA
DENHAM DRIVE
7TH STREET
CHILDBOURNE LANE
BRENTFIELD DRIVE
FUTURE SCHOOL SITE
CANDLEWICK DRIVE
BRADDOCK DRIVE
CUMBERLAND DRIVE
DARLINGTON DRIVE
NORWICH DRIVE
FIRE STATION
BERKSHIRE DRIVE
LEGEND
NOTE: ALL WATER LINES ARE 8" DIAMETER UNLESS NOTED OTHERWISE.
PREPARED FOR:
BLOOMFIELD HOMES, LP
1900 W. KIRKWOOD BLVD, SUITE 2300B
SOUTHLAKE, TX 76092
(817) 416-1572
PREPARED BY:
GMcivil
Engineering & Surveying
TIMBERBROOK PID No. 2
IMPROVEMENT AREA 2
WATER IMPROVEMENTS
SITUATED IN THE
CITY OF JUSTIN, DENTON COUNTY, TEXAS
Date: July 2025


TIMBERBROOK PARKWAY
TIMBERBROOK PARKWAY
SONGBIRD LANE
LARKSPUR DRIVE
HITCHING POST LANE
HEARTHSTONE DRIVE
7TH STREET
FARM TO MARKET HIGHWAY 407
PID 1
PID 2
PID BOUNDARY
BUTTERFLY LANE
BUTTERFLY LANE
PID 2 MIA
PID 2 IA2
PID 2 IA1
CHATTHAM DRIVE
7TH STREET
ASHCROFT LANE
ASHCROFT LANE
BEAUMONT LANE
PENTRIDGE DRIVE
PID 2 IA2
PID 2 IA1
WHEATLAND DRIVE
PID 2 MIA
DENHAM DRIVE
7TH STREET
CHADBOURNE LANE
BRENTFIELD DRIVE
CANDLEWICK DRIVE
BRIDDALE DRIVE
CUMBERLAND DRIVE
DRONFIELD DRIVE
NORWICH DRIVE
BERKSHIRE DRIVE
PID 2 IA1
FUTURE SCHOOL SITE
TRACT 2, CALLED 39.93 ACRES TOM STRADER & JAN STRADER, VOL. 5347, PG. 942, D.R.D.C.T.
TRACT 1, CALLED 0.4136 ACRES TOM STRADER & JAN STRADER VOL. 5347, PG. 942 D.R.D.C.T.
N
E
S
W
GRAPHIC SCALE
0
200
400
600
LEGEND
EX. SEWER LINE
PID BOUNDARY LINES
NOTE: ALL SEWER LINES ARE 8" DIAMETER UNLESS NOTED OTHERWISE.
PREPARED FOR:
BLOOMFIELD HOMES, LP
1900 W. KIRKWOOD BLVD, SUITE 2300B
SOUTHLAKE, TX 76092
(817) 416-1572
PREPARED BY:
GM civil
Engineering & Surveying
TIMBERBROOK PID No. 2
IMPROVEMENT AREA 2
SEWER IMPROVEMENTS
SITUATED IN THE
CITY OF JUSTIN, DENTON COUNTY, TEXAS
Date: July 2025

## EXHIBIT I – NOTICE OF TERMINATION OF ASSESSMENT

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

[Date]
Denton County Clerk's Office
Honorable [County Clerk Name]
Denton County Courts Building
1450 East McKinney St, Denton, TX 76209

**Re: City of Justin Lien Release Documents for Filing**

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

Enclosed is a lien release that the City of Justin 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 Justin
Attn: [City Secretary]
415 N. College Avenue
PO Box 129
Justin, TX 76247

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

Sincerely,
[Signature]

P3Works, LLC
P: (817) 393-0353
admin@p3-works.com
www.P3-Works.com

**AFTER RECORDING RETURN TO:**

**[City Secretary Name]**
**415 N. College Avenue**
**PO Box 129**
**Justin, TX 76247**

**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 DENTON** | **§** |

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

**RECITALS**

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

**WHEREAS**, on February 8, 2024, the City Council for the City, approved Resolution No. 651-24, creating the Timberbrook Public Improvement District No. 2 (the “District”); and

**WHEREAS**, the District consists of approximately 155.285 contiguous acres within the corporate limits of the City; and

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

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

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

**WHEREAS**, the Lien Amount has been paid in full.

**RELEASE**

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

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

**CITY OF JUSTIN, TEXAS,**

By: _____
[Manager Name], City Manager

**ATTEST:**

_____
[Secretary Name], City Secretary

**STATE OF TEXAS** §
§
**COUNTY OF DENTON** §

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

_____
Notary Public, State of Texas

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

Final

**Timberbrook PID 2 IA 1**

$5,501,000

City of Justin, Texas

Special Assessment Revenue Bonds, Series 2024

## Debt Service Schedule

| Date | Principal | Coupon | Interest | Total P+I |
|---|---|---|---|---|
| 09/01/2024 | - | - | 111,623.02 | 111,623.02 |
| 09/01/2025 | 89,000.00 | 4.500% | 302,137.50 | 391,137.50 |
| 09/01/2026 | 93,000.00 | 4.500% | 298,132.50 | 391,132.50 |
| 09/01/2027 | 96,000.00 | 4.500% | 293,947.50 | 389,947.50 |
| 09/01/2028 | 100,000.00 | 4.500% | 289,627.50 | 389,627.50 |
| 09/01/2029 | 105,000.00 | 4.500% | 285,127.50 | 390,127.50 |
| 09/01/2030 | 109,000.00 | 4.500% | 280,402.50 | 389,402.50 |
| 09/01/2031 | 114,000.00 | 4.500% | 275,497.50 | 389,497.50 |
| 09/01/2032 | 118,000.00 | 5.500% | 270,367.50 | 388,367.50 |
| 09/01/2033 | 124,000.00 | 5.500% | 263,877.50 | 387,877.50 |
| 09/01/2034 | 131,000.00 | 5.500% | 257,057.50 | 388,057.50 |
| 09/01/2035 | 138,000.00 | 5.500% | 249,852.50 | 387,852.50 |
| 09/01/2036 | 145,000.00 | 5.500% | 242,262.50 | 387,262.50 |
| 09/01/2037 | 153,000.00 | 5.500% | 234,287.50 | 387,287.50 |
| 09/01/2038 | 161,000.00 | 5.500% | 225,872.50 | 386,872.50 |
| 09/01/2039 | 170,000.00 | 5.500% | 217,017.50 | 387,017.50 |
| 09/01/2040 | 179,000.00 | 5.500% | 207,667.50 | 386,667.50 |
| 09/01/2041 | 189,000.00 | 5.500% | 197,822.50 | 386,822.50 |
| 09/01/2042 | 199,000.00 | 5.500% | 187,427.50 | 386,427.50 |
| 09/01/2043 | 210,000.00 | 5.500% | 176,482.50 | 386,482.50 |
| 09/01/2044 | 221,000.00 | 5.500% | 164,932.50 | 385,932.50 |
| 09/01/2045 | 233,000.00 | 5.750% | 152,777.50 | 385,777.50 |
| 09/01/2046 | 247,000.00 | 5.750% | 139,380.00 | 386,380.00 |
| 09/01/2047 | 261,000.00 | 5.750% | 125,177.50 | 386,177.50 |
| 09/01/2048 | 276,000.00 | 5.750% | 110,170.00 | 386,170.00 |
| 09/01/2049 | 292,000.00 | 5.750% | 94,300.00 | 386,300.00 |
| 09/01/2050 | 309,000.00 | 5.750% | 77,510.00 | 386,510.00 |
| 09/01/2051 | 327,000.00 | 5.750% | 59,742.50 | 386,742.50 |
| 09/01/2052 | 346,000.00 | 5.750% | 40,940.00 | 386,940.00 |
| 09/01/2053 | 366,000.00 | 5.750% | 21,045.00 | 387,045.00 |
| **Total** | **$5,501,000.00** | - | **$5,852,465.52** | **$11,353,465.52** |

### Yield Statistics

| | |
|---|---|
| Bond Year Dollars | $103,881.31 |
| Average Life | 18.884 Years |
| Average Coupon | 5.6338001% |
| Net Interest Cost (NIC) | 5.8150647% |
| True Interest Cost (TIC) | 5.9266936% |
| Bond Yield for Arbitrage Purposes | 5.6436961% |
| All Inclusive Cost (AIC) | 6.4751529% |

### IRS Form 8038

| | |
|---|---|
| Net Interest Cost | 5.6838656% |
| Weighted Average Maturity | 18.872 Years |

PID 2 IA1 Final | SINGLE PURPOSE | 3/27/2024 | 10:41 AM

Hilltop Securities Inc
Public Finance

Page 4

## EXHIBIT J-2 – DEBT SERVICE SCHEDULE FOR IMPROVEMENT AREA #2 BONDS

*[To be provided at bond pricing.]*

# EXHIBIT K-1 – DISTRICT LEGAL DESCRIPTION

**EXHIBIT A**

**LEGAL DESCRIPTION**

**PID #2**

All that certain lot, tract, or parcel of land, situated in a portion of the Margaret Garnett Survey, Abstract No. 439, William Reed Survey, Abstract No. 1071, Joseph Sutton Survey, Abstract No. 1151, Carl Boeger Survey, Abstract No. 121, City of Justin, Denton County, Texas, being part of that certain called 411.268 acre tract described in a deed to Justin Timberbrook, LLC recorded in Document No. 2016-55837 of the Deed Records of Denton County, Texas (DRDCT), part of that certain called 241.210 acre tract described in a deed to Justin Timberbrook, LLC recorded in Document No. 2017-5803 (DRDCT), and being more completely described as follows, to-wit:

**BEGINNING** at a 5/8" iron rod found for the Southeast corner of said 241.210 acre tract, the Southwest corner of a called 9.001 acre tract described in a deed to Milestone Church recorded in Document No. 2022-170409 (DRDCT), and being in the North right-of-way line of Farm-to Market Highway No. 407 (90' right-of-way width);

**THENCE** South 89 deg. 20 min. 19 sec. West along the South line of said 241.210 acre tract and said North right-of-way line, a distance of 559.43 feet to a 1/2" capped iron rod found stamped "GMcivil", from which a wood highway post bears North 77 deg. 58 min. 45 sec. East - 1.77 feet, said point being a Point of Curvature of a circular curve to the left, having a radius of 617.96 feet, a central angle of 21 deg. 56 min. 53 sec., and being subtended by a chord which bears South 78 deg. 21 min. 53 sec. West - 235.27 feet;

**THENCE** in a westerly direction along said curve to the left, the South line of said 241.210 acre tract, and said North right-of-way line, a distance of 236.72 feet to a 1/2" capped iron rod found stamped "GMcivil", from which a 5/8" iron rod found bears South 55 deg. 10 min. 08 sec. West - 4.21 feet;

**THENCE** South 89 deg. 23 min. 23 sec. West non-tangent to said curve, departing said North right-of-way line and continue along said South line, a distance of 256.24 feet to a 1/2" capped iron rod found stamped "GMcivil" for the Southwest corner of said 241.210 acre tract;

**THENCE** North 00 deg. 34 min. 11 sec. West along the West line of said 241.210 acre tract, a distance of 3,076.82 feet to a 5/8" iron rod found for an ell corner of same;

**THENCE** South 85 deg. 36 min. 42 sec. East departing said West line, a distance of 17.09 feet;

**THENCE** North 00 deg. 22 min. 06 sec. West, a distance of 201.64 feet;

**THENCE** North 89 deg. 37 min. 54 sec. East, a distance of 60.00 feet;

**THENCE** North 00 deg. 22 min. 06 sec. West, a distance of 110.00 feet;

**THENCE** North 89 deg. 37 min. 54 sec. East, a distance of 190.28 feet;

**THENCE** North 04 deg. 54 min. 30 sec. East, a distance of 2,281.01 feet to the North line of said 241.210 acre tract;

**THENCE** North 88 deg. 14 min. 56 sec. East, at 574.38 feet pass a 1/2" capped iron rod found stamped "GMcivil" for the Northwest corner of said 241.210 acre tract and the Northwest corner of said 411.268 acre tract, continue a total distance of 1,229.45 feet point in Oliver Creek;

**THENCE** North 03 deg. 52 min. 41 sec. West along a West line of said 411.268 acre tract, a distance of 134.57 feet 10" cedar fence post for the most northerly Northwest corner of same;

**THENCE** North 77 deg. 31 min. 56 sec. East along the North line of said 411.268 acre tract, a distance of 74.88 feet to a 20" double pecan tree;

**THENCE** North 74 deg. 21 min. 14 sec. East along said North line, a distance of 163.65 feet to a Point of Curvature of a non-tangent circular curve to the left, having a radius of 2,640.00 feet, a central angle of 26 deg. 01 min. 14 sec., and being subtended by a chord which bears South 13 deg. 59 min. 29 sec. West - 1,188.66 feet;

**THENCE** in a southerly direction along said curve to the left and departing said North line, a distance of 1,198.94 feet;

**THENCE** South 00 deg. 25 min. 43 sec. East non-tangent to said curve, a distance of 2,736.00 feet to a Point of Curvature of a non-tangent circular curve to the left, having a radius of 2,640.00 feet, a central angle of 08 deg. 17 min. 28 sec., and being subtended by a chord which bears South 08 deg. 13 min. 52 sec. East - 381.70 feet;

**THENCE** in a southerly direction along said curve to the left, a distance of 382.03 feet to the North line of a called 32.216 acre tract described in a deed to JT Ladera, LLC recorded in Document No. 2022-169892 (DRDCT);

**THENCE** South 89 deg. 27 min. 48 sec. West non-tangent to said curve and continue along said North line, a distance of 633.74 feet to a 1/2" capped iron rod found stamped "McADAMS" for the Northwest corner of said 32.216 acre tract and being in the East line of said 241.210 acre tract;

**THENCE** South 00 deg. 25 min. 43 sec. East along the East line of said 241.210 acre tract, the West line of said 32.216 acre tract, and the West line of said 9.001 acre tract, a distance of 1,563.76 feet to the **POINT OF BEGINNING**, containing 7,530,727 square feet or 172.882 acres of land, more or less.

**EXCEPT FROM THEREOF:**

All that certain lot, tract, or parcel of land, situated in a portion of the Margaret Garnett Survey, Abstract No. 439, City of Justin, Denton County, Texas, being part of that certain called 241.210 acre tract described in a deed to Justin Timberbrook, LLC recorded in Document No. 2017-5803 of the Deed Records of Denton County, Texas (DRDCT), and being more completely described as follows, to-wit:

**COMMENCING** at a 5/8" iron rod found for the Southeast corner of said 241.210 acre tract, the Southwest corner of a called 9.001 acre tract described in a deed to Milestone Church recorded in Document No. 2022-170409 (DRDCT) and being in the North right-of-way line of Farm-to-Market Road No. 407 (90' width right-of-way);

**THENCE** North 00 deg. 25 min. 43 sec. West departing said North right-of-way line and continue along the East line of said 241.210 acre tract and the West line of said 9.001 acre tract, at 680.15 feet pass a 1/2" capped iron rod found stamped "MCADAMS" for the Northwest corner of said 9.001 acre tract and the Southwest corner of a called 32.216 acre tract described in a deed to JT Ladera, LLC recorded in Document No. 2022-169892 (DRDCT), continue along said East line and the West line of said 32.216 acre tract, at 1,563.75 feet pass a 1/2" capped iron rod found stamped "MCADAMS" for the Northwest corner of said 32.216 acre tract, continue along said East line and the West line of a called 411.268 acre tract described in a deed to Justin Timberbrook, LLC recorded in Document No. 2016-55837 (DRDCT) a total distance of 1,620.02 feet to a 1/2" capped iron rod set stamped "GMCIVIL" hereinafter referred to as 1/2" capped iron rod set, said point being the **TRUE POINT OF BEGINNING**;

**THENCE** South 89 deg. 34 min. 28 sec. West departing said East and West lines, a distance of 274.63 feet to a 1/2" capped iron rod set for a Point of Curvature of a non-tangent circular curve to the left, having a radius of 50.00 feet, a central angle of 96 deg. 29 min. 26 sec., and being subtended by a chord which bears North 77 deg. 28 min. 33 sec. West - 74.60 feet;

**THENCE** in a westerly direction along said curve to the left, a distance of 84.20 feet to a 1/2" capped iron rod set for a Point of Curvature of a non-tangent circular curve to the left, having a radius of 535.00 feet, a central angle of 18 deg. 47 min. 58 sec., and being subtended by a chord which bears South 75 deg. 13 min. 40 sec. West - 174.75 feet;

**THENCE** in a westerly direction along said curve to the left, a distance of 175.54 feet to a 1/2" capped iron rod set;

**THENCE** South 65 deg. 49 min. 41 sec. West tangent to said curve, a distance of 354.36 feet to a 1/2" capped iron rod set for a Point of Curvature of a circular curve to the right, having a radius of 465.00 feet, a central angle of 12 deg. 04 min. 33 sec., and being subtended by a chord which bears South 71 deg. 51 min. 57 sec. West - 97.82 feet;

**THENCE** in a westerly direction along said curve to the right, a distance of 98.00 feet to a 1/2" capped iron rod set;

**THENCE** North 56 deg. 10 min. 04 sec. West non-tangent to said curve, a distance of 14.06 feet to a 1/2" capped iron rod set;

**THENCE** North 10 deg. 51 min. 19 sec. West, a distance of 109.87 feet to a 1/2" capped iron rod set for a Point of Curvature of a circular curve to the right, having a radius of 770.00 feet, a central angle of 10 deg. 29 min. 14 sec., and being subtended by a chord which bears North 05 deg. 36 min. 43 sec. West - 140.74 feet;

**THENCE** in a northerly direction along said curve to the right, a distance of 140.94 feet to a 1/2" capped iron rod set;

**THENCE** North 00 deg. 22 min. 06 sec. West tangent to said curve, a distance of 514.51 feet to a 1/2" capped iron rod set;

**THENCE** North 44 deg. 37 min. 54 sec. East, a distance of 14.14 feet to a 1/2" capped iron rod set;

**THENCE** North 89 deg. 37 min. 54 sec. East, a distance of 520.83 feet to a 1/2" capped iron rod set for a Point of Curvature of a circular curve to the right, having a radius of 770.00 feet, a central angle of 08 deg. 53 min. 31 sec., and being subtended by a chord which bears South 85 deg. 55 min. 20 sec. East - 119.38 feet;

**THENCE** in an easterly direction along said curve to the right, a distance of 119.50 feet to a 1/2" capped iron rod set;

**THENCE** South 81 deg. 28 min. 35 sec. East tangent to said curve, a distance of 179.26 feet to a 1/2" capped iron rod set for a Point of Curvature of a circular curve to the left, having a radius of 830.00 feet, a central angle of 03 deg. 12 min. 52 sec., and being subtended by a chord which bears South 83 deg. 05 min. 01 sec. East - 46.56 feet;

**THENCE** in an easterly direction along said curve to the left, a distance of 46.57 feet to a 1/2" capped iron rod set for a Point of Curvature of a compound circular curve to the left, having a radius of 300.00 feet, a central angle of 10 deg. 48 min. 17 sec., and being subtended by a chord which bears North 89 deg. 54 min. 25 sec. East - 56.49 feet;

**THENCE** in an easterly direction along said curve to the left, a distance of 56.57 feet to a 1/2" capped iron rod set for a Point of Curvature of a reverse circular curve to the right, having a radius of 300.00 feet, a central angle of 05 deg. 04 min. 00 sec., and being subtended by a chord which bears North 87 deg. 02 min. 17 sec. East - 26.52 feet;

**THENCE** in an easterly direction along said curve to the right, a distance of 26.53 feet to a 1/2" capped iron rod set;

**THENCE** North 89 deg. 34 min. 17 sec. East tangent to said curve, a distance of 21.79 feet to a

1/2" capped iron rod set in the East line of said 241.210 acre tract and the West line of said 411.268 acre tract, from which a 1/2" iron rod found for the Northeast corner of said 241.210 acre tract and the Northwest corner of said 411.268 acre tract bears North 00 deg. 25 min. 43 sec. West – 3,463.58 feet;

**THENCE** South 00 deg. 25 min. 43 sec. East along said East and West lines, a distance of 538.71 feet to the **POINT OF BEGINNING**, containing 610,641 square feet or 14.018 acres of land, more or less.

**EXCEPT FROM THEREOF:**

All that certain lot, tract, or parcel of land, situated in a portion of the Carl Boeger Survey, Abstract No. 121, Margaret Garnett Survey, Abstract No. 439, City of Justin, Denton County, Texas, being part of that certain called 241.210 acre tract described in a deed to Justin Timberbrook, LLC recorded in Document No. 2017-5803 of the Deed Records of Denton County, Texas (DRDCT), and being more completely described as follows, to-wit:

**BEGINNING** at a 1/2" capped iron rod found stamped "GMcivil" for the Southwest corner of said 241.210 acre tract;

**THENCE** North 00 deg. 34 min. 11 sec. West along the West line of said 241.210 acre tract, a distance of 3,076.82 feet to a 5/8" iron rod found for an ell corner of same;

**THENCE** South 85 deg. 36 min. 42 sec. East departing said West line, a distance of 17.09 feet;

**THENCE** South 00 deg. 22 min. 06 sec. East, a distance of 1,349.32 feet to a Point of Curvature of a circular curve to the left, having a radius of 830.00 feet, a central angle of 10 deg. 29 min. 14 sec., and being subtended by a chord which bears South 05 deg. 36 min. 43 sec. East - 151.71 feet;

**THENCE** in a southerly direction along said curve to the left, a distance of 151.92 feet;

**THENCE** South 10 deg. 51 min. 19 sec. East tangent to said curve, a distance of 335.04 feet to a Point of Curvature of a circular curve to the right, having a radius of 770.00 feet, a central angle of 19 deg. 56 min. 14 sec., and being subtended by a chord which bears South 00 deg. 53 min. 12 sec. East - 266.59 feet;

**THENCE** in a southerly direction along said curve to the right, a distance of 267.94 feet;

**THENCE** South 09 deg. 04 min. 55 sec. West tangent to said curve, a distance of 248.67 feet to a Point of Curvature of a circular curve to the left, having a radius of 630.00 feet, a central angle of 33 deg. 46 min. 31 sec., and being subtended by a chord which bears South 07 deg. 48 min. 21 sec. East - 366.02 feet;

**THENCE** in a southerly direction along said curve to the left, a distance of 371.38 feet;

**THENCE** South 24 deg. 41 min. 36 sec. East tangent to said curve, a distance of 101.19 feet to a Point of Curvature of a circular curve to the right, having a radius of 370.00 feet, a central angle of 21 deg. 09 min. 57 sec., and being subtended by a chord which bears South 14 deg. 06 min. 38 sec. East - 135.91 feet;

**THENCE** in a southerly direction along said curve to the right, a distance of 136.68 feet;

**THENCE** South 03 deg. 31 min. 40 sec. East tangent to said curve, a distance of 13.88 feet to a Point of Curvature of a circular curve to the left, having a radius of 430.00 feet, a central angle of 15 deg. 33 min. 29 sec., and being subtended by a chord which bears South 11 deg. 18 min. 24 sec. East - 116.40 feet;

**THENCE** in a southerly direction along said curve to the left, a distance of 116.76 feet;

**THENCE** South 23 deg. 54 min. 56 sec. West non-tangent to said curve, a distance of 19.29 feet;

**THENCE** South 89 deg. 23 min. 23 sec. West, a distance of 178.91 feet to the **POINT OF BEGINNING**, containing 155,855 square feet or 3.578 acres of land, more or less.

***LEAVING A NET AREA OF 6,764,231 SQUARE FEET OR 155.285 ACRES OF LAND, MORE OR LESS.***

*Bearings are referenced to Texas State Plane Coordinate System, North Central Zone (4202), North American Datum of 1983 as derived from GPS observation.*

## EXHIBIT K-2 – IMPROVEMENT AREA #1 LEGAL DESCRIPTION

All that certain lot, tract, or parcel of land, situated in a portion of the Carl Boeger Survey, Abstract No. 121, the Margaret Garnett Survey, Abstract No. 439, City of Justin, Denton County, Texas, being part of that certain called 299.874 acre tract described in a deed to Bloomfield Homes, L.P. recorded in Document No. 2023-66798 of the Deed Records of Denton County, Texas (DRDCT), and being more completely described as follows, to-wit:

**BEGINNING** at a 5/8" iron rod found for the most southerly Southeast corner of said 299.874 acre tract, the Southwest corner of a called 9.001 acre tract described in Milestone Church recorded in Document No. 2022-170409 (DRDCT), and being in the North right-of-way line of Farm-to-Market Highway No. 407 (90' right-of-way width);

**THENCE** South 89 deg. 20 min. 19 sec. West along the South line of said 299.874 acre tract and said North right-of-way line, a distance of 559.43 feet to a 1/2" capped iron rod found stamped "GMcivil", from which a wood highway post bears North 77 deg. 58 min. 45 sec. East – 1.77 feet, said point being a Point of Curvature of a circular curve to the left, having a radius of 617.96 feet, a central angle of 21 deg. 56 min. 53 sec., and being subtended by a chord which bears South 78 deg. 21 min. 53 sec. West - 235.27 feet;

**THENCE** in a westerly direction along said curve to the left, the South line of said 299.874 acre tract, and said North right-of-way line, a distance of 236.72 feet to a 1/2" capped iron rod found stamped "GMcivil", from which a 5/8" iron rod found bears South 55 deg. 10 min. 08 sec. West – 4.21 feet;

**THENCE** South 89 deg. 23 min. 23 sec. West non-tangent to said curve, departing said North right-of-way line and continue along said South line, a distance of 77.33 feet;

**THENCE** North 23 deg. 54 min. 56 sec. East departing said South line, a distance of 19.29 feet to a Point of Curvature of a non-tangent circular curve to the right, having a radius of 430.00 feet, a central angle of 15 deg. 33 min. 29 sec., and being subtended by a chord which bears North 11 deg. 18 min. 24 sec. West - 116.40 feet;

**THENCE** in a northerly direction along said curve to the right, a distance of 116.76 feet;

**THENCE** North 03 deg. 31 min. 40 sec. West, a distance of 13.88 feet to a Point of Curvature of a circular curve to the left, having a radius of 370.00 feet, a central angle of 21 deg. 09 min. 57 sec., and being subtended by a chord which bears North 14 deg. 06 min. 38 sec. West - 135.91 feet;

**THENCE** in a northerly direction along said curve to the left, a distance of 136.68 feet;

**THENCE** North 24 deg. 41 min. 36 sec. West tangent to said curve, a distance of 101.19 feet to a Point of Curvature of a circular curve to the right, having a radius of 630.00 feet, a central angle of 33 deg. 46 min. 31 sec., and being subtended by a chord which bears North 07 deg. 48 min. 21 sec. West - 366.02 feet;

**THENCE** in a northerly direction along said curve to the right, a distance of 371.38 feet;

**THENCE** North 09 deg. 04 min. 55 sec. East tangent to said curve, a distance of 248.67 feet to a Point of Curvature of a circular curve to the left, having a radius of 770.00 feet, a central angle of 19 deg. 56 min. 14 sec., and being subtended by a chord which bears North 00 deg. 53 min. 12 sec. West - 266.59 feet;

**THENCE** in a northerly direction along said curve to the left, a distance of 267.94 feet;

**THENCE** North 10 deg. 51 min. 19 sec. West tangent to said curve, a distance of 335.04 feet to a Point of Curvature of a circular curve to the right, having a radius of 830.00 feet, a central angle of 10 deg. 29 min. 14 sec., and being subtended by a chord which bears North 05 deg. 36 min. 43 sec. West - 151.71 feet;

**THENCE** in a northerly direction along said curve to the right, a distance of 151.92 feet;

**THENCE** North 00 deg. 22 min. 06 sec. West tangent to said curve, a distance of 594.51 feet;

**THENCE** North 89 deg. 37 min. 54 sec. East, a distance of 60.00 feet;

**THENCE** South 45 deg. 22 min. 06 sec. East, a distance of 14.14 feet;

**THENCE** North 89 deg. 37 min. 54 sec. East, a distance of 94.40 feet;

**THENCE** North 44 deg. 36 min. 11 sec. East, a distance of 14.14 feet;

**THENCE** North 89 deg. 37 min. 54 sec. East, a distance of 50.00 feet;

**THENCE** South 45 deg. 23 min. 49 sec. East, a distance of 14.15 feet;

**THENCE** North 89 deg. 37 min. 54 sec. East, a distance of 200.00 feet;

**THENCE** North 44 deg. 36 min. 11 sec. East, a distance of 14.14 feet;

**THENCE** North 89 deg. 37 min. 54 sec. East, a distance of 50.00 feet;

**THENCE** South 45 deg. 23 min. 49 sec. East, a distance of 14.15 feet;

**THENCE** North 89 deg. 41 min. 43 sec. East, a distance of 100.00 feet to a Point of Curvature of a non-tangent circular curve to the right, having a radius of 830.00 feet, a central angle of 06 deg. 56 min. 08 sec., and being subtended by a chord which bears South 85 deg. 57 min. 50 sec. East - 100.41 feet;

**THENCE** in an easterly direction along said curve to the right, a distance of 100.47 feet;

**THENCE** North 48 deg. 42 min. 42 sec. East non-tangent to said curve, a distance of 13.08 feet;

**THENCE** South 81 deg. 29 min. 31 sec. East, a distance of 50.61 feet;

**THENCE** South 40 deg. 57 min. 03 sec. East, a distance of 15.20 feet;

**THENCE** South 81 deg. 28 min. 35 sec. East, a distance of 123.43 feet to a Point of Curvature of a circular curve to the left, having a radius of 770.00 feet, a central angle of 02 deg. 44 min. 14 sec., and being subtended by a chord which bears South 82 deg. 50 min. 41 sec. East - 36.78 feet;

**THENCE** in an easterly direction along said curve to the left, a distance of 36.78 feet to a Point of Curvature of a reverse circular curve to the right, having a radius of 300.00 feet, a central angle of 04 deg. 55 min. 01 sec., and being subtended by a chord which bears South 81 deg. 45 min. 18 sec. East - 25.74 feet;

**THENCE** in an easterly direction along said curve to the right, a distance of 25.74 feet to a Point of Curvature of a reverse circular curve to the left, having a radius of 300.00 feet, a central angle of 11 deg. 07 min. 56 sec., and being subtended by a chord which bears South 84 deg. 51 min. 45 sec. East - 58.20 feet;

**THENCE** in an easterly direction along said curve to the left, a distance of 58.29 feet;

**THENCE** North 89 deg. 34 min. 17 sec. East tangent to said curve, a distance of 131.79 feet;

**THENCE** North 44 deg. 34 min. 17 sec. East, a distance of 14.14 feet;

**THENCE** North 89 deg. 34 min. 17 sec. East, a distance of 50.00 feet;

**THENCE** South 45 deg. 25 min. 43 sec. East, a distance of 14.14 feet;

**THENCE** North 89 deg. 34 min. 17 sec. East, a distance of 220.00 feet;

**THENCE** North 44 deg. 34 min. 17 sec. East, a distance of 14.14 feet;

**THENCE** North 89 deg. 34 min. 17 sec. East, a distance of 50.00 feet;

**THENCE** South 45 deg. 25 min. 43 sec. East, a distance of 14.14 feet;

**THENCE** North 89 deg. 34 min. 17 sec. East, a distance of 111.92 feet;

**THENCE** South 00 deg. 25 min. 43 sec. East, a distance of 265.62 feet to a Point of Curvature of a non-tangent circular curve to the left, having a radius of 2,640.00 feet, a central angle of 08 deg. 17 min. 28 sec., and being subtended by a chord which bears South 08 deg. 13 min. 52 sec. East - 381.70 feet;

**THENCE** in a southerly direction along said curve to the left, a distance of 382.03 feet to the South line of said 299.874 acre tract and the North line of a called 32.216 acre tract described in a deed to JT Ladera, LLC recorded in Document No. 2022-169892 (DRDCT);

**THENCE** South 89 deg. 27 min. 48 sec. West non-tangent to said curve and continue along said North and South lines, a distance of 633.74 feet to a 1/2"

capped iron rod found stamped "McADAMS" for the Northwest corner of said 32.210 acre tract and an ell corner of said 299.874 acre tract;

**THENCE** South 00 deg. 25 min. 43 sec. East along the East line of said 299.874 acre tract, the West line of said 32.210 acre tract, and the West line of said 9.001 acre tract, a distance of 1,563.76 feet to the **POINT OF BEGINNING**, containing 2,621,449 square feet or 60.180 acres of land, more or less.

**EXCEPT FROM THEREOF:**

All that certain lot, tract, or parcel of land, situated in a portion of the Margaret Garnett Survey, Abstract No. 439, City of Justin, Denton County, Texas, being part of that certain called 299.874 acre tract described in a deed to Bloomfield Homes, L.P. recorded in Document No. 2023-66798 of the Deed Records of Denton County, Texas (DRDCT), and being more completely described as follows, to-wit:

**COMMENCING** at a 5/8" iron rod found for the most southerly Southeast corner of said 299.874 acre tract, the Southwest corner of a called 9.001 acre tract described in a deed to Milestone Church recorded in Document No. 2022-170409 (DRDCT) and being in the North right-of-way line of Farm-to-Market Road No. 407 (90' width right-of-way);

**THENCE** North 00 deg. 25 min. 43 sec. West departing said North right-of-way line and continue along the East line of said 299.874 acre tract and the West line of said 9.001 acre tract, at 680.15 feet pass a 1/2" capped iron rod found stamped "McADAMS" for the Northwest corner of said 9.001 acre tract and the Southwest corner of a called 32.216 acre tract described in a deed to JT Ladera, LLC recorded in Document No. 2022-169892 (DRDCT), continue along said East line and the West line of said 32.216 acre tract, at 1,563.75 feet pass a 1/2" capped iron rod found stamped "McADAMS" for the Northwest corner of said 32.216 acre tract and an ell corner of said 299.874 acre tract, continue a total distance of 1,620.02 feet to a 1/2" capped iron rod set stamped "GMCIVIL" hereinafter referred to as 1/2" capped iron rod set, said point being the **TRUE POINT OF BEGINNING**;

**THENCE** South 89 deg. 34 min. 28 sec. West, a distance of 274.63 feet to a 1/2" capped iron rod set for a Point of Curvature of a non-tangent circular curve to the left, having a radius of 50.00 feet, a central angle of 96 deg. 29 min. 26 sec., and being subtended by a chord which bears North 77 deg. 28 min. 33 sec. West - 74.60 feet;

**THENCE** in a westerly direction along said curve to the left, a distance of 84.20 feet to a 1/2" capped iron rod set for a Point of Curvature of a non-tangent circular curve to the left, having a radius of 535.00 feet, a central angle of 18 deg. 47 min. 58 sec., and being subtended by a chord which bears South 75 deg. 13 min. 40 sec. West - 174.75 feet;

**THENCE** in a westerly direction along said curve to the left, a distance of 175.54 feet to a 1/2" capped iron rod set;

**THENCE** South 65 deg. 49 min. 41 sec. West tangent to said curve, a distance of 354.36 feet to a 1/2" capped iron rod set for a Point of Curvature of a circular curve to the right, having a radius of 465.00 feet, a central angle of 12 deg. 04 min. 33 sec., and being subtended by a chord which bears South 71 deg. 51 min. 57 sec. West - 97.82 feet;

**THENCE** in a westerly direction along said curve to the right, a distance of 98.00 feet to a 1/2" capped iron rod set;

**THENCE** North 56 deg. 10 min. 04 sec. West non-tangent to said curve, a distance of 14.06 feet to a 1/2" capped iron rod set;

**THENCE** North 10 deg. 51 min. 19 sec. West, a distance of 109.87 feet to a 1/2" capped iron rod set for a Point of Curvature of a circular curve to the right, having a radius of 770.00 feet, a central angle of 10 deg. 29 min. 14 sec., and being subtended by a chord which bears North 05 deg. 36 min. 43 sec. West - 140.74 feet;

**THENCE** in a northerly direction along said curve to the right, a distance of 140.94 feet to a 1/2" capped iron rod set;

**THENCE** North 00 deg. 22 min. 06 sec. West tangent to said curve, a distance of 514.51 feet to a 1/2" capped iron rod set;

**THENCE** North 44 deg. 37 min. 54 sec. East, a distance of 14.14 feet to a 1/2" capped iron rod set;

**THENCE** North 89 deg. 37 min. 54 sec. East, a distance of 520.83 feet to a 1/2" capped iron rod set for a Point of Curvature of a circular curve to the right, having a radius of 770.00 feet, a central angle of 08 deg. 53 min. 31 sec., and

being subtended by a chord which bears South 85 deg. 55 min. 20 sec. East - 119.38 feet;

**THENCE** in an easterly direction along said curve to the right, a distance of 119.50 feet to a 1/2" capped iron rod set;

**THENCE** South 81 deg. 28 min. 35 sec. East tangent to said curve, a distance of 179.26 feet to a 1/2" capped iron rod set for a Point of Curvature of a circular curve to the left, having a radius of 830.00 feet, a central angle of 03 deg. 12 min. 52 sec., and being subtended by a chord which bears South 83 deg. 05 min. 01 sec. East - 46.56 feet;

**THENCE** in an easterly direction along said curve to the left, a distance of 46.57 feet to a 1/2" capped iron rod set for a Point of Curvature of a compound circular curve to the left, having a radius of 300.00 feet, a central angle of 10 deg. 48 min. 17 sec., and being subtended by a chord which bears North 89 deg. 54 min. 25 sec. East - 56.49 feet;

**THENCE** in an easterly direction along said curve to the left, a distance of 56.57 feet to a 1/2" capped iron rod set for a Point of Curvature of a reverse circular curve to the right, having a radius of 300.00 feet, a central angle of 05 deg. 04 min. 00 sec., and being subtended by a chord which bears North 87 deg. 02 min. 17 sec. East - 26.52 feet;

**THENCE** in an easterly direction along said curve to the right, a distance of 26.53 feet to a 1/2" capped iron rod set;

**THENCE** North 89 deg. 34 min. 17 sec. East tangent to said curve, a distance of 21.79 feet to a 1/2" capped iron rod set;

**THENCE** South 00 deg. 25 min. 43 sec. East, a distance of 538.71 feet to the **POINT OF BEGINNING**, containing 610,641 square feet or 14.018 acres of land, more or less.

***LEAVING A NET AREA OF 2,010,808 SQUARE FEET OR 46.162 ACRES OF LAND, MORE OR LESS.***

*Bearings are referenced to Texas State Plane Coordinate System, North Central Zone (4202), North American Datum of 1983 as derived from GPS observation.*

## EXHIBIT K-3 – IMPROVEMENT AREA #2 LEGAL DESCRIPTION

All that certain lot, tract, or parcel of land, situated in a portion of the Margaret Garnett Survey, Abstract No. 439 and the Carl Boeger Survey, Abstract No. 121, City of Justin, Denton County, Texas, being part of that certain called 299.874 acre tract described in a deed to Bloomfield Homes, L.P. recorded in Document No. 2023-66798 of the Deed Records of Denton County, Texas (DRDCT), and being more completely described as follows, to-wit:

**BEGINNING** at a 1/2" capped iron rod found stamped "GMCIVIL" for the Northeast corner of Tract J, Block 67 of Timberbrook, Phase 7 recorded in Document No. 2024-233 of the Plat Records of Denton County, Texas (PRDCT), from which a 1/2" capped iron rod found stamped "GMCIVIL" for the Northwest corner of said Tract J, Block 67 bears South 89 deg. 37 min. 54 sec. West – 14.37 feet;

**THENCE** North 00 deg. 22 min. 06 sec. West departing the North line of said Timberbrook phase 7, a distance of 796.46 feet to the West line of said 299.874 acre tract;

**THENCE** North 89 deg. 37 min. 54 sec. East departing said West line, a distance of 265.00 feet;

**THENCE** South 89 deg. 10 min. 34 sec. East, a distance of 21.75 feet;

**THENCE** North 87 deg. 07 min. 36 sec. East, a distance of 41.08 feet;

**THENCE** North 83 deg. 42 min. 07 sec. East, a distance of 25.38 feet;

**THENCE** North 79 deg. 59 min. 56 sec. East, a distance of 41.12 feet;

**THENCE** North 76 deg. 41 min. 12 sec. East, a distance of 21.78 feet;

**THENCE** North 73 deg. 19 min. 03 sec. East, a distance of 41.18 feet;

**THENCE** North 69 deg. 55 min. 30 sec. East, a distance of 22.05 feet;

**THENCE** North 66 deg. 34 min. 28 sec. East, a distance of 40.96 feet;

**THENCE** North 62 deg. 29 min. 22 sec. East, a distance of 20.73 feet;

**THENCE** North 60 deg. 53 min. 32 sec. East, a distance of 40.43 feet;

**THENCE** North 62 deg. 04 min. 59 sec. East, a distance of 12.23 feet;

**THENCE** North 60 deg. 28 min. 19 sec. East, a distance of 30.37 feet;

**THENCE** North 68 deg. 53 min. 57 sec. East, a distance of 67.70 feet;

**THENCE** North 82 deg. 54 min. 17 sec. East, a distance of 61.53 feet;

**THENCE** North 89 deg. 34 min. 17 sec. East, a distance of 308.35 feet;

**THENCE** North 00 deg. 25 min. 43 sec. West, a distance of 365.00 feet;

**THENCE** North 89 deg. 34 min. 17 sec. East, a distance of 581.92 feet;

**THENCE** South 00 deg. 25 min. 43 sec. East, a distance of 1,355.00 feet to the North line of said Timberbrook Phase 7;

**THENCE** in a westerly direction along said North line the following twenty-eight (28) courses;

South 89 deg. 34 min. 17 sec. West, a distance of 111.92 feet;

North 45 deg. 25 min. 43 sec. West, a distance of 14.14 feet;

South 89 deg. 34 min. 17 sec. West, a distance of 50.00 feet;

South 44 deg. 34 min. 17 sec. West, a distance of 14.14 feet;

South 89 deg. 34 min. 17 sec. West, a distance of 220.00 feet;

North 45 deg. 25 min. 43 sec. West, a distance of 14.14 feet;

South 89 deg. 34 min. 17 sec. West, a distance of 50.00 feet;

South 44 deg. 34 min. 17 sec. West, a distance of 14.14 feet;

South 89 deg. 34 min. 17 sec. West, a distance of 131.79 feet to a Point of Curvature of a circular curve to the right, having a radius of 300.00 feet, a

central angle of 11 deg. 07 min. 56 sec., and being subtended by a chord which bears North 84 deg. 51 min. 45 sec. West - 58.20 feet;

Continue in a westerly direction along said curve to the right, a distance of 58.29 feet to a Point of Curvature of a reverse circular curve to the left, having a radius of 300.00 feet, a central angle of 04 deg. 55 min. 01 sec., and being subtended by a chord which bears North 81 deg. 45 min. 18 sec. West - 25.74 feet;

Continue in a westerly direction along said curve to the left, a distance of 25.74 feet to a Point of Curvature of a reverse circular curve to the right, having a radius of 770.00 feet, a central angle of 02 deg. 44 min. 14 sec., and being subtended by a chord which bears North 82 deg. 50 min. 41 sec. West - 36.78 feet;

Continue in a westerly direction along said curve to the right, a distance of 36.78 feet;

North 81 deg. 28 min. 35 sec. West tangent to said curve, a distance of 123.43 feet;

North 40 deg. 57 min. 03 sec. West, a distance of 15.20 feet;

North 81 deg. 29 min. 31 sec. West, a distance of 50.61 feet;

South 48 deg. 42 min. 42 sec. West, a distance of 13.08 feet to a Point of Curvature of a non-tangent circular curve to the left, having a radius of 830.00 feet, a central angle of 07 deg. 52 min. 19 sec., and being subtended by a chord which bears North 86 deg. 25 min. 56 sec. West - 113.95 feet;

Continue in a westerly direction along said curve to the left, a distance of 114.04 feet;

South 89 deg. 37 min. 54 sec. West tangent to said curve, a distance of 86.43 feet;

North 45 deg. 23 min. 49 sec. West, a distance of 14.15 feet;

South 89 deg. 37 min. 54 sec. West, a distance of 50.00 feet;

South 44 deg. 36 min. 11 sec. West, a distance of 14.14 feet;

South 89 deg. 37 min. 54 sec. West, a distance of 200.00 feet;

North 45 deg. 23 min. 49 sec. West, a distance of 14.15 feet;

South 89 deg. 37 min. 54 sec. West, a distance of 50.00 feet;

South 44 deg. 36 min. 11 sec. West, a distance of 14.14 feet;

South 89 deg. 37 min. 54 sec. West, a distance of 94.40 feet;

North 45 deg. 22 min. 06 sec. West, a distance of 14.14 feet;

South 89 deg. 37 min. 54 sec. West, a distance of 60.00 feet to the **POINT OF BEGINNING**, containing 1,699,058 square feet or 39.005 acres of land, more or less.

## EXHIBIT K-4 – REMAINDER AREA LEGAL DESCRIPTION

All that certain lot, tract, or parcel of land, situated in a portion of the Margaret Garnett Survey, Abstract No. 439, William Reed Survey, Abstract No. 1071, Joseph Sutton Survey, Abstract No. 1151, Carl Boeger Survey, Abstract No. 121, City of Justin, Denton County, Texas, being part of that certain called 299.874 acre tract described in a deed to Bloomfield Homes, L.P. recorded in Document No. 2023-66798 of the Deed Records of Denton County, Texas (DRDCT), and being more completely described as follows, to-wit:

**BEGINNING** at in the West line of said 299.874 acre tract, from which a 1/2" iron rod found for an ell corner of said 299.874 acre tract bears South 0 deg. 21 min. 30 sec. East – 41.64 feet;

**THENCE** in a northerly direction along said West line the following five (5) courses;

North 00 deg. 22 min. 06 sec. West, a distance of 160.00 feet;

North 89 deg. 37 min. 54 sec. East, a distance of 60.00 feet;

North 00 deg. 22 min. 06 sec. West, a distance of 110.00 feet;

North 89 deg. 37 min. 54 sec. East, a distance of 190.28 feet;

North 04 deg. 54 min. 30 sec. East, a distance of 2,281.01 feet to Northwest corner of said 299.874 acre tract;

**THENCE** North 88 deg. 14 min. 56 sec. East along the North line of said 299.874 acre tract, a distance of 1,229.45 feet to a point in Oliver Creek and an ell corner of said 299.874 acre tract;

**THENCE** North 03 deg. 52 min. 41 sec. West departing said Oliver Creek and continue along the West line of said 299.874 acre tract, a distance of 134.57 feet to an ell corner of said 299.874 acre tract;

**THENCE** North 77 deg. 31 min. 56 sec. East along the North line of said 299.874 acre tract, a distance of 74.88 feet;

**THENCE** North 74 deg. 21 min. 14 sec. East along said North line, a distance of 163.65 feet to a Point of Curvature of a non-tangent circular curve to the left, having a radius of 2,640.00 feet, a central angle of 26 deg. 01 min. 14 sec., and

being subtended by a chord which bears South 13 deg. 59 min. 29 sec. West - 1,188.66 feet;

**THENCE** in a southerly direction departing said North line and continue along said curve to the left, a distance of 1,198.94 feet;

**THENCE** South 00 deg. 25 min. 43 sec. East non-tangent to said curve, a distance of 1,115.38 feet;

**THENCE** South 89 deg. 34 min. 17 sec. West, a distance of 581.92 feet;

**THENCE** South 00 deg. 25 min. 43 sec. East, a distance of 365.00 feet;

**THENCE** South 89 deg. 34 min. 17 sec. West, a distance of 308.35 feet;

**THENCE** South 82 deg. 54 min. 17 sec. West, a distance of 61.53 feet;

**THENCE** South 68 deg. 53 min. 57 sec. West, a distance of 67.70 feet;

**THENCE** South 60 deg. 28 min. 19 sec. West, a distance of 30.37 feet;

**THENCE** South 62 deg. 04 min. 59 sec. West, a distance of 12.23 feet;

**THENCE** South 60 deg. 53 min. 32 sec. West, a distance of 40.43 feet;

**THENCE** South 62 deg. 29 min. 22 sec. West, a distance of 20.73 feet;

**THENCE** South 66 deg. 34 min. 28 sec. West, a distance of 40.96 feet;

**THENCE** South 69 deg. 55 min. 30 sec. West, a distance of 22.05 feet;

**THENCE** South 73 deg. 19 min. 03 sec. West, a distance of 41.18 feet;

**THENCE** South 76 deg. 41 min. 12 sec. West, a distance of 21.78 feet;

**THENCE** South 79 deg. 59 min. 56 sec. West, a distance of 41.12 feet;

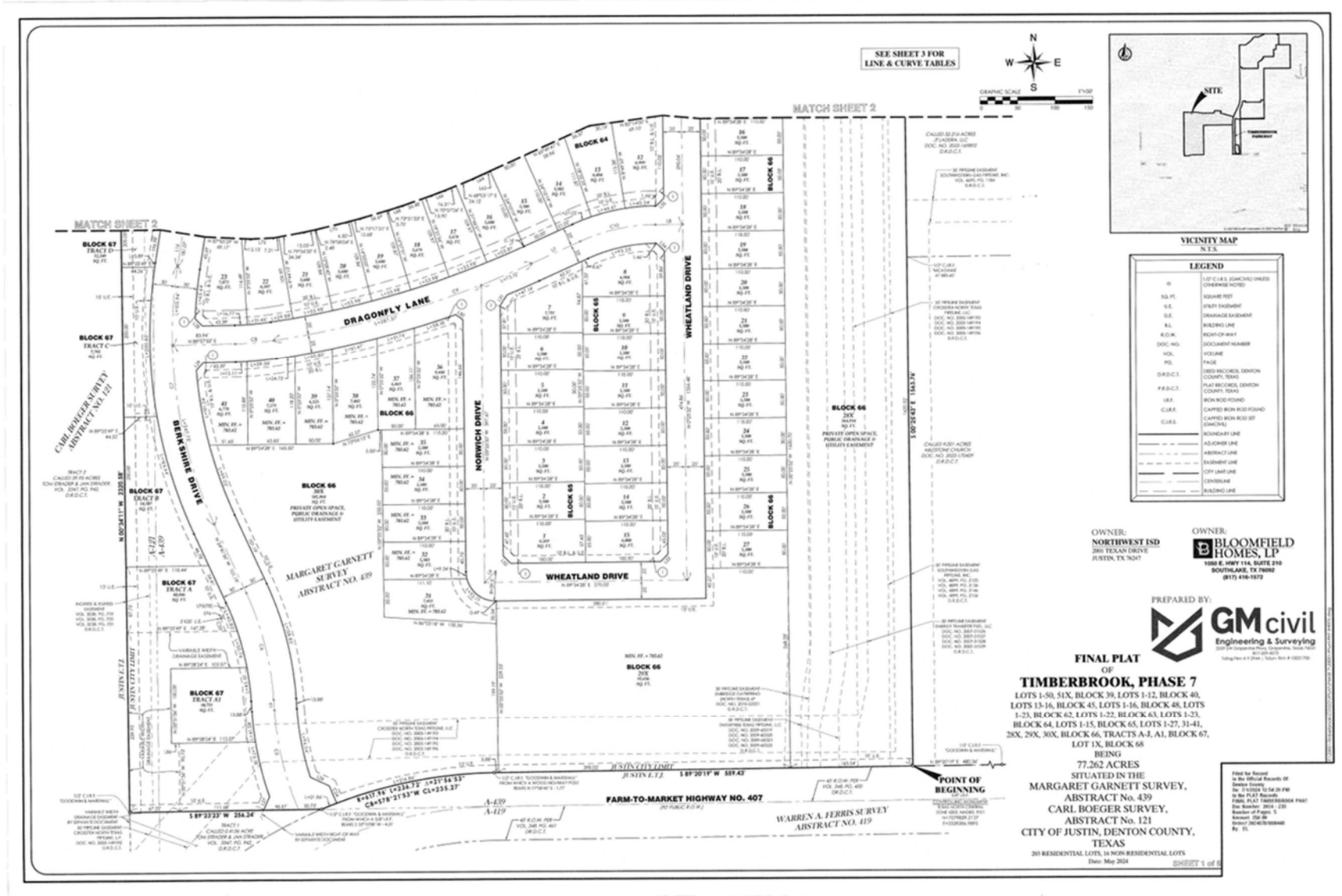
**THENCE** South 83 deg. 42 min. 07 sec. West, a distance of 25.38 feet;

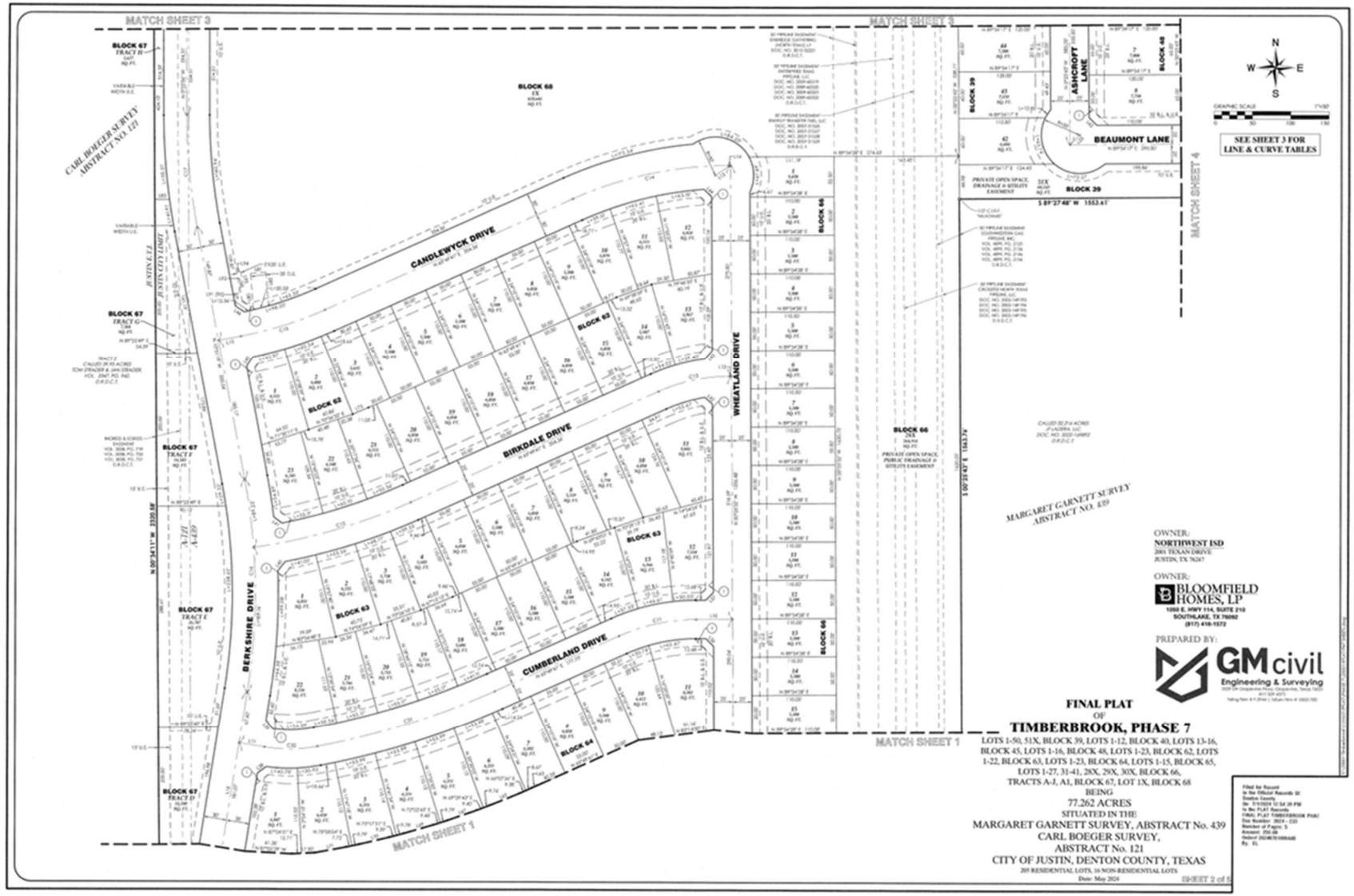
**THENCE** South 87 deg. 07 min. 36 sec. West, a distance of 41.08 feet;

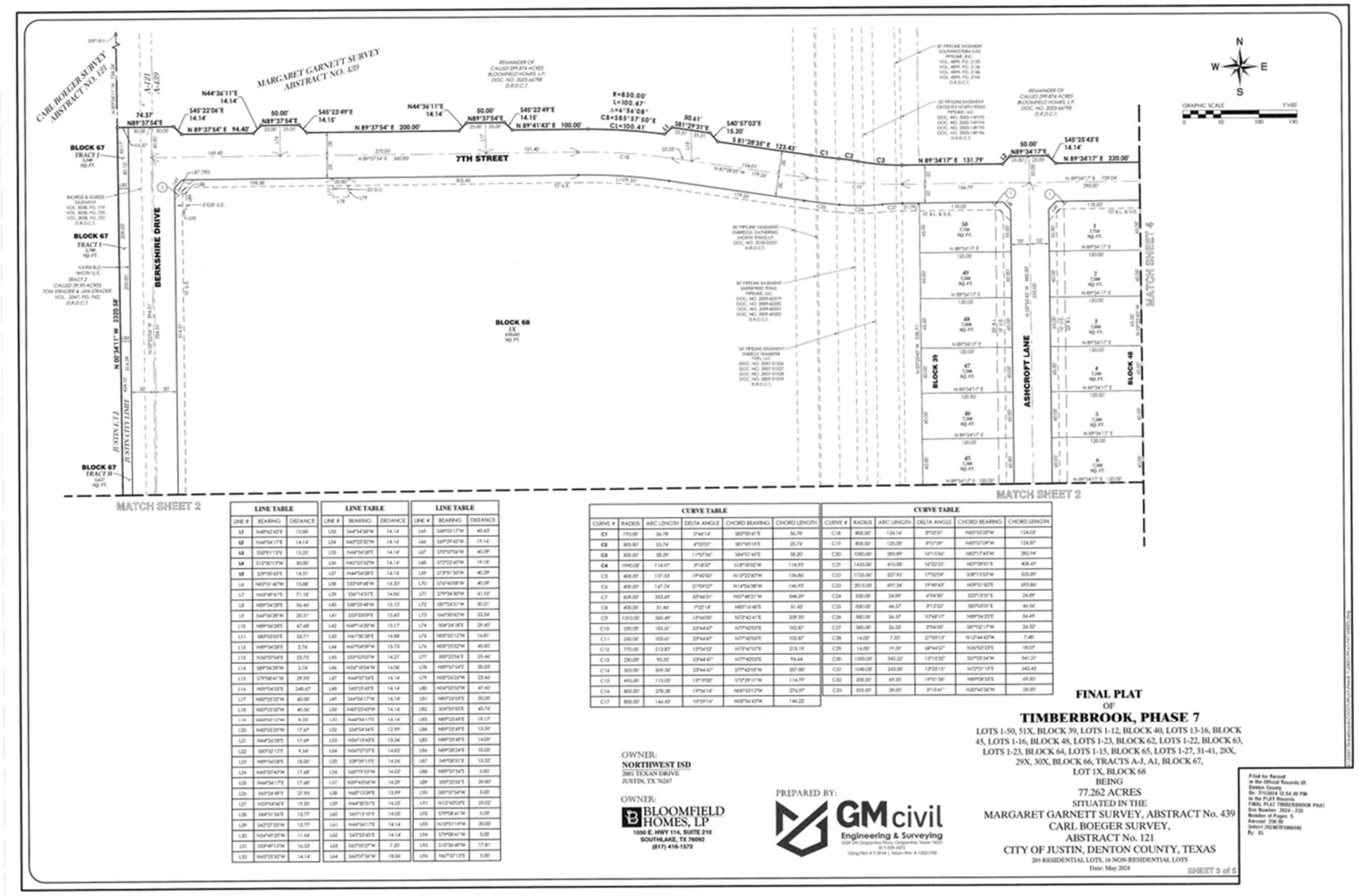
**THENCE** North 89 deg. 10 min. 34 sec. West, a distance of 21.75 feet;

**THENCE** South 89 deg. 37 min. 54 sec. West, a distance of 265.00 feet to the **POINT OF BEGINNING**, containing 3,054,340 square feet or 70.118 acres of land, more or less.

# EXHIBIT L – TIMBERBROOK, PHASE 7 FINAL PLAT




MATCH SHEET 3
MATCH SHEET 4
MATCH SHEET 1
CANDLEWYCK DRIVE
BIRKDALE DRIVE
CUMBERLAND DRIVE
WHEATLAND DRIVE
BERKSHIRE DRIVE
BEAUMONT LANE
ASHCROFT LANE
CARL BOEGER SURVEY ABSTRACT NO. 121
MARGARET GARNETT SURVEY ABSTRACT NO. 439
SEE SHEET 3 FOR LINE & CURVE TABLES
OWNER:
NORTHWEST ISD
OWNER:
BLOOMFIELD HOMES, LP
PREPARED BY:
GM civil
Engineering & Surveying
FINAL PLAT
OF
TIMBERBROOK, PHASE 7
LOTS 1-50, 51X, BLOCK 39, LOTS 1-12, BLOCK 40, LOTS 13-16, BLOCK 45, LOTS 1-16, BLOCK 48, LOTS 1-23, BLOCK 62, LOTS 1-22, BLOCK 63, LOTS 1-23, BLOCK 64, LOTS 1-15, BLOCK 65, LOTS 1-27, 31-41, 28X, 29X, 30X, BLOCK 66, TRACTS A-J, A1, BLOCK 67, LOT 1X, BLOCK 68
BEING
77.262 ACRES
SITUATED IN THE
MARGARET GARNETT SURVEY, ABSTRACT No. 439
CARL BOEGER SURVEY,
ABSTRACT No. 121
CITY OF JUSTIN, DENTON COUNTY, TEXAS
205 RESIDENTIAL LOTS, 16 NON-RESIDENTIAL LOTS
Date: May 2024
SHEET 2 of 5




| LINE TABLE | | |
|---|---|---|
| LINE # | BEARING | DISTANCE |
| L1 | N48°42'42"E | 13.08' |
| L2 | N44°54'17"E | 14.14' |
| L3 | S32°01'13"E | 13.23' |
| L4 | S13°30'13"W | 30.00' |
| L5 | S29°30'43"E | 14.31' |
| L6 | N63°31'40"W | 13.88' |
| L7 | N65°49'41"E | 71.18' |
| L8 | N89°34'28"E | 36.46' |
| L9 | S44°34'28"W | 20.51' |
| L10 | N89°34'28"E | 47.48' |
| L11 | S82°50'50"E | 33.71' |
| L12 | N89°34'28"E | 2.74' |
| L13 | N34°57'04"E | 23.73' |
| L14 | S89°34'28"W | 2.74' |
| L15 | S79°08'41"W | 29.93' |
| L16 | N89°04'55"E | 248.67' |
| L17 | N80°20'32"W | 40.00' |
| L18 | N80°20'32"W | 40.36' |
| L19 | N40°53'13"W | 9.35' |
| L20 | N40°33'23"W | 17.67' |
| L21 | N44°24'28"E | 17.69' |
| L22 | S00°32'12"E | 9.04' |
| L23 | N89°56'08"E | 18.00' |
| L24 | N40°33'42"W | 17.68' |
| L25 | N44°54'17"E | 17.68' |
| L26 | S40°54'48"E | 27.93' |
| L27 | N20°54'56"E | 19.29' |
| L28 | S44°31'36"E | 13.77' |
| L29 | S42°27'20"W | 13.77' |
| L30 | N34°49'20"W | 11.64' |
| L31 | S33°49'13"W | 16.53' |
| L32 | N40°20'32"W | 14.14' |

| LINE TABLE | | |
|---|---|---|
| LINE # | BEARING | DISTANCE |
| L33 | S44°34'28"W | 14.14' |
| L34 | N40°20'32"W | 14.14' |
| L35 | N44°54'28"E | 14.14' |
| L36 | N40°20'32"W | 14.14' |
| L37 | N44°54'28"E | 14.14' |
| L38 | S53°49'48"W | 14.30' |
| L39 | S36°14'31"E | 14.06' |
| L40 | S38°03'48"W | 13.10' |
| L41 | S33°53'09"E | 13.40' |
| L42 | N49°14'29"W | 13.17' |
| L43 | N41°30'38"E | 14.88' |
| L44 | N47°56'09"W | 13.73' |
| L45 | S33°53'09"W | 14.27' |
| L46 | N36°10'04"W | 14.06' |
| L47 | N44°35'54"E | 14.14' |
| L48 | S45°25'43"E | 14.14' |
| L49 | S44°34'17"W | 14.14' |
| L50 | N45°25'43"W | 14.14' |
| L51 | N44°54'17"E | 14.14' |
| L52 | S36°14'34"E | 12.99' |
| L53 | N56°10'43"E | 13.34' |
| L54 | N56°57'07"E | 14.82' |
| L55 | S29°39'11"E | 14.26' |
| L56 | S66°19'53"W | 14.02' |
| L57 | N29°45'04"W | 14.29' |
| L58 | N40°13'39"E | 13.99' |
| L59 | N44°30'31"E | 14.25' |
| L60 | S45°13'10"E | 14.06' |
| L61 | N44°34'17"E | 14.14' |
| L62 | S45°25'43"E | 14.14' |
| L63 | S65°03'27"W | 7.20' |
| L64 | S66°07'36"W | 18.06' |

| LINE TABLE | | |
|---|---|---|
| LINE # | BEARING | DISTANCE |
| L65 | S68°03'17"W | 40.43' |
| L66 | S69°29'45"W | 19.16' |
| L67 | S70°57'56"W | 40.39' |
| L68 | S72°22'45"W | 19.18' |
| L69 | S73°51'33"W | 40.39' |
| L70 | S74°40'08"W | 40.39' |
| L71 | S79°34'30"W | 41.50' |
| L72 | S87°54'31"W | 30.23' |
| L73 | S46°30'42"W | 22.54' |
| L74 | S04°54'18"E | 29.45' |
| L75 | N09°32'12"W | 14.87' |
| L76 | N09°20'32"W | 40.80' |
| L77 | S00°32'56"E | 25.46' |
| L78 | N89°57'54"E | 20.03' |
| L79 | N00°26'26"W | 25.46' |
| L80 | N04°33'53"W | 47.40' |
| L81 | N85°26'05"E | 20.00' |
| L82 | S04°33'53"E | 45.74' |
| L83 | N89°25'49"E | 19.17' |
| L84 | N89°25'49"E | 13.39' |
| L85 | N89°25'49"E | 14.09' |
| L86 | N89°28'24"E | 10.00' |
| L87 | S45°08'31"E | 13.32' |
| L88 | N89°37'54"E | 5.00' |
| L89 | S00°22'06"E | 20.00' |
| L90 | S89°37'54"W | 5.00' |
| L91 | N12°42'03"E | 20.02' |
| L92 | S79°08'41"W | 5.00' |
| L93 | N10°51'19"W | 20.00' |
| L94 | S79°08'41"W | 5.00' |
| L95 | S10°56'49"W | 17.81' |
| L96 | N67°57'13"E | 5.00' |

| CURVE TABLE | | | | | |
|---|---|---|---|---|---|
| CURVE # | RADIUS | ARC LENGTH | DELTA ANGLE | CHORD BEARING | CHORD LENGTH |
| C1 | 770.00' | 36.78' | 2°44'14" | S82°50'41"E | 36.78' |
| C2 | 800.00' | 23.74' | 4°15'01" | S81°45'16"E | 23.74' |
| C3 | 300.00' | 58.29' | 11°07'56" | S84°51'45"E | 58.20' |
| C4 | 1990.00' | 114.97' | 3°18'53" | S58°18'02"W | 114.95' |
| C5 | 400.00' | 137.53' | 19°42'00" | N13°22'42"W | 136.86' |
| C6 | 400.00' | 147.74' | 21°09'32" | N14°06'38"W | 146.93' |
| C7 | 400.00' | 353.49' | 50°38'31" | N07°48'21"W | 348.39' |
| C8 | 400.00' | 51.46' | 7°22'14" | N80°16'48"E | 51.42' |
| C9 | 1310.00' | 360.49' | 15°46'00" | N73°42'41"E | 359.35' |
| C10 | 230.00' | 103.61' | 23°44'47" | N77°42'05"E | 102.87' |
| C11 | 230.00' | 103.61' | 23°44'47" | N77°42'05"E | 102.87' |
| C12 | 770.00' | 213.87' | 15°54'52" | N73°47'02"E | 213.19' |
| C13 | 230.00' | 95.32' | 23°44'47" | N77°42'05"E | 94.64' |
| C14 | 505.00' | 309.30' | 35°04'47" | S77°42'05"E | 307.88' |
| C15 | 495.00' | 115.05' | 13°19'00" | S72°29'11"W | 114.79' |
| C16 | 800.00' | 276.38' | 19°47'41" | N08°53'12"W | 274.97' |
| C17 | 800.00' | 146.43' | 10°29'14" | N08°36'43"W | 146.22' |

| CURVE TABLE | | | | | |
|---|---|---|---|---|---|
| CURVE # | RADIUS | ARC LENGTH | DELTA ANGLE | CHORD BEARING | CHORD LENGTH |
| C18 | 800.00' | 124.14' | 8°53'31" | N65°30'28"W | 124.02' |
| C19 | 800.00' | 125.08' | 8°57'56" | N65°57'09"W | 124.87' |
| C20 | 1090.00' | 263.89' | 14°13'56" | N82°17'43"W | 263.24' |
| C21 | 1435.00' | 410.08' | 16°22'23" | N07°39'01"E | 408.69' |
| C22 | 1725.00' | 527.35' | 17°30'59" | S08°13'53"W | 525.29' |
| C23 | 2015.00' | 497.34' | 19°49'43" | N09°51'50"E | 493.86' |
| C24 | 330.00' | 24.59' | 4°16'30" | S20°13'31"E | 24.59' |
| C25 | 830.00' | 46.57' | 3°12'52" | S80°05'01"E | 46.56' |
| C26 | 300.00' | 54.57' | 10°48'17" | N89°54'25"E | 54.49' |
| C27 | 300.00' | 26.33' | 5°01'55" | S87°52'17"W | 26.32' |
| C28 | 14.00' | 7.35' | 27°55'13" | N12°44'42"W | 7.40' |
| C29 | 14.00' | 19.28' | 68°44'23" | N36°02'23"E | 18.09' |
| C30 | 1265.00' | 340.22' | 15°24'32" | S07°05'34"W | 341.21' |
| C31 | 1040.00' | 243.00' | 13°23'15" | N72°51'19"E | 242.45' |
| C32 | 300.00' | 69.30' | 19°51'58" | N89°08'58"E | 69.30' |
| C33 | 355.00' | 20.00' | 3°13'41" | N20°40'56"W | 20.00' |

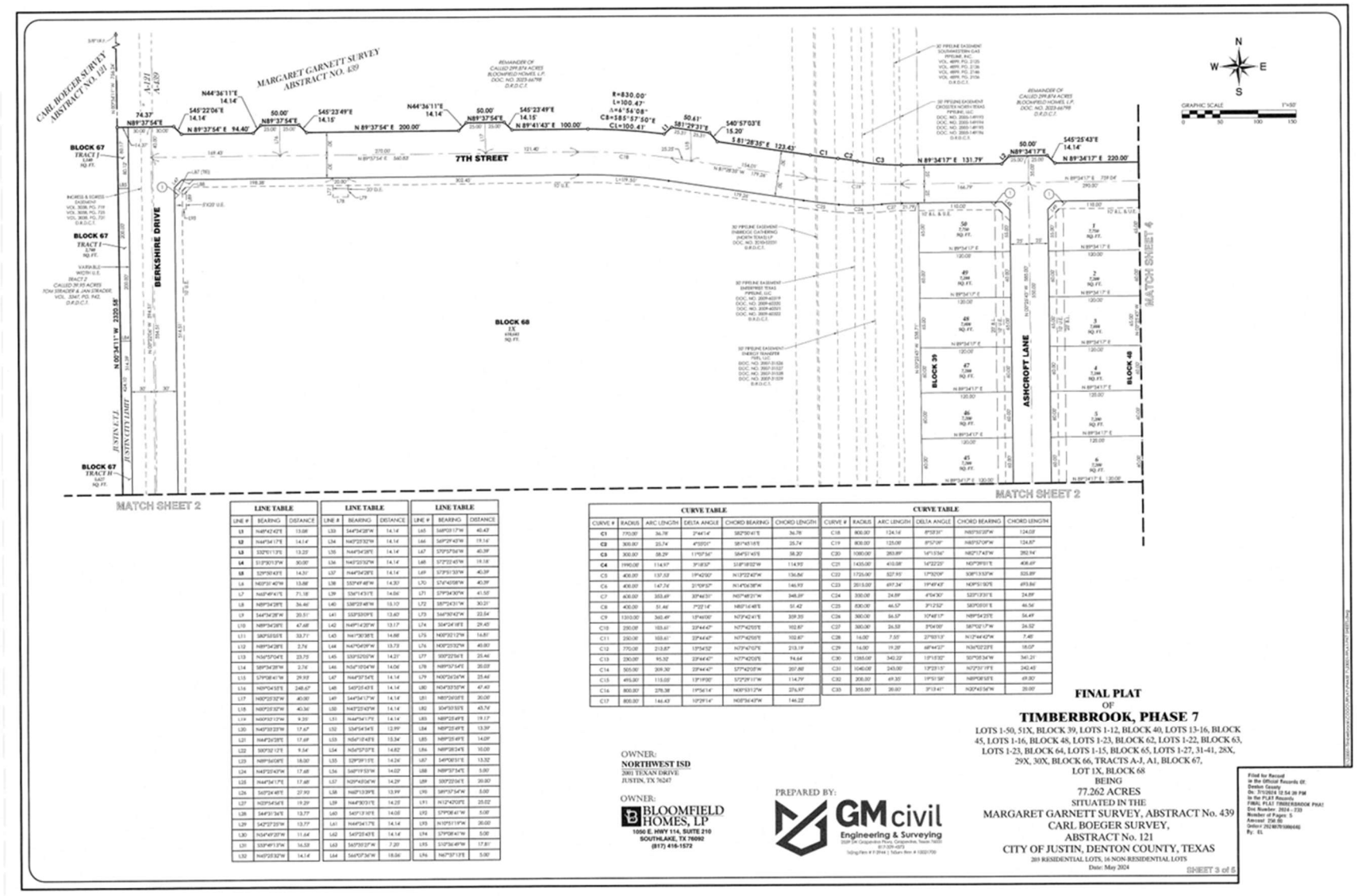
OWNER:
**NORTHWEST ISD**
2001 TEXAN DRIVE
JUSTIN, TX 76247

OWNER:
**BLOOMFIELD HOMES, LP**
1050 E. HWY 114, SUITE 210
SOUTHLAKE, TX 76092
(817) 416-1572

PREPARED BY:
**GM civil**
Engineering & Surveying

**FINAL PLAT**
OF
**TIMBERBROOK, PHASE 7**
LOTS 1-50, 51X, BLOCK 39, LOTS 1-12, BLOCK 40, LOTS 13-16, BLOCK 45, LOTS 1-16, BLOCK 48, LOTS 1-23, BLOCK 62, LOTS 1-22, BLOCK 63, LOTS 1-23, BLOCK 64, LOTS 1-15, BLOCK 65, LOTS 1-27, 31-41, 28X, 29X, 30X, BLOCK 66, TRACTS A-J, A1, BLOCK 67, LOT 1X, BLOCK 68
BEING
77.262 ACRES
SITUATED IN THE
MARGARET GARNETT SURVEY, ABSTRACT No. 439
CARL BOEGER SURVEY, ABSTRACT No. 121
CITY OF JUSTIN, DENTON COUNTY, TEXAS
203 RESIDENTIAL LOTS, 16 NON-RESIDENTIAL LOTS
Date: May 2024
SHEET 3 of 6

Filed for Record
In the Official Records Of
Denton County
On: 7/1/2024 12:54:20 PM
In the PLAT Records
FINAL PLAT TIMBERBROOK PHA7
Doc Number: 2024 - 233
Number of Pages: 5
Amount: 256.00
Order#: 20240701000440
By: EL




| LINE TABLE | | |
|---|---|---|
| LINE # | BEARING | DISTANCE |
| L1 | N48°42'42"E | 13.08' |
| L2 | N44°34'17"E | 14.14' |
| L3 | S32°01'13"E | 13.23' |
| L4 | S13°30'13"W | 30.00' |
| L5 | S29°30'43"E | 14.31' |
| L6 | N63°31'40"W | 13.88' |
| L7 | N65°49'41"E | 71.18' |
| L8 | N89°34'28"E | 36.46' |
| L9 | S44°34'28"W | 20.51' |
| L10 | N89°34'28"E | 47.48' |
| L11 | S82°50'50"E | 33.71' |
| L12 | N89°34'28"E | 2.74' |
| L13 | N34°57'04"E | 23.73' |
| L14 | S89°34'28"W | 2.74' |
| L15 | S79°08'41"W | 29.93' |
| L16 | N89°04'55"E | 248.67' |
| L17 | N80°20'32"W | 40.00' |
| L18 | N80°20'32"W | 40.36' |
| L19 | N40°53'13"W | 9.35' |
| L20 | N40°33'23"W | 17.67' |
| L21 | N44°34'28"E | 17.68' |
| L22 | S00°32'12"E | 9.04' |
| L23 | N89°56'08"E | 18.00' |
| L24 | N45°20'47"W | 17.68' |
| L25 | N44°34'17"E | 27.93' |
| L26 | S60°34'48"E | 19.29' |
| L27 | N29°54'56"E | 13.77' |
| L28 | S44°31'36"E | 13.77' |
| L29 | S42°27'20"W | 13.77' |
| L30 | N34°49'20"W | 11.64' |
| L31 | S33°49'13"W | 16.53' |
| L32 | N40°20'32"W | 14.14' |

| LINE TABLE | | |
|---|---|---|
| LINE # | BEARING | DISTANCE |
| L33 | S44°34'28"W | 14.14' |
| L34 | N40°20'32"W | 14.14' |
| L35 | N44°34'28"E | 14.14' |
| L36 | N40°20'32"W | 14.14' |
| L37 | N44°34'28"E | 14.14' |
| L38 | S53°49'48"W | 14.30' |
| L39 | S36°14'31"E | 14.06' |
| L40 | S38°20'48"W | 13.10' |
| L41 | S53°53'09"E | 13.40' |
| L42 | N49°14'20"W | 13.17' |
| L43 | N41°30'38"E | 14.88' |
| L44 | N47°04'09"W | 13.73' |
| L45 | S53°53'09"W | 14.27' |
| L46 | N36°10'04"W | 14.06' |
| L47 | N44°37'54"E | 14.14' |
| L48 | S45°20'43"E | 14.14' |
| L49 | S44°34'17"W | 14.14' |
| L50 | N45°20'43"W | 14.14' |
| L51 | N44°34'17"E | 14.14' |
| L52 | S36°14'34"E | 12.99' |
| L53 | N56°10'43"E | 13.34' |
| L54 | N56°57'07"E | 14.82' |
| L55 | S29°39'11"E | 14.26' |
| L56 | S66°19'53"W | 14.02' |
| L57 | N29°40'04"W | 14.29' |
| L58 | N60°13'39"E | 13.99' |
| L59 | N44°30'31"E | 14.25' |
| L60 | S45°13'10"E | 14.06' |
| L61 | N44°34'17"E | 14.14' |
| L62 | S45°20'43"E | 14.14' |
| L63 | S65°30'23"W | 7.20' |
| L64 | S66°07'36"W | 18.06' |

| LINE TABLE | | |
|---|---|---|
| LINE # | BEARING | DISTANCE |
| L65 | S68°03'17"W | 40.43' |
| L66 | S69°29'45"W | 19.16' |
| L67 | S70°57'56"W | 40.39' |
| L68 | S72°22'45"W | 19.18' |
| L69 | S73°51'33"W | 40.39' |
| L70 | S74°40'08"W | 40.39' |
| L71 | S79°34'30"W | 41.50' |
| L72 | S87°54'31"W | 30.20' |
| L73 | S46°30'42"W | 22.54' |
| L74 | S04°54'18"E | 29.45' |
| L75 | N00°32'12"W | 14.81' |
| L76 | N00°20'32"W | 40.80' |
| L77 | S00°32'56"E | 25.46' |
| L78 | N89°57'54"E | 20.03' |
| L79 | N00°26'26"W | 25.46' |
| L80 | N04°33'55"W | 47.40' |
| L81 | N85°26'05"E | 20.00' |
| L82 | S04°55'55"E | 45.74' |
| L83 | N89°25'49"E | 19.17' |
| L84 | N89°25'49"E | 13.39' |
| L85 | N89°25'49"E | 14.09' |
| L86 | N89°28'24"E | 10.00' |
| L87 | S45°26'31"E | 13.32' |
| L88 | N89°37'54"E | 5.00' |
| L89 | S00°22'06"E | 20.00' |
| L90 | S89°37'54"W | 5.00' |
| L91 | N12°42'03"E | 20.02' |
| L92 | S79°08'41"W | 5.00' |
| L93 | N10°51'19"W | 20.00' |
| L94 | S79°08'41"W | 5.00' |
| L95 | S10°56'49"W | 17.81' |
| L96 | N67°37'13"E | 5.00' |

| CURVE TABLE | | | | | |
|---|---|---|---|---|---|
| CURVE # | RADIUS | ARC LENGTH | DELTA ANGLE | CHORD BEARING | CHORD LENGTH |
| C1 | 770.00' | 36.78' | 2°44'14" | S82°50'41"E | 36.78' |
| C2 | 800.00' | 23.74' | 4°15'01" | S81°45'16"E | 23.74' |
| C3 | 300.00' | 58.29' | 11°07'56" | S84°51'45"E | 58.20' |
| C4 | 1990.00' | 114.97' | 3°18'53" | S58°18'02"W | 114.95' |
| C5 | 400.00' | 137.53' | 19°42'00" | N13°22'42"W | 136.86' |
| C6 | 400.00' | 147.74' | 21°09'32" | N14°06'38"W | 146.93' |
| C7 | 400.00' | 353.49' | 50°38'31" | N07°48'21"W | 348.39' |
| C8 | 400.00' | 51.46' | 7°22'14" | N80°16'48"E | 51.42' |
| C9 | 1310.00' | 360.49' | 15°46'00" | N73°42'41"E | 359.35' |
| C10 | 230.00' | 103.61' | 23°44'47" | N77°42'05"E | 102.87' |
| C11 | 230.00' | 103.61' | 23°44'47" | N77°42'05"E | 102.87' |
| C12 | 770.00' | 213.87' | 15°54'52" | N73°47'02"E | 213.19' |
| C13 | 230.00' | 95.32' | 23°44'47" | N77°42'05"E | 94.64' |
| C14 | 505.00' | 309.30' | 23°44'47" | S77°42'05"W | 307.88' |
| C15 | 495.00' | 115.05' | 13°19'00" | S72°29'11"W | 114.79' |
| C16 | 800.00' | 276.38' | 19°56'14" | N08°53'12"W | 274.97' |
| C17 | 800.00' | 146.43' | 10°29'14" | N08°36'43"W | 146.22' |

| CURVE TABLE | | | | | |
|---|---|---|---|---|---|
| CURVE # | RADIUS | ARC LENGTH | DELTA ANGLE | CHORD BEARING | CHORD LENGTH |
| C18 | 800.00' | 124.14' | 8°53'31" | N85°30'28"W | 124.02' |
| C19 | 800.00' | 125.08' | 8°57'08" | N85°57'09"W | 124.87' |
| C20 | 1090.00' | 283.89' | 14°55'34" | N82°17'43"W | 283.14' |
| C21 | 1435.00' | 410.08' | 16°22'23" | N87°39'01"E | 408.69' |
| C22 | 1725.00' | 527.35' | 17°30'59" | S08°13'53"W | 525.29' |
| C23 | 2015.00' | 497.34' | 19°49'43" | N09°51'50"E | 493.86' |
| C24 | 330.00' | 24.59' | 4°16'30" | S20°13'31"E | 24.59' |
| C25 | 830.00' | 46.57' | 3°12'52" | S85°05'01"E | 46.56' |
| C26 | 360.00' | 54.57' | 10°48'17" | N89°54'25"E | 54.49' |
| C27 | 360.00' | 26.53' | 3°46'08" | S87°52'13"W | 26.52' |
| C28 | 14.00' | 7.55' | 27°39'13" | N12°44'42"W | 7.48' |
| C29 | 14.00' | 19.28' | 88°04'23" | N36°02'23"E | 18.09' |
| C30 | 1265.00' | 340.22' | 15°24'32" | S07°05'34"W | 341.21' |
| C31 | 1040.00' | 243.00' | 13°23'15" | N72°51'19"E | 242.45' |
| C32 | 300.00' | 69.30' | 19°46'58" | N89°08'58"E | 69.30' |
| C33 | 355.00' | 20.60' | 3°19'41" | N20°43'56"W | 20.60' |

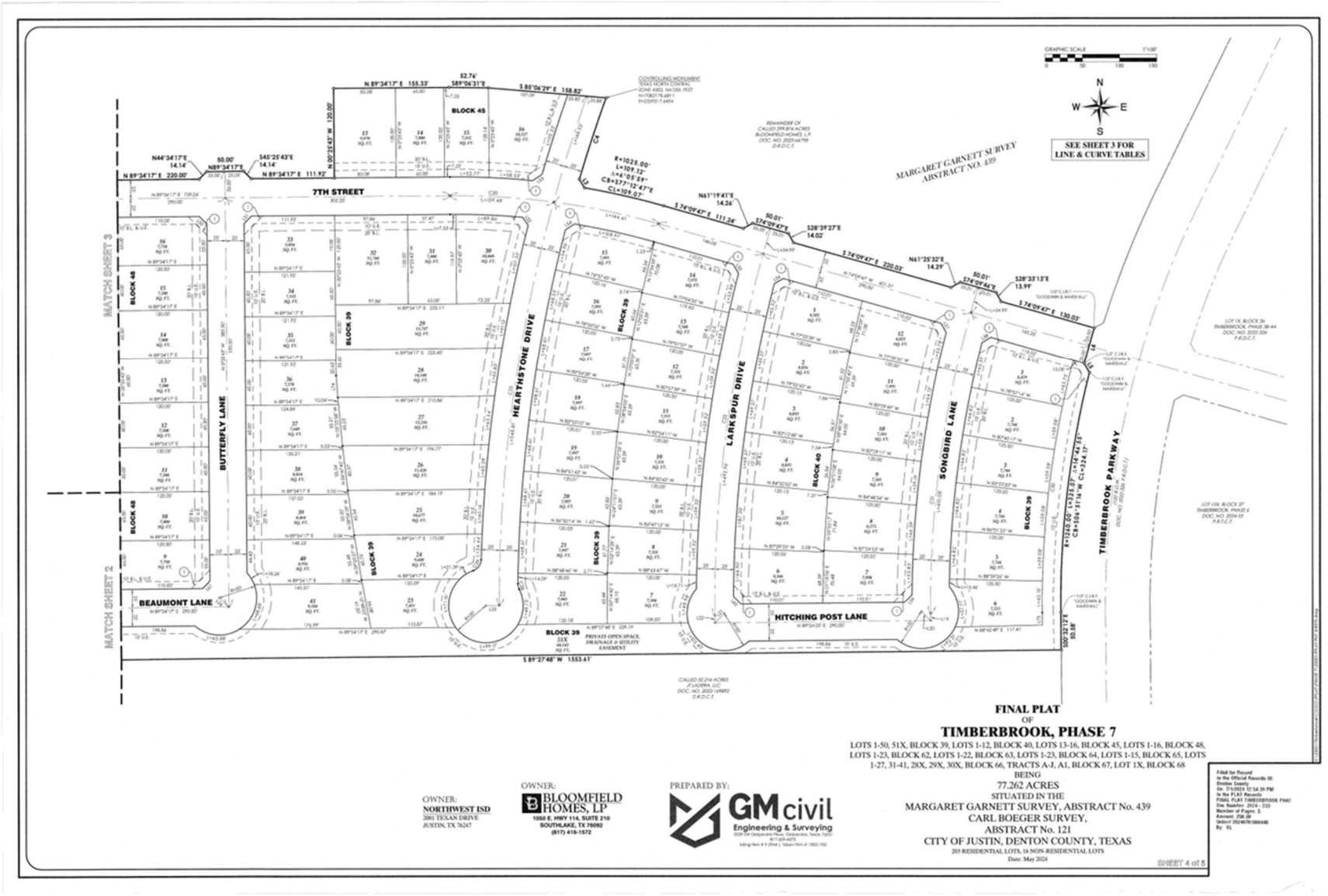
**FINAL PLAT**
OF
**TIMBERBROOK, PHASE 7**
LOTS 1-50, 51X, BLOCK 39, LOTS 1-12, BLOCK 40, LOTS 13-16, BLOCK 45, LOTS 1-16, BLOCK 48, LOTS 1-23, BLOCK 62, LOTS 1-22, BLOCK 63, LOTS 1-23, BLOCK 64, LOTS 1-15, BLOCK 65, LOTS 1-27, 31-41, 28X, 29X, 30X, BLOCK 66, TRACTS A-J, A1, BLOCK 67, LOT 1X, BLOCK 68
BEING
77.262 ACRES
SITUATED IN THE
MARGARET GARNETT SURVEY, ABSTRACT No. 439
CARL BOEGER SURVEY, ABSTRACT No. 121
CITY OF JUSTIN, DENTON COUNTY, TEXAS
289 RESIDENTIAL LOTS, 16 NON-RESIDENTIAL LOTS
Date: May 2024
SHEET 3 of 6

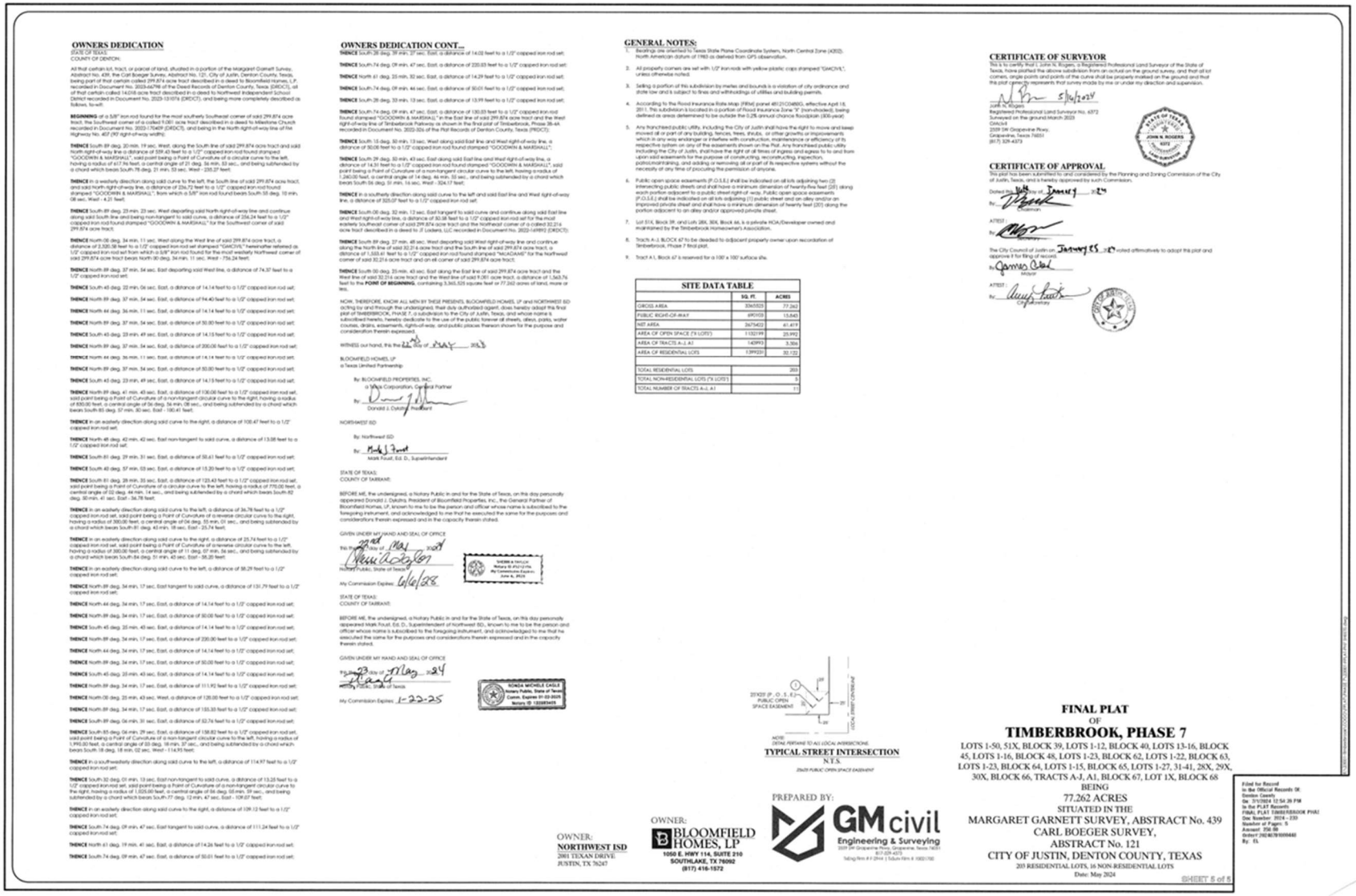
OWNER:
**NORTHWEST ISD**
2001 TEXAN DRIVE
JUSTIN, TX 76247

OWNER:
**BLOOMFIELD HOMES, LP**
1050 E. HWY 114, SUITE 210
SOUTHLAKE, TX 76092
(817) 416-1572

PREPARED BY:
**GM civil**
Engineering & Surveying

Filed for Record in the Official Records Of: Denton County On: 7/1/2024 12:54:39 PM In the PLAT Records FINAL PLAT TIMBERBROOK PHA7 Doc Number: 2024 - 233 Number of Pages: 3 Amount: 256.00 Order#: 20240701000440 By: EL


7TH STREET
BUTTERFLY LANE
HEARTHSTONE DRIVE
LARKSPUR DRIVE
SONGBIRD LANE
TIMBERBROOK PARKWAY
BEAUMONT LANE
HITCHING POST LANE
BLOCK 45
BLOCK 48
BLOCK 39
BLOCK 40
MATCH SHEET 3
MATCH SHEET 2
SEE SHEET 3 FOR LINE & CURVE TABLES
MARGARET GARNETT SURVEY ABSTRACT NO. 439
FINAL PLAT
OF
TIMBERBROOK, PHASE 7
LOTS 1-50, 51X, BLOCK 39, LOTS 1-12, BLOCK 40, LOTS 13-16, BLOCK 45, LOTS 1-16, BLOCK 48, LOTS 1-23, BLOCK 62, LOTS 1-22, BLOCK 63, LOTS 1-23, BLOCK 64, LOTS 1-15, BLOCK 65, LOTS 1-27, 31-41, 28X, 29X, 30X, BLOCK 66, TRACTS A-J, A1, BLOCK 67, LOT 1X, BLOCK 68
BEING
77.262 ACRES
SITUATED IN THE
MARGARET GARNETT SURVEY, ABSTRACT No. 439
CARL BOEGER SURVEY,
ABSTRACT No. 121
CITY OF JUSTIN, DENTON COUNTY, TEXAS
205 RESIDENTIAL LOTS, 16 NON-RESIDENTIAL LOTS
Date: May 2024
OWNER:
NORTHWEST ISD
2001 TEXAN DRIVE
JUSTIN, TX 76247
OWNER:
BLOOMFIELD HOMES, LP
1050 E. HWY 114, SUITE 210
SOUTHLAKE, TX 76092
(817) 416-1572
PREPARED BY:
GM civil
Engineering & Surveying
SHEET 4 of 5



## OWNERS DEDICATION

STATE OF TEXAS
COUNTY OF DENTON:

All that certain lot, tract, or parcel of land, situated in a portion of the Margaret Garnett Survey, Abstract No. 439, the Carl Boeger Survey, Abstract No. 121, City of Justin, Denton County, Texas, being part of that certain called 299.874 acre tract described in a deed to Bloomfield Homes, LP, recorded in Document No. 2023-66798 of the Deed Records of Denton County, Texas, (DRDCT), all of that certain called 14.018 acre tract described in a deed to Northwest Independent School District recorded in Document No. 2023-131076 (DRDCT), and being more completely described as follows, to-wit:

**BEGINNING** at a 5/8" iron rod found for the most southerly Southeast corner of said 299.874 acre tract, the Southwest corner of a called 9.081 acre tract described in a deed to Milestone Church recorded in Document No. 2022-176409 (DRDCT), and being in the North right-of-way line of FM Highway No. 407 (90' right-of-way width);

**THENCE** South 89 deg. 20 min. 19 sec. West, along the South line of said 299.874 acre tract and said North right-of-way line a distance of 559.43 feet to a 1/2" capped iron rod found stamped "GOODWIN & MARSHALL", said point being a Point of Curvature of a circular curve to the left, having a radius of 617.76 feet, a central angle of 21 deg. 56 min. 53 sec., and being subtended by a chord which bears South 78 deg. 21 min. 53 sec. West - 235.27 feet;

**THENCE** in a westerly direction along said curve to the left, the South line of said 299.874 acre tract, and said North right-of-way line, a distance of 236.72 feet to a 1/2" capped iron rod found stamped "GOODWIN & MARSHALL", from which a 5/8" iron rod found bears South 55 deg. 10 min. 08 sec. West - 4.21 feet;

**THENCE** South 89 deg. 23 min. 23 sec. West departing said North right-of-way line and continue along said South line and being non-tangent to said curve, a distance of 256.24 feet to a 1/2" capped iron rod found stamped "GOODWIN & MARSHALL" for the Southwest corner of said 299.874 acre tract;

**THENCE** North 08 deg. 34 min. 11 sec. West along the West line of said 299.874 acre tract, a distance of 2,320.58 feet to a 1/2" capped iron rod set stamped "GMCIVIL" hereinafter referred as 1/2" capped iron rod set from which a 5/8" iron rod found for the most westerly Northwest corner of said 299.874 acre tract bears North 30 deg. 16 min. 11 sec. West - 756.24 feet;

**THENCE** North 89 deg. 37 min. 54 sec. East departing said West line, a distance of 74.37 feet to a 1/2" capped iron rod set;

**THENCE** South 45 deg. 22 min. 06 sec. East, a distance of a 14.14 feet to a 1/2" capped iron rod set;

**THENCE** North 89 deg. 37 min. 54 sec. East, a distance of 94.40 feet to a 1/2" capped iron rod set;

**THENCE** North 44 deg. 36 min. 11 sec. East, a distance of 14.14 feet to a 1/2" capped iron rod set;

**THENCE** North 89 deg. 37 min. 54 sec. East, a distance of 50.00 feet to a 1/2" capped iron rod set;

**THENCE** South 45 deg. 23 min. 49 sec. East, a distance of 14.15 feet to a 1/2" capped iron rod set;

**THENCE** North 89 deg. 37 min. 54 sec. East, a distance of 200.00 feet to a 1/2" capped iron rod set;

**THENCE** North 44 deg. 36 min. 11 sec. East, a distance of 14.14 feet to a 1/2" capped iron rod set;

**THENCE** North 89 deg. 37 min. 54 sec. East, a distance of 50.00 feet to a 1/2" capped iron rod set;

**THENCE** South 45 deg. 23 min. 49 sec. East, a distance of 14.15 feet to a 1/2" capped iron rod set;

**THENCE** North 89 deg. 41 min. 43 sec. East, a distance of 106.08 feet to a 1/2" capped iron rod set, said point being a Point of Curvature of a non-tangent circular curve to the right, having a radius of 500.00 feet, a central angle of 06 deg. 56 min. 08 sec., and being subtended by a chord which bears South 85 deg. 57 min. 30 sec. East - 180.41 feet;

**THENCE** in an easterly direction along said curve to the right, a distance of 108.47 feet to a 1/2" capped iron rod set;

**THENCE** North 48 deg. 42 min. 42 sec. East non-tangent to said curve, a distance of 13.08 feet to a 1/2" capped iron rod set;

**THENCE** South 81 deg. 29 min. 31 sec. East, a distance of 58.61 feet to a 1/2" capped iron rod set;

**THENCE** South 40 deg. 57 min. 03 sec. East, a distance of 15.20 feet to a 1/2" capped iron rod set;

**THENCE** South 81 deg. 28 min. 35 sec. East, a distance of 123.43 feet to a 1/2" capped iron rod set, said point being a Point of Curvature of a circular curve to the left, having a radius of 775.00 feet, a central angle of 02 deg. 44 min. 14 sec., and being subtended by a chord which bears South 82 deg. 50 min. 41 sec. East - 36.78 feet;

**THENCE** in an easterly direction along said curve to the left, a distance of 36.78 feet to a 1/2" capped iron rod set, said point being a Point of Curvature of a reverse circular curve to the right, having a radius of 300.00 feet, a central angle of 06 deg. 55 min. 01 sec., and being subtended by a chord which bears South 81 deg. 45 min. 18 sec. East - 35.74 feet;

**THENCE** in an easterly direction along said curve to the right, a distance of 35.74 feet to a 1/2" capped iron rod set, said point being a Point of Curvature of a reverse circular curve to the left, having a radius of 300.00 feet, a central angle of 11 deg. 07 min. 56 sec., and being subtended by a chord which bears South 84 deg. 51 min. 45 sec. East - 58.28 feet;

**THENCE** in an easterly direction along said curve to the left, a distance of 58.29 feet to a 1/2" capped iron rod set;

**THENCE** North 89 deg. 34 min. 17 sec. East tangent to said curve, a distance of 131.79 feet to a 1/2" capped iron rod set;

**THENCE** North 44 deg. 34 min. 17 sec. East, a distance of 14.14 feet to a 1/2" capped iron rod set;

**THENCE** North 89 deg. 34 min. 17 sec. East, a distance of 50.00 feet to a 1/2" capped iron rod set;

**THENCE** South 45 deg. 25 min. 43 sec. East, a distance of 14.14 feet to a 1/2" capped iron rod set;

**THENCE** North 89 deg. 34 min. 17 sec. East, a distance of 230.00 feet to a 1/2" capped iron rod set;

**THENCE** North 44 deg. 34 min. 17 sec. East, a distance of 14.14 feet to a 1/2" capped iron rod set;

**THENCE** North 89 deg. 34 min. 17 sec. East, a distance of 50.00 feet to a 1/2" capped iron rod set;

**THENCE** South 45 deg. 25 min. 43 sec. East, a distance of 14.14 feet to a 1/2" capped iron rod set;

**THENCE** North 89 deg. 34 min. 17 sec. East, a distance of 111.92 feet to a 1/2" capped iron rod set;

**THENCE** North 08 deg. 25 min. 43 sec. West, a distance of 128.00 feet to a 1/2" capped iron rod set;

**THENCE** North 89 deg. 34 min. 17 sec. East, a distance of 155.33 feet to a 1/2" capped iron rod set;

**THENCE** South 89 deg. 06 min. 31 sec. East, a distance of 52.76 feet to a 1/2" capped iron rod set;

**THENCE** South 85 deg. 06 min. 29 sec. East, a distance of 138.82 feet to a 1/2" capped iron rod set, said point being a Point of Curvature of a non-tangent circular curve to the left, having a radius of 1,990.00 feet, a central angle of 03 deg. 18 min. 37 sec., and being subtended by a chord which bears South 18 deg. 18 min. 02 sec. West - 114.95 feet;

**THENCE** in a southwesterly direction along said curve to the left, a distance of 114.97 feet to a 1/2" capped iron rod set;

**THENCE** South 32 deg. 01 min. 13 sec. East non-tangent to said curve, a distance of 13.25 feet to a 1/2" capped iron rod set, said point being a Point of Curvature of a non-tangent circular curve to the right, having a radius of 1,025.00 feet, a central angle of 06 deg. 55 min. 59 sec., and being subtended by a chord which bears South 71 deg. 12 min. 47 sec. East - 109.07 feet;

**THENCE** in an easterly direction along said curve to the right, a distance of 109.12 feet to a 1/2" capped iron rod set;

**THENCE** South 74 deg. 09 min. 47 sec. East tangent to said curve, a distance of 111.24 feet to a 1/2" capped iron rod set;

**THENCE** North 61 deg. 19 min. 41 sec. East, a distance of 14.26 feet to a 1/2" capped iron rod set;

**THENCE** South 74 deg. 09 min. 47 sec. East, a distance of 50.01 feet to a 1/2" capped iron rod set;

## OWNERS DEDICATION CONT...

**THENCE** South 28 deg. 39 min. 27 sec. East, a distance of 14.02 feet to a 1/2" capped iron rod set;

**THENCE** South 74 deg. 09 min. 47 sec. East, a distance of 220.03 feet to a 1/2" capped iron rod set;

**THENCE** North 61 deg. 25 min. 32 sec. East, a distance of 14.29 feet to a 1/2" capped iron rod set;

**THENCE** South 74 deg. 09 min. 46 sec. East, a distance of 50.01 feet to a 1/2" capped iron rod set;

**THENCE** South 28 deg. 33 min. 13 sec. East, a distance of 13.99 feet to a 1/2" capped iron rod set;

**THENCE** South 74 deg. 09 min. 47 sec. East, a distance of 130.03 feet to a 1/2" capped iron rod found stamped "GOODWIN & MARSHALL" in the East line of said 299.874 acre tract and the West right-of-way line of Timberbrook Parkway as shown in the final plat of Timberbrook, Phase 3B-4A recorded in Document No. 2022-326 of the Plat Records of Denton County, Texas (PRDCT);

**THENCE** South 15 deg. 50 min. 13 sec. West along said East line and West right-of-way line, a distance of 50.08 feet to a 1/2" capped iron rod found stamped "GOODWIN & MARSHALL";

**THENCE** South 29 deg. 50 min. 43 sec. East along said East line and West right-of-way line, a distance of 14.51 feet to a 1/2" capped iron rod found stamped "GOODWIN & MARSHALL", said point being a Point of Curvature of a non-tangent circular curve to the left, having a radius of 1,260.00 feet, a central angle of 14 deg. 46 min. 55 sec., and being subtended by a chord which bears South 06 deg. 51 min. 16 sec. West - 324.17 feet;

**THENCE** in a southerly direction along said curve to the left and said East line and West right-of-way line, a distance of 325.07 feet to a 1/2" capped iron rod set;

**THENCE** South 00 deg. 32 min. 12 sec. East tangent to said curve and continue along said East line and West right-of-way line, a distance of 50.38 feet to a 1/2" capped iron rod set for the most easterly Southeast corner of said 299.874 acre tract and the Northeast corner of a called 32.216 acre tract described in a deed to JT Lasters, LLC recorded in Document No. 2022-169892 (DRDCT);

**THENCE** South 89 deg. 27 min. 48 sec. West departing said West right-of-way line and continue along the North line of said 32.216 acre tract and the South line of said 299.874 acre tract, a distance of 1,553.41 feet to a 1/2" capped iron rod found stamped "NICADAMS" for the Northwest corner of said 32.216 acre tract and an ell corner of said 299.874 acre tract;

**THENCE** South 00 deg. 25 min. 43 sec. East along the East line of said 299.874 acre tract and the West line of said 32.216 acre tract and the West line of said 9.081 acre tract, a distance of 1,563.76 feet to the **POINT OF BEGINNING**, containing 3,365,525 square feet or 77.262 acres of land, more or less.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, BLOOMFIELD HOMES, LP and NORTHWEST ISD acting by and through the undersigned, their duly authorized agent, does hereby adopt this final plat of TIMBERBROOK, PHASE 7, a subdivision to the City of Justin, Texas, and whose name is subscribed hereto, hereby dedicate to the use of the public forever all streets, alleys, parks, water courses, drains, easements, rights-of-way, and public places thereon shown for the purpose and consideration therein expressed.

WITNESS our hand, this the 22nd day of May, 2024.

BLOOMFIELD HOMES, LP
a Texas Limited Partnership

By: BLOOMFIELD PROPERTIES, INC.
a Texas Corporation, General Partner

By: _____
Donald J. Dykstra, President

NORTHWEST ISD

By: Northwest ISD

By: _____
Mark Foust, Ed. D., Superintendent

STATE OF TEXAS
COUNTY OF TARRANT:

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared Donald J. Dykstra, President of Bloomfield Properties, Inc., the General Partner of Bloomfield Homes, LP, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE

this the 22nd day of May, 2024

_____
Notary Public, State of Texas

My Commission Expires: 6/6/28

STATE OF TEXAS:
COUNTY OF TARRANT:

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared Mark Foust, Ed. D., Superintendent of Northwest ISD., known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE

this the 23rd day of May, 2024

_____
Notary Public, State of Texas

My Commission Expires: 1-22-25

## GENERAL NOTES:

1. Bearings are oriented to Texas State Plane Coordinate System, North Central Zone (4202), North American datum of 1983 as derived from GPS observation.
2. All property corners are set with 1/2" iron rods with yellow plastic caps stamped "GMCIVIL", unless otherwise noted.
3. Selling a portion of this subdivision by metes and bounds is a violation of city ordinance and state law and is subject to fines and withholdings of utilities and building permits.
4. According to the Flood Insurance Rate Map (FIRM) panel 48121C0480G, effective April 18, 2011. This subdivision is located in a portion of Flood Insurance Zone "X" (non-shaded), being defined as areas determined to be outside the 0.2% annual chance floodplain (500-year).
5. Any franchised public utility, including the City of Justin shall have the right to move and keep moved all or part of any building, fences, trees, shrubs, or other growths or improvements which in any way endanger or interfere with construction, maintenance or efficiency of its respective system on any of the easements shown on the Plat. Any franchised public utility including the City of Justin, shall have the right of all times of ingress and egress to to and from upon said easements for the purpose of constructing, reconstructing, inspection, patrol,maintaining, and adding or removing all or part of its respective systems without the necessity at any time of procuring the permission of anyone.
6. Public open space easements (P.O.S.E.) shall be indicated on all lots adjoining two (2) intersecting public streets and shall have a minimum dimension of twenty-five feet (25') along each portion adjacent to a public street right of way. Public open space easements (P.O.S.E.) shall be indicated on all lots adjoining (1) public street and an alley and/or an improved private street and shall have a minimum dimension of twenty feet (20') along the portion adjacent to an alley and/or approved private street.
7. Lot 51X, Block 39, and Lots 28X, 30X, Block 66, is a private HOA/Developer owned and maintained by the Timberbrook Homeowner's Association.
8. Tracts A-J, BLOCK 67 to be deeded to adjacent property owner upon recordation of Timberbrook, Phase 7 final plat.
9. Tract A-1, Block 67 is reserved for a 100' x 100' surface site.

### SITE DATA TABLE

| | SQ. FT. | ACRES |
|---|---|---|
| GROSS AREA | 3365525 | 77.262 |
| PUBLIC RIGHT-OF-WAY | 690103 | 15.843 |
| NET AREA | 2675422 | 61.419 |
| AREA OF OPEN SPACE (7X LOTS') | 1152199 | 25.992 |
| AREA OF TRACTS A-J, A1 | 149993 | 3.306 |
| AREA OF RESIDENTIAL LOTS | 1399231 | 32.122 |
| | | |
| TOTAL RESIDENTIAL LOTS | | 203 |
| TOTAL NON-RESIDENTIAL LOTS (7X LOTS') | | 5 |
| TOTAL NUMBER OF TRACTS A-J, A1 | | 11 |




NOTE:
DETAIL PERTAINS TO ALL LOCAL INTERSECTIONS

**TYPICAL STREET INTERSECTION**
N.T.S.

25x25 PUBLIC OPEN SPACE EASEMENT

## CERTIFICATE OF SURVEYOR

This is to certify that I, John N. Rogers, a Registered Professional Land Surveyor of the State of Texas, have platted the above subdivision from an actual on the ground survey, and that all lot corners, angle points and points of the curve shall be properly marked on the ground and that the plat correctly represents that survey made by me or under my direction and supervision.

5/16/2024

John N. Rogers
Registered Professional Land Surveyor No. 6372
Surveyed on the ground March 2023
GMcivil
2559 SW Grapevine Pkwy.
Grapevine, Texas 76051
(817) 329-4373

## CERTIFICATE OF APPROVAL

This plat has been submitted to and considered by the Planning and Zoning Commission of the City of Justin, Texas, and is hereby approved by such Commission.

Dated this 16th day of January, 2024.

By: _____
Chairman

ATTEST:

By: _____

The City Council of Justin on January 23, 2024 voted affirmatively to adopt this plat and approve it for filing of record.

By: _____
Mayor

ATTEST:

By: _____
City Secretary

OWNER:
**NORTHWEST ISD**
2001 TEXAS DRIVE
JUSTIN, TX 76247

OWNER:
**BLOOMFIELD HOMES, LP**
1050 E. HWY 114, SUITE 210
SOUTHLAKE, TX 76092
(817) 416-1572

PREPARED BY:
**GM civil**
Engineering & Surveying
2559 SW Grapevine Pkwy, Grapevine, Texas 76051
(817) 329-4373
Texas Firm # 10944 | Texas Firm # 10001700

# FINAL PLAT
# OF
# TIMBERBROOK, PHASE 7

LOTS 1-50, 51X, BLOCK 39, LOTS 1-12, BLOCK 40, LOTS 13-16, BLOCK 45, LOTS 1-16, BLOCK 48, LOTS 1-23, BLOCK 62, LOTS 1-22, BLOCK 63, LOTS 1-23, BLOCK 64, LOTS 1-15, BLOCK 65, LOTS 1-27, 31-41, 28X, 29X, 30X, BLOCK 66, TRACTS A-J, A1, BLOCK 67, LOT 1X, BLOCK 68
BEING
77.262 ACRES
SITUATED IN THE
MARGARET GARNETT SURVEY, ABSTRACT No. 439
CARL BOEGER SURVEY,
ABSTRACT No. 121
CITY OF JUSTIN, DENTON COUNTY, TEXAS
203 RESIDENTIAL LOTS, 16 NON RESIDENTIAL LOTS
Date: May 2024

SHEET 5 of 5

Filed for Record
in the Official Records Of:
Denton County
On: 7/1/2024 12:54:39 PM
In the PLAT Records
FINAL PLAT TIMBERBROOK PHAS
Doc Number: 2024 - 233
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# APPENDIX A – ENGINEER'S REPORT

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## PRELIMINARY ENGINEER'S OPINION OF PROBABLE COST

Project: **Timberbrook PID No. 2**
Date: July 22, 2025
Location: Justin, TX
Job No. 24058
Page: 1 of 1

BLOOMFIELD HOMES

| DESCRIPTION | TOTAL COST |
|---|---|
| **Timberbrook PID No. 2 Totals** | |
| Timberbrook PID No. 2 Major Improvements Total | $7,800,871.94 |
| Timberbrook Ph 8 Improvement Area 2 Total | $4,306,396.80 |
| **Probable Total Timberbrook PID No. 2** | **$12,107,268.74** |




This Engineer's opinion of probable construction cost is made on the basis of the Engineer's experience and best judgement as a design professional. It must be recognized that any evaluation of work to be performed to construct this project must by necessity be speculative in nature until completion of its actual detailed design. In addition the engineer has no control over the cost of labor, material, or services to be furnished by others or over market conditions. Accordingly GMcivil can not guarantee that actual costs will not vary from the opinions expressed herein.

GMcivil Engineering & Surveying

## PRELIMINARY ENGINEER'S OPINION OF PROBABLE COST

Project: **Timberbrook PID No.2 Maj. Improvements**
Date: July 22, 2025
Location: Justin, TX
Job No. 24058
Page: 1 of 5

BLOOMFIELD HOMES

| DESCRIPTION | TOTAL COST |
|---|---|
| **Timberbrook PID No. 2 Major Improvement Totals** | |
| Paving Subtotal | $2,077,030.70 |
| Water Subtotal | $804,560.00 |
| Sanitary Sewer Subtotal | $939,435.00 |
| Storm Drain Subtotal | $1,960,525.00 |
| Probable Construction Cost Sub-total | $5,781,550.70 |
| 10% Contingency | $578,155.07 |
| Materials Testing (2% ) | $115,631.01 |
| Inspection Fees - (4%) | $231,262.03 |
| Preliminary Plat Fees | $53,594.00 |
| Engineering (8%) & Surveying (5%) | $751,601.59 |
| Construction Management (5%) | $289,077.54 |
| **Probable Total Timberbrook PID No. 2 Major Improvements** | **$7,800,871.94** |

STATE OF TEXAS
JASON S. WEAVER
92057
LICENSED
PROFESSIONAL ENGINEER
07-22-25

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## PRELIMINARY ENGINEER'S OPINION OF PROBABLE COST

**Project:** Timberbrook PID No.2 Maj. Improvements
**Date:** July 22, 2025
**Location:** Justin, TX
**Job No.** 24058
**Page:** 2 of 5

BLOOMFIELD HOMES

| ITEM# | DESCRIPTION | UNIT | QUANTITY | UNIT PRICE | TOTAL COST |
|---|---|---|---|---|---|
| | **Paving Facilities** | | | | |
| 1. | 7" Concrete Pavement | S.Y. | 17,915 | $60.00 | $1,074,900.00 |
| 2. | 6" Lime Treated Subgrade | S.Y. | 18,885 | $3.50 | $66,097.50 |
| 3. | Hydrated Lime at 36 lbs/S.Y. | Ton | 340 | $240.00 | $81,583.20 |
| 4. | Barrier Free Ramps | Ea. | 26 | $2,250.00 | $58,500.00 |
| 5. | End of Road Barricade | L.F. | 74 | $30.00 | $2,220.00 |
| 6. | Saw Cut & Connect to Existing | L.F. | 78 | $35.00 | $2,730.00 |
| 7. | Construct Concrete Header | L.F. | 74 | $50.00 | $3,700.00 |
| 8. | 6' Concrete Trail | L.F. | 4,000 | $45.00 | $180,000.00 |
| 9. | 4' Concrete Sidewalk | L.F. | 1,270 | $30.00 | $38,100.00 |
| 10. | Stop Sign | Ea. | 2 | $350.00 | $700.00 |
| 11. | Street Marker Blade | Ea. | 2 | $400.00 | $800.00 |
| 12. | Street Lights | Ea. | 5 | $5,500.00 | $27,500.00 |
| 13. | Street Excavation | C.Y. | 29,600 | $3.25 | $96,200.00 |
| 14. | Clearing & Grubbing | Ac. | 6 | $1,500.00 | $9,000.00 |
| 15. | TxDOT FM 407 Auxiliary Lanes | L.S. | 1 | $400,000.00 | $400,000.00 |
| 16. | Traffic Control | L.S. | 1 | $25,000.00 | $25,000.00 |
| 17. | Pavement Marking | L.S. | 1 | $10,000.00 | $10,000.00 |
| | **Paving Subtotal** | | | | **$2,077,030.70** |

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GMcivil Engineering & Surveying

## PRELIMINARY ENGINEER'S OPINION OF PROBABLE COST

**Project:** Timberbrook PID No.2 Maj. Improvements
**Date:** July 22, 2025
**Location:** Justin, TX
**Job No.** 24058
**Page:** 3 of 5

BLOOMFIELD HOMES

| ITEM# | DESCRIPTION | UNIT | QUANTITY | UNIT PRICE | TOTAL COST |
|---|---|---|---|---|---|
| | **Water Facilities** | | | | |
| 1. | 12" PVC Water Pipe | L.F. | 4,695 | $92.50 | $434,287.50 |
| 2. | 12" Gate Valve and Box | Ea. | 25 | $4,300.00 | $107,500.00 |
| 3. | Standard Fire Hydrant Assembly | Ea. | 4 | $6,750.00 | $27,000.00 |
| 4. | Ductile Iron Fittings With Restraint | Ton | 2.5 | $20,000.00 | $50,000.00 |
| 5. | Trench Safety | L.F. | 4,695 | $1.00 | $4,695.00 |
| 6. | 2" Irrigation Water Services | Ea. | 2 | $2,500.00 | $5,000.00 |
| 7. | Air/Vacuum Release Valve | Ea. | 2 | $5,800.00 | $11,600.00 |
| 8. | Blow-off Assembly | Ea. | 2 | $4,750.00 | $9,500.00 |
| 9. | 20" x 12" Tapping Sleeve & Valve | Ea. | 1 | $15,000.00 | $15,000.00 |
| 10. | Connect to Existing Stub-out | Ea. | 2 | $1,000.00 | $2,000.00 |
| 11. | Bore 12" W.L. w/ Steel Casing | L.F. | 290 | $450.00 | $130,500.00 |
| 12. | Water System Testing | L.F. | 4,985 | $1.50 | $7,477.50 |
| | **Water Subtotal** | | | | **$804,560.00** |

Note: 12" diameter water main to serve PID No. 2 is required to distribute the demand for Phase 7, 8, 10, and 11 to avoid excessive pressure loss in the water system due to the topography of PID No. 2.

The NISD school site does benefit from the extension of the water system through PID No. 2. However, the domestic demand for the school site is approximately 11 gpm, and has no impact requiring any upsizing fo the water distribution system for PID No. 2. If the school site was not within the Timbebrook subdivision, the 12" water line would still be required.




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## PRELIMINARY ENGINEER'S OPINION OF PROBABLE COST

**Project:** Timberbrook PID No.2 Maj. Improvements
**Date:** July 22, 2025
**Location:** Justin, TX
**Job No.** 24058
**Page:** 4 of 5

BLOOMFIELD HOMES

| ITEM# | DESCRIPTION | UNIT | QUANTITY | UNIT PRICE | TOTAL COST |
|---|---|---|---|---|---|
| | **Sanitary Sewer Facilities** | | | | |
| 1. | 12" SDR-26 PVC Sewer Pipe | L.F. | 3,640 | $95.00 | $345,800.00 |
| 2. | 10" SDR-26 PVC Sewer Pipe | L.F. | 2,125 | $85.00 | $180,625.00 |
| 3. | 8" SDR-26 PVC Sewer Pipe | L.F. | 855 | $60.00 | $51,300.00 |
| 4. | 5' Standard Diameter Manhole | Ea. | 23 | $6,000.00 | $138,000.00 |
| 5. | 4' Standard Diameter Manhole | Ea. | 3 | $4,000.00 | $12,000.00 |
| 6. | Epoxy Manhole Liner | Ea. | 26 | $2,500.00 | $65,000.00 |
| 7. | Extra Depth for 5' Dia. Manhole | V.F. | 125 | $200.00 | $25,000.00 |
| 8. | Extra Depth for 4' Dia. Manhole | V.F. | 12 | $175.00 | $2,100.00 |
| 9. | Connect to Existing Sewer | Ea. | 1 | $5,000.00 | $5,000.00 |
| 10. | Cement Stabilized Backfill | L.F. | 100 | $35.00 | $3,500.00 |
| 11. | Concrete Encasement | L.F. | 50 | $25.00 | $1,250.00 |
| 12. | TV & Test Sewer Line | L.F. | 6,620 | $1.50 | $9,930.00 |
| 13. | Trench Safety | L.F. | 6,620 | $1.50 | $9,930.00 |
| 14. | Bore 12" SS w/ Steel Casing Pipe | L.F. | 200 | $450.00 | $90,000.00 |
| | **Sanitary Sewer Subtotal** | | | | **$939,435.00** |

STATE OF TEXAS
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## PRELIMINARY ENGINEER'S OPINION OF PROBABLE COST

**Project:** Timberbrook PID No.2 Maj. Improvements
**Date:** July 22, 2025
**Location:** Justin, TX
**Job No.** 24058
**Page:** 5 of 5

BLOOMFIELD HOMES

| ITEM# | DESCRIPTION | UNIT | QUANTITY | UNIT PRICE | TOTAL COST |
|---|---|---|---|---|---|
| | **Storm Drain Facilities** | | | | |
| 1. | 10' Curb Inlet | Ea. | 20 | $7,200.00 | $144,000.00 |
| 2. | 4' x 4' Type "Y" Inlet | Ea. | 3 | $6,500.00 | $19,500.00 |
| 3. | 24" R.C.P. | L.F. | 425 | $89.00 | $37,825.00 |
| 4. | 27" R.C.P. | L.F. | 430 | $98.00 | $42,140.00 |
| 5. | 30" R.C.P. | L.F. | 220 | $110.00 | $24,200.00 |
| 6. | 36" R.C.P. | L.F. | 200 | $148.00 | $29,600.00 |
| 7. | 42" R.C.P. | L.F. | 1,135 | $205.00 | $232,675.00 |
| 8. | 48" R.C.P. | L.F. | 275 | $245.00 | $67,375.00 |
| 9. | 54" R.C.P. | L.F. | 550 | $315.00 | $173,250.00 |
| 10. | 60" R.C.P. | L.F. | 300 | $335.00 | $100,500.00 |
| 11. | 6' x 3' R.C.B | L.F. | 265 | $515.00 | $136,475.00 |
| 12. | 6' x 4' R.C.B | L.F. | 460 | $575.00 | $264,500.00 |
| 13. | 6' x 5' R.C.B | L.F. | 430 | $615.00 | $264,450.00 |
| 14. | Trench Safety | L.F. | 4,690 | $1.50 | $7,035.00 |
| 15. | 30" Sloped End Headwall | Ea. | 1 | $3,500.00 | $3,500.00 |
| 16. | 54" Sloped End Headwall | Ea. | 1 | $7,500.00 | $7,500.00 |
| 17. | 6' x 3' Wingwalls | Ea. | 4 | $10,900.00 | $43,600.00 |
| 18. | 6' x 4' Wingwalls | Ea. | 2 | $12,200.00 | $24,400.00 |
| 19. | 6' x 5' Wingwalls | Ea. | 1 | $14,500.00 | $14,500.00 |
| 20. | 4' Junction Box | Ea. | 5 | $5,500.00 | $27,500.00 |
| 21. | 5' Junction Box | Ea. | 5 | $7,800.00 | $39,000.00 |
| 22. | 6' Junction Box | Ea. | 6 | $9,500.00 | $57,000.00 |
| 23. | 7' Junction Box | Ea. | 2 | $11,500.00 | $23,000.00 |
| 24. | Connect to Existing | Ea. | 3 | $1,500.00 | $4,500.00 |
| 25. | Rock Rip Rap | S.Y. | 700 | $150.00 | $105,000.00 |
| 26. | Erosion Control | L.S. | 1 | $35,000.00 | $35,000.00 |
| 27. | Detention Excavation | C.Y. | 10,000 | $3.25 | $32,500.00 |
| | **Storm Drain Subtotal** | | | | $1,960,525.00 |

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## PRELIMINARY ENGINEER'S OPINION OF PROBABLE COST

Project: **Timberbrook Ph 8 Improvement Area 2**
Date: July 22, 2025
Location: Justin, TX
Job No. 24058
Page: 1 o 5

BLOOMFIELD HOMES

| DESCRIPTION | TOTAL COST |
|---|---|
| **Timberbrook Ph 8 Improvement Area 2 Totals** | |
| Paving Subtotal | $1,416,859.50 |
| Water Subtotal | $793,904.50 |
| Sanitary Sewer Subtotal | $836,817.50 |
| Storm Drain Subtotal | $160,038.50 |
| Probable Construction Cost Sub-total | $3,207,620.00 |
| 10% Contingency | $320,762.00 |
| Materials Testing (2% ) | $64,152.40 |
| Inspection Fees - (4%) | $128,304.80 |
| Final Plat Fees | $8,186.00 |
| Engineering (8%) & Surveying (5%) | $416,990.60 |
| Construction Management (5%) | $160,381.00 |
| **Probable Total Timberbrook Ph 8 Improvement Area 2** | **$4,306,396.80** |



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**Project:** Timberbrook Ph 8 Improvement Area 2
**Date:** July 22, 2025
**Location:** Justin, TX
**Job No.** 24058
**Page:** 2 of 5

BLOOMFIELD HOMES

| ITEM# | DESCRIPTION | UNIT | QUANTITY | UNIT PRICE | TOTAL COST |
|---|---|---|---|---|---|
| | **Paving Facilities** | | | | |
| 1. | 6" Concrete Pavement | S.Y. | 19,174 | $53.00 | $1,016,222.00 |
| 2. | 6" Lime Treated Subgrade | S.Y. | 20,375 | $3.50 | $71,312.50 |
| 3. | Hydrated Lime at 36 lbs/S.Y. | Ton | 367 | $240.00 | $88,020.00 |
| 4. | Barrier Free Ramps | Ea. | 8 | $2,250.00 | $18,000.00 |
| 5. | End of Road Barricade | Ea. | 62 | $30.00 | $1,860.00 |
| 6. | Saw Cut & Connect to Existing | L.F. | 186 | $35.00 | $6,510.00 |
| 7. | Construct Concrete Header | L.F. | 62 | $50.00 | $3,100.00 |
| 8. | Traffic Control | L.S. | 1 | $2,500.00 | $2,500.00 |
| 9. | Stop Sign | Ea. | 10 | $350.00 | $3,500.00 |
| 10. | Street Marker Blade | Ea. | 24 | $400.00 | $9,600.00 |
| 11. | Street Lights | Ea. | 11 | $5,500.00 | $60,500.00 |
| 12. | Street Excavation | C.Y. | 29,500 | $3.25 | $95,875.00 |
| 13. | Clearing & Grubbing | Ac. | 6.5 | $1,500.00 | $9,750.00 |
| 14. | 4' Concrete Sidewalk | L.F. | 737 | $30.00 | $22,110.00 |
| 15. | 12' X 4' CBU Pad and ADA Ramp | Ea. | 1 | $3,500.00 | $3,500.00 |
| 16. | 15' X 4' CBU Pad and ADA Ramp | Ea. | 1 | $4,500.00 | $4,500.00 |
| | **Paving Subtotal** | | | | **$1,416,859.50** |



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**Project:** Timberbrook Ph 8 Improvement Area 2
**Date:** July 22, 2025
**Location:** Justin, TX
**Job No.** 24058
**Page:** 3 of 5

BLOOMFIELD HOMES

| ITEM# | DESCRIPTION | UNIT | QUANTITY | UNIT PRICE | TOTAL COST |
|---|---|---|---|---|---|
| | **Water Facilities** | | | | |
| 1. | 8" PVC Water Pipe | L.F. | 5,573 | $64.00 | $356,672.00 |
| 2. | 8" Gate Valve and Box | Ea. | 18 | $2,650.00 | $47,700.00 |
| 3. | Standard Fire Hydrant Assembly | Ea. | 11 | $6,750.00 | $74,250.00 |
| 4. | Ductile Iron Fittings With Restraint | Ton | 3.0 | $20,000.00 | $60,000.00 |
| 5. | Trench Safety | L.F. | 5,573 | $1.00 | $5,573.00 |
| 6. | 1" Domestic Water Services | Ea. | 172 | $1,250.00 | $215,000.00 |
| 7. | Connect to Existing Stub-out | Ea. | 7 | $1,000.00 | $7,000.00 |
| 8. | Automatic Flushing Valve | Ea. | 2 | $9,675.00 | $19,350.00 |
| 9. | Water System Testing | L.F. | 5,573 | $1.50 | $8,359.50 |
| | **Water Subtotal** | | | | **$793,904.50** |

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**Date:** July 22, 2025
**Location:** Justin, TX
**Job No.** 24058
**Page:** 4 of 5

BLOOMFIELD HOMES

| ITEM# | DESCRIPTION | UNIT | QUANTITY | UNIT PRICE | TOTAL COST |
|---|---|---|---|---|---|
| | **Sanitary Sewer Facilities** | | | | |
| 1. | 8" SDR-26 PVC Sewer Pipe | L.F. | 5,043 | $69.00 | $347,967.00 |
| 2. | 5' Standard Diameter Manhole | Ea. | 3 | $7,500.00 | $22,500.00 |
| 3. | 4' Standard Diameter Manhole | Ea. | 14 | $4,500.00 | $63,000.00 |
| 4. | Epoxy Manhole Liner | Ea. | 17 | $6,000.00 | $102,000.00 |
| 5. | Extra Depth for 5' Dia. Manhole | V.F. | 28 | $550.00 | $15,400.00 |
| 6. | Extra Depth for 4' Dia. Manhole | V.F. | 22 | $650.00 | $14,300.00 |
| 7. | 4" S.S. Services | Ea. | 172 | $1,425.00 | $245,100.00 |
| 8. | Cement Stabilized Backfill | L.F. | 20 | $50.00 | $1,000.00 |
| 9. | Concrete Encasement | L.F. | 20 | $95.00 | $1,900.00 |
| 10. | TV & Test Sewer Line | L.F. | 5,043 | $2.00 | $10,086.00 |
| 11. | Trench Safety | L.F. | 5,043 | $1.50 | $7,564.50 |
| 12. | Connect to Existing Sewer | Ea. | 6 | $1,000.00 | $6,000.00 |
| | **Sanitary Sewer Subtotal** | | | | **$836,817.50** |



07-22-25

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**Date:** July 22, 2025
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**Page:** 5 of 5

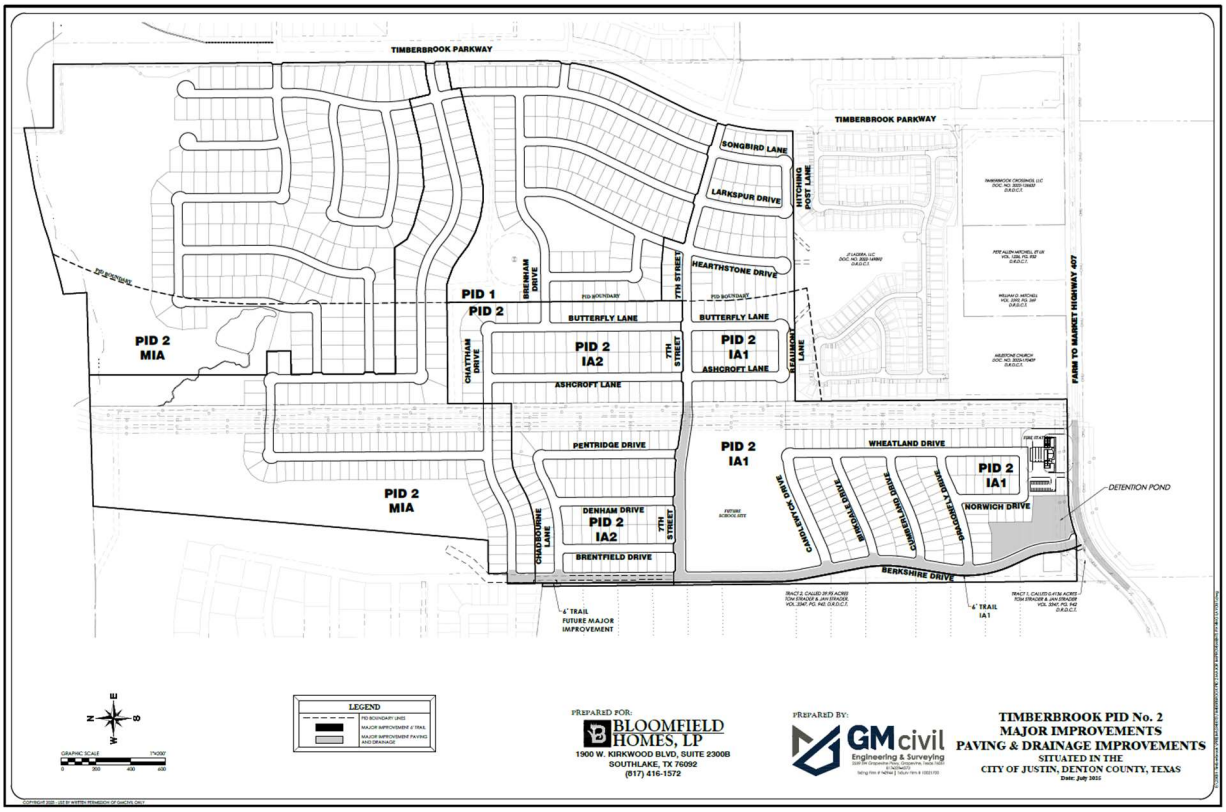
BLOOMFIELD HOMES

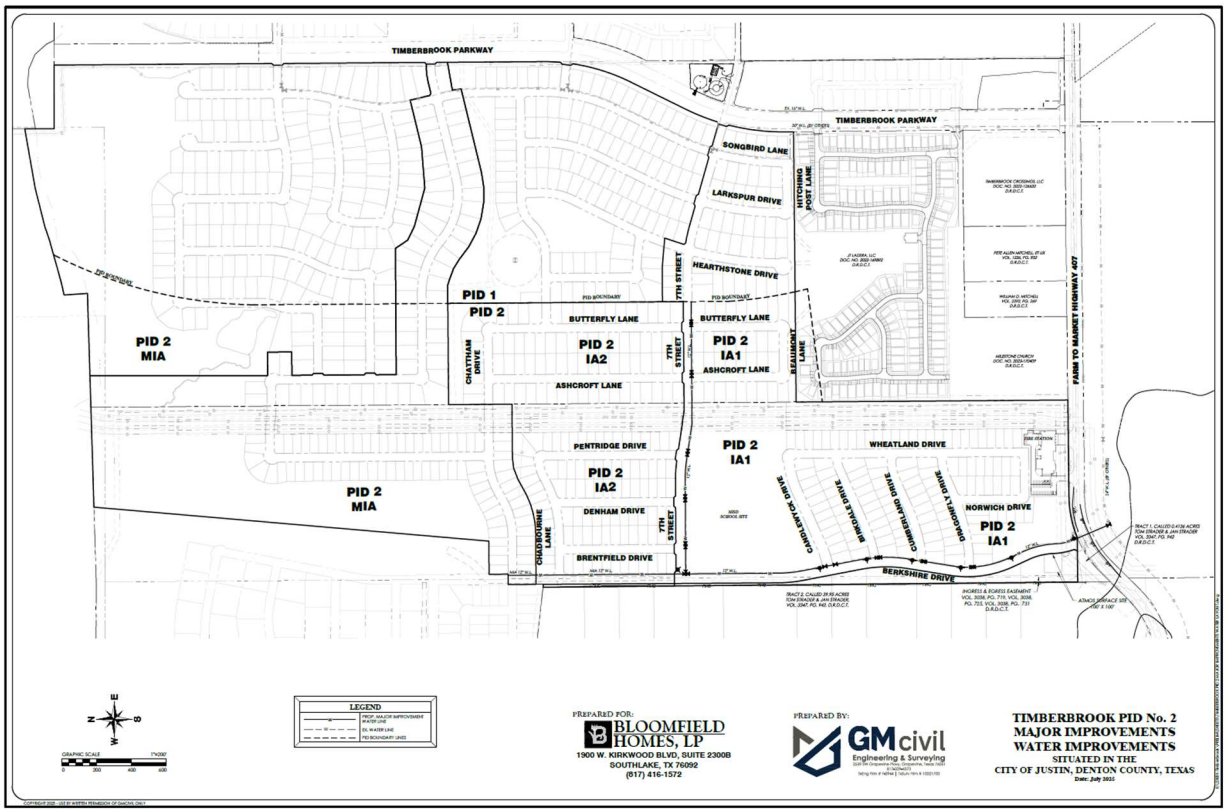
| ITEM# | DESCRIPTION | UNIT | QUANTITY | UNIT PRICE | TOTAL COST |
|---|---|---|---|---|---|
| | **Storm Drain Facilities** | | | | |
| 1. | 10' Curb Inlet | Ea. | 4 | $7,200.00 | $28,800.00 |
| 2. | 15' Curb Inlet | Ea. | 2 | $12,500.00 | $25,000.00 |
| 3. | 18" R.C.P. | L.F. | 29 | $89.00 | $2,581.00 |
| 4. | 21" R.C.P. | L.F. | 66 | $98.00 | $6,468.00 |
| 5. | 24" R.C.P. | L.F. | 22 | $105.00 | $2,310.00 |
| 6. | 27" R.C.P. | L.F. | 38 | $118.00 | $4,484.00 |
| 7. | 30" R.C.P. | L.F. | 214 | $125.00 | $26,750.00 |
| 8. | 60" R.C.P. | L.F. | 48 | $330.00 | $15,840.00 |
| 9. | 60" Slope End Headwall | Ea. | 1 | $9,500.00 | $9,500.00 |
| 10. | 12" Thick Gabion Mattress | S.Y. | 24 | $320.00 | $7,680.00 |
| 11. | Trench Safety | L.F. | 417 | $1.50 | $625.50 |
| 12. | Remove Ex Headwalls & Connect | Ea. | 2 | $2,500.00 | $5,000.00 |
| 13. | Erosion Control | L.S. | 1 | $25,000.00 | $25,000.00 |
| | **Storm Drain Subtotal** | | | | $160,038.50 |

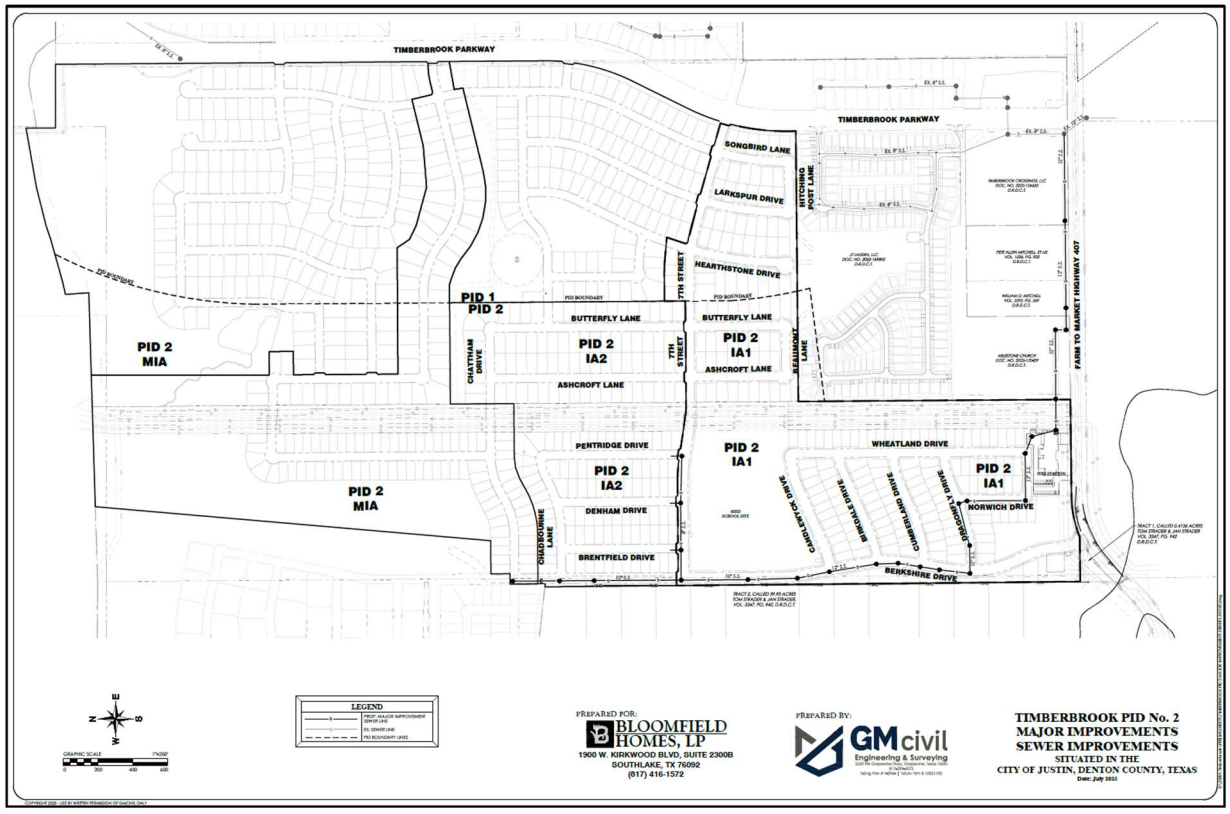
STATE OF TEXAS
JASON S. WEAVER
92057
LICENSED
PROFESSIONAL ENGINEER
07-22-25

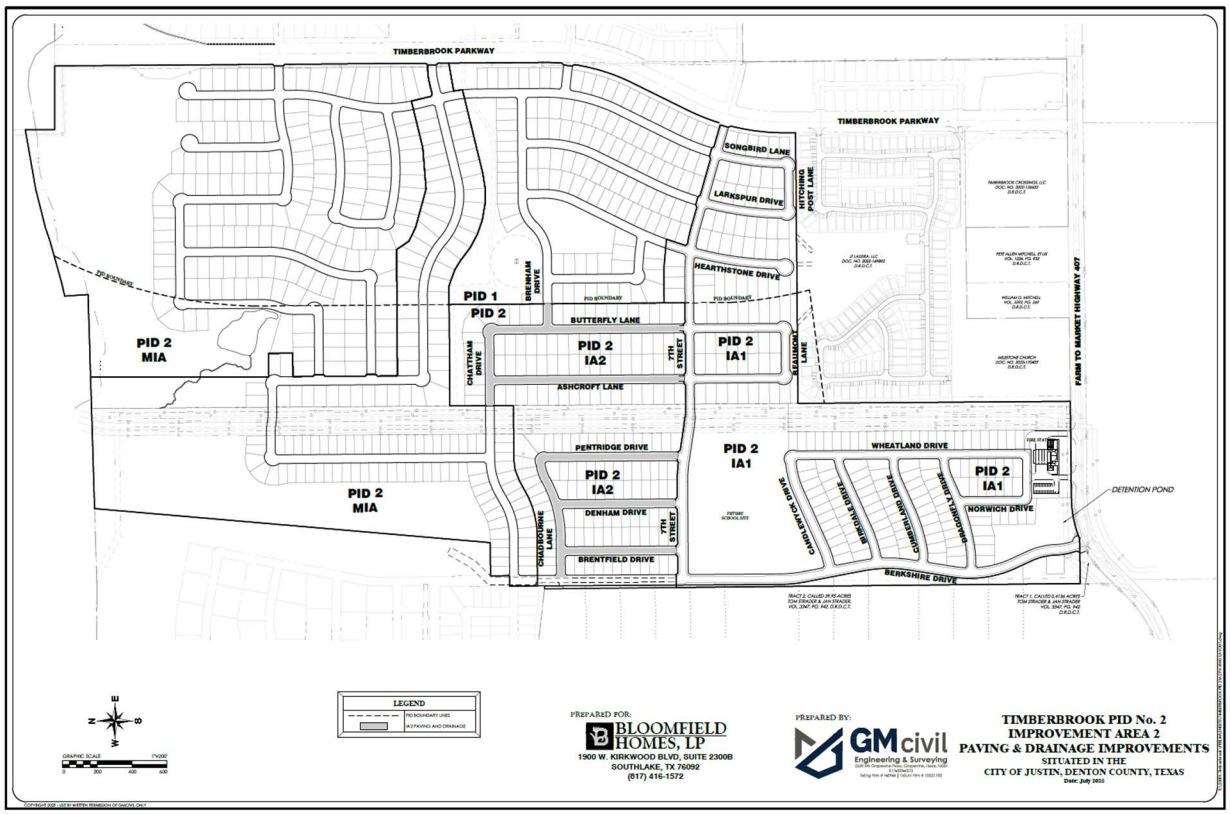
This Engineer's opinion of probable construction cost is made on the basis of the Engineer's experience and best judgement as a design professional. It must be recognized that any evaluation of work to be performed to construct this project must by necessity be speculative in nature until completion of its actual detailed design. In addition the engineer has no control over the cost of labor, material, or services to be furnished by others or over market conditions. Accordingly GMcivil can not guarantee that actual costs will not vary from the opinions expressed herein.

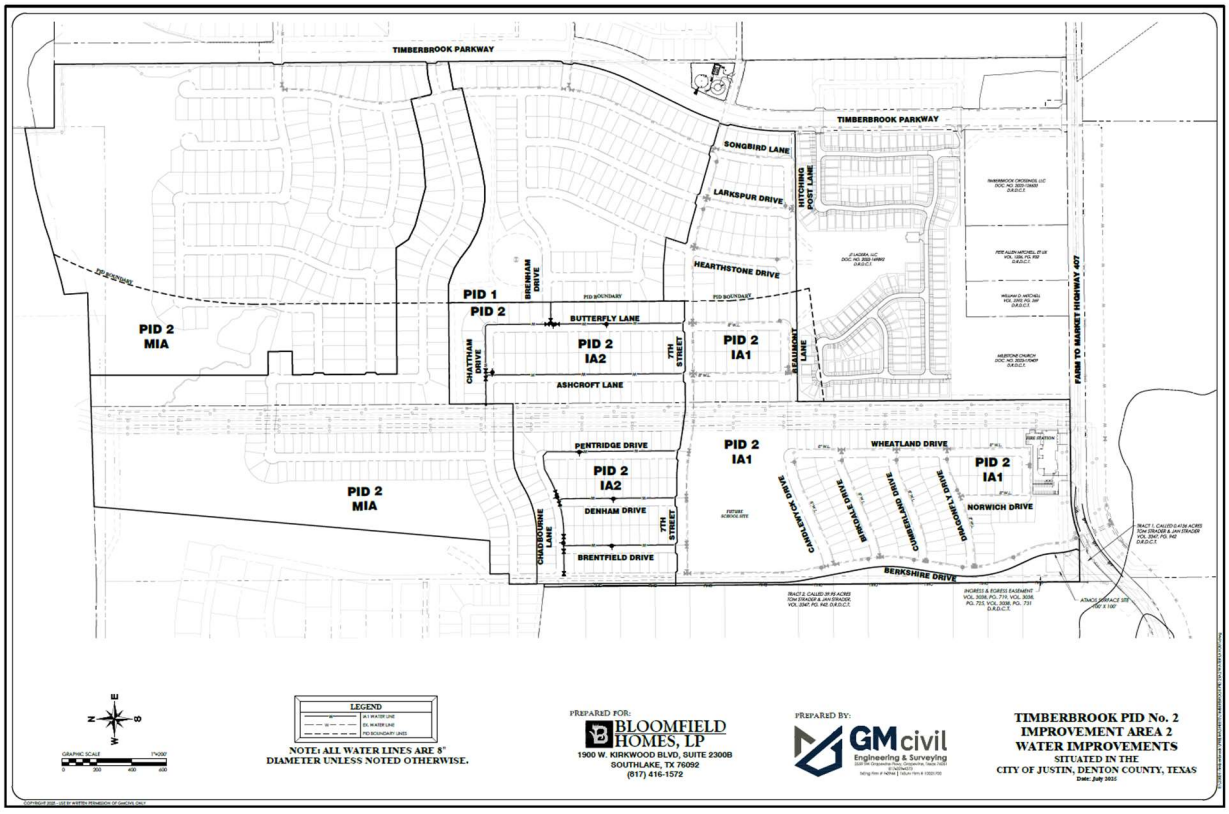
GMcivil Engineering & Surveying

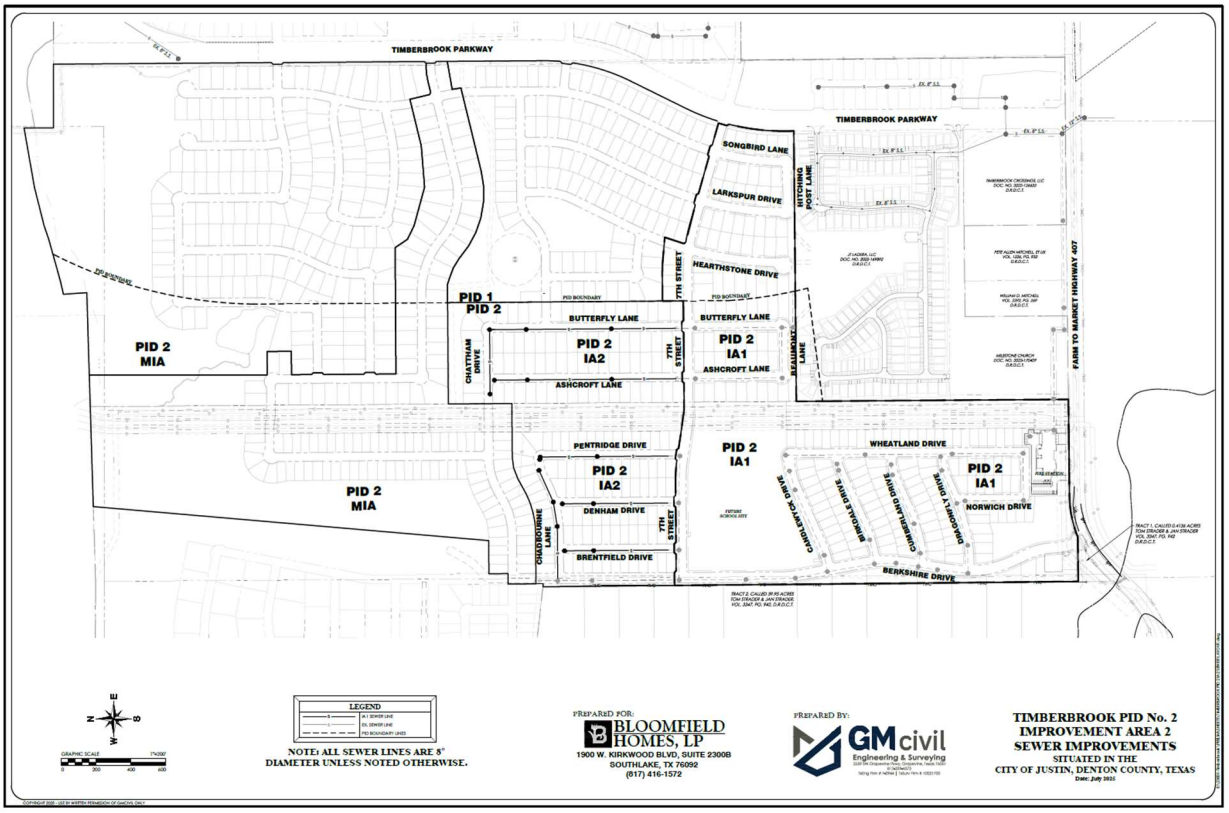

TIMBERBROOK PARKWAY
TIMBERBROOK PARKWAY
SONGBIRD LANE
LARKSPUR DRIVE
HITCHING POST LANE
HEARTHSTONE DRIVE
BRENHAM DRIVE
7TH STREET
PID 1
PID 2
BUTTERFLY LANE
BUTTERFLY LANE
PID 2 MIA
CHATTHAM DRIVE
PID 2 IA2
PID 2 IA1
ASHCROFT LANE
ASHCROFT LANE
FARM TO MARKET HIGHWAY 407
PENTRIDGE DRIVE
PID 2 IA1
WHEATLAND DRIVE
PID 2 MIA
PID 2 IA1
DETENTION POND
DENHAM DRIVE
PID 2 IA2
CHADSBORNE LANE
BRENTFIELD DRIVE
BERKSHIRE DRIVE
4' TRAIL FUTURE MAJOR IMPROVEMENT
4' TRAIL IA1
LEGEND
PREPARED FOR:
BLOOMFIELD HOMES, LP
1900 W. KIRKWOOD BLVD, SUITE 2300B
SOUTHLAKE, TX 76092
(817) 416-1572
PREPARED BY:
GM civil
Engineering & Surveying
TIMBERBROOK PID No. 2
MAJOR IMPROVEMENTS
PAVING & DRAINAGE IMPROVEMENTS
SITUATED IN THE
CITY OF JUSTIN, DENTON COUNTY, TEXAS


TIMBERBROOK PARKWAY
TIMBERBROOK PARKWAY
SONGBIRD LANE
LARKSPUR DRIVE
HITCHING POST LANE
HEARTHSTONE DRIVE
7TH STREET
PID 1
PID 2
BUTTERFLY LANE
BUTTERFLY LANE
PID 2 MIA
CHATTHAM DRIVE
PID 2 IA2
PID 2 IA1
ASHCROFT LANE
ASHCROFT LANE
FARM TO MARKET HIGHWAY 407
PENTRIDGE DRIVE
PID 2 IA1
WHEATLAND DRIVE
PID 2 IA2
PID 2 MIA
DENHAM DRIVE
PID 2 IA1
NORWICH DRIVE
CHADSBORNE LANE
BRENTFIELD DRIVE
BERKSHIRE DRIVE
LEGEND
PREPARED FOR:
BLOOMFIELD HOMES, LP
1900 W. KIRKWOOD BLVD, SUITE 2300B
SOUTHLAKE, TX 76092
(817) 416-1572
PREPARED BY:
GM civil
Engineering & Surveying
TIMBERBROOK PID No. 2
MAJOR IMPROVEMENTS
WATER IMPROVEMENTS
SITUATED IN THE
CITY OF JUSTIN, DENTON COUNTY, TEXAS


TIMBERBROOK PARKWAY
SONGBIRD LANE
LARKSPUR DRIVE
HITCHING POST LANE
HEARTHSTONE DRIVE
7TH STREET
BUTTERFLY LANE
CHATTHAM DRIVE
ASHCROFT LANE
BRENHAM DRIVE
PENTRIDGE DRIVE
DENHAM DRIVE
CHADBOURNE LANE
BRENTFIELD DRIVE
WHEATLAND DRIVE
CHESTNUT OAK DRIVE
BRADDOCK DRIVE
CUMBERLAND DRIVE
BALMORAL LANE
NORWICH DRIVE
BERKSHIRE DRIVE
FARM TO MARKET HIGHWAY 407
PID 1
PID 2
PID 2 MIA
PID 2 IA1
PID 2 IA2
LEGEND
PREPARED FOR:
BLOOMFIELD HOMES, LP
1900 W. KIRKWOOD BLVD, SUITE 2300B
SOUTHLAKE, TX 76092
(817) 416-1572
PREPARED BY:
GMcivil
Engineering & Surveying
TIMBERBROOK PID No. 2
MAJOR IMPROVEMENTS
SEWER IMPROVEMENTS
SITUATED IN THE
CITY OF JUSTIN, DENTON COUNTY, TEXAS


TIMBERBROOK PARKWAY
SONGBIRD LANE
LARKSPUR DRIVE
HITCHING POST LANE
HEARTHSTONE DRIVE
BRENHAM DRIVE
7TH STREET
BUTTERFLY LANE
CHATTHAM DRIVE
ASHCROFT LANE
PENTRIDGE DRIVE
DENHAM DRIVE
CHADBOURNE LANE
BRENTFIELD DRIVE
WHEATLAND DRIVE
CHESTNUT OAK DRIVE
BRADDOCK DRIVE
CUMBERLAND DRIVE
BALMORAL LANE
NORWICH DRIVE
BERKSHIRE DRIVE
FARM TO MARKET HIGHWAY 407
DETENTION POND
PID 1
PID 2
PID 2 MIA
PID 2 IA1
PID 2 IA2
LEGEND
PREPARED FOR:
BLOOMFIELD HOMES, LP
1900 W. KIRKWOOD BLVD, SUITE 2300B
SOUTHLAKE, TX 76092
(817) 416-1572
PREPARED BY:
GMcivil
Engineering & Surveying
TIMBERBROOK PID No. 2
IMPROVEMENT AREA 2
PAVING & DRAINAGE IMPROVEMENTS
SITUATED IN THE
CITY OF JUSTIN, DENTON COUNTY, TEXAS


TIMBERBROOK PARKWAY
SONGBIRD LANE
LARKSPUR DRIVE
HITCHING POST LANE
HEARTHSTONE DRIVE
BRENHAM DRIVE
PID 1
PID 2
PID 2 MIA
BUTTERFLY LANE
CHATTHAM DRIVE
PID 2 IA2
7TH STREET
PID 2 IA1
ASHCROFT LANE
R.E.A. EASEMENT
FARM TO MARKET HIGHWAY 407
PENTRIDGE DRIVE
WHEATLAND DRIVE
CHARLESTON DRIVE
BENICIA DRIVE
CUMBERLAND DRIVE
DUNCONEY DRIVE
NORWICH DRIVE
DENHAM DRIVE
CHADBOURNE LANE
BRENTFIELD DRIVE
BERKSHIRE DRIVE
LEGEND
NOTE: ALL WATER LINES ARE 8" DIAMETER UNLESS NOTED OTHERWISE.
PREPARED FOR:
BLOOMFIELD HOMES, LP
1900 W. KIRKWOOD BLVD, SUITE 2300B
SOUTHLAKE, TX 76092
(817) 416-1572
PREPARED BY:
GM civil
Engineering & Surveying
TIMBERBROOK PID No. 2
IMPROVEMENT AREA 2
WATER IMPROVEMENTS
SITUATED IN THE
CITY OF JUSTIN, DENTON COUNTY, TEXAS


TIMBERBROOK PARKWAY
SONGBIRD LANE
LARKSPUR DRIVE
HITCHING POST LANE
HEARTHSTONE DRIVE
7TH STREET
PID 1
PID 2
PID 2 MIA
BUTTERFLY LANE
CHATTHAM DRIVE
PID 2 IA2
PID 2 IA1
ASHCROFT LANE
R.E.A. EASEMENT
FARM TO MARKET HIGHWAY 407
PENTRIDGE DRIVE
WHEATLAND DRIVE
CHARLESTON DRIVE
BENICIA DRIVE
CUMBERLAND DRIVE
DUNCONEY DRIVE
NORWICH DRIVE
DENHAM DRIVE
CHADBOURNE LANE
BRENTFIELD DRIVE
BERKSHIRE DRIVE
LEGEND
NOTE: ALL SEWER LINES ARE 8" DIAMETER UNLESS NOTED OTHERWISE.
PREPARED FOR:
BLOOMFIELD HOMES, LP
1900 W. KIRKWOOD BLVD, SUITE 2300B
SOUTHLAKE, TX 76092
(817) 416-1572
PREPARED BY:
GM civil
Engineering & Surveying
TIMBERBROOK PID No. 2
IMPROVEMENT AREA 2
SEWER IMPROVEMENTS
SITUATED IN THE
CITY OF JUSTIN, DENTON COUNTY, TEXAS

# APPENDIX B – BUYER DISCLOSURES

Forms of the buyer disclosures for the following Lot Types are found in this appendix:

- Improvement Area #1
  - Lot Type 1
  - Lot Type 2
- Improvement Area #2
  - Improvement Area #2 Initial Parcel
  - Lot Type 3
  - Lot Type 4

**TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2 – IMPROVEMENT AREA #1 – 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
THE CITY OF JUSTIN, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
STREET ADDRESS

**IMPROVEMENT AREA #1 – LOT TYPE 1 PRINCIPAL ASSESSMENT: $33,366.21**

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Justin, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the ***TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2 (***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 Justin. The exact amount of each annual installment will be approved each year by the City of Justin 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 Justin.

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 Denton 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 Denton 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 Denton County.

## ANNUAL INSTALLMENTS – IMPROVEMENT AREA #1 LOT TYPE 1

| Annual Installment Due 1/31 | Principal | Interest[a] | Additional Interest | Annual Collection Costs | Annual Installment[c] |
|---|---|---|---|---|---|
| 2026 | $ 573.37 | $ 1,838.05 | $ 166.83 | $ 399.23 | $ 2,977.48 |
| 2027 | $ 591.86 | $ 1,812.25 | $ 163.96 | $ 311.36 | $ 2,879.44 |
| 2028 | $ 616.52 | $ 1,785.62 | $ 161.00 | $ 317.58 | $ 2,880.73 |
| 2029 | $ 647.35 | $ 1,757.88 | $ 157.92 | $ 323.94 | $ 2,887.08 |
| 2030 | $ 672.01 | $ 1,728.75 | $ 154.69 | $ 330.42 | $ 2,885.86 |
| 2031 | $ 702.84 | $ 1,698.50 | $ 151.33 | $ 337.02 | $ 2,889.69 |
| 2032 | $ 727.50 | $ 1,666.88 | $ 147.81 | $ 343.76 | $ 2,885.95 |
| 2033 | $ 764.49 | $ 1,626.86 | $ 144.17 | $ 350.64 | $ 2,886.17 |
| 2034 | $ 807.64 | $ 1,584.82 | $ 140.35 | $ 357.65 | $ 2,890.47 |
| 2035 | $ 850.80 | $ 1,540.40 | $ 136.31 | $ 364.81 | $ 2,892.32 |
| 2036 | $ 893.96 | $ 1,493.60 | $ 132.06 | $ 372.10 | $ 2,891.72 |
| 2037 | $ 943.28 | $ 1,444.44 | $ 127.59 | $ 379.54 | $ 2,894.85 |
| 2038 | $ 992.60 | $ 1,392.56 | $ 122.87 | $ 387.13 | $ 2,895.16 |
| 2039 | $ 1,048.09 | $ 1,337.96 | $ 117.91 | $ 394.88 | $ 2,898.84 |
| 2040 | $ 1,103.58 | $ 1,280.32 | $ 112.67 | $ 402.77 | $ 2,899.34 |
| 2041 | $ 1,165.23 | $ 1,219.62 | $ 107.15 | $ 410.83 | $ 2,902.83 |
| 2042 | $ 1,226.88 | $ 1,155.53 | $ 101.33 | $ 419.05 | $ 2,902.79 |
| 2043 | $ 1,294.70 | $ 1,088.05 | $ 95.19 | $ 427.43 | $ 2,905.37 |
| 2044 | $ 1,362.52 | $ 1,016.85 | $ 88.72 | $ 435.98 | $ 2,904.06 |
| 2045 | $ 1,436.50 | $ 941.91 | $ 81.91 | $ 444.70 | $ 2,905.01 |
| 2046 | $ 1,522.81 | $ 859.31 | $ 74.72 | $ 453.59 | $ 2,910.43 |
| 2047 | $ 1,609.12 | $ 771.75 | $ 67.11 | $ 462.66 | $ 2,910.64 |
| 2048 | $ 1,701.60 | $ 679.22 | $ 59.06 | $ 471.91 | $ 2,911.80 |
| 2049 | $ 1,800.25 | $ 581.38 | $ 50.55 | $ 481.35 | $ 2,913.54 |
| 2050 | $ 1,905.06 | $ 477.87 | $ 41.55 | $ 490.98 | $ 2,915.46 |
| 2051 | $ 2,016.03 | $ 368.33 | $ 32.03 | $ 500.80 | $ 2,917.18 |
| 2052 | $ 2,133.17 | $ 252.40 | $ 21.95 | $ 510.82 | $ 2,918.34 |
| 2053 | $ 2,256.47 | $ 129.75 | $ 11.28 | $ 521.03 | $ 2,918.53 |
| **Total[d]** | **$ 33,366.21** | **$ 33,530.86** | **$ 2,970.04** | **$ 11,403.96** | **$ 81,271.07** |

**Footnotes:**

[a] Interest rate on the Improvement Area #1 Bonds is 4.50% for bonds maturing 2031, 5.50% for bonds maturing 2044, and 5.75% for bonds maturing 2053.

[b] Assumes the Reserve Fund is fully funded and available to reduce Annual Installments in the final year.

[c] 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.

[d] Totals may not sum due to rounding.

**TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2 – IMPROVEMENT AREA #1 – 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
THE CITY OF JUSTIN, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
STREET ADDRESS

**IMPROVEMENT AREA #1 – LOT TYPE 2 PRINCIPAL ASSESSMENT: $40,039.46**

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Justin, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the ***TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2 (***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 Justin. The exact amount of each annual installment will be approved each year by the City of Justin 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 Justin.

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 Denton 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 Denton 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 Denton County.

## ANNUAL INSTALLMENTS – IMPROVEMENT AREA #1 LOT TYPE 2

| Annual Installment Due 1/31 | Principal | Interest[a] | Additional Interest | Annual Collection Costs | Annual Installment[c] |
|---|---|---|---|---|---|
| 2026 | $ 688.04 | $ 2,205.67 | $ 200.20 | $ 479.07 | $ 3,572.98 |
| 2027 | $ 710.23 | $ 2,174.70 | $ 196.76 | $ 373.63 | $ 3,455.32 |
| 2028 | $ 739.83 | $ 2,142.74 | $ 193.21 | $ 381.10 | $ 3,456.88 |
| 2029 | $ 776.82 | $ 2,109.45 | $ 189.51 | $ 388.72 | $ 3,464.50 |
| 2030 | $ 806.41 | $ 2,074.49 | $ 185.62 | $ 396.50 | $ 3,463.03 |
| 2031 | $ 843.40 | $ 2,038.21 | $ 181.59 | $ 404.43 | $ 3,467.63 |
| 2032 | $ 873.00 | $ 2,000.25 | $ 177.37 | $ 412.52 | $ 3,463.14 |
| 2033 | $ 917.39 | $ 1,952.24 | $ 173.01 | $ 420.77 | $ 3,463.40 |
| 2034 | $ 969.17 | $ 1,901.78 | $ 168.42 | $ 429.18 | $ 3,468.56 |
| 2035 | $ 1,020.96 | $ 1,848.48 | $ 163.58 | $ 437.77 | $ 3,470.78 |
| 2036 | $ 1,072.75 | $ 1,792.32 | $ 158.47 | $ 446.52 | $ 3,470.07 |
| 2037 | $ 1,131.94 | $ 1,733.32 | $ 153.11 | $ 455.45 | $ 3,473.82 |
| 2038 | $ 1,191.12 | $ 1,671.07 | $ 147.45 | $ 464.56 | $ 3,474.20 |
| 2039 | $ 1,257.71 | $ 1,605.55 | $ 141.49 | $ 473.85 | $ 3,478.61 |
| 2040 | $ 1,324.29 | $ 1,536.38 | $ 135.20 | $ 483.33 | $ 3,479.20 |
| 2041 | $ 1,398.27 | $ 1,463.55 | $ 128.58 | $ 493.00 | $ 3,483.40 |
| 2042 | $ 1,472.26 | $ 1,386.64 | $ 121.59 | $ 502.86 | $ 3,483.34 |
| 2043 | $ 1,553.64 | $ 1,305.67 | $ 114.23 | $ 512.91 | $ 3,486.45 |
| 2044 | $ 1,635.02 | $ 1,220.22 | $ 106.46 | $ 523.17 | $ 3,484.87 |
| 2045 | $ 1,723.80 | $ 1,130.29 | $ 98.29 | $ 533.63 | $ 3,486.01 |
| 2046 | $ 1,827.37 | $ 1,031.17 | $ 89.67 | $ 544.31 | $ 3,492.52 |
| 2047 | $ 1,930.95 | $ 926.10 | $ 80.53 | $ 555.19 | $ 3,492.77 |
| 2048 | $ 2,041.92 | $ 815.07 | $ 70.88 | $ 566.30 | $ 3,494.16 |
| 2049 | $ 2,160.30 | $ 697.66 | $ 60.67 | $ 577.62 | $ 3,496.24 |
| 2050 | $ 2,286.07 | $ 573.44 | $ 49.86 | $ 589.18 | $ 3,498.55 |
| 2051 | $ 2,419.24 | $ 441.99 | $ 38.43 | $ 600.96 | $ 3,500.62 |
| 2052 | $ 2,559.80 | $ 302.89 | $ 26.34 | $ 612.98 | $ 3,502.00 |
| 2053 | $ 2,707.77 | $ 155.70 | $ 13.54 | $ 625.24 | $ 3,502.24 |
| **Total[d]** | **$ 40,039.46** | **$ 40,237.03** | **$ 3,564.04** | **$ 13,684.75** | **$ 97,525.28** |

**Footnotes:**

[a] Interest rate on the Improvement Area #1 Bonds is 4.50% for bonds maturing 2031, 5.50% for bonds maturing 2044, and 5.75% for bonds maturing 2053.

[b] Assumes the Reserve Fund is fully funded and available to reduce Annual Installments in the final year.

[c] 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.

**TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2 – IMPROVEMENT AREA #2**
**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
THE CITY OF JUSTIN, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
STREET ADDRESS

**IMPROVEMENT AREA #2 INITIAL PARCEL PRINCIPAL ASSESSMENT: $6,770,000.00**

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Justin, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the ***TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2*** (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 Justin. The exact amount of each annual installment will be approved each year by the City of Justin 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 Justin.

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 Denton 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 Denton 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 Denton County.

# ANNUAL INSTALLMENTS – IMPROVEMENT AREA #2 INITIAL PARCEL

| Annual Installment Due 1/31 | Principal | Interest[a] | Additional Interest | Capitalized Interest | Annual Collection Costs | Annual Installment[c] |
|---|---|---|---|---|---|---|
| 2026 | $ - | $ 372,350.00 | $ - | $ (372,350.00) | $ - | $ - |
| 2027 | $ 94,000.00 | $ 406,200.00 | $ 33,850.00 | $ - | $ 40,800.00 | $ 574,850.00 |
| 2028 | $ 99,000.00 | $ 400,560.00 | $ 33,380.00 | $ - | $ 41,616.00 | $ 574,556.00 |
| 2029 | $ 105,000.00 | $ 394,620.00 | $ 32,885.00 | $ - | $ 42,448.32 | $ 574,953.32 |
| 2030 | $ 111,000.00 | $ 388,320.00 | $ 32,360.00 | $ - | $ 43,297.29 | $ 574,977.29 |
| 2031 | $ 117,000.00 | $ 381,660.00 | $ 31,805.00 | $ - | $ 44,163.24 | $ 574,628.24 |
| 2032 | $ 124,000.00 | $ 374,640.00 | $ 31,220.00 | $ - | $ 45,046.50 | $ 574,906.50 |
| 2033 | $ 131,000.00 | $ 367,200.00 | $ 30,600.00 | $ - | $ 45,947.43 | $ 574,747.43 |
| 2034 | $ 138,000.00 | $ 359,340.00 | $ 29,945.00 | $ - | $ 46,866.38 | $ 574,151.38 |
| 2035 | $ 147,000.00 | $ 351,060.00 | $ 29,255.00 | $ - | $ 47,803.71 | $ 575,118.71 |
| 2036 | $ 155,000.00 | $ 342,240.00 | $ 28,520.00 | $ - | $ 48,759.78 | $ 574,519.78 |
| 2037 | $ 164,000.00 | $ 332,940.00 | $ 27,745.00 | $ - | $ 49,734.98 | $ 574,419.98 |
| 2038 | $ 174,000.00 | $ 323,100.00 | $ 26,925.00 | $ - | $ 50,729.68 | $ 574,754.68 |
| 2039 | $ 184,000.00 | $ 312,660.00 | $ 26,055.00 | $ - | $ 51,744.27 | $ 574,459.27 |
| 2040 | $ 195,000.00 | $ 301,620.00 | $ 25,135.00 | $ - | $ 52,779.16 | $ 574,534.16 |
| 2041 | $ 207,000.00 | $ 289,920.00 | $ 24,160.00 | $ - | $ 53,834.74 | $ 574,914.74 |
| 2042 | $ 219,000.00 | $ 277,500.00 | $ 23,125.00 | $ - | $ 54,911.43 | $ 574,536.43 |
| 2043 | $ 232,000.00 | $ 264,360.00 | $ 22,030.00 | $ - | $ 56,009.66 | $ 574,399.66 |
| 2044 | $ 246,000.00 | $ 250,440.00 | $ 20,870.00 | $ - | $ 57,129.85 | $ 574,439.85 |
| 2045 | $ 261,000.00 | $ 235,680.00 | $ 19,640.00 | $ - | $ 58,272.45 | $ 574,592.45 |
| 2046 | $ 277,000.00 | $ 220,020.00 | $ 18,335.00 | $ - | $ 59,437.90 | $ 574,792.90 |
| 2047 | $ 294,000.00 | $ 203,400.00 | $ 16,950.00 | $ - | $ 60,626.66 | $ 574,976.66 |
| 2048 | $ 311,000.00 | $ 185,760.00 | $ 15,480.00 | $ - | $ 61,839.19 | $ 574,079.19 |
| 2049 | $ 330,000.00 | $ 167,100.00 | $ 13,925.00 | $ - | $ 63,075.97 | $ 574,100.97 |
| 2050 | $ 351,000.00 | $ 147,300.00 | $ 12,275.00 | $ - | $ 64,337.49 | $ 574,912.49 |
| 2051 | $ 372,000.00 | $ 126,240.00 | $ 10,520.00 | $ - | $ 65,624.24 | $ 574,384.24 |
| 2052 | $ 395,000.00 | $ 103,920.00 | $ 8,660.00 | $ - | $ 66,936.72 | $ 574,516.72 |
| 2053 | $ 419,000.00 | $ 80,220.00 | $ 6,685.00 | $ - | $ 68,275.45 | $ 574,180.45 |
| 2054 | $ 445,000.00 | $ 55,080.00 | $ 4,590.00 | $ - | $ 69,640.96 | $ 574,310.96 |
| 2055 | $ 473,000.00 | $ 28,380.00 | $ 2,365.00 | $ - | $ 71,033.78 | $ 574,778.78 |
| **Total[c]** | **$ 6,770,000.00** | **$ 8,043,830.00** | **$ 639,290.00** | **$ (372,350.00)** | **$ 1,582,723.23** | **$ 16,663,493.23** |

**Footnotes:**

[a] Interest rate on the Improvement Area #2 Bonds is 6.00% for illustrative purposes and subject to change.

[b] 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.

[c] Totals may not sum due to rounding.

**TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2 – IMPROVEMENT AREA #2 – LOT TYPE 3 – 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
THE CITY OF JUSTIN, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
STREET ADDRESS

**IMPROVEMENT AREA #2 – LOT TYPE 3 PRINCIPAL ASSESSMENT: $36,048.99**

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Justin, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the ***TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2 (***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 Justin. The exact amount of each annual installment will be approved each year by the City of Justin 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 Justin.

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 Denton 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 Denton 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 Denton County.

# ANNUAL INSTALLMENTS – IMPROVEMENT AREA #2 LOT TYPE 3

| Annual Installment Due 1/31 | Principal | Interest[a] | Additional Interest | Capitalized Interest | Annual Collection Costs | Annual Installment[c] |
|---|---|---|---|---|---|---|
| 2026 | $ - | $ 1,982.69 | $ - | $ (1,982.69) | $ - | $ - |
| 2027 | $ 500.53 | $ 2,162.94 | $ 180.24 | $ - | $ 217.25 | $ 3,060.97 |
| 2028 | $ 527.16 | $ 2,132.91 | $ 177.74 | $ - | $ 221.60 | $ 3,059.40 |
| 2029 | $ 559.11 | $ 2,101.28 | $ 175.11 | $ - | $ 226.03 | $ 3,061.52 |
| 2030 | $ 591.05 | $ 2,067.73 | $ 172.31 | $ - | $ 230.55 | $ 3,061.65 |
| 2031 | $ 623.00 | $ 2,032.27 | $ 169.36 | $ - | $ 235.16 | $ 3,059.79 |
| 2032 | $ 660.28 | $ 1,994.89 | $ 166.24 | $ - | $ 239.86 | $ 3,061.27 |
| 2033 | $ 697.55 | $ 1,955.27 | $ 162.94 | $ - | $ 244.66 | $ 3,060.42 |
| 2034 | $ 734.82 | $ 1,913.42 | $ 159.45 | $ - | $ 249.55 | $ 3,057.25 |
| 2035 | $ 782.75 | $ 1,869.33 | $ 155.78 | $ - | $ 254.55 | $ 3,062.40 |
| 2036 | $ 825.35 | $ 1,822.36 | $ 151.86 | $ - | $ 259.64 | $ 3,059.21 |
| 2037 | $ 873.27 | $ 1,772.84 | $ 147.74 | $ - | $ 264.83 | $ 3,058.68 |
| 2038 | $ 926.52 | $ 1,720.45 | $ 143.37 | $ - | $ 270.13 | $ 3,060.46 |
| 2039 | $ 979.77 | $ 1,664.86 | $ 138.74 | $ - | $ 275.53 | $ 3,058.89 |
| 2040 | $ 1,038.34 | $ 1,606.07 | $ 133.84 | $ - | $ 281.04 | $ 3,059.29 |
| 2041 | $ 1,102.24 | $ 1,543.77 | $ 128.65 | $ - | $ 286.66 | $ 3,061.31 |
| 2042 | $ 1,166.13 | $ 1,477.64 | $ 123.14 | $ - | $ 292.39 | $ 3,059.30 |
| 2043 | $ 1,235.36 | $ 1,407.67 | $ 117.31 | $ - | $ 298.24 | $ 3,058.57 |
| 2044 | $ 1,309.90 | $ 1,333.55 | $ 111.13 | $ - | $ 304.21 | $ 3,058.79 |
| 2045 | $ 1,389.78 | $ 1,254.95 | $ 104.58 | $ - | $ 310.29 | $ 3,059.60 |
| 2046 | $ 1,474.97 | $ 1,171.57 | $ 97.63 | $ - | $ 316.50 | $ 3,060.67 |
| 2047 | $ 1,565.50 | $ 1,083.07 | $ 90.26 | $ - | $ 322.83 | $ 3,061.64 |
| 2048 | $ 1,656.02 | $ 989.14 | $ 82.43 | $ - | $ 329.28 | $ 3,056.86 |
| 2049 | $ 1,757.19 | $ 889.78 | $ 74.15 | $ - | $ 335.87 | $ 3,056.98 |
| 2050 | $ 1,869.01 | $ 784.35 | $ 65.36 | $ - | $ 342.59 | $ 3,061.30 |
| 2051 | $ 1,980.83 | $ 672.20 | $ 56.02 | $ - | $ 349.44 | $ 3,058.49 |
| 2052 | $ 2,103.30 | $ 553.35 | $ 46.11 | $ - | $ 356.43 | $ 3,059.19 |
| 2053 | $ 2,231.10 | $ 427.16 | $ 35.60 | $ - | $ 363.55 | $ 3,057.40 |
| 2054 | $ 2,369.54 | $ 293.29 | $ 24.44 | $ - | $ 370.83 | $ 3,058.10 |
| 2055 | $ 2,518.64 | $ 151.12 | $ 12.59 | $ - | $ 378.24 | $ 3,060.59 |
| **Total[c]** | **$ 36,048.99** | **$ 42,831.90** | **$ 3,404.10** | **$ (1,982.69)** | **$ 8,427.71** | **$ 88,730.00** |

**Footnotes:**

[a] Interest rate on the Improvement Area #2 Bonds is 6.00% for illustrative purposes and subject to change.

[b] 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.

[c] Totals may not sum due to rounding.

**TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2 – IMPROVEMENT AREA #2 – LOT TYPE 4 – 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
THE CITY OF JUSTIN, TEXAS
CONCERNING THE FOLLOWING PROPERTY

_____
STREET ADDRESS

**IMPROVEMENT AREA #2 – LOT TYPE 4 PRINCIPAL ASSESSMENT: $43,258.79**

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Justin, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within the ***TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2 (***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 Justin. The exact amount of each annual installment will be approved each year by the City of Justin 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 Justin.

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 Denton 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 Denton 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 Denton County.

# ANNUAL INSTALLMENTS – IMPROVEMENT AREA #2 LOT TYPE 4

| Annual Installment Due 1/31 | Principal | Interest[a] | Additional Interest | Capitalized Interest | Annual Collection Costs | Annual Installment[c] |
|---|---|---|---|---|---|---|
| 2026 | $ - | $ 2,379.23 | $ - | $ (2,379.23) | $ - | $ - |
| 2027 | $ 600.64 | $ 2,595.53 | $ 216.29 | $ - | $ 260.70 | $ 3,673.16 |
| 2028 | $ 632.59 | $ 2,559.49 | $ 213.29 | $ - | $ 265.92 | $ 3,671.28 |
| 2029 | $ 670.93 | $ 2,521.53 | $ 210.13 | $ - | $ 271.24 | $ 3,673.82 |
| 2030 | $ 709.27 | $ 2,481.28 | $ 206.77 | $ - | $ 276.66 | $ 3,673.98 |
| 2031 | $ 747.60 | $ 2,438.72 | $ 203.23 | $ - | $ 282.19 | $ 3,671.75 |
| 2032 | $ 792.33 | $ 2,393.87 | $ 199.49 | $ - | $ 287.84 | $ 3,673.52 |
| 2033 | $ 837.06 | $ 2,346.33 | $ 195.53 | $ - | $ 293.59 | $ 3,672.51 |
| 2034 | $ 881.79 | $ 2,296.10 | $ 191.34 | $ - | $ 299.47 | $ 3,668.70 |
| 2035 | $ 939.30 | $ 2,243.19 | $ 186.93 | $ - | $ 305.46 | $ 3,674.88 |
| 2036 | $ 990.42 | $ 2,186.84 | $ 182.24 | $ - | $ 311.56 | $ 3,671.05 |
| 2037 | $ 1,047.92 | $ 2,127.41 | $ 177.28 | $ - | $ 317.80 | $ 3,670.42 |
| 2038 | $ 1,111.82 | $ 2,064.54 | $ 172.04 | $ - | $ 324.15 | $ 3,672.55 |
| 2039 | $ 1,175.72 | $ 1,997.83 | $ 166.49 | $ - | $ 330.63 | $ 3,670.67 |
| 2040 | $ 1,246.01 | $ 1,927.28 | $ 160.61 | $ - | $ 337.25 | $ 3,671.14 |
| 2041 | $ 1,322.68 | $ 1,852.52 | $ 154.38 | $ - | $ 343.99 | $ 3,673.58 |
| 2042 | $ 1,399.36 | $ 1,773.16 | $ 147.76 | $ - | $ 350.87 | $ 3,671.16 |
| 2043 | $ 1,482.43 | $ 1,689.20 | $ 140.77 | $ - | $ 357.89 | $ 3,670.29 |
| 2044 | $ 1,571.88 | $ 1,600.26 | $ 133.35 | $ - | $ 365.05 | $ 3,670.54 |
| 2045 | $ 1,667.73 | $ 1,505.94 | $ 125.50 | $ - | $ 372.35 | $ 3,671.52 |
| 2046 | $ 1,769.97 | $ 1,405.88 | $ 117.16 | $ - | $ 379.79 | $ 3,672.80 |
| 2047 | $ 1,878.59 | $ 1,299.68 | $ 108.31 | $ - | $ 387.39 | $ 3,673.97 |
| 2048 | $ 1,987.22 | $ 1,186.96 | $ 98.91 | $ - | $ 395.14 | $ 3,668.24 |
| 2049 | $ 2,108.63 | $ 1,067.73 | $ 88.98 | $ - | $ 403.04 | $ 3,668.38 |
| 2050 | $ 2,242.81 | $ 941.21 | $ 78.43 | $ - | $ 411.10 | $ 3,673.56 |
| 2051 | $ 2,377.00 | $ 806.65 | $ 67.22 | $ - | $ 419.32 | $ 3,670.19 |
| 2052 | $ 2,523.96 | $ 664.03 | $ 55.34 | $ - | $ 427.71 | $ 3,671.03 |
| 2053 | $ 2,677.32 | $ 512.59 | $ 42.72 | $ - | $ 436.26 | $ 3,668.88 |
| 2054 | $ 2,843.45 | $ 351.95 | $ 29.33 | $ - | $ 444.99 | $ 3,669.72 |
| 2055 | $ 3,022.36 | $ 181.34 | $ 15.11 | $ - | $ 453.89 | $ 3,672.71 |
| **Total[c]** | **$ 43,258.79** | **$ 51,398.27** | **$ 4,084.92** | **$ (2,379.23)** | **$ 10,113.25** | **$ 106,476.00** |

**Footnotes:**

[a] Interest rate on the Improvement Area #2 Bonds is 6.00% for illustrative purposes and subject to change.

[b] 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.

[c] Totals may not sum due to rounding.

City Council Coversheet
October 9, 2025
415 N. COLLEGE AVE.

Agenda Item: 3. (CONSENT AGENDA)

Title: Consider approving Resolution 789-25, authorizing an interlocal agreement with Denton County for Library Services, and take appropriate action.

Department: Administration

Contact: Lesa Keith, Lib./Court Director

---

**Recommendation:**

City Staff recommends the City Council approve Resolution 789-25, as presented.

---

**Background:**

The proposed Resolution authorizes an annual interlocal cooperation agreement for library services with Denton County. The County will pay the City's library a portion of funds based on the NCTCOG population estimates. It will pay an additional $10,000 throughout the year, so long as we continue to support the library's funding *(which was completed with the budget adoption).* These monies have already been accounted for in the approved budget.

---

**City Attorney Review:** No

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**Attachments:**

1. Resolution 789-25 ILA Library n County USE

**RESOLUTION 789-25**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JUSTIN, TEXAS, APPROVING AN INTERLOCAL COOPERATIVE AGREEMENT, FINDING AND DETERMINING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW.**

**WHEREAS,** the Mary Emma Tate Community Library partners with Denton County on an annual basis for library services; and

**WHEREAS,** Denton County contributes funding based on the North Central Texas Council of Governments' population estimates; and

**WHEREAS,** the revenue from Denton County has already been recognized in the approved 2025-2026 Fiscal Year Budget.

**NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:**

**Section 1.**

That the Denton County Interlocal Cooperative Agreement, attached hereto as Exhibit "A" and incorporated herein for all intents and purposes, be and the same is hereby in all things approved and adopted as the Capital Improvement Program of the City of Justin, Texas.

**Section 2.**

This Resolution shall become effective from and after its date of passage.

**DULY RESOLVED** by the City Council of the City of Justin, Texas, on this the 9th day of October, 2025.

**City of Justin, Texas**

_____
James Clark, Mayor

**ATTEST:**

_____
Amy Piukana, City Secretary

**THE STATE OF TEXAS** §
§ **MARY EMMA TATE**
**COUNTY OF DENTON** § **COMMUNITY LIBRARY**

# INTERLOCAL COOPERATION AGREEMENT FOR LIBRARY SERVICES

**THIS AGREEMENT** is made and entered into by and between Denton County, Texas ("the **COUNTY**"), and the City of Justin, Texas ("the **MUNICIPALITY**"), and has an effective date of October 1, 2025.

**WHEREAS**, the **COUNTY** is a duly organized political subdivision of the State of Texas engaged in the administration of county government and related services for the benefit of the citizens of the **COUNTY**; and

**WHEREAS,** the **MUNICIPALITY** is a duly organized municipality in Denton County, Texas, engaged in the provision of library and related services for the benefit of the citizens of the **MUNICIPALITY**; and

**WHEREAS,** the **COUNTY** has requested, and the **MUNICIPALITY** has agreed to provide library services for all residents of the **COUNTY**; and

**WHEREAS**, the **COUNTY** and the **MUNICIPALITY** mutually desire to be subject to the provisions of Chapter 791 of the Texas Government Code, the Interlocal Cooperation Act, and Chapter 323 of the Texas Local Government Code, regarding County Libraries.

**NOW, THEREFORE**, the **COUNTY** and the **MUNICIPALITY**, for the mutual consideration hereinafter stated, agree and understand as follows:

## I.

The term of this Agreement shall be for the period from October 1, 2025, through September 30, 2026.

## II.

For the purposes and consideration herein stated and contemplated, the **MUNICIPALITY** shall provide library services for the residents of the **COUNTY** without regard to race, religion, color, age, disability or national origin. Upon proper proof of residence, by an individual in the **COUNTY**, the individual shall be entitled issuance of a library card, at no cost, to be used in connection with said library services.

## DENTON COUNTY LIBRARY'S FUNDING (FY 2026)

| | | |
|---|---|---|
| PER CAPITA: | $ | 0.338302 |
| MATCHING: | $ | 10,000.00 |

| | |
|---|---|
| DENTON COUNTY POPULATION: | 1,068,355 |
| POPULATION OF CITIES WITH LIBRARIES | 397,677 |
| REMAINING POPULATION | 670,678 |

| | TOTAL | CITY | COUNTY | PER CAPITA | MATCHING | TOTAL | ROUNDED |
|---|---|---|---|---|---|---|---|
| **LIBRARY** | **POP** | **POP** | **allocation** | **ALLOCATION** | **FUNDS** | | |
| | | | | | | | |
| AUBREY | 64,965 | 24,182 | 40,783 | $ 21,978 | $ 10,000 | $ 31,978 | $ 32,000 |
| FLOWER MOUND | 216,236 | 80,490 | 135,746 | $ 73,153 | $ - | $ 73,153 | $ 73,200 |
| JUSTIN | 20,248 | 7,537 | 12,711 | $ 6,850 | $ 10,000 | $ 16,850 | $ 16,900 |
| KRUM | 17,956 | 6,684 | 11,272 | $ 6,075 | $ 10,000 | $ 16,075 | $ 16,100 |
| LEWISVILLE | 374,956 | 139,571 | 235,385 | $ 126,848 | $ - | $ 126,848 | $ 126,900 |
| LITTLE ELM | 164,797 | 61,343 | 103,454 | $ 55,751 | $ 10,000 | $ 65,751 | $ 65,800 |
| PILOT POINT | 19,300 | 7,184 | 12,116 | $ 6,529 | $ 10,000 | $ 16,529 | $ 16,600 |
| PONDER | 8,196 | 3,051 | 5,145 | $ 2,773 | $ 10,000 | $ 12,773 | $ 12,800 |
| ROANOKE | 27,297 | 10,161 | 17,136 | $ 9,235 | $ 10,000 | $ 19,235 | $ 19,300 |
| SANGER | 27,311 | 10,166 | 17,145 | $ 9,239 | $ 10,000 | $ 19,239 | $ 19,300 |
| THE COLONY | 127,092 | 47,308 | 79,784 | $ 42,996 | $ 10,000 | $ 52,996 | $ 53,000 |
| | | | | | | | |
| **TOTAL** | **1,068,355** | **397,677** | **670,678** | **$ 361,427** | **$ 90,000** | **$ 451,427** | **$ 451,900** |

| | |
|---|---|
| | |
| Aubrey Population: | |
| Aubrey | 9,801 |
| Crossroads | 2,000 |
| Krugerville | 2,023 |
| Providence | 10,358 |
| Total | 24,182 |
| Ponder Population: | 2,851 |
| Dish (Interlocal Agreement) | 200 |
| Total | 3,051 |

The **MUNICIPALITY** shall develop and maintain through the Library one or more of the following programs of service:

1. Educational and reading incentive programs and materials for youth.
2. Functional literacy materials and/or tutoring programs for adults.
3. Job training/career development programs and/or materials for all ages.
4. Outreach services to eliminate barriers to library services.
5. Educational programs designed to enhance quality of life for adults.

**III.**

The **COUNTY** designates the County Judge to act on behalf of the **COUNTY** and serve as liaison officer for the **COUNTY** with and between the **COUNTY** and the **MUNICIPALITY**. The County Judge or his designated substitute shall insure the performance of all duties and obligations of the **COUNTY** herein stated and shall devote sufficient time and attention to the execution of said duties on behalf of the **COUNTY** in full compliance with the terms and conditions of this Agreement. The County Judge shall provide immediate and direct supervision of the **COUNTY'S** employees, agents, contractors, sub-contractors, or laborers, if any, in the furtherance of the purposes, terms and conditions of this Agreement for the mutual benefit of the **COUNTY** and the **MUNICIPALITY**.

**IV.**

The **MUNICIPALITY** shall designate_____to act on behalf of the **MUNICIPALITY** and to serve as liaison officer for the **MUNICIPALITY** with and between the **MUNICIPALITY** and the **COUNTY** to insure the performance of all duties and obligations of the **MUNICIPALITY** as herein stated and shall devote sufficient time and attention to the execution of said duties on behalf of the **MUNICIPALITY** in full compliance with the terms and conditions of this Agreement. _____ shall provide management of the **MUNICIPALITY'S** employees, agents, contractors, sub-contractors, or laborers, if any, in the furtherance of the purposes, terms and conditions of this Agreement for the mutual benefit of the **MUNICIPALITY** and the **COUNTY.**

The **MUNICIPALITY** shall provide the **COUNTY** with a copy of the annual report submitted to the Texas State Library and shall respond to the **COUNTY'S** annual questionnaire as documentation of the **MUNICIPALITY'S** expenditures and provision of service.

**V.**

The **MUNICIPALITY** shall be solely responsible for all techniques, sequences, procedures and coordination of all work performed under the terms and conditions of this Agreement. The **MUNICIPALITY** shall insure, dedicate and devote the full time and attention of those employees necessary for the proper execution and completion of the duties and obligations of the **MUNICIPALITY** as stated in this Agreement and shall give all attention required for proper supervision and direction of their employees.

**VI.**

The **MUNICIPALITY** agrees that its established library shall assume the functions of a county library within Denton County, Texas, and to provide a librarian who meets the requirements of the **MUNICIPALITY'S** job description.

**VII.**

The **COUNTY** and the **MUNICIPALITY** agree and acknowledge that each entity is not an agent of the other entity and that each entity is responsible for its own acts, forbearance, negligence and deeds and for those of its agents or employees. This Agreement does not and shall not be construed to entitle either party or any of their respective employees, if applicable, to any benefit, privilege or other amenities of employment applicable to the other party. The **MUNICIPALITY** understands and agrees that the **MUNICIPALITY**, its employees, servants, agents and representatives shall not represent themselves to be employees, servants, agents or representatives of the **COUNTY**.

***To the fullest extent permitted by law, the MUNICIPALITY agrees to hold harmless and indemnify the COUNTY from and against any and all claims and for all liability arising out of, resulting from or occurring in connection with the performance of the work hereunder, including but not limited to, any negligent act or omission of the MUNICIPALITY, its officers, agents or employees.***

The **COUNTY** and the **MUNICIPALITY** acknowledge and agree that the **COUNTY** does not waive any sovereign or governmental immunity available to the **COUNTY** under Texas law and does not waive any available defenses under Texas law. Nothing in this paragraph shall be construed to create or grant any rights, contractual or otherwise, in or to any third persons or entities.

**VIII.**

This Agreement is not intended to extend the liability of the parties beyond that provided by law. Neither the **MUNICIPALITY** nor the **COUNTY** waives any immunity or defense that would otherwise be available to it against claims by third parties.

**IX.**

Any notice required by this Agreement shall be delivered, in writing, by either the **COUNTY** or the **MUNICIPALITY** to the following addresses:

The address of the **COUNTY** is:
Denton County Judge
1 Courthouse Drive, Suite 3100
Denton, Texas 76208
Telephone: 940-349-2820

The address of the **MUNICIPALITY** is:
Justin Community Library
c/o City of Justin, Texas
408 Pafford
Justin, Texas 76247
Attention: Lesa Keith
Telephone: 940-648-2541, Ext. 6

**X.**

For the full performance of the services above stated, the **COUNTY** agrees to pay the **MUNICIPALITY** fees as described herein from current revenues available for such payment. The **COUNTY** shall pay the **MUNICIPALITY** fees in the amount of **SIX THOUSAND NINE HUNDRED AND NO/100 DOLLARS ($6,900.00)**, based upon North Central Texas Council of Governments service population allocation figures provided to the **COUNTY** by the Library Advisory Board, payable annually to the **MUNICIPALITY** commencing on or about October 1, 2025. The Allocation chart setting forth said figures is attached hereto and incorporated herein for all intents and purposes as Exhibit "A." In addition, the **COUNTY** agrees to pay the **MUNICIPALITY** an amount not to exceed **TEN THOUSAND AND NO/100 DOLLARS ($10,000.00)** in matching funds upon the following conditions:

1. The **MUNICIPALITY** shall attempt to secure funding from sources other than the **COUNTY**.

2. Upon receipt of additional funding, the **MUNICIPALITY** shall provide proof of the receipt of such funds to the Denton County Auditor on an annual basis.

3. The **COUNTY** shall match the **MUNICIPALITY'S** additional funding in an amount not to exceed $10,000.00.

4. Payment by the **COUNTY** to the **MUNICIPALITY** shall be made in accordance with the normal and customary processes and business procedures of the **COUNTY** and payment shall be satisfied from current revenues of the **COUNTY**.

***All funding by the COUNTY to the MUNICIPALITY is subject to the condition that the MUNICIPALITY shall have in place technology protection measures (commonly referred to as "filters") with respect to any computers used by the public that have Internet access which are designed to block access through such computers to visual depictions that are (1) obscene, as defined by Section 43.21 of the Texas Penal Code, or (2) contain pornography. The technology protection measures shall be in compliance with the Children's Internet Protection Act.***

***The MUNICIPALITY hereby certifies that its libraries have either installed and are using the required technology protection measures during use of its computers that have Internet access by the public at the present time or will have such protection measures in place and operational by October 1, 2025.***

**XI.**

This Agreement may be terminated, at any time, by either party by giving sixty (60) days advance written notice to the other party. In the event of such termination by either party, the **MUNICIPALITY** shall be compensated pro rata for all services performed to the termination date, together with reimbursable expenses then due and as authorized by this Agreement. In the event of such termination, should the **MUNICIPALITY** be overcompensated on a pro rata basis for all services performed to the termination date or be overcompensated for reimbursable expenses as authorized by this Agreement, the **COUNTY** shall be reimbursed pro rata for all such overcompensation. Acceptance of such reimbursement shall not constitute a waiver of any claim that may otherwise arise out of this Agreement.

**XII.**

This Agreement represents the entire integrated Agreement between the **MUNICIPALITY** and the **COUNTY** and supersedes all prior negotiations, representations and/or Agreements, either oral or written. This Agreement may be amended only by written instrument signed by both the **MUNICIPALITY** and the **COUNTY**.

**XIII.**

The validity of this Agreement and any of its terms or provisions, as well as the rights and duties of the parties hereto, shall be governed by the laws of the State of Texas. Further, this Agreement shall be performable and all compensation payable in Denton County, Texas.

**XIV.**

In the event any portion of this Agreement shall be found to be contrary to law it is the intent of the parties hereto that the remaining portions shall remain valid and in full force and effect to the fullest extent possible.

**XV.**

The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto and each party hereby certifies to the other that any necessary orders or resolutions extending said authority have been duly passed and are now in full force and effect.

**EXECUTED** this _____ day of _____, 20____.

**DENTON COUNTY, TEXAS**

By: _____
Andy Eads, County Judge
Denton County, Texas

**ATTEST:**

By:_____
Denton County Clerk

**CITY OF JUSTIN, TEXAS**

By:_____
Name:_____
Title:_____

**ATTEST:**

By:_____
City Secretary

**AUDITOR'S CERTIFICATE**

I hereby certify that funds are available in the amount of $_____ to accomplish and pay the obligation of Denton County under this Agreement.

_____
Denton County Auditor

City Council Coversheet
October 9, 2025
415 N. COLLEGE AVE.

Agenda Item: 4. (CONSENT AGENDA)

Title: Consider all matters incident and related to the November 4, 2025, Bond Election, including the adoption of Resolution 790-25 approving the voter information document; and take appropriate action.

Department: Administration

Contact: Jarrod Greenwood, City Manager

---

**Recommendation:**

City Staff recommends the City Council approve Resolution 790-25, as presented.

---

**Background:**

The City Council previously adopted Ordinance 814-25 calling a Bond Election. However, Texas Government Code has passed new legislation requiring cities to prepare a voter information document for the proposition to be voted on at the election. The proposed resolution serves as the approved voter information document form.

---

**City Attorney Review:** Yes

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**Attachments:**

1. Res 790-25 VID

**Resolution 790-25**

**A RESOLUTION BY THE CITY OF JUSTIN, TEXAS APPROVING THE VOTER INFORMATION DOCUMENT RELATING TO THE NOVEMBER 4, 2025 BOND ELECTION**

* * * * * * * * * * * * * * * * * * * * * * *

WHEREAS, the City Council (the "City Council") of the City of Justin, Texas (the "City") previously adopted an ordinance on August 14, 2025 (the "Election Order") calling a bond election to be held in the City on November 4, 2025 (the "Election"); and

WHEREAS, pursuant to Subchapter B, Section 1251.052(b), Texas Government Code, as amended, the City is required to prepare a voter information document for the proposition to be voted on at the Election; and

WHEREAS, prior to the Election, the City is required to post the voter information document in accordance with the provisions of the Texas Election Code, as amended and the Texas Government Code, as amended; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JUSTIN, TEXAS THAT:

SECTION 1: The voter information document in substantially the form attached as Exhibit A, which is attached hereto and incorporated herein by reference as a part of this Resolution, is hereby approved as to form and content.

SECTION 2: It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 3: This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

* * *

PASSED AND APPROVED, this the 9th day of October, 2025.

CITY OF JUSTIN, TEXAS

_____
Mayor

ATTEST:

_____
City Secretary

(CITY SEAL)

**Exhibit A**

**VOTER INFORMATION DOCUMENT**

City of Justin, Texas Proposition A:

| | **Proposition A** |
|---|---|
| □ FOR<br><br>□ AGAINST | THIS IS A TAX INCREASE<br>"The issuance of $19,000,000 City of Justin, Texas general obligation bonds for the construction, renovation, improvement and equipment of the Joe Merle Morris Community Center and the imposition of a tax sufficient to pay the principal of and interest on the bonds." |

| | |
|---|---|
| principal of debt obligations to be authorized | $19,000,000 |
| estimated interest for the debt obligations to be authorized presuming an interest rate of 5.00% | $18,585,445 |
| estimated combined principal and interest required to pay on time and in full the debt obligations to be authorized amortized over 30 years | $37,585,445 |
| as of the date the election was ordered, principal of all outstanding debt obligations | $39,650,000 |
| as of the date the election was ordered, the estimated interest on all outstanding debt obligations | $22,908,616 |
| as of the date the election was ordered, the estimated combined principal and interest required to pay on time and in full all outstanding debt obligations amortized over 30 years | $62,558,616 |
| estimated maximum annual increase in the amount of taxes on a residence homestead with an appraised value of $100,000 to repay the debt obligations to be authorized, if approved.<br><br>This figure makes conservative assumptions about the amortization period of the debt obligations and the estimated interest rate; and presumes growth in estimated future taxable values of the City of 11.39% for 2027; 2.50% for 2028; and no additional growth thereafter. | $65.78 |

City Council Coversheet
October 9, 2025
415 N. COLLEGE AVE.

Agenda Item: 5. (CONSENT AGENDA)

Title: Consider and act upon Ordinance 825-25 of the City of Justin, Texas, approving and authorizing the issuance and sale of the City of Justin, Texas, Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project); and approving and authorizing related agreements.

Department: Administration

Contact: Jarrod Greenwood, City Manager, Abbey Reece

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**Recommendation:**

Approve the ordinance as presented.

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**Background:**

This ordinance approves and authorizes the issuance and sale of the special assessment bonds.

---

**City Attorney Review:** Yes

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**Attachments:**

1. Ord 825-25

**ORDINANCE NO. 825-25**

**AN ORDINANCE APPROVING AND AUTHORIZING THE ISSUANCE AND SALE OF THE CITY OF JUSTIN, TEXAS, SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025 (TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2 IMPROVEMENT AREA #2 PROJECT); AND APPROVING AND AUTHORIZING RELATED AGREEMENTS.**

**WHEREAS**, the City of Justin, Texas (the "City"), pursuant to and in accordance with the terms, provisions and requirements of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (the "PID Act"), has previously established the “Timberbrook Public Improvement District No. 2” (the "District"), pursuant to a resolution adopted by the City Council of the City (the "City Council") on February 8, 2024; and

**WHEREAS**, pursuant to the PID Act, the City Council published and mailed notice of and convened a public hearing on October 9, 2025, regarding the levy of special assessments against certain benefitted property located within Improvement Area #2 of the District, and, after hearing testimony at such public hearing, the City Council closed the public hearing and adopted an ordinance (the “Assessment Ordinance”) on October 9, 2025; and

**WHEREAS**, in the Assessment Ordinance, the City Council approved and accepted the Timberbrook Public Improvement District No. 2 2025 Amended and Restated Service and Assessment Plan, dated October 9, 2025 (as updated, amended, and/or restated, the “Service and Assessment Plan”) relating to the District and levied Improvement Area #2 Assessments against the Improvement Area #2 Assessed Property as shown on the Improvement Area #2 Assessment Roll that is attached to the Service and Assessment Plan as Exhibit G-1; and

**WHEREAS,** capitalized terms used in this Ordinance and not otherwise defined herein shall have the meanings assigned to them in the Service and Assessment Plan; and

**WHEREAS**, the City is authorized by the PID Act to issue its revenue bonds payable from the Improvement Area #2 Assessments and other revenues received for the purposes of (i) paying a portion of the Actual Costs of the Improvement Area #2 Projects, (ii) paying a portion of the costs incidental to the organization and administration of the District, and (iii) paying the Bond Issuance Costs, including funding a reserve fund and paying a portion of the interest on the Bonds during the period of acquisition and construction of the Improvement Area #2 Projects and other costs related to the issuance of the Bonds; and

**WHEREAS**, the City Council hereby finds and determines that it is in the best interests of the City to issue its bonds to be designated “City of Justin, Texas, Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project)” (the “Bonds”), such series to be payable from and secured by the Trust Estate (as defined in the Indenture (defined below)); and

**WHEREAS**, the City Council hereby finds and determines to (i) approve the issuance of the Bonds to finance a portion of the Actual Costs of the Improvement Area #2 Projects, as identified in the Service and Assessment Plan, (ii) approve the form, terms, and provisions of an Indenture securing the Bonds authorized hereby, (iii) approve the form, terms and provisions of a Bond Purchase Agreement (defined below) between the City and the purchaser of the Bonds, (iv) approve a Preliminary Limited Offering Memorandum (defined below) and a Limited Offering Memorandum (defined below), (v) approve the form, terms and provisions of a Continuing Disclosure Agreement (defined below), and (vi) approve the form, terms, and provisions of a Construction, Funding, and Acquisition Agreement (defined below); and

**WHEREAS**, the meeting at which this Ordinance is considered was open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code; now, therefore

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF JUSTIN, TEXAS:**

**Section 1. Approval of Issuance of Bonds and Indenture of Trust.**

The issuance of the Bonds in the principal amount of $_____ for the purpose of providing funds for (i) paying a portion of the Actual Costs of the Improvement Area #2 Projects, (ii) paying a portion of the costs incidental to the organization and administration of the District, and (iii) paying the Bond Issuance Costs, including funding a reserve fund and paying a portion of the interest on the Bonds during the period of acquisition and construction of the Improvement Area #2 Projects and other costs related to the issuance of the Bonds, is hereby authorized and approved.

The Bonds shall be issued and secured under that certain Indenture of Trust (the "Indenture") dated as of November 1, 2025, between the City and Wilmington Trust, National Association, as trustee (the "Trustee"), which Indenture is hereby approved in substantially the form attached hereto as **Exhibit A,** which is incorporated herein as a part hereof for all purposes, with such changes or additions thereto as may be approved by the Mayor or Mayor Pro Tem of the City (upon the advice of the City Manager) as evidenced by the execution and delivery thereof. The Mayor or Mayor Pro Tem of the City is hereby authorized and directed to execute the Indenture and the City Secretary is hereby authorized and directed to attest such signature of the Mayor or Mayor Pro Tem and such officials are hereby authorized to deliver the Indenture.

The Bonds shall be dated, shall mature on the date or dates and in the principal amounts, shall bear interest, shall be subject to redemption and shall have such other terms and provisions as set forth in the Indenture. The Bonds shall be in substantially the form set forth in the Indenture with such insertions, omissions and modifications as may be required to conform the form of Bond to the actual terms of the Bonds. The Bonds shall be payable from and secured by the Pledged Revenues (as defined in the Indenture) and other assets of the Trust Estate pledged to such Bonds, and shall never be payable from ad valorem taxes.

**Section 2. Sale of Bonds; Approval of Bond Purchase Agreement**. The Bonds shall be sold to FMSbonds, Inc., (the "Underwriter") under that certain Bond Purchase Agreement (the "Bond Purchase Agreement"), dated the date hereof, between the City and the Underwriter, substantially in the form attached hereto as **Exhibit B**, which is incorporated herein as a part hereof for all purposes, which terms of sale are declared to be in the best interests of the City at the price and on the terms and provisions set forth in the Bond Purchase Agreement. The form, terms and provisions of the Bond Purchase Agreement are hereby authorized and approved with such changes as may be necessary or desirable to carry out the intent of this Ordinance and as approved by the City Manager, such approval to be evidenced by the execution and delivery of the Bond Purchase Agreement by the Mayor, Mayor Pro Tem, Finance Director, City Manager, or Assistant City Manager of the City. The Mayor, Mayor Pro Tem, Finance Director, City Manager, or Assistant City Manager of the City is hereby authorized and directed to execute and deliver the Bond Purchase Agreement.

**Section 3. Preliminary Limited Offering Memorandum and Limited Offering Memorandum**. The form and substance of the Preliminary Limited Offering Memorandum for the Bonds and any addenda, supplement or amendment thereto (the "Preliminary Limited Offering

Memorandum") and the final Limited Offering Memorandum (the "Limited Offering Memorandum") are hereby in all respects approved and adopted. The Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, as thus approved and delivered, with such appropriate variations as shall be approved by the Mayor or Mayor Pro Tem of the City and the Underwriter, may be used by the Underwriter in the offering and sale of the Bonds. The City Secretary is hereby authorized and directed to include and maintain a copy of the Preliminary Limited Offering Memorandum and Limited Offering Memorandum and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum in the offering of the Bonds is hereby ratified, approved and confirmed and the Preliminary Limited Offering Memorandum is hereby deemed "final" as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. Notwithstanding the approval and delivery of such Preliminary Limited Offering Memorandum and Limited Offering Memorandum by the Mayor or Mayor Pro Tem, this City Council, including the Mayor and Mayor Pro Tem, are not responsible for and proclaim no specific knowledge of the information contained in the Preliminary Limited Offering Memorandum and Limited Offering Memorandum pertaining to the Development (as described in the Limited Offering Memorandum), the Developer (as defined herein) or their financial ability, or of any builders, any landowners, or the appraisal of the property in the District.

**Section 4. Continuing Disclosure Agreement**. That certain "City of Justin, Texas, Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project) Continuing Disclosure Agreement of Issuer" (the "Continuing Disclosure Agreement") among the City, P3Works, LLC., and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., is hereby authorized and approved in substantially the form attached hereto as **Exhibit C**, which is incorporated herein as a part hereof for all purposes and the City Manager, Assistant City Manager, Finance Director, Mayor, or Mayor Pro Tem of the City is authorized and directed to execute and deliver such Continuing Disclosure Agreement with such changes as may be required to carry out the purpose of this Ordinance and as approved by the City Manager, Assistant City Manager, Finance Director, Mayor or Mayor Pro Tem, such approval to be evidenced by the execution thereof.

**Section 5. Construction, Funding, and Acquisition Agreement.** That certain "Timberbrook Public Improvement District No. 2 Improvement Area #2 Construction, Funding and Acquisition Agreement" (the "Construction, Funding, and Acquisition Agreement") between the City and Bloomfield Homes, L.P., a Texas limited partnership ("the Developer"), is hereby authorized and approved in substantially the form attached hereto as **Exhibit D**, which is incorporated herein as a part hereof for all purposes, and the City Manager, Assistant City Manager, Finance Director, Mayor, or Mayor Pro Tem of the City is authorized and directed to execute and deliver such Construction, Funding, and Acquisition Agreement with such changes as may be required to carry out the purpose of this Ordinance and as approved by the City Manager, Assistant City Manager, Finance Director, Mayor or Mayor Pro Tem, such approval to be evidenced by the execution thereof.

**Section 6. Additional Actions**. The Mayor, the Mayor Pro Tem, the City Manager, the Assistant City Manager, the Finance Director, and the City Secretary are each hereby authorized and directed to take any and all actions on behalf of the City necessary or desirable to carry out the intent and purposes of this Ordinance and to issue the Bonds in accordance with the terms of this Ordinance. The Mayor, the Mayor Pro Tem, the City Manager, the Finance Director and the City Secretary are each hereby authorized and directed to execute and deliver any and all certificates, agreements, notices, instruction letters, requisitions, and other documents which may be necessary or advisable in connection with the sale, issuance and delivery of the

Bonds and the carrying out of the purposes and intent of this Ordinance or any other certificates, agreements, or other documents subsequent to the delivery of the Bonds which may be necessary or appropriate to carry out or fulfill the purpose and intent of the Service and Assessment Plan and the acquisition and/or construction of the Improvement Area #2 Projects.

**Section 7. Governing Law**. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

**Section 8. Effect of Headings**. The Section headings herein are for convenience only and shall not affect the construction hereof.

**Section 9. Severability**. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance or the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

**Section 10. Construction of Terms**. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

**Section 11. Incorporation of Findings and Determinations**. The findings and determinations of the City Council contained in the preamble of this Ordinance are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

**Section 12. Effective Date**. This Ordinance shall take effect and be in force immediately from and after its adoption on the date shown below in accordance with Texas Government Code, Section 1201.028, as amended.

(Signature page follows.)

**PASSED AND ADOPTED**, this October 9, 2025.

CITY OF JUSTIN TEXAS

James Clark, Mayor

ATTEST:

Amy M. Piukana, City Secretary

(City Seal)

**EXHIBIT A**

**INDENTURE OF TRUST**

**INDENTURE OF TRUST**

By and Between

**CITY OF JUSTIN, TEXAS**

and

**WILMINGTON TRUST, NATIONAL ASSOCIATION**
**as Trustee**

**DATED AS OF NOVEMBER 1, 2025**

SECURING

**$_____**

**CITY OF JUSTIN, TEXAS,**

**SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025**

**(TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT**
**NO. 2 IMPROVEMENT AREA #2 PROJECT)**

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## INDENTURE OF TRUST

THIS INDENTURE, dated as of November 1, 2025 is by and between the CITY OF JUSTIN, TEXAS (the "City"), and WILMINGTON TRUST, NATIONAL ASSOCIATION, a national banking association, 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 was submitted and filed with the City Secretary of the City (the "City Secretary") 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 now located within the corporate limits of the City to be known as the Timberbrook Public Improvement District No. 2 (the "District"); and

WHEREAS, the petition contained the signature of the owner 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 Denton Central Appraisal District, and the signature of the property owner who owns 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 February 8, 2024, after due notice, the City Council of the City (the "City Council") held the 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, on February 8, 2024, the City Council made the findings required by Section 372.009(b) of the PID Act and, by resolution, adopted by a majority of the members of the City Council, authorized the creation of the District in accordance with its findings as to the advisability of the improvement projects and also made findings and determinations relating to the estimated total costs of certain Authorized Improvements; and

WHEREAS, on February 13, 2024 the City Secretary filed a copy of such resolution with the county clerk of each county in which all or a part of the District is located in accordance with the provisions of the PID Act; and

WHEREAS, no written protests of the District from any owners of record of property within the District were filed with the City Secretary within 20 days after February 8, 2024; and

WHEREAS, on September 11, 2025, the City Council made findings and determinations relating to the Actual Costs of certain Improvement Area #2 Projects, received and accepted a preliminary amended and restated service and assessment plan and a proposed assessment roll, called a public hearing for October 9, 2025 and directed City staff to (i) file said proposed assessment roll with the City Secretary and to make it available for public inspection as required by Section 372.016(b) of the PID Act, and (ii) publish and mail such notice relating to the October 9, 2025 hearing as required by Section 372.016(b) of the PID Act; and

WHEREAS, on _____, 2025 City staff, pursuant to Section 372.016(b) of the PID Act, published notice of the public hearing in the *Denton Record Chronicle*, a newspaper of general circulation in the City, to consider the proposed Service and Assessment Plan, the

Improvement Area #2 Assessment Roll and the levy of the Assessments on property within Improvement Area #2 of the District; and

WHEREAS, City staff, pursuant to Section 372.016(c) of the PID Act, mailed notice of the public hearing to consider the proposed Improvement Area #2 Assessment Roll, the Service and Assessment Plan, and the levy of the Assessments on property within Improvement Area #2 of the District, to the last known address of the owners of the property liable for the Assessments; and

WHEREAS, the City Council opened and convened the hearing on October 9. 2025, and at such public hearing all persons who appeared, or requested to appear, in person or by their attorney, were given the opportunity to contend for or contest the proposed Service and Assessment Plan, the proposed Improvement Area #2 Assessment Roll, and the proposed Assessments, and to offer testimony pertinent to any issue presented on the amount of the Assessments, the allocation of estimated costs of the Improvement Area #2 Projects to the Assessed Property within Improvement Area #2 of the District, the purposes of the Assessments, the special benefits of the Improvement Area #2 Projects, and the penalties and interest on Annual Installments and on delinquent Annual Installments of the Assessments; and

WHEREAS, there were no written objections or evidence submitted to the City Secretary in opposition to the Service and Assessment Plan, the allocation of estimated costs of the Improvement Area #2 Projects to the Assessed Property within Improvement Area #2 of the District, the Improvement Area #2 Assessment Roll, and the levy of the Assessments; and

WHEREAS, the City Council closed the hearing, and, after considering all written and documentary evidence presented at the hearing, including all written comments and statements filed with the City, the City Council approved an ordinance which levied the Assessments, and approved the Service and Assessment Plan, including the Improvement Area #2 Assessment Roll, in conformity with the requirements of the PID Act; and

WHEREAS, the City Council found and determined that the Assessments should be levied as provided in the Service and Assessment Plan; and

WHEREAS, the City Secretary of the City filed a copy of the Assessment Ordinance not later than the seventh day after the date the City Council approved the Assessment Ordinance and the Service and Assessment Plan with the County Clerk of Denton County; and

WHEREAS, the City Council is authorized by the PID Act to issue its revenue bonds payable from the Assessments for the purpose of (i) paying a portion of the Actual Costs of the Improvement Area #2 Projects, (ii) paying a portion of the costs incidental to the organization and administration of the District, and (iii) paying the Bond Issuance Costs, including funding a reserve fund, paying a portion of the interest on the Bonds during the period of acquisition and construction of the Improvement Area #2 Projects, and other costs related to the issuance of the Bonds; and

WHEREAS, the City Council now desires to issue revenue bonds, in accordance with the PID Act, such bonds to be entitled “City of Justin, Texas, Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project)” such Bonds being payable solely from the Trust Estate and for the purposes set forth in the preambles of this Indenture; and

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

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:

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

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

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

"Additional Interest Rate" means the 0.50% additional interest rate that may be charged on the Assessments pursuant to Section 372.018 of the PID Act.

"Additional Interest Reserve Account" means the reserve account administered by the City and segregated from other funds of the City in accordance with the provisions of Section 6.7 of this Indenture.

"Additional Interest Reserve Requirement" means an amount equal to 5.50% of the principal amount of the Outstanding Bonds to be funded from Assessment Revenues to be

deposited to the Pledged Revenue Fund and transferred to the Additional Interest Reserve Account.

"Additional Obligations" means any bonds or obligations (including specifically, any installment contracts, reimbursement agreements, temporary notes, or time warrants) secured in whole or in part by an assessment, other than the Assessments securing the Bonds, levied against property within Improvement Area #2 of the District in accordance with the PID Act.

"Administrative Fund" means that Fund established by Section 6.1 and administered pursuant to Section 6.9 hereof.

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

"Annual Collection Costs" mean the actual or budgeted costs and expenses related to the operation of the District, including, but not limited to, costs and expenses for: (1) the Administrator; (2) City staff; (3) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (4) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (5) preparing and maintaining records with respect to the Improvement Area #2 Assessment Roll and Annual Service Plan Updates; (6) paying and redeeming the Bonds; (7) investing or depositing Assessments and Annual Installments; (8) complying with the Service and Assessment Plan, the PID Act, and this Indenture, with respect to the Bonds, including the City's continuing disclosure requirements; and (9) the Paying Agent/Registrar and Trustee in connection with the 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 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 each Assessed Parcel, each annual payment of the Assessments (including both principal of and interest on the Assessments) as shown on the Improvement Area #2 Assessment Roll attached to the Service and Assessment Plan as Exhibit G-2 and related to the Improvement Area #2 Projects; which annual payment includes the Annual Collection Costs and the Additional Interest collected on each annual payment of the Assessments as described in Section 6.7 herein and as defined and calculated in the Service and Assessment Plan or in any Annual Service Plan Update.

"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 as required by the PID Act and the Service and Assessment Plan.

"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 Parcel" means each parcel of land located within Improvement Area #2 of the District against which an Assessment is levied by the Assessment Ordinance in accordance with the Service and Assessment Plan.

"Assessed Property" means, collectively, all Assessed Parcels.

"Assessment Ordinance" means the ordinance adopted by the City Council on October 9, 2025, that levied the Assessments on the Assessed Property located within Improvement Area #2 of the District.

"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 Parcel or Annual Installment payment thereof, including any interest on such Assessment or Annual Installment thereof during any period of delinquency, (ii) a Prepayment, and (iii) Foreclosure Proceeds.

"Assessments" means the aggregate assessments shown on the Improvement Area #2 Assessment Roll. The singular of such term means the assessment levied against an Assessed Parcel, as shown on the Improvement Area #2 Assessment Roll or in the Service and Assessment Plan, subject to reallocation upon the subdivision of an Assessed Parcel, or consolidation of multiple Assessed Parcels, or reduction according to the provisions of the Service and Assessment Plan and the PID Act.

"Authorized Denomination" means $100,000 and any integral multiple of $1,000 in excess thereof; provided, however, that if the total principal amount of any Outstanding Bond is less than $100,000, then the Authorized Denomination of such Outstanding Bond shall be the amount of such Outstanding Bond.

"Authorized Improvements" means improvements authorized by Section 372.003 of the PID Act, including, but not limited to the Improvement Area #2 Projects, as described and listed in Section III of the Service and Assessment Plan or an Annual Service Plan Update.

"Bond" means any of the Bonds.

"Bond Counsel" means Norton Rose Fulbright US 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 Fund" means the Fund of such name established pursuant to Section 6.1 and administered as provided in Section 6.4.

"Bond Issuance Costs" means the costs associated with issuing the Bonds, including, but not limited to, attorney fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, capitalized interest, reserve fund requirements, underwriter's discount, fees charged by the Texas Attorney General, and any other cost or expense incurred by the City directly associated with the issuance of the Bonds.

“Bond Ordinance” means the ordinance adopted by the City Council on October 9, 2025 authorizing the issuance of the Bonds pursuant to this Indenture.

“Bond Pledged Revenue Account” means the Account of such name established pursuant to Section 6.1.

“Bond Year” means the one-year period beginning on September 1 in each year and ending on August 31 in the following year.

“Bonds” means the City’s bonds authorized to be issued by Section 3.1 of this Indenture entitled “City of Justin, Texas, Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project)”.

“Business Day” means any day other than a Saturday, Sunday or legal holiday in the State of Texas observed as such by the City or the Trustee or any national holiday observed by the Trustee.

“Capitalized Interest Account” means the Account of such name established pursuant to Section 6.1.

“Certification for Payment” means a certificate substantially in the form of Exhibit B to the Improvement Area #2 Projects Construction, Funding, and Acquisition Agreement or otherwise executed by or on behalf of the Developer approved by a City Representative and delivered to the Trustee, specifying the amount of work performed related to the Improvement Area #2 Projects and the Actual Costs thereof, and requesting payment for such Actual Costs from money on deposit in an account of the Project Fund, as further described in the Improvement Area #2 Projects Construction, Funding, and Acquisition Agreement and Section 6.5 herein.

“City Certificate” means a certificate signed by a City Representative and delivered to the Trustee.

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

“Closing Date” means the date of the initial delivery of and payment for the Bonds. With respect to the Bonds, the Closing Date is November 6, 2025.

"Closing Disbursement Request" means a certificate substantially in the form of Exhibit A attached to the Improvement Area #2 Projects Construction, Funding, and Acquisition Agreement or otherwise executed by or on behalf of the Developer, approved by a City Representative and delivered to the Trustee on the Closing Date, specifying the costs incurred in the establishment, administration, and operation of the District or issuing the Bonds, and requesting payment for such costs from money on deposit in the Costs of Issuance Account of the Project Fund, as further described in Section 6.5 herein.

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

“Costs of Issuance Account” means the Account of such name established pursuant to Section 6.1.

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

"Delinquent Collection Costs" means the costs related to the foreclosure on an Assessed Parcel and the costs of collection of delinquent Assessments or delinquent Annual Installments due under the Service and Assessment Plan and in accordance with the PID Act, including penalties and reasonable attorney's fees actually paid, but excluding amounts representing the Assessment, interest and penalty interest.

"Designated Payment/Transfer Office" means (i) with respect to the initial Paying Agent/Registrar named in this Indenture, the transfer/payment office located in Wilmington, Delaware, 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 Bloomfield Homes, L.P., a Texas limited partnership, and any successors or assigns that intend to develop the property in the District for the ultimate purpose of transferring title to end users.

"District" means the Timberbrook Public Improvement District No. 2.

"District Administration Account" means the Account of such name established pursuant to Section 6.1.

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

"DTC Participant" shall mean 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 among DTC Participants.

"Event of Default" shall have the meaning assigned to such term in Section 11.1 hereof.

"Foreclosure Proceeds" means the proceeds, including interest and penalty interest, received by the City from the enforcement of the Assessments against any Assessed Parcel(s), 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.

"Improvement Area #2" means the second phase to be developed within the District and further identified and depicted in Exhibit A-3 in the Service and Assessment Plan.

"Improvement Area #2 Assessment Roll" means the Improvement Area #2 Assessment Roll attached as Exhibit G-1 to the Service and Assessment Plan or any other assessment roll for Improvement Area #2 in an amendment or supplement to the Service and Assessment Plan or in an Annual Service Plan Update, showing the total amount of the Assessment against each parcel of Assessed Property related to the Bonds and the Improvement Area #2 Projects, as updated, modified, or amended from time to time in accordance with the terms of the Service and Assessment Plan and the PID Act.

"Improvement Area #2 Improvements" means the Authorized Improvements which only benefit the Assessed Property within Improvement Area #2 of the District, as described in Section III.C of the Service and Assessment Plan.

"Improvement Area #2 Major Improvements" means the pro rata portion of the Major Improvements allocable to Improvement Area #2, as described in the Service and Assessment Plan.

"Improvement Area #2 Projects" means, collectively (i) the Improvement Area #2 Major Improvements and (ii) the Improvement Area #2 Improvements.

"Improvement Area #2 Projects Account" means the Account of such name established pursuant to Section 6.1.

"Improvement Area #2 Projects Construction, Funding, and Acquisition Agreement" means the "Timberbrook Public Improvement District No. 2 Improvement Area #2 Construction, Funding, and Acquisition Agreement" by and between the City and the Developer dated as of October 9, 2025, which provides, in part, for the deposit of proceeds from the issuance and sale of the Bonds and the payment of costs of Improvement Area #2 Projects within the District, the issuance of bonds, and other matters related thereto.

"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 dominion 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, 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 1 and September 1 of each year, and commencing March 1, 2026.

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

"Major Improvements" means the Authorized Improvements which benefit all of the property within the District and are allocated or apportioned to all of the property within the District as described in the Service and Assessment Plan.

"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.

"Minor Amount Redemption" means a redemption, pursuant to Section 4.4 of this Indenture, of a principal amount of the Bonds that is less than 10% of the Outstanding principal amount of the Bonds.

"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 3.10 herein.

"Owner" 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 3.11 herein.

"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.

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

"Pledged Funds" means the Pledged Revenue Fund, the Bond Fund, the Project Fund, the Reserve Fund, and the Redemption Fund.

"Pledged Revenue Fund" means the Fund of such name established pursuant to Section 6.1 and administered pursuant to Section 6.3 herein.

"Pledged Revenues" means the sum of (i) Assessment Revenue less the Annual Collection Costs and (ii) 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 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 Annual Installment.

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

"Project Fund" means the Fund of such name established pursuant to Section 6.1 and administered pursuant to Section 6.5 herein.

"Purchaser" means the initial purchaser of the Bonds.

"Rebate Amount" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"Rebate Fund" means the Fund of such name established pursuant to Section 6.1 and administered pursuant to Section 6.8 herein.

"Record Date" means the last Business Day of the month next preceding an Interest Payment Date.

"Redemption Fund" means the Fund of such name established pursuant to Section 6.1 and administered pursuant to Section 6.6 herein.

"Redemption Price" means, when used with respect to any Bond or portion thereof, the amount of par plus accrued and unpaid interest to the date of redemption.

"Refunding Bonds" means bonds issued pursuant to the PID Act and/or Chapter 1207 of the Texas Government Code or any other applicable law of the State of Texas (each, as amended) to refund all or any portion of the then-Outstanding Bonds.

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

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

"Reserve Account Requirement" means the least of: (i) Maximum Annual Debt Service on the Bonds as of the Closing Date, (ii) 125% of average Annual Debt Service on the Bonds as of the Closing Date, or (iii) 10% of the lesser of the principal 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 the [Maximum Annual Debt Service on the Bonds as of the Closing Date].

"Reserve Fund" means the Fund of such name established pursuant to Section 6.1 and administered in Section 6.7 herein.

"Service and Assessment Plan" means the "Timberbrook Public Improvement District No. 2 2025 Amended and Restated Service and Assessment Plan" dated October 9, 2025, including the Improvement Area #2 Assessment Roll, as hereinafter amended, updated, and/or restated by an Annual Service Plan Update or otherwise, a version of which is attached as an exhibit to the Assessment Ordinance.

"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, or any portion of the Bonds, as applicable, are scheduled to mature without regard to any redemption or prepayment.

"Substantial Amount Redemption" means a redemption, pursuant to Section 4.4 of this Indenture, of a principal amount of the Bonds that is greater than or equal to 10% of the Outstanding principal amount of the Bonds.

"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 Certificate as to Tax Exemption delivered by the City on the Closing Date for the Bonds setting forth the facts, estimates and circumstances in existence on the Closing Date 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 Section 2.1 of this Indenture.

"Trustee" means Wilmington Trust, National Association, a national banking association, 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 preambles 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 individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization or 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. Granting Clauses

(a) In order to secure the payment of debt service on all Bonds, and the performance and observance by the City of all the covenants expressed or implied herein, the City does hereby grant to the Trustee, as good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, a security interest in, mortgage, create a first lien on, and pledge to the Trustee, all of its right, title, and interest, whether now owned or hereafter acquired, in, to, and under the following (the "Trust Estate"):

(i) All Pledged Revenues and all moneys and investments held in the Pledged Funds, including any and all proceeds thereof and 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

(ii) 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.

(b) The Trustee shall have and hold the Trust Estate, whether now owned or hereafter acquired or received by the Trustee and its successors or assigns, in trust upon the terms and trusts herein set forth for the 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 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 shall remain in full force and effect.

(c) Except as otherwise provided in the remaining provisions of this Indenture, nothing in this Section 2.1 shall prohibit the Trustee from bringing any actions or proceedings for the enforcement of the obligation of the City hereunder except that nothing in this Section shall prejudice the rights of the Trustee under Articles IX and XI hereof; provided further that the priority of payment and the source for the repayment of the debt service on the Bonds shall be subject to the terms as set forth herein, including without limitation Article VI herein; provided further that the right to direct remedies following an Event of Default shall be limited to the Owners of the Bonds to the extent provided as set forth in Articles XI and XV herein.

(d) The Bonds are to be issued, registered, authenticated, and delivered, and the Trust Estate is to be held, dealt with and disposed of by the Trustee, upon and subject to the terms, covenants, conditions, uses, agreements and trusts set forth in this Indenture.

Section 2.2. 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, 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 from and after the Closing Date. 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 2.3. 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 2.4. 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 2.5. 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 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 purpose of (i) paying a portion of the Actual Costs of the Improvement Area #2 Projects, (ii) paying a portion of the costs incidental to the organization and administration of the District, and (iii) paying the Bond Issuance Costs, including funding a reserve fund and paying a portion of the interest on the Bonds during the period of acquisition and construction of the Improvement Area #2 Projects, and other costs related to the issuance of the Bonds.

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

(a) The Bonds shall be dated November 6, 2025 and shall be issued in Authorized Denominations. 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 T-1.

(b) Interest shall accrue and be paid on each Bond from the later of the Closing Date 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 1 and September 1 of each year, commencing March 1, 2026 computed on the basis of a 360-day year of twelve 30-day months.

(c) The Bonds shall mature on September 1 in the years and in the principal amounts and shall bear interest as set forth below:

| Year | Principal Amount ($) | Interest Rate (%) |
|---|---|---|
| 20__ | | |
| 20__ | | |
| 20__ | | |

(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 (which delivery may be via electronic mail in portable document (PDF) or similar format), but only upon delivery to the Trustee of:

(i) a certified copy of the Assessment Ordinance;

(ii) a certified copy of the Bond Ordinance;

(iii) a copy of the executed Improvement Area #2 Projects Construction, Funding, and Acquisition Agreement;

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

(v) 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.

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, and for 30 days 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 or on behalf of 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.

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

(e) If the date for the payment of the principal of or interest on the Bonds shall be 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, the date for such payment shall be the next succeeding day that is not a Saturday, Sunday, legal holiday, or day on which such banking institutions are required or authorized to close, and payment on such date shall for all purposes be deemed to have been made on the due date thereof as specified in Section 3.2 of this Indenture.

(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 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 Owners 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.

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 and 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 hold such office 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, the 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 or her duly authorized agent, which certificate shall be evidence that the 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.

(d) On the Closing Date, one Initial Bond representing the entire principal amount of all Bonds, payable in stated installments to the Purchaser, or its designee, executed with the

manual or facsimile signatures of the Mayor or Mayor Pro Tem 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 the Initial Bond, the Trustee shall cancel the Initial Bond and deliver to DTC on behalf of the Purchaser of the Bonds one registered definitive Bond for each year of maturity of the Bonds, 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. 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 3.7. 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, upon written direction, file and maintain a copy of the Register 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 bearing the same 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.

(d) The Trustee is hereby authorized to authenticate and deliver Bonds transferred or exchanged for other Bonds 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 exchanged 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 exchanged 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 redeemed in part.

Section 3.8. Cancellation.

All Bonds paid or redeemed before scheduled maturity in accordance with this Indenture, and all Bonds in lieu of which exchanged 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 at the City's written direction in accordance with its records retention requirements.

Section 3.9. Temporary Bonds.

(a) Following the delivery and registration of the Initial Bond and pending the preparation of definitive Bonds, the proper officers of the City may execute and, upon the City's written request, the Trustee shall authenticate and deliver, one or more temporary Bonds that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any Authorized 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.

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

(c) 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 an 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 3.10. Replacement Bonds.

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the City shall issue and 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 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, 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 3.11. 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, 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 such Bond 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 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 words "Cede & Co." in this Indenture shall refer to such new nominee of DTC.

Section 3.12. 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 3.13. 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.

## 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.

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:

**Term Bonds Maturing September 1, 20__**

| Redemption Date | Sinking Fund Installment ($) |
|---|---|
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__* | |

*Stated Maturity

**Term Bonds Maturing September 1, 20__**

| Redemption Date | Sinking Fund Installment ($) |
|---|---|
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__* | |

*Stated Maturity

**Term Bonds Maturing September 1, 20__**

| Redemption Date | Sinking Fund Installment ($) |
|---|---|
| September 1, 20__ | |
| September 1, 20__ | |

September 1, 20__

September 1, 20__

September 1, 20__

September 1, 20__

September 1, 20__

September 1, 20__

September 1, 20__*

*Stated Maturity

(b) At least 45 days prior to each mandatory sinking fund redemption date, and subject to any prior reduction authorized by subparagraphs (c) and (d) of this Section 4.2, the Trustee shall select a principal amount of Bonds (in accordance with Section 4.5) of such maturity equal to the Sinking Fund Installment amount of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory sinking fund redemption date, and shall give notice of such redemption, as provided in Section 4.6.

(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 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.

(d) The principal amount of Bonds required to be redeemed on any mandatory sinking fund redemption date pursuant to subparagraph (a) of this Section 4.2 shall be reduced on a pro rata basis among Sinking Fund Installments by the principal amount of any 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 hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.3. Optional Redemption.

The City reserves the right and option to redeem the Bonds maturing on or after September 1, 20__, before their respective scheduled maturity dates, in whole or in part, on any date on or after September 1, 20__, such redemption date or dates to be fixed by the City, at the Redemption Price.

Section 4.4. Extraordinary Optional Redemption.

Notwithstanding any provision in this Indenture to the contrary, the City reserves the right and option to redeem Bonds before their respective scheduled maturity dates, in whole or in part,

and in an amount and on any date specified in a City Certificate, at the Redemption Price of such Bonds, or portions thereof, to be redeemed plus accrued interest to the date of redemption from amounts on deposit in the Redemption Fund as a result of Prepayments (including related transfers to the Redemption Fund made pursuant to the terms of this Indenture) or any other transfers to the Redemption Fund under the terms of this Indenture, or as a result of unexpended amounts transferred from the Project Fund pursuant to the terms of this Indenture. The City will provide the Trustee a City Certificate directing the Bonds to be redeemed pursuant to this Section 4.4 in accordance with the provisions of Section 4.5 hereof.

Section 4.5. Partial Redemption.

(a) If less than all of the Bonds are to be redeemed pursuant to Sections 4.2, 4.3, or 4.4, Bonds shall be redeemed in minimum principal amounts of $1,000 or any integral multiple 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. No redemption shall result in a Bond in a denomination of less than the Authorized Denomination in effect at that time; 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.

(b) In selecting the Bonds to be redeemed pursuant to Section 4.2, the Trustee may select Bonds randomly by lot.

(c) In selecting the Bonds to be redeemed pursuant to Section 4.3, the Trustee may rely on the directions provided in a City Certificate.

(d) If less than all of the Bonds are called for extraordinary optional redemption pursuant to Section 4.4 hereof, the Bonds or portion of a Bond, as applicable, to be redeemed shall be selected in the following manner:

(i) with respect to a Substantial Amount Redemption, the principal amount called for redemption shall be allocated on a pro rata basis among all Outstanding Bonds; and

(ii) with respect to a Minor Amount Redemption, the Outstanding Bonds shall be redeemed in inverse order of maturity.

(e) Upon surrender of any Bond for redemption in part, the Trustee, in accordance with Section 3.7 of this Indenture, shall authenticate and deliver an exchanged Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered, 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 at least 45 days prior to the date fixed for redemption, the Trustee shall give notice of any redemption of Bonds by sending notice by United States mail, first-class, 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. So long as the Bonds are in book-

entry-only form and held by DTC as security depository, references to Owner in this Indenture means Cede & Co., as nominee for DTC.

(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 Outstanding Bonds 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 4.3 or Section 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 this Indenture. Upon receipt of the City's written notice, 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 are not satisfied 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. Payment Upon Redemption.

(a) The Trustee shall make provision for the payment of the Bonds to be redeemed on such date of redemption 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 Payment/Transfer Office of the Trustee 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 4.8. 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 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 the 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.

Section 5.2. CUSIP Registration.

The City may secure identification numbers through the CUSIP Services, managed by FactSet Research Systems 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, nor 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.

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 by the Trustee under this Indenture:

(i) Pledged Revenue Fund;

(ii) Bond Fund;

(iii) Project Fund;

(iv) Reserve Fund;

(v) Redemption Fund;

(vi) Rebate Fund; and

(vii) Administrative Fund.

(b) Creation of Accounts.

(i) The following Account is hereby created and established under the Pledged Revenue Fund:

(A) Bond Pledged Revenue Account.

(ii) The following Accounts are hereby created and established under the Bond Fund:

(A) Capitalized Interest Account; and

(B) Principal and Interest Account.

(iii) The following Accounts are hereby created and established under the Project Fund:

(A) Improvement Area #2 Projects Account; and

(B) Costs of Issuance Account.

(iv) The following Accounts are hereby created and established under the Reserve Fund:

(A) Reserve Account; and

(B) Additional Interest Reserve Account.

(v) The following Account is hereby created and established under the Administrative Fund:

(A) District Administration Account.

(c) Each Fund and each Account created within such Fund shall only be established as needed and shall be maintained by the Trustee separate and apart from all other funds and accounts of the City. The Trustee may, from time to time, upon written direction from the City pursuant to a City Certificate, create additional Funds or Accounts hereunder as may be necessary. 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 set forth in Section 6.10(f), interest earnings and profit on each respective Fund and Account established by this Indenture 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 Capitalized Interest Account of the Bond Fund: $_____;

(ii) to the Reserve Account of the Reserve Fund: $_____;

(iii) to the Improvement Area #2 Projects Account of the Project Fund: $_____;

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

(v) to the District Administration Account of the Administrative Fund: $_____.

Section 6.3. Pledged Revenue Fund.

(a) On or before February 15 of each year while the Bonds are Outstanding and beginning February 15, 2026, the City hereby directs the Trustee to deposit or cause to be deposited the Pledged Revenues into the Pledged Revenue Fund. From amounts deposited into the Pledged Revenue Fund, the City shall deposit or cause to be deposited Pledged Revenues as follows: (i) first, to the Bond Pledged Revenue Account of 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, in accordance with Section 6.7(a) hereof, (iii) third, to the Additional Interest Reserve Account of the Reserve Fund in an amount equal to the Additional Interest collected, if any, in accordance with Section 6.7(b) hereof, (iv) fourth, to pay Actual Costs of the Improvement Area #2 Projects as identified in a City

Certificate delivered to the Trustee, and (v) fifth, to pay other costs permitted by the PID Act as identified in a City Certificate delivered to the Trustee.

(b) From time to time as needed to pay the obligations relating to the Bonds, but no later than five Business Days before each Interest Payment Date, the Trustee shall withdraw from the Bond Pledged Revenue Account 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 and any expected transfers from the Capitalized Interest Account to the 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 6.7 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, and second to the payment of principal (including any Sinking Fund Installments) on the Bonds, as described in Section 11.4(a) hereof.

(d) Notwithstanding Section 6.3(a) hereof, the Trustee shall deposit Prepayments to the Pledged Revenue Fund and as soon as practicable after such deposit shall transfer such Prepayments to the Redemption Fund.

(e) Notwithstanding Section 6.3(a) hereof, the Trustee shall deposit Foreclosure Proceeds (as such are identified in a City Certificate) to the Pledged Revenue Fund and as soon as practicable after such deposit shall transfer Foreclosure Proceeds, as directed pursuant to a City Certificate, first, to the Reserve Account to restore any transfers from the Reserve Account made with respect to the Assessed Parcel(s) to which the Foreclosure Proceeds relate, second, to the Additional Interest Reserve Account to restore any transfers from the Additional Interest Reserve Account made with respect to the Assessed Parcel(s) to which the Foreclosure Proceeds relate, and third, 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 an account of the Reserve Fund, and the other deposits described in subsection (a) 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 paid. The Trustee may rely on such City Certificate and shall have no obligation to determine the lawful purposes permitted under the PID Act.

(g) Any additional Pledged Revenues remaining after the satisfaction of the foregoing shall be applied by the Trustee, as instructed by the City pursuant to a City Certificate, for any lawful purpose permitted by the PID Act for which such additional Pledged Revenues may be used, including transfers to other Funds and Accounts created pursuant to this Indenture. The Trustee may rely on such City Certificate and shall have no obligation to determine the lawful purposes permitted under the PID Act.

Section 6.4. 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/or interest then due and payable on the Bonds, less any amount to be

used to pay interest on the Bonds on such Interest Payment Date from the Capitalized Interest Account, as provided below.

(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 6.7(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.

(c) Moneys in the Capitalized Interest Account shall be used for the payment of interest on the Bonds on the following dates and in the following amounts:

| **Date** | **Amount ($)** |
|---|---|

Any amounts on deposit in the Capitalized Interest Account after the payment of interest on the dates and in the amounts listed above shall be transferred to the Improvement Area #2 Projects Account of the Project Fund, as directed by City Certificate, or if the Improvement Area #2 Projects Account of the Project Fund has been closed as provided in Section 6.5(e) herein, such amounts shall be transferred to the Redemption Fund to be used to redeem Bonds and the Capitalized Interest Account shall be closed.

Section 6.5. Project Fund.

(a) Disbursements from the Costs of Issuance Account of the Project Fund shall be made by the Trustee to pay costs of issuance of the Bonds pursuant to one or more City Certificates or an executed, completed, and accepted Closing Disbursement Request.

(b) Money on deposit in the Improvement Area #2 Projects Account of the Project Fund shall only be used to pay Actual Costs of Improvement Area #2 Projects. Disbursements from the Improvement Area #2 Projects Account of the Project Fund to pay Actual Costs of the Improvement Area #2 Projects shall be made by the Trustee upon receipt by the Trustee of either a properly executed and completed Certification for Payment or written direction from the City or its designee approving the disbursement to the Developer or the Developer's designee. The disbursement of funds from the Improvement Area #2 Projects Account of the Project Fund pursuant to a Certification for Payment shall be pursuant to and in accordance with the disbursement procedures described in the Improvement Area #2 Projects Construction, Funding, and Acquisition Agreement. Such provisions and procedures related to such disbursements contained in the Improvement Area #2 Projects Construction, Funding, and Acquisition Agreement, are herein incorporated by reference and deemed set forth herein in full, provided that the Trustee shall be permitted to rely fully on any Certification for Payment, City Certificate, or other written direction pursuant to this Section of this Indenture without independent investigation.

(c) If the City Representative determines in his or her reasonable discretion that amounts then on deposit in the Improvement Area #2 Projects Account of the Project Fund are not expected to be expended for purposes of the Improvement Area #2 Projects Account of the

Project Fund due to the abandonment, or constructive abandonment, of the Improvement Area #2 Projects such that, in the opinion of the City Representative, it is unlikely that the amounts in the Improvement Area #2 Projects Account of the Project Fund will ever be expended for the purposes of such Account, the City Representative shall file a City Certificate with the Trustee which identifies the amounts then on deposit in the Improvement Area #2 Projects Account of the Project Fund that are not expected to be used for purposes of such Account. If such City Certificate is so filed, the amounts identified in the City Certificate on deposit in the Improvement Area #2 Projects Account of the Project Fund shall be transferred to the Redemption Fund to redeem Bonds on the earliest practicable date after notice of redemption has been provided in accordance with this Indenture.

(d) In making any determination pursuant to this Section, the City Representative may conclusively rely upon a certificate of an Independent Financial Consultant.

(e) Upon the filing of a City Certificate stating that all Improvement Area #2 Projects have been completed and that all Actual Costs of the Improvement Area #2 Projects have been paid, or that any such Actual Costs of the Improvement Area #2 Projects are not required to be paid from the Improvement Area #2 Projects Account of the Project Fund pursuant to a Certification for Payment or written direction from the City or its designee, the Trustee shall (i) transfer the amount, if any, remaining within the Improvement Area #2 Projects Account of the Project Fund to the Principal and Interest Account of the Bond Fund or to the Redemption Fund to be used to redeem Bonds pursuant to Section 4.4. as directed by the City Representative in a City Certificate filed with the Trustee, and (ii) close the Improvement Area #2 Projects Account. If the Improvement Area #2 Projects Account of the Project Fund has been closed as provided above and the Costs of Issuance Account of the Project Fund has been closed pursuant to the provisions of Section 6.5(f) below, the Project Fund shall be closed.

(f) Not later than six 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, any amounts remaining in the Costs of Issuance Account shall be transferred to the Improvement Area #2 Projects Account of the Project Fund and used to pay Actual Costs or to the Principal and Interest Account of the Bond Fund and used to pay interest on the Bonds, as directed by the City in a City Certificate filed with the Trustee, and the Costs of Issuance Account shall be closed.

Section 6.6. Redemption Fund.

(a) The Trustee, pursuant to a City Certificate, shall cause to be deposited to the Redemption Fund from the Bond Pledged Revenue Account of the Pledged Revenue Fund an amount sufficient to redeem Bonds as provided in Sections 4.3 and 4.4 on the dates specified for redemption as provided in Sections 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 6.7. Reserve Fund.

(a) The City agrees with the Owners of the Bonds to accumulate from the deposits described in Section 6.2 and Section 6.3(a) hereof, and when accumulated, maintain in the Reserve Account of the Reserve Fund, an amount equal to not less than the Reserve Account Requirement, except to the extent such deficiency is due to the application of Section 6.7(d) hereof. All amounts deposited in the Reserve Account of the Reserve Fund 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.

(b) The Trustee, if needed, will transfer from the Bond Pledged Revenue Account of the Pledged Revenue Fund to the Additional Interest Reserve Account on March 1 and September 1 of each year, commencing March 1, 2026, an amount equal to the Additional Interest collected, if any, and as shown on the Improvement Area #2 Assessment Roll attached to the Service and Assessment Plan or an Annual Service Plan Update, until the Additional Interest Reserve Requirement has been accumulated in the Additional Interest Reserve Account. If the amount on deposit in the Additional Interest Reserve Account shall at any later time be less than the Additional Interest Reserve Requirement, the Trustee shall notify the City, in writing, of the amount of such shortfall, and the City shall resume collecting the Additional Interest and shall file a City Certificate with the Trustee instructing the Trustee to resume depositing the Additional Interest from the Bond Pledged Revenue Account of the Pledged Revenue Fund into the Additional Interest Reserve Account until the Additional Interest Reserve Requirement has been accumulated in the Additional Interest Reserve Account; provided, however, that the City shall not be required to replenish the Additional Interest Reserve Account in the event funds are transferred from the Additional Interest Reserve Account to the Redemption Fund as a result of an extraordinary optional redemption of Bonds from the proceeds of a Prepayment pursuant to Section 4.4 of this Indenture. If, after such deposits, there is surplus Additional Interest remaining, the Trustee shall transfer such surplus Additional Interest to the Redemption Fund, and shall notify the City of such transfer in writing. In transferring the amounts to be transferred pursuant to this Section, the Trustee may conclusively rely on the Annual Installments as shown on the Improvement Area #2 Assessment Roll in the Service and Assessment Plan or an Annual Service Plan Update, unless and until it receives a City Certificate directing that a different amount be used.

(c) Whenever a transfer is made from an Account of the Reserve Fund to 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.

(d) Whenever Bonds are to be redeemed with the proceeds of Prepayments pursuant to Section 4.4, the Trustee shall transfer, on the Business Day prior to the redemption date (or on such other date as agreed to by the City and the Trustee), from the Reserve Account of the Reserve Fund to the Redemption Fund, an amount specified in a City Certificate 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 the principal amount of Bonds to be redeemed with Prepayments multiplied by the lesser of: (i) the amount required to be in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds prior to the redemption, and (ii) the amount actually in the Reserve Account of the Reserve Fund divided by the principal amount of Outstanding Bonds prior to the redemption. If after such transfer, and after applying investment earnings on the Prepayments toward payment of accrued interest, there are insufficient funds in the Redemption Fund to pay the principal amount plus accrued and unpaid interest to the date fixed for redemption of the Bonds to be redeemed, as identified in a City Certificate as a result of such Prepayments and as a result of the transfer from the Reserve Account under this Section 6.7(d), the Trustee shall transfer an amount equal to the shortfall, and/or any additional amounts necessary to permit the Bonds to be redeemed in minimum principal amounts of $1,000, from the Additional Interest Reserve Account to the Redemption Fund to be applied to the redemption of the Bonds.

(e) 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 via access to its online portfolio system. Such excess shall be transferred to the Principal and Interest Account to be used for the payment of debt service on the Bonds on the next Interest Payment Date in accordance with Section 6.4 hereof, unless within 30 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 6.8 hereof, (ii) to a specified Account of the Project Fund if such application and the expenditure of funds is expected to occur within three years of the Closing Date, or (iii) for such other use specified in such City Certificate if the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that such alternate use will not adversely affect the exemption from federal income tax of the interest on any Bond.

(f) Whenever, 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 first, from the Additional Interest Reserve Account of the Reserve Fund to the Bond 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 Principal and Interest Account of the Bond Fund and applied to the payment of the principal of the Bonds.

(h) If, after a Reserve Account withdrawal pursuant to Section 6.7(f), 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 6.3.

(i) If the amount held in the Reserve Fund together with the amount held in the Bond Fund and Redemption Fund is sufficient to pay the principal amount of all Outstanding Bonds on the next Interest Payment Date, together with the unpaid interest accrued on such Outstanding Bonds as of such Interest Payment Date, the moneys shall be transferred to the Redemption Fund and thereafter used to redeem all Outstanding Bonds as of such Interest Payment Date.

Section 6.8. Rebate Fund; Rebate Amount.

(a) There is hereby established a special fund of the City to be designated “City of Justin, 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 relating to the Bonds due the United States Government in accordance with the Code.

(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, as directed by the City in a written instruction to the Trustee, shall be made in accordance with the Code and the Tax Certificate.

(c) The Trustee conclusively shall be deemed to have complied with the provisions of this Section and Section 7.5(h) and shall not be liable or responsible if it follows the instructions

of the City and shall not be required to take any action under this Section and Section 7.5(h) 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 Bond Fund.

Section 6.9. Administrative Fund.

(a) The City shall deposit or cause to be deposited to the District Administration Account of the Administrative Fund the amounts collected each year to pay the Annual Collection Costs and Delinquent Collection Costs.

(b) Moneys in the District Administration Account of the Administrative Fund shall be held by the Trustee separate and apart from the other Funds and Accounts created and administered hereunder and used as directed by a City Certificate solely for the purposes set forth in the Service and Assessment Plan.

Section 6.10. Investment of Funds.

(a) Money in any Fund or Account established pursuant to this Indenture shall be invested by the Trustee, as directed by the City pursuant to a City Certificate, filed with the Trustee at least two days in advance of the making of such investment. The money in any Fund or Account shall be invested 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 of 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. Notwithstanding the preceding sentence, amounts in the Additional Interest Reserve Account may not be invested above the Yield (as defined in Section 7.5(a) hereof) on the Bonds, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that such investment and/or the failure to comply with such yield restriction will not adversely affect the exemption from federal income tax of the interest on any Bond. 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 or Accounts may be invested pursuant to a City Certificate 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 or Account are held by or on behalf of each such Fund or Account. If necessary, such investments shall be promptly sold to prevent any default. If the City does not give the Trustee written or timely instructions with respect to investments of funds, the Trustee is hereby directed to hold such funds uninvested and shall have no obligation to invest or reinvest such funds.

(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 may be accomplished by transferring a like amount of Investment Securities as directed pursuant to a City Certificate.

(c) The Trustee and its affiliates may act as sponsor, advisor, depository, principal or agent in the acquisition or disposition of any investment. The Trustee shall have no investment discretion and the Trustee's only responsibility for investments shall be to follow the written instructions contained in any City Certificate. The Trustee shall not incur any liability for losses arising from any investments made or sold pursuant to this Section. The Trustee shall not be required to determine the suitability or legality of any investments or whether investments otherwise comply with this Indenture. The parties acknowledge that the Trustee is not providing investment supervision, recommendations, or advice.

(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 and the Administrator, upon the written request of the City or the Administrator, monthly cash transaction statements via access to its online portfolio system which include detail for all investment transactions made by the Trustee hereunder; and, unless the Trustee receives a written request, the Trustee is not required to provide brokerage confirmations so long as the Trustee is providing such monthly cash transaction statements.

(f) If, following an annual calculation of the Rebate Amount in accordance with Sections 6.8 and 7.5(h) hereof, it is determined that a Rebate Amount is owed with respect to the Bonds, the City shall direct the Trustee, pursuant to a City Certificate, to transfer to the Rebate Fund an amount equal to the Rebate Amount owed by the City from investment earnings derived from the investment of the amount on deposit in Pledged Funds. The City Certificate shall specify the amount to be transferred and identify the Pledged Fund or Pledged Funds from which the investment earnings shall be transferred.

(g) The Trustee may conclusively rely on City Certificates pursuant to Section 6.10(a) that such investment will comply with the City's investment policy and with the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended.

Section 6.11. Security of Funds.

All Funds or Accounts heretofore created, 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 or Accounts 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 Assessments.

The City hereby confirms, covenants, and agrees that the Assessments to be collected from the Assessed Property are as so reflected in the Service and Assessment Plan (as it may be updated from time to time) and, in accordance with the Assessment Ordinance, it has levied the Assessments against the respective Assessed Parcels from which the Pledged Revenues will be collected and received.

Section 7.2. Collection and Enforcement of Assessments.

(a) For so long as any Bonds are Outstanding and/or amounts are due to the Developer to pay it for funds it has contributed to pay Actual Costs of the Improvement Area #2 Projects in accordance with the Improvement Area #2 Projects Construction, Funding, and Acquisition Agreement, 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 Parcel. Furthermore, nothing shall obligate the City, the City Attorney, or any appropriate designee to undertake collection or foreclosure actions against delinquent accounts in violation of applicable state law, court order, or existing contractual provisions between the City and its appropriate collections enforcement designees.

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 Trust Estate, other than that specified in Section 9.6 of this Indenture, or upon any other property pledged under this Indenture, except the pledge created for the security of the Bonds, and other than a lien or pledge subordinate to the lien and pledge of such property related to the Bonds.

(b) So long as Bonds are Outstanding hereunder, and except as set forth in Section 13.2 hereof, the City shall not issue any bonds, notes or other evidences of indebtedness other than the Bonds and Refunding Bonds, if any, secured by any pledge of or other lien or charge on the Trust Estate except for other indebtedness incurred in compliance with Section 13.2 hereof.

Section 7.4. Records, Accounts, 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/or the obligation to the Developer to pay it for funds it has contributed to pay Actual Costs of the Improvement Area #2 Projects in accordance with the Improvement Area #2 Projects Construction, Funding, and Acquisition Agreement 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 the 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; provided, however, the Trustee shall have no duty to so inspect. 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 30 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:

"*Closing Date*" means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

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

*"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.

*"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 the 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 Closing 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 day on which the last outstanding Bond is discharged. 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 Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to ensure 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, direct the Trustee to transfer to the Rebate Fund from the funds or subaccounts designated in such City Certificate and direct the Trustee to pay to the United States from the Rebate Fund the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, 100% of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, 90% of

the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and 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 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) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager, Finance Director 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

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 (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, the funds available for such payment in any of the Pledged Funds, if any, 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, 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 Paying Agent/Registrar.

The Trustee is hereby designated and agrees to act as Paying Agent/Registrar for and in respect to the Bonds.

Section 9.2. Trustee Entitled to Indemnity.

The Trustee shall be under no obligation to spend its own funds, to 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 or exercise of any rights and powers hereunder, until it shall be indemnified by the Owners, to the extent permitted by law and the provisions of this Indenture, to its satisfaction against any and all costs and expenses, outlays, and counsel fees and other reasonable disbursements, and against all liability except to the extent the same shall have been finally adjudicated by a court of competent jurisdiction to have been directly caused by the Trustee's own negligence or willful misconduct; provided, however, that in no event shall the Trustee request or require indemnification as a condition to making any deposits, payments, or transfers (provided such deposit, payment or transfer is prior to an Event of Default) when required hereunder, or to delivering 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, to the extent permitted pursuant to the provisions of this Indenture, make transfers from the District Administration Account of the Administrative Fund, and to the extent moneys in the District Administration Account of the Administrative Fund are insufficient, from the Pledged Revenue Fund, to pay all fees, costs and 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.

The Trustee accepts the trusts imposed upon it by this Indenture, and agrees to observe and perform those trusts, but only upon and subject to the terms and conditions set forth in this Article, to all of which the parties hereto and the Owners agree.

(a) Prior to the occurrence of an Event of Default of which the Trustee has been notified, and after the cure or waiver of all defaults or Events of Default which may have occurred,

(i) the Trustee undertakes to perform only those duties and obligations which are set forth specifically and expressly in this Indenture, and no duties or obligations shall be implied to the Trustee, and the Trustee shall not be liable except for the performance of such duties, and no implied covenants shall be read into this Indenture against the Trustee; and

(ii) the Trustee may request and rely conclusively, as to the due execution, the truth of the statements, and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this

Indenture, and shall incur no liability and shall be fully protected in acting or refraining from acting in accordance therewith; but in the case of any such certificates or opinions which by any provision hereof are required specifically to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform on their face to the requirements of this Indenture.

(b) In case an Event of Default has occurred and is continuing hereunder (of which the Trustee has been notified in writing, or is deemed to have notice), the Trustee shall exercise those rights and powers vested in it by this Indenture and shall use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(i) this subparagraph shall not be construed to affect the limitation of the Trustee's duties and obligations provided in subparagraph (a)(i) of this Section or the Trustee's right to rely on the truth of statements and the correctness of opinions as provided in subparagraph (a)(ii) of this Section;

(ii) the Trustee shall not be liable for any actions taken, or error of judgment, made in good faith by any one of its officers, employees or agents unless it shall be finally adjudicated by a court of competent jurisdiction that the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the controlling Owners 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; and

(iv) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not assured to it.

(d) 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 makes no representations as to the validity or sufficiency of the offering documents, 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. The Trustee has the right to act through agents and attorneys and shall have no liability for the acts or omissions of any of the agents and attorneys appointed by it with due care.

(e) 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.

(f) 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 such losses, damages, or expenses which have been fully adjudicated by a court of competent jurisdiction to have directly resulted from the Trustee's own negligence or willful misconduct. In no event shall the Trustee be liable for incidental, indirect, punitive, special or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) in connection with or arising from this Indenture, irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action. The Trustee will not be liable with respect to any action taken or omitted to be taken in good faith in accordance with the written direction of the Owners of not less than a majority in principal amount of the Bonds then Outstanding 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.

(g) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care.

(h) Except for its certificate of authentication on the Bonds, the Trustee shall not be responsible for:

(i) the validity, priority, recording, rerecording, filing or refiling of this Indenture or any Supplemental Indenture,

(ii) any instrument or document of further assurance or collateral assignment,

(iii) the filing, execution, delivery, recording, or authorization of any financing statements, amendments thereto or continuation statements,

(iv) insurance of the Improvement Area #2 Projects or collection of insurance money,

(v) the validity of the execution by the City of this Indenture, any Supplemental Indenture or instruments or documents of further assurance, or

(vi) the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby.

(i) The Trustee shall not be accountable for the application by any Person of the proceeds of any Bonds authenticated or delivered hereunder; provided the Trustee follows the written instructions provided by the City with respect to the use of the proceeds of the Bonds.

(j) The Trustee, as an Annual Collection Cost, may request, conclusively rely on and shall be protected in acting upon any resolution, statement, instrument, opinion, report, notice, request, direction, consent, certificate, order, judgment, affidavit, letter, telegram or other paper or document believed by it to be genuine and correct and to have been signed or sent by the

proper Person or Persons, not only as to due execution, validity, and effectiveness, but also as to the truth and accuracy of any information contained therein. Any action taken by the Trustee pursuant to this Indenture upon the direction, request, authority or consent of any Person who is the Owner of any Bonds at the time of making the request or giving the authority or consent, shall be conclusive and binding upon all future Owners of the same Bond and of Bonds issued in exchange therefor or in place thereof.

(k) The Trustee shall not be required to take notice, and shall not be deemed to have notice, of any events or information, default or Event of Default, except Events of Default described in Section 11.1(a)(i), unless the Trustee has actual knowledge thereof or 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 more than 66-2/3% of the aggregate outstanding principal amount of 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.

(l) The Trustee shall not be required to give any bond or surety with respect to the execution of these trusts and powers or otherwise in respect of the premises.

(m) Any resolution by the City, and any opinions, certificates and other instruments and documents for which provision is made in this Indenture, may be accepted by the Trustee, in the absence of bad faith on its part, as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for its actions or inactions taken hereunder.

(n) The Trustee shall be entitled to file proofs of claim in bankruptcy at the direction of no less than 66-2/3% of the Owners. Ordinary trustee and paying agent/registrar fees and expenses and extraordinary fees and expenses of the Trustee and the Paying Agent/Registrar incurred hereunder are intended to constitute administrative expenses in bankruptcy.

(o) 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 for trustee and paying agent/registrar services, subject to the limitations set forth herein, shall survive the Trustee's resignation or removal, the discharge of this Indenture, and final payment of the Bonds.

(p) In no event shall the Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit), irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(q) 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, except for any information provided by the Trustee, and shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds.

(r) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and, with respect to such permissive rights, the Trustee shall not be answerable for other than its negligence or willful misconduct.

(s) The Trustee shall not be responsible or liable for the environmental condition or any contamination of the Improvement Area #2 Projects or any real property or improvements related thereto or for any diminution in value of the same as a result of any contamination by any hazardous substance, hazardous material, pollutant or contaminant. The Trustee shall not be liable for any claims by or on behalf of the Owners or any other person or entity arising from contamination by any hazardous substance, hazardous material, pollutant or contaminant, and shall have no duty or obligation to assess the environmental condition of the Improvement Area #2 Projects or any real property or improvements related thereto 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.

(t) Neither the Trustee nor any of its directors, officers, employees, agents or affiliates shall be responsible for nor have any duty to monitor the performance or any action of the City, or any of its directors, members, officers, agents, affiliates or employees, nor shall it have any liability in connection with the malfeasance or nonfeasance by such party. The Trustee may assume performance by all Persons of their respective obligations. The Trustee shall have no enforcement or notification obligations relating to breaches of representations or warranties of any other Person.

(u) In the event that any assets held hereunder shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting such assets, the Trustee is hereby expressly authorized, in its sole discretion, to respond as it deems appropriate or to comply with all writs, orders or decrees so entered or issued, or which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction. In the event that the Trustee obeys or complies with any such writ, order or decree it shall not be liable to any of the parties or to any other person, firm or corporation, should, by reason of such compliance notwithstanding, such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.

(v) The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising out of or caused, directly or indirectly, by circumstances beyond its control, including without limitation, any act or provision of any present or future law, regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility.

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, as an Annual Collection Cost, request, conclusively rely on and shall be protected in acting or refraining from acting upon any resolution, instrument, opinion, report, direction, order, notice, judgment, request, consent, waiver, certificate, statement, affidavit, requisition, bond, debenture, note or other document provided to the Trustee in accordance with the terms of this Indenture that it shall in good faith 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, or for any action taken or omitted to be taken upon the advice or written opinion of any counsel, architect, engineer, insurance consultant, management consultant, accountant or other professional retained or consulted by the Trustee, and the Trustee shall be under no duty to make any investigation or inquiry into any statements contained or matters referred to in any such instrument. Subject to Section 9.1 and Section 9.3 hereof, the Trustee may consult with counsel, selected by the Trustee with due care, 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, and the Trustee shall not be liable for, any action taken, suffered, or omitted to be taken by it in good faith and in accordance therewith.

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, the Trustee may request a City Certificate, and such matter may be deemed to be conclusively proved and established by such 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 sole 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.

Section 9.6. Compensation.

The City hereby agrees to compensate the Trustee, from the amount collected each year for Annual Collection Costs and in the manner set forth in this Section, for the Trustee's services as Trustee and as Paying Agent/Registrar. The Trustee shall transfer from the District Administration Account of the Administrative Fund, from time to time, reasonable compensation for all services rendered by it hereunder, including its services as Paying Agent/Registrar, 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, subject to any limit on the amount of such compensation or recovery of expenses or other charges as shall be prescribed by specific agreement, and the Trustee shall have a lien therefor on any and all funds at any time held by it in the Administrative 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 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 in its possession in the Administrative Fund, subject to the limitations set forth herein.

In the event that the Trustee renders any service not contemplated in this Indenture, or if any material controversy arises hereunder, or the Trustee is made a party to any litigation pertaining to this Indenture or the subject matter hereof, then the Trustee shall, subject to the limitations set forth herein, be compensated from any and all funds at any time held by it for such extraordinary services and any services or work performed by the Trustee in connection with any delay, controversy, litigation or event, and reimbursed for all costs and expenses, including reasonable attorneys' fees and expenses, occasioned by any such delay, controversy, litigation or event.

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 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.

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 on 30 days' advance written notice to the Trustee by (i) the Owners of at least a majority of the aggregate Outstanding principal 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, or (ii) the City, so long as the City is not in default under this Indenture. 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 City or the Owners of not less than 10% of the aggregate Outstanding principal of the Bonds.

Section 9.10. Successor Trustee.

(a) If the Trustee shall resign, be removed, be dissolved, or become incapable of acting, or shall be adjudged as bankrupt or 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.

(b) 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 within one year after any such vacancy shall have occurred by the Owners of at least 25% of the aggregate outstanding principal 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.

(c) Unless and until such successor Trustee shall have been appointed by the Owners of the Bonds, the City shall forthwith (and in no event in excess of 30 days after such vacancy occurs) 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 in accordance with the immediately preceding paragraph.

(d) 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.

(e) 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 and Applicable Laws.

(f) Each successor Trustee shall mail, in accordance with the provisions of the Bonds, notice of its appointment as Trustee, 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.

(g) Trustee shall not be responsible for or liable for the acts or omissions of any successor trustee, nor shall it be responsible or liable for any costs of appointment or transition of such successor trustee.

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, 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 upon receipt of payment of its outstanding charges, 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, including any supplement or amendment to this Indenture, 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 converted or 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 and will have and succeed to the rights, powers, duties, immunities, and privileges as predecessor, without any further act, deed or conveyance, provided that such corporation or association shall be a commercial bank, 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. Trustee to File Continuation Statements.

If necessary, the Trustee may file or cause to be filed, such continuation statements as are delivered to the Trustee by the City, or on behalf of the City, and which may be required by the Texas Uniform Commercial Code, as from time to time in effect (the "UCC"), in order to continue perfection of the security interest of the Trustee in such items of tangible or intangible personal property and any fixtures as may have been granted to the Trustee pursuant to this Indenture in the time, place and manner required by the UCC. Under no circumstances shall the Trustee have an obligation or responsibility to file such financing statements or continuation statements except as provided in this Section.

Section 9.14. 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. Permissive rights of the Trustee are not to be construed as duties. Whether or not therein expressly so provided, every provision of this Indenture or any other financing document relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Article IX.

## ARTICLE X

## MODIFICATION OR AMENDMENT OF THIS INDENTURE

Section 10.1. Amendments Permitted.

(a) 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, executed by both the City and the Trustee, 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 at least 51% 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 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, or (ii) permit the creation by the City of any pledge or lien upon the Trust Estate superior to or on a parity with the pledge and lien created for the benefit of the Bonds (except as otherwise permitted by Applicable Laws and this Indenture), or reduce the percentage of Owners of Bonds required for the amendment hereof. Any such amendment may not modify any of the rights, immunities or obligations of the Trustee without its written consent.

(b) 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 and the Trustee 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 provide for the issuance of Refunding Bonds, as set forth in Section 13.2 hereof;

(v) to appoint or accept a successor trustee in accordance with the provisions of Section 9.10 hereof; provided, however, in no event shall this provision limit the Owners' ability to appoint a successor trustee pursuant to Section 9.10(b) hereof; and

(vi) 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.

(c) Any modification or amendment made pursuant to Section 10.1(b) shall not be subject to the notice procedures specified in Section 10.3 below.

(d) Notwithstanding the above, no Supplemental Indenture under this Section shall be effective unless the City first delivers to the Trustee an opinion of Bond Counsel to the effect that such amendment or supplement: (i) is permitted under Applicable Laws and the provisions of this Indenture in effect after taking into account the proposed amendment or supplement; (ii) will not adversely affect the interests of the Owners in any material respect; provided, however, that an appointment of a successor trustee in accordance with the provisions hereof and the issuance of Refunding Bonds in accordance with the provisions of Section 13.2 hereof are each deemed to not be a material adverse effect for purposes of such opinion; and (iii) will not adversely affect the exclusion of interest on any Bond from gross income for purposes of federal income taxation.

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 reasonable 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.

Except as set forth in Section 10.1, 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 and the City or Bond Counsel, acting on the City's behalf, has delivered to the Trustee an opinion of Bond Counsel to the effect that such amendment is permitted and will not adversely affect the exclusion of interest on any Bond from gross income for purposes of federal income taxation. 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 60 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 60 day period; provided, however, that the Trustee during such sixty 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; provided, further, that the Trustee shall have no obligation to take or refrain from taking any such action and the Trustee shall have no liability with respect to any action taken or any instance of inactions.

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 Outstanding Bonds 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 hereof, with the written consent of at least 51% of the Owners in aggregate principal amount of the Bonds then Outstanding, the Owners may waive non-compliance by the City with certain past defaults under this 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 hereof.

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 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.

## ARTICLE XI

## DEFAULT AND REMEDIES

Section 11.1. Events of Default.

(a) 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 Bond Pledged Revenue Account of 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 such failure is not remedied within 30 days; provided, however, that the payments are to be made only from Pledged Revenues or other funds currently available in the Pledged Funds and available to the City to make the payments; and

(iv) Default in the performance or observance of any covenant, agreement or obligation of the City under this Indenture and the continuation thereof for a period of 90 days after written notice to the City by the Trustee, or by the Owners of at least 25% of the aggregate Outstanding principal of the Bonds with a copy to the Trustee, specifying such default and requesting that the failure be remedied.

(b) Nothing in Section 11.1(a) will be an Event of Default if it is in violation of any applicable state law or court order.

Section 11.2. Immediate Remedies for Default.

(a) Subject to Article VIII, upon the happening and continuance of any of the Events of Default described in Section 11.1, the Trustee may, and at the written direction of the Owners of at least 25% of the Bonds then Outstanding 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 no action for

money damages against the City may be sought or shall be permitted. The Trustee retains the right to obtain the advice of counsel in its exercise of remedies of 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. 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.

(d) Whenever moneys are to be applied pursuant to this Article XI, irrespective of 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 reasonable 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 not less than 25% of the aggregate principal amount of the Bonds then Outstanding 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 written evidence of indemnity as provided in Section 9.2 herein, (iv) the Trustee has for 90 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 90-day period by the Owners of at least a majority of the aggregate principal amount of the Bonds then Outstanding, and (vi) written notice of such action, suit, or proceeding is given to the Trustee; however, no one or more Owners of the Bonds shall have any right in any manner

whatsoever to affect, disturb, or prejudice this Indenture by its, his, or their action or to enforce any right hereunder except in the manner provided herein, and that 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, 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 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 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 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), 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 due and to the Owners entitled thereto, without any discrimination or preference.

Within 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 by this Indenture to the Trustee or the Owners, respectively, may be exercised from time to time and as often as may be deemed expedient.

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 will not be deemed Outstanding for 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 at least 25% of the aggregate outstanding principal 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 a 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 Applicable Laws 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, and (iii) 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 Pledged Revenues and 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, notice of 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 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, during the Trustee's regular business hours, 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 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.

## 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 Revenues, 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.

(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 Pledged Revenues. Additionally, the City has reserved the right to issue bonds or other obligations secured by and payable from Pledged Revenues or assessments levied against the Assessed Property so long as such pledge is subordinate to the pledge of Pledged Revenues securing payment of the Bonds.

(b) Other than Refunding Bonds issued to refund all or a portion of the Bonds issued in accordance with this Section, the City will not create or voluntarily permit to be created any debt, lien or charge on the Trust Estate and will not do or omit to do or suffer to be or omit to be done any matter or things whatsoever whereby the lien of this Indenture or the priority hereof might or could be lost or impaired.

(c) Additionally, the City has reserved the right to issue bonds or other obligations secured by and payable from the Trust Estate so long as such pledge is subordinate to the pledge of the Trust Estate securing payment of the Bonds.

(d) Notwithstanding anything to the contrary herein, no Refunding Bonds or subordinate obligations may be issued by the City unless: (1) the principal (including sinking fund installments) of such Refunding Bonds or subordinate obligations are scheduled to mature on September 1 of the years in which principal is scheduled to mature, and (2) the interest on such Refunding Bonds or subordinate obligations must be scheduled to be paid on March 1 and September 1 of the years in which interest is scheduled to be paid.

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 dealings, business and affairs of the City, which relate to the Pledged Revenues, the Pledged Funds, the Trust Estate, 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 the 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 this 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 for such purpose, shall be sufficient to pay when due the principal of and interest on 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 or other authorized third-party selected by the City verifying the sufficiency of the moneys and/or Defeasance Securities deposited with the Trustee to pay when due the principal of and interest on 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 publishing a rating on the Bonds that such deposit will not result in the reduction or withdrawal of the rating on the Bonds. 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. This Indenture and the exhibit(s) hereto set forth the entire agreement and understanding of the parties related to this transaction and supersedes all prior agreements and understandings, oral or written.

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 telexed, cabled, delivered by hand, mailed by first-class mail, postage prepaid, or transmitted by email and addressed as follows:

| | |
|---|---|
| If to the City: | City of Justin, Texas<br>415 N. College Ave.<br>Justin, Texas 76247<br>Attn: City Manager<br>Email: citymanager@cityofjustin.com |
| If to the Trustee<br>or the Paying Agent/Registrar: | Wilmington Trust, National Association<br>15950 North Dallas Parkway, Suite 200<br>Dallas, Texas 75248<br>Attn: Parker Merritt<br>Emai: pmerritt@wilmingtontrust.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 shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Indenture and delivered using Electronic Means ("Electronic Means" means the following communications methods: email, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the City shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers"), which incumbency certificate shall be amended by the City whenever a person is to be added or deleted from the listing. If the City elects to give the Trustee Instructions using Electronic Means and the Trustee elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The City understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. The City shall be

responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and the City and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the City. 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 directions conflict or are inconsistent with a subsequent written instruction. The City agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions 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; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the City; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

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. With respect to this Indenture and any conflicts arising therefrom, the parties hereby (i) irrevocably submit to the exclusive jurisdiction of any federal district or state district court with jurisdiction in Denton County, Texas, (ii) waive any objection to laying of venue in any such action or proceeding in such courts, and (iii) waive any objection that such courts are an inconvenient forum or do not have jurisdiction over any party. Each of the parties hereto hereby waives the right to trial by jury with respect to any litigation directly or indirectly arising out of, under, or in connection with this Indenture.

Section 15.8. Payment on Business Day.

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 other than 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 day that is a 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.

Section 15.9. Counterparts.

This Indenture may be executed in counterparts, each of which shall be deemed an original. The City and the Trustee agree that electronic signatures to this Indenture may be regarded as original signatures.

Section 15.10. Statutory Verifications.

The Trustee makes the following representation and verifications pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Indenture. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the Trustee 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 Indenture shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Indenture, notwithstanding anything in this Indenture to the contrary.

(a) Not a Sanctioned Company. 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, Government Code. The foregoing representation 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.

(b) No Boycott of Israel. The Trustee 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 Indenture. 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 Trustee 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 Indenture. 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 Trustee 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 Indenture. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

[*Remainder of Page Intentionally Left Blank]*

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 JUSTIN, TEXAS

By: _____
James Clark, Mayor

ATTEST:

_____
Amy M. Piukana, City Secretary

WILMINGTON TRUST, NATIONAL ASSOCIATION,
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. _____ $_____

United States of America
State of Texas

CITY OF JUSTIN, TEXAS
SPECIAL ASSESSMENT REVENUE BOND, SERIES 2025
(TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2
IMPROVEMENT AREA #2 PROJECT)

| INTEREST RATE | MATURITY DATE | DATE OF DELIVERY | CUSIP NUMBER |
|---|---|---|---|
| _____% | September 1, 20__ | November 6, 2025 | _____ |

The City of Justin, 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 later of 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 1 and September 1 of each year, commencing March 1, 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 Wilmington, Delaware (the "Designated Payment/Transfer Office"), of Wilmington Trust, National Association, 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 Business 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, and for 30 days 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 November 6, 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 November 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 purpose of (i) paying a portion of the Actual Costs of the Improvement Area #2 Projects, (ii) paying a portion of the costs incidental to the organization and administration of the District, and (iii) paying the Bond Issuance Costs, including funding a reserve fund and paying a portion of the interest on the Bonds during the period of acquisition and construction of the Improvement Area #2 Projects, and other costs related to the issuance of the Bonds.

The Bonds are special, 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 denominations of $100,000 and any multiple of $1,000 in excess thereof.

The Bonds are subject to sinking fund redemption prior to their stated maturities and will be redeemed by the City in part at a price equal to the principal amount thereof plus accrued and unpaid interest thereon to the date set for redemption 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:

**Term Bonds Maturing September 1, 20__**

| Redemption Date | Sinking Fund Installment ($) |
|---|---|
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__* | |

*Stated Maturity

**Term Bonds Maturing September 1, 20__**

| Redemption Date | Sinking Fund Installment ($) |
|---|---|
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__* | |

*Stated Maturity

**Term Bonds Maturing September 1, 20__**

| Redemption Date | Sinking Fund Installment ($) |
|---|---|
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__* | |

*Stated Maturity

At least 45 days prior to each mandatory sinking fund redemption date, and subject to any prior reduction authorized by the Indenture, the Trustee shall select for redemption, pursuant to the provisions of the Indenture, a principal amount of Bonds of such maturity equal to the Sinking Fund Installments of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory sinking fund 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 principal amount of Bonds required to be redeemed on any mandatory sinking fund redemption date shall be reduced on a pro rata basis among Sinking Fund Installments by the principal amount of any 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 of the Indenture and not previously credited to a mandatory sinking fund redemption.

The City reserves the right and option to redeem the Bonds maturing on or after September 1, 20__ before their scheduled maturity dates, in whole or in part, on any date on or after September 1, 20__, such redemption date or dates to be fixed by the City, at the redemption price of par plus accrued interest to the date of redemption.

Bonds are subject to extraordinary optional redemption prior to maturity in whole or in part, and in an amount and on any date specified in a City Certificate, at a redemption price equal to the principal amount of the Bonds called for redemption, plus accrued and unpaid interest to the date fixed for redemption, pursuant to the provisions of the Indenture, 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.

The Trustee shall give notice of any redemption of Bonds by sending notice by United States mail, first-class, 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 are not satisfied 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 the 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 redeemed in part.

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.

The City has reserved the right to issue Additional Obligations on the terms and conditions specified in the Indenture.

NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF THE CITY OF JUSTIN, 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.

_____
Mayor, City of Justin, Texas

_____
City Secretary, City of Justin, 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 _____

_____
[Acting] 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.

WILMINGTON TRUST, NATIONAL ASSOCIATION
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:

_____

_____

Authorized Signatory

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.

(e) The Initial Bond shall be in the form set forth in paragraphs (a) through (d) of this Exhibit A, except for the following alterations:

(i) immediately under the name of the Bond the headings "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 1 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

| Years | Principal Amount ($) | Interest Rate (%) |
|---|---|---|

(Information to be inserted from Section 3.2(c) hereof); and

(iii) the Initial Bond shall be numbered T-1.

**EXHIBIT B**

**BOND PURCHASE AGREEMENT**

**$6,770,000**
**CITY OF JUSTIN, TEXAS,**
**SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025**
**(TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2**
**IMPROVEMENT AREA #2 PROJECT)**

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**BOND PURCHASE AGREEMENT**

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October 9, 2025

City of Justin, Texas
415 N. College Avenue
Justin, Texas 76247

Ladies and Gentlemen:

The undersigned, FMSbonds, Inc. (the "Underwriter"), offers to enter into this Bond Purchase Agreement (this "Agreement") with the City of Justin, Texas (the "City"), which will be binding upon the City and the Underwriter upon the acceptance of this Agreement by the City. This offer is made subject to its acceptance by the City by execution of this Agreement and its delivery to the Underwriter on or before 10:00 p.m., Central Time, on the date hereof and, if not so accepted, will be subject to withdrawal by the Underwriter upon written notice delivered to the City at any time prior to the acceptance hereof by the City. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Indenture (defined herein), between the City and Wilmington Trust, National Association, as trustee (the "Trustee"), authorizing the issuance of the Bonds (defined herein), and the Limited Offering Memorandum (defined herein).

1. Purchase and Sale of Bonds. Upon the terms and conditions and upon the basis of representations, warranties, and agreements hereinafter set forth, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the $6,770,000 aggregate principal amount of the "City of Justin, Texas, Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project)" (the "Bonds"), at a purchase price of $_____ (representing the aggregate principal amount of the Bonds, less an original issue discount of $_____, and less an Underwriter's discount of $_____).

Inasmuch as this purchase and sale represents a negotiated transaction, the City understands, and hereby confirms, that the Underwriter is not acting as a municipal advisor or fiduciary of the City (including, without limitation, a "municipal advisor" (as such term is defined in Section 975(e) of the Dodd Frank Wall Street Reform and Consumer Protection Act)), but rather is acting solely in its capacity as Underwriter for its own account. The City acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's length commercial transaction between the City and the Underwriter, (ii) in

connection with the discussions, undertakings, and procedures leading up to the consummation of this transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, municipal advisor, financial advisor, or fiduciary of the City, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City with respect to the offering described herein or the discussions, undertakings, and procedures leading thereto (regardless of whether the Underwriter has provided other services or is currently providing other services to the City on other matters) and the Underwriter has no obligation to the City with respect to the offering described herein except the obligations expressly set forth in this Agreement, (iv) the City has consulted its own legal, financial and other advisors to the extent it has deemed appropriate, (v) the Underwriter has financial and other interests that differ from those of the City, and (vi) the Underwriter has provided to the City prior disclosures under Rule G-17 of the Municipal Securities Rulemaking Board ("MSRB"), which have been received by the City. The City further acknowledges and agrees that following the issuance and delivery of the Bonds, the Underwriter has indicated that it may have periodic discussions with the City regarding the expenditure of Bond proceeds and the construction of the Improvement Area #2 Projects financed with the Bonds and, in connection with such discussions, the Underwriter shall be acting solely as a principal and will not be acting as the agent or fiduciary, and will not be assuming an advisory or fiduciary responsibility in favor, of the City.

The Bonds shall be dated as of the Closing Date, and shall have the maturities and redemption features, if any, and bear interest at the rates per annum shown on Schedule I hereto. Payment for and delivery of the Bonds, and the other actions described herein, shall take place on November 6, 2025 (or such other date as may be agreed to by the City and the Underwriter).

2. Authorization Instruments and Law. The Bonds were authorized by the Bond Ordinance enacted by the City Council on October 9, 2025, and shall be issued pursuant to the provisions of the PID Act, and the Indenture of Trust, dated as of November 1, 2025, between the City and the Trustee, authorizing the issuance of the Bonds (the "Indenture"). The Bonds shall be substantially in the form described in, and shall be secured under the provisions of, the Indenture.

The Bonds and interest thereon shall be secured by the Trust Estate consisting primarily of revenue from the Assessments levied pursuant to the Assessment Ordinance against the Assessed Property, all to the extent and upon the conditions described in the Indenture. The District was established by a resolution (the "Creation Resolution"), enacted by the City Council on February 8, 2024, in accordance with the PID Act. The Service and Assessment Plan for the District was approved on October 9, 2025. The Creation Resolution, the Assessment Ordinance, the Bond Ordinance, and the Indenture are collectively referred to herein as the "Authorizing Documents."

The Bonds shall be as described in Schedule I attached hereto, the Indenture, and the Limited Offering Memorandum. The proceeds of the Bonds shall be used for the purposes described in the Limited Offering Memorandum under "PLAN OF FINANCE – The Bonds" and shall be generally applied as described in the Limited Offering Memorandum under "SOURCES AND USES OF FUNDS."

The City has been advised that the Reserve Account, funded at the Reserve Account Requirement, is reasonably required for the purposes for which the Reserve Account has been established, is a vital factor in marketing the Bonds, and facilitates the marketing of the Bonds at interest rates comparable to those of other bonds of a similar type.

3. Initial Offering. The Underwriter agrees to make an initial offering of all of the Bonds in accordance with Section 4 hereof and to limit the initial offering of the Bonds to persons that qualify as "Accredited Investors" (as defined in Rule 501 of Regulation D under the Securities Act of 1933, as amended and as then in effect (the "Securities Act")) or "Qualified Institutional Buyers" (within the meaning of Rule 144A under the Securities Act). On or before the third (3rd) business day prior to the Closing Date, the Underwriter shall execute and deliver to Bond Counsel the Issue Price Certificate (defined herein), in substantially the form attached hereto as Appendix B.

4. Establishment of Issue Price.

a. The Underwriter agrees to assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City on or before the third (3rd) business day prior to the Closing Date an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Appendix B (the "Issue Price Certificate"), with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the City and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the City under this Section to establish the issue price of the Bonds may be taken on behalf of the City by the Financial Advisor (defined below) and any notice or report to be provided to the City may be provided to the Financial Advisor or to Bond Counsel.

b. The Underwriter confirms that it has offered all the Bonds of each maturity to the public on or before the date of this Agreement at the respective offering price (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule I attached hereto, except as otherwise set forth therein. The City will treat the first price at which 10% of each maturity of the Bonds is sold to the public as of the sale date as the issue price of that maturity (the "10% test"). At or promptly after the execution of this Agreement, the Underwriter shall report to the City on Schedule A to the Issue Price Certificate the first price at which the Underwriter has sold to the public each maturity of Bonds and shall identify to the City on Schedule A to the Issue Price Certificate those maturities of the Bonds for which the 10% test has not been satisfied. If different interest coupons apply within a maturity, each separate CUSIP number within that maturity will be treated as a separate maturity for this purpose.

c. The City and the Underwriter agree that the restrictions set forth in the next sentence shall apply to those maturities of the Bonds for which the 10% test has not been met as of the date of this Agreement, which will allow the City to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price

rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(i) the close of the fifth ($5^{th}$) business day after the sale date; or

(ii) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the City when the Underwriter has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if such sale occurs prior to the close of the fifth ($5^{th}$) business day after the sale date.

d. The Underwriter confirms that any selling group agreement and each third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter and as set forth in the related pricing wires, (B) promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public, and (C) acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public. The City acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, if applicable, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, if applicable, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

e. The Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this Section. Further, for purposes of this Section:

(i) "public" means any person other than an underwriter or a related party to an underwriter;

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public);

(iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(iv) "sale date" means the date of execution of this Agreement by all parties.

5. Limited Offering Memorandum.

a. Delivery of Limited Offering Memorandum. The City previously has delivered, or caused to be delivered, to the Underwriter the Preliminary Limited Offering Memorandum for the Bonds dated September 25, 2025 (the "Preliminary Limited Offering Memorandum"), in a "designated electronic format," as defined in the MSRB Rule G-32 ("Rule G-32"). The City will prepare, or cause to be prepared, a final Limited Offering Memorandum relating to the Bonds (as more particularly defined below, the "Limited Offering Memorandum") which will be (i) dated the date of this Agreement, (ii) complete within the meaning of the United States Securities and Exchange Commission's Rule 15c2-12, as amended ("Rule 15c2-12"), (iii) in a "designated electronic format," and (iv) substantially in the form of the most recent version of the Preliminary Limited Offering Memorandum provided to the Underwriter before the execution hereof, except for the inclusion of the information permitted to be excluded from the Preliminary Limited Offering Memorandum by Section (b)(1) of Rule 15c2-12. The Limited Offering Memorandum, including the cover page thereto, all exhibits, schedules, appendices, maps, charts, pictures, diagrams, reports, and statements included or incorporated therein or attached thereto, and all amendments and supplements thereto that may be authorized for use with respect to the Bonds are collectively referred to herein as the "Limited Offering Memorandum." Until the Limited Offering Memorandum has been prepared and is available for distribution, the City shall provide to the Underwriter, upon request, sufficient quantities (which may be in electronic format) of the Preliminary Limited Offering Memorandum as the Underwriter reasonably

deems necessary to satisfy the obligation of the Underwriter under Rule 15c2-12 with respect to distribution to each potential customer.

b. Preliminary Limited Offering Memorandum Deemed Final. The Preliminary Limited Offering Memorandum has been prepared for use by the Underwriter in connection with the public offering, sale, and distribution of the Bonds. The City hereby represents and warrants that the Preliminary Limited Offering Memorandum has been deemed "final" by the City as of its date, except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of Rule 15c2-12.

c. Use of Limited Offering Memorandum in Offering and Sale. The City hereby authorizes the Limited Offering Memorandum and the information therein contained to be used by the Underwriter in connection with the public offering and the sale of the Bonds. The City consents to the use by the Underwriter prior to the date hereof of the Preliminary Limited Offering Memorandum in connection with the public offering of the Bonds. The City shall provide, or cause to be provided, to the Underwriter as soon as practicable after the date of the City's acceptance of this Agreement (but, in any event, not later than the earlier of the Closing Date or seven (7) business days after the City's acceptance of this Agreement) copies of the Limited Offering Memorandum which is complete as of the date of its delivery to the Underwriter. The City shall provide the Limited Offering Memorandum, or cause the Limited Offering Memorandum to be provided, (i) in a "designated electronic format" consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall reasonably request in order for the Underwriter to comply with Section (b)(4) of Rule 15c2-12 and the rules of the MSRB.

d. Updating of Limited Offering Memorandum. If, after the date of this Agreement, up to and including the date the Underwriter is no longer required to provide a Limited Offering Memorandum to potential customers who request the same pursuant to Rule 15c2-12 (the earlier of (i) ninety (90) days from the "end of the underwriting period" (as defined in Rule 15c2-12) and (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB, but in no case less than the twenty-fifth ($25^{th}$) day after the "end of the underwriting period" for the Bonds), the City becomes aware of any fact or event which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Limited Offering Memorandum to comply with law, the City will promptly notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as it may from time to time reasonably request), and if, in the reasonable judgment of the Underwriter, such fact or event requires preparation and publication of a supplement or amendment to the Limited Offering Memorandum, the City will forthwith prepare and furnish, at no expense to the Underwriter (in a form and manner approved by the Underwriter), either an amendment or a supplement to the Limited Offering Memorandum so that the statements therein as so amended and supplemented will not contain any untrue statement

of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading or so that the Limited Offering Memorandum will comply with law; provided, however, that for all purposes of this Agreement and any certificate delivered by the City in accordance herewith, the City makes no representations with respect to the following information (collectively, the "Non-City Disclosures") (i) the descriptions in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum of The Depository Trust Company, New York, New York ("DTC"), or its book-entry-only system, and (ii) the information in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum in the maps of the District therein or under the captions and subcaptions "PLAN OF FINANCE" (except for the information under the subcaptions "Additional Indebtedness – *Prior Indebtedness*" and "– The Bonds"), "LIMITATIONS APPLICABLE TO INITIAL PURCHASERS," "BOOK-ENTRY ONLY SYSTEM," "OVERLAPPING TAXES AND DEBT – Agricultural Valuation" (third paragraph only) and "– Homeowners' Association Dues," "THE IMPROVEMENT AREA #2 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER," "THE ADMINISTRATOR," "APPRAISAL OF PROPERTY WITHIN IMPROVEMENT AREA #2," "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Improvement Area #2 Projects, and the Development (as defined in the Limited Offering Memorandum)), "LEGAL MATTERS – Litigation – The Developer," "CONTINUING DISCLOSURE – The Developer" and "– The Developer's Compliance with Prior Undertakings," "INFORMATION RELATING TO THE TRUSTEE," "SOURCES OF INFORMATION – Source of Certain Information," "APPENDIX E-2," and "APPENDIX H." If such notification shall be subsequent to the Closing (defined herein), the City, at no expense to the Underwriter, shall furnish such legal opinions, certificates, instruments, and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Limited Offering Memorandum. The City shall provide any such amendment or supplement or cause any such amendment or supplement to be provided, (i) in a "designated electronic format" consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Underwriter shall reasonably request in order for the Underwriter to comply with Section (b)(4) of Rule 15c2-12 and the rules of the MSRB.

e. Filing with MSRB. The Underwriter hereby agrees to timely file the Limited Offering Memorandum with the MSRB through its Electronic Municipal Market Access ("EMMA") system within one (1) business day after receipt but no later than the Closing Date. Unless otherwise notified in writing by the Underwriter, the City can assume that the "end of the underwriting period" for purposes of Rule 15c2-12 is the Closing Date.

6. City Representations, Warranties and Covenants. The City represents, warrants, and covenants that:

a. Due Organization, Existence and Authority. The City is a political subdivision of the State of Texas (the "State"), and has, and at the Closing Date will have, full legal right, power, and authority:

(i) to enter into and perform its duties and obligations under:

(1) this Agreement;

(2) the Indenture;

(3) the Development Agreement, approved by the City Council on April 26, 2021, executed and delivered by the City, the Developer, Justin Timberbrook, LLC, a Texas limited liability company, and Royal Crest Properties, LLC, a Texas limited liability company (the "Development Agreement");

(4) the Agreement for the Construction and Funding of Authorized Improvements and Reimbursement of Advances Timberbrook Public Improvement District No. 2 – Improvement Area #2, dated March 28, 2024, executed and delivered by the City and the Developer (the "Reimbursement Agreement");

(5) the Timberbrook Public Improvement District No. 2 Improvement Area #2 Construction, Funding, and Acquisition Agreement, effective October 9, 2025, between the City and the Developer (the "Improvement Area #2 CFA Agreement"); and

(6) the Continuing Disclosure Agreement of Issuer with respect to the Bonds, dated as of November 1, 2025 (the "Continuing Disclosure Agreement of Issuer"), executed and delivered by the City, P3Works, LLC, as Administrator, and HTS Continuing Disclosure Services, a division of Hilltop Securities, Inc., as Dissemination Agent (the "Dissemination Agent").

(ii) to issue, sell, and deliver the Bonds to the Underwriter as provided herein; and

(iii) to carry out and consummate the transactions on its part described in (1) the Authorizing Documents, (2) this Agreement, (3) the Development Agreement, (4) the Reimbursement Agreement, (5) the Improvement Area #2 CFA Agreement, (6) the Continuing Disclosure Agreement of Issuer, (7) the Limited Offering Memorandum, and (8) any other documents and certificates described in any of the foregoing (the documents described by subclauses (1) through (8) being referred to collectively herein as the "City Documents").

b. Due Authorization and Approval of City. By all necessary official action of the City, the City has duly authorized and approved the adoption or execution and delivery by the City of, and the performance by the City of the obligations on its part contained in, the City Documents and, as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified, or rescinded, except as may have been approved by the Underwriter. When validly executed and delivered by the other parties thereto, the City Documents will constitute the legally valid

and binding obligations of the City enforceable upon the City in accordance with their respective terms, except insofar as enforcement may be limited by principles of sovereign immunity, bankruptcy, insolvency, reorganization, moratorium, or similar laws or equitable principles relating to or affecting creditors' rights generally. The City has complied, and will at the Closing be in compliance, in all material respects, with the obligations on its part to be performed on or prior to the Closing Date under the City Documents.

c. Due Authorization for Issuance of the Bonds. The City has duly authorized the issuance and sale of the Bonds pursuant to the Bond Ordinance, the Indenture, and the PID Act. The City has, and at the Closing will have, full legal right, power and authority (i) to enter into, execute, deliver, and perform its obligations under this Agreement and the other City Documents, (ii) to issue, sell and deliver the Bonds to the Underwriter pursuant to the Indenture, the Bond Ordinance, the PID Act, and as provided herein, and (iii) to carry out, give effect to and consummate the transactions on the part of the City described by the City Documents.

d. No Breach or Default. As of the time of acceptance hereof, the City is not, and as of the Closing Date the City will not be, in material breach of or material default under any applicable provision of the PID Act or any applicable constitutional provision or statute or, to its knowledge, administrative regulation of the State or the United States, or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, ordinance, agreement, or other material instrument to which the City is a party or otherwise subject, and to its knowledge, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or material event of default under any such instrument which default or event could have a material adverse effect on the City's ability to perform its obligations under the Bonds or the City Documents; and the execution and delivery of the Bonds and the City Documents, the delivery of the Preliminary Limited Offering Memorandum and the adoption of the Bond Ordinance and the Assessment Ordinance, and compliance with the provisions on the City's part contained therein, will not conflict with or constitute a material breach of or material default under any applicable constitutional provision, or law, or, to its knowledge, any administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, ordinance, agreement, or other instrument to which the City is a party or otherwise subject, nor will any such execution, delivery, adoption, or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any portion of the Trust Estate under the terms of any such law, regulation or instrument, except as may be permitted by the City Documents. To the City's knowledge, no event has occurred which, with the lapse of time or the giving of notice, or both, would constitute an event of default under the Bonds or the City Documents.

e. No Litigation. At the time of acceptance hereof there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body (collectively and individually, an "Action") pending against the City with respect to which the City has been served with process, nor to the knowledge of the City is any Action threatened against the City, in which any such

Action (i) in any way questions the existence of the City or the rights of the members of the City Council to hold their respective positions, (ii) in any way questions the formation or existence of the District, (iii) affects, contests or seeks to prohibit, restrain or enjoin the issuance or delivery of any of the Bonds, or the payment or collection of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contests or affects the validity of the City Documents or the consummation of the transactions on the part of the City described therein, or contests the exclusion of the interest on the Bonds from federal income taxation, or (iv) which may result in any material adverse change in the financial condition of the City; and, as of the time of acceptance hereof, to the City's knowledge, there is no basis for any action, suit, proceeding, inquiry, or investigation of the nature described in clauses (i) through (iv) of this sentence.

f. Bonds Issued Pursuant to Indenture. The City represents that the Bonds, when issued, executed, and delivered in accordance with the Indenture and sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the City subject to the terms of the Indenture, entitled to the benefits of the Indenture and the security of the pledge of the proceeds of the levy of the Assessments received by the City, all to the extent provided for in the Indenture. The Indenture creates a valid pledge of certain revenues and the monies in certain funds and accounts established pursuant to the Indenture to the extent provided for in the Indenture, including the investments thereof, subject in all cases to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein.

g. Assessments. The Assessments constituting the security for the Bonds have been levied by the City in accordance with the PID Act on those parcels of land identified in the Improvement Area #2 Assessment Roll. According to the PID Act, such Assessments constitute a valid and legally binding first and prior lien against the properties assessed, superior to all other liens and claims, except liens or claims for state, county, school district, or municipality ad valorem taxes.

h. Consents and Approvals. All authorizations, approvals, licenses, permits, consents, elections, and orders of or filings with any governmental authority, legislative body, board, agency, or commission having jurisdiction in the matters which are required by the Closing Date for the due authorization of, which would constitute a condition precedent to or the absence of which would adversely affect the due performance by the City of, its obligations in connection with the City Documents have been duly obtained or made and are in full force and effect, except the approval of the Bonds by the Attorney General of the State, registration of the Bonds by the Comptroller of Public Accounts of the State, and the approvals, consents and orders as may be required under Blue Sky or securities laws of any jurisdiction.

i. Public Debt. Prior to the Closing, the City will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by a pledge of the Assessments which secure the Bonds without the prior approval of the Underwriter.

j. Preliminary Limited Offering Memorandum. The information contained in the Preliminary Limited Offering Memorandum is true and correct in all material respects, and such information does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the City makes no representations with respect to the Non-City Disclosures.

k. Limited Offering Memorandum. At the time of the City's acceptance hereof and (unless the Limited Offering Memorandum is amended or supplemented pursuant to paragraph (d) of Section 5 of this Agreement) at all times subsequent thereto during the period up to and including the twenty-fifth (25th) day subsequent to the "end of the underwriting period," the information contained in the Limited Offering Memorandum does not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the City makes no representations with respect to the Non-City Disclosures; and further provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 5(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Limited Offering Memorandum, then the Limited Offering Memorandum in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

l. Supplements or Amendments to Limited Offering Memorandum. If the Limited Offering Memorandum is supplemented or amended pursuant to paragraph (d) of Section 5 of this Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the twenty-fifth (25th) day subsequent to the "end of the underwriting period," the Limited Offering Memorandum as so supplemented or amended will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that if the City notifies the Underwriter of any fact or event as required by Section 5(d) hereof, and the Underwriter determines that such fact or event does not require preparation and publication of a supplement or amendment to the Limited Offering Memorandum, then the Limited Offering Memorandum in its then-current form shall be conclusively deemed to be complete and correct in all material respects.

m. Compliance with Rule 15c2-12. During the past five (5) years, the City has complied in all material respects with its previous continuing disclosure undertakings made by it in accordance with Rule 15c2-12, except as described in the Limited Offering Memorandum.

n. Use of Bond Proceeds. The City will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and

provisions of the Indenture and will not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Bonds.

o. Blue Sky and Securities Laws and Regulations. The City will furnish such information and execute such instruments and take such action in cooperation with the Underwriter as the Underwriter may reasonably request, at no expense to the City, (i) to (y) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriter may designate and (z) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and (ii) to continue such qualifications in effect so long as required for the initial distribution of the Bonds by the Underwriter (provided, however, that the City will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Underwriter immediately of receipt by the City of any notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose.

p. Certificates of the City. Any certificate signed by any official of the City authorized to do so in connection with the transactions described in this Agreement shall be deemed a representation and warranty by the City to the Underwriter as to the statements made therein and can be relied upon by the Underwriter as to the statements made therein.

q. Intentional Actions Regarding Representations and Warranties. The City covenants that between the date hereof and the Closing it will not intentionally take actions which will cause the representations and warranties made in this Section to be untrue as of the Closing.

r. Financial Advisor. The City has engaged Hilltop Securities Inc. as its financial advisor (the "Financial Advisor") in connection with its offering and issuance of the Bonds.

By delivering the Limited Offering Memorandum to the Underwriter, the City shall be deemed to have reaffirmed, with respect to the Limited Offering Memorandum, the representations, warranties, and covenants set forth above.

7. Developer's Letter of Representations. At the signing of this Agreement, the City and Underwriter shall receive from the Developer an executed Developer's Letter of Representations (the "Developer's Letter of Representations") in the form of Appendix A hereto, and at the Closing, a certificate signed by the Developer as described in Section 10(e) hereof and set forth in Appendix E hereto (the "Developer's Closing Certificate").

8. The Closing. At 10:00 a.m., Central time, on the Closing Date, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the City and the Underwriter, (i) the City will deliver or cause to be delivered to DTC through its "FAST" System, the Bonds in the form of one fully registered Bond for each maturity, registered in the

name of Cede & Co., as nominee for DTC, duly executed by the City and authenticated by the Trustee as provided in the Indenture, and (ii) the City will deliver the closing documents hereinafter mentioned to Norton Rose Fulbright US LLP, Bond Counsel, or a place to be mutually agreed upon by the City and the Underwriter. Settlement will be through the facilities of DTC. The Underwriter will accept delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer in federal funds payable to the order of the City or its designee. These payments and deliveries, together with the delivery of the aforementioned documents, are herein called the "Closing." The Bonds will be made available to the Underwriter or Underwriter's Counsel (defined herein) for inspection not less than 24 hours prior to the Closing.

9. Underwriter's Closing Conditions. The Underwriter has entered into this Agreement in reliance upon the representations and covenants herein and in the Developer's Letter of Representations and the performance by the City of its obligations under this Agreement, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Agreement to purchase, accept delivery of, and pay for the Bonds shall be conditioned upon the performance by the City of its obligations to be performed hereunder at or prior to Closing and shall also be subject to the following additional conditions:

a. Bring-Down Representations of the City. The representations and covenants of the City contained in this Agreement shall be true and correct in all material respects as of the date hereof and at the time of the Closing, as if made on the Closing Date.

b. Executed Agreements and Performance Thereunder. At the time of the Closing:

(i) the City Documents shall be in full force and effect, and shall not have been amended, modified, or supplemented except with the written consent of the Underwriter;

(ii) the Authorizing Documents shall be in full force and effect;

(iii) there shall be in full force and effect such other resolutions or actions of the City as, in the opinion of Bond Counsel and Underwriter's Counsel, shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the City described in this Agreement and the City Documents;

(iv) there shall be in full force and effect such other resolutions or actions of the Developer as, in the opinion of Greenberg Traurig, LLP ("Developer's Counsel"), shall be necessary on or prior to the Closing Date in connection with the transactions on the part of the Developer described in the Developer's Letter of Representations, the Development Agreement, the Reimbursement Agreement, the Improvement Area #2 CFA Agreement, the Consent and Agreement of Landowner executed by the Developer as of October 9, 2025 (the "Landowner Consent"), and the Continuing Disclosure Agreement of

Developer with respect to the Bonds, dated as of November 1, 2025, executed and delivered by the Developer, the Administrator, and the Dissemination Agent (the "Continuing Disclosure Agreement of Developer" and, together with the Developer's Letter of Representations, the Development Agreement, the Reimbursement Agreement, the Improvement Area #2 CFA Agreement, and the Landowner Consent, the "Developer Documents"); and

(v) the City shall perform or have performed its obligations required or specified in the City Documents to be performed at or prior to Closing.

c. No Default. At the time of the Closing, no default shall have occurred or be existing and no circumstances or occurrences that, with the passage of time or giving of notice, shall constitute an event of default under this Agreement, the Indenture, the City Documents, the Developer Documents, or other documents relating to the financing and construction of the Improvement Area #2 Projects and the Development (as defined in the Limited Offering Memorandum), and the Developer shall not be in default in the payment of principal or interest on any of its indebtedness which default shall materially adversely impact the ability of the Developer to pay the Assessments when due or complete the Improvement Area #2 Projects.

d. Closing Documents. At or prior to the Closing, the Underwriter or Underwriter's Counsel shall have received each of the documents required under Section 10 below.

e. Termination Events. The Underwriter shall have the right to cancel its obligation to purchase the Bonds and to terminate this Agreement without liability therefor by written notification to the City if, between the date of this Agreement and the Closing, in the Underwriter's reasonable judgment, the market price or marketability of the Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Bonds, shall be materially adversely affected by the occurrence of any of the following:

(i) legislation shall have been introduced in or enacted by the Congress of the United States or adopted by either the House or the Senate thereof, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States or otherwise endorsed for passage (by press release, other form of notice, or otherwise) by the President of the United States, the Treasury Department of the United States, or the Internal Revenue Service or legislation shall have been proposed for consideration by either the U.S. Senate Committee on Finance or the U.S. House of Representatives Committee on Ways and Means or legislation shall have been favorably reported for passage to either the House or the Senate of the Congress of the United States by a Committee of such the House or the Senate to which such legislation has been referred for consideration, or a decision by a court of the United States or the Tax Court of the United States shall be rendered or a ruling, regulation, or official statement (final, temporary, or proposed) by or on behalf of the Treasury Department of the United States, the Internal Revenue Service, or other federal agency shall be made, which would result in federal

taxation of revenues or other income of the general character expected to be derived by the City or upon interest on securities of the general character of the Bonds or which would have the effect of changing, directly or indirectly, the federal income tax consequences of receipt of interest on securities of the general character of the Bonds in the hands of the holders thereof; or

(ii) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including all underlying obligations, as described herein or by the Limited Offering Memorandum, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act, or that the Indenture needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect (the "Trust Indenture Act"); or

(iii) a general suspension of trading in securities on the New York Stock Exchange, the establishment of minimum prices on such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so; or

(iv) there shall have occurred (whether or not foreseeable) (i) any outbreak of hostilities (including, without limitation, an act of terrorism) including, but not limited to, an escalation of hostilities that existed prior to the date hereof, (ii) national or international calamity or crisis, including, but not limited to, an escalation in the scope or magnitude of any pandemic or natural disaster, or (iii) material financial crisis or adverse change in the financial or economic conditions affecting the United States government or the securities markets in the United States, and the effect of any such event on the financial markets of the United States shall be such as would make it impracticable, in the reasonable judgment of the Underwriter, for it to sell the Bonds on the terms and in the manner described in the Limited Offering Memorandum; or

(v) there shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the City, except as disclosed or described in the Limited Offering Memorandum; or

(vi) any state blue sky or securities commission or other governmental agency or body in any state in which more than ten percent (10%) of the Bonds have been offered and sold shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto; or

(vii) any amendment to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the City, its property, income, securities (or interest thereon), or the validity or enforceability of the Assessments pledged to pay principal of and interest on the Bonds; or

(viii) the New York Stock Exchange or other national securities exchange or any governmental authority shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter; or

(ix) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Limited Offering Memorandum, or has the effect that the Limited Offering Memorandum contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, which change shall occur subsequent to the date of this Agreement and shall not be due to the malfeasance, misfeasance or nonfeasance of the Underwriter; or

(x) any fact or event shall exist or have existed that, in the Underwriter's reasonable judgment, requires or has required an amendment of or supplement to the Limited Offering Memorandum; or

(xi) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and shall be in force; or

(xii) a material disruption in securities settlement, payment or clearance services shall have occurred; or

(xiii) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Bonds, including the underlying obligations as described in this Agreement or in the Limited Offering Memorandum, or any document relating to the issuance, offering or sale of the Bonds, is or would be in violation of any provision of the federal securities laws on the Closing Date, including the Securities Act, the Securities Exchange Act of 1934 and the Trust Indenture Act; or

(xiv) the purchase of and payment for the Bonds by the Underwriter, or the resale of the Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency, or commission, which prohibition shall occur subsequent to the date

hereof and shall not be due to the malfeasance, misfeasance, or nonfeasance of the Underwriter.

With respect to the conditions described in subparagraphs (viii), (xiii) and (xiv) above, the Underwriter is not aware of any current, pending, or proposed law or government inquiry or investigation as of the date of execution of this Agreement which would permit the Underwriter to invoke its termination rights hereunder.

10. Closing Documents. At or prior to the Closing, the Underwriter (or Underwriter's Counsel on behalf of the Underwriter) shall receive the following documents:

a. Bond Opinion. The opinion of Bond Counsel, dated the Closing Date and substantially in the form included as Appendix D to the Limited Offering Memorandum, together with a reliance letter from Bond Counsel, dated the Closing Date and addressed to the Underwriter, which may be included in the supplemental opinion required by Section 10(b) hereof, to the effect that the foregoing opinion may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

b. Supplemental Opinion. A supplemental opinion of Bond Counsel dated the Closing Date and addressed to the City and the Underwriter, in form and substance acceptable to Underwriter's Counsel, to the following effect:

(i) Except to the extent noted therein, Bond Counsel has not verified and is not passing upon, and does not assume any responsibility for, the accuracy, completeness, or fairness of the statements and information contained in the Preliminary Limited Offering Memorandum and in the Limited Offering Memorandum, but that Bond Counsel has reviewed the statements and information appearing therein under the captions and 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" (except for the subcaptions "Collection and Delinquency History of the Timberbrook Development," "Prepayment History," and "Foreclosure History"), "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 Bond Counsel is of the opinion that the information relating to the Bonds and legal issues contained under such captions and subcaptions and appendix is an accurate and fair description of 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;

(ii) The Bonds are not subject to the registration requirements of the Securities Act, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act;

(iii) The City has or at the time of the adoption thereof had full power and authority to adopt the Creation Resolution, the Assessment Ordinance (including approving the Service and Assessment Plan), and the Bond Ordinance (collectively, the foregoing documents are referred to herein as the "City Actions") and perform its obligations thereunder and the City Actions have been duly adopted, are in full force and effect, and have not been modified, amended, or rescinded; and

(iv) The Indenture, the Development Agreement, the Reimbursement Agreement, the Improvement Area #2 CFA Agreement, the Continuing Disclosure Agreement of Issuer, and this Agreement have been duly authorized, executed and delivered by the City and, assuming the due authorization, execution and delivery of such instruments, documents, and agreements by the other parties thereto, constitute the legal, valid, and binding agreements of the City, enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, or other laws affecting enforcement of creditors' rights, or by the application of equitable principles if equitable remedies are sought, and to the application of Texas law relating to governmental immunity applicable to governmental entities.

c. City Legal Opinion. An opinion of Boyle & Lowry, LLP ("Attorney for the City"), dated the Closing Date and addressed to the Underwriter, the City, Bond Counsel, Developer's Counsel, and the Trustee, with respect to matters relating to the City, substantially in the form of Appendix C hereto or in form otherwise agreed upon by the Underwriter.

d. Opinion of Developer's Counsel. An opinion of Developer's Counsel, substantially in the form of Appendix D hereto, dated the Closing Date, addressed to the City, Bond Counsel, the Attorney for the City, the Underwriter, and the Trustee. Such opinion shall be in substantially such form unless the City and the Underwriter mutually agree upon changes thereto.

e. Developer's Closing Certificate. The Developer's Closing Certificate dated as of the Closing Date, signed by authorized officers of the Developer in substantially the form of Appendix E hereto.

f. City Closing Certificate. A certificate of an appropriate official of the City, dated the Closing Date, to the effect that:

(i) the representations and warranties of the City contained herein and in the City Documents are true and correct in all material respects on and as of the Closing Date as if made on the date thereof;

(ii) the Authorizing Documents and City Documents are in full force and effect and have not been amended, modified, or supplemented;

(iii) except as disclosed in the Limited Offering Memorandum, no litigation or proceeding against the City is pending or, to the knowledge of such

person, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the members or officials of the City to hold and exercise their respective positions, (b) contest the due organization and valid existence of the City or the establishment of the District, (c) contest the validity, due authorization and execution of the Bonds or the City Documents, or (d) attempt to limit, enjoin or otherwise restrict or prevent the City from levying and collecting the Assessments pledged to pay the principal of and interest on the Bonds, or the pledge thereof; and

(iv) the City has, to such person's knowledge, complied with all agreements and covenants and satisfied all conditions set forth in the City Documents, on its part to be complied with or satisfied hereunder at or prior to the Closing.

g. Trustee's Counsel Opinion. An opinion of counsel to the Trustee, dated the Closing Date and addressed to the Underwriter, the City, and Bond Counsel, in form and substance acceptable to Underwriter's Counsel, the City, and Bond Counsel, to the following effect:

(i) The Trustee is duly organized, validly existing, and in good standing as a national banking association organized under the laws of the United States of America, and is duly qualified to serve as Trustee in accordance with the qualifications set forth for the Trustee in the Indenture;

(ii) The Trustee has full right, power, and authority to enter into the Indenture, to perform its obligations under, and to carry out and consummate all of the transactions involving the Trustee contemplated by, the Indenture; and

(iii) The Indenture has been duly authorized, executed, and delivered by the Trustee and is valid and enforceable against the Trustee in accordance with its terms.

h. Trustee's Certificate. A customary authorization and incumbency certificate dated prior to the Closing Date, signed by authorized officers of the Trustee in form and substance acceptable to the Underwriter, Underwriter's Counsel, and Bond Counsel.

i. Underwriter Counsel's Opinion. An opinion, dated the Closing Date and addressed to the Underwriter, of Orrick, Herrington & Sutcliffe LLP ("Underwriter's Counsel"), to the effect that:

(i) The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;

(ii) The Continuing Disclosure Agreement of Issuer, together with Section 10(o) of this Agreement and Section 4 of the Bond Ordinance, satisfies the requirements contained in Securities Exchange Commission Rule 15c2-12(b)(5)

for an undertaking by the City for the benefit of the holders of the Bonds to provide the information about the Bonds, the Trust Estate, the Assessments, and the Assessed Property at the times and in the manner required by said Rule; provided that, for purposes of such opinion, such counsel is not expressing any view regarding the content of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum that is not expressly stated in the next paragraph below; and

(iii) Such counsel is not passing upon and does not assume any responsibility for the accuracy, completeness, or fairness of any of the statements contained in the Preliminary Limited Offering Memorandum or in the Limited Offering Memorandum and make no representation that it has independently verified the accuracy, completeness, or fairness of any such statements. In its capacity as counsel to the Underwriter, to assist the Underwriter in part of its responsibility with respect to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, such counsel has participated in conferences with representatives of the Underwriter, representatives of the City, and its counsel, Norton Rose Fulbright US LLP, as bond counsel, Hilltop Securities Inc., as Financial Advisor, the Administrator, the Developer, Developer's Counsel, and the Developer's engineer and consultants, and others, during which the contents of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum and related matters were discussed. Based on such counsel's participation in the above-mentioned conferences (which, with respect to the Preliminary Limited Offering Memorandum, did not extend beyond the date of this Agreement, and, with respect to the Limited Offering Memorandum, did not extend beyond its date), and in reliance thereon, on oral and written statements and representations of the City, the Developer and others, and on the records, documents, certificates, opinions, and matters herein mentioned, such counsel advises the Underwriter as a matter of fact and not opinion that, during the course of such counsel's representation of the Underwriter on this matter, (a) no facts had come to the attention of the attorneys in such counsel's firm rendering legal services to the Underwriter in connection with the Preliminary Limited Offering Memorandum which caused such counsel to believe, as of the date of the Preliminary Limited Offering Memorandum and as of the date of this Agreement, based on the documents, drafts, and facts in existence and reviewed as of those dates, that the Preliminary Limited Offering Memorandum contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except any information marked as preliminary or subject to change, any information permitted to be omitted by Securities and Exchange Commission ("SEC") Rule 15c2-12 or otherwise left blank and any other differences with the information in the Limited Offering Memorandum), and (b) no facts had come to the attention of the attorneys in such counsel's firm rendering legal service to the Underwriter in connection with the Limited Offering Memorandum which caused such counsel to believe that the Limited Offering Memorandum as of its date and as of the date thereof contained or contains any untrue statement of a material fact or omitted or omits to state a material fact

necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that such counsel expressly excludes from the scope of this paragraph and expresses no view with respect to both the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum about any CUSIP numbers, financial, accounting, statistical, economic, engineering or demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any information about verification, feasibility, valuation, appraisals, absorption, real estate or environmental matters, relationship among the parties, litigation, Appendices, or any information about book-entry, DTC, Cede & Co., limitations applicable to initial purchasers, financial advisor, trustee, tax exemption, underwriters, or underwriting included or referred to therein or omitted therefrom. No responsibility is undertaken or conclusion expressed with respect to any other disclosure document, materials, or activity, or as to any information from another document or source referred to by or incorporated by reference in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum.

j. Limited Offering Memorandum. The Limited Offering Memorandum and each supplement or amendment, if any, thereto.

k. Delivery of City Documents and Developer Documents. The City Documents and Developer Documents shall have been executed and delivered in form and content satisfactory to the Underwriter.

l. Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared by Bond Counsel for filing.

m. Federal Tax Certificate. A certificate of the City in form and substance satisfactory to Bond Counsel and Underwriter's Counsel setting forth the facts, estimates, and circumstances in existence on the Closing Date, which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and any applicable regulations (whether final, temporary or proposed), issued pursuant to the Code.

n. Attorney General Opinion and Comptroller Registration. The approving opinion of the Attorney General of the State regarding the Bonds and the Comptroller of the State's Certificate of Registration for the Initial Bond.

o. Continuing Disclosure Agreements. The Continuing Disclosure Agreement of Issuer and the Continuing Disclosure Agreement of Developer shall have been executed by the parties thereto in substantially the forms attached to the Preliminary Limited Offering Memorandum as Appendix E-1 and Appendix E-2.

p. Letter of Representation of the Appraiser. (i) Letter of Representation of the Appraiser, substantially in the form of Appendix F hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the

Underwriter, and (ii) a copy of the real estate appraisal of the property within Improvement Area #2 of the District dated September 16, 2025.

q. Letter of Representation of Administrator. Letter of Representation of Administrator, substantially in the form of Appendix G hereto, addressed to the City, Bond Counsel, the Underwriter, and the Trustee, or in form otherwise agreed upon by the Underwriter.

r. Evidence of Filing of Creation Resolution, Assessment Ordinance, and Landowner Consent. Evidence that the Creation Resolution, including the legal description of the property within the District, the Assessment Ordinance, including the legal description of the property within Improvement Area #2, the Improvement Area #2 Assessment Roll, and the Service and Assessment Plan, and the Landowner Consent have been filed of record in the real property records of Denton County, Texas.

s. Lender Consent Certificate. A Lender Consent Certificate of each holder of a lien, if any, on land in Improvement Area #2 of the District on the Closing Date, consenting to and acknowledging the creation of the District, the adoption of the Assessment Ordinance, the levy of the Assessments, and the subordination of their respective liens to the lien created by the Assessments in a form acceptable to the Underwriter. In the event that there are no such lienholders, the Developer shall provide such certifications as may be reasonably requested by the Underwriter to confirm that no such liens exist as of the Closing Date.

t. Developer Organizational and Verification Documents. The Developer shall have delivered to the Underwriter and the City, (i) fully executed copies of the Developer's organizational documents, (ii) a Certificate of Status from the Texas Secretary of State for the Developer dated within 10 days of the Closing Date, (iii) verification of franchise tax account status from the Texas Comptroller of Public Accounts for the Developer dated within 10 days of the Closing Date, and (iv) a copy of its Standing Letter to the Attorney General of Texas in compliance with the All Bond Counsel letter dated November 1, 2023, as last supplemented on December 29, 2023, or evidence of an exception to such requirement.

u. Rule 15c2-12 Certification. A resolution, an ordinance (including the Bond Ordinance), or a certificate of the City whereby the City has deemed the Preliminary Limited Offering Memorandum final as of its date, except for permitted omissions, as contemplated by Section (b)(1) of Rule 15c2-12 in connection with the offering of the Bonds, which action may be based on the approval of the release of the Preliminary Limited Offering Memorandum by an authorized City official (if such official has been duly authorized to take such action by the City Council), or certification, if made in the form of a certificate, may be included in the City Certificate required by Section 10(f) hereof.

v. Dissemination Agent. Evidence acceptable to the Underwriter in its sole discretion that the City and the Developer have engaged a dissemination agent acceptable to the Underwriter for the Bonds, with the execution of the Continuing Disclosure

Agreement of Issuer and the Continuing Disclosure Agreement of Developer by other parties thereto being conclusive evidence of such acceptance by the Underwriter.

w. Reserved.

x. Additional Documents. Such additional legal opinions, certificates, instruments, and other documents as the Underwriter or Underwriter's Counsel may reasonably deem necessary.

11. City's Closing Conditions. The obligation of the City hereunder to deliver the Bonds shall be subject to receipt on or before the Closing Date of the purchase price set forth in Section 1 hereof, the Attorney General Opinion, the opinion of Bond Counsel described in Section 10(a) hereof, and any documents required to be provided by the Developer.

12. Consequences of Termination. If the City shall be unable to satisfy the conditions contained in this Agreement to the obligations of the Underwriter to purchase, accept delivery of, and pay for the Bonds (unless waived by the Underwriter in its sole discretion), or if the obligations of the Underwriter shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and the Underwriter and the City shall have no further obligation hereunder, except as further set forth in Sections 13, 14, 16, and 22 hereof.

13. Term of Agreement. Except for surviving representations, warranties, and indemnities of the parties to this Agreement, the term of this Agreement terminates upon the "end of the underwriting period" (as defined in Rule 15c2-12) or, if earlier, exercise of a termination right (which may not be based on an existing or incipient breach of a verification).

14. Costs and Expenses.

a. The Underwriter shall be under no obligation to pay, and the City shall cause to be paid from proceeds of the Bonds the following expenses incident to the issuance of the Bonds and performance of the City's obligations hereunder: (i) the costs of the preparation and printing of the Bonds; (ii) the cost of preparation, printing, and mailing of the Preliminary Limited Offering Memorandum, the final Limited Offering Memorandum and any supplements and amendments thereto; (iii) the fees and disbursements of the City's legal counsel and Financial Advisor, the Trustee's counsel, Bond Counsel, Developer's Counsel, and the Trustee relating to the issuance of the Bonds; (iv) the Attorney General's review fees; (v) the fees and disbursements of accountants, advisers, and any other experts or consultants retained by the City or the Developer, including but not limited to the fees and expenses of the Appraiser and the Administrator; and (vi) the expenses incurred by or on behalf of City employees and representatives that are incidental to the issuance of the Bonds and the performance by the City of its obligations under this Agreement.

b. The Underwriter shall pay the following expenses: (i) all advertising expenses in connection with the limited offering of the Bonds; (ii) fees of Underwriter's Counsel; and (iii) all other expenses, including CUSIP fees (including out-of-pocket expenses and related regulatory expenses), incurred by it in connection with its public offering and distribution of the Bonds, except as noted in subsection 14(a) above.

c. The City acknowledges that the Underwriter will pay from the Underwriter's expense allocation of the underwriting discount the applicable per bond assessment charged by the Municipal Advisory Council of Texas, a nonprofit corporation whose purpose is to collect, maintain, and distribute information relating to issuing entities of municipal securities.

15. Notice. Any notice or other communication to be given to the City under this Agreement may be given by delivering the same in writing to: City of Justin, Texas, 415 N. College Avenue, Justin, Texas 76247, Attention: City Manager. Any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to: FMSbonds, Inc., 5 Cowboys Way, Suite 300-25, Frisco, Texas 75034, Attention: Tripp Davenport, Director.

16. Parties in Interest; Survival of City Representations. This Agreement is made solely for the benefit of the City and the Underwriter (including their respective successors and assigns), and no other person shall acquire or have any right hereunder or by virtue hereof. All of the City's representations, warranties, and covenants contained in this Agreement shall remain operative and in full force and effect and survive delivery of and payment for the Bonds and any termination, regardless of any investigations made by or on behalf of the Underwriter.

17. Survival of Representations and Warranties of Third Parties. All representations and warranties of the parties (other than the City and Underwriter) made in, pursuant to, or in connection with this Agreement, including the appendices hereto, shall survive the execution and delivery of this Agreement, notwithstanding any investigation by the parties. All statements contained in any certificate, instrument, or other writing delivered by a party to this Agreement or in connection with the transactions described in or by this Agreement constitute representations and warranties by such party under this Agreement to the extent such statement is set forth as a representation and warranty in the instrument in question.

18. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof.

19. State Law Governs. The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State.

20. No Assignment. The rights and obligations created by this Agreement shall not be subject to assignment by the Underwriter or the City without the prior written consent of the other party hereto.

21. No Personal Liability. None of the members of the City Council, nor any officer, representative, agent, or employee of the City, shall be charged personally by the Underwriter with any liability, or be held liable to the Underwriter under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach of this Agreement.

22. Statutory Verifications. The Underwriter makes the following representation and verifications 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 Underwriter 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 Underwriter 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 an Underwriter 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 Underwriter 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 Underwriter 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 Underwriter 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

23. Form 1295. Submitted herewith is a completed Form 1295 in connection with the Underwriter'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 Underwriter, 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 Underwriter 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 Underwriter; and, neither the City nor its consultants have verified such information.

24. Underwriter Standing Letter and Bringdown Verification. The Underwriter represents that it has, or will have prior to the date of Closing, on file with the Texas Attorney General a standing letter addressing the representation and verifications contained in Section 22 of this Agreement in a form accepted by the Texas Attorney General. In addition, if the Underwriter or the parent company, a wholly- or majority-owned subsidiary or another affiliate of the Underwriter receives or has received a letter from the Texas Comptroller of Public Accounts pursuant to Chapter 809, Texas Government Code seeking written verification that it does not boycott energy companies (a "Comptroller Request Letter"), such Underwriter shall promptly notify the City and Bond Counsel (if it has not already done so) and provide to the City or Bond Counsel, two Business Days prior to Closing and additionally upon request by the City or Bond Counsel, written verification to the effect that its standing letter described in the preceding sentence remains in effect and may be relied upon by the City and the Texas Attorney General (the "Bringdown Verification"). The Bringdown Verification shall also confirm that the Underwriter (or the parent company, a wholly- or majority-owned subsidiary or other affiliate of the Underwriter that received the Comptroller Request Letter) intends to timely respond or has timely responded to the Comptroller Request Letter. The Bringdown Verification may be in the form of an e-mail.

25. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. The City and the Underwriter agree that electronic signatures to this Agreement may be regarded as original signatures.

*Signature pages follow.*

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first set forth above.

**FMSbonds, Inc.,**
as Underwriter

By: _____
Name: Theodore A. Swinarski
Title: Senior Vice President - Trading

Accepted at _____ a.m./p.m. central time on the date first stated above.

**City of Justin, Texas**

By: _____
City Manager

## SCHEDULE I

**$6,770,000**
**CITY OF JUSTIN, TEXAS,**
**SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025**
**(TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2**
**IMPROVEMENT AREA #2 PROJECT)**

Interest Accrues From: Closing Date

$_____ _____% Term Bonds, Due September 1, 20___, Priced to Yield _____% [(a)(b)(c)]
$_____ _____% Term Bonds, Due September 1, 20___, Priced to Yield _____% [(a)(b)(c)]
$_____ _____% Term Bonds, Due September 1, 20___, Priced to Yield _____% [(a)(b)(c)]

(a) The Bonds maturing on and after September 1, 20___, may be redeemed before their scheduled maturity date, in whole or in part, on any date on or after September 1, 20___, such redemption date or dates to be fixed by the City, at the redemption price equal to the principal amount of the Bonds to be redeemed, plus accrued and unpaid interest to the date fixed of redemption.

(b) The Bonds are also subject to extraordinary optional redemption as described in the Limited Offering Memorandum under "DESCRIPTION OF THE BONDS – Redemption Provisions."

(c) The Bonds are also subject to mandatory sinking fund redemption on the dates and in the respective Sinking Fund Installments as set forth in the following schedules.

**$_____ Term Bonds maturing September 1, 20___**

| Redemption Date | Sinking Fund Installment Amount |
|---|---|
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__ | |
| September 1, 20__† | |

† Stated maturity.

**APPENDIX A**

**FORM OF DEVELOPER'S LETTER OF REPRESENTATIONS**

**$6,770,000**
**CITY OF JUSTIN, TEXAS,**
**SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025**
**(TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2**
**IMPROVEMENT AREA #2 PROJECT)**

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**DEVELOPER'S LETTER OF REPRESENTATIONS**

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October 9, 2025

City of Justin, Texas
415 N. College Avenue
Justin, Texas 76247

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Ladies and Gentlemen:

This letter is being delivered to the City of Justin, Texas (the "City") and FMSbonds, Inc. (the "Underwriter"), in consideration for your entering into the Bond Purchase Agreement dated the date hereof (the "Bond Purchase Agreement") for the sale and purchase the $6,770,000 "City of Justin, Texas, Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project)" (the "Bonds"). Pursuant to the Bond Purchase Agreement, the Underwriter has agreed to purchase from the City, and the City has agreed to sell to the Underwriter, the Bonds. In order to induce the City to enter into the Bond Purchase Agreement and as consideration for the execution, delivery, and sale of the Bonds by the City and the purchase of them by the Underwriter, Bloomfield Homes, L.P., a Texas limited partnership (the "Developer"), makes the representations, warranties, and covenants contained in this Developer's Letter of Representations. Unless the context clearly indicates otherwise, each capitalized term used in this Developer's Letter of Representations will have the meaning set forth in the Bond Purchase Agreement.

1. Purchase and Sale of Bonds. Inasmuch as the purchase and sale of the Bonds represents a negotiated transaction, the Developer understands, and hereby confirms, that the Underwriter is not acting as a fiduciary of the Developer, but rather is acting solely in its capacity as Underwriter of the Bonds for its own account.

2. Updating of the Limited Offering Memorandum. If, after the date of this Developer's Letter of Representations, up to and including the date the Underwriter is no longer

required to provide a Limited Offering Memorandum to potential customers who request the same pursuant to Rule 15c2-12 (the earlier of (i) ninety (90) days from the "end of the underwriting period" (as defined in Rule 15c2-12) and (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB, but in no case less than twenty-five (25) days after the "end of the underwriting period" for the Bonds), the Developer becomes aware of any fact or event which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Limited Offering Memorandum to comply with law, the Developer will notify the Underwriter (and for the purposes of this clause provide the Underwriter with such information as it may from time to time request); however, that for the purposes of this Developer's Letter of Representations and any certificate delivered by the Developer in accordance with the Bond Purchase Agreement, the Developer makes no representations with respect to the information appearing in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum except for the information set forth in the maps of the District therein and under the captions and subcaptions "PLAN OF FINANCE" (except for the subcaptions "Additional Indebtedness – *Prior Indebtedness*," "Additional Indebtedness – *Future Indebtedness*" (second and third paragraph), and "The Bonds"), "OVERLAPPING TAXES AND DEBT – Agricultural Valuation" (third paragraph only) and "– Homeowners' Association Dues," "THE IMPROVEMENT AREA #2 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER" and, to the Developer's knowledge after due inquiry, under the captions "BONDHOLDERS' RISKS" (only as it pertains to Developer, the Improvement Area #2 Projects, and the Development (as defined in the Limited Offering Memorandum)), "LEGAL MATTERS – Litigation – The Developer," "CONTINUING DISCLOSURE – The Developer" and "– The Developer's Compliance with Prior Undertakings," "SOURCES OF INFORMATION – Source of Certain Information," "APPENDIX E-2," "APPENDIX F," and "APPENDIX G" (collectively, the "Developer Disclosures") in accordance with subsection 4(f) herein.

3. Developer Documents. The Developer has executed and delivered each of the below listed documents (individually, a "Developer Document" and collectively, the "Developer Documents") in the capacity provided for in each such Developer Document, and each such Developer Document constitutes a valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms:

a. this Developer's Letter of Representations;

b. the Development Agreement, approved by the City Council on April 26, 2021, executed and delivered by the City, the Developer, Justin Timberbrook, LLC, a Texas limited liability company, and Royal Crest Properties, LLC, a Texas limited liability company;

c. the Agreement for the Construction and Funding of Authorized Improvements and Reimbursement of Advances Timberbrook Public Improvement District No. 2 – Improvement Area #2, dated March 28, 2024, executed and delivered by the City and the Developer;

d. the Timberbrook Public Improvement District No. 2 Improvement Area #2 Construction, Funding, and Acquisition Agreement, effective October 9, 2025, between the City and the Developer;

e. the Consent and Agreement of Landowner executed by the Developer as of October 9, 2025, and relating to Improvement Area #2; and

f. the Continuing Disclosure Agreement of Developer with respect to the Bonds, dated as of November 1, 2025, executed and delivered by the Developer, P3Works, LLC, as Administrator, and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as Dissemination Agent.

The Developer has complied in all material respects with all of the Developer's agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer under the Developer Documents on or prior to the date hereof.

The representations and warranties of the Developer contained in the Developer Documents are true and correct in all material respects on and as of the date hereof.

4. Developer Representations, Warranties and Covenants. The Developer represents, warrants, and covenants to the City and the Underwriter that:

a. Due Organization and Existence. The Developer is duly formed and validly existing as a limited partnership under the laws of the State of Texas and is authorized to do business in the State of Texas.

b. Organizational Documents. The copies of the organizational documents of the Developer provided to the City and the Underwriter are fully executed, true, correct, and complete copies of such documents and such documents have not been amended or supplemented and are in full force and effect as of the date hereof.

c. No Breach. The execution and delivery of the Developer Documents by the Developer does not violate any judgment, order, writ, injunction or decree binding on the Developer or any indenture, agreement, or other instrument to which the Developer is a party.

d. No Litigation. Other than as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, there are no proceedings pending or threatened in writing before any court or administrative agency against the Developer that are either not covered by insurance or which singularly or collectively would have a material, adverse effect on the ability of the Developer to perform its obligations under the Developer Documents in all material respects or that would reasonably be expected to prevent or prohibit the development of the District in accordance with the description thereof in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

e. Information. The information prepared and submitted by the Developer to the City or the Underwriter in connection with the preparation of the

Preliminary Limited Offering Memorandum and the Limited Offering Memorandum was, and is, as of this date, true and correct in all material respects.

f. Preliminary Limited Offering Memorandum and Limited Offering Memorandum. The Developer represents and warrants that the information set forth in the Developer Disclosures in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum is true and correct and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Developer agrees to provide a certificate dated the Closing Date affirming, as of such date, the representations contained in this subsection (f) with respect to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

g. Events of Default. No "Event of Default" or "event of default" by the Developer under any of the Developer Documents, any documents to which the Developer is a party described in the Limited Offering Memorandum, or under any material documents relating to the financing and construction of the Improvement Area #2 Projects to which the Developer is a party, or event that, with the passage of time or the giving of notice or both, would constitute such "Event of Default" or "event of default" by the Developer has occurred and is continuing.

5. Indemnification.

a. The Developer will indemnify and hold harmless the City and the Underwriter and each of their officers, directors, employees and agents against any losses, claims, damages or liabilities to which any of them may become subject, under the Securities Act of 1933 or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained or incorporated by reference in the Developer Disclosures in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, or any amendment or supplement to the Limited Offering Memorandum amending or supplementing the information contained under the aforementioned captions (as qualified above), or arise out of or are based upon the omission, untrue statement or alleged untrue statement or omission to state therein a material fact necessary to make the statements under the aforementioned captions (as qualified above) not misleading under the circumstances under which they were made and will reimburse any indemnified party for any reasonable legal or other expenses reasonably incurred by them in connection with investigating or defending any such action or claim as such expenses are incurred.

b. Promptly after receipt by an indemnified party under subsection (a) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve the indemnifying party from any liability which it may have to the indemnified party otherwise than under such subsection, unless such indemnifying party was prejudiced by such delay or lack of notice. In case any such action shall be brought against

an indemnified party, it shall promptly notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. The indemnifying party shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the indemnifying party or if there is a final judgment for the plaintiff in any such action, the indemnifying party will indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment. The indemnity herein shall survive delivery of the Bonds and shall survive any investigation made by or on behalf of the City, the Developer, or the Underwriter.

6. Survival of Representations, Warranties and Covenants. All representations, warranties, and agreements in this Developer's Letter of Representations will survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of any payment by the Underwriter for the Bonds hereunder, and (c) any termination of the Bond Purchase Agreement.

7. Binding on Successors and Assigns. This Developer's Letter of Representations will be binding upon the Developer and its successors and assigns and inure solely to the benefit of the Underwriter and the City, and no other person or firm or entity will acquire or have any right under or by virtue of this Developer's Letter of Representations.

*Signature page follows.*

Dated: October 9, 2025

Bloomfield Homes, L.P., a Texas limited partnership

By: Bloomfield Properties, Inc., a Texas limited corporation,
its General Partner

By: _____
Donald J. Dykstra, President

**APPENDIX B**

**$6,770,000**
**CITY OF JUSTIN, TEXAS,**
**SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025**
**(TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2**
**IMPROVEMENT AREA #2 PROJECT)**

**ISSUE PRICE CERTIFICATE**

The undersigned, on behalf of FMSbonds, Inc. ("FMS"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Bonds") of the City of Justin, Texas (the "Issuer").

1. ***Sale of the General Rule Maturities***. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***Initial Offering Price of the Hold-the-Offering-Price Maturities***.

(a) FMS offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "Initial Offering Prices") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, FMS agreed in writing on or prior to the Sale Date that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "hold-the-offering-price rule"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail or other third-party distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail or other third-party distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.

3. ***Defined Terms***.

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "General Rule Maturities."

(b) *Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which FMS sold at least 10% of such Hold-the-Offering-

Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.

(d) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(e) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(f) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is October 9, 2025.

(g) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

The remainder of this page is left blank intentionally.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents FMS's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Certificate as to Tax Exemption with respect to the Bonds and with respect to compliance with the federal income tax rules affecting the Bonds, and by Norton Rose Fulbright US LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

FMSbonds, Inc.,
as Underwriter

By:_____
Name: Theodore A. Swinarski
Title: Senior Vice President – Trading

Date: _____, 2025

## SCHEDULE A

SALE PRICES OF THE GENERAL RULE MATURITIES AND
INITIAL OFFERING PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES

(*Attached*)

**SCHEDULE B**

PRICING WIRE OR EQUIVALENT COMMUNICATION

(*Attached*)

**APPENDIX C**

[LETTERHEAD OF BOYLE & LOWRY, LLP]

November 6, 2025

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Wilmington Trust, National Association
15950 North Dallas Parkway, Suite 200
Dallas, Texas 75248

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201

City of Justin
Attn: City Manager
415 N. College Avenue
Justin, Texas 76247

$6,770,000
CITY OF JUSTIN, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025
(TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2
IMPROVEMENT AREA #2 PROJECT)

Ladies and Gentlemen:

Pursuant to Section 10(c) of the Bond Purchase Agreement dated October 9, 2025, between FMSbonds, Inc. and the City of Justin, Texas (the "City") we render this opinion in connection with the issuance and sale of $6,770,000 "City of Justin, Texas, Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project)" (the "Bonds"), by the City, a political subdivision of the State of Texas (the "State").

The Bonds are authorized pursuant to Ordinance No. 2025-__ and enacted by the City Council of the City (the "City Council") on October 9, 2025 (the "Bond Ordinance") and shall be issued pursuant to the provisions of Subchapter A of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "Act") and the Indenture of Trust dated as of November 1, 2025 (the "Indenture") by and between the City and Wilmington Trust, National Association, as trustee (the "Trustee"). Capitalized terms not defined herein shall have the same meanings as in the Indenture, unless otherwise stated herein.

In connection with rendering this opinion, we have reviewed the:

(a) The Resolution No. 651-24 (the "Creation Resolution") enacted by the City Council on February 8, 2024;

(b) The Ordinance No. _____ approved by the City Council on October 9, 2025, and the Service and Assessment Plan (the "Service and Assessment Plan") attached as an exhibit thereto (the "Assessment Ordinance");

(c) The Bond Ordinance;

(d) The Indenture;

(e) the Development Agreement, approved by the City Council on April 26, 2021, executed and delivered by the City, the Developer, Justin Timberbrook, LLC, a Texas limited liability company, and Royal Crest Properties, LLC, a Texas limited liability company;

(f) the Agreement for the Construction and Funding of Authorized Improvements and Reimbursement of Advances Timberbrook Public Improvement District No. 2 – Improvement Area #2, dated March 28, 2024, executed and delivered by the City and the Developer;

(g) the Timberbrook Public Improvement District No. 2 Improvement Area #2 Construction, Funding, and Acquisition Agreement, effective October 9, 2025, between the City and the Developer;

(h) the Continuing Disclosure Agreement of Issuer with respect to the Bonds, dated as of November 1, 2025, executed and delivered by the City, P3Works, LLC, and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as dissemination agent; and

(i) Such other documents, records, agreements, or certificates as we have deemed necessary or appropriate to enable us to render the opinions expressed below.

The Creation Resolution, the Assessment Ordinance, the Indenture, and the Bond Ordinance shall hereinafter be collectively referred to as the "Authorizing Documents" and the remaining documents shall hereinafter be collectively referred to as the "City Documents."

In all such examinations, we have assumed that all signatures on documents and instruments executed by the City are genuine and that all documents submitted to us as copies conform to the originals. In addition, for purposes of this opinion, we have assumed the due authorization, execution, and delivery of the City Documents by all parties other than the City.

Based upon and subject to the foregoing and the additional qualifications and assumptions set forth herein, We are of the opinion that:

1. The City is a Texas political subdivision and has all necessary power and authority to enter into and perform its obligations under the Authorizing Documents and the City Documents. The City has taken or obtained all actions, approvals, consents, and authorizations required of it by applicable laws in connection with the execution of the Authorizing Documents and the City Documents and the performance of its obligations thereunder.

2. To the best of our knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, public board or body, pending, or

threatened against the City: (a) affecting the existence of the City or the titles of its officers to their respective offices, (b) in any way questioning the formation or existence of the District, (c) affecting, contesting or seeking to prohibit, restrain or enjoin the delivery of any of the Bonds, or the payment, collection or application of any amounts pledged or to be pledged to pay the principal of and interest on the Bonds, including the Assessments in Improvement Area #2 of the District pursuant to the provisions of the Assessment Ordinance and the Service and Assessment Plan referenced therein, (d) contesting or affecting the validity or enforceability or the City's performance of the City Documents, (e) contesting the exclusion of the interest on the Bonds from federal income taxation, or (f) which may result in any material adverse change relating to the financial condition of the City.

3. The Authorizing Documents were duly enacted by the City and remain in full force and effect on the date hereof.

4. The City Documents have been duly authorized, executed and delivered by the City and are legal, valid, and binding obligations of the City enforceable against the City in accordance with their respective terms. However, the enforceability of the obligations of the City under such City Documents may be limited or otherwise affected by (a) bankruptcy, insolvency, reorganization, moratorium, and other laws affecting the rights of creditors generally, (b) principles of equity, whether considered at law or in equity, or (c) the application of State law relating to action by future councils and relating to governmental immunity applicable to governmental entities.

5. The performance by the City of the obligations under the Authorizing Documents and the City Documents will not violate any provision of any Federal or Texas constitutional or statutory provision.

6. No further consent, approval, authorization, or order of any court or governmental agency or body or official is required to be obtained by the City as a condition precedent to the performance by the City of its obligations under the Authorizing Documents and the City Documents (other than those that have been or will be obtained prior to the delivery of the Bonds, including the opinion of the Texas Attorney General).

7. The City has duly authorized and delivered the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

8. Based upon our limited participation in the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, the statements and information contained in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum with respect to the City under the captions and subcaptions "ASSESSMENT PROCEDURES – Assessment Methodology" and " – Assessment Amounts," "THE CITY," "THE DISTRICT" (except for the subcaptions "Collection and Delinquency History of the Timberbrook Development," "Prepayment History," and "Foreclosure History"), "THE DEVELOPMENT – Development Agreement," "LEGAL MATTERS – Litigation – The City," and "CONTINUING DISCLOSURE – The City" are a fair and accurate summary of the laws and the documents and facts summarized therein.

9. The adoption of the Authorizing Documents, the execution and delivery of the City Documents and the compliance with the provisions of the Authorizing Documents and the City Documents under the circumstances contemplated thereby, to the best of our knowledge: (a) do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement to which the City is a party or by which it is bound, and (b) do not and will not in any material respect conflict with or constitute on the part of the City a violation, breach of or default under any existing law, regulation, constitutional provision, court order or consent decree to which the City is subject.

We express no opinion as to the laws of any jurisdiction other than the laws of Texas and the laws of the United States of America. The opinions expressed above concern only the effect of the laws (excluding the principles of conflict of laws) of Texas and the United States of America as currently in effect.

We assume there are no material misstatements in the legal opinions delivered by the other parties and entities to this transaction; and further specifically rely upon Bond Counsel to the City with regard to the Bond Ordinance, Indenture, bond purchase agreement or other documents prepared, delivered or executed in connection with the Bonds and Bond documents, and the Attorney General's review and approval of the transaction.

This opinion letter has been rendered solely for the benefit of the addressees named above in connection with the transactions described therein, and may not be used, circulated, quoted, relied upon or otherwise referred to for any other purpose or by any other person without our prior written consent. This opinion letter does not constitute a warranty or guarantee or an opinion as to matters of fact and should not be construed or relied upon as such. This opinion letter is as of the date hereof only, and we undertake no, and hereby disclaim any, obligation to advise you of any change in any matter set forth herein.

Very truly yours,

**APPENDIX D**

LETTERHEAD OF GREENBERG TRAURIG, LLP

November 6, 2025

City of Justin
415 N. College Avenue
Justin, Texas 76247

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Norton Rose Fulbright US LLP
2200 Ross Avenue
Suite 3600
Dallas, Texas 75201-7932

Wilmington Trust, National Association, as Trustee
15950 North Dallas Parkway, Suite 200
Dallas, Texas 75248

Boyle & Lowry, LLP
4201 Wingren, Suite 108
Irving, Texas 75062

$6,770,000
CITY OF JUSTIN, TEXAS,
SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025
(TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2
IMPROVEMENT AREA #2 PROJECT)

Ladies and Gentlemen:

## I. Introduction

We have acted as special counsel to Bloomfield Homes, L.P., a Texas limited partnership (the "Developer"), in connection with the issuance and sale by the City of Justin, Texas (the "City"), of $6,770,000 City of Justin, Texas, Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project) (the "Bonds"), pursuant to the Indenture of Trust, dated as of November 1, 2025 (the "Indenture"), by and between the City and Wilmington Trust, National Association, as trustee (the "Trustee"). Proceeds from the sale of the Bonds will be used, in part, to fund certain public infrastructure improvements in the development known as "Timberbrook" (the "Development") located in the corporate boundaries of the City.

The Bonds are being sold by FMSbonds, Inc. (the "Underwriter"), pursuant to that certain Bond Purchase Agreement, dated October 9, 2025 (the "Bond Purchase Agreement"), between the City and the Underwriter. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Bond Purchase Agreement.

In our capacity as special counsel to the Developer, and for purposes of rendering the opinions set forth herein, we have examined originals or copies, certified or otherwise identified to our satisfaction, of:

(a) The following documents (collectively, the "Material Documents"):

1. the Development Agreement, approved by the City Council on April 26, 2021, executed and delivered by the City, the Developer, Justin Timberbrook, LLC, a Texas limited liability company, and Royal Crest Properties, LLC, a Texas limited liability company;
2. the Agreement for the Construction and Funding of Authorized Improvements and Reimbursement of Advances Timberbrook Public Improvement District No. 2 – Improvement Area #2, dated March 28, 2024, executed and delivered by the City and the Developer;
3. the Timberbrook Public Improvement District No. 2 Improvement Area #2 Construction, Funding, and Acquisition Agreement, effective October 9, 2025, between the City and the Developer;
4. the Consent and Agreement of Landowner executed by the Developer as of October 9, 2025, and relating to Improvement Area #2;
5. the Continuing Disclosure Agreement of Developer with respect to the Bonds, dated as of November 1, 2025, executed and delivered by the Developer, P3Works, LLC, as PID Administrator, and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as dissemination agent;
6. the Developer's Letter of Representations, effective as of October 9, 2025, relating to the Bonds;
7. the Developer's Closing Certificate with respect to the Bonds, dated November 6, 2025; and
8. the General Certificate of the Developer with respect to the Bonds, dated as of November 6, 2025 (the "Developer Certificate").

(b) The Preliminary Limited Offering Memorandum, dated September 25, 2025, relating to the issuance of the Bonds (the "Preliminary Limited Offering Memorandum");

(c) The final Limited Offering Memorandum, dated October 9, 2025, relating to the issuance of the Bonds (the "Limited Offering Memorandum"); and

(d) Such other documents, records, agreements, and certificates of the Developer as we have deemed necessary or appropriate to render the opinions expressed below.

In basing the opinions and other matters set forth herein on "our knowledge," the words "our knowledge" signify that, in the course of our representation of the Developer the principal attorneys in this firm involved in the current actual transaction do not have actual knowledge or actual notice that any such opinions or other matters are not accurate or that any of the documents, certificates, reports and information on which we have relied are not accurate and complete. Except as otherwise stated herein, we have undertaken no independent investigation

or certification of such matters. The words "our knowledge" and similar language used herein are intended to be limited to the knowledge of the attorneys within our firm who have worked on the matters contemplated by our representation as special counsel.

In rendering the opinions set forth herein, we have assumed, without independent investigation (other than the Developer), that: (i) the due authorization, execution, and delivery of each of the documents referred to in this opinion letter by all parties thereto (other than the authorization, execution, and delivery by the Developer) and that each such document constitutes a valid, binding, and enforceable obligation of each party (other than the Developer) thereto, (ii) all of the parties to the documents referred to in this opinion letter are duly organized, validly existing, in good standing and have the requisite power, authority (corporate, limited liability company, partnership or other) and legal right to execute, deliver, and perform its obligations under such documents (except to the extent set forth in our opinions set forth herein regarding valid existence and power and authority of the Developer to execute, deliver, and perform its obligations under the Material Documents), (iii) each certificate from governmental officials reviewed by us is accurate, complete, and authentic, and all official public records are accurate and complete, (iv) the legal capacity of all natural persons, (v) the genuineness of all signatures (other than those of the Developer in respect of the Material Documents), (vi) the authenticity and accuracy of all documents submitted to us as originals, (vii) the conformity to original documents of all documents submitted to us as photostatic or certified copies, (viii) that no laws or judicial, administrative, or other action of any governmental entity of any jurisdiction not expressly opined to herein would adversely affect the opinions set forth herein, and (ix) that the execution and delivery by each party of, and performance of its agreements in, the Material Documents do not breach or result in a default under any existing obligation of such party under any agreements, contracts or instruments to which such party is a party to or otherwise subject to or any order, writ, injunction, or decree of any court applicable to such party.

In addition, we have assumed that the Material Documents accurately reflect the complete understanding of the parties with respect to the transactions contemplated thereby and the rights and obligations of the parties thereunder. We have also assumed that the terms and conditions of the transaction as reflected in the Material Documents have not been amended, modified, or supplemented, directly or indirectly, by any other agreement or understanding of the parties or waiver of any of the material provisions of the Material Documents.

We assume that none of the parties to the Material Documents (other than the Developer) is a party to any court or regulatory proceeding relating to or otherwise affecting the Material Documents or is subject to any order, writ, injunction, or decree of any court or federal, state, or local governmental agency or commission that would prohibit the execution and delivery of the Material Documents, or the consummation of the transactions therein contemplated in the manner therein provided, or impair the validity or enforceability thereof. We assume that each of the parties to the Material Documents (other than the Developer) has full authority to close this transaction in accordance with the terms and provisions of the Material Documents.

We assume that neither the Underwriter nor the City nor their respective counsel has any current actual knowledge of any facts not known to us or any law or judicial decision which would make the opinions set forth herein incorrect, and that no party upon whom we have relied for purposes of this opinion letter has perpetrated a fraud.

We have only been engaged by our clients in connection with the Material Documents (and the transactions contemplated in the Material Documents) and do not represent these clients generally.

## II. Opinions and Assurances

Based solely upon the foregoing, and subject to the assumptions and limitations set forth herein, we are of the opinion that:

(a) The Developer is a limited partnership formed under the laws of the State of Texas and qualified to transact business as a limited partnership, and in good standing under the laws of the State of Texas.

(b) The Developer has the power and authority to execute and deliver the Material Documents to which it is a party, and to perform its obligations thereunder.

(c) The execution and delivery by the Developer of the Material Documents to which it is a party, and the performance by the Developer of its obligations under the Material Documents will not (i) violate any applicable law; or (ii) conflict with or result in the breach of any court decree or order of any governmental body identified in the Developer Certificate or otherwise actually known to the lawyers who have provided substantive attention to the representation reflected in this opinion binding upon or affecting the Developer, the conflict with which or breach of which would have a material, adverse effect on the ability of the Developer to perform its obligations under the Material Documents to which it is a party.

(d) To our knowledge, no governmental approval which has not been obtained is required to be obtained by the Developer on or before the date hereof as a condition to the performance by the Developer of its obligations under the Material Documents to which it is a party, except for governmental approvals that may be required to comply with certain covenants contained in the Material Documents (including, without limitation, covenants to comply with applicable laws).

(e) Based solely on the Developer Certificate, the Developer has duly executed and delivered each of the Material Documents to which it is a party, and each of the Material Documents constitute the legal, valid, and binding obligations of the Developer, enforceable against the Developer in accordance with their respective terms, subject to the following qualifications: (i) the effect of applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights of creditors generally, (ii) the effect of the exercise of judicial discretion in accordance with general principles of equity (whether applied by a court of law or of equity), and (iii) the effect that enforceability of the indemnification provisions therein may be limited, in whole or in part. The execution, delivery, and performance by the Developer of its obligations under the Material Documents do not violate any existing laws of the State of Texas applicable to the Developer.

(f) To our knowledge, there are no actions, suits, or proceedings pending or threatened against the Developer identified in the Developer Certificate, or otherwise actually known to the lawyers who have provided substantive attention to the representation reflected in this opinion in any court of law or equity, or before or by any governmental instrumentality with respect to: (i) its organization or existence or qualification to do business in the State of Texas; (ii) its authority to execute or deliver the Material Documents to which it is a party; (iii) the titles

of the parties executing the Material Documents; (iv) the execution, delivery, validity, or enforceability of the Material Documents on behalf of the Developer; (v) the operations or financial condition of the Developer that would materially adversely affect those operations or the financial condition of the Developer; or (vi) the acquisition and construction of the property and improvements identified in the Limited Offering Memorandum the cost of which is to be funded or reimbursed, in whole or in part, by proceeds of the Bonds.

(g) Based solely on the Developer Certificate, the execution and delivery of the Material Documents do not, and the transactions described therein may be consummated and the terms and conditions thereof may be observed and performed in a manner that does not, conflict with or constitute a breach of or default under any loan agreement, indenture, bond note, resolution, agreement, or other instrument to which the Developer is a party or is otherwise subject and which have been identified in the Developer Certificate, which violation, breach, or default would materially adversely affect the Developer or its performance of its obligations under the transactions described in the Material Documents; nor will any such execution, delivery, adoption, fulfillment, or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the Developer, except as expressly described in the Material Documents (a) under applicable law, or (b) under any such loan agreement, indenture, bond note, resolution, agreement, or other instrument.

(h) The information set forth in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the captions "PLAN OF FINANCE" (except for the subcaptions "Additional Indebtedness – *Prior Indebtedness*," "Additional Indebtedness – *Future Indebtedness*" (second and third paragraph), and "The Bonds"), "OVERLAPPING TAXES AND DEBT – Agricultural Valuation" (third paragraph only) and "– Homeowners' Association Dues," "THE IMPROVEMENT AREA #2 PROJECTS," "THE DEVELOPMENT," "THE DEVELOPER," "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Improvement Area #2 Projects, and the Development (as defined in the Limited Offering Memorandum))," "LEGAL MATTERS – Litigation – The Developer," and "CONTINUING DISCLOSURE – The Developer," and "– The Developer's Compliance with Prior Undertakings" adequately and fairly describe the information summarized under such captions and are correct as to matters of law.

(i) Subject to the below qualifications and based upon our participation in the preparation of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and our participation at conferences with representatives of the Underwriter and its counsel, of the City and its counsel, and with representatives of the Developer at which the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and related matters were discussed, and although we have not independently verified the information in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and any amendment or supplement thereto, no facts have come to our attention that lead us to believe that the information set forth under the captions referenced in the preceding paragraph with respect to the Preliminary Limited Offering Memorandum, as of the date of the Preliminary Limited Offering Memorandum and as of October 9, 2025, and with respect to the Limited Offering Memorandum, as of the date of the Limited Offering Memorandum and the date hereof, contained or contains any untrue statement of a material fact,

or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

## III. Qualifications

In addition to any assumptions, qualifications, and other matters set forth elsewhere herein, the opinions set forth above are subject to the following assumptions and qualifications:

(a) We have not examined any court dockets, agency files or other public records regarding the entry of any judgments, writs, decrees, or orders or the pendency of any actions, proceedings, investigations, or litigation.

(b) We have relied upon the Developer Certificate, as well as the representations of the Developer contained in the Material Documents, with respect to certain facts material to our opinion. Except as otherwise specifically indicated herein, we have made no independent investigation regarding any of the foregoing documents, or the representations contained therein. With respect to our opinion in II(a) relating to the Developer's good standing, we have relied solely on a Certificate of Fact being issued by the Secretary of State of Texas with respect to the Developer and an online search of the Franchise Tax Account Status page of the website of the Texas Comptroller of Public Accounts which indicated the right of the Developer to do business in the State of Texas is intact.

(c) Our opinion is subject to the effect of any applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other laws affecting creditors' rights generally and to the effect of general principles of equity, including (without limitation) remedies of specific performance and injunctive relief and concepts of materiality, reasonableness, good faith, and fair dealing (regardless of whether considered in a proceeding in equity or at law).

(d) Except for the Material Documents, we have not reviewed, and express no opinion as to, any other contracts or agreements to which the Developer is a party or by which the Developer is or may be bound.

(e) The opinions expressed herein are based upon and limited to the applicable laws of the State of Texas and the laws of the United States of America, excluding the principles of conflicts of laws thereof, as in effect as of the date hereof, and our knowledge of the facts relevant to such opinions on such date. In this regard, we note that we are members of the Bar of the State of Texas, we do not express any opinion herein as to matters governed by the laws of any other jurisdiction, except the United States of America, we do not purport to be experts in any other laws, and we can accept no responsibility for the applicability or effect of any such laws. In addition, we assume no obligation to supplement the opinions expressed herein if any applicable laws change after the date hereof, or if we become aware of any facts or circumstances that affect the opinions expressed herein.

(f) This letter is strictly limited to the matters expressly set forth herein and no statements or opinions should be inferred beyond such matters.

(g) Notwithstanding anything contained herein to the contrary, we express no opinion whatsoever concerning the status of title to any real or personal property.

(h) The opinions expressed herein regarding the enforceability of the Material Documents are subject to the qualification that certain of the remedial, waiver or other provisions thereof may not be enforceable; but such unenforceability will not, in our judgment, render the Material Documents invalid as a whole or substantially interfere with the practical realization of the principal legal benefits provided in the Material Documents, except to the extent of any economic consequences of any procedural delays which may result therefrom.

(i) The opinion expressed herein as to the enforceability of the Material Documents is specifically subject to the qualification that enforceability of the Material Documents is limited by the following: (i) the rights of the United States under the Federal Tax Lien Act of 1966, as amended; (ii) principles of equity, public policy and unconscionability which may limit the availability of certain remedies; (iii) bankruptcy, insolvency, reorganization, fraudulent conveyance, liquidation, probate, conservatorship, and other laws applicable to creditors' rights or the collection of debtors' obligations generally; and (iv) requirements of due process under the United States Constitution, the Constitution of the State of Texas, and other laws or court decisions limiting the rights of creditors to repossess, foreclose, or otherwise realize upon the property of a debtor without appropriate notice or hearing or both.

(j) We express no opinion as to whether a court would grant specific performance or any other equitable remedy with respect to the enforcement of the Material Documents.

(k) We express no opinion as to the validity, binding effect, or enforceability of: (i) provisions which purport to waive rights or notices, including rights to trial by jury, counterclaims or defenses, jurisdiction, or venue; (ii) provisions relating to consent judgments, waivers of defenses or the benefits of statutes of limitations, marshaling of assets, the transferability of any assets which by their nature are nontransferable, sales in inverse order of alienation, or severance; (iii) provisions purporting to waive the benefits of present or of future laws relating to exemptions, appraisement, valuation, stay of execution, redemption, extension of time for payment, setoff, and similar debtor protection laws; or (iv) provisions requiring a party to pay fees and expenses regardless of the circumstances giving rise to such fees or expenses or the reasonableness thereof.

(l) The opinions expressed herein are subject to the effect of generally applicable rules of law that provide that forum selection clauses in contracts are not necessarily binding on the court(s) in the forum selected.

(m) We express no opinion as to the enforceability of any provisions in the Material Documents purporting to entitle a party to indemnification in respect of any matters arising in whole or in part by reason of any negligent, illegal, or wrongful act or omission of such party.

This opinion is furnished to those parties addressed in this letter solely in connection with the transactions, for the purposes and on the terms described above and may not be relied upon for any other purpose or by any other person in any manner or for any purpose.

Very truly yours,

## APPENDIX E

## CLOSING CERTIFICATE OF DEVELOPER

Bloomfield Homes, L.P., a Texas limited partnership (the "Developer"), DOES HEREBY CERTIFY the following as of the date hereof. All capitalized terms not otherwise defined herein shall have the meaning given to such term in the Limited Offering Memorandum.

1. The Developer is a Texas limited partnership organized, validly existing and in good standing under the laws of the State of Texas.

2. Representatives of the Developer have provided information to the City of Justin, Texas (the "City") and FMSbonds, Inc. (the "Underwriter") to be used in connection with the offering by the City of its $6,770,000 aggregate principal amount of Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project) (the "Bonds"), pursuant to the Preliminary Limited Offering Memorandum, dated September 25, 2025 (the "Preliminary Limited Offering Memorandum"), and Limited Offering Memorandum dated October 9, 2025 (the "Limited Offering Memorandum").

3. The Developer has delivered to the Underwriter and the City true, correct, complete, and fully executed copies of the Developer's organizational documents, and such documents have not been amended or supplemented since delivery to the Underwriter and the City and are in full force and effect as of the date hereof.

4. The Developer has delivered to the Underwriter and the City a (i) Certificate of Status from the Texas Secretary of State and (ii) verification of franchise tax account status from the Texas Comptroller of Public Accounts for the Developer.

5. The Developer has executed and delivered each of the below listed documents (individually, a "Developer Document" and collectively, the "Developer Documents") in the capacity provided for in each such Developer Document, and each such Developer Document constitutes a valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms except as the enforcement thereof may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization or similar laws or equitable principles affecting the rights of creditors generally:

(a) the Developer's Letter of Representations, dated October 9, 2025;

(b) the Development Agreement, approved by the City Council on April 26, 2021, executed and delivered by the City, the Developer, Justin Timberbrook, LLC, a Texas limited liability company, and Royal Crest Properties, LLC, a Texas limited liability company;

(c) the Agreement for the Construction and Funding of Authorized Improvements and Reimbursement of Advances Timberbrook Public Improvement District No. 2 – Improvement Area #2, dated March 28, 2024, executed and delivered by the City and the Developer;

(d) the Timberbrook Public Improvement District No. 2 Improvement Area #2 Construction, Funding, and Acquisition Agreement, effective October 9, 2025, between the City and the Developer;

(e) the Consent and Agreement of Landowner executed by the Developer as of October 9, 2025, and relating to Improvement Area #2; and

(f) the Continuing Disclosure Agreement of Developer with respect to the Bonds, dated as of November 1, 2025, executed and delivered by the Developer, P3Works, LLC, as Administrator, and HTS Disclosure Services, a division of Hilltop Securities Inc., as Dissemination Agent.

6. The Developer owned all of the Assessed Property (as defined in the Service and Assessment Plan) located in Improvement Area #2 of the District on the date that the Assessment Ordinance was adopted and is not an entity that may claim a homestead right under Texas law.

7. The representations and warranties of the Developer contained in the Developer Documents are true and correct in all material respects on and as of the date hereof.

8. The Developer has complied in all material respects with all of the Developer's agreements and covenants and satisfied all conditions required to be complied with or satisfied by the Developer under the Developer Documents on or prior to the date hereof.

9. The execution and delivery of the Developer Documents by the Developer does not violate any judgment, order, writ, injunction or decree binding on the Developer or any indenture, agreement, or other instrument to which the Developer is a party. There are no proceedings pending or threatened in writing before any court or administrative agency against the Developer that is either not covered by insurance or which singularly or collectively would have a material, adverse effect on the ability of the Developer to perform its obligations under the Developer Documents in all material respects or that would reasonably be expected to prevent or prohibit the development of the District in accordance with the description thereof in the Limited Offering Memorandum.

10. The Developer has reviewed and approved the information contained in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum in the maps of the District therein and under the captions and subcaptions "PLAN OF FINANCE" (except for the subcaptions "Additional Indebtedness – *Prior Indebtedness*," "Additional Indebtedness – *Future Indebtedness*" (second and third paragraph), and "The Bonds"), "OVERLAPPING TAXES AND DEBT – Agricultural Valuation" (third paragraph only) and "– Homeowners' Association Dues," "THE IMPROVEMENT AREA #2 PROJECTS," "THE DEVELOPMENT" and "THE DEVELOPER" and, to the Developer's knowledge after due inquiry, under the captions "BONDHOLDERS' RISKS" (only as it pertains to the Developer, the Improvement Area #2 Projects, and the Development (as defined in the Limited Offering Memorandum)), "LEGAL MATTERS – Litigation – The Developer," "CONTINUING DISCLOSURE – The Developer" and "– The Developer's Compliance with Prior Undertakings," "SOURCES OF INFORMATION – Source of Certain Information," "APPENDIX E-2," "APPENDIX F," and "APPENDIX G" (collectively, the "Developer Disclosures") and certifies that the same 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 therein, in the light of the circumstances under which they are made, not misleading, as of the date of the Preliminary Limited Offering Memorandum and as of the date of the Limited Offering Memorandum; provided, however, that the foregoing certification is not a certification as to the accuracy, completeness or fairness of any of the other statements contained in the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum.

11. The Developer has reviewed and approved the information contained in the Developer Disclosures in the Limited Offering Memorandum and certifies that the same does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading, as of the date of the Limited Offering Memorandum and as of the date hereof; provided, however, that the foregoing certification is not a certification as to the accuracy, completeness or fairness of any of the other statements contained in the Limited Offering Memorandum.

12. To the Developer's knowledge, the Developer is in compliance in all material respects with all provisions of applicable law relating to the Developer in connection with the Development. Except as otherwise described in the Limited Offering Memorandum: (a) to the Developer's knowledge, there is no default of any zoning condition, land use permit or development agreement binding upon the Developer or any portion of the Development that would materially and adversely affect the Developer's ability to complete or cause to be completed the development of the property within the District as described in the Limited Offering Memorandum; and (b) the Developer has no reason to believe that any additional permits, consents and licenses required to complete the development of the property within the District as and in the manner described in the Limited Offering Memorandum will not be reasonably obtainable in due course.

13. The Developer is not insolvent and has not made an assignment for the benefit of creditors, filed, or consented to a petition in bankruptcy, petitioned or applied (or consented to any third-party petition or application) to any tribunal for the appointment of a custodian, receiver or any trustee or commenced any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction.

14. The levy of Assessments on property in the District owned by the Developer will not conflict with or constitute a breach of or default under any agreement, mortgage, deed of trust, indenture, or other instrument to which the Developer is a party or to which the Developer or any of its property or assets is subject.

15. The Developer is not in default under any mortgage, trust indenture, lease, or other instrument to which it or any of its assets is subject, which default would have a material and adverse effect on the Bonds or the Developer's ability to perform its obligations under the Developer Documents.

16. The Developer has no knowledge of any physical condition of the Development owned or to be developed by the Developer that currently requires, or currently is reasonably expected to require in the process of development investigation or remediation under any applicable federal, state, or local governmental laws or regulations relating to the environment in any material and adverse respect.

17. No liens exist on land in Improvement Area #2 of the District on the date hereof.

*Signature page follows.*

Dated: November 6, 2025

**DEVELOPER:**

Bloomfield Homes, L.P., a Texas limited partnership

By: Bloomfield Properties, Inc., a Texas corporation,
its General Partner

By: _____
Donald Dykstra, President

**APPENDIX F**

LETTERHEAD OF PEYCO SOUTHWEST REALTY, INC.

_____, 2025

City of Justin, Texas
415 N. College Avenue
Justin, Texas 76247

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201

Wilmington Trust, National Association, as Trustee
15950 North Dallas Parkway, Suite 200
Dallas, Texas 75248

Re: City of Justin, Texas, Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project) (the "Bonds")

Ladies and Gentlemen:

The undersigned, an authorized representative of Peyco Southwest Realty, Inc. (the "Appraiser"), the appraiser of the undeveloped property contained in Improvement Area #2 of Timberbrook Public Improvement District No. 2 (the "District"), does hereby represent the following:

1. The Appraiser has supplied certain information contained in the Preliminary Limited Offering Memorandum for the Bonds, dated September 25, 2025, and the Limited Offering Memorandum for the Bonds, dated October 9, 2025 (together, the "Limited Offering Memorandum"), relating to the issuance of the Bonds by the City of Justin, Texas, as described above. The information the Appraiser provided for the Limited Offering Memorandum is the real estate appraisal of the property in the District, located in APPENDIX H to the Limited Offering Memorandum, and the description thereof, set forth under the caption "APPRAISAL."

2. To the best of my professional knowledge and belief, as of the date of my appraisal report, the portion of the Limited Offering Memorandum described above does not contain an untrue statement of a material fact as to the information and data set forth therein and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. Appraiser agrees to the inclusion of the Appraisal in the Limited Offering Memorandum and the use of its name in the Limited Offering Memorandum for the Bonds.

4. Appraiser agrees that, to the best of its ability, it will inform you immediately should it learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about November 6, 2025) which would render any such information in the Limited Offering

Memorandum untrue, incomplete, or incorrect, in any material fact or render any statement in the Appraisal materially misleading.

5. The undersigned hereby represents that he or she has been duly authorized to execute this letter of representations.

Sincerely yours,

**PEYCO SOUTHWEST REALTY, INC.**

By: _____

Its: _____

**APPENDIX G**

LETTERHEAD OF P3WORKS, LLC

_____, 2025

City of Justin, Texas
415 N. College Avenue
Justin, Texas 76247

FMSbonds, Inc.
5 Cowboys Way, Suite 300-25
Frisco, Texas 75034

Norton Rose Fulbright US LLP
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201-2784

Wilmington Trust, National Association, as Trustee
15950 North Dallas Parkway, Suite 200
Dallas, Texas 75248

Re: City of Justin, Texas, Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project) (the "Bonds")

Ladies and Gentlemen:

The undersigned, an authorized representative of P3Works, LLC ("P3Works", "we" or "our"), consultant in connection with the creation by the City of Justin, Texas (the "City"), of Timberbrook Public Improvement District No. 2 (the "District"), does hereby represent the following:

1. P3Works has supplied certain information contained in the Preliminary Limited Offering Memorandum for the Bonds, dated September 25, 2025, and the final Limited Offering Memorandum for the Bonds, dated October 9, 2025 (together, the "Limited Offering Memorandum"), relating to the issuance of the Bonds by the City, as described above. The information P3Works provided for the Limited Offering Memorandum is located (a) under the captions "ASSESSMENT PROCEDURES" and "THE ADMINISTRATOR" and in the subcaption "THE DISTRICT – Collection and Delinquency History of the Timberbrook Development," "– Prepayment History," and "Foreclosure History," and (b) in the Service and Assessment Plan (the "SAP") for the City located in APPENDIX C to the Limited Offering Memorandum.

2. To our professional knowledge and belief, the portions of the Limited Offering Memorandum described in paragraph 1 above do not contain an untrue statement of a material fact as to the information and data set forth therein and does not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

3. We agree to the inclusion of the SAP in the Limited Offering Memorandum and to the use of our name in the Limited Offering Memorandum for the Bonds.

4. We agree that, to the best of our ability, we will inform you immediately should we learn of any event(s) or information of which you are not aware subsequent to the date of this letter and prior to the actual time of delivery of the Bonds (anticipated to occur on or about November 6, 2025) which would render any information in the Limited Offering Memorandum

described in paragraph 1 above untrue, incomplete, or incorrect, in any material fact or render any such information, in the light of the circumstances under which they were made, materially misleading.

5. The undersigned hereby represents that he or she has been duly authorized to execute this letter of representation.

Sincerely yours,

**P3WORKS, LLC**

_____

By: _____

Its: _____

**EXHIBIT C**

**CONTINUING DISCLOSURE AGREEMENT**

**CITY OF JUSTIN, TEXAS,**
**SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025**
**(TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2**
**IMPROVEMENT AREA #2 PROJECT)**

## CONTINUING DISCLOSURE AGREEMENT OF ISSUER

This Continuing Disclosure Agreement of Issuer, dated as of November 1, 2025 (this "Disclosure Agreement"), is executed and delivered by and among the City of Justin, Texas (the "Issuer"), P3Works, LLC (the "Administrator"), and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., acting solely in its capacity as dissemination agent (the "Dissemination Agent"), with respect to the Issuer's "Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project)" (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 November 1, 2025, relating to the Bonds (the "Indenture"), which apply to any capitalized term used in this Disclosure Agreement, including the Exhibits hereto, the following capitalized terms shall have the following meanings:

"Annual Collections Report" shall mean any Annual Collections Report provided by the Issuer pursuant to, and as described in, Section 5 of this Disclosure Agreement.

"Annual Collections Report Filing Date" shall mean, for each Fiscal Year succeeding the reporting Fiscal Year, the date that is three (3) months after the Final Assessment Payment Date, which Annual Collections Report Filing Date is currently April 30.

"Annual Financial Information" shall mean annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in subsection 4(a) of this Disclosure Agreement.

"Annual Financial Statements" shall mean audited or unaudited financial statements of the Issuer prepared in accordance with generally accepted accounting principles for governmental units as prescribed by the Government Accounting Standards Board from time to time, or such other accounting principles as the Issuer may be required to employ from time to time pursuant to state law or regulation.

"Annual Financials Filing Date" shall mean, for each Fiscal Year, the date on which the Annual Financial Statements must be filed with the MSRB, which date is twelve (12) months after the end of the Issuer's Fiscal Year. The Annual Financials Filing Date is currently September 30.

"Annual Information Filing Date" shall mean, for each Fiscal Year, the date on which the Annual Financial Information must be filed with the MSRB, which date is six (6) months after the end of the Issuer's Fiscal Year. The Annual Information Filing Date is currently March 31.

"Collections Reporting Date" shall mean, for each Tax Year, the date that is one (1) month after the Delinquency Date, which Collections Reporting Date is currently March 1.

"Delinquency Date" shall mean February 1 of the year following the year in which the Assessments were billed or as may be otherwise defined in Section 31.02 of the Texas Tax Code, as amended.

"Disclosure Agreement of Developer" shall mean the Continuing Disclosure Agreement of Developer relating to the Bonds, dated as of November 1, 2025, executed and delivered by the Developer, the Administrator, and the Dissemination Agent.

"Disclosure Representative" shall mean the Finance Director or City Manager of the Issuer or his or her designee or such other officer or employee as the Issuer may designate in writing to the Dissemination Agent from time to time.

"Dissemination Agent" shall mean HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., 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.

"EMMA" shall mean the Electronic Municipal Market Access System currently available on the internet at http://emma.msrb.org.

"Filing Date" means any one or all of the Annual Financials Filing Date, Annual Information Filing Date, and Annual Collections Report Filing Date.

"Final Assessment Payment Date" shall mean the calendar day preceding the Delinquency Date.

"Financial Obligation" shall mean a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"Fiscal Year" shall mean the Issuer's fiscal year, currently the twelve-month period from October 1 through September 30.

"Listed Events" shall mean any of the events listed in subsection 6(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 continuing disclosure reports pursuant to the Rule.

"Participating Underwriter" shall mean FMSbonds, Inc., and its successors and assigns.

"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.

"SAP Update" shall have the meaning assigned to such term in subsection 4(a)(iii) of this Disclosure Agreement.

"SEC" shall mean the United States Securities and Exchange Commission.

"Tax Year" means the calendar year, or as may be otherwise defined in Section 1.04 of the Texas Tax Code, as amended.

SECTION 3. Provision of Annual Financial Information and Audited Financial Statements.

(a) For each Fiscal Year, commencing with the Fiscal Year ending September 30, 2025, the Issuer shall cause, pursuant to written direction, 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, the Annual Financial Information and the Annual Financial Statements, as follows:

(i) The Issuer shall provide or caused to be provided the Annual Financial Information to the MSRB not later than the Annual Information Filing Date; and

(ii) The Issuer shall provide or caused to be provided audited Annual Financial Statements to the MSRB not later than the Annual Financials Filing Date, or if audited Annual Financial Statements are not available by the Annual Financials Filing Date, unaudited Annual Financial Statements, provided to the Dissemination Agent which is consistent with the requirements specified in Section 4 of this Disclosure Agreement.

In each case, the Annual Financial Information and Annual Financial Statements may include by reference other information as provided in Section 4 of this Disclosure Agreement. If the Issuer's Fiscal Year changes, it shall file notice of such change (including the date of the new Fiscal Year) with the MSRB prior to the next Annual Information Filing Date. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(b) Not later than ten days prior to the applicable Filing Date, the Issuer shall provide the Annual Financial Information or Annual Financial Statements, as the case may be, to the Dissemination Agent together with written direction to file such with the MSRB. The Dissemination Agent shall provide such Annual Financial Information or Annual Financial Statements to the MSRB not later than ten days from receipt of such from the Issuer, but in no event later than the applicable Filing Date for such Fiscal Year.

If by the fifth ($5^{th}$) day before the applicable Filing Date, the Dissemination Agent has not received a copy of the Annual Financial Information or Annual Financial Statements, as applicable, the Dissemination Agent shall contact the Disclosure Representative in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the applicable Annual Financial Information or Annual Financial Statements pursuant to subsection (a). Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Financial

Information or Annual Financial Statements, as applicable, no later than two Business Days prior to the applicable Filing Date; or (ii) instruct the Dissemination Agent in writing that the Issuer will not be able to provide the Annual Financial Information by the Annual Information Filing Date or the Annual Financial Statements by the Annual Financials Filing Date, as applicable, state the date by which the Annual Financial Information or Annual Financial Statements for such year will be provided and instruct the Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit A; provided, however, that in the event the Disclosure Representative is required to act under either (i) or (ii) described above, the Dissemination Agent still must file the Annual Financial Information, Annual Financial Statements, or the notice of failure to file, as applicable, to the MSRB, no later than the applicable Filing Date; provided further, that in the event the Disclosure Representative fails to act under either (i) or (ii) described above, the Dissemination Agent shall file a notice of failure to file no later than the applicable Filing Date.

(c) The Dissemination Agent, pursuant to written direction, shall:

(i) determine the filing address or other filing location of the MSRB each year prior to filing the Annual Financial Information and the Annual Financial Statements on the dates required in subsection (a);

(ii) on behalf of the Issuer, file the Annual Financial Information and the Annual Financial Statements containing or incorporating by reference the information set forth in Section 4 hereof; and

(iii) if the Issuer has provided the Dissemination Agent with the completed Annual Financial Information and the Annual Financial Statements, as applicable, and the Dissemination Agent has filed such Annual Financial Information or Annual Financial Statements with the MSRB, then the Dissemination Agent shall file a report with the Issuer certifying that the Annual Financial Information or Annual Financial Statements 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 Financial Information and Annual Financial Statements.

(a) *Annual Financial Information*. The Annual Financial Information for the Bonds shall contain or incorporate by reference, and the Issuer agrees to provide or cause to be provided to the Dissemination Agent to file by the Annual Information Filing Date, the following Annual Financial Information (any or all of which may be unaudited):

(i) Information regarding the Bonds and the Trustee in substantially similar form to that shown in the tables provided under Sections 4(a)(i) of Exhibit B attached hereto. Such information shall be provided as of the end of the Fiscal Year to which the information being reported relates.

(ii) Financial information and operating data with respect to the Issuer of the general type and in substantially similar form to that shown in the tables provided under Sections 4(a)(ii) of Exhibit B attached hereto. Such information shall be provided as of the end of the Fiscal Year to which the information being reported relates.

(iii) Any updates to the Service and Assessment Plan, including the Annual Service Plan Update (collectively, a "SAP Update").

(iv) 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) *Annual Financial Statements*. The Issuer agrees to provide or cause to be provided to the Dissemination Agent to file by the Annual Financials Filing Date the audited Annual 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 the audited Annual Financial Statements of the Issuer are not available by the Annual Financials Filing Date, the Issuer shall provide unaudited Annual Financial Statements of the Issuer no later than the Annual Financials Filing Date and audited Annual Financial Statements when and if available.

(c) The Issuer has designated P3Works, LLC as the initial Administrator. The Administrator, and if no Administrator is designated, Issuer's staff, shall prepare 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 Financial Information 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. The Dissemination Agent has no duty or obligation to determine whether or not the information contained in any completed forms containing financial information and operating data as shown in Exhibit B provided to it has been accurately completed and shall only be required to file the forms as completed and provided to it by either the Administrator or the Issuer.

SECTION 5. Annual Collections Report.

(a) For each Fiscal Year succeeding the reporting Fiscal Year, the Issuer shall cause, pursuant to written direction, 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, not later than the Annual Collections Report Filing Date, an Annual Collections Report provided to the Dissemination Agent which complies with the requirements specified in this Section 5; provided that the Issuer may provide the Annual Collections Report as part of the Annual Financial Information, if such Annual Collections Report is available when the Annual Financial Information is provided to the MSRB. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

Not later than ten (10) days prior to the Annual Collections Report Filing Date, the Issuer shall provide the Annual Collections Report to the Dissemination Agent together with written direction to file such Annual Collections Report with the MSRB. The Dissemination Agent shall provide such Annual Collections Report to the MSRB not later than ten (10) days from receipt of such Annual Collections Report from the Issuer, but in no event later than the Annual Collections Report Filing Date.

If by the fifth ($5^{th}$) day before the Annual Collections Report Filing Date the Dissemination Agent has not received a copy of the Annual Collections Report, the Dissemination Agent shall contact the Disclosure Representative in writing (which may be by e-mail) to remind the Issuer of its undertaking

to provide the applicable Annual Collections Report pursuant to this subsection (a). Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Collections Report no later than two (2) Business Days prior to the Annual Collections Report Filing Date, or (ii) instruct the Dissemination Agent in writing that the Issuer will not be able to provide the Annual Collections Report by the Annual Collections Report Filing Date, state the date by which the Annual Collections Report for such year will be provided, and instruct the Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit A hereto; provided, however, that in the event the Disclosure Representative is required to act under either (i) or (ii) described above, the Dissemination Agent still must file the Annual Collections Report or the notice of failure to file, as applicable, to the MSRB no later than the Annual Collections Report Filing Date; provided further, however, that in the event the Disclosure Representative fails to act under either (i) or (ii) described above, the Dissemination Agent shall file a notice of failure to file no later than on the last Business Day prior to the Annual Collections Report Filing Date; or the Issuer will notify the Dissemination Agent in writing that the Issuer will provide or cause to be provided the Annual Collections Report to the MSRB through alternate means. If the Issuer so notifies the Dissemination Agent, the Issuer will provide the Dissemination Agent with a written report certifying that the Annual Collections Report has been provided to the MSRB pursuant to this Disclosure Agreement, stating the date it was provided and that it was filed with the MSRB prior to the second (2nd) Business Day prior to the Annual Collections Report Filing Date. In the event the Issuer fails to provide the Dissemination Agent with such a report, the Dissemination Agent shall file a notice of failure to file no later than the applicable Annual Collections Report Filing Date.

(b) The Annual Collections Report for the Bonds shall contain, and the Issuer agrees to provide or cause to be provided to the Dissemination Agent to file by the Annual Collections Report Filing Date, certain financial information and operating data with respect to collection of the Assessments of the general type and in substantially similar form to that shown in the tables provided in Exhibit C attached hereto. Such information shall cover the period beginning the first (1st) day of the Fiscal Year succeeding the reporting Fiscal Year through the Collections Reporting Date. If the State Legislature amends the definition of Delinquency Date or Tax Year, the Issuer shall file notice of such change or changes with the MSRB prior to the next Annual Collections Report Filing Date. The Administrator, and if no Administrator is designated, Issuer's staff, shall prepare the Annual Collections Report. In all cases, the Issuer shall have the sole responsibility for the content, design, and other elements comprising substantive contents of the Annual Collections Report under this Section 5.

SECTION 6. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 6, 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 the 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.

Any sale by the Developer of real property within Improvement Area #2 in the ordinary course of the Developer's business will not constitute a Listed Event for the purposes of paragraph (10) above.

For these purposes, any event described in paragraph (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.

The Issuer intends the words used in paragraphs (15) and (16) above and the definition of Financial Obligation to have the same meanings as when they are used in the Rule, as evidenced by SEC

Release No. 34-83885, dated August 20, 2018. For the avoidance of doubt, the incurrence of Additional Obligations without the filing of a corresponding official statement with the MSRB will constitute the incurrence of a material Financial Obligation for which a notice of a Listed Event in accordance with this Section 6 must be filed with the MSRB.

Upon 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 no later than one Business Day immediately following the day on which it receives written notice of such occurrence from the Issuer. Any such notice is required to be filed within ten (10) Business Days of the occurrence of such Listed Event; provided, however, the failure of the Issuer to provide timely written notice to the Dissemination Agent in accordance with this paragraph shall not constitute a failure of the Dissemination Agent to comply with the MSRB's ten (10) Business Day filing requirement.

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.

In all cases, the Issuer shall have the sole responsibility for the content, design and other elements comprising substantive contents of all disclosures made under this Section 6. In addition, the Issuer shall have the sole responsibility to ensure that any notice required to be filed under this Section 6 is filed within ten (10) Business Days of the occurrence of the Listed Event.

(b) The Dissemination Agent shall, promptly, and not more than five (5) Business Days after 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 in writing 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 one (1) Business Day following the day on which it receives such written instructions. It is agreed and understood that the duty to make or cause to be made the disclosures herein is that of the Issuer and not that of 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, the Participating Underwriter, the Trustee, any Owner or beneficial owner of any interests in the Bonds, or any other party 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 (as to bond calls only), 10, 13, 14, or 15 of subparagraph (a) above is <u>not</u> material under applicable federal securities laws, the Issuer shall promptly, but in no case more than five (5) Business Days after the 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).

SECTION 7. 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 Dissemination Agent and the Administrator 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 they receive written notice from the Disclosure Representative stating that the Issuer is no longer an obligated person with respect to the Bonds, and the Dissemination Agent and the Administrator 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 6(a).

SECTION 8. Dissemination Agent. 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, with or without appointing a successor Dissemination Agent. If the Issuer discharges the Dissemination Agent without appointing a successor 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 30 days' written notice to the Issuer. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent.

SECTION 9. 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 in writing 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, 5, or 6(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 Financial Information, 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 6(a), and (ii) the Annual Financial Information for the Fiscal 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 10. 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 Financial Information, Annual Financial Statements, Annual Collections 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 Financial Information, Annual Financial Statements, Annual Collections 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 Financial Information, Annual Financial Statements, Annual Collections Report, or notice of occurrence of a Listed Event.

SECTION 11. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Agreement, the Dissemination Agent or any Owner or beneficial owner of the Bonds may, and the Dissemination Agent (at the written 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 Issuer 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 shall not be deemed a default under the Disclosure Agreement of Developer and a default under the Disclosure Agreement of Developer shall not be deemed a default under this Disclosure Agreement.

SECTION 12. Duties, Immunities and Liabilities of Dissemination Agent and Administrator.

(a) 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 indemnify and hold harmless the Dissemination Agent, its officers, directors, employees and agents, but only from Annual Collection Costs collected from the property owners in Improvement Area #2, 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 termination of this Disclosure Agreement, 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. If the Issuer does not provide the Dissemination Agent with the Annual Financial Information or Annual Financial Statements in accordance with subsection 3(a) or the Annual Collections Report in accordance with subsection 5(a), the Dissemination Agent shall not be responsible for the failure to submit Annual Financial Information, Annual Financial Statements, or an Annual Collections Report, as applicable, to the MSRB. The Dissemination Agent is not acting in a fiduciary capacity in connection with the performance of its respective obligations hereunder.

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 its 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.

(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. To the extent permitted by law, the Issuer agrees to hold harmless the Administrator, its officers, directors, employees and agents, but only from Annual Collection Costs collected from the property owners in Improvement Area #2, 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 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 failure of any third party to provide information to the Administrator as and when required under this Disclosure Agreement, or the failure of the Developer to provide information to the Administrator 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 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 its 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.

(c) 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 ANY PARTY TO THIS DISCLOSURE AGREEMENT, 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 13. 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 D which is intended to illustrate the general procedures expected to be followed in enforcing the payment of delinquent Assessments. Failure to adhere to such expected timeline shall not constitute a default by the Issuer under this Disclosure Agreement, the Indenture, the Bonds, or any other document related to the Bonds.

SECTION 14. 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 the 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. 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 17. 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 18. Dissemination Agent and Administrator Compensation. The fees and expenses incurred by the Dissemination Agent and the Administrator for their respective 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 Service and Assessment Plan. The Issuer shall pay or reimburse the Dissemination Agent and the Administrator, but only with funds to be provided from the Annual Collection Costs component of the Annual Installments collected from the property owners in Improvement Area #2, for the fees and expenses for their respective services rendered in accordance with this Disclosure Agreement.

SECTION 19. Statutory Verifications. The Dissemination Agent and the Administrator, each individually, make the following representation and verifications 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, as the case may be, 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 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 individually, 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 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 individually, 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 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 individually, 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 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 individually, 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 Disclosure Agreement. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

SECTION 20. 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.

SECTION 21. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Texas.

SECTION 22. 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. The Issuer, the Administrator, and the Dissemination Agent agree that electronic signatures to this Disclosure Agreement may be regarded as original signatures.

*Signature pages follow.*

CITY OF JUSTIN, TEXAS

By: _____
City Manager

HTS Continuing Disclosure Services, a division of
Hilltop Securities Inc.
(as Dissemination Agent)

By: _____
Authorized Officer

P3Works, LLC
(as Administrator)

By: _____
Authorized Officer

**EXHIBIT A**

**NOTICE TO MSRB OF FAILURE TO FILE [ANNUAL FINANCIAL INFORMATION][ANNUAL FINANCIAL STATEMENTS][ANNUAL COLLECTIONS REPORT]**

| | |
|---|---|
| Name of Issuer: | City of Justin, Texas |
| Name of Bond Issue: | Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project) (the "Bonds") |
| CUSIP Nos. | [insert CUSIP Nos.] |
| Date of Delivery: | _____, 20__ |

NOTICE IS HEREBY GIVEN that the City of Justin, Texas (the "Issuer"), has not provided [Annual Financial Information][Annual Financial Statements][Annual Collections Report] with respect to the Bonds as required by the Continuing Disclosure Agreement of Issuer dated as of November 1, 2025, by and among the Issuer, P3Works, LLC, as "Administrator," and HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., as "Dissemination Agent." The Issuer anticipates that the [Annual Financial Information][Annual Financial Statements][Annual Collections Report] will be filed by _____.

Dated: _____

HTS Continuing Disclosure Services, a division of Hilltop Securities Inc., on behalf of the City of Justin, Texas
(as Dissemination Agent)

By: _____

Title: _____

cc: City of Justin, Texas

**EXHIBIT B**

**CITY OF JUSTIN, TEXAS,**
**SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025**
**(TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2**
**IMPROVEMENT AREA #2 PROJECT)**

**ANNUAL FINANCIAL INFORMATION***

Delivery Date: _____, 20__

CUSIP Nos: [insert CUSIP Nos.]

**DISSEMINATION AGENT**

Name: HTS Continuing Disclosure Services, a division of Hilltop Securities Inc.
Address: [_____]
City: [_]
Telephone: (___) ___-____
Contact Person: Attn: _____

**Section 4(a)(i)**

**BONDS OUTSTANDING**

| Maturity Date | Interest Rate | Original Principal Amount | Outstanding Principal Amount | Outstanding Interest Amount |
|---|---|---|---|---|
| | | | | – |
| | | | | – |
| | | **Total** | | |

**INVESTMENTS**

| Fund/ Account Name | Investment Description | Par Value(1) | Book Value(1) | Market Value(1) |
|---|---|---|---|---|
| | | | | |
| | | | | |

(1) As such information is provided by the Trustee.

*Excluding audited financial statements of the Issuer

## ASSETS AND LIABILITIES OF TRUST ESTATE

| Cash Position of Trust Estate for statements dated September 30, 20[__] | | |
|---|---|---|
| [List of Funds/Accounts Held Under Indenture] | Amount In the Fund | |
| | | |
| | | |
| | | |
| | | |
| | | |
| Total | | A |
| | | |
| Bond Principal Amount Outstanding | | B |
| Outstanding Assessment Amount to be collected | | C |
| | | |
| **Net Position of Trust Estate and Outstanding Bonds and Assessments** | | A-B+C |

September 30, 20[__] Trust Statements: □ Audited □ Unaudited

Accounting Type: □ Cash □ Accrual □ Modified Accrual

**Section 4(a)(ii)**

**FINANCIAL INFORMATION AND OPERATING DATA WITH RESPECT TO THE ISSUER OF THE GENERAL TYPE AND IN SUBSTANTIALLY SIMILAR FORM PROVIDED IN THE FOLLOWING TABLES AS OF THE END OF THE FISCAL YEAR**

**Debt Service Requirements on the Bonds**

| Year Ending (September 30) | Principal | Interest | Total |
|---|---|---|---|

**Top [Five] Assessment Payers in Improvement Area #2 (1)**

| Property Owner | No. of Parcels/Lots | Percentage of Parcels/Lots | Outstanding Assessments | Percentage of Total Assessments |
|---|---|---|---|---|

(1) Does not include those owing less than one percent (1%) of total Assessments.

**Assessed Value of Improvement Area #2 of the District**

The [YEAR] certified total assessed value for the Assessed Property in Improvement Area #2 of the District is approximately $[AMOUNT] according to the Denton Central Appraisal District.

## Foreclosure History Related to the Assessments for the Past Five Fiscal Years

| Fiscal Year Ended (9/30) | Delinquent Assessment Amount not in Foreclosure Proceedings | Parcels in Foreclosure Proceedings | Delinquent Assessment Amount in Foreclosure Proceedings | Foreclosure Sales | Foreclosure Proceeds Received |
|---|---|---|---|---|---|
| 20__ | $ | | $ | | $ |
| 20__ | | | | | |
| 20__ | | | | | |
| 20__ | | | | | |
| 20__ | | | | | |

[insert any necessary footnotes]

## Collection and Delinquency History of Annual Installments for the Past Five Fiscal Years

| Fiscal Year Ended (9/30) | Total Annual Installment Billed | 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 Annual Installments Collected[2] |
|---|---|---|---|---|---|---|---|
| 20__ | $ | | $ | % | $ | % | $ |
| 20__ | | | | | | | |
| 20__ | | | | | | | |
| 20__ | | | | | | | |
| 20__ | | | | | | | |

[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.

## Parcel Numbers for Delinquencies Equaling or Exceeding 10% of Annual Installments Due

For the past five Fiscal Years, if the total amount of delinquencies as of September 1 equals or exceeds ten percent (10%) of the amount of Annual Installments due, a list of parcel numbers for which the Annual Installments are delinquent.

| Fiscal Year Ended (9/30) | Delinquent % as of 9/1 | Parcel Numbers |
|---|---|---|
| 20__ | % | |
| 20__ | | |

## History of Prepayment of Assessments for the Past Five Fiscal Years

| Fiscal Year Ended (9/30) | Number of Prepayments | Amount of Prepayments | Bond Call Date | Amount of Bonds Redeemed |
|---|---|---|---|---|
| | | $ | | $ |
| 20__ | | | | |
| 20__ | | | | |
| 20__ | | | | |
| 20__ | | | | |
| 20__ | | | | |

[insert any necessary footnotes]

## ITEMS REQUIRED BY SECTION 4(a)(iii) - (iv)

[Insert a line item for each applicable listing]

**EXHIBIT C**

**CITY OF JUSTIN, TEXAS,**
**SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2025**
**(TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2**
**IMPROVEMENT AREA #2 PROJECT)**

**ANNUAL COLLECTIONS REPORT**

Delivery Date: _____, 20__

CUSIP Nos: [insert CUSIP Nos.]

DISSEMINATION AGENT

Name: HTS Continuing Disclosure Services, a division of Hilltop Securities Inc.
Address: [_____]
City: [_____, Texas _____]
Telephone: (___) ___-____
Contact Person: Attn: _____

**SELECT FINANCIAL INFORMATION AND OPERATING DATA WITH RESPECT TO THE COLLECTION OF ASSESSMENTS COVERING THE PERIOD BEGINNING WITH THE FIRST DAY OF THE FISCAL YEAR SUCCEEDING THE REPORTING FISCAL YEAR THROUGH THE COLLECTIONS REPORTING DATE PROVIDED IN COMPLIANCE WITH SUBSECTION 5(A) OF THE ISSUER'S DISCLOSURE AGREEMENT**

**Foreclosure History Related To The Annual Installments**[(1)]

| Succeeding Fiscal Year | Delinquent Annual Installment Amount not in Foreclosure Proceedings | Parcels in Foreclosure Proceedings | Delinquent Annual Installment Amount in Foreclosure Proceedings | Foreclosure Sales | Foreclosure Proceeds Received |
|---|---|---|---|---|---|
| 20__ | $ | | $ | | $ |

(i) Period covered includes October 1, 20__ through March 1, 20__.

**Collection and Delinquency of Annual Installments** [1]

| Succeeding Fiscal Year 20__ | Total Annual Installments Levied $ | Parcels Levied[2] | Delinquent Amount as of 3/1 $ | Delinquent % as of 3/1 % | Total Annual Installments Collected[3] $ |
|---|---|---|---|---|---|

[1] Period covered includes October 1, 20__ through March 1, 20__.

[2] 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.

[3] [Does/does not] include interest and penalties.

**Prepayment of Assessments**[1]

| Succeeding Fiscal Year | Number of Prepayments | Amount of Prepayments $ | Bond Call Date | Amount of Bonds Redeemed $ |
|---|---|---|---|---|

[1] Period covered includes October 1, 20__ through March 1, 20__.

## EXHIBIT D

## BASIC EXPECTED TIMELINE FOR ASSESSMENT COLLECTIONS AND PURSUIT OF DELINQUENCIES[1]

| Date | Delinquency Clock (Days) | Activity |
|---|---|---|
| January 31 | | Assessments are due. |
| February 1 | 1 | Assessments delinquent if not received. |
| February 15 | 15 | Immediately upon receipt, but in no event later than February 15, Issuer forwards payment to Trustee for all collections received, along with detailed breakdown. Subsequent payments and relevant details will follow monthly thereafter.<br><br>Issuer and/or Administrator should be aware of actual and specific delinquencies.<br><br>Administrator should be aware if Reserve Fund needs to be utilized for debt service payments during the corresponding Fiscal Year.<br><br>Issuer and 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. |
| March 1 | 43/44 | Trustee pays bond interest payments to Owners. |
| 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.<br><br>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. |

[1] Illustrates anticipated dates and procedures for pursuing the collection of delinquent Annual Installments of Assessments, which dates and procedures shall be in accordance with Chapters 31, 32, 33, and 34, Texas Tax Code, as amended (the "Code"), and the Tax/Assessor Collector's procedures, and are subject to adjustment by the Issuer. If the collection and delinquency procedures under the Code are subsequently modified, whether due to an executive order of the Governor of Texas, an amendment to the Code, or otherwise, such modifications shall control.

| | | |
|---|---|---|
| **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 Financial Information.**<br><br>**Preliminary Foreclosure activity commences in accordance with Tax Assessor/Collector's procedures.**<br><br>If Dissemination Agent has not received Foreclosure Schedule and Plan of Collections, Dissemination Agent to request same from the Issuer.<br><br>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).<br><br>**Foreclosure action to be filed with the court as soon as practicable, in accordance with the Tax Assessor/Collector's procedures**.<br><br>**Issuer notifies Trustee and Dissemination Agent of Foreclosure filing status in writing for inclusion in next Annual Report**. |

A committee of not less than twenty-five percent (25%) of the Owners may request a meeting with the Issuer to discuss the Issuer's actions in pursuing the repayment of any delinquencies. This would also occur after day thirty (30) if it is apparent that a Reserve Fund draw is required. Further, if delinquencies exceed five percent (5%), Owners may also request a meeting with the Issuer at any time to discuss the Issuer's plan and progress on collection and foreclosure activity. If the Issuer is not diligently proceeding with the foreclosure process, the Owners may seek an action for mandamus or specific performance to direct the Issuer to pursue the collections of delinquent Annual Installments of Assessments.

**EXHIBIT D**

**CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT**

**TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2 IMPROVEMENT AREA #2 CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT**

**THIS TIMBERBROOK PUBLIC IMPROVEMENT DISTRICT NO. 2 IMPROVEMENT AREA #2 CONSTRUCTION, FUNDING, AND ACQUISITION AGREEMENT** (this "Agreement"), dated as of October 9, 2025, is by and between the **CITY OF JUSTIN, TEXAS**, a home-rule municipality of the State of Texas (the "City"), and **BLOOMFIELD HOMES, L.P.**, a Texas limited partnership, (the "Developer").

## ARTICLE I
## DEFINITIONS

The following terms shall have the meanings ascribed to them in this Article I for purposes of this Agreement. Unless otherwise indicated, any other terms, capitalized or not, when used herein shall have the meanings ascribed to them in the Indenture (as hereinafter defined).

**"Act"** means the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended.

**"Actual Costs"** means the costs of the Improvement Area #2 Projects actually paid or incurred for construction and installation of the Improvement Area #2 Projects in accordance with the Service and Assessment Plan.

**"Administrator"** means, initially, P3Works, LLC, or any other individual or entity designated by the City to administer the District.

**"Annual Service Plan Update"** means the annual update to the Service and Assessment Plan conducted by the Administrator pursuant to the Service and Assessment Plan and approved by ordinance adopted by the City.

"**Assessments**" shall have the meaning given to it in the Indenture.

**"Authorized Improvements"** means improvements authorized by Section 372.003(b) of the Act.

**"Bond Ordinance"** means the ordinance adopted by the City Council on October 9, 2025 authorizing the issuance of the Bonds pursuant to the Indenture.

**"Bonds"** means the City's bonds designated "City of Justin, Texas, Special Assessment Revenue Bonds, Series 2025 (Timberbrook Public Improvement District No. 2 Improvement Area #2 Project)".

**"Budgeted Costs"** means the anticipated, agreed upon costs of the Improvement Area #2 Projects as shown in Exhibit B-1 of the Service and Assessment Plan.

**"Certification for Payment"** means a certificate, substantially in the form of **Exhibit B** hereto or such other form agreed to by the Developer, the Administrator and the City Representative, executed by the Developer or on behalf of the Developer by an engineer, construction manager or other person or entity acceptable to the City, as evidenced by the signature of a City Representative, provided no more frequently than once per each month to the City Representative and the Trustee, specifying the amount of work performed and the amount charged for that work, including materials and labor costs, presented to the Trustee to request payment for Actual Costs of Improvement Area #2 Projects under the Indenture.

**"City Inspector"** means an individual employed by or an agent of the City whose job is, in part or in whole, to inspect infrastructure to be owned by the City for compliance with all rules and regulations applicable to the development and the infrastructure inspected.

**"City Manager"** means the City Manager of the City, or its designee.

**"City Representative"** means the City Manager, or any other official or agent of the City later authorized by the City to undertake the action referenced herein.

**"Closing Disbursement Request"** means the certificate, substantially in the form of **Exhibit A** hereto or such other form agreed to by the Developer, the Administrator and the City Representative, executed by the Developer or on behalf of the Developer by an engineer, construction manager or other person or entity acceptable to the City, as evidenced by the signature of a City Representative, specifying the amounts to be disbursed for the costs related to the creation of the District.

**"Construction Contracts"** means the contracts for the construction of an Improvement Area #2 Project. "Construction Contract" means any one of the Construction Contracts.

**"Costs"** means the Budgeted Costs or the Actual Costs of an Improvement Area #2 Project as reflected in a Construction Contract, if different than the Budgeted Costs.

**"Costs of Issuance Account"** means the account of such name in the Project Fund created under Section 6.1 of the Indenture.

**"Cost Overrun"** means, with respect to each Improvement Area #2 Project, the Actual Cost, as appropriate, of such Improvement Area #2 Project in excess of the Budgeted Cost.

**"Cost Underrun"** has the meaning assigned such term in Section 4.04 hereof

**"Development Agreement"** means that certain Development Agreement between the City, Justin Timberbrook, LLC, Royal Crest Properties, LLC and the Developer, effective as of May 10, 2021, and as the same may be amended from time to time.

**"District"** shall mean the Timberbrook Public Improvement District No. 2 created February 8, 2024.

**"Final Completion"** means completion of an Improvement Area #2 Project in compliance with existing City standards for dedication under the City's ordinances and the Development Agreement.

**"Improvement Area #2"** means the second improvement area to be developed and generally shown in Appendix A to the Service and Assessment Plan, as specifically depicted and described as the sum of all parcels shown in Exhibit G-1 to the Service and Assessment Plan.

**"Improvement Area #2 Improvements**" mean the Authorized Improvements which only benefit Improvement Area #2, which are described in Section III.C of the Service and Assessment Plan.

"**Improvement Area #2 Projects**" mean (i) the pro rata portion of the Major Improvements allocable to Improvement Area #2, and (ii) the Improvement Area #2 Improvements.

**"Improvement Area #2 Projects Account"** means the account of such name in the Project Fund created under Section 6.1 of the Indenture.

**"Indenture"** means that certain Indenture of Trust between the City and Wilmington Trust, National Association, as trustee, dated as of November 1, 2025 relating to the Bonds.

**"Major Improvements"** means the Authorized Improvements which benefit all of the property within the District and as described in Section III.A of the Service and Assessment Plan.

**"Plans"** means the plans, specifications, schedules and related construction contracts for the Improvement Area #2 Projects, respectively, approved pursuant to the applicable standards, ordinances, procedures, policies and directives of the City, the Development Agreement, and any other applicable governmental entity.

**"Project Fund"** means the fund, including the accounts created and established under such fund, where monies from the proceeds of the sale of the Bonds, excluding those deposited in other funds in accordance with the Indenture, shall be deposited, and the fund by such name created under the Indenture.

**"Service and Assessment Plan"** means the Timberbrook Public Improvement District No. 2 2025 Amended and Restated Service and Assessment Plan adopted by a City ordinance on October 9, 2025 by the City Council, prepared pursuant to the Act.

**"Substantial Completion"** means the time at which the construction of an Improvement Area #2 Project (or specified segment, section or part thereof) has progressed to the point where such Improvement Area #2 Project (or a specified segment, section or part thereof) is sufficiently complete in accordance with the Construction Contracts related thereto so that such Improvement

Area #2 Project (or a specified segment, section or part thereof) can be utilized for the purposes for which it is intended.

## ARTICLE II
## RECITALS

Section 2.01. The District and the Improvement Area #2 Projects.

(a) The City has created the District under the Act for the financing of, among other things, the acquisition, construction and installation of the Improvement Area #2 Projects.

(b) The City has authorized the issuance of the Bonds in accordance with the provisions of the Act, the Bond Ordinance and the Indenture, the proceeds of which Bonds shall be used, in part, to finance a portion of the Improvement Area #2 Projects in accordance with the terms and limitations of the Indenture, the Development Agreement, this Agreement, and the Service and Assessment Plan.

(c) All Improvement Area #2 Projects are eligible to be financed with proceeds of the Bonds and the Assessments to the extent specified herein.

(d) The proceeds from the issuance and sale of the Bonds shall be deposited in accordance with the Indenture.

(e) The Developer will undertake, oversee, or ensure the construction and development of the Improvement Area #2 Projects for acquisition and acceptance by the City, in accordance with the terms and conditions contained in the Development Agreement and this Agreement.

Section 2.02. Agreements. In consideration of the mutual promises and covenants set forth herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Developer agree that the foregoing recitals, as applicable to each, are true and correct and further make the agreements set forth herein.

## ARTICLE III
## FUNDING

Section 3.01. Bonds.

(a) The City, in connection with this Agreement, is proceeding with the issuance and delivery of the Bonds.

(b) The projects to be financed in part with the proceeds of the Bonds are the Improvement Area #2 Projects. The payment of Costs from the proceeds of the Bonds for such Improvement Area #2 Projects shall be made from the Improvement Area #2 Projects Account of the Project Fund established under the Indenture.

(c) The City's obligation with respect to the payment of the Costs of the Improvement Area #2 Projects shall be limited to the lesser of the Actual Costs or Budgeted Costs, and shall be payable solely from amounts on deposit for the payment of such Costs as provided herein and in the Indenture. The Developer agrees and acknowledges that it is responsible for all Cost Overruns and all expenses related to the Improvement Area #2 Projects, qualified, however, by the distribution of Cost Underrun monies, as detailed in Section 4.04.

(d) The City shall have no responsibility whatsoever to the Developer with respect to the investment of any funds held in the Project Fund by the Trustee under the provisions of the Indenture, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment.

(e) The Developer acknowledges that any lack of availability of amounts in the funds or accounts established in the Indenture to pay the Costs of the Improvement Area #2 Projects shall in no way diminish any obligation of the Developer with respect to the construction of or contributions for the Improvement Area #2 Projects required by this Agreement, the Development Agreement, or any other agreement to which the Developer is a party or any governmental approval to which the Developer or any land within the District is subject.

Section 3.02 Funds and Accounts. All disbursements from the Improvement Area #2 Projects Account of the Project Fund shall be made by the City in accordance with provisions of the Development Agreement, the Service and Assessment Plan, this Agreement and the Indenture.

## ARTICLE IV
## CONSTRUCTION OF THE IMPROVEMENT AREA #2 PROJECTS

Section 4.01. Duty of Developer to Construct.

(a) All Improvement Area #2 Projects shall be constructed by or at the direction of the Developer in accordance with the Plans and in accordance with this Agreement and the Development Agreement. The Developer shall perform, or cause to be performed, all of its obligations and shall conduct, or cause to be conducted, all operations with respect to the construction of Improvement Area #2 Projects in a good, workmanlike and commercially reasonable manner, with the standard of diligence and care normally employed by duly qualified persons utilizing their commercially reasonable efforts in the performance of comparable work and in accordance with generally accepted practices appropriate to the activities undertaken. The Developer shall employ at all times adequate staff or consultants with the requisite experience necessary to administer and coordinate all work related to the design, engineering, acquisition, construction and installation of all Improvement Area #2 Projects, to be acquired and accepted by the City, from the Developer as provided in this Agreement.

(b) The Developer shall not be relieved of its obligation to construct or cause to be constructed each Improvement Area #2 Project and, upon completion, inspection, and acceptance, convey each such Improvement Area #2 Project to the City, in accordance with the terms hereof,

even if there are insufficient funds in the Project Fund or other funds or account created under the Indenture to pay the Actual Costs thereof. In any event, this Agreement shall not affect any obligation of the Developer under any other agreement to which the Developer is a party or any governmental approval to which the Developer or any land within the District is subject, with respect to the Improvement Area #2 Projects required in connection with the development of the land within the District.

Section 4.02. No Competitive Bidding. The Improvement Area #2 Projects shall not require competitive bidding pursuant to Section 252.022(a)(9) of the Texas Local Government Code, as amended.

Section 4.03. Independent Contractor. In performing this Agreement, the Developer is an independent contractor and not the agent or employee of the City with respect to the Improvement Area #2 Projects.

Section 4.04. Remaining Funds After Completion of an Improvement Area #2 Project. Upon the Final Completion of any Improvement Area #2 Project (or any segment or section thereof) and payment of all outstanding invoices for such Improvement Area #2 Project (or segment or section thereof), if the Actual Cost of such Improvement Area #2 Project (or segment or section thereof) is less than the Budgeted Cost of such Improvement Area #2 Project (a "Cost Underrun"), any remaining Budgeted Cost may be made available to pay Cost Overruns on any other Improvement Area #2 Project, including Improvement Area #2 Projects in a different improvement category shown in the Service and Assessment Plan. Any Cost Underrun for any Improvement Area #2 Project is available to pay Cost Overruns on any other Improvement Area #2 Project. If, upon Final Completion of all Improvement Area #2 Projects in any improvement category, there are funds remaining in any improvement categories, those funds can then be used to reimburse the Developer for any qualifying costs of Improvement Area #2 Projects that have not been previously paid.

The Administrator shall confirm that such remaining amounts are available to pay such Cost Overruns, and the Developer, the Administrator and the City Representative shall promptly agree on how to apply such moneys to the costs of other Improvement Area #2 Projects. The use of such moneys shall be included in the next Annual Service Plan Update.

Section 4.05. Contracts and Change Orders. The Developer shall be responsible for entering into all contracts and any supplemental agreements (herein referred to as "change orders") required for the construction of the Improvement Area #2 Projects. Developer or its contractors may approve and implement any change orders, even if such change order would increase the Cost of an Improvement Area #2 Project, but the Developer shall be solely responsible for payment of any Cost Overruns resulting from such change orders except to the extent amounts are available pursuant to Section 4.04. If any change order is for work that requires changes to be made by an engineer to the construction and design documents and plans previously approved under Section

4.01, then such revisions made by an engineer must be submitted to the City for approval by the City's engineer prior to execution of the change order.

## ARTICLE V
## ACQUISITION, CONSTRUCTION, AND PAYMENT

Section 5.01. Payment Requests for Disbursements at Closing. In order to receive the disbursement from the Costs of Issuance Account of the Project Fund or the Improvement Area #2 Projects Account of the Project Fund at closing of the Bonds, related to costs of issuance of the Bonds or costs incurred in the creation of the District or as legal fees of the Developer incurred in the issuance of Bonds, the Developer shall execute a Closing Disbursement Request, substantially in the form of **Exhibit A** hereto or otherwise acceptable and agreed to by the City, to be delivered to the City no less than five (5) business days prior to the scheduled Closing Date for the Bonds for payment in accordance with the provisions of the Indenture. In order to receive the disbursement for an Improvement Area #2 Project from the Improvement Area #2 Projects Account of the Project Fund at closing of the Bonds, the Developer shall execute a Certification for Payment, substantially in the form of **Exhibit B** hereto or otherwise agreed to by the City, to be delivered to the City no later than five (5) business days prior to the scheduled Closing Date for the Bonds for payment in accordance with the provisions of the Indenture. Upon approval by the City, the City shall submit a Closing Disbursement Request or a Certification for Payment, as applicable, to the Trustee for disbursement to be made from the Costs of Issuance Account of the Project Fund or the Improvement Area #2 Projects Account of the Project Fund, as applicable.

Section 5.02. Certification for Payment for an Improvement Area #2 Project.

(a) No payment hereunder shall be made from the Project Fund to the Developer for work on an Improvement Area #2 Project until a Certification for Payment is received from the Developer. Upon receipt of a Certification for Payment substantially in the form of **Exhibit B** hereto (and all accompanying documentation required by the City) from the Developer, the City Inspector shall conduct a review in order to confirm that such request is complete, that the work with respect to such Improvement Area #2 Project identified therein for which payment is requested was completed in accordance with all applicable governmental laws, rules and regulations and applicable Plans therefor and with the terms of this Agreement, the Development Agreement, and to verify and approve the Actual Cost of such work specified in such Certification for Payment (collectively, the "Developer Compliance Requirements"). The City Inspector and/or the City Representative shall also conduct such review as is required in his discretion to confirm the matters certified in the Certification for Payment. The Developer agrees to cooperate with the City Inspector and/or City Representative in conducting each such review and to provide the City Inspector and/or City Representative with such additional information and documentation as is reasonably necessary for the City Inspector and/or City Representative to conclude each such review.

(b) Within fifteen (15) business days of receipt of any Certification for Payment, the City Representative shall either (i) approve and execute the Certification for Payment and forward the same to the Administrator for approval and delivery to the Trustee for payment to the Developer in accordance with Section 5.03(a) hereof or (ii) in the event the City Representative disapproves the Certification for Payment, give written notification to the Developer of the City Representative's disapproval, in whole or in part, of such Certification for Payment, specifying the reasons for such disapproval and the additional requirements to be satisfied for approval of such Certification for Payment. If a Certification for Payment seeking reimbursement is approved only in part, the City Representative shall specify the extent to which the Certification for Payment is approved and shall deliver such partially approved Certification for Payment to the Administrator for approval in accordance with Section 5.03 hereof and delivery to the Developer in accordance with Section 5.02(c) hereof, and any such partial work shall be processed for payment under Section 5.03 notwithstanding such partial denial.

(c) If the City Representative denies the Certification for Payment, the denial must be in writing, stating the reason(s) for denial. The denial may be appealed to the City Council by the Developer in writing within thirty (30) days of being denied by the City Representative. Denial of the Certification for Payment by the City Council shall be attempted to be resolved by half-day mediation between the parties in the event an agreement is not otherwise reached by the parties, with the mediator's fee being paid by Developer. The Certification for Payment shall not be forwarded to the Trustee for payment until the dispute is resolved by the City and the Developer.

(d) The Developer shall deliver the approved or partially approved Certification for Payment to the Trustee for payment and the City shall direct the Trustee to make such payment from the Project Fund in accordance with Section 5.03 below.

Section 5.03. Payment for Improvement Area #2 Project.

(a) Upon receipt of a reviewed and approved Certification for Payment, the Trustee shall make payment from the Improvement Area #2 Projects Account of the Project Fund pursuant to the terms of the Certification for Payment and the Indenture in an amount not to exceed the Budgeted Cost for the particular Improvement Area #2 Project, unless a Cost Overrun amount has been approved for a particular Improvement Area #2 Project. If a Cost Overrun amount has been approved, then the amount reimbursed shall not exceed the Budgeted Amount plus the approved Cost Overrun amount.

(b) Approved Certifications for Payment that await reimbursement shall not accrue interest.

(c) Notwithstanding any other provisions of this Agreement, when payment is made, the City shall direct the Trustee to make payment directly to the general contractor or supplier of

materials or services or jointly to Developer (or any permitted assignee of such Developer) and the general contractor or supplier of materials or services, as indicated in an approved Certification for Payment, out of available and appropriate funds in the Project Fund. If the request for payment results in ninety percent (90%) or more of the Budgeted Costs for such Improvement Area #2 Project identified in such request for payment being paid, then the City shall direct the Trustee to hold the payment until work with respect to that Improvement Area #2 Project has been completed and accepted by the City. If an unconditional lien release related to the items referenced in the Certification for Payment is attached to such Certification for Payment, the City shall direct the Trustee to make such payment to the Developer or any permitted assignee of the Developer. In the event the Developer provides a general contractor's or supplier of materials' unconditional lien release for a portion of the work covered by a Certification for Payment, the City shall direct the Trustee to make such payment directly to the Developer or any permitted assignee of the Developer to the extent of such lien release.

(d) Withholding Payments.

Nothing in this Agreement shall be deemed to prohibit the Developer or the City from contesting in good faith the validity or amount of any mechanics or materialman's lien and/or judgment nor limit the remedies available to the Developer or the City with respect thereto, including the withholding of any payment that may be associated with the exercise of such remedy, so long as such delay in performance shall not subject the Improvement Area #2 Project to foreclosure, forfeiture, or sale. In the event that any such mechanics or materialman's lien and/or judgment with respect to any Improvement Area #2 Project is contested, the Developer shall post or cause delivery of a surety bond in the amount determined by the City or City may decline to accept the Improvement Area #2 Projects until such mechanics or materialman's lien and/or judgment is satisfied.

## ARTICLE VI
## OWNERSHIP AND TRANSFER OF IMPROVEMENT AREA #2 PROJECT

Section 6.01. Improvement Area #2 Project to be Owned by the City– Title Evidence. If required by the City, the Developer shall furnish to the City a preliminary title report for land with respect to an Improvement Area #2 Project to be acquired and accepted by the City from the Developer and not previously dedicated or otherwise conveyed to the City for review and approval at least thirty (30) calendar days prior to the transfer of title of an Improvement Area #2 Project to the City. The City shall approve the preliminary title report unless it reveals a matter which, in the reasonable judgment of the City, could materially affect the City's clean title or use and enjoyment of any part of the property or easement covered by the preliminary title report. In the event the City does not approve the preliminary title report, the City shall not be obligated to accept title to the Improvement Area #2 Project until the Developer has cured such objections to title to the satisfaction of the City.

Section 6.02. Improvement Area #2 Project Constructed on City Land or Developer Land. If the Improvement Area #2 Project is on land owned by the City, the City hereby grants to the Developer a license to enter upon such land for purposes related to construction (and maintenance pending acquisition and acceptance) of the Improvement Area #2 Project. If the Improvement Area #2 Project is on land owned by the Developer, the Developer hereby grants to the City an easement to enter upon such land for purposes related to inspection and maintenance (pending acquisition and acceptance) of the Improvement Area #2 Project. The grant of the permanent easement shall not relieve the Developer of any obligation to grant the City title to property and/or easements related to the Improvement Area #2 Project as required by the Development Agreement or as should in the City's reasonable judgment be granted to provide for convenient access to and routine and emergency maintenance of such Improvement Area #2 Project. The provisions for inspection and acceptance of such Improvement Area #2 Project otherwise provided herein shall apply.

## ARTICLE VII
## REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 7.01. Representations, Covenants and Warranties of the Developer. The Developer represents and warrants for the benefit of the City as follows:

(a) Organization. The Developer is a limited partnership duly formed, 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 fulfill its obligations in this Agreement and the Development Agreement and to carry on its business in the State of Texas as now being conducted as hereby contemplated.

(b) Authority. The Developer 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 by the Developer.

(c) Binding Obligation. This Agreement is a legal, valid and binding obligation of the Developer, enforceable against the Developer in accordance with its terms, subject to bankruptcy and other equitable principles.

(d) Compliance with Law. The Developer shall not commit, suffer or permit any act to be done in, upon or to the lands in the District or the Improvement Area #2 Projects 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 lands in the District or the Improvement Area #2 Projects.

(e) Requests for Payment. The Developer represents and warrants that (i) it will not request payment from the Project Fund for the acquisition construction or installation of any improvements that are not part of the Costs associated with the Improvement Area #2 Projects,

and (ii) it will diligently follow all procedures set forth in this Agreement with respect to the Certification for Payments.

(f) Financial Records. For a period of two years after completion of the Improvement Area #2 Projects, the Developer covenants to maintain proper books of record and account for the construction of the Improvement Area #2 Projects and all Costs related thereto. Such accounting books shall be maintained in accordance with generally accepted accounting principles, and shall be available for inspection by the City or its agents at any reasonable time during regular business hours on reasonable notice.

(g) Plans. The Developer represents that it has obtained or will obtain approval of the Plans from all appropriate departments of the City and from any other public entity or public utility from which such approval must be obtained. The Developer further agrees that, subject to the terms hereof, the Improvement Area #2 Projects have been or will be constructed in full compliance with such Plans and any change orders thereto consistent with the Act, this Agreement and the Development Agreement. Developer shall provide as-built plans for all Improvement Area #2 Projects to the City.

(h) Additional Information. The Developer agrees to cooperate with all reasonable written requests for nonproprietary information by the initial purchaser of the Bonds, the City Manager and the City Representative related to the status of construction of the Improvement Area #2 Projects within the District, the anticipated completion dates for future improvements and any other matter that the initial purchaser of the Bonds or City Representative deems material to the investment quality of the Bonds.

(i) Continuing Disclosure Agreement. The Developer agrees to provide the information required pursuant to the Continuing Disclosure Agreement of the Developer executed by the Developer in connection with the Bonds.

(j) Tax Certificate. The City will deliver a certificate relating to the Bonds (such certificate, as it may be amended and supplemented from time to time, being referred to herein as the "Tax Certificate") containing covenants and agreements designed to satisfy the requirements of 26 U.S. Code Sections 103 and 141 through 150, inclusive, and the federal income tax regulations issued thereunder relating to the use of the proceeds of the Bonds or of any monies, securities or other obligations on deposit to the credit of any of the funds and accounts created by the Indenture or this Agreement or otherwise that may be deemed to be proceeds of the Bonds within the meaning of 26 U.S. Code Section 148 (collectively, "Bond Proceeds").

The Developer 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 Developer further covenants that (i) such facts and estimates will be based on its reasonable expectations on the date of issuance of the Bonds and will be, to the best of the knowledge of the officers of the Developer providing such facts and estimates, true, correct and complete as of that

date, and (ii) the Developer will make reasonable inquires to ensure such truth, correctness and completeness. The Developer 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 (including, but not limited to, the use of the Improvement Area #2 Projects) 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 Bonds for federal income tax purposes.

(k) Financial Resources. The Developer represents and warrants that it has the financial resources, or the ability to obtain sufficient financial resources, to meet its obligations under this Agreement, the Service and Assessment Plan and the Development Agreement.

Section 7.02. Indemnification and Hold Harmless. THE DEVELOPER SHALL INDEMNIFY AND HOLD HARMLESS THE CITY INSPECTOR, THE CITY, ITS OFFICIALS, EMPLOYEES, OFFICERS, REPRESENTATIVES AND AGENTS (EACH AN "INDEMNIFIED PARTY"), FROM AND AGAINST ALL ACTIONS, DAMAGES, CLAIMS, LOSSES OR EXPENSE OF EVERY TYPE AND DESCRIPTION TO WHICH THEY MAY BE SUBJECTED OR PUT: (I) BY REASON OF, OR RESULTING FROM THE BREACH OF ANY PROVISION OF THIS AGREEMENT BY THE DEVELOPER; (II) THE NEGLIGENT DESIGN, ENGINEERING, AND/OR CONSTRUCTION BY THE DEVELOPER OR ANY ARCHITECT, ENGINEER OR CONTRACTOR HIRED BY THE DEVELOPER OF ANY OF THE IMPROVEMENT AREA #2 PROJECTS ACQUIRED FROM THE DEVELOPER HEREUNDER; (III) THE DEVELOPER'S NONPAYMENT UNDER CONTRACTS BETWEEN THE DEVELOPER AND ITS CONSULTANTS, ENGINEERS, ADVISORS, CONTRACTORS, SUBCONTRACTORS AND SUPPLIERS IN THE PROVISION OF THE IMPROVEMENT AREA #2 PROJECTS; (IV) ANY CLAIMS OF PERSONS EMPLOYED BY THE DEVELOPER OR ITS AGENTS TO CONSTRUCT THE IMPROVEMENT AREA #2 PROJECTS; OR (V) ANY CLAIMS AND SUITS OF THIRD PARTIES, INCLUDING BUT NOT LIMITED TO DEVELOPER'S RESPECTIVE PARTNERS, OFFICERS, DIRECTORS, EMPLOYEES, REPRESENTATIVES, AGENTS, SUCCESSORS, ASSIGNEES, VENDORS, GRANTEES AND/OR TRUSTEES, REGARDING OR RELATED TO THE IMPROVEMENT AREA #2 PROJECTS OR ANY AGREEMENT OR RESPONSIBILITY REGARDING THE IMPROVEMENT AREA #2 PROJECTS, INCLUDING CLAIMS AND CAUSES OF ACTION WHICH MAY ARISE OUT OF THE SOLE OR PARTIAL NEGLIGENCE OF AN INDEMNIFIED PARTY (THE "CLAIMS"). NOTWITHSTANDING THE FOREGOING, NO INDEMNIFICATION IS GIVEN HEREUNDER FOR ANY ACTION, DAMAGE, CLAIM, LOSS OR EXPENSE DETERMINED BY A COURT OF COMPETENT JURISDICTION TO BE DIRECTLY ATTRIBUTABLE TO THE WILLFUL MISCONDUCT OF ANY INDEMNIFIED PARTY, DEVELOPER IS EXPRESSLY REQUIRED TO DEFEND CITY AGAINST ALL SUCH CLAIMS, AND CITY IS REQUIRED TO REASONABLY COOPERATE AND ASSIST DEVELOPER IN PROVIDING SUCH DEFENSE.

IN ITS REASONABLE DISCRETION, THE CITY SHALL HAVE THE RIGHT TO APPROVE OR SELECT DEFENSE COUNSEL TO BE RETAINED BY THE DEVELOPER IN FULFILLING ITS OBLIGATIONS HEREUNDER TO DEFEND AND INDEMNIFY THE INDEMNIFIED PARTIES, UNLESS SUCH RIGHT IS EXPRESSLY WAIVED BY THE CITY IN WRITING. THE INDEMNIFIED PARTIES RESERVE THE RIGHT TO PROVIDE A PORTION OR ALL OF THEIR/ITS OWN DEFENSE, AT THEIR/ITS SOLE COST; HOWEVER, INDEMNIFIED PARTIES ARE UNDER NO OBLIGATION TO DO SO. ANY SUCH ACTION BY AN INDEMNIFIED PARTY IS NOT TO BE CONSTRUED AS A WAIVER OF THE DEVELOPER'S OBLIGATION TO DEFEND INDEMNIFIED PARTIES OR AS A WAIVER OF THE DEVELOPER'S OBLIGATION TO INDEMNIFY INDEMNIFIED PARTIES, PURSUANT TO THIS AGREEMENT. THE DEVELOPER SHALL RETAIN CITY-APPROVED DEFENSE COUNSEL WITHIN SEVEN (7) BUSINESS DAYS OF WRITTEN NOTICE FROM AN INDEMNIFIED PARTY THAT IT IS INVOKING ITS RIGHT TO INDEMNIFICATION UNDER THIS AGREEMENT. IF THE DEVELOPER FAILS TO RETAIN COUNSEL WITHIN SUCH TIME PERIOD, INDEMNIFIED PARTIES SHALL HAVE THE RIGHT TO RETAIN DEFENSE COUNSEL ON ITS OWN BEHALF, AND THE DEVELOPER SHALL BE JOINTLY AND SEVERALLY LIABLE FOR ALL REASONABLE COSTS INCURRED BY INDEMNIFIED PARTIES.

THIS SECTION 7.02 SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

THE PARTIES AGREE AND STIPULATE THAT THIS INDEMNIFICATION COMPLIES WITH THE CONSPICUOUSNESS REQUIREMENT AND THE EXPRESS NEGLIGENCE TEST, AND IS VALID AND ENFORCEABLE AGAINST THE DEVELOPER.

Section 7.03. Use of Monies by City; Changes to Indenture. The City agrees not to take any action or direct the Trustee to take any action to expend, disburse or encumber the monies held in the Project Fund and any monies to be transferred thereto for any purpose other than the purposes permitted by the Indenture. Prior to the acceptance of all the Improvement Area #2 Projects, the City agrees not to modify or supplement the Indenture without the approval of the Developer if as a result or as a consequence of such modification or supplement: (a) the amount of monies that would otherwise have been available under the Indenture for disbursement for the Costs of the Improvement Area #2 Projects is reduced, delayed or deferred, (b) the obligations or liabilities of the Developer is or may be substantially increased or otherwise adversely affected in any manner, or (c) the rights of the Developer is or may be modified, limited, restricted or otherwise substantially adversely affected in any manner.

Section 7.04. No Reduction of Assessments. The Developer agrees not to take any action or actions to reduce the total amount of such Assessments to be levied as of the effective date of this Agreement.

## ARTICLE VIII
## TERMINATION

Section 8.01. Mutual Consent. This Agreement may be terminated by the mutual, written consent of the City and the Developer, in which event the City may either execute contracts for or perform any remaining work related to the Improvement Area #2 Projects not accepted by the City or other appropriate entity and use all or any portion of funds on deposit in the Project Fund or other amounts transferred to the Project Fund under the terms of the Indenture to pay for same, and the Developer shall have no claim or right to any further payments for the Costs of an Improvement Area #2 Project hereunder, except as otherwise may be provided in such written consent.

Section 8.02. City's Election for Cause.

(a) The City, upon notice to the Developer and the passage of the cure period identified in subsection (b) below, may terminate this Agreement, without the consent of the Developer if the Developer shall breach any material covenant or default in the performance of any material obligation hereunder.

(b) If any such event described in Section 8.02(a) occurs, the City shall give written notice of its knowledge of such event to the Developer, and the Developer agrees to promptly meet and confer with the City Inspector and other appropriate City staff and consultants as to options available to assure timely completion, subject to the terms of this Agreement, of the Improvement Area #2 Projects. Such options may include, but not be limited to, the termination of this Agreement by the City. If the City elects to terminate this Agreement, the City shall first notify the Developer (and any mortgagee or trust deed beneficiary specified in writing by the Developer to the City to receive such notice) of the grounds for such termination and allow the Developer a minimum of 45 days to eliminate or to mitigate to the satisfaction of the City the grounds for such termination. Such period may be extended, at the sole discretion of the City, if the Developer, to the reasonable satisfaction of the City, is proceeding with diligence to eliminate or mitigate such grounds for termination. If at the end of such period (and any extension thereof), as determined reasonably by the City, the Developer has not eliminated or completely mitigated such grounds to the satisfaction of the City, the City may then terminate this Agreement. In the event of the termination of this Agreement, the Developer is entitled to payment for work accepted by the City related to an Improvement Area #2 Project only as provided for under the terms of the Indenture and this Agreement prior to the termination date of this Agreement. Notwithstanding the foregoing, so long as the Developer has breached any material covenant or defaulted in the performance of any material obligation hereunder, notice of which has been given by the City to the Developer, and such event has not been cured or otherwise eliminated by the Developer, the City may in its discretion cause the Trustee to cease making payments for the Actual Costs of Improvement Area #2 Projects, provided that the Developer shall receive payment of the Actual Costs of any Improvement Area #2 Projects that were accepted by the City at the time of the

occurrence of such breach or default by the Developer upon submission of the documents and compliance with the other applicable requirements of this Agreement.

(c) If this Agreement is terminated by the City for cause, the City may either execute contracts for or perform any remaining work related to the Improvement Area #2 Projects not accepted by the City and use all or any portion of the funds on deposit in the Project Fund or other amounts transferred to the Project Fund and the Developer shall have no claim or right to any further payments for the Improvement Area #2 Projects hereunder, except as otherwise may be provided upon the mutual written consent of the City and the Developer. The City shall have no obligation to perform any work related to an Improvement Area #2 Project or to incur any expense or cost in excess of the remaining balance of the Project Fund.

Section 8.03. Termination Upon Redemption or Defeasance of Bonds. This Agreement will terminate automatically and with no further action by the City or the Developer upon the redemption or defeasance of all outstanding Bonds (including any refunding bonds issued to refund the Bonds) issued under the Indenture.

Section 8.04. Construction of the Improvement Area #2 Projects Upon Termination of this Agreement. Notwithstanding anything to the contrary contained herein, upon the termination of this Agreement pursuant to this Article VIII, the Developer shall perform its obligations with respect to the Improvement Area #2 Projects in accordance with this Agreement and the Development Agreement.

Section 8.05. Force Majeure. Whenever performance is required of a party hereunder, that party shall use all due diligence and take all necessary measures in good faith to perform, but if completion of performance is delayed by reasons of floods, earthquakes or other acts of God, war, civil commotion, riots, strikes, picketing or other labor disputes, damage to work in progress by casualty or by other cause beyond the reasonable control of the party (financial inability excepted) ("Force Majeure"), then the specified time for performance shall be extended by the amount of the delay actually so caused. The extension of time to perform allowed by this Section 8.05 shall not apply unless, upon the occurrence of an event of Force Majeure, the party needing additional time to perform notifies the other party of the event of Force Majeure and the amount of additional time reasonably required within ten (10) business days of the occurrence of the event of Force Majeure.

## ARTICLE IX
## MISCELLANEOUS

Section 9.01. Limited Liability of City. The Developer agrees that any and all obligations of the City arising out of or related to this Agreement are special obligations of the City, and the City's obligations to make any payments hereunder are restricted entirely to the moneys, if any, in the Project Fund and from no other source. Neither the City, the City Inspector, City

Representative nor any other City employee, officer, official or agent shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of their actions hereunder or execution hereof.

Section 9.02. Audit. The City Inspector, City Representative or a finance officer of the City shall have the right, during normal business hours and upon the giving of three business days' prior written notice to a Developer, to review all books and records of the Developer pertaining to costs and expenses incurred by the Developer with respect to any of the Improvement Area #2 Projects and any bids taken or received for the construction thereof or materials therefor.

Section 9.03. Notices. Any notice, payment or instrument required or permitted by this Agreement to be given or delivered to any party shall be deemed to have been received (i) if delivered via a method other than e-mail, when delivered personally or upon the expiration of 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid or (ii) if delivered via e-mail, upon the earlier of receipt of a "delivery receipt" or on the next Business Day after being sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that the email has not been delivered:

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| To the City: | Attn: City Manager<br>City of Justin, Texas<br>415 N. College Avenue<br>Justin, Texas 76247<br>e-mail: jgreenwood@cityofjustin.com |
| With a copy to: | Boyle & Lowry LLP<br>Attn: Matthew Boyle<br>4201 Wingren, Suite 108<br>Irving, Texas 75062<br>e-mail: mboyle@boyle-lowry.com |
| And to: | Attn: Bond Counsel<br>Robert Dransfield<br>Norton Rose Fulbright US LLP<br>2200 Ross Avenue, Suite 3600<br>Dallas, Texas 75201-7932<br>e-mail: Robert.dransfield@nortonrosefulbright.com |
| To the Developer: | Attn: Don Dykstra<br>Bloomfield Homes, L.P.<br>1900 W. Kirkwood Blvd., Ste. 2300B<br>Southlake, Texas 76092<br>e-mail: don@bloomfieldhomes.net |
| With a copy to: | Attn: Drew Slone<br>Greenberg Traurig, LLP |

2200 Ross Avenue
Suite 5200
Dallas, Texas 75201
e-mail: drew.slone@gtlaw.com

Any party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other party.

The City shall advise the Developer of the name and address of any person who is to receive any notice or other communication pursuant to this Agreement.

Section 9.04. Severability. If any part of this Agreement is held to be illegal or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent possible.

Section 9.05. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. Any receivables due under this Agreement may be assigned by the Developer without the consent of, but upon written notice to the City pursuant to Section 9.03 of this Agreement. The obligations, requirements, or covenants of this Agreement shall be able to be assigned to an affiliate or related entity of the Developer, or any lien holder on the Property, without prior written consent of the City. The obligations, requirements, or covenants of this Agreement shall not be assigned by the Developer to a non-affiliate or non-related entity of the Developer without prior written consent of the City Manager, except pursuant to a collateral assignment to any person or entity providing construction financing to the Developer for an Improvement Area #2 Project, provided such person or entity expressly agrees to assume all obligations of the Developer hereunder if there is a default under such financing and such Person elects to complete the Improvement Area #2 Project. No such assignment shall be made by the Developer or any successor or assignee of the Developer that results in the City being an "obligated person" within the meaning of Rule 15c2-12 of the United States Securities and Exchange Commission (the "SEC") without the express written consent of the City. In connection with any consent of the City, the City may condition its consent upon the acceptability of the financial condition of the proposed assignee, upon the assignee's express assumption of all obligations of the Developer hereunder and/or upon any other reasonable factor which the City deems relevant in the circumstances. In any event, any such assignment shall be in writing, shall clearly identify the scope of the rights and/or obligations assigned. The City may assign by a separate writing certain rights as described in this Agreement and in the Indenture, to the Trustee and the Developer hereby consents to such assignment.

Section 9.06. Other Agreements. The obligations of the Developer hereunder shall be those of a party hereto and not as an owner of property in the District. Nothing herein shall be construed as affecting the City's or the Developer's rights or duties to perform their respective obligations under other agreements, use regulations, ordinances or subdivision requirements

relating to the development of the lands in the District, including the applicable Construction Contracts and the Development Agreement. To the extent there is a conflict between this Agreement and the Development Agreement, the Development Agreement shall control. To the extent there is a conflict between this Agreement and the Indenture, the Indenture shall control.

Section 9.07. Waiver. Failure by a party to insist upon the strict performance of any of the provisions of this Agreement by any other party, or the failure by a party to exercise its rights upon the default of any other party, shall not constitute a waiver of such party's right to insist and demand strict compliance by such other party with the terms of this Agreement thereafter.

Section 9.08. Merger. No other agreement, statement or promise made by any party or any employee, officer or agent of any party with respect to any matters covered hereby that is not in writing and signed by all the parties to this Agreement shall be binding.

Section 9.09. Parties in Interest. Nothing in this Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other than the City and the Developer any rights, remedies or claims under or by reason of this Agreement or any covenants, conditions or stipulations hereof, and all covenants, conditions, promises and agreements in this Agreement contained by or on behalf of the City or the Developer shall be for the sole and exclusive benefit of the City and the Developer.

Section 9.10. Amendment. This Agreement may be amended upon agreement of the parties, from time to time in a manner consistent with the Act, the Indenture, and the Bond Ordinance by written supplement hereto and executed in counterparts, each of which shall be deemed an original.

Section 9.11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original.

Section 9.12. Effective Date. This Agreement has been dated as of the date first above written solely for the purpose of convenience of reference and shall become effective upon its execution and delivery, on the Closing Date of the Bonds, by the parties hereto. All representations and warranties set forth therein shall be deemed to have been made on the Closing Date of the Bonds.

Section 9.13. Term. The term of this Agreement, other than the provisions contained in Section 7.02, which shall survive the termination of this Agreement, shall be thirty (30) years or upon redemption or defeasance of the Bonds (including any refunding bonds issued to refund the Bonds) issued under the Indenture. If the Developer defaults under this Agreement or the Development Agreement, this Agreement and the Development Agreement shall not terminate with respect to the Costs of the Improvement Area #2 Projects that have been approved by the City pursuant to a Certification for Payment prior to the date of default.

Section 9.14 No Waiver of Powers or Immunity. The City does not waive or surrender any of its governmental powers, immunities, or rights except as necessary to allow Developer to enforce its remedies under this Agreement.

Section 9.15. Statutory Verifications. The 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 Developer 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 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 Developer 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 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.

c. No Discrimination Against Firearm Entities. The 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.

d. No Boycott of Energy Companies. The 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.

*[Execution pages to follow]*

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of October 9, 2025.

**CITY OF JUSTIN, TEXAS**

By: _____
James Clark
Mayor

ATTEST:

_____
Amy M. Piukana
City Secretary

(City Seal)

**DEVELOPER:**

**BLOOMFIELD HOMES, L.P.,**
a Texas limited partnership

By: Bloomfield Properties, Inc.,
a Texas corporation, its General Partner

By:_____
Donald J. Dykstra, President

## Exhibit A

## FORM OF CLOSING DISBURSEMENT REQUEST

The undersigned is an agent for Bloomfield Homes, L.P. (the "Developer") and requests payment from:

[the Costs of Issuance Account of the Project Fund][the Improvement Area #2 Projects Account of the Project Fund] (as defined in the Timberbrook Public Improvement District No. 2 Improvement Area #2 Construction, Funding, and Acquisition Agreement) from Wilmington Trust, National Association (the "Trustee") in the amount of _____ DOLLARS ($_____) for costs incurred in the establishment, administration, and operation of the Timberbrook Public Improvement District No. 2 (the "District"), as follows:

| Closing Costs Description | Cost | PID Allocated Cost |
|---|---|---|
| | | |
| | | |
| **TOTAL** | | |

In connection to the above referenced payments, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Closing Disbursement Request on behalf of the Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested for the above 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 above itemized costs is a true and accurate representation of the Actual Costs incurred by Developer 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.

4. The Developer is in compliance with the terms and provisions of the Timberbrook Public Improvement District No. 2 Improvement Area #2 Construction, Funding, and Acquisition Agreement, the Development Agreement, and the Service and Assessment Plan.

5. All conditions set forth in the Indenture (as defined in the Timberbrook Public Improvement District Improvement Area #2 Construction, Funding, and Acquisition Agreement) for the payment hereby requested have been satisfied.

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

**Payments requested hereunder shall be made as directed below:**

a. X amount to Person or Account Y for Z goods or services.

b. Etc.

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

**BLOOMFIELD HOMES, L.P.**

By: _____

Name: _____

Title: _____

Date: _____

## 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 of the Project Fund or the Improvement Area #2 Projects Account of the Project Fund, as applicable, upon delivery of the Bonds. The City's approval of the Closing Disbursement Request shall not have the effect of estopping or preventing the City from asserting claims under the Timberbrook Public Improvement District No. 2 Improvement Area #2 Construction, Funding and Acquisition Agreement, the Development Agreement, the Service and Assessment Plan, any other agreement between the parties or that there is a defect in an Improvement Area #2 Project.

**CITY OF JUSTIN, TEXAS**

By: _____

Name: _____
Title: _____
Date: _____

**Exhibit B**

**CERTIFICATION FOR PAYMENT FORM – IMPROVEMENT AREA #2 PROJECTS**

CERTIFICATION FOR PAYMENT NO. _____

The undersigned is a lawfully authorized representative for Bloomfield Homes of Texas, L.P., (the "Developer") and requests payment from the Improvement Area #2 Projects Account of the Project Fund from Wilmington Trust, National Association (the "Trustee") in the amount of _____ for labor, materials, fees, and/or other general costs related to the construction and installation of the following Improvement Area #2 Projects related to the Timberbrook Public Improvement District No. 2:

***[insert specific Improvement Area #2 Project this request is for here]***

Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Timberbrook Public Improvement District No. 2 Improvement Area #2 Construction, Funding, and Acquisition Agreement.

In connection with this Certification for Payment, the Developer represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Developer, is qualified to execute this Certification for Payment on behalf of the Developer, and is knowledgeable as to the matters set forth herein.

2. The payment requested herein for the Improvement Area #2 Project(s) has not been the subject of any prior payment request submitted for the same work to the City or, if previously requested, no disbursement was made with respect thereto.

3. The itemized amounts listed for the Improvement Area #2 Project(s) below are a true and accurate representation of the Actual Costs incurred by Developer with the construction and installation of said Improvement Area #2 Project(s) identified above, and such costs are (i) in compliance with the Timberbrook Public Improvement District No. 2 Improvement Area #2 Construction, Funding, and Acquisition Agreement, and (ii) consistent with the Service and Assessment Plan.

4. The Developer is in compliance with the terms and provisions of the Timberbrook Public Improvement District No. 2 Improvement Area #2 Construction, Funding, and Acquisition Agreement, the Development Agreement, and the Service and Assessment Plan.

5. All conditions set forth in the Indenture for the payment hereby requested have been satisfied.

6. The work with respect to the Improvement Area #2 Project(s) identified above (or its completed segment, portion or segment) has been completed and the City has inspected or may begin inspection of the Improvement Area #2 Project(s). If this request for payment results in ninety percent (90%) or more of the Budgeted Costs for the Improvement Area #2 Project(s) identified above being paid, then the work with respect to the Improvement Area #2 Project(s) have been completed and the City has inspected AND accepted the Improvement Area #2 Project(s).

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

**Payments requested are as follows:**

| **Payee / Description of Improvement Area #2 Project** | **Total Cost of Improvement Area #2 Project** | **Budgeted Cost of Improvement Area #2 Project** | **Amount to be paid from Improvement Area #2 Projects Account of the Project Fund** |
|---|---|---|---|
| | | | |
| | | | |

Attached hereto, are receipts, purchase orders, change orders, and similar instruments which support and validate the above requested payments or Actual Costs incurred.

Pursuant to the Timberbrook Public Improvement District No. 2 Improvement Area #2 Construction, Funding, and Acquisition Agreement, after receiving this Payment Request, the City is authorized to inspect the Improvement Area #2 Project (or completed segment, portion or segment) and confirm that said work has been completed in accordance with all applicable governmental laws, rules, and Plans.

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

**BLOOMFIELD HOMES, L.P.**

By:_____

Name: _____

Title: _____

Date: _____

## APPROVAL OF REQUEST BY CITY

The City is in receipt of the attached Certification for Payment. After reviewing the Certification for Payment, the City approves the Certification for Payment and shall include said payments in the City Certificate submitted to the Trustee directing payments to be made from the appropriate Project Fund account. The City's approval of the Certification for Payment shall not have the effect of estopping or preventing the City from asserting claims under the Timberbrook Public Improvement District No. 2 Improvement Area #2 Construction, Funding, and Acquisition Agreement, the Development Agreement, the Service and Assessment Plan, any other agreement between the parties or that there is a defect in the Improvement Area #2 Projects.

**CITY OF JUSTIN, TEXAS**

By: _____

Name: _____
Title: _____
Date: _____

City Council Coversheet
October 9, 2025
415 N. COLLEGE AVE.

Agenda Item: 6. (CONSENT AGENDA)

Title: Consider approving Resolution 791-25 approving the FY 25-26 Capital Improvement Projects (CIP) projects; and take appropriate action.

Department: Administration

Contact: Matthew Cyr, Director of Planning and Development, Jarrod Greenwood, City Manager

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**Recommendation:**

Staff recommends the City Council approve Resolution 791-25,as presented.

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**Background:**

The City of Justin continues to experience significant growth, requiring strategic planning to guide infrastructure, utility, and community investments. The 2025 update to the Five-Year Capital Improvements Plan (CIP) reflects completed projects from the past three years, current projects under construction or design, and a forward-looking schedule of priority improvements. The proposed CIP was presented to Council during the FY25-26 Budget Workshops and was utilized in developing the Adopted FY 25-26 Budget.

**The CIP can be found here:** 2025-05-29 Justin CIP 2025 Update_sealed.pdf

The CIP identifies approximately **$57.6 million** in projects through FY 2029, with **$16.7 million funded** and **$41.0 million unfunded**. Key focus areas include:

- **Water & Wastewater** – addressing resiliency, capacity, and replacement of aging systems.
- **Streets & Drainage** – improving mobility, safety, and stormwater management.
- **Facilities & Parks** – reinvestment in public facilities, recreation, and open space.

The plan serves as a living document which is updated annually to reflect funding availability, project completions, and changing community needs. Council adoption provides direction for prioritization, budgeting, and pursuit of outside funding sources.

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**City Attorney Review:** No

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**Attachments:**

1. CIP Resolution

**RESOLUTION NO. 791-25**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JUSTIN, TEXAS, ADOPTING THE 2025 UPDATE TO THE FIVE-YEAR CAPITAL IMPROVEMENTS PLAN (CIP); PROVIDING FOR INCORPORATION OF THE CIP INTO THE CITY'S LONG-RANGE PLANNING AND BUDGETING PROCESS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS,** The City of Justin continues to experience significant growth, requiring careful and strategic planning for public infrastructure, facilities, and community amenities; and

**WHEREAS,** The Five-Year Capital Improvements Plan (CIP) serves as a planning tool for the City to identify and prioritize needed capital projects, including water, wastewater, streets, drainage, facilities, and parks; and

**WHEREAS,** The CIP establishes a framework for funding, timing, and implementation of projects essential to maintaining service levels, supporting development, and enhancing quality of life for residents and businesses; and

**WHEREAS,** The 2025 update to the Five-Year CIP reflects completed projects from the past three years, current projects under construction, and a comprehensive list of priority projects totaling approximately $57.6 million, of which $16.7 million is currently funded; and

**WHEREAS,** The City Council has reviewed the 2025 Five-Year CIP and finds it to be in the best interest of the City of Justin to adopt this plan as a guiding document for capital planning and budgeting.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JUSTIN, TEXAS, THAT:**

**SECTION 1.** That the City Council hereby adopts the 2025 Update to the Five-Year Capital Improvements Plan (CIP) as presented, and directs that it be incorporated into the City's long-range planning and budget process.

**SECTION 2. Conditions (if applicable)**. That the adoption of the CIP does not constitute a commitment to appropriate or expend funds for any specific project, but serves as a guide for prioritization, scheduling, and pursuit of external funding opportunities.

**SECTION 3.** This resolution shall take effect immediately upon adoption.

**DULY PASSED** by the City Council of the City of Justin, Texas, on the 9th day of October2025.

**APPROVED:**

_____
James Clark, Mayor

**ATTEST:**

_____
Amy Piukana, City Secretary

**APPROVED AS TO FORM:**

_____
City Attorney

City Council Coversheet
October 9, 2025
415 N. COLLEGE AVE.

Agenda Item: 7. (CONSENT AGENDA)

Title: Consider approving Resolution 792-25 Authorizing an Exception Under the 2018 International Existing Building Code for the Gaston House (Historical Restoration and Preservation); and take appropriate action.

Department: Administration

Contact: Matthew Cyr, Director of Planning and Development

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**Recommendation:**

Staff recommends approval authorizing an exception for the Gaston House with the above conditions pursuant to the 2018 IEBC, Section 1201.3.

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**Background:**

**Purpose**
The purpose of this memorandum is to provide background and staff recommendation regarding the authorization of an exception for the Gaston House, located at [insert address] and legally described as [insert legal description], for the purpose of historical restoration and preservation under the provisions of the 2018 International Existing Building Code (IEBC).

**Background**
The Gaston House is a historically significant structure within the City of Justin. To preserve its cultural and architectural value, staff recommends that the project be reviewed under **Chapter 12, Section 1201.3 (Historic Buildings)** of the 2018 IEBC.
Section 1201.3 permits historic buildings to be granted exceptions from certain modern building requirements, so long as restoration work does not create a distinct life-safety hazard. This provision encourages preservation while maintaining the City's responsibility to protect health, safety, and welfare.

**Conditions of Approval**
Staff recommends adoption of the Resolution authorizing this exception subject to the following conditions:

1. **Inspection Reports** – The Gaston House shall provide inspection reports with a pass or fail conclusion to the City as part of the restoration process.
2. **Third-Party Vendor Approval** – All third-party inspectors and vendors retained by the Gaston House must be pre-approved by the City Manager or their designee before inspection reports will

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be accepted by the City.

3. **Life-Safety Compliance** – While exceptions may be granted under the IEBC for historic purposes, no restoration work may create or maintain a distinct hazard to life or property.
4. **City Oversight** – The City retains the right to require additional reporting or corrective actions if inspections reveal deficiencies.

**Conclusion**
Authorizing this exception under the IEBC allows the City to support historical preservation while ensuring that restoration is carried out responsibly and with appropriate safeguards.

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**City Attorney Review:** Yes

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**Attachments:**

1. Gaston House BC Resolution

**RESOLUTION NO. 792-25**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF JUSTIN, TEXAS, AUTHORIZING AN EXCEPTION FOR THE GASTON HOUSE, LEGALLY DESCRIBED AS THE PRESERVE PHASE 1 BLK 6 LOT 23-27X (HOA/OPEN SPACE) , FOR THE PURPOSE OF HISTORICAL RESTORATION AND PRESERVATION; PROVIDING FOR COMPLIANCE WITH THE 2018 INTERNATIONAL EXISTING BUILDING CODE (IEBC) HISTORIC BUILDING PROVISIONS; IMPOSING CONDITIONS RELATING TO INSPECTION AND THIRD-PARTY APPROVAL; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS,** The Gaston House, legally described as THE PRESERVE PHASE 1 BLK 6 LOT 23-27X (HOA/OPEN SPACE), is recognized as a historically significant structure within the City of Justin; and

**WHEREAS,** The City of Justin desires to preserve and restore the Gaston House for its architectural, cultural, and historical value to the community; and

**WHEREAS,** The City of Justin has adopted the 2018 International Existing Building Code (IEBC), which governs the repair, alteration, and preservation of existing buildings; and

**WHEREAS, Section 1201.1 (Intent)** of the IEBC provides that the code is intended to facilitate the use and continued occupancy of existing buildings, including those of historic significance, while safeguarding public health, safety, and welfare; and

**WHEREAS, Section 1201.3 (Historic Buildings)** of the IEBC states that the provisions of the Historic Building Chapter shall apply to repairs, alterations, and changes of occupancy undertaken on qualified historic buildings, and that such buildings may be allowed exceptions from certain code requirements, provided the work does not create a distinct life-safety hazard; and

**WHEREAS,** The City Council finds that granting an exception for the Gaston House pursuant to these provisions is in the best interest of the City, its residents, and its historic preservation goals, subject to appropriate conditions to safeguard public safety.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JUSTIN, TEXAS, THAT:**

**SECTION 1.** That the City Council hereby authorizes an exception for the Gaston House, legally described as THE PRESERVE PHASE 1 BLK 6 LOT 23-27X (HOA/OPEN SPACE) , for the purpose of historical restoration and preservation, consistent with the provisions of the 2018 International Existing Building Code, Section 1201.3 (Historic Buildings).

**SECTION 2. That the following conditions shall apply to this authorization:**

1. The constructing party of the Gaston House shall provide the City with it's a 3rd party plan review and 3rd party inspection reports that shall include a pass or fail conclusion at each step throughout the restoration process.

2. Any third-party inspectors or vendors engaged by the Gaston House shall be subject to review and approval by the City Manager or their designee prior to work being accepted.

3. All restoration work must comply with applicable life-safety standards, and no work shall be permitted that creates a distinct hazard to life or property

4. All permits shall be secured by the contractor of choice, however, no permitting fees will charged throughout the process.

**SECTION 3.** That this Resolution shall not be construed as a waiver of building permit requirements or other City approvals, and the City reserves the right to require additional documentation or corrective measures as necessary to ensure compliance with this Resolution and the IEBC.

**DULY PASSED** by the City Council of the City of Justin, Texas, on the 9th day of October 2025.

**APPROVED:**

_____
James Clark, Mayor

**ATTEST:**

_____
Amy Piukana, City Secretary

**APPROVED AS TO FORM:**

_____
City Attorney