

PEDESTRIAN BRIDGE PROJECT REIMBURSEMENT ASSIGNMENT AGREEMENT

by and between

LAKESIDE MEADOWS LLC, A TEXAS LIMITED LIABILITY COMPANY

and

THE CITY OF PFLUGERVILLE, TEXAS

Relating to:

Lakeside Meadows Public Improvement District Reimbursement Agreement and Lakeside  
Meadows Public Improvement District Financing Agreement

Dated effective as of June 9, 2026

This PEDESTRIAN BRIDGE PROJECT AND REIMBURSEMENT ASSIGNMENT AGREEMENT (this “Agreement”) is made as of June 9, 2026 (the “Effective Date”), between **LAKESIDE MEADOWS LLC**, a Texas limited liability company ( “Assignor”) and the **CITY OF PLUGERVILLE, TEXAS**, a home rule city and Texas municipal corporation (“City” or “Assignee”) for the limited purposes set forth herein. Assignor and Assignee are sometimes collectively referred to herein as the “Parties”, or each individually as a “Party”.

RECITALS:

WHEREAS, Assignor and the City previously entered into (a) that certain Lakeside Meadows Public Improvement District Reimbursement Agreement dated effective as of June 14, 2022, and as amended by that certain First Amendment to Lakeside Meadows Public Improvement District Reimbursement Agreement dated effective as of June 9, 2026, (as amended, the “PRA”), and (b) that certain Lakeside Meadows Public Improvement District Financing Agreement dated as of May 14, 2024, (the “PFA” together with the PRA, collectively, the “PID Agreements”, true, correct, and complete copies of which are attached hereto as **Exhibit A**), each in connection with certain public improvements (the “Authorized Improvements”) for the benefit of property located within the Lakeside Meadows Public Improvement District (the “District”); and

WHEREAS, after due notice and proper authorization in accordance with Texas Local Government Code, Section 372, the City created the PID (the “District”), levied the Assessments (the “Assessments”) and collected or caused to be collected the Assessments for Authorized Improvements built and completed, or to be completed by the Developer; and

WHEREAS, the Authorized Improvements include that particular project named the “Pedestrian Bridge”, and as further identified and described in the PID Agreements, and which is included in the 2026 Service and Assessment Plan (the “2026 SAP”); and

WHEREAS, pursuant to the PID Agreements, the Developer is obligated to construct the Pedestrian Bridge, and has the right to receive, or assign the right to receive, reimbursements from the Assessments levied within the District for the costs of the Pedestrian Bridge; and

WHEREAS, the City has collected Assessments for the reimbursement of the Authorized Improvements, however as of the effective date of this Agreement, the Developer has not constructed the Pedestrian Bridge; and

WHEREAS, the City and the Developer agree that the City will construct the Pedestrian Bridge, and be responsible for all costs associated with said construction, and further, the City and the Developer agree that the City should rightly be reimbursed from the Assessments for the Authorized Improvements for which the City will construct; and

WHEREAS, pursuant to the PRA, the City will create a “Past Assessment Revenue Account” of the Operating Fund, and will further create a “Pedestrian Bridge Subaccount” that will be funded from past Assessments on deposit in the Operating Fund to provide for the reimbursement of costs for the Pedestrian Bridge; and

WHEREAS, pursuant to Section 17(a) of the PRA, the Developer as Assignor is making this partial assignment of the PRA, pertaining only to the Pedestrian Bridge in an amount specifically identified in the PRA ,to the City as Assignee as a Designated Successor and Assign per the terms of the PRA; and

WHEREAS pursuant to 8.03(a) of the PFA ,the Developer as Assignor is making this partial assignment of the PFA, pertaining only to the Pedestrian Bridge in scope and estimated cost amount specifically identified in the PRA, to the City as Assignee as a Designated Successor and Assign per the terms of the PFA;); and

WHEREAS, the obligation to construct the Pedestrian Bridge and the right to be reimbursed for the Pedestrian Bridge from the Past Assessment Revenue disbursed from the Pedestrian Bridge Subaccount pursuant to the PID Agreements is hereinafter referred to as the “Pedestrian Bridge Assigned Obligation and Property”; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Agreement do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Parties hereto are now duly authorized to execute and enter into this Agreement; and

NOW, THEREFORE, in consideration of the premises, covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

1. Certain Defined Terms. Capitalized terms used herein but not defined in this Agreement shall have the meanings ascribed to such terms in the PID Agreements.

2. Assignment.

(a) Assignor hereby transfers, delivers and assigns to Assignee, a Designated Successor and Assign, its successors and assigns, forever, all of Assignor’s right, title, interest, estate, claims and demands in and to the Pedestrian Bridge Assigned Obligation and Property, including the obligation to construct the Pedestrian Bridge Project and upon approval and acceptance by the City, the right to receive reimbursement for the Pedestrian Bridge Project Cost from amounts available in the Pedestrian Bridge Subaccount under the PID Agreements (the “Assignment”). For the avoidance of doubt, the Assignment shall not include any Pledged Revenues collected in any other account or subaccount of the Operating Fund after the Effective Date.

(b) The Assignment shall be absolute, unconditional and irrevocable and is not intended to be merely the grant of a security interest to Assignee. Assignor hereby expressly relinquishes all right, title and interest that it may have had in and to the Pedestrian Bridge Assigned Obligation and Property as of the Effective Date of this Agreement. In addition, Assignee has no duty or obligation and in no event will Assignee have any duty or obligation to perform under the PID Agreements. Except for the Assignment of the Pedestrian Bridge Assigned Obligation and Property, Assignor expressly retains all other rights, title and interest of Assignor in the PID Agreements.

(c) The Parties agree that notice of this Assignment has been provided pursuant to the notice of assignment requirements of section 17(a) of the PRA and section 8.03 of the PFA.

3. Representations and Warranties of Assignor. Assignor hereby represents and warrants that:

(a) Assignor is the sole lawful owner and holder of the Pedestrian Bridge Assigned Obligation and Property.

(b) Assignor has not heretofore assigned, sold, transferred, pledged or otherwise granted an interest in or to the whole or any part of the Pedestrian Bridge Assigned Obligation and Property to anyone (other than Assignee as contemplated herein).

(c) Assignor has the power and authority to own its properties and carry on its operations as now being conducted. Assignor is and will continue to be duly organized or incorporated, validly existing and in good standing under the laws of the State of Texas as a limited liability company, authorized to conduct its business and otherwise operate in the State of Texas.

(d) Assignor has full power, authority and legal right to enter into and perform its obligations under this Agreement.

(e) The execution, delivery and performance of this Agreement by Assignor does not contravene any law, governmental rule, regulation, order or ordinance of any governmental entity having jurisdiction over it and to which it is subject or its organizational documents and does not and will not result in any breach of or constitute a default under any indenture, mortgage, deed of trust, contract, agreement or instrument to which it is a party or by which Assignor or the Pedestrian Bridge Assigned Obligation and Property is bound.

(f) There are no pending or, to Assignor's knowledge, threatened actions, suits, investigations or proceedings before any court or before any arbitrator or governmental entity that purport or would be reasonably expected to have a material adverse, effect on the City, the District, the Pedestrian Bridge Assigned Obligation and Property or any transaction contemplated hereby.

(g) No approval of, or consent from, any governmental entity that has not been obtained is required (i) for Assignor's execution, delivery or performance of this Agreement, the PID Agreements, or any other document related to this Agreement (together, the "Assignor Documents") or (ii) to fully and finally convey the rights to the Pedestrian Bridge Assigned Obligation and Property to Assignee.

(h) Each of the Assignor Documents (i) has been duly and validly authorized, executed and delivered, (ii) is in full force and effect and has not been modified or amended, except as otherwise recorded in the respective amended Assignor Documents, and (iii) constitutes a legal, valid and binding obligation, which is enforceable in accordance with the terms of such document, except as such enforceability may be limited by applicable laws relating to bankruptcy, moratorium, insolvency or creditors' rights or by the application of principles of equity. This Agreement vests all of Assignor's right, title and interest in and to the Pedestrian Bridge Assigned Obligation and Property in Assignee, free and clear of all claims, liens and security interests of any kind or character.

(i) No default or event of default has occurred under the PID Agreements and no event has occurred that, with the lapse of time or the giving of notice or both, would constitute an event of default under any of the Assignor Documents.

(j) The City, as Assignee, has the right to complete construction, and receive reimbursement of the Pedestrian Bridge in the same manner afforded the Developer and at the City's discretion, draw upon the Past Revenue Account with the proper and customary submission of construction invoices for the reimbursement of Pedestrian Bridge. As a result of the acceptance of this Agreement, the City is responsible for any cost overruns that may occur in the construction of the Pedestrian Bridge.

(k) The execution of this Agreement satisfies the Notice of Assignment to the City to this Agreement (the "Notice of Assignment to the City"), Assignor shall have no right, title or interest in or to the Pedestrian Bridge Assigned Obligation and Property all conditions precedent under the PID Agreements for the assignment of the Pedestrian Bridge Assigned Obligation and Property to Assignee will have been fully satisfied.

(l) Assignor has no right or obligation to repurchase the Pedestrian Bridge Assigned Obligation and Property from Assignee. Assignor is not assigning (or purporting to assign), and Assignee shall not assume, any duties or obligations of Assignor or any other party under the PID Agreements, or any other duty or obligation Assignor or any other party has with regard to the City, all of which remain the duties and obligations of Assignor and/or such other party(ies), and other than the desire to assign and transfer all rights to and obligations regarding the Pedestrian Bridge Assigned Obligation and Property, Assignor desires to retain all other rights to the PID Agreements as set forth herein.

4. Representations and Warranties of Assignee. Assignee hereby represents and warrants that:

(a) It is a home rule city, with the power and authority to own its properties and carry on its operations as now being conducted.

(b) It has full power, authority and legal right to enter into and perform its obligations under this Agreement.

(c) There are no pending or threatened actions or proceedings before any court or administrative agency that will materially adversely affect its condition, business or operations or its ability to enter into and deliver this Agreement and perform its obligations hereunder.

(d) This Agreement (i) has been duly and validly authorized, executed and delivered by it, (ii) is in full force and effect and (iii) constitutes its legal, valid and binding obligation, which is enforceable in accordance with the terms hereof, except as such enforceability may be limited by applicable laws relating to bankruptcy, moratorium, insolvency or creditors' rights or by the application of principles of equity.

(e) From the Effective Date of this Agreement the Assignee assumes the obligation to construct the Pedestrian Bridge Project.

5. Covenants of Assignor. Assignor hereby covenants that:

(a) Assignor shall promptly deliver to Assignee any notices received by the Assignor from any other governmental entity pertaining to the Pedestrian Bridge Assigned Obligation and Property or the Authorized Improvements.

(b) Assignor shall pay any delinquency tax and assessment payments on the property it owns within the District.

(c) The Assignor shall not sell, pledge, assign or transfer to any other person or entity, or grant, create, incur, assume or suffer to exist any lien on the Pedestrian Bridge Assigned Obligation and Property, whether now existing or hereafter transferred hereunder, or any interest therein. Assignor shall promptly notify Assignee of the existence of any lien on the Pedestrian Bridge Assigned Obligation and Property and Assignor shall defend the right, title and interest of Assignee in, to and under the Pedestrian Bridge Assigned Obligation and Property against all claims of third parties related to the Pedestrian Bridge Assigned Obligation and Property with respect to claims arising in connection with any Assignor's representations, warranties or obligations under this Agreement. Assignor will make appropriate notations on its books and records with entries regarding the Pedestrian Bridge Assigned Obligation and Property reflecting the assignment of the Pedestrian Bridge Assigned Obligation and Property to Assignee.

(d) Assignor shall not, except as otherwise permitted herein, extend, amend or otherwise modify (or consent to the extension, amendment or other modification of) the terms of the PID Agreements or any other agreement that Assignor has with the City relating to the Pedestrian Bridge Assigned Obligation and Property without Assignee's express prior written consent.

6. Indemnification. ASSIGNOR HEREBY AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS ASSIGNEE AND ITS AFFILIATES, MANAGERS, MEMBERS, PRINCIPALS, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, ATTORNEYS, REPRESENTATIVES, SUCCESSORS, AND ASSIGNS (THE "ASSIGNEE INDEMNIFIED PARTIES") FROM AND AGAINST ANY AND ALL CLAIMS, DAMAGES, LOSSES, COSTS OR EXPENSES (INCLUDING ANY AND ALL REASONABLE ATTORNEYS' AND EXPERTS' FEES), ARISING AS A RESULT OF ANY BREACH BY ASSIGNOR OF ANY REPRESENTATION, WARRANTY, COVENANT OR OTHER AGREEMENT OF ASSIGNOR CONTAINED HEREIN OR IN THE PID AGREEMENTS. Assignor shall bear all expenses in connection with the defense and/or settlement of any such claim or suit. Assignee Indemnified Parties shall have the right, at their own expense, to participate in the defense of any claim against which they are indemnified and which has been assumed by the obligation or indemnity hereunder; Assignor, in the defense of any such claim, except with the written consent of Assignee, shall not consent to entry of any judgment or enter into any settlement that either: (a) does not include, as an unconditional term, the grant by the claimant to the applicable Assignee Indemnified Party of a release of all liabilities in respect of such claims, or (b) otherwise adversely affects the rights of Assignee Indemnified Parties.

7. Transaction Expenses. The Assignor shall bear and be responsible for the costs and expenses incurred in connection with the negotiation, preparation, execution, delivery and

enforcement of this Agreement and any other agreements, documents, certificates and instruments relating hereto and shall not have any right of reimbursement or indemnity for such costs and expenses as against the other Party.

8. Notices. Any notice required or permitted to be given by any Party to any other Party shall be deemed to have been given (i) if hand delivered or delivered by courier (including reputable overnight couriers) when delivered to the appropriate notice address, (ii) if mailed by first class mail, postage prepaid, six days after deposit in the United States mail addressed to the appropriate notice address or (iii) if delivered by electronic mail, when delivered to the appropriate electronic mail address and followed by mailed letter by first class mail, postage prepaid. Any telecopy or other electronic transmission received by any Party after 4:00 p.m., local time, as evidenced by the time shown on such transmission, shall be deemed to have been received the following day. Any notice required or permitted hereunder shall be directed to the Party at the respective address shown below or at such other address as one Party shall hereafter furnish to the other in writing.

Assignor:

Lakeside Meadows LLC  
4201 Marathon Blvd, Suite 201  
Austin, Texas 78756  
Attn: Charlie Nichols

With a copy to:

Cinclair Law, PLLC  
Email: [Prabha@cinclairlaw.com](mailto:Prabha@cinclairlaw.com)

Assignee:

City of Pflugerville, Texas  
Attn: City Manager  
100 East Main Street, Suite 300  
Pflugerville, Texas 78691  
Email: [citymanager@pflugervilletx.gov](mailto:citymanager@pflugervilletx.gov)

With a copy to:

City of Pflugerville, Texas  
Attn: City Attorney  
100 East Main Street, Suite 300  
Pflugerville, Texas 78691

9. Further Assurances. Assignor shall execute and deliver such further acknowledgments, agreements and instruments of assignment, transfer and assurance and do all such further acts and things as may be reasonably necessary or commercially appropriate to give effect to the provisions hereof and to further confirm the rights, titles and interests hereby sold, assigned and transferred to Assignee.

10. Memorandum of Assignment. The Parties agree that Assignee may file a memorandum or notice of its rights under this Agreement to the extent that Assignee deems such a filing necessary or prudent.

11. Headings. The headings of the paragraphs of this Agreement are for convenience only and shall not be used to interpret or construe this Agreement.

12. Entirety; Amendments. This Agreement and all other documents executed in connection herewith required or contemplated by any of the foregoing contain the entire agreement between Assignee and the Assignor with respect to the subject matter hereof and supersede all prior agreements and understandings relating thereto. No other agreements will be effective to change, modify or terminate this Agreement in whole or in part unless such agreement is in writing and duly executed by Assignee and the Assignor. The recitals of this Agreement are hereby incorporated into this Agreement as if fully set forth in the body of the Agreement and are intended to be a part of the Agreement for all purposes.

13. Severability; Rights Cumulative. If any part of this Agreement shall be contrary to any law that any Party hereto might seek to apply or enforce or should otherwise be defective, the other provisions hereof shall not be affected thereby but shall continue in full force and effect, to which end they are hereby declared severable. All rights, remedies and powers of each Party hereunder are cumulative and shall be in addition to all rights, remedies and powers given hereunder, or in or by any other instrument or any other law now existing or hereafter enacted.

14. Assignment; Parties Bound. Assignee may assign or delegate its rights or obligations hereunder to an entity affiliated with or controlled by Assignee without the prior written consent of the Assignor. This Agreement is binding upon each of the Parties hereto and inures to the benefit of, and is binding upon, the respective successors and permitted assigns of the Parties hereto.

15. GOVERNING LAW; VENUE. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF TEXAS (WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES OF SUCH STATE), INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE. VENUE FOR ANY ACTION HEREUNDER OR RELATED HERETO SHALL BE IN ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE OF TEXAS, AND EACH PARTY HERETO HEREBY SUBMITS TO THE JURISDICTION OF ANY SUCH COURT.

16. Survival. The respective representations, warranties, covenants, obligations, liabilities and duties of each Party contained in this Agreement shall survive the consummation of the Conveyance until Assignee has received indefeasible payment in full for all of the Pedestrian Bridge Project Cost.

17. Counterparts. This Agreement may be executed in any number of separate counterparts by the Parties hereto and each counterpart when so executed shall be deemed to be

one original and all such counterparts when taken together shall constitute one and the same agreement.

18. Reservation. Except for the rights to the Pedestrian Bridge Assigned Obligation and Property to be conveyed and assigned to Assignee, Assignor shall retain all of the rights, duties and obligations under the PID Agreements which shall continue during and after the term of this Agreement. Once Assignee (and/or its successors and assigns) has received payment for all of the Pedestrian Bridge, Assignee (and/or its successors and assigns) shall have no further rights under this Agreement.

19. Verifications of Statutory Representations and Covenants. Assignor 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 Assignor 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. Assignor 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 Assignor 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. Assignor 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. Assignor 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. Assignor 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.

IN WITNESS WHEREOF, each Party hereto has duly executed this Agreement by its duly authorized officer to be effective as of the Effective Date.

**ASSIGNOR:**

**LAKESIDE MEADOWS LLC,**  
a Texas limited liability company

By: MINERVA, LTD.,  
a Texas limited partnership,  
its sole member and manager

By: MOPAC FINANCIAL, INC.,  
a Texas corporation,  
its general partner

By: \_\_\_\_\_  
Name: Douglas B. Kadison  
Title: President

**ASSIGNEE:**

**CITY OF PFLUGERVILLE, TEXAS**

a home rule city and Texas municipal corporation

By: \_\_\_\_\_

Name: Doug Weiss

Title: Mayor

**Exhibit A**

**PID Agreements (PRA and PFA)**

(Attached)

**LAKESIDE MEADOWS PUBLIC IMPROVEMENT DISTRICT  
REIMBURSEMENT AGREEMENT**

This Lakeside Meadows Public Improvement District Reimbursement Agreement (this "Reimbursement Agreement") is executed between the City of Pflugerville, Texas ("City") and Lakeside Meadows, LLC, a Texas limited liability company (the "Developer") (the Developer and the City each individually referred to as a "Party" and collectively as the "Parties") effective as of June 14, 2022.

**RECITALS**

**WHEREAS**, on May 12, 2020, the City Council of the City (the "City Council") authorized the formation of the Lakeside Meadows Public Improvement District (the "District") pursuant to Resolution No. 1763-20-05-12-0721 (the "Creation Resolution") in accordance with Chapter 372, Texas Local Government Code (as may be amended, the "PID Act"), covering approximately 416 acres of land described in the Creation Resolution (the "Property"); and

**WHEREAS**, the Developer has requested the City to consider an Amended and Restated Petition for the Creation of Lakeside Meadows Public Improvement District for the purposes of restating the boundaries of the District and increasing the estimated costs of improvements in the District, and it is anticipated that the City Council will timely consider the foregoing; and

**WHEREAS**, the purpose of the District is to finance certain public improvements authorized by the PID Act to promote the interests of the City and confer a special benefit on the Assessed Property (as defined in the PID Financing Agreement (defined below)) within the District; and

**WHEREAS**, following the approval of the Lakeside Meadows Public Improvement District Financing Agreement by and between the Developer, the Consenting Parties (as defined in the PID Financing Agreement), and the City (as may be amended from time to time, the "PID Financing Agreement"), it is intended that the City Council shall pass and approve one or more assessment ordinances determining, among other things, the estimated costs of the Authorized Improvements (defined below) allocable to District, (the improvements being the "MIA Improvements") and levy assessments against certain Property within the District (the "MIA Assessments") in accordance with the Assessment Roll (defined below) attached to a Service and Assessment Plan for the District (as the same may be amended or updated from time to time, the "Service and Assessment Plan") or update or amendment thereto; and

**WHEREAS**, it is intended that the PID Bonds (defined below) will be issued to reimburse a portion of the Actual Costs (defined below) of, among other things, the MIA Improvements (the "MIA Improvements Costs"); and

**WHEREAS**, it is anticipated that one or more series of PID Bonds will be issued pursuant to an Indenture of Trust (the "Indenture") by and between the City and a legally qualified trustee selected by the City (the "Bond Trustee"); and

**WHEREAS**, prior to the issuance of PID Bonds, it is anticipated that the City shall deposit the revenues received and collected by the City from the District, including foreclosure sale proceeds, into an account held by the City that is segregated from all other funds of the City and used solely for the purposes set forth herein (the "Operating Fund"), and, following the issuance of PID Bonds, such revenues shall be transferred pursuant to the respective Indenture when executed; and

**WHEREAS**, the Parties intend that all or a portion of the applicable MIA Improvements Costs shall be reimbursed with the applicable hereinafter-defined Reimbursement Obligation pursuant to the terms of this Reimbursement Agreement, and as further described pursuant to the PID Financing Agreement; and

**WHEREAS**, following the issuance of a series of PID Bonds, the Pledged Revenues, as defined herein, will secure the PID Bonds, and then, on a subordinate basis, the Reimbursement Obligation; and

NOW THEREFORE, FOR VALUABLE CONSIDERATION THE RECEIPT AND ADEQUACY OF WHICH ARE ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:

1. Recitals. The recitals to this Reimbursement Agreement are true and correct and are incorporated as part of this Reimbursement Agreement for all purposes.
2. Definitions.
  - a. Actual Costs – means the following with respect to the MIA Improvements: (a) the costs incurred by or on behalf of the Developer (either directly or through affiliates) for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such MIA Improvements, (b) the fees paid for obtaining permits, licenses or other governmental approvals for such MIA Improvements, (c) construction management fees, subject to the limitations contained herein, (d) the costs incurred by or on behalf of the Developer for external professional costs, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, appraisals, legal, accounting and similar professional services, taxes (property and franchise) related to the MIA Improvements; (e) all labor, bonds and materials, including equipment and fixtures, by contractors,

builders and materialmen in connection with the acquisition, construction or implementation of the MIA Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, and consulting fees, financing charges, taxes, governmental fees and charges, insurance premiums, and all payments for administrative expenses after the date of a resolution authorizing such reimbursement, plus interest, if any, calculated from the respective dates of the expenditures until the date of reimbursement therefore. Actual Costs shall not include construction management fees in an amount that exceeds an amount equal to the construction management fee amortized in equal monthly installments over the term of the appropriate construction management agreement. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the construction management fees are calculated.

- b. Assessment Roll – shall mean one or more assessment rolls for the Assessed Property within the District, as updated, modified or amended from time to time in accordance with the Service and Assessment Plan.
  - c. Authorized Improvements – shall mean any public improvement authorized by Section 372.003(b) of the PID Act, as amended.
  - d. Designated Successors and Assigns shall mean (i) an entity to which Developer assigns (in writing) its rights and obligations contained in this Reimbursement Agreement pursuant to Section 16; (ii) any entity which is the successor by merger or otherwise to all or substantially all of Developer’s assets and liabilities including, but not limited to, any merger or acquisition pursuant to any public offering or reorganization to obtain financing and/or growth capital; or (iii) any entity which may have acquired all of the outstanding stock or ownership of assets of Developer.
  - e. PID Bonds – shall mean each series of special assessment revenue bonds issued by the City to reimburse the Actual Costs of the MIA Improvements and, if applicable, any bonds issued to refund all or a portion of any outstanding PID Bonds.
  - f. Pledged Revenues – shall mean the sum of (i) the MIA Assessments; and (ii) the moneys held in any of the funds held by the City pursuant to the Indenture pledged for payment of debt service; less (a) administrative expenses and (b) delinquent collection costs.
3. City Deposit of Revenue. Until a series of PID Bonds is issued, the City shall cause the Pledged Revenues to be deposited into the respective Operating Fund. After a series

of PID Bonds are issued, the City shall cause the Pledged Revenues to be deposited pursuant to the respective Indenture once executed.

4. **Payment of MIA Improvements Costs.** Prior to the execution of an Indenture, the City shall reimburse the MIA Improvements Costs from the Operating Fund pursuant to executed and approved certifications for payment in the manner provided for in the PID Financing Agreement (“Certifications for Payment”). Following the execution of an Indenture, the Bond Trustee shall reimburse the Developer for the MIA Improvements Costs pursuant to executed and approved Certifications for Payment in the manner provided for in the PID Financing Agreement and the Indenture for the PID Bonds. Funds in the reimbursement fund created by an Indenture shall only be used in accordance with the applicable Indenture.
5. **Reimbursement Obligation.** Subject to the terms, conditions, and requirements contained herein, the City agrees to reimburse the Developer, and the Developer shall be entitled to receive from the City an amount not to exceed \$30,000,000 for the Actual Costs of MIA Improvements (the “Reimbursement Obligation”), in accordance with the terms of this Reimbursement Agreement, and subject to any further limitations in the PID Financing Agreement, until June 14, 2053 (the “Maturity Date”). It is hereby acknowledged that the City is not responsible hereunder for any amount of MIA Improvements Costs in excess of the amount of the MIA Assessments collected. The Reimbursement Obligation, including accrued and unpaid interest, shall be payable to the Developer, solely from the Pledged Revenues deposited in the Operating Fund or reimbursement fund created by an Indenture in accordance with the terms of such Indenture. The Reimbursement Obligation is authorized by the PID Act, is hereby approved by the City Council, and represents the total allowable costs to be assessed against Assessed Property in the District for the MIA Improvements. The interest rate paid to the Developer on the Reimbursement Obligation shall be 5.75%. Notwithstanding the preceding clause, and in accordance with the PID Act, the interest rate on any unpaid Reimbursement Obligation due under this Reimbursement Agreement (i) may not exceed, for a period of not more than five years, as determined by the City, five percent above the highest average index rate for tax-exempt bonds reported in a daily or weekly bond index approved by the City and reported in the month before the date the obligation was incurred; and (ii) after the period described in (i), may not exceed two percent above the bond index rate described by (i). The interest rate described herein is hereby approved by the City Council and is hereby found to be in compliance with the foregoing. Interest will accrue on the Reimbursement Obligation at the interest rate stated above from the later to occur of: (i) the date that the MIA Assessment is levied by the City or (ii) the date a Certification for Payment for the MIA Improvements Cost is approved by the City. Following the issuance of any series of PID Bonds, interest on the Reimbursement Obligation will accrue from

the date of delivery of such PID Bonds at the interest rate of such PID Bonds. Interest shall be calculated on the basis of a 360-day year, comprised of twelve 30-day months.

6. **Obligated Payment Sources.** The Reimbursement Obligation, plus accrued and unpaid interest as described above, is payable to the Developer and secured under this Reimbursement Agreement solely as described herein. No other City funds, revenue, taxes, income, or property shall be used even if the Reimbursement Obligation is not paid in full at the Maturity Date. The Reimbursement Obligation is not a debt of the City, within the meaning of Article XI, Section 5, of the Constitution of the State of Texas. The City acknowledges and agrees that until the Reimbursement Obligation and accrued and unpaid interest is paid in full and if the Developer is (1) current on payment of all taxes, assessments and fees owed to the City, and (2) in then-current compliance with its obligations under (a) this Reimbursement Agreement, and (b) all Continuing Disclosure Agreements (if PID Bonds are issued and remain outstanding), the obligation of the City to use amounts on deposit in the applicable Operating Fund or the reimbursement fund created by an Indenture to pay the Reimbursement Obligation and accrued and unpaid interest to the Developer is absolute and unconditional, and the City does not have, and will not assert, any defenses to such obligation.
  
7. **City Collection Efforts.** The City will use all reasonable efforts to receive and collect, or cause to be received and collected by the Travis County Tax Assessor-Collector, the MIA Assessments (including the foreclosure of liens resulting from the nonpayment of the MIA Assessments or other charges due and owing under the Service and Assessment Plan) and shall not permit a reduction, abatement, or exemption in the Assessments due on any portion of the District until (i) any outstanding PID Bonds related to that particular portion of the District are no longer outstanding, whether as a result of payment in full, defeasance, or otherwise, or (ii) the Developer has been reimbursed for the Reimbursement Obligation in accordance with this Reimbursement Agreement. The City shall use best efforts to collect or cause to be collected the MIA Assessments consistent with the City's policies and standard practices applicable to the collection of City taxes and assessments.
  
8. **Process for Payment for the Reimbursement Obligations.** The Developer may submit to the City a written request for payment in the form and manner to be provided for in the PID Financing Agreement to be entered into before MIA Assessments are levied (a "**Certification for Payment**") such Certification for Payment being payable from any funds then available in the Operating Fund or reimbursement fund created by an Indenture. Upon (i) receipt and approval of a Certification for Payment for the MIA Improvements described in the respective Service and Assessment Plan with all required documentation attached, and (ii) inspection and final acceptance by the City

of the applicable MIA Improvements, the City shall cause available funds within the appropriate account under the respective Indenture or the respective Operating Fund to be disbursed to the Developer within thirty (30) days. This process will continue until the Reimbursement Obligation for the District, including accrued and unpaid interest, is paid in full, or until PID Bonds are issued in an amount sufficient to pay the unpaid Reimbursement Obligation for the District in full, less any amounts required for reserves and any other costs or expenses associated with issuing the PID Bonds.

9. **Termination.** Subject to Section 5, once all reimbursements to the Developer under this Reimbursement Agreement (including net proceeds of the PID Bonds) equal the Reimbursement Obligation, this Reimbursement Agreement shall terminate; provided, however that if on the Maturity Date, after application of the net proceeds of any PID Bonds, any portion of the Reimbursement Obligation remains unpaid, such Reimbursement Obligation will be canceled and for all purposes of this Reimbursement Agreement will be deemed to have been conclusively and irrevocably PAID IN FULL; provided further that if any MIA Assessments remain due and payable and are uncollected on the Maturity Date, such MIA Assessments, when, as, and if collected after the Maturity Date, will be applied to any amounts due in connection with outstanding PID Bonds, and then paid to the Developer and applied to the Reimbursement Obligation.
10. **Non-Recourse Obligation.** The obligations of the City under this Reimbursement Agreement are non-recourse and payable only from Pledged Revenues and such obligations do not create a debt or other obligation payable from any other City revenues, taxes, income, or property. Neither the City nor any of its elected or appointed officials nor any of its employees shall incur any liability hereunder to the Developer or any other party in their individual capacities by reason of this Reimbursement Agreement or their acts or omission under this Reimbursement Agreement. Developer acknowledges that no appropriation of City funds has been or will be made to provide payments due under this Reimbursement Agreement. Further, Developer acknowledges that the only source of funds for payment under this Reimbursement Agreement is from the Operating Fund or the reimbursement fund created by an Indenture to pay the Reimbursement Obligation.
11. **Mandatory Prepayments.** Notwithstanding any provision of this Reimbursement Agreement to the contrary, the Parties hereby acknowledge and agree that to the extent a prepayment of an MIA Assessment is due and owing pursuant to the provisions of a Service and Assessment Plan (including any requirement to provide notice to Developer pursuant to the provisions thereof) in effect as of the date of this Reimbursement Agreement and remains unpaid for ninety (90) days after such notice, the City, upon providing written notice to the Developer, may reduce the amount of the

Reimbursement Obligation by a corresponding amount provided, however, any reduction shall never result in a reduction in the amount of the Reimbursement Obligation to be less than zero.

12. **No Waiver.** Nothing in this Reimbursement Agreement is intended to constitute a waiver by the City of any remedy the City may otherwise have outside this Reimbursement Agreement against any person or entity involved in the design, construction, or installation of the MIA Improvements.
13. **Governing Law, Venue.** This Reimbursement Agreement is being executed and delivered and is intended to be performed in the State of Texas. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of Texas shall govern the validity, construction, enforcement, and interpretation of this Reimbursement Agreement. In the event of a dispute involving this Reimbursement Agreement, venue for such dispute shall lie in any court of competent jurisdiction in Travis County, Texas.
14. **Notice.** Any notice required or contemplated by this Reimbursement Agreement shall be deemed given at the addresses shown below: (i) one (1) business day after deposit with a reputable overnight courier service for overnight delivery such as FedEx or UPS; or (ii) one (1) business day after deposit with the United States Postal Service, Certified Mail, Return Receipt Requested. Any Party may change its address by delivering written notice of such change in accordance with this section.

If to City:                   City of Pflugerville  
                                  Attn: City Manager  
                                  100 East Main Street, Suite 300  
                                  Pflugerville, Texas 78691

With a copy to:           Denton, Navarro, Rocha & Bernal, P.C  
                                  Attn: Charlie Zech  
                                  2500 W. William Cannon  
                                  Suite 609  
                                  Austin, TX 78745

If to Developer:         Lakeside Meadows, LLC  
                                  c/o Kerby Ventures, LLC  
                                  11701 Bee Cave Rd., Suite 230  
                                  Austin, Texas 78738

With a copy to:         Metcalf Wolff Stuart & Williams, LLP  
                                  Attn: Talley J. Williams  
                                  221 W. 6th, Suite 1300  
                                  Austin, Texas 78701  
                                  Facsimile: (512) 404-2234

15. **Invalid Provisions; Severability.** If any provision of this Reimbursement Agreement is held invalid by any court, such holding shall not affect the validity of the remaining provisions, and the remainder of this Reimbursement Agreement shall remain in full force and effect. If any provision of this Reimbursement Agreement conflicts with the terms of the Indenture the Indenture shall control.
16. **Exclusive Rights of Developer.** Developer's right, title and interest into the payments of the Reimbursement Obligation (including any accrued and unpaid interest thereon), as described herein, shall be the sole and exclusive property of Developer (or its Transferee) and no other third party shall have any claim or right to such funds unless Developer transfers its rights to the Reimbursement Obligation (including any accrued and unpaid interest thereon) to a Transferee in writing and otherwise in accordance with the requirements set forth herein. Developer has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole or in part, all or any portion of Developer's right, title, or interest under this Reimbursement Agreement including, but not limited to, any right, title or interest of Developer in and to payment of the Reimbursement Obligation plus any accrued and unpaid interest thereon (a "**Transfer,**" and the person or entity to whom the transfer is made, a "**Transferee**"). Provided, however, that no such conveyance, transfer, assignment, mortgage, pledge, or other encumbrance shall be made without the prior written approval of the City Council if such conveyance, transfer, assignment, mortgage, pledge, or other encumbrance would result in the payments hereunder being pledged to the payment of debt service on any security, including public securities issued by any other state of the United States or political subdivision thereof. Notwithstanding the foregoing, no Transfer shall be effective until written notice of the Transfer, including (A) the name and address of the Transferee and (B) a representation by the Developer that the Transfer does not and will not result in the issuance of municipal securities by any other state of the United States or political subdivision thereof is provided to the City. The Developer agrees that the City may rely conclusively on any written notice of a Transfer provided by Developer without any obligation to investigate or confirm the Transfer.
17. **Assignment.**
- a. Subject to subparagraph (b) below, Developer may, in its sole and absolute discretion, assign this Reimbursement Agreement with respect to all or part of the Property from time to time to any party in connection with the sale of the Property or any portion thereof and in connection with a corresponding assignment of the rights and obligations in the PID Financing Agreement entered into prior to the levy of the MIA Assessments to any party, so long as the assignee has demonstrated to the City's satisfaction that the assignee (i) does not owe delinquent taxes or fees to the City, (ii) is not in material default (beyond any applicable notice and cure period) under any development agreement with the City and (iii) has the financial, technical, and managerial capacity, the experience, and expertise to perform any duties or obligations so assigned and so long as the assigned rights and obligations are assumed without modifications to this Reimbursement Agreement or the PID Financing Agreement. Developer shall provide the City thirty (30) days prior written notice of any such assignment. Upon such assignment or partial assignment,

Developer shall be fully released from any and all obligations under this Reimbursement Agreement and shall have no further liability with respect to this Reimbursement Agreement for the part of the Property so assigned.

- b. Any sale of a portion of the Property or assignment of any right hereunder shall not be deemed a sale or assignment to a Designated Successor or Assign unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is to a Designated Successor or Assign.
- c. Any sale of a portion of the Property or assignment of any right hereunder shall not be deemed a Transfer unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is deemed to be a Transfer.
- d. “Designated Successors and Assigns” shall mean (i) an entity to which Developer assigns (in writing) its rights and obligations contained in this Reimbursement Agreement pursuant to this Section 17; (ii) any entity which is the successor by merger or otherwise to all or substantially all of Developer’s assets and liabilities including, but not limited to, any merger or acquisition pursuant to any public offering or reorganization to obtain financing and/or growth capital; or (iii) any entity which may have acquired all of the outstanding stock or ownership of assets of Developer.
- e. Provided, however, that no such conveyance, transfer, assignment, mortgage, pledge, or other encumbrance shall be made without the prior written approval of the City Council if such conveyance, transfer, assignment, mortgage, pledge, or other encumbrance would result in the payments hereunder being pledged to the payment of debt service on public securities issued by any other state of the United States or political subdivision thereof.
- f. Notwithstanding anything to the contrary contained herein, this Section 17 shall not apply to Transfers which shall be governed by Section 16 above.
- g. It is hereby acknowledged that the limitations on the ability to make a Transfer as described in Section 16 above shall also apply to the Designated Successors and Assigns.

**18. Failure; Default; Remedies.**

- a. If either Party fails to perform an obligation imposed on such Party by this Reimbursement Agreement (a “Failure”) and such Failure is not cured after written notice and the expiration of the cure periods provided in this section, then such Failure shall constitute a “Default.” Upon the occurrence of a Failure by a non-performing Party, the other Party shall notify the non-performing Party in writing specifying in reasonable detail the nature of the Failure. The

non-performing Party to whom notice of a Failure is given shall have at least 30 days from receipt of the notice within which to cure the Failure; however, if the Failure cannot reasonably be cured within 30 days and the non-performing Party has diligently pursued a cure within such 30-day period and has provided written notice to the other Party that additional time is needed, then the cure period shall be extended for an additional period (not to exceed 90 days) so long as the non-performing Party is diligently pursuing a cure.

- b. If the Developer is in Default, the City's sole and exclusive remedy shall be to seek specific enforcement of this Reimbursement Agreement. No Default by the Developer, however, shall: (1) affect the obligations of the City to use the Pledged Revenues on deposit in the Operating Fund or reimbursement fund created by an applicable Indenture as provided in Section 6 of this Reimbursement Agreement; or (2) entitle the City to terminate this Reimbursement Agreement. In addition to specific enforcement, the City shall be entitled to attorney's fees, court costs, and other costs of the City to obtain specific enforcement.
- c. If the City is in Default, the Developer's sole and exclusive remedies shall be to: (1) seek a writ of mandamus to compel performance by the City; or (2) seek specific enforcement of this Reimbursement Agreement.

19. **Estoppel Certificate.** Within thirty (30) days after the receipt of a written request by Developer or any Transferee, the City will certify in a written instrument duly executed and acknowledged to any person, firm or corporation specified in such request as to (i) the validity and force and effect of this Reimbursement Agreement in accordance with its terms, (ii) modifications or amendments to this Reimbursement Agreement and the substance of such modification or amendments; (iii) the existence of any default to the best of the City's knowledge; and (iv) such other factual matters that may be reasonably requested.

20. **Anti-Boycott Verification, No business with Sanctioned Countries.** 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, to the extent this Reimbursement Agreement is a contract for goods or services, will not boycott Israel during the term of this Reimbursement Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable State or federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Developer understands "affiliate" to mean 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.

21. **Not a listed Company.** The Developer hereby verifies that neither it nor any of its respective parent companies, wholly- or majority-owned subsidiaries, and other

affiliates, if any, is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:

<https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,  
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or  
<https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the Developer and any of its respective parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Developer understands "affiliate" to mean 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.

22. No Firearm Entity Boycott. Pursuant to Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any,

- (1) do not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and
- (2) will not discriminate during the term of this Reimbursement Agreement against a firearm entity or firearm trade association.


The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "discriminate against a firearm entity or firearm trade association" (A) means, with respect to the entity or association, to (i) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; (ii) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (iii) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; and (B) does not include: (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship: (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency; or (bb) for any traditional business reason that is specific to the customer or

potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association. The Developer understands "affiliate" to mean any 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.

23. No Energy Company Boycotts. Pursuant to Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislature, Regular Session), Texas Government Code, as amended, 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 Reimbursement Agreement. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, "boycott energy companies" shall mean, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or (B) does business with a company described by (A) above. The Developer understands "affiliate" to mean any 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.
24. Form 1295. Submitted herewith is a completed Form 1295 in connection with the Developer's participation in the execution of this Reimbursement Agreement generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The City hereby confirms receipt of the Form 1295 from the Developer, and the City agrees to acknowledge such form with the TEC through its electronic filing application not later than the 30th day after the receipt of such form. The Developer and the City understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Developer; and, neither the City nor its consultants have verified such information.
25. Miscellaneous.
- a. The City does not waive or surrender any of its governmental powers, immunities, or rights except to the extent permitted by law and necessary to allow the Developer to enforce its remedies under this Reimbursement Agreement.
  - b. Nothing in this Reimbursement Agreement, expressed or implied, is intended to or shall be construed to confer upon or to give to any person or entity other

IN WITNESS WHEREOF, the Parties have executed this Reimbursement Agreement to be effective as of the date written on the first page of this Reimbursement Agreement.

**CITY OF PFLUGERVILLE, TEXAS**

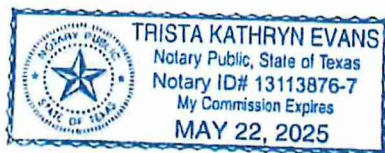
By:   
Name: Sereniah Breland  
Title: City Manager  
Date: 11/10/22


STATE OF TEXAS                   §  
   §  
COUNTY OF TRAVIS           §

BEFORE ME, a Notary Public, on this day personally appeared, Sereniah Breland, City Manager of the City of Pflugerville, Texas known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed on behalf of that municipal corporation.

GIVEN UNDER MY HAND AND SEAL of office this 10<sup>th</sup> day of November, 2022.

(SEAL)



  
Notary Public, State of Texas

[Signatures Continue on Next Page]

than the City and the Developer any rights, remedies, or claims under or by reason of this Reimbursement Agreement, and all covenants, conditions, promises, and agreements in this Reimbursement Agreement shall be for the sole and exclusive benefit of the City and the Developer.

- c. This Reimbursement Agreement may be amended only by written agreement of the Parties.
- d. This Reimbursement Agreement may be executed in counterparts, each of which shall be deemed an original.

[Signature pages to follow]

LAKESIDE MEADOWS, LLC, a Texas limited liability company

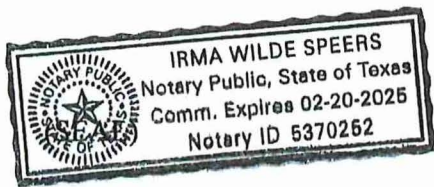
By: Minerva, Ltd., a Texas limited partnership, its Manager

By: Mopac Financial, Inc., a Texas corporation, its General Partner

By: *Douglas B. Kadison*  
Name: Douglas B. Kadison  
Title: President

STATE OF TEXAS §  
COUNTY OF *Texas* §

This instrument was acknowledged before me on the *15<sup>th</sup>* day of *November* 2022 by Douglas B. Kadison, President of Mopac Financials, Inc., a Texas corporation, General Partner of Minerva, Ltd., a Texas limited partnership, Manager of Lakeside Meadows, LLC, a Texas limited liability company, on behalf of said entities.



*Irma Wilde Speers*

Notary Public, State of Texas

*IRMA Wilde Speers*

Name printed or typed

Commission Expires: *2/20/2025*

**FIRST AMENDMENT TO LAKESIDE MEADOWS PUBLIC IMPROVEMENT  
DISTRICT REIMBURSEMENT AGREEMENT**

This First Amendment to Lakeside Meadows Public Improvement District Reimbursement Agreement (this “First Amendment”) is executed between the City of Pflugerville, Texas (“City”) and Lakeside Meadows LLC, a Texas limited liability company (the “Developer”) (the Developer and the City each individually referred to as a “Party” and collectively as the “Parties”) effective as of June 9, 2026 (the “Effective Date”).

**RECITALS**

**WHEREAS**, on May 12, 2020, the City Council of the City (the “City Council”) approved Resolution No. 1763-20-05-12-0721 (the “Original Creation Resolution”) creating the Lakeside Meadows Public Improvement District (the “District”); and

**WHEREAS**, on June 14, 2022, the City Council approved that certain Lakeside Meadows Public Improvement District Reimbursement Agreement by and between the City and the Developer (the “Reimbursement Agreement”); and

**WHEREAS**, on September 13, 2022, the City Council approved Resolution No. 1991-22-09-13-1014, which amended the Original Creation Resolution; and

**WHEREAS**, on May 14, 2024, the City Council approved Ordinance No. 1626-24-0514 (the “Assessment Ordinance”), which levied assessments on property comprising approximately 318.758 acres of land within the District (“Improvement Area #1”) and approximately 96.603 acres of land within the District (“Improvement Area #2”) and adopted a Service and Assessment Plan for the District which contained the Improvement Area #1 Assessment Roll and the Improvement Area #2 Assessment Roll (each as defined in the Service and Assessment Plan) for Improvement Area #1 and Improvement Area #2, respectively; and

**WHEREAS**, the Developer has entered into that certain Purchase, Sale and Assignment Agreement (the “Sale and Assignment Agreement”) with ORIX PUBLIC FINANCE, LLC, a Delaware limited liability company (“Orix or “Transferee”), whereby the Developer will sell, transfer, deliver and assign a portion of the Developer’s right, title, interest, estate, claims and demands in and to reimbursement for the costs of the Authorized Improvements, specifically with respect to the Reimbursement Obligation repayment from Assessments to be collected into the “Future Assessment Revenue Account” hereinafter defined; and

**WHEREAS**, Developer will retain the remaining portion of the Reimbursement Obligation, (the “Past Assessment Revenue Account” hereinafter defined) that will be used to pay for (a) City consultant fees; (b) PID administration fees; (c) the Weiss Lane Connection Project; (d) the Pedestrian Bridge Project; (e) the Pond A Drainage Improvements; (f) the Park Amenities; and (g) Developer’s consultant costs. The remaining balance of the Past Assessment Revenue will be used to reimburse the Developer for Public Improvement costs that Developer has spent but not previously reimbursed; and

**WHEREAS**, pursuant to the Assessment Ordinance and the 2025 Annual Service and Assessment Plan update, the interest rate for the Improvement Area #1 Assessments and the Improvement Area #2 Assessments is 6.75%; and

**WHEREAS**, the Developer and the City have agreed to amend the interest rate within this First Amendment to reflect the interest rate contained in the Assessment Ordinance and the Service and Assessment Plan; and to clarify certain definitional terms relating to the Reimbursement Obligation for Improvement Area #1 and Improvement Area #2 as set forth in the Service and Assessment Plan; to establish a Past Assessment Revenue Account and a Future Assessment Revenue Account within the Operating Fund; to establish and provide distribution instructions for separate subaccounts within the Past Assessment Revenue Account; and to establish and provide distribution instructions for the Future Assessment Revenue Account; and

**WHEREAS**, the Parties acknowledge that the City approved the 2025 Annual Service Plan Update and 2025 Assessment Roll by ordinance number 1679-25-09-09. The Parties agree to amend and restate the Service and Assessment Plan (the “2026 Service and Assessment Plan” or “2026 SAP”) concurrently with its approval of this First Amendment. All references herein to the “Service and Assessment Plan” include all amendments, restatements, and/or updates to the 2026 Service and Assessment Plan; and

**WHEREAS**, the City has collected \$5,694,431.31 of Pledged Revenue for Improvement Area #1 of the District (consisting of \$589,213.98 in principal, \$3,445,435.68 in interest and \$1,659,781.65 in prepayments). The City has collected \$266,002.50 of Pledged Revenue for Improvement Area #2 of the District (consisting of \$39,000.00 in principal and \$227,002.50 in interest). The total of \$5,960,433.81 Pledged Revenue for Improvement Area #1 and Improvement Area #2 combined, with any interest earned up to 2026, and is referred to herein as the “Past Assessment Revenue”; and

**WHEREAS**, the City agrees to deposit the Past Assessment Revenue into a separate interest-bearing account of the Operating Fund to be released pursuant to the terms of this Agreement and that may only be used for reimbursement in connection with: (a) City consultant fees for which the Developer will draw and has assigned pursuant to this Agreement to the City a total payment of \$315,000.00; (b) PID administration fees of \$51,000.00 to pay the City’s PID administrator; (c) the Weiss Lane Connection Project; (d) the Pedestrian Bridge Project; (e) the Pond A Drainage Improvements cost increase in the 2026 SAP; f) the Park Amenities cost increase in the 2026 SAP; (g) Developer’s consultant costs; and (h) the release of the remaining balance of the Past Assessment Revenue, used to reimburse the Developer for Public Improvement costs that Developer has spent but not previously reimbursed; and

**WHEREAS**, the City agrees to deposit any Assessments identified and collected in accordance with the 2026 Service and Assessment Plan and subsequent Service and Assessment Plans, together with any future prepayments, into a separate interest-bearing account of the Operating Fund to be released pursuant to the terms of the this Agreement and may only be used for reimbursement to the Developer or Orix, as their assignee or Transferee, in connection with Public Improvement costs expended by the Developer for the construction of Authorized Improvements as approved by the City; and

**NOW THEREFORE, FOR VALUABLE CONSIDERATION THE RECEIPT AND ADEQUACY OF WHICH ARE ACKNOWLEDGED, THE PARTIES AGREE AS FOLLOWS:**

1. Recitals. The recitals to this First Amendment are true and correct and are incorporated as part of this First Amendment for all purposes.

2. Definitions. Capitalized terms not defined herein shall have the meaning ascribed in the Reimbursement Agreement or the Service and Assessment Plan, as applicable.

3. Public Improvements. The Parties agree that the “MIA Improvements” as defined in the Reimbursement Agreement means the “Public Improvements” identified in the Service and Assessment Plan constructed for the benefit of Improvement Area #1 and Improvement Area #2 for which costs and Assessments have been allocated and levied.

4. Reimbursement Obligation. Section 5 of the Reimbursement Agreement is deleted in its entirety and replaced with the following:

(a) Subject to the terms, conditions, and requirements contained herein, the City agrees to reimburse the Developer, and the Developer shall be entitled to receive from the City an amount not to exceed \$27,616,051.44 for the Actual Costs of Public Improvements (the “Reimbursement Obligation”), plus interest, in accordance with the terms of this Reimbursement Agreement until paid in full but not beyond the payment due in 2054 as identified in the 2026 SAP. It is hereby acknowledged that the City is not responsible hereunder for any amount of Public Improvements Costs in excess of the amount of the Assessments collected. The Reimbursement Obligation, plus accrued and unpaid interest, shall be payable to the Developer, their assignee or Transferee, subject to any exceptions set forth in this First Amendment, solely from the Assessments deposited in the Operating Fund or to be collected. The Reimbursement Obligation is authorized by the PID Act, is hereby approved by the City Council, and represents the total allowable costs assessed against Assessed Property in the District for the Public Improvements. The City shall not take any action, or consent to any action taken by a third party for which City’s consent is required, intended to reduce the amount of Assessments beyond the amounts contemplated annually due to the collection of annual instalments in the 2026 SAP, and/or any prepayments that may be collected and processed accordingly, unless allowed by law and with at least thirty (30) days written notice to Developer, any assignee or Transferee that the City has proper notice.

(b) The interest rate paid on the Reimbursement Obligation shall be 6.75%. Notwithstanding the preceding clause, and in accordance with the PID Act, the interest rate on any unpaid Reimbursement Obligation due under this Reimbursement Agreement (i) may not exceed, for a period of not more than five years, as determined by the City, five percent above the highest average index rate for tax-exempt bonds reported in a daily or weekly bond index approved by the City and reported in the month before the date the obligation was incurred; and (ii) after the period described in (i), may not exceed two percent above the bond index rate described by (i). The interest rate described herein was approved by the City Council with the adoption of the Assessment Ordinance and was found to be in compliance with the foregoing. Interest will continue to accrue on the outstanding

Reimbursement Obligation in accordance with the debt service schedule as provided in the 2026 SAP.

(c) The City agrees to deposit the Past Assessment Revenue in the specified amounts into a separate interest-bearing account of the Operating Fund (the “Past Assessment Revenue Account”) to only be used for reimbursement as set forth below and to be released pursuant to the terms of this Agreement:

(i) City Consultant Fees: Developer will draw for approved Lakeside Meadows PID invoices, for which the Developer has provided the City with proof of Public Improvement costs spent by the Developer and approved by the City, and hereby assigns to the City, a total payment of THREE HUNDRED FIFTEEN THOUSAND AND NO/100 DOLLARS \$315,000.00 from the Past Assessment Revenue Account for the City to pay City consultants;

(ii) PID Administration Fees: Developer will draw for approved Lakeside Meadows PID invoices, for which the Developer has provided the City with proof of Public Improvement costs spent by the Developer and approved by the City, and hereby assigns to the City, a total payment of FIFTY-ONE THOUSAND DOLLARS AND NO/100 DOLLARS \$51,000.00 from the Past Assessment Revenue Account for the City to pay the City’s PID Administrator;

(iii) Weiss Lane Connection Subaccount. From funds withdrawn from the Past Assessment Revenue Account, the City agrees to create and fund an interest-bearing subaccount called the “Weiss Lane Connection Subaccount” and to deposit ONE MILLION SIX HUNDRED THREE THOUSAND FOUR HUNDRED SIXTY-FIVE AND 89/100 DOLLARS (\$1,603,465.89). The Weiss Lane Connection Subaccount will be used to reimburse NP Lakeside 130, LLC pursuant to the WEISS LANE CONNECTION PROJECT REIMBURSEMENT and ASSIGNMENT AGREEMENT AND CITY CONSENT between NP Lakeside 130, LLC and the Developer, consented to by the City, also known as the Weiss Lane Connection project (which includes the right-of-way for the East Extension (Colorado Sands Drive)), included in the 2026 Service and Assessment Plan as an Authorized Improvement and as shown on the Public Improvement Map and Descriptions attached as **Exhibit D** (the “Weiss Lane Connection Project”);

(iv) Pedestrian Bridge Subaccount: From funds from the Past Assessment Revenue Account, the City agrees to create and fund an interest-bearing subaccount called the “Pedestrian Bridge Subaccount” and to deposit ONE MILLION FIVE HUNDRED THOUSAND DOLLARS AND NO/100 DOLLARS (\$1,500,000.00). The Pedestrian Bridge Subaccount will be used to fund the City’s construction of the Pedestrian Bridge project. The City and the Developer consented to the obligation of the City to build, or cause to be built, the Pedestrian Bridge and receive reimbursement from this subaccount for costs incurred from that project, which is in the Service and Assessment Plan as and Authorized Improvement and described in more detail as shown on the Public Improvement Map and Descriptions attached as **Exhibit D** (the “Pedestrian Bridge Project”);

(v) Developer Consultant Costs: Developer will draw for approved Lakeside Meadows PID invoices, for which the Developer has approved and provided the City with proof of Public Improvement costs spent by the Developer, and approved by the City, and hereby agreed to and assigned by the Developer, a total payment of THREE HUNDRED THOUSAND DOLLARS AND NO/100 DOLLARS (\$300,000.00) from the Past Assessment Revenue Account for the City to pay Developer's consultants, which payment instructions will be provided to the City by the Developer's consultants; and

(vi) Reservation of Escrowed Funds: Within the Past Assessment Revenue Account, the amount of \$1,035,049.70 will be held in an interest bearing escrow account by the City as reserved restricted funds, to be used to reimburse the Developer for Public Improvement costs noted in 1.) and 2.) below, and as provided by the Developer, that the Developer has spent or will expend in finalizing construction, and for which the Developer is in the process of submitting invoices to be reviewed by the City (the "Escrowed Funds"). All improvements below are Authorized Improvements per the 2026 SAP.

1. Pond A Expansion: (Venkat Drainage Improvements) with an estimated cost of \$337,922.50, as shown on **Exhibit E** (the "Pond A Drainage Improvements"); have been completed and within 10 days of receipt of a draw package from the PID Administrator, the City shall execute the Certificate of Payment certifying costs and funds shall be released to the Developer within 10 business days after completion of the draw process, which shall be processed in the same manner as previous draws by the PID Administrator.

2. Park Amenities: consisting of the hike and bike trail connection to the Ironwood development, with an estimated cost of \$633,752.00, as shown on **Exhibit E**, and park improvements (lighting, park benches, bike repair station) which trail and park improvements shall be constructed on top of the open spaces, as shown on **Exhibit F**, (collectively the "Park Amenities"). 110% of the costs of the Park Amenities, which is a total of \$697,127.20, will be held by the City as part of the Escrowed Funds until the Park Amenities have been constructed and completed. Within 10 days of receipt of a draw package from the PID Administrator, the City shall execute the Certificate of Payment certifying costs or provide in writing to the Developer any outstanding issues not completed on the punch list.

The City agrees to inspect the Park Amenities within thirty (30) days after written notice from Developer that these improvements are complete and provide a punch list or certify the project is complete. Once punch list items are completed, within fifteen (15) days after written notice from Developer that these improvements are complete the City agrees to inspect and to provide a punch list or certify the project is complete.

(d) Past Assessment Revenue Account Residual Funds: After allocation of the amounts noted in Section 4(c) above, \$1,155,918.22 from funds remaining in the Past Assessment Revenue Account, will be wired to Developer within ten business days after the Effective Date of this First Amendment.

(e) Timing and Authorization of Distributions from the Past Assessment Revenue Account. The Parties hereby agree that within one (1) business day after the Effective Date of this First Amendment, if not already completed, the City shall deliver an executed copy of the Certificate for Payment for draws 1, 3, 4 and 5, which have currently been submitted by the Developer and reviewed by the PID Administrator. The City within ten (10) business days will then process the necessary draws, signatures, account openings and related action to cause the amounts to be properly distributed as described in Section 4(c).

(f) The City and the Developer hereby acknowledge and agree that the City's distribution of \$3,718,465.89 and any interest that may be earned thereon, regardless of to whom the dollars are distributed from the Past Assessment Revenue Account of the Operating Fund, as described above in Sections 4(c) serves as full payment and satisfaction by and to the Developer for any obligations it may have regarding: (i) the fees owed to the City's consultants and professionals and the Developer's consultant, (ii) the design and/or construction of the Weiss Lane Connection Project, and (iii) the design and/or construction of the Pedestrian Bridge Project.

(g) The City agrees that any Assessments identified and collected from the 2026 Service and Assessment Plan shall be deposited into a separate reserved and restricted interest-bearing account of the Operating Fund (the "Future Assessment Revenue Account") to be released pursuant to the terms this Agreement and that may only be used to reimburse Orix, as a transferee of the Developer, for Public Improvement costs that Developer has spent and that have been approved by the City. The principal amount of Assessments outstanding per the 2026 Service and Assessment Plan, and as acknowledged and agreed to by the City and the Developer and Transferee is \$25,206,457.81.

5. Annual Installment Schedule. The annual installment schedules for the Improvement Area #1 and the Improvement Area #2 Assessments approved by the City in the 2026 Service and Assessment Plan, as approved, are incorporated herein for all purposes.

6. Miscellaneous. The Parties hereby agree that the Reimbursement Agreement continues in full force and effect, except as amended hereby. This First Amendment may be executed in multiple counterparts, each of which shall be deemed to be an original, and all of such counterparts together shall constitute one and the same instrument.

7. Certificate of City Secretary and Acknowledgment and Consent to Sale and Assignment of Reimbursements. The City will deliver executed copies of the Certificate of City Secretary and Acknowledgment and Consent to Sale and Assignment of Reimbursements (the form of which is included as **Exhibit B**, Orix Sale and Assignment Agreement) to the Developer on June 9, 2026, on the date of execution and approval of this Agreement or thereafter June 9, 2026, if the first reading of the 2026 SAP is after that date, but in no event will the delivery of the

Certificate of City Secretary or the Acknowledgment and Consent to Sale and Assignment of Reimbursements be delayed beyond one (1) business day after the first reading of the 2026 SAP and date of execution of this Agreement.

8. Headings. Headings are included for convenience only and are not to be used in the interpretation of this First Amendment.

9. Governing Law. This First Amendment will be governed by and construed in accordance with the laws of the State of Texas.

10. Verifications of Statutory Representations and Covenants. Developer makes the following representations and covenants pursuant to Chapters 2252, 2270, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Agreement. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the Owner within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this First Amendment shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this First Amendment, notwithstanding anything in this First Amendment to the contrary.

(a) Not a Sanctioned Company. Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Owner and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

(b) No Boycott of Israel. Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this First Amendment. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.

(c) No Discrimination Against Firearm Entities. Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this First Amendment. 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. 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 First Amendment. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

11. Disclosure of Interested Parties. Developer hereby certifies that it has filed a Certificate of Interested Parties form, also known as a 1295 form, in compliance with Texas Government Code, Section 2252.908, if required, and shall update such certificate if required by law.

12. Signatures. To facilitate execution of this First Amendment, the parties may execute and exchange counterparts of the signature pages by electronic mail transmission or facsimile, which counterparts will be deemed original upon receipt.

13. Notice. Section 14 of the Reimbursement Agreement is deleted in its entirety and replaced with the following:

Notice. Any notice required or contemplated by this Reimbursement Agreement shall be deemed given at the addresses shown below: (i) one (1) business day after deposit with a reputable overnight courier service for overnight delivery such as FedEx or UPS; or (ii) one (1) business day after deposit with the United States Postal Service, Certified Mail, Return Receipt Requested. Any Party may change its address by delivering written notice of such change in accordance with this section.

If to City:

City of Pflugerville  
Attn: City Manager  
100 East Main Street, Suite 300  
Pflugerville, Texas 78691

With a copy to:

City of Pflugerville  
Attn: City Attorney  
100 East Main Street, Suite 300  
Pflugerville, Texas 78691

If to Developer:

Lakeside Meadows LLC  
4201 Marathon Blvd, Suite 201  
Austin, Texas 78756  
Attn: Charlie Nichols  
Email: [Chestito@aol.com](mailto:Chestito@aol.com)

With a copy to:

Cinclair Law, PLLC  
2221 Stanmore Ln.  
Plano, Texas 75025  
Attn: Prabha Cinclair  
Email: [prabha@cinclairlaw.com](mailto:prabha@cinclairlaw.com)

ORIX Public Finance, LLC  
2001 Ross Avenue, Suite 1900  
Dallas, Texas 75201  
Attn: Rob Wetzler  
Email: [Rob.Wetzler@orix.com](mailto:Rob.Wetzler@orix.com)

ORIX Corporation USA  
2001 Ross Avenue, Suite 1900  
Dallas, Texas 75201  
Attn: Legal Department  
Email: [LegalTransactionsPE@orix.com](mailto:LegalTransactionsPE@orix.com)

*[Signature pages to follow]*

IN WITNESS WHEREOF, the Parties have executed this First Amendment to be effective as of the date written on the first page of this First Amendment.

**CITY:**

**CITY OF PFLUGERVILLE, TEXAS**

By: \_\_\_\_\_

Name: Doug Weiss

Title: Mayor

Date: June 9, 2026

STATE OF TEXAS

§

§

COUNTY OF TRAVIS

§

BEFORE ME, a Notary Public, on this day personally appeared, Doug Weiss, Mayor of the City of Pflugerville, Texas known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed on behalf of that municipal corporation.

GIVEN UNDER MY HAND AND SEAL of office this 9<sup>th</sup> day of June 2026.

(SEAL)

\_\_\_\_\_  
Notary Public, State of Texas

*[Signatures Continue on Next Page]*

**DEVELOPER:**

**LAKESIDE MEADOWS LLC**, a Texas limited liability company

By: Minerva, Ltd., a Texas limited partnership,  
its Manager

By: Mopac Financial, Inc., a Texas corporation,  
its General Partner

By: \_\_\_\_\_  
Name: Douglas B. Kadison  
Title: President

STATE OF TEXAS                    §  
  §  
COUNTY OF TRAVIS               §

This instrument was acknowledged before me on the \_\_\_ day of May 2026 by Douglas B. Kadison, President of Mopac Financial, Inc., a Texas corporation, General Partner of Minerva, Ltd., a Texas limited partnership, Manager of Lakeside Meadows LLC, a Texas limited liability company, on behalf of said entities.

\_\_\_\_\_  
Notary Public, State of Texas

(SEAL)

\_\_\_\_\_  
Name printed or typed  
Commission Expires: \_\_\_\_\_

**Exhibit A**  
(Reserved)

**Exhibit B**

**Certificate of City Secretary and Acknowledgment and Consent to Sale and Assignment of Reimbursements (substantially in the form attached hereto)**



- l) **Exhibit B-3**: Ordinance No. 1626-24-05-14 (the “Assessment Ordinance”), adopted on May 14, 2024, imposing a levy of assessments in Improvement Area #1 and Improvement Area #2 of the District and authorizing the execution of the Lakeside Meadows Public Improvement District Financing Agreement;
- m) **Exhibit B-4**: Proof of recordation of the Assessment Ordinance in Travis County, Texas filed under Instrument No. 2024053580 on May 16, 2024;
- n) **Exhibit B-5**: That certain Lakeside Meadows Public Improvement District Financing Agreement, between the City and Lakeside Meadows, LLC, a Texas limited liability company (the “Developer”), dated as of May 14, 2024 (the “Financing Agreement”);
- o) **Exhibit B-6**: That certain Lakeside Meadows Public Improvement District Reimbursement Agreement, between the City and the Developer, dated as of June 14, 2022;
- p) **Exhibit B-7**: That certain Landowner Agreement and Notice of Assessment (Lakeside Meadows Public Improvement District), between the City and the Developer, dated as of April 11, 2024;
- q) **Exhibit B-8**: That certain Landowner Agreement and Notice of Assessment (Lakeside Meadows Public Improvement District), between the City and VATGA Developers, LLC, a Texas limited liability company, dated as of April 11, 2024;
- r) **Exhibit B-9**: That certain Landowner Agreement and Notice of Assessment (Lakeside Meadows Public Improvement District), between the City and NP Lakeside 130, LLC, a Missouri limited liability company (“NP Lakeside 130”), dated as of April 17, 2024;
- s) **Exhibit B-10**: That certain Landowner Agreement and Notice of Assessment (Lakeside Meadows Public Improvement District), between the City and Brightland Homes, Ltd., a Texas limited partnership, dated as of April 17, 2024;
- t) **Exhibit B-11**: That certain Landowner Agreement and Notice of Assessment (Lakeside Meadows Public Improvement District), between the City and Meritage Homes of Texas, LLC, an Arizona limited liability company, dated as of April 17, 2024;
- u) **Exhibit B-12**: That certain Landowner Agreement and Notice of Assessment (Lakeside Meadows Public Improvement District), between the City and Pecan Commerce Center ILP, LLC, a Delaware limited liability company, dated as of April 11, 2024;
- v) **Exhibit B-13**: That certain Landowner Agreement and Notice of Assessment (Lakeside Meadows Public Improvement District), between the City and Pecan Commerce Center ILP, LLC, a Delaware limited liability company, dated as of April 11, 2024;
- w) **Exhibit B-14**: That certain Landowner Agreement and Notice of Assessment (Lakeside Meadows Public Improvement District), between the City and Pecan Commerce Center ILP, LLC, a Delaware limited liability company, dated as of April 11, 2024;
- x) **Exhibit B-15**: That certain Landowner Agreement and Notice of Assessment (Lakeside Meadows Public Improvement District), between the City and USRLP Pflugerville II, LLC, a Delaware limited liability company, dated as of April 17, 2024;

- y) **Exhibit B-16**: That certain Landowner Agreement and Notice of Assessment (Lakeside Meadows Public Improvement District), between the City and USRLP Pflugerville II, LLC, a Delaware limited liability company, dated as of April 17, 2024;
- z) **Exhibit B-17**: That certain Landowner Agreement and Notice of Assessment (Lakeside Meadows Public Improvement District), between the City and DCV Austin II, Ltd., a Texas limited partnership, dated as of April 17, 2024;
- aa) **Exhibit B-18**: That certain Landowner Agreement and Notice of Assessment (Lakeside Meadows Public Improvement District), between the City and DCV Austin II, Ltd., a Texas limited partnership, dated as of April 17, 2024;

#### **Approved Certificates for Payment**

- bb) **Exhibit C-1**: Certificate for Payment #1;
- cc) **Exhibit C-2**: Certificate for Payment #3;
- dd) **Exhibit C-3**: Certificate for Payment #4;
- ee) **Exhibit C-4**: Certificate for Payment #5;

#### **Assignments and Amendments**

- ff) **Exhibit D-1**: That certain First Amendment to Lakeside Meadows Public Improvement District Reimbursement Agreement, between the City and the Developer, dated as of June 9, 2026;
- gg) **Exhibit D-2**: That certain Assignment of Weiss Lane Connection Project and Reimbursement Agreement and City Consent by and between the Developer and NP Lakeside 130, and consented to by the City, dated as of June 9, 2026, regarding the Weiss Lane Connection Project (as defined therein);
- hh) **Exhibit D-3**: That certain Pedestrian Bridge Project and Reimbursement Assignment Agreement by and between the Developer and the City, dated as of June 9, 2026, regarding the Pedestrian Bridge Project (as defined therein);

#### **Reimbursement Obligation**

In addition to the foregoing, the City hereby confirms the following:

1. That the 2024 (payable in 2025) Annual Installments (as defined in the Financing Agreement) as shown in **Exhibit E-1** are current and were paid in full at anticipated levels; and
2. That the Annual Installment schedules attached as **Exhibit E-2** for the District are accurate.

*[remainder of page intentionally left blank]*

With respect to the foregoing exhibits, where Council action was taken, such action was taken in compliance with Chapter 551 of the Texas Government Code. Where mailings were required pursuant to Chapter 372 of the Texas Local Government Code, such mailings were made in compliance with that Chapter. With respect to any contracts listed above and executed by the City, all disclosure filings and acknowledgements required by section 2252.908, Texas Governmental Code, and the Rules of the Texas Ethics Commission related to said provisions, have been made.

IN WITNESS WHEREOF, I have hereunto signed my name officially and affixed the seal of the City, this \_\_\_\_ day of \_\_\_\_\_, 2026.

---

City Secretary of the  
City of Pflugerville, Texas

[CITY SEAL]

**Exhibit A-1:**

**Exhibit A-2:**

**Exhibit A-3:**

**Exhibit A-4:**

**Exhibit A-5:**

**Exhibit A-6:**

**Exhibit A-7:**

**Exhibit A-8:**

**Exhibit A-9:**

**Exhibit B-1:**

**Exhibit B-2:**

**Exhibit B-3:**

**Exhibit B-4:**

**Exhibit B-5:**

**Exhibit B-6:**

**Exhibit B-7:**

**Exhibit B-8:**

**Exhibit B-9:**

**Exhibit B-10:**

**Exhibit B-11:**

**Exhibit B-12:**

**Exhibit B-13:**

**Exhibit B-14:**

**Exhibit B-15:**

**Exhibit B-16:**

**Exhibit B-17:**

**Exhibit B-18:**

**Exhibit C-1:**

**Exhibit C-2:**

**Exhibit C-3:**

**Exhibit C-4:**

**Exhibit D-1:**

**Exhibit D-2:**

**Exhibit D-3:**

**Exhibit E-1:**

**Exhibit E-2:**

**Exhibit C**  
**(Reserved)**

After Recording, Return to:

Winstead PC  
600 Travis Street, Suite 5200  
Houston, Texas 77002  
Attn: Kathryn Oakes

**ACKNOWLEDGEMENT AND CONSENT TO SALE AND  
ASSIGNMENT OF REIMBURSEMENTS**

THIS ACKNOWLEDGEMENT AND CONSENT TO SALE AND ASSIGNMENT OF REIMBURSEMENTS (this "Consent"), dated effective as of June \_\_, 2026 (the "Effective Date"), is entered into by and between **LAKESIDE MEADOWS LLC**, a Texas limited liability company ("Seller"), and the **CITY OF PFLUGERVILLE, TEXAS** ("City").

**RECITALS**

A. Seller is party to (i) that certain Lakeside Meadows Public Improvement District Reimbursement Agreement dated effective as of June 14, 2022, executed by Seller, as Developer, and City, as amended by that certain First Amendment to Lakeside Meadows Public Improvement District Reimbursement Agreement (the "First Amendment") dated effective as of June 9, 2026, by and between City and Seller, as Developer, as affected by that certain Weiss Lane Connection Project Reimbursement and Assignment Agreement and City Consent (the "Weiss Lane Assignment") dated effective as of June 9, 2026, between Seller, as Assignor, and NP Lakeside 130, LLC, a Missouri limited liability company, as Assignee, and consented to by the City, as further affected by that certain Pedestrian Bridge Project Reimbursement Assignment Agreement (the "Pedestrian Bridge Assignment", together with the Weiss Lane Assignment, collectively, the "Development Assignments") dated effective as of June 9, 2026, between Seller, as Assignor, and the City, as Assignee (as amended by the First Amendment and affected by the Development Assignments, the "PRA"), and (ii) that certain Lakeside Meadows Public Improvement District Financing Agreement dated as of May 14, 2024, executed by Seller, as Owner, and the City (as affected by the Development Assignments, the "PFA" together with the PRA, collectively, the "Reimbursement Agreement"), which Reimbursement Agreement relates to the real property more particularly described on Exhibit A attached hereto and incorporated herein by reference; whereby Seller is entitled to receive certain reimbursements and other amounts as provided in the Reimbursement Agreement.

B. The City has collected the Past Assessment Revenue (as defined in the First Amendment) with respect to Pledged Revenue (as defined in the PRA) for Improvement Area #1 (as defined in the First Amendment) of the Lakeside Meadows Public Improvement District (the "District") and for Improvement Area #2 (as defined in the First Amendment) of the District, and such Past Assessment Revenue has been or will be deposited or disbursed as provided in the First Amendment and the Development Assignments. The Past Assessment Revenue shall also be referred to as the "Retained Reimbursement Agreement Payments".

**ACKNOWLEDGMENT AND CONSENT TO SALE AND ASSIGNMENT OF REIMBURSEMENTS**

C. Pursuant to the First Amendment, City has agreed to deposit any Assessments identified and collected in accordance with the 2026 Service and Assessment Plan (as defined in the First Amendment) and subsequent Service and Assessment Plans, together with any future prepayments, into the Future Assessment Revenue Account (as defined in the First Amendment).

D. Simultaneously with the effectiveness of this Consent, Seller and **ORIX PUBLIC FINANCE, LLC**, a Delaware limited liability company ("Assignee") have entered into that certain Purchase, Sale and Assignment Agreement (the "Sale and Assignment Agreement") whereby Seller sold, transferred, delivered and assigned Seller's right, title, interest, estate, claims and demands in and to reimbursement for the costs of the Authorized Improvements (as defined in the Sale and Assignment Agreement), specifically with respect to the Reimbursement Obligation (as defined in the Reimbursement Agreement) (hereinafter referred to as the "Assigned Reimbursable Costs"), including, without limitation the right of Seller to receive amounts due by City from the Pledged Revenues deposited in the Operating Fund (as defined in the Reimbursement Agreement) or reimbursement fund created by an Indenture (as defined in the Reimbursement Agreement) in accordance with the terms of such Indenture until an amount equaling the Total Assigned Reimbursable Amount (as defined in the Sale and Assignment Agreement) has been paid to Purchaser (together, the "Assigned Property"), subject to Seller's right to receive or further assign the Retained Reimbursement Agreement Payments. For clarity and the avoidance of doubt, the Assigned Property shall include all amounts in the the Future Assessment Revenue Account (as defined in the First Amendment) but shall not include any Retained Reimbursement Agreement Payments.

E. Simultaneously with the effectiveness of this Consent, Seller and Assignee have further entered into that certain Assignment of Reimbursements (the "Assignment"), which shall be recorded in the Real Property Records of Travis, Texas, to memorialize the assignment of the Assigned Property.

F. Seller and City have agreed to execute this Consent to evidence: (a) City's consent to the sale and assignment of the Assigned Property, and (b) certain other agreements with respect to the Sale and Assignment Agreement and the Reimbursement Agreement.

#### AGREEMENT:

NOW, THEREFORE, based upon the foregoing background, which the parties agree to be true and correct, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Consent to Assignment and Sale and Assignment. City acknowledges that it has received a copy of each of the Sale and Assignment Agreement and the Assignment. City hereby acknowledges and consents to the Assignment, the Sale and Assignment Agreement, and the terms and conditions contained therein.

2. Payment of Reimbursement Amount. Seller hereby irrevocably and unconditionally authorizes and directs City to pay, and City unconditionally and irrevocably agrees to pay, all Assigned Property pursuant to the payment instructions set forth below until such time

as the Sale and Assignment Agreement has terminated pursuant to the terms thereof (or pursuant to such other written payment instructions as Assignee may provide from time to time):

Bank Name: Bank of America  
City/State: Dallas, TX  
Routing Number: 026-009-593  
Account Number: 4451758318  
Account Name: ORIX Public Finance LLC  
Attn: ORIX Public Finance  
REF: Lakeside Meadows PID

Confirmation Contact: William Davis (214) 237-2048

In furtherance thereof, any contrary payment instructions received by City (including from Seller) with respect to the Assigned Property (other than instructions from Assignee) shall be void *ab initio* and shall be disregarded for all purposes. Notwithstanding anything in the Reimbursement Agreement to the contrary, Seller acknowledges and agrees that any payment of the Assigned Property in accordance with this Section 2 shall be in satisfaction of City's obligations under the Reimbursement Agreement.

3. Representations, Warranties, and Agreements. City hereby acknowledges and agrees that Seller is the current holder of the Assigned Property. City hereby represents and warrants that City has not previously provided its consent to any transfer, encumbrance, assignment or collateral assignment of the Assigned Property by Seller, that the Reimbursement Agreement constitutes the valid and binding obligation of the City, and that the Reimbursement Agreement is enforceable against the City in accordance with its terms. City further represents, warrants, acknowledges and agrees as follows: (i) that the current and outstanding reimbursable costs owed to Seller, in an aggregate principal amount equal to \$25,206,458.00 (the "Current Reimbursable Costs"), have been approved by the City in connection with Authorized Improvements which have been inspected and finally accepted by the City, and are fully reimbursable pursuant to the provisions of the Reimbursement Agreement, and such payment obligation is absolute, unconditional and irrevocable; (ii) that Seller (a) has performed all obligations required to be performed in order to be entitled to payment in full of the Current Reimbursable Costs under the Reimbursement Agreement and (b) is not in default as of the date hereof, no default, event of default or other act or omission under the Reimbursement Agreement or otherwise from and after the date hereof would result in the Current Reimbursable Costs not being payable to Assignee pursuant to the Sale and Assignment Agreement, and no default, event of default or other act or omission by Seller or any of its affiliates related to the completed or subsequent buildout of the City will in any way affect Assignee's right to the future receipt of the Assigned Property; and (iii) reimbursable costs in excess of the Current Reimbursable Costs will become due and payable from time to time in accordance with the provisions of the Reimbursement Agreement, and such Reimbursable Costs will be paid by the City to Assignee until such time as the Sale and Assignment Agreement has terminated pursuant to the terms thereof (or pursuant to such other written payment instructions as Assignee may provide from time to time).

4. Default. City agrees that, upon the occurrence of a default or event of default under the Reimbursement Agreement:

(a) City shall give Assignee written notice of such default or event of default via (i) a nationally-recognized courier that obtains receipts, (ii) personal delivery by a courier that obtains receipts, (iii) United States certified mail (with return receipt requested and postage prepaid) or (iv) electronic mail, provided a confirmatory copy is sent by one of the other methods described in clauses (i) through (iii) on the following business day, in each case addressed as follows:

ORIX Public Finance, LLC  
2001 Ross Avenue, Suite 1900  
Dallas, Texas 75201  
Attn: Rob Wetzler  
Email: Rob.Wetzler@orix.com

With a copy to:

ORIX Corporation USA  
2001 Ross Avenue, Suite 1900  
Dallas, Texas 75201  
Attn: Legal Department  
Email: LegalTransactionsPE@orix.com

Each notice shall be effective upon being so delivered, but the time period for response or action shall run from the date of receipt as shown on the delivery receipt; provided that if received after 5:00 p.m. local time (where received) or on a day other than a business day, receipt shall be deemed to be the following business day. Refusal to accept delivery or the inability to deliver because of a changed address for which no notice was given shall be deemed delivered. Assignee may periodically change its address for notice and specify up to two (2) additional addresses for copies by giving the City at least ten (10) days' prior notice.

(b) City shall give Assignee a reasonable opportunity to cure such default or event of default, not to exceed (i) thirty (30) days or (ii) such other period longer than thirty (30) days as may be consented to in writing by City, such consent not to be unreasonably withheld provided Assignee informs City of its continuing diligent pursuit of the cure of a default or event of default which cannot reasonably be expected to be cured within thirty (30) days.

5. Recognition. City acknowledges that, pursuant to the Assignment, Seller has granted Assignee the right, but not the obligation, to cure any breach, default or event of default by Assignor under the Reimbursement Agreement and the right to succeed to the rights and interests of Seller under the Reimbursement Agreement in order to cure any breach, default or event of default and to enforce Assignee's rights in the Assigned Property. Assignee, as a "Transferee" under and as defined in the Reimbursement Agreement, shall have no obligation to construct or complete any of the Authorized Improvements and City agrees to look solely to Seller

or persons or entities other than Assignee with respect to any such construction and/or completion obligations. City agrees, following City's receipt of written notice from Assignee, to permit Assignee to succeed to the rights and interests of Seller under the Reimbursement Agreement in order to enforce Assignee's rights in the Assigned Property; provided that, in furtherance of the foregoing, in the event that such notice is given by Assignee to the City, City shall have no duty of investigation to determine whether any breach, default or event of default actually exists.

6. No Amendment. City agrees to not to enter into or accept any amendment, restatement, supplement, termination, assignment, transfer or surrender of this Consent or the Reimbursement Agreement without the prior written consent of Assignee. Any such action without the consent of Assignee shall be void *ab initio*.

7. Reliance; Third Party Beneficiary. City acknowledges and agrees that City and Seller are entering into this Consent for purposes of inducing Assignee to enter into the Sale and Assignment Agreement. As a result, Assignee is an intended third party beneficiary of this Consent with full and unconditional authority to enforce the terms and conditions of this Consent as though it were a party hereto. City and Seller acknowledge and agree that Seller obtaining the purchase price under the Sale and Assignment Agreement from Assignee provides a material benefit to Seller in furtherance of the satisfaction of Seller's obligations under the Reimbursement Agreement and further acknowledge that, but for the existence of this Consent, Assignee would not enter into the Sale and Assignment Agreement.

8. Jurisdiction; Governing Law. If any provision of this Consent is adjudicated by a court having jurisdiction over a dispute arising herefrom to be invalid or otherwise unenforceable for any reason, such invalidity or unenforceability shall not affect the other provisions hereof. This Consent shall be governed and construed in accordance with the laws of the State of Texas, without giving effect to principles of conflicts of law, and venue shall lie exclusively in Travis County, Texas.

9. Counterparts. This Consent may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one (1) and the same agreement, binding on the parties hereto. The signature of any party hereto to any counterpart hereof shall be deemed a signature to, and may be appended to, any other counterpart hereof.

10. Intentionally Omitted.

11. Termination of Sale and Assignment. At such time that the Assigned Property has been indefeasibly paid in full, this Consent and all of Assignee's right, title and interest hereunder shall automatically terminate. Pursuant to the terms of the Sale and Assignment Agreement, upon payment in full of the Assigned Property, Assignee has agreed to promptly execute and deliver such releases as Seller may reasonably request evidencing the termination of the Assignment and this Consent, at Seller's sole cost and expense.

12. No Conflict. Except as otherwise set forth in this Consent, the City's consent and execution below is not to be interpreted or construed as an amendment to or diminution in any manner of the City's rights and privileges pursuant to the Reimbursement Agreement.

13. Notices. Except as set forth herein, any notice, request, demand, consent, approval, direction, agreement, or other communication required or permitted under the Sale and Assignment Agreement or the Assignment shall be in writing and shall be validly given if sent in accordance with the Reimbursement Agreement.

14. Verifications of Statutory Representations and Covenants. Seller makes the following representations and covenants pursuant to Chapters 2252, 2270, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Consent. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with Seller 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 Consent shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Consent, notwithstanding anything in this Consent to the contrary.

(a) Not a Sanctioned Company. Seller 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 Seller 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. Seller 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 Consent. As used in the foregoing verification, "boycott Israel" has the meaning provided in Section 2271.001, Government Code.

(c) No Discrimination Against Firearm Entities. Seller 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 Consent. 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. Seller 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 Consent. As used in the foregoing verification, "boycott energy companies" has the meaning provided in Section 2276.001(1), Government Code.

(e) As required by Subchapter J, Chapter 552, Government Code, Seller agrees that it will:

(1) preserve all contracting information related to this Consent as provided by the records retention requirements applicable to the City for the duration of this Consent;

(2) promptly provide to the City any contracting information related to this Consent that is in the custody or possession of Seller on request of the City; and

(3) on completion of this Consent, either:

(i) provide at no cost to the City all contracting information related to this Consent that is in the custody or possession of Seller; or

(ii) preserve the contracting information related to this Consent as provided by the records retention requirements applicable to the City.

For purposes of this section, "contracting information" has the meaning assigned by Section 552.003, Texas Government Code.

15. Seller Representations. Seller hereby represents to the City that (a) neither the Sale and Assignment Agreement nor the Assignment will result in the payments under the Reimbursement Agreement being pledged to the payment of debt service on public securities issued by any other state of the United States or political subdivision thereof or will result in the issuance of municipal securities by any other state of the United States or political subdivision thereof, and (b) the sale and assignment of the Assigned Property to Assignee and the assignments evidenced by the Sale and Assignment Agreement and the Assignment have been deemed to be a "Transfer" (as defined in the Reimbursement Agreement) permitted under the Reimbursement Agreement, resulting in Assignee being a "Transferee" (as defined in the Reimbursement Agreement) under the Reimbursement Agreement.

[SIGNATURES APPEAR ON FOLLOWING PAGE]



**CITY:**

**CITY OF PFLUGERVILLE, TEXAS**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF TEXAS                    §  
  §  
COUNTY OF TRAVIS            §

This instrument was acknowledged before me on \_\_\_\_\_, 2026, by  
\_\_\_\_\_, \_\_\_\_\_ of the **CITY OF  
PFLUGERVILLE, TEXAS**, on behalf of said city.

\_\_\_\_\_  
Notary Public, State of Texas

## EXHIBIT A

### DESCRIPTION OF REAL PROPERTY



#### FIELD NOTES FOR

A 415.361 ACRE TRACT OF LAND, SITUATED IN THE W. CALDWELL SURVEY, SECTION NO. 66, ABSTRACT NO. 162, IN THE E. KIRKLAND SURVEY, ABSTRACT NO. 458 AND IN THE J.P. SHERWOOD SURVEY, OF TRAVIS COUNTY, TEXAS BEING A PORTION OF THE REMNANT PORTION OF A CALLED 62 1/2 ACRE TRACT CONVEYED TO EMIL A. & MARIE BOHLS, RECORDED IN VOLUME 871, PAGE 488 OF THE DEED RECORDS OF TRAVIS COUNTY, TEXAS, BEING ALL OF THE REMNANT PORTION OF A CALLED 5.00 ACRE TRACT DATED MARCH 14, 1978 AND ALL OF THE REMNANT PORTION OF A CALLED 5.00 ACRE TRACT, DATED JULY 26, 1974, BOTH CONVEYED TO JAMES R. BOHLS, RECORDED IN VOLUME 10951, PAGE 53 OF THE REAL PROPERTY RECORDS OF TRAVIS COUNTY, TEXAS, BEING ALL OF A CALLED 63.147 ACRE TRACT CONVEYED TO USRLP PFLUGERVILLE, LLC, RECORDED IN DOCUMENT NO. 202001897 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS, BEING THE REMNANT PORTION OF A CALLED 281.80 ACRE TRACT CONVEYED TO CACTUS COMMERCIAL SOUTH, LP RECORDED IN DOCUMENT NO. 2014095553 OF THE OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS, BEING ALL OF A CALLED 1.374 ACRE TRACT OF LAND AS DEFINED IN "EXHIBIT A" IN CONTRACT FOR EXCHANGE OF REAL PROPERTY, IN AN UNRECORDED DOCUMENT BETWEEN TIMMERMAN FARMS, LTD., AND CACTUS COMMERCIAL SOUTH, LP. SAID 415.361 ACRE TRACT BEING MORE FULLY DESCRIBED AS FOLLOWS, WITH BEARINGS BASED ON THE NORTH AMERICAN DATUM OF 1983 (NA 2011) EPOCH 2010.00, FROM THE TEXAS COORDINATE SYSTEM ESTABLISHED FOR THE CENTRAL ZONE:

**BEGINNING** at an iron rod with cap marked "McGray & McGray" found in the north right-of-way line of Pecan Street East, a variable width right-of-way, said point being the southeast corner of the Remnant Portion of said 5.00-acre tract dated July 26, 1974, also being the southwest terminus of Wiess Lane, a variable width right-of-way, for the southeast corner and **POINT OF BEGINNING** hereof;

**THENCE N 62°24'35" W**, with the north right-of-way line of said Pecan Street East, same being the south boundary line of said 5.00-acre tract dated July 26, 1974, a distance of **782.17 feet** to a 3/8" iron rod found at the southwest corner of said 5.00-acre tract dated July 26, 1974, same being the southeast corner of said 63.147-acre tract for an angle point in the south boundary line hereof;

**THENCE N 62°40'06" W**, with the north right-of-way of said Pecan Street East, same being the south boundary line of said 63.147-acre tract, a distance of **836.85 feet** to a 3/8" iron rod found for an angle point hereof;

**THENCE N 27°19'54" E**, with the east right-of-way of said Pecan Street East, same being the west boundary line of said 63.147-acre tract, a distance of **39.47 feet** to a 3/8" iron rod found for an angle point hereof;

**THENCE N 62°40'06" W**, with the north right-of-way of said Pecan Street East, same being the south boundary line of said 63.147-acre tract, a distance of **914.44 feet** to an iron rod with cap marked "TXDOT" found at a point in the northeast right-of-way line of Texas Toll Road 130, a variable width right-of-way recorded in Document Numbers 2004003227, 2004009078, and 2004016877 of the Official Public Records of said county for a point at the southernmost southwest corner and point of non-tangent curvature hereof;

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**THENCE** along the arc of a curve to the right, with the northeast right-of-way line of said Texas Toll Road 130, same being the southwest boundary line of said 63.147-acre tract, said curve having a radius of **100.00 feet**, a central angle of **48°30'37"**, a chord bearing and distance of **N 38°24'44" W, 82.16 feet**, an arc length of **84.67 feet** to an iron rod with cap marked "TXDOT" found at a point of non-tangency hereof;

**THENCE N 14°09'23" W**, with the northeast right-of-way line of said Texas Toll Road 130, same being the southwest boundary line of said 63.147-acre tract, a distance of **1246.00 feet** to a 1/2" iron rod with yellow cap marked "Pape-Dawson" found on a point in the northeast right-of-way line of said Texas Toll Road 130, said point being the northwest corner of said 63.147-acre tract, same being the southwest corner of the Remnant Portion of said 281.80-acre tract for an angle point hereof;

**THENCE N 14°02'32" W**, continuing with the northeast right-of-way line of said Texas Toll Road 130, same being the southwest boundary line of the Remnant Portion of said 281.80-acre tract, a distance of **892.18 feet** to a 1/2" iron rod with yellow cap marked "Pape-Dawson" set for an angle point in the west boundary line hereof;

**THENCE N 22°26'44" W**, continuing with the northeast right-of-way line of said Texas Toll Road 130, same being the southwest boundary line of the Remnant Portion of said 281.80-acre tract, a distance of **340.35 feet** to a 1/2" iron rod with yellow cap marked "Pape-Dawson" set on point in the northeast right-of-way line of said Texas Toll Road 130, said point being the southeast corner of a called 1.450-acre exchange tract as defined as "Exhibit C" in the aforementioned Contract For Exchange Of Real Property, same being a southwest corner of the Remnant Portion of said 281.80-acre tract for the westernmost southwest corner hereof;

**THENCE N 27°36'39" E**, departing the east right-of-way line of said Texas Toll Road 130, with the west boundary line of the Remnant Portion of said 281.80-acre tract, same being the east boundary line of said 1.450-acre tract, a distance of **647.26 feet** to an 1/2" iron rod with yellow cap marked "Pape-Dawson" set at the northeast corner of said 1.450-acre tract, same being the southwest ell corner of the Remnant Portion of said 281.80-acre tract for a point of non-tangent curvature hereof;

**THENCE** along the arc of a curve to the left, with a south boundary line of the Remnant Portion of said 281.80-acre tract, same being the north boundary line of said 1.450-acre tract, said curve having a radius of **755.00 feet**, a central angle of **08°37'38"**, a chord bearing and distance of **N 80°41'44" W, 113.58 feet**, for an arc length of **113.68 feet** to an 1/2" iron rod with yellow cap marked "Pape-Dawson" set at a southeast ell corner of the Remnant Portion of said 281.80-acre tract, same being the northwest corner of said 1.450-acre tract, same being a point in the east boundary line of the aforementioned 1.374-acre exchange tract for a southeast ell corner hereof;

**THENCE S 27°36'39" W**, with the east boundary line of said 1.374-acre tract, same being the west boundary line of said 1.450-acre tract, a distance of **10.85 feet** to a ½" iron rod with yellow cap marked "Pape-Dawson" set on a point in the west boundary line of said 1.450-acre tract, same being the east boundary line of said 1.374-acre tract, said point being a north corner of a Remnant Portion of a called 97 ½-acre tract conveyed to Timmerman Farms Ltd., recorded in Document No. 2004240371 of the Official Public Records of Travis County, Texas for a point of non-tangent curvature and southeast corner hereof;

**THENCE** with the south boundary line of said 1.374-acre tract, same being the north boundary line of a Remnant Portion of said 97 ½-acre tract the following three (3) courses and distances:

1. along the arc of a curve to the left, having a **radius of 745.00 feet**, a **central angle of 18°20'58"**, a **chord bearing and distance of S 85°29'43" W, 237.58 feet**, for an **arc length of 238.59 feet** to a ½" iron rod with yellow cap marked "Pape-Dawson" set for a point of non-tangency hereof,
2. **S 76°19'13" W**, a distance of **88.38 feet** to a ½" iron rod with yellow cap marked "Pape-Dawson" set for a point of curvature hereof, and
3. along the arc of a curve to the left, having a **radius of 40.00 feet**, a **central angle of 26°30'49"**, a **chord bearing and distance of S 63°03'49" W, 18.35 feet**, for an **arc length of 18.51 feet** to a ½" iron rod with yellow cap marked "Pape-Dawson" found on a point in the northeast right-of-way line of said Texas Toll Road 130, said point being the south corner of said 1.374-acre tract, same being the west corner of a Remnant Portion of said 97 ½-acre tract for the westernmost southwest corner hereof;

**THENCE N 14°13'15" W**, with the northeast right-of-way line of said Texas Toll Road 130, same being the southwest boundary line of said 1.374-acre tract, a distance of **328.35 feet** to a ½" iron rod with yellow cap marked "Pape-Dawson" set on a point in the northeast right-of-way line of said Texas Toll Road 130, said point being the south corner of a Remnant Portion of said 97 ½-acre tract, same being the westernmost northwest corner of said 1.374-acre tract for a point of non-tangent curvature for the westernmost northwest corner hereof;

**THENCE** along the arc of a curve to the left, departing the northeast right-of-way line of said Texas Toll Road 130, with the north boundary line of said 1.374-acre tract, same being the south boundary line of a Remnant Portion of said 97 ½-acre tract, said curve having a **radius of 390.00 feet**, a **central angle of 55°42'25"**, a **chord bearing and distance of S 64°13'08" E, 364.43 feet**, for an **arc length of 379.19 feet** to a ½" iron rod with yellow cap marked "Pape-Dawson" set for a point of reverse curvature hereof;

**THENCE** along a reverse curve to the right, continuing with the north boundary line of said 1.374-acre tract, same being the south boundary line of a Remnant Portion of said 97 ½-acre tract, said curve having a **radius of 855.00 feet**, a **central angle of 09°49'44"**, a **chord bearing and distance of S 87°09'29" E, 146.49 feet**, for an **arc length of 146.67 feet** to a ½" iron rod with yellow cap marked "Pape-Dawson" set on a point on the west boundary line of a called 1.185-acre exchange tract as defined as "Exhibit B" in the aforementioned Contract For Exchange Of Real Property for a northwest ell corner hereof;

**THENCE S 27°36'39" W**, with the east boundary line of said 1.450-acre tract, same being the west boundary line of said 11.85-acre tract, a distance of **10.64 feet** to a ½" iron rod with yellow cap marked "Pape-Dawson" found on a point in a north boundary line of the Remnant Portion of said 281.80-acre tract, said point being the southwest corner of said 1.185-acre tract for a northeast ell corner hereof;

**THENCE** along the arc of a curve to the right, with a north boundary line of the Remnant Portion of said 281.80-acre tract, same being the south boundary line of said 1.185-acre tract, said curve having a radius of **845.00 feet**, a **central angle** of **07°37'22"**, a **chord bearing and distance** of **5 78°40'39" E, 112.34 feet**, for an **arc length** of **112.42 feet** to a ½" iron rod with yellow cap marked "Pape-Dawson" set at a northwest ell corner of the Remnant Portion of said 281.80-acre tract, same being the southeast corner of said 1.185-acre tract for a northwest ell corner hereof;

**THENCE N 27°36'39" E**, with a west boundary line of the Remnant Portion of said 281.80-acre tract, same being the east boundary line of said 1.185-acre tract, a distance of **465.68 feet** to a ½" iron rod found at a northwest ell corner of said 281.80-acre tract, same being a southeast corner of a Remnant Portion of said 97 ½-acre tract for a northwest ell corner hereof;

**THENCE N 27°10'10" E**, with the west boundary line of said 281.80-acre tract, same being the east boundary line of said 97 ½-acre tract, a distance of **2143.06 feet** to a ½" iron rod found in the east boundary line of said 97 ½-acre tract, same being a northwest corner of said 281.80-acre tract, also being the southwest corner of a called 11.00-acre tract recorded in Volume 7607, Page 974 of the Deed Records of Travis County, Texas, conveyed to Bob and Emma Nicholas in Volume 11418, Page 1139 of the Real Property Records of Travis County, Texas for a northwest corner hereof;

**THENCE S 62°58'15" E**, departing the east boundary line of said 97 ½-acre tract, with a north boundary line of said 281.80-acre tract, same being the south boundary line of said 11.00-acre tract, a distance of **1362.04 feet** to a ½" iron rod found at the southeast corner of said 11.00 tract, same being a northwest ell corner of said 281.80-acre tract for a northwest ell corner hereof;

**THENCE N 27°11'57" E**, with the west boundary line of said 281.80-acre tract, same being the east boundary line of said 11.00-acre tract, with the east boundary line of called 7.00-acre tract recorded in Volume 7229, Page 224 of the Deed Records of Travis County, Texas, conveyed to Bob and Emma Nicholas in Volume 11418, Page 1139 of the Real Property Records of Travis County, Texas and in part with the east boundary line of a called 58.06-acre tract recorded in Volume 7082, Page 618 of the Deed Records of Travis County, Texas, conveyed to Bob and Emma Nicholas in Volume 11418, Page 1139 of the Real Property Records of Travis County, Texas a distance of **1078.82 feet** to a ½" iron rod with yellow cap marked "Pape-Dawson" set at a northwest corner of said 281.80-acre tract, same being a point in the east boundary line of said 58.06-acre tract for a northwest corner hereof;

**THENCE S 58°15'32" E**, with a north boundary line of said 281.80-acre tract, a distance of **29.68 feet** to a ½" iron rod with yellow cap marked "Pape-Dawson" set at the northwest corner of said 281.80-acre tract, same being a point in the said 50.68-acre tract, for a northwest ell corner hereof;

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**THENCE N 27°09'27" E**, with the west boundary line of said 50.68-acre tract, a distance of **83.38 feet** to an iron rod with cap illegible cap found in the south right-of-way line of East Pflugerville Parkway, a variable width right-of-way, said point being the northernmost northwest corner of said 281.80-acre tract, same being a southwest corner of a called 144.291-acre tract conveyed to the City of Pflugerville recorded in Document No. 2002007069 of the Official Public Records of Travis County, Texas for the northernmost northwest corner hereof;

**THENCE S 51°27'52" E**, with the south right-of-way line of said East Pflugerville Parkway, same being the north boundary line of said 281.80-acre tract, a distance of **1215.02 feet** to an iron rod with cap illegible cap at a point of non-tangent curvature hereof;

**THENCE** along the arc of a curve to the left, continuing with the with the south right-of-way line of said East Pflugerville Parkway, same being the north boundary line of said 281.80-acre tract, said curve having a radius of **955.00 feet**, a central angle of **12°31'58"**, a chord bearing and distance of **S 57°43'49" E, 208.48 feet**, for an arc length of **208.89 feet** to a 1/4" Iron rod with yellow cap marked "Pape-Dawson" set at a point in the south right-of-way line of said East Pflugerville Parkway, said point being the northeast corner of said 281.80-acre tract, same being the northwest corner of a called 164.4-acre tract conveyed to Weiss Et. Al., recorded in Document No. 2001065236 of the Official Public Records of Travis County, Texas for the northeast corner hereof;

**THENCE S 27°23'07" W**, departing the south right-of-way line of said East Pflugerville Parkway, with the east boundary line of said 281.80-acre tract, same being the west boundary line of said 164.4-acre tract, a distance of **335.62 feet** to a 1/2" iron rod found at an angle point in the east boundary line of said 281.80-acre tract, said point being the southwest corner of said 164.4-acre tract, same being the northwest corner of a called 29.153-acre tract conveyed to Don & Gladys Weiss, recorded in Volume 5161, Page 1611 of the Deed Records of Travis County, Texas for an angle point hereof;

**THENCE S 27°18'01" W**, continuing with the east boundary line of said 281.80-acre tract, same being the west boundary line of said 29.153-acre tract, a distance of **901.50 feet** to a 1/2" Iron rod found at an angle point in the east boundary line of said 281.80-acre tract, said point being the southwest corner of said 29.153-acre tract, same being the northwest corner of a called 32.290-acre tract conveyed to Don & Gladys Weiss, recorded in Document No. 2008172152 of the Official Public Records of Travis County, Texas for an angle point hereof;

**THENCE S 27°17'05" W**, continuing with the east boundary line of said 281.80-acre tract, same being the west boundary line of said 32.290-acre tract, a distance of **902.41 feet** to an iron rod with cap illegible cap found at an angle point in the east boundary line of said 281.80-acre tract, said point being the southwest corner of said 32.290-acre tract, same being the northwest corner of a called 32.290-acre tract conveyed to Weiss Et Al., recorded in Document No. 2001065238 of the Official Public Records of Travis County, Texas for an angle point hereof;

**THENCE S 27°19'48" W**, continuing with the east boundary line of said 281.80-acre tract, same being the west boundary line of said 32.290-acre tract, a distance of **910.68 feet** to a 1/2" Iron rod with yellow cap marked "Pape-Dawson" set at the northeast ell corner of said 281.80-acre tract, same being the southwest corner of said 32.290-acre tract for the northeast ell corner hereof;

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**THENCE S 62°41'06" E**, with a north boundary line of said 281.80-acre tract, same being the south boundary line of said 32.290-acre tract, a distance of **698.90 feet** to an Iron rod with illegible cap for an angle point in the north boundary line of said 281.80-acre tract, same being an angle point in the south boundary line of said 32.290-acre tract for an angle point hereof;

**THENCE S 62°32'14" E**, continuing with a north boundary line of said 281.80-acre tract, same being the south boundary line of said 32.290-acre tract, a distance of **792.78 feet** to a ½" iron rod with yellow cap marked "Pape-Dawson" set in the east right-of-way line of said Weiss Lane, said point being the easternmost northeast corner of said 281.80-acre tract, same being the southwest corner of said 32.290-acre tract for the easternmost northeast corner hereof;

**THENCE S 27°18'28" W**, with the east boundary line of said 281.80-acre tract, same being the west boundary line of said Weiss Lane, a distance of **25.90 feet** to a ½" iron rod with yellow cap marked "Pape-Dawson" set at the easternmost southeast corner of said 281.80-acre tract, same being the northeast corner of the Remnant Portion of a called 5.10-acre tract of land conveyed to Helen Noneman, recorded in Document No. 2012194992 of the Official Public Records of Travis County, Texas for the easternmost southeast corner hereof;

**THENCE N 62°32'07" W**, departing the west right-of-way line of said Weiss Lane, with a south boundary line of said 281.80-acre tract, same being the north boundary line of the Remnant Portion of said 5.10-acre tract, a distance of **792.38 feet** to a ½" iron rod with yellow cap marked "Pape-Dawson" set at the northwest corner of the Remnant Portion of said 5.10-acre tract, same being a southeast ell corner of said 281.80-acre tract for a southeast ell corner hereof;

**THENCE S 27°05'44" W**, with the east boundary line of said 281.80-acre tract, same being the west boundary line of said 5.10-acre tract and the west boundary line of a called 62 ½-acre tract, conveyed to James R. Bolhs, recorded in Volume 871, Page 488 of the Deed Records of Travis County, Texas, a distance of **1334.58 feet** to a calculated point in the east boundary line of said 281.80-acre tract, same being the west boundary line of said 63.147-acre tract for a northeast ell corner hereof,

**THENCE S 64°52'34" E**, departing the east boundary line of said 63.147-acre tract, through the interior of said 62 ½-acre tract, a distance of **818.29 feet** to a calculated point in the west right-of-way line of aforementioned Weiss Lane for a northeast corner hereof;

**THENCE** with the west right-of-way line of said Weiss Lane, same being the east boundary line of the Remnant Portion of said 62 ½-acre tract, and, in part, with the east boundary line of the Remnant Portion of aforementioned 5.00-acre dated March 14, 1978 and, in part, with the east boundary line of the remnant portion of said 5.00-acre tract, dated July 26, 1974 the following six (6) courses and distances:

1. **S 26°45'52" W**, a distance of **881.76 feet** to an iron rod with cap marked "McGray & McGray" found for an angle point hereof,
2. **S 20°28'43" W**, a distance of **100.84 feet** to a calculated angle point hereof,

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3. **S 26°45'00" W**, a distance of **543.36 feet** to an iron rod with cap marked "McGray & McGray" found for an angle point hereof,
4. **N 62°14'15" W**, a distance of **13.08 feet** to an iron rod with cap marked "McGray & McGray" found for an angle point hereof,
5. **S 26°47'38" W**, a distance of **212.77 feet** to an iron rod with cap marked "McGray & McGray" found for an angle point hereof, and
6. **S 71°55'13" W**, a distance of **62.00 feet** to the **POINT OF BEGINNING** and containing **415.361 acres** in the City of Pflugerville in Travis County, Texas. Said tract being described in accordance with an exhibit prepared under Job No. 50627-00 by Pape-Dawson Engineers, Inc.

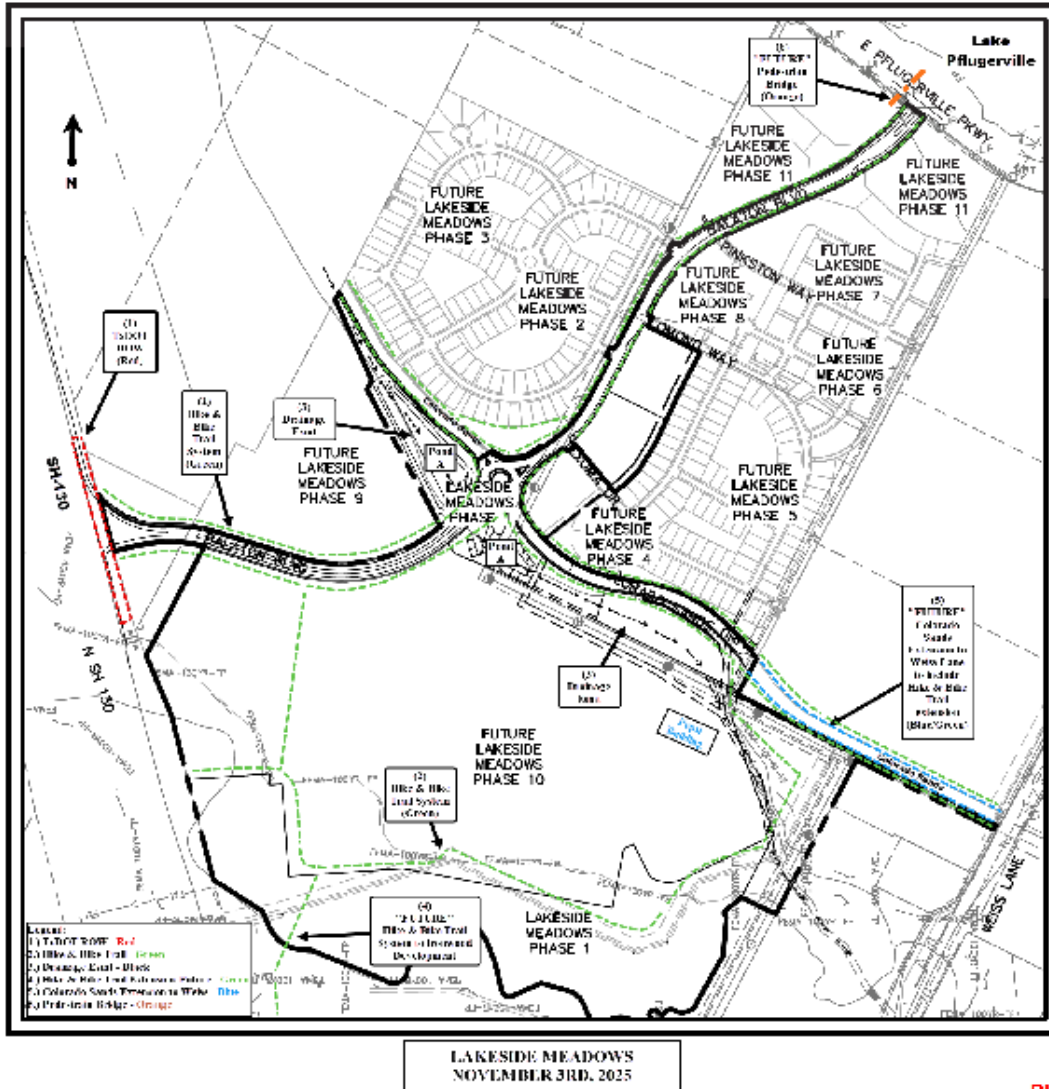
PREPARED BY: Pape-Dawson Engineers, Inc.  
DATE: March 4, 2021  
JOB No.: 50627-00  
DOC.ID.: H:\Survey\CIVIL\50627-00\Exhibits\Word\FNS0627-00\_415.361Ac\_PID.docx  
TBPE Firm Registration #470  
TBPLS Firm Registration #100288-01



## Exhibit D

### Public Improvement Map and Descriptions

(Weiss Lane Connection Project and Pedestrian Bridge Project)

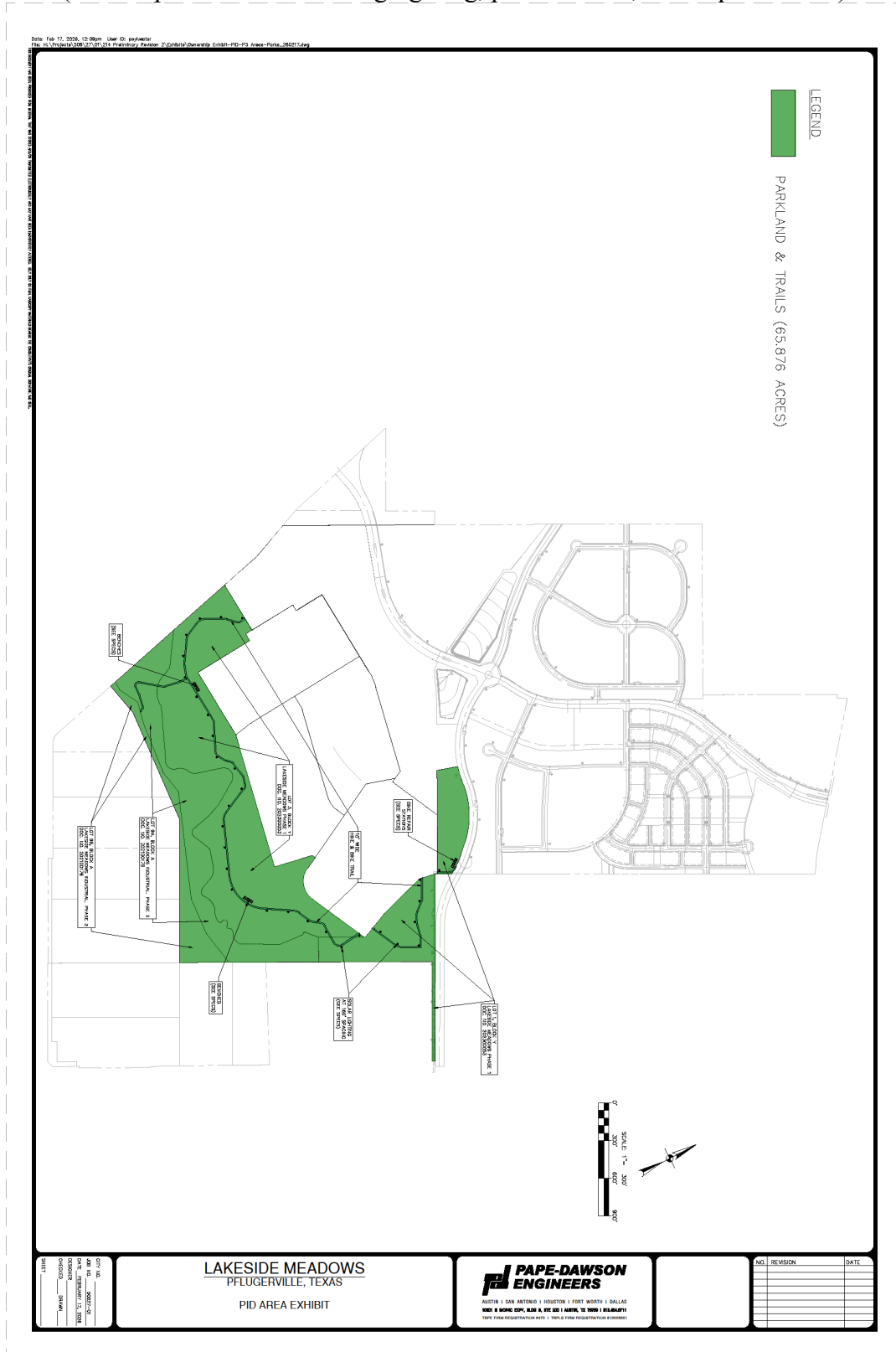




# Exhibit F

## Trails and Park Improvements

(Park improvements including lighting, park benches, bike repair station)



**LAKESIDE MEADOWS PUBLIC IMPROVEMENT DISTRICT  
FINANCING AGREEMENT**

**BETWEEN**

**LAKESIDE MEADOWS, LLC, a Texas limited liability company**

**AND**

**THE CITY OF PFLUGERVILLE, TEXAS**

**LAKESIDE MEADOWS PUBLIC IMPROVEMENT DISTRICT  
FINANCING AGREEMENT**

This Lakeside Meadows Public Improvement District Financing Agreement (this “**Agreement**”), dated as of \_\_\_\_\_, 2024 (the “**Effective Date**”), is entered into between **LAKESIDE MEADOWS, LLC**, a Texas limited liability company (together, and including its Designated Successors and Assigns, the “**Owner**”), and the **CITY OF PFLUGERVILLE, TEXAS** (the “**City**”), a municipal corporation, acting by and through its duly authorized representative. Definitions used herein are set forth in Exhibit “A” attached hereto and made a part hereof and in the Service and Assessment Plan.

**Recitals:**

WHEREAS, Owner and the Additional Owners own a total of approximately 416 acres of land more particularly described on Exhibit “B” attached hereto and made a part hereof (the “**Property**”);

WHEREAS, the Property will be developed as a mixed use development in accordance with a Planned Unit Development (the “**PUD**”) adopted by the City pursuant to Ordinance No. 1427-20-01-28, as amended by Ordinance No. 1203-15-02-24 and Ordinance No. 1539-22-02-22;

WHEREAS, the City Council authorized the formation of the Lakeside Meadows Public Improvement District (the “**District**”) pursuant to Resolution No. 1763-20-05-12-0721 on May 12, 2020 (the “**Original Creation Resolution**”) in accordance with the PID Act;

WHEREAS, on July 12, 2022, after due notice, the City Council held a public hearing in the manner required by law on the advisability of the improvement projects described in an amended and restated petition, revised to reflect the change in boundaries of the District, and on September 13, 2022, the City Council made the findings required by Section 372.009(b) of the PID Act and, by Resolution No. 1991-22-09-13-1014 (the “**Amended and Restated Creation Resolution**”) authorized the creation of the District in accordance with its finding as to the advisability of the improvement projects in accordance with the PID Act;

WHEREAS, the City Council revised the boundaries of the District to take into account the land swap with the adjacent landowner that was required to secure the necessary right-of-way required for the Balaton Boulevard and SH 130 curb cut and driveway benefiting the Property pursuant to Resolution No. 1969-22-06-28-1000 on June 28, 2022;

WHEREAS, pursuant to the terms of this Agreement, the City has agreed to allow financing of certain Authorized Improvements within the Property via a public improvement district;

WHEREAS, the Owner proposes to construct certain Authorized Improvements that are intended to benefit only one Improvement Area, while other Authorized Improvements may provide a benefit to more than one Improvement Area or the entire District (the “**Major Improvements**”), to wit: (A) certain of the Authorized Improvements will benefit only

Improvement Area #1; and (B) certain of the Authorized Improvements may benefit more than one Improvement Area or the entire District. The boundaries of the Improvement Areas are depicted on Exhibit "I", attached hereto and incorporated herein for all purposes. The Authorized Improvements will be more fully described in the Service and Assessment Plan (or an update thereto) to be approved by the City.

WHEREAS, the City intends to (upon satisfaction of the conditions and in accordance with the terms set forth in this Agreement), at the request and with the consent, approval and agreement of the Owner, adopt the Assessment Ordinance and adopt the Service and Assessment Plan that provides for the construction and financing of certain public improvements within the District, payable in whole or in part, by and from assessments levied against property within the District, as will be more specifically provided for in the Service and Assessment Plan;

WHEREAS, the City intends to (upon satisfaction of the conditions and in accordance with the terms set forth in this Agreement) levy assessments on all or a portion of the property located within the District and issue bonds to reimburse the Owner for the Actual Costs associated with construction and/or acquisition of the Authorized Improvements included in the Service and Assessment Plan, as such plan may be amended from time to time;

WHEREAS, the City has determined that it is in its best interests to contract with the Owner for the construction of the Authorized Improvements, which will result in the efficient and effective implementation of the Service and Assessment Plan;

WHEREAS, from the proceeds of the PID Bonds, the City will, upon satisfaction of the conditions and in accordance with the terms set forth in this Agreement, acquire those certain Authorized Improvements provided for in this Agreement and the Owner will be reimbursed for the costs of acquisition, construction and improvement of the Segments that are completed from time to time and operative, subject to the terms and limitations set forth herein; and

WHEREAS, the Owner submitted an Assessment Levy Request and Bond Issuance Request on February 16, 2024, which the City has agreed to consider concurrently with the negotiation of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual agreements, covenants, and conditions contained herein, and other good and valuable consideration, the parties hereto agree as follows:

## **ARTICLE I. SCOPE OF AGREEMENT**

This Agreement establishes provisions for the apportionment, levying, and collection of Special Assessments on the Property (Article II), the Construction of Authorized Improvements to be Acquired by the City (Article III), acquisition, ownership and maintenance of Authorized Improvements within the District (Article IV), and the issuance of bonds to reimburse the Owner for the financing of the Authorized Improvements (Article V).

## **ARTICLE II. APPORTIONMENT, LEVY AND COLLECTION OF ASSESSMENTS**

### **Section 2.01. Preliminary Matters.**

(a) On May 12, 2020, the City Council authorized the formation of the District pursuant to the Original Creation Resolution. On September 13, 2022, the City Council approved the Amended and Restated Creation Resolution in accordance with the PID Act for the reasons set forth in the Recitals above. The District includes all of the Property.

(b) It is anticipated certain of the Authorized Improvements will benefit only Improvement Area #1, and certain of the Authorized Improvements will benefit both Improvement Area #1 and Improvement Area #2. The City may issue one or more series of PID Bonds; however, it is currently contemplated that there will be one series of PID Bonds issued for the entire District to reimburse the Owner for Actual Costs of the Authorized Improvements only providing a benefit to Improvement Area #1, and to reimburse the Owner for Actual Costs of the Authorized Improvements benefitting Improvement Area #1 and Improvement Area # 2 allocable share of the Major Improvements.

(c) Parity Bonds may be issued to reimburse Owner for any Actual Costs for Authorized Improvements benefitting the District that remain unpaid or unreimbursed after issuance of the initial PID Bonds.

(d) A draft of the form of the initial Service and Assessment Plan for the Property is attached hereto as Exhibit "C". The Owner acknowledges and agrees that the Service and Assessment Plan must meet the requirements of Texas Local Government Code §§ 372.013 and 372.014 and be presented to the City Council for review and approval prior to PID Bonds being issued. The final Service and Assessment Plan approved pursuant to the initial Assessment Ordinance shall be substantially similar to the form attached hereto as "Exhibit "C"" and shall be substituted for and replace Exhibit "C" hereto. The Parties agree that the attached Service and Assessment Plan is based on information provided by the Owner and that such information is subject to review and verification. The form of the Service and Assessment Plan will be modified as required to comply with the requirements of Chapter 372, Texas Local Government Code and the Texas Attorney General's Office. The annual indebtedness defined by the Service Plan shall be consistent with the terms for the issuance of PID Bonds as set forth in this Agreement. The estimated cost of the Authorized Improvements will be supported by an engineer's report containing detailed cost estimates. After approval, the Service and Assessment Plan will be updated and amended by the Administrator at least once per year, and submitted for the City Council's review and approval, with a copy to the Owner concurrently therewith.

(e) Special Assessments on any portion of the Property will bear a direct proportional relationship to and be less than or equal to the special benefit of the Authorized Improvements within the District.

(f) Special Assessments on any given portion of the Property may be adjusted so long as the Special Assessments are determined in accordance with the Service and Assessment Plan and State law.

(g) Prior to execution of this Agreement, the Owner submitted to the City an Assessment Levy Request. As such, the City Council shall consider approving and adopting an Assessment Ordinance relating to such request, which Assessment Ordinance shall (i) approve the Service and Assessment Plan (or amendment or update thereof), (ii) levy said Special Assessments, and (iii) establish the timeframe for collection of said Special Assessments. If an Assessment Ordinance is adopted, the City shall use reasonable, good faith efforts to expeditiously initiate and approve all necessary documents and orders required to effectuate and implement the Service and Assessment Plan and Assessment Ordinance.

**Section 2.02. Apportionment and Levy of Special Assessments.**

As stated above, the City intends to levy Special Assessments on the Property in accordance herewith and with the Service and Assessment Plan (as such plan is amended from time to time) at such time as an Assessment Ordinance is approved by the City. The City's apportionment and levy of Special Assessments shall be made in accordance with the PID Act. The City shall use its best efforts to initiate and approve all necessary documents and ordinances required to effectuate this Agreement and to levy Special Assessments on or before May 31, 2024.

**Section 2.03. Collection of Special Assessments.**

(a) The City covenants and agrees that it shall, as authorized by the PID Act and other applicable law, continuously collect or cause to be collected Special Assessments levied pursuant to the Assessment Ordinance during the term of this Agreement in the manner and to the maximum extent permitted by applicable law. The City covenants and agrees that to the extent permitted by applicable law, it will not permit a reduction, abatement, or exemption in the Special Assessments due on any portion of the Property until the PID Bonds related to that particular portion of the Property are no longer outstanding, whether as a result of payment in full, defeasance or otherwise; provided that certain portions of the Property, as defined in the Service and Assessment Plan, will not be subject to the Special Assessments. The City shall use good and sound practices to collect the Special Assessments consistent with the City's policies and standard practices applicable to the collection of City taxes and assessments.

(b) Notwithstanding anything to the contrary contained herein or in the Service and Assessment Plan, once PID Bond have been issued and are outstanding, the Special Assessment Revenues collected annually from the Property will be deposited in the Bond Pledged Revenue Account of the Pledged Revenue Fund and thereafter transferred as more particularly set forth in the Indenture.

(c) Further notwithstanding anything to the contrary contained herein, the City covenants to use diligent, good faith efforts to contract with Travis County for the collection of the Special Assessments such that the Special Assessments will be included on the ad valorem tax bill(s) for the Property and will be collected as part of and in the same manner as ad valorem taxes.

**Section 2.04. Approval and Recordation of Special Assessments through Landowner Agreement.**

Prior to the Effective Date, the Owner and the Additional Owners have each executed a “**Landowner Agreement**” (herein so called) in which each Landowner has (i) approved and accepted the apportionment of the Special Assessments in the Service and Assessment Plan and the levy of the Special Assessments by the City and (ii) approved and accepted the terms of the Property Buyer Disclosure Program. The Landowner Agreement further (a) evidences the Landowner’s intent that the Special Assessments are covenants running with the land that (i) will bind any and all current and successor owners of the Property to the Special Assessments, including applicable interest thereon, as and when due and payable and (ii) provide that subsequent purchasers of such land take their title subject to and expressly assume the terms and provisions of the Special Assessments; and (b) provide that the liens created by the levy of the Special Assessments are a first and prior lien on the Property, subject only to liens for ad valorem taxes of the State, County, City, or school district.

**Section 2.05. Actual Costs; Reimbursement of Owner-Expended Costs**

(a) Notwithstanding anything to the contrary contained herein, the City and Owner hereby acknowledge and agree that the Actual Costs expended by Owner may not be fully reimbursed from the Special Assessments and PID Bonds. The City and Owner hereby acknowledge and agree that the provisions of this Section 2.05 shall hereby constitute a “reimbursement” under the PID Act.

(b) No provision in this Agreement shall, under any circumstances, give rise to or create a charge against the general credit or taxing power of the City or a debt or other obligation of the City payable from any source other than from the net proceeds of PID Bonds and Special Assessment Revenues.

**Section 2.06. Obligations Secured by Pledged Revenues.**

**THE PID BONDS ARE SPECIAL OBLIGATIONS OF THE CITY SECURED SOLELY BY PLEDGED REVENUES (AS DEFINED IN THE INDENTURE) AND ANY OTHER FUNDS HELD UNDER THE INDENTURE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. THE PID BONDS DO NOT GIVE RISE TO A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE CITY AND ARE NOT SECURED EXCEPT AS PROVIDED IN THE INDENTURE. THE OWNERS OF THE PID BONDS SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED REVENUES AND ANY OTHER FUNDS HELD UNDER THE INDENTURE, AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. THE CITY SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO THE OWNERS OF THE PID BONDS TO PAY THE BONDS OUT OF ANY FUNDS OF THE CITY OTHER THAN THE PLEDGED REVENUES.**

**FURTHERMORE, ALL REIMBURSEMENTS FROM THE CITY TO OWNER FROM SPECIAL ASSESSMENTS ARE SUBORDINATE TO PAYMENT OF THE APPLICABLE PID BONDS, ONCE ISSUED, AND THE ESTABLISHMENT OF ANY OTHER FUNDS HELD UNDER THE INDENTURE ALL AS SET FORTH IN THE INDENTURE. SUCH REIMBURSEMENTS DO NOT GIVE RISE TO A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE CITY. THE OWNER SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF ANY FUNDS OF THE CITY OTHER THAN AS AND TO THE EXTENT PROVIDED IN THE INDENTURE. THE CITY SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO THE OWNER TO PAY REIMBURSEMENTS OUT OF ANY FUNDS OF THE CITY OTHER THAN AS PROVIDED IN THE INDENTURE.**

### **ARTICLE III. CONSTRUCTION AND ACQUISITION**

#### **Section 3.01. Acquisition of Authorized Improvements.**

(a) The Owner will dedicate the Authorized Improvements identified in Exhibit "D" and the Service and Assessment Plan to the City, subject to subsection (b) below, upon completion of said Authorized Improvements and the City will accept dedication of such Authorized Improvements after confirming that the applicable Authorized Improvements have been completed in accordance with this Agreement and Regulatory Requirements.

(b) In the event any Authorized Improvements are dedicated to an Owners' Association, the Owner shall execute and deliver to the City an easement in the form acceptable to the City providing for the public use of the Authorized Improvement.

#### **Section 3.02. Designation of Construction Manager, Construction Engineers.**

(a) The City hereby designates the Owner, or its assignees, as the Construction Manager with full responsibility for the design, the designation of easement locations, facilities site designations and acquisitions, supervision of construction, and the bidding and letting of construction contracts for the construction of the Authorized Improvements in accordance with the provisions of this Article III, subject to the City's review and approval of design specifications and easement locations.

(b) Inspection of the construction of all Authorized Improvements shall be by City Construction Representative or its designees. If the PID Bonds have not been issued, the Owner shall pay the inspection fee which shall be included in the Actual Cost and may later be reimbursed to Owner when PID Bonds are issued. If the PID Bonds have been issued, the Owner may pay the inspection fee out of the PID Bond proceeds.

(c) The City shall cooperate with the Owner in connection with its services as Construction Manager.

(d) The Owner shall designate the consulting engineers for the Authorized Improvements for the compensation specified by the Owner.

### **Section 3.03. Designation of Construction Manager Subcontractor.**

The City acknowledges and agrees that Owner may subcontract out all or some of the duties of Construction Manager to a third party. Owner may designate an individual, company, partnership or other entity as a subcontractor for construction management services for one or more Authorized Improvements or distinct Segments thereof.

### **Section 3.04. Fiscal Security.**

If prior to commencement of construction of a given Authorized Improvement, there are funds within the Project Fund of the Indenture sufficient to pay for completion of that Authorized Improvement, that are not otherwise anticipated to be used for another Authorized Improvement it is intended that the Owner not be required to post fiscal security for the applicable Authorized Improvement. If subcontractors providing labor or materials for the Authorized Improvements file claims or otherwise give notice asserting failure to receive payment for such labor or materials, the City may require the Owner to post a payment bond for the estimated cost of constructing the Authorized Improvements. The Owner shall give the City a copy of any such claims within three business days of receipt of the claim. The City acknowledges that it will accept fiscal security, if required, for the Authorized Improvements in the form of an irrevocable letter of credit, , cash deposit, or other security acceptable to the City. If no such account exists or such account is not appropriately funded, then the Owner shall be required to post fiscal security for Authorized Improvements.

### **Section 3.05. Maintenance of Project, Warranties.**

Unless otherwise provided for herein, the Owner shall maintain each Authorized Improvement (or Segment thereof) in good and safe condition until such Authorized Improvement (or Segment thereof) is accepted by the City. The City's acceptance of Authorized Improvements shall be in accordance with the City standard rules and procedures for the acceptance of subdivision improvements, as modified by this Agreement. Prior to such acceptance, the Owner shall be responsible for performing any required maintenance on such Authorized Improvement. On or before the acceptance by the City of an Authorized Improvement (or Segment thereof), the Owner shall assign to the City all of the Owner's rights in any warranties, guarantees, maintenance obligations or other evidences of contingent obligations of third persons with respect to such Authorized Improvement (or Segment thereof).

### **Section 3.06. Regulatory Requirements; Exemption from Public Bidding.**

(a) Notwithstanding anything to the contrary contained herein, the Owners shall be responsible for the costs of designing, constructing, and obtaining the City's acceptance of the Authorized Improvements, in accordance with the Regulatory Requirements, the City-approved plans and specifications, and good engineering practices. The Owner will be entitled to reimbursement for the Actual Costs of the Authorized Improvements as provided in this Agreement and any other agreement with the City, and subject to the terms and limitations of said agreements; provided that Owner will be responsible for the costs that exceed the Reimbursement Obligation. Once Owner begins construction of any Authorized Improvement or Segment thereof,

Owner shall complete said Authorized Improvement or Segment thereof within a commercially reasonable time.

(b) It is agreed that the District will be exempt from any public bidding or other purchasing and procurement policies pursuant to Texas Local Government Code Section 252.022(a)(9) which states that a project is exempt from such policies if “paving, drainage, street widening, and other public improvements, or related matters, if at least one-third of the cost is to be paid by or through special assessments levied on property that will benefit from the improvements”.

(c) The City Construction Representative agrees to cooperate with the Owner to the extent reasonably possible without detriment to proper engineering review, comment, and revision on the review and approval of the engineering, design, plans, and specifications of all Authorized Improvements submitted by the Owner.

**Section 3.07. Additional Requirements for Authorized Improvements Funded with Progress Payments.**

The following additional requirements shall be applicable to Authorized Improvements funded in accordance with the procedures set forth in Section 4.02:

(a) All change orders or costs increases for applicable Authorized Improvements must be approved by the Owner, Construction Manager and the City Construction Representative, to the extent any such change order is in excess of \$100,000.00; provided that no change order (regardless of the amount) shall substantially change the character or nature of the Authorized Improvement. The Construction Manager shall provide copies of all approved change orders to the Financial Advisor, Underwriter and Trustee within ten (10) days after approval.

(b) After the Effective Date and prior to commencement of construction of an Authorized Improvement, Owner shall cause its general contractor to provide a payment and performance bond meeting the requirements set forth in Chapter 2253, Texas Government Code.

**Section 3.08. Owner’s Association**

(a) The Owner (or Additional Owners, as applicable) has created one or more home owners associations for the Property (collectively the “**Owners’ Association**”), and shall establish bylaws, rules, regulations and restrictive covenants (collectively the “**Association Regulations**”) to assure the Owner’s Association performs and accomplishes the duties and purposes required to be performed and accomplished by the Owners’ Association pursuant to this Agreement.

(b) The Owners’ Association dues and assessments required to be established, maintained and collected by the Owners’ Association pursuant to this Agreement shall be in addition to, and not in lieu of, any and all other fees, charges and assessments that will be applicable to the Property.

**Section 3.09. Buyer Disclosure**

(a) The Owner agrees to comply with, and cause the Additional Owners to comply with, the Buyer Disclosure Program described in Exhibit “G” attached hereto.

### **Section 3.10. Sales and Use Tax Exemption**

(a) The City will use best efforts to provide such certifications to the Owner and/or to suppliers and contractors as may be reasonably requested by Owner regarding exemptions from sales and use taxes under Texas Tax Code Section 151.309, but makes no representation or warranty that such exemptions will be applicable.

(b) The City and Owner shall cooperate in structuring the construction contracts for the Authorized Improvements to comply with requirements (including those set forth in Texas Tax Code Section 151.309) for exemption from sales and use taxes.

## **ARTICLE IV. PAYMENT FOR AUTHORIZED IMPROVEMENTS**

### **Section 4.01. Overall Requirements.**

(a) Any payment obligation of the City hereunder shall be payable solely from Special Assessment Revenues or, if PID Bonds are issued, the proceeds of such bonds. Unless approved by the City, no other funds, revenues, taxes, or income of any kind other than Special Assessment Revenues or, if PID Bonds are issued, the proceeds of such bonds shall be used to pay the City’s obligations hereunder. The obligations of the City under this Agreement shall not, under any circumstances, give rise to or create a charge against the general credit or taxing power of the City or constitute a debt or other obligation of the City payable from any source other than Special Assessments Revenues or, if PID Bonds are issued, the proceeds of such bonds. None of the City, nor any of its elected or appointed officials or any of its respective officers, employees, consultants or representatives shall incur any liability hereunder to the Owner or any other party in their individual capacities by reason of this Agreement or their acts or omissions under this Agreement.

(b) The City does not warrant, either expressed or implied, that the Special Assessment Revenues or proceeds of the PID Bonds will be sufficient for the construction or acquisition of all of those particular Authorized Improvements. The Parties anticipate that the Actual Costs to construct the Authorized Improvements will be greater than the Special Assessment Revenues or, if PID Bonds are issued, the net proceeds of such bonds available to reimburse the Owner for the Actual Costs of Authorized Improvements. The Owner shall bear one hundred percent (100%) of the Actual Costs of constructing the Authorized Improvements not paid from the proceeds of the PID Bonds or Special Assessment Revenues.

(c) Upon completion of an Authorized Improvement, the Owner shall dedicate or convey, and the City shall accept or acquire, as more particularly described in Article III above, the given Authorized Improvement for the Actual Cost, after such Authorized Improvement is completed and has been accepted by the City. The general process for the reimbursement of the Actual Costs of the Authorized Improvements is detailed in this Section 4.01. Upon written acceptance of an Authorized Improvement, and subject to any applicable maintenance-bond period, the City shall thereafter be responsible for all operation and maintenance of such Authorized Improvement, including all costs thereof and relating thereto.

(d) The procedures set forth in Section 4.03(d) below shall apply to all Certifications for Payment regardless of which account within the applicable Project Fund the actual funds are being paid from.

(e) Upon written request of the Owner, the City will consider the adoption of the Assessment Ordinance that (i) approves the Service and Assessment Plan identifying the costs of the Authorized Improvements and the Special Assessments and (ii) levies said Special Assessments. The City will levy and collect such Special Assessments in accordance with the approved Service and Assessment Plan, as amended or updated, and the applicable Assessment Ordinance as further provided in this Agreement, all in accordance with State law.

#### **Section 4.02. Payments for Authorized Improvements Prior to PID Bond Issuance**

a) Upon the approval of the Assessment Ordinance and prior to the issuance of PID Bonds, the City shall bill and collect the Special Assessment Revenues collected from the Assessed Property as described in subparagraph (d) below.

(b) Subject to Section 4.02(a) above, the costs of the Authorized Improvements may be initially financed through the applicable Acquisition and Reimbursement Agreement. Pursuant to the terms of such Acquisition and Reimbursement Agreement, the Owner shall dedicate or convey, and the City shall accept or acquire, as more particularly described in Article III of this Agreement, the Authorized Improvement for the Actual Costs thereof, after such Authorized Improvement is completed and has been accepted by the City. The general process for funding the Authorized Improvements before the issuance of PID Bonds is described in this Section 4.02(b), and more specifically described in the Acquisition and Reimbursement Agreement.

(c) Pursuant to the Acquisition and Reimbursement Agreement, the City will reimburse the Owner for Actual Costs incurred in connection with the applicable Authorized Improvements until PID Bonds are issued in an amount necessary to reimburse Owner for the Actual Costs of the applicable Authorized Improvements less any amounts already reimbursed to Owner pursuant to the Acquisition and Reimbursement Agreement. The Owner will be reimbursed for only those Actual Costs for which Special Assessment Revenues or PID Bond proceeds are available.

(d) Prior to the Effective Date, the Owner requested the City to consider the adoption of an Assessment Ordinance. Once approved, the City will collect the Special Assessments for the Authorized Improvements in accordance with the Service and Assessment Plan and the applicable Assessment Ordinance. Upon collection of such Special Assessments and prior to the issuance of PID Bonds, the City will hold the Special Assessments in a designated account separate from the City's other accounts (the "**Operating Account**"), such funds to be used to reimburse Owner for the Actual Costs of the applicable Authorized Improvements pursuant to the terms of the Acquisition and Reimbursement Agreement. If PID Bonds have been issued, the proceeds of such PID Bonds will be transferred to the Trustee and deposited in the proper funds and accounts in the priority set forth in the applicable Indenture. Special Assessment Revenues shall only be used to reimburse owner for the Actual Costs of the Authorized Improvements in accordance with this Agreement, the applicable Indenture and the Acquisition and Reimbursement Agreement.

(e) Pursuant to the Acquisition and Reimbursement Agreement, and as more fully described therein, the Owner may submit a Certification for Payment, substantially in the form provided in Exhibit “E”, to the City for reimbursement for the Actual Costs of an Authorized Improvement from funds then available in the appropriate subaccount of the Operating Account held by the City.

**Section 4.03. Payments for Authorized Improvements Upon the Issuance of PID Bonds**

(a) Prior to the Effective Date, the Owner has submitted a Bond Issuance Request to the City. The City shall use diligent, reasonable and good faith efforts, subject to meeting the requirements and conditions stated herein and State law, to consider the adoption of an ordinance authorizing the issuance of PID Bonds to reimburse the Owner for Actual Costs of those Authorized Improvements that are complete at the time of bond issue less any amounts already reimbursed to Owner pursuant to the Acquisition and Reimbursement Agreement.

(b) The proceeds from the issuance of the PID Bonds available to reimburse Owner for Actual Costs of Authorized Improvements remaining after payment of amounts under Section 4.02 of this Agreement (if applicable) will be held by the Trustee in various segregated accounts under the Project Fund established pursuant to the Indenture. Those sums held in the various segregated accounts will be paid to the Owner by the Trustee to reimburse Owner for the Actual Costs of the Authorized Improvements (as more particularly specified herein and in the Service and Assessment Plan) upon receipt of a completed Certification for Payment substantially in the form as attached hereto in Exhibit “E”. At least thirty (30) calendar days prior to the time of the closing of the PID Bonds, Owner may submit a Closing Disbursement Request substantially in the form attached hereto in Exhibit “F” executed by the Construction Manager and the Project Engineer to the City Construction Representative to be reimbursed for those Owner Expended Funds accrued to date of such Closing Disbursement Request and not previously reimbursed. The City Construction Representative shall conduct a review to verify the Owner Expended Funds specified in such Closing Disbursement Request. Prior to disbursement of proceeds, the City Construction Representative will sign the Closing Disbursement Request and deliver said Closing Disbursement Request to the Trustee. At the closing of the PID Bonds, Owner shall be reimbursed an amount equal to the applicable Owner Expended Funds.

(c) Any Authorized Improvements that have not been completed by Owner by the time the PID Bonds are issued, will be reimbursed periodically as construction progresses. The procedures for such progress reimbursements are contained in this Section 4.03 and the Indenture. Such reimbursements shall be made by Trustee no more frequently than quarterly and within five (5) business days of the Trustee’s receipt of the completed Certification for Payment from the Construction Manager. If the City Construction Representative disapproves any Certification for Payment, the City shall provide a written explanation of the reasons for such disapproval so that if the Certification for Payment is revised in accordance with the City Construction Representative’s comments, the Certification for Payment can be approved.

(d) The general process for the reimbursement of Authorized Improvements from funds on deposit in the Project Fund is as follows:

(1) the Owner shall deliver to the City Construction Representative the following:

(i) a Certification for Payment substantially in the form attached hereto as Exhibit “E” executed by the Construction Manager and the Project Engineer evidencing the Actual Costs,

(ii) evidence of the acceptance by the City of those Authorized Improvements to be reimbursed with the proceeds of the PID Bond in question and the conveyance to the City (for Completed Authorized Improvements only), and

(iii) waivers of liens for the work on the applicable Authorized Improvements through the previous Certification for Payment, receipts for payment and verification in form acceptable that any subcontractors have been paid.

(2) After the Certification for Payment is submitted to the City Construction Representative, the City shall conduct a review to confirm those Authorized Improvements to be funded by proceeds of the PID Bonds were constructed in accordance with the plans therefor (for completed Authorized Improvements only) and verify the Actual Costs of Authorized Improvements specified in such Certification for Payment. The City Construction Representative agrees to conduct such review and cost verification in an expeditious manner after the Certification for Payment is submitted. The Owner agrees to cooperate with the City in conducting each such review and to provide the City Construction Representative with such additional information and documentation as is reasonably necessary for the City Construction Representative to conclude each such review. Upon confirmation by the City Construction Representative that Authorized Improvements to be reimbursed from the proceeds of the PID Bonds have been constructed in accordance with the plans therefor and this Agreement (for completed Authorized Improvements only), and verification and approval by the City of the Actual Costs of those Authorized Improvements, the City shall within thirty (30) calendar days thereafter accept those Authorized Improvements not previously accepted by the City Construction Representative and shall sign the Certification for Payment and forward the same to the City Manager. The City Manager shall then have up to ten (10) business days to forward the executed Certification for Payment to the Trustee for payment.

(e) In addition to the submitted items required in 4.02(d) above, in order to obtain the final reimbursements for an Authorized Improvement funded by proceeds of the PID Bonds pursuant to this Section 4.03. The Owner shall have provided to the City an assignment of the warranties and guaranties, if applicable, and a two-year maintenance bond for such Authorized Improvement.

#### **Section 4.04. Assignment of Right to Payment of Unreimbursed Costs**

Owner’s right, title and interest into the payments of unreimbursed Actual Costs shall be the sole and exclusive property of Owner (or its Transferee) and no other third party shall have any claim or right to such funds unless Owner transfers its rights to its unreimbursed Actual Costs to a Transferee in writing and otherwise in accordance with the requirements set forth herein. Owner has the right to convey, transfer, assign, mortgage, pledge, or otherwise encumber, in whole

or in part without the consent of (but with notice to) the City, all or any portion of Owner's right, title, or interest under this Agreement to receive payment of its unreimbursed Actual Costs, including either PID Bond proceeds or Special Assessment Revenues, (a "Transfer," and the person or entity to whom the transfer is made, a "Transferee"); provided, however, that no such conveyance, transfer, assignment, mortgage, pledge or other encumbrance shall be made without the prior written approval of the City Council if such conveyance, transfer, assignment, mortgage, pledge or other encumbrance would result in the issuance of municipal securities by any other state of the United States or political subdivision thereof. Notwithstanding the foregoing, no Transfer shall be effective until written notice of the Transfer, including the name and address of the Transferee, is provided to the City. The City may rely conclusively on any written notice of a Transfer provided by Owner without any obligation to investigate or confirm the Transfer. A Transferee shall be responsible for all continuing disclosure requirements and obligations as agreed to by the Owner and the City in the Disclosure Agreement of Owner.

## **ARTICLE V. PID BONDS**

### **Section 5.01. Issuance of PID Bonds.**

(a) Subject to the terms and conditions set forth in this Section V, the City intends to pay for the Authorized Improvements, by issuing PID Bonds in one or more series. The City hereby acknowledges receipt of the Bond Issuance Request submitted by the Owner prior to the Effective Date. The City will use diligent, reasonable and good faith efforts, subject to meeting the requirements and conditions stated herein and State law, to issue, as expediently and prudently possible, the PID Bonds. Thereafter, the City agrees to use diligent, reasonable and good faith efforts, subject to meeting the requirements and conditions stated herein and State law, to issue, within four to six months after receiving from Owner a Bond Issuance Request, provided that Owner can reasonably demonstrate to the City and its financial advisors that (i) any applicable test pertaining to the issuance of Parity Bonds have been satisfied and (ii) there is sufficient security for such Parity Bonds, based upon the bond market conditions existing at the time of such proposed sale. The failure of the City to issue PID Bonds shall not constitute a failure by the City or otherwise result in a default by the City as set forth in Article VII herein. The Owner shall not be relieved of its duty to construct or cause to be constructed the Authorized Improvements even if there are insufficient funds in the Project Fund to pay the Actual Costs. The Authorized Improvements to be constructed and funded in connection with the PID Bonds are detailed on the chart attached hereto as Exhibit "D" and the Service and Assessment Plan.

(b) The aggregate principal amount of PID Bonds required to be issued hereunder shall not exceed \$30,000,000 as set forth in the Acquisition and Reimbursement Agreement.

(c) The final maturity for each series of PID Bonds shall occur no later than 30 years from the issuance date of said PID Bonds.

(d) PID Bonds are not required to be issued under this Article V unless (1) the statutory requirements set forth in Chapter 372 of the Texas Local Government Code have been satisfied; (ii) the City receives at the time of issuance an opinion of counsel selected by the City stating in effect that the PID Bonds are legal and valid under Texas law and that all preconditions to their

issuance under State law have been satisfied; and (iii) the approving opinion of the Attorney General of the State of Texas as required by the PID Act.

(e) If proceeds from PID Bonds are still available after all the Authorized Improvements are accepted by the City and Owner has been reimbursed for all unreimbursed Actual Costs incurred in connection therewith, the proceeds may be utilized to finance other Authorized Improvements within the Property for which reimbursements are not being received by the Owner from other public sources.

(f) The City will (i) select the Underwriter for each series of PID Bonds and Parity Bonds, (ii) determine credit criteria; (iii) investor suitability; (iv) structure of each series of such bonds; and (v) the continuing disclosure requirements for each series of such bonds, each with input from the Owner, but in every instance the City shall make the final decision regarding all terms and matters related to the issuance and sale of a series of PID Bonds and Parity Bonds.

(g) Prior to the levy of Special Assessments and issuance of PID Bonds, Owner must be current on all taxes, Special Assessments, fees and not in default under any agreement with the City, including information required from Owner for timely disclosures as required by any applicable continuing disclosure agreement.

(h) The minimum appraised value to lien ratio of any series of PID Bonds shall be at least 2 to 1 (the "Minimum Value to Lien Ratio") as measured by an independent appraisal prepared by an appraiser selected by the City. The City reserves the right to require the appraised value to lien ratio for any series of PID Bonds to be above the Minimum Value to Lien Ratio based upon the bond market conditions existing at the time of such proposed sale.

#### **Section 5.02. Project Fund.**

(a) The City hereby covenants and agrees that if PID Bonds are issued, the Indenture will establish a Project Fund as a separate fund to be held by the Trustee under the Indenture. The portion of the proceeds of the PID Bonds issued to reimburse the Actual Costs of Authorized Improvements and to pay of reimburse Bond Issuance Costs shall be deposited upon issuance into separate accounts within the Project Fund.

(b) As described in subparagraph (a) above, proceeds from the PID Bonds will be placed in a separate account within the Project Fund which will be held by the Trustee under the Indenture.

#### **Section 5.03. Denomination, Maturity, Interest, and Security for Bonds.**

(a) The PID Bonds shall be finally authorized by the City Council and shall be issued in the denominations, shall mature and be prepaid, shall bear interest, and shall be secured by and payable solely from the PID Bond Security, all to be as described and provided in the PID Bond Ordinance or Indenture, as applicable.

(b) The final and adopted versions of the PID Bond Ordinance and the Indenture (and all documents incorporated or approved therein) shall contain provisions relating to the withdrawal, application, and uses of the proceeds of the PID Bonds when and as issued and delivered and otherwise contain such terms and provisions as are mutually approved by the City and the Owner and consistent with this Agreement.

#### **Section 5.04. Sale of PID Bonds.**

Once approved, the PID Bonds shall be issued by the City and shall be marketed and sold as determined by the City with the cooperation and assistance of the Owner in all respects with respect to the preparation of marketing documents, such as preliminary and final offering memoranda or in such other marketing and/or sales method mutually agreed upon by the City and the Owner. The Owner agrees to provide such financial and operating information as may be necessary for the issuance of the PID Bonds to comply with applicable securities laws and the provisions of Securities and Exchange Rule 15c2-12.

#### **Section 5.05. Parity Bonds.**

(a) Any Actual Costs for Authorized Improvements not paid or reimbursed from the proceeds of the initial series of PID Bonds may be paid or reimbursed from the proceeds of Parity Bonds. It is contemplated that Parity Bonds may be issued after issuance of the initial series of PID Bonds.

(b) The purpose of a Parity Bond issuance would be to fund (i) Authorized Improvements benefitting the District that were not completed at the time the initial PID Bonds were issued; or (ii) the Actual Costs of Authorized Improvements that were completed at the time the initial PID Bonds secured by Assessments but that were not fully reimbursed by said initial PID Bonds.

(c) There may be more than one series of Parity Bonds secured by Assessments. If the Parity Bonds secured by Assessments levied are sufficient to fully reimburse Owner for the unreimbursed Actual Costs, then Owner's right to receive any portion of the Assessments for such purposes shall automatically terminate. However, if the net proceeds of Parity Bonds are not sufficient to reimburse Owner for the unreimbursed Actual Costs eligible to be paid from Assessments, or if the amount to be funded by such Parity Bonds is insufficient to justify issuance in the City's reasonable discretion, then Owner shall continue to receive the Assessments to the extent, and only to the extent, those funds remain available therefor after debt service is paid on the applicable PID Bonds until the date the Owner is fully repaid for the unreimbursed Actual Costs eligible to be paid from Assessments.

#### **Section 5.06. Acquisition and Reimbursement Agreement.**

(a) The Owner and the City have entered into an Acquisition and Reimbursement Agreement, which will provide for Special Assessments that will reimburse the Owner for Actual Costs incurred in connection with the Authorized Improvement until PID Bonds are issued in an amount necessary to reimburse Owner for the Actual Costs of the applicable Authorized

Improvement less any amounts already reimbursed to Owner pursuant to the Acquisition and Reimbursement Agreement.

## **ARTICLE VI. REPRESENTATIONS AND WARRANTIES**

### **Section 6.01. Representations and Warranties of City.**

The City makes the following representation and warranty for the benefit of the Owner:

That the City is a municipal corporation and political subdivision of the State of Texas, duly incorporated, organized and existing under the Constitution and general laws of the State, and has full legal right, power and authority under the PID Act and other applicable law (i) to enter into, execute and deliver this Agreement, (ii) to adopt the Assessment Ordinance, and (iii) to carry out and consummate the transactions contemplated by this Agreement.

### **Section 6.02. Representation and Warranties of Owner**

The Owner makes the following representations, warranties and covenants for the benefit of the City:

(a) Owner is a limited liability company duly organized and validly existing under the laws of the State of Texas, is in compliance with the laws of the State of Texas, and has the power and authority to own its properties and assets and to carry on its business as now being conducted and as now contemplated.

(b) Owner has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered on behalf of the Owner.

(c) This Agreement is a valid and enforceable obligation of the Owner and is enforceable against the Owner in accordance with its terms, subject to bankruptcy, insolvency, reorganization, or other similar laws affecting the enforcement of creditors' rights in general and by general equity principles.

(d) That (i) it will not request payment from the City for the acquisition of any Authorized Improvements that are not part of the Project, and (ii) it will diligently follow all procedures set forth in this Agreement with respect to a Certification for Payment.

(e) For a period of two years after the final Acceptance Date of the final phase of the Authorized Improvements, the Owner covenants to maintain proper books of record and account for the Authorized Improvements and all costs related thereto. The Owner covenants that such accounting books will be maintained in accordance with sound accounting practices, and will be available for inspection by the City or its agent at any reasonable time during regular business hours upon at least 72 hours' notice.

## **ARTICLE VII. DEFAULT AND REMEDIES**

(a) A Party shall be deemed in default under this Agreement (which shall be deemed a breach hereunder) if such Party fails to materially perform, observe or comply with any of its covenants, agreements or obligations hereunder or breaches or violates any of its representations contained in this Agreement.

(b) Before any failure of any Party to perform its obligations under this Agreement shall be deemed to be a breach of this Agreement, the Party claiming such failure shall notify, in writing, the Party alleged to have failed to perform of the alleged failure and shall demand performance. No breach of this Agreement may be found to have occurred if performance has commenced to the reasonable satisfaction of the complaining Party within thirty (30) days of the receipt of such notice (or five (5) days in the case of a monetary default), subject, however, in the case of non-monetary default, to the terms and provisions of subparagraph (c). Upon a breach of this Agreement, the non-defaulting Party may in any court of competent jurisdiction, by an action or proceeding at law or in equity, secure the specific performance of the covenants and agreements herein contained (and/or an action for mandamus as and if appropriate). Except as otherwise set forth herein, no action taken by a Party pursuant to the provisions of this Article VII or pursuant to the provisions of any other Section of this Agreement shall be deemed to constitute an election of remedies and all remedies set forth in this Agreement shall be cumulative and non-exclusive of any other remedy either set forth herein or available to any Party at law or in equity. Each of the Parties shall have the affirmative obligation to mitigate its damages in the event of a default by the other Party. Notwithstanding any provision contained herein to the contrary, the Owner shall not be required to construct any portion of the Authorized Improvements (or take any other action related to or in furtherance of same) while the City is in default under this Agreement.

(c) Notwithstanding any provision in this Agreement to the contrary, if the performance of any covenant or obligation to be performed hereunder by any Party is delayed as a result of circumstances which are beyond the reasonable control of such Party (which circumstances may include, without limitation, pending litigation, acts of God, war, acts of civil disobedience, widespread pestilence, fire or other casualty, shortage of materials, adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or tornadoes, labor action, strikes, changes in the law affecting the obligations of the Parties hereunder, or similar acts), the time for such performance shall be extended by the amount of time of the delay directly caused by and relating to such uncontrolled circumstances. The Party claiming delay of performance as a result of any of the foregoing “force majeure” events shall deliver written notice of the commencement of any such delay resulting from such force majeure event not later than seven (7) days after the claiming Party becomes aware of the same, and if the claiming Party fails to so notify the other Party of the occurrence of a “force majeure” event causing such delay, the claiming Party shall not be entitled to avail itself of the provisions for the extension of performance contained in this Article. In no event shall the obligation to make monetary payments be subject to force majeure.

## **ARTICLE VIII. GENERAL PROVISIONS**

### **Section 8.01. Notices.**

Any notice, communication or disbursement required to be given or made hereunder shall be in writing and shall be given or made by facsimile, hand delivery, overnight courier, or by United States mail, certified or registered mail, return receipt requested, postage prepaid, at the addresses set forth below or at such other addresses as may be specified in writing by any Party hereto to the other parties hereto. Each notice which shall be mailed or delivered in the manner described above shall be deemed sufficiently given, served, sent and received for all purpose at such time as it is received by the addressee (with return receipt, the delivery receipt or the affidavit of messenger being deemed conclusive evidence of such receipt) at the following addresses:

If to City:                   City of Pflugerville  
Attn: City Manager  
100 East Main Street, Suite 300  
P.O. Box 589  
Pflugerville, TX 78691

With a copy to:           McCall, Parkhurst & Horton L.L.P.  
Attn: Richard Donoghue  
600 Congress Ave, Suite 2150  
Austin, TX 78701

If to Owner:               Lakeside Meadows, LLC  
Attn: Charlie Nichols  
4201 Marathon Blvd, Suite 201  
Austin, TX 78756

With a copy to:           Metcalf Wolff Stuart & Williams, LLP  
Attn: Talley Williams  
221 W. 6th, Suite 1300  
Austin, Texas 78701

**Section 8.02. Fee Arrangement.**

(a) In addition to any costs paid by the Owner pursuant to a professional services agreement, all fees of legal counsel related to the issuance of the applicable PID Bonds including fees for the preparation of customary bond documents and the obtaining of Attorney General approval for the PID Bonds, will be paid at closing from the proceeds of the PID Bonds. It is hereby acknowledged and agreed that fees for the City’s Bond Counsel, Trustee, Trustee’s Counsel, Financial Advisor, the Underwriter, and Underwriter’s Counsel will be paid at the Issue Date of the PID Bonds in accordance with the budget attached as Exhibit “H” hereto.

(b) The Owner shall be solely responsible for the costs associated with the issuance of any Parity Bonds. The terms of subparagraph (a) above shall apply to the Owner in the event that any Parity Bonds are issued.

(c) The City has entered into a separate agreement with an Administrator to administer the District after Closing. The Administrative Expenses shall be collected as part of and in the

same manner as Annual Installments in the amounts set forth in the Service and Assessment Plan.

(d) The City will work with the Administrator to use good faith efforts to maintain Annual Collection Costs that do not result in an Annual Installment in excess of the Maximum Annual Installment (as defined in the applicable Landowner Agreements) contained in any of the applicable Landowner Agreements.

### **Section 8.03. Assignment.**

(a) Notwithstanding Section 4.04 above, Owner may assign in whole or part its rights and obligations under this Agreement to persons purchasing all of the Property or a part of the Property in accordance with Section 8.03 but not to an individual purchaser of a lot within a recorded final plat. This Agreement may be assigned by Owner without the consent of the City or any third-party entity that is not in default in the payment of taxes, assessments, fees, or any agreements with the City and that entity has the financial capacity to perform this Agreement and Owner will be released from its obligations under this Agreement upon delivery of a notice of assignment to the City.

(b) Any sale of a portion of the Property or assignment of any right hereunder shall not be deemed a sale or assignment to a Designated Successor or Assign unless the conveyance or transfer instrument effecting such sale or assignment expressly states that the sale or assignment is to a Designated Successor or Assign.

(c) This Agreement shall be binding upon the Parties, their grantees, successors, assigns, or subsequent purchaser. In the event of an assignment of fee ownership, in whole or in part, of the Property by Owner, only the grantees and assignees and then current owners of any portion of the Property so assigned shall be liable under this Agreement for any subsequent default occurring after the conveyance and affecting only the portion or portions of the Property so assigned. Any reference to Owner, Additional Owners, or City shall be deemed to and will include the successors or assigns thereof, and all the covenants and agreements in this Agreement shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not. Each contract, deed or conveyance of any kind conveying all or a portion of the Property will conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions and restrictions, regardless of whether or not they are set out in full or by reference in said contract, deed or conveyance.

### **Section 8.04. Term of Agreement.**

This Agreement shall terminate on the date on which the City and Owner discharge all of their obligations hereunder. This section 8.04 is a covenant running with the land and is binding on the Owner's successors and assigns.

### **Section 8.05. Construction of Certain Terms.**

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction shall apply:

(a) Words importing a gender include either gender.

(b) Words importing the singular include the plural and vice versa.

(c) A reference to a document includes an amendment, supplement, or addition to, or replacement, substitution, or novation of, that document but, if applicable, only if such amendment, supplement, addition, replacement, substitution, or novation is permitted by and in accordance with that applicable document.

(d) Any term defined herein by reference to another instrument or document shall continue to have the meaning ascribed thereto whether or not such other instrument or document remains in effect.

(e) A reference to any Party includes, with respect to Owner, its Designated Successors and Assigns, and reference to any Party in a particular capacity excludes such Party in any other capacity or individually.

(f) All references in this Agreement to designated "Articles," "Sections," and other subdivisions are to the designated Articles, Sections, and other subdivisions of this Agreement. All references in this Agreement to "Exhibits" are to the designated Exhibits to this Agreement.

(g) The words "herein," "hereof," "hereto," "hereby," "hereunder," and other words of similar import refer to this Agreement as a whole and not to the specific Section or provision where such word appears.

(h) The words "including" and "includes," and words of similar import, are deemed to be followed by the phrase "without limitation."

(i) Unless the context otherwise requires, a reference to the "Property," the "Authorized Improvements," or the "District" is deemed to be followed by the phrase "or a portion thereof."

(j) Every "request," "order," "demand," "direction," "application," "appointment," "notice," "statement," "certificate," "consent," "approval," "waiver," "identification," or similar action under this Agreement by any Party shall, unless the form of such instrument is specifically provided, be in writing duly signed by a duly authorized representative of such Party.

(k) The Parties hereto acknowledge that each such party and their respective counsel have participated in the drafting and revision of this Agreement. Accordingly, the Parties agree that any rule of construction that disfavors the drafting party shall not apply in the interpretation of this Agreement.

#### **Section 8.06. Table of Contents; Titles and Headings.**

The titles of the articles, and the headings of the sections of this Agreement are solely for convenience of reference, are not a part of this Agreement, and shall not be deemed to affect the meaning, construction, or effect of any of its provisions.

**Section 8.07. Amendments.**

This Agreement may only be amended, modified, revised or changed by written instrument executed by the Parties.

**Section 8.08. Time.**

In computing the number of days for purposes of this Agreement, all days will be counted, including Saturdays, Sundays, and legal holidays; however, if the final day of any time period falls on a Saturday, Sunday, or legal holiday, then the final day will be deemed to be the next day that is not a Saturday, Sunday, or legal holiday.

**Section 8.09. Counterparts.**

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, and all of which will together constitute the same instrument.

**Section 8.10. Entire Agreement.**

This Agreement contains the entire agreement of the Parties.

**Section 8.11. Severability; Waiver.**

If any provision of this Agreement is illegal, invalid, or unenforceable, under present or future laws, it is the intention of the parties that the remainder of this Agreement not be affected and, in lieu of each illegal, invalid, or unenforceable provision, a provision be added to this Agreement which is legal, valid, and enforceable and is as similar in terms to the illegal, invalid, or enforceable provision as is possible.

Any failure by a Party to insist upon strict performance by the other party of any material provision of this Agreement will not be deemed a waiver or of any other provision, and such Party may at any time thereafter insist upon strict performance of any and all of the provisions of this Agreement.

**Section 8.12. Owner as Independent Contractor.**

In performing under this Agreement, it is mutually understood that the Owner is acting as an independent contractor, and not an agent of the City.

**Section 8.13. Supplemental Agreements.**

Other agreements and details concerning the obligations of the Parties under and with respect to this Agreement are included in the Service and Assessment Plan, Assessment Ordinance, PID Bond Ordinance and Indenture.

**Section 8.14. City's Acceptance of Authorized Improvements.**

The City hereby agrees that it will not unreasonably withhold the final acceptance of any

of the Authorized Improvements and will work with the Owner in good faith to expedite review and acceptance of such Authorized Improvements.

**Section 8.15. Verifications of Statutory Representations and Covenants.** The Owner makes the following representations and covenants pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the “Government Code”), in entering into this Agreement. As used in such verifications, “affiliate” means an entity that controls, is controlled by, or is under common control with the Owner within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything in this Agreement to the contrary.

(a) Not a Sanctioned Company. The Owner represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes the Owner and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

(b) No Boycott of Israel. The Owner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.

(c) No Discrimination Against Firearm Entities. The Owner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.

(d) No Boycott of Energy Companies. The Owner hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

**Section 8.16. Disclosure of Interested Parties.**

Submitted herewith is a completed Form 1295 in connection with 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 Owner. The City and Owner understand and agree that, with the exception of information identifying the issuer and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Owner; and, neither the City nor its consultants have verified such information.

**Section 8.17. Exhibits.**

The following exhibits are attached to and incorporated into this Agreement for all purposes:

- Exhibit A - Definitions
- Exhibit B - Property
- Exhibit C - Draft of Service and Assessment Plan
- Exhibit D - Authorized Improvements
- Exhibit E - Form of Certification for Payment
- Exhibit F - Closing Disbursement Request
- Exhibit G - Buyer Disclosure Program
- Exhibit H - Budget (City Consultants)
- Exhibit I - Improvement Areas

**CITY OF PFLUGERVILLE, TEXAS**  
a home rule city and Texas municipal corporation

By:   
Name: Victor Gonzales  
Title: Mayor

[Signatures Continue on Next Page]

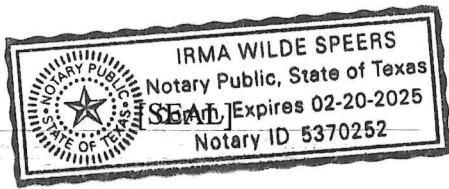
Lakeside Meadows, LLC, a Texas limited liability company

By: *Charles S. Nichols Jr*  
Name: Charles S. Nichols Jr  
Title: Vice President

THE STATE OF TEXAS

COUNTY OF TRAVIS

THIS INSTRUMENT is acknowledged before me on this 13<sup>th</sup> day of August, 2024, by CHARLES S. NICHOLS, JR, VICE-PRESIDENT of Lakeside Meadows, LLC, a Texas limited liability company, on behalf of said limited liability company.



*Irma W Speers*  
Notary Public, State of Texas

## Exhibit “A”

### DEFINITIONS

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

“**Acceptance Date**” means, with respect to a Segment, the date that the Actual Cost thereof is paid to the Owner pursuant to the terms hereof.

“**Acquisition and Reimbursement Agreement**” means the Acquisition and Reimbursement Agreement dated June 14, 2022 executed by the City and Owner.

“**Actual Cost(s)**” means the Owner’s demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement, as specified in a payment request in a form that has been reviewed and approved by the City. The Actual Costs may include (a) the costs incurred by or on behalf of the Owner (either directly or through affiliates) for the design, planning, financing, acquisition, installation, construction and/or implementation of such Authorized Improvements, (b) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvements, (c) the costs incurred by or on behalf of the Owner for external professional costs, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, appraisals, legal, accounting and similar professional services, taxes (property and franchise) related to the Authorized Improvements; (d) 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, (e) all related permitting, zoning and public approval expenses, architectural, engineering, and consulting fees, financing charges, taxes, governmental fees and charges, insurance premiums, and all payments for Administrative Expenses after the date of a resolution authorizing such reimbursement, plus Interest, if any, calculated from the respective dates of the expenditures until the date of reimbursement therefore.

“**Additional Owners**” means Meritage Homes of Texas, LLC, an Arizona limited liability company, NP Lakeside 130, LLC, a Missouri limited liability company, Brightland Homes, Ltd., a Texas limited partnership, Vatga Developers, LLC, a Texas limited liability company, USRP Pflugerville III, LLC, a Delaware limited liability company, USRP I Pflugerville, LLC, a Delaware limited liability company, USRP Pflugerville II, LLC, a Delaware limited liability company, and Pecan Commerce Center ILP, a Delaware limited partnership, and DCV Austin II, Ltd., a Texas limited partnership.

“**Administrator**” means the employee or designee of the City, including a third party designee whom the City designates by contract, who shall have the responsibilities provided for herein and in the Service and Assessment Plan. As of the Effective Date, the City has designated P3Works as the Administrator.

“**Administrative Expenses**” means the administrative, organization, and operation costs and expenses associated with, or incident to, the administration, organization, operation of the District, including, but not limited to, the costs of (i) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, (ii) organizing the District

and preparing the assessment roll, (iii) computing, levying, collecting and transmitting the Special Assessments or the installments thereof, (iv) maintaining the record of installments, payments and reallocations and/or cancellations of the Special Assessments, (v) issuing, paying and redeeming the PID Bonds, (vi) investing or depositing the Special Assessments, (vii) complying with the Service and Assessment Plan and the PID Act with respect to the PID Bonds and the administration of the District, including continuing disclosure requirements, (viii) paying the paying agent/registrar's and trustee's fees and expenses (including the fees and expenses of its legal counsel), and (ix) administering the construction of the Authorized Improvements, in accordance with the terms of this Agreement.

**"Agreement"** has the meaning given in the recitals to this Agreement.

**"Annual Installments"** shall have the meaning given in the Service and Assessment Plan.

**"Assessment Levy Request"** means a written request made by Owner to the City to levy Special Assessments. This Agreement shall serve as Owner's Assessment Levy Request.

**"Assessed Property"** means for any year, Parcels within the District other than Non-Benefited Property.

**"Assessment Ordinance"** means the ordinance adopted by the City Council approving the Service and Assessment Plan (or such amendments to the Service and Assessment Plan) and levying the Special Assessments, as required by Article II of this Agreement.

**"Attorney General"** means the Texas Attorney General's Office.

**"Authorized Improvement(s)"** means individually or collectively any, each, and, or, all improvements which are included in the Service and Assessment Plan as such plan is amended and updated from time to time.

**"Bond Issuance Costs"** means costs relating to the authorization, sale and issuance of the PID Bonds including printing costs, costs of reproducing and binding documents, closing costs, filing and recording fees, initial fees, expenses and charges of the Trustee, including its first annual administration fee, expenses incurred by the City or Owners in connection with the issuance of the PID Bonds, Financial Advisor fees, the SAP Consultant fees, the bond (underwriter's) discount or underwriting fee, legal fees and charges, including bond counsel, charges for execution, transportation and safekeeping of the PID Bonds and other costs, charges and fees in connection with the issuance of the PID Bonds.

**"Bond Issuance Request"** means the written request made by Owner to the City to issue PID Bonds in good faith as evidenced by Owner's expenditure of necessary amounts for market studies, financial analysis, legal counsel, and other professional services and due diligence necessary to support the request.

**"Bond Pledged Revenue Account"** means the separate and unique account under the Pledged Revenue Fund established by the City under such name pursuant to the Indenture where the portion of the Special Assessment Revenue allocated to the payment of debt service on the PID Bonds shall be deposited as set forth in Section 2.03 hereof.

**“Buyer Disclosure Program”** means the disclosure program, administered by the PID Administrator as set forth in Exhibit “G” attached hereto or as otherwise agreed to by the City and the Owner(s) that establishes a mechanism to disclose to each “end user/homeowner” the terms and conditions under which their lot or parcel is burdened by the District.

**“Certification for Payment”** means the certificate in substantially the same form attached hereto as Exhibit “E”.

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

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

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

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

**“Closing Disbursement Request”** has the meaning given in Section 4.02(d) of this Agreement.

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

**“County”** means Travis County, Texas.

**“Designated Successors and Assigns”** shall mean (i) an entity to which Owner assigns (in writing) its rights and obligations contained in this Agreement pursuant to Section 8.03 related to all or a portion of the Property, (ii) any entity which is the successor by merger or otherwise to all or substantially all of Owner’s assets and liabilities including, but not limited to, any merger or acquisition pursuant to any public offering or reorganization to obtain financing and/or growth capital; or (iii) any entity which may have acquired all of the outstanding stock or ownership of assets of Owner.

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

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

**“Financial Advisor”** means RBC Capital Markets, LLC.

**“Improvement Areas”** means Improvement Area #1 and Improvement Area #2.

**“Improvement Area #1”** includes the property depicted on Exhibit “I”.

**“Improvement Area #2”** includes the property depicted on Exhibit “I”.

“**Indenture**” means that certain Indenture of Trust between the City and Trustee covering the PID Bonds for the Property, as it may be amended from time to time.

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

“**Issue Date**” means the date of the initial delivery of the applicable PID Bonds.

“**Landowners**” means collectively, the Owner and the Additional Owners.

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

“**Non-Benefitted Property**” means Parcels within the boundaries of the District that accrue no special benefit from Authorized Improvements, as determined by the City Council, including Parcels owned by a public entity. A Parcel is not assessed if the Parcel is identified as Non-Benefitted Property at the time the Special Assessments (i) are levied or (ii) are reallocated pursuant to an amendment to the Service and Assessment Plan.

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

“**Operating Account**” has the meaning given in Section 4.02(d) of this Agreement.

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

“**Owners’ Association**” means a homeowner’s association or property owner’s association.

“**Owner Expended Funds**” means any qualified and permitted costs approved by the City (including, but not limited to any funds expended by Owner for cost of issuance fees) which shall, concurrently with the initial draw from the applicable PID Bonds, be paid to Owner.

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

“**Parity Bonds**” means any PID Bonds issued subsequent to the PID Bonds and secured on a parity basis therewith, if applicable.

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

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

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

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

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

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

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

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

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

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

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

**“Regulatory Requirements”** means the requirements and provisions of any state or federal law, and any permits, rules, orders or regulations issued or adopted from time to time by any regulatory authority, state, federal or other, having jurisdiction over the Authorized Improvements, as adjusted by the PUD.

**“SAP Consultant”** means Development Planning and Financing Group, Inc.

**“Segment” or “Segments”** means the discrete portions of the Authorized Improvements identified as such.

**“Service and Assessment Plan”** means the Lakeside Meadows Public Improvement District Service and Assessment Plan (as such plan is amended from time to time), to be initially adopted by the City Council in the Assessment Ordinance for the purpose of assessing allocated costs against property located within the boundaries of the District having terms, provisions and

findings approved and agreed to by the Owner, as required by Article II of this Agreement. The Parties hereby acknowledge that the Service and Assessment Plan may be amended from time to time.

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

“**Special Assessment Revenues**” means the monies collected from Special Assessments, including supplemental assessments and reassessments, interest, expenses, or penalties on Special Assessments, prepayments, foreclosure proceeds, and proceeds from a guarantor, if any, of the Special Assessments.

“**State**” means the State of Texas.

“**Trustee**” means the trustee under the Indenture, and any successor thereto permitted under the Indenture.

“**Underwriter**” means a qualified, third party underwriter selected by the City.

**Exhibit “B”**

PROPERTY

**Exhibit “C”**

DRAFT OF ASSESSMENT PLAN

[See Attached ]

## Exhibit "D"

### AUTHORIZED IMPROVEMENTS

Authorized Improvements [a]
City Permitting Fees - Phase 1
City Inspection Fees - Phase 1
Road Industrial Collectors
TXDOT Improvements
Wastewater
Water
Erosion & Sedimentation Control
Drainage and Detention
Pond
Site Disturbance Permit
Tree Protection
Additional Traffic Improvements
Parks & Trails
Open Space
Entry
Engineering - Preliminary Plan, TIA, Flood Study
Engineering - Offsite Utility Projects
Engineering - Construction Plans
Drainage Report
Offsite Water Improvements
Offsite Wastewater Improvements
Permitting and Inspection Fees - Offsite
Pedestrian Bridge
Easement for Utilities
Developer Fee
District Formation Costs
Contingency

**Exhibit “E”**

**FORM OF CERTIFICATION FOR PAYMENT  
(Design – Lakeside Meadows)  
[Improvement Area #1] [Improvement Area #2]**

\_\_\_\_\_ (“**Construction Manager**”) hereby requests payment for the percentage of design costs completed (the “**Design Costs**”) described in Attachment A attached hereto. Capitalized undefined terms shall have the meanings ascribed thereto in the Lakeside Meadows Public Improvement District Financing Agreement between (the “**City**”), dated as of \_\_\_\_\_ (the “**Finance Agreement**”). In connection with this Certification for Payment, the undersigned, in his or her capacity as the \_\_\_\_\_ of Construction Manager, to his or her knowledge, hereby represents and warrants to the City as follows:

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

2. The design work described in Attachment A has been completed in the percentages stated therein.

3. The true and correct Design Costs for which payment is requested are set forth in Attachment A and payment for such requested amounts and purposes has not been subject to any previously submitted request for payment.

4. Attached hereto as Attachment B is a true and correct copy of a unconditional waiver(s) evidencing that any contractor or subcontractor having performed design work described in Attachment A has been paid in full for all work completed through the previous Certification for Payment.

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

[Signature Page Follows]

SIGNATURE PAGE TO  
FORM OF CERTIFICATION FOR PAYMENT

Date : \_\_\_\_\_

[Construction Manager Signature Block to be added]

APPROVAL BY THE CITY

The Design described in Attachment A has been reviewed, verified and approved by the City Construction Representative of the City. Payment of the Design Costs are hereby approved.

Date: \_\_\_\_\_

**CITY OF PFLUGERVILLE, TEXAS**

By: \_\_\_\_\_  
City Construction Representative

ATTACHMENT A TO CERTIFICATION OF PAYMENT (DESIGN)

<u>Description of Design Work</u>	<u>Percentage of Design Work Completed under this Certification for Payment</u>	<u>Design Costs</u>	<u>Total Percentage of Design Work Completed</u>
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ATTACHMENT B TO CERTIFICATION OF PAYMENT (DESIGN)

[attached – unconditional waivers]

ATTACHMENT C TO CERTIFICATION OF PAYMENT (DESIGN)

[attached – receipts]

**EXHIBIT “E”**  
**FORM OF CERTIFICATION FOR PAYMENT**  
**(Construction – Lakeside Meadows)**  
**[Improvement Area #1] [Improvement Area #2]**

\_\_\_\_\_ (“**Construction Manager**”)  
hereby requests payment of the Actual Cost of the work described in Attachment A attached hereto (the “**Draw Actual Costs**”). Capitalized undefined terms shall have the meanings ascribed thereto in the Lakeside Meadows Public Improvement District Financing Agreement between **LAKESIDE MEADOWS, LLC**, a Texas limited liability company and the City of Pflugerville, Texas (the “**City**”), dated as of \_\_\_\_\_. In connection with this Certification for Payment, the undersigned, in his or her capacity as the \_\_\_\_\_ of Construction Manager, to his or her knowledge, hereby represents and warrants to the City as follows:

1. He (she) is a duly authorized representative of Construction Manager, qualified to execute this request for payment on behalf of the Construction Manager and knowledgeable as to the matters forth herein.
2. The true and correct Draw Actual Costs for which payment is requested are set forth in Attachment A and payment for such requested amounts and purposes has not been subject to any previously submitted request for payment.
3. Attached hereto as Attachment B is a true and correct copy of a true and correct copy of unconditional waiver(s) evidencing that any contractor or subcontractor having performed work on a Segment described in Attachment A has been paid in full for all work completed through the previous Certification for Payment.
4. Attached hereto as Attachment C are invoices, receipts, worksheets and other evidence of costs which are in sufficient detail to allow the City to verify the Draw Actual Costs of each Segment for which payment is requested.

[Signature Page Follows]

SIGNATURE PAGE TO  
FORM OF CERTIFICATION FOR PAYMENT

Date : \_\_\_\_\_

[Construction Manager Signature Block to  
Be inserted]

## JOINDER OF PROJECT ENGINEER

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

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Project Engineer

APPROVAL BY THE CITY

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

Date: \_\_\_\_\_

**CITY OF PFLUGERVILLE, TEXAS**

By: \_\_\_\_\_  
City Construction Manager

ATTACHMENT A TO CERTIFICATION OF PAYMENT (CONSTRUCTION)

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

[unconditional waivers – attached]

ATTACHMENT C TO CERTIFICATION OF PAYMENT (CONSTRUCTION)

[RECEIPTS – ATTACHED]

**Exhibit “F”**

**FORM OF CLOSING DISBURSEMENT REQUEST**

**(Closing Disbursement Request – Lakeside Meadows)**

**FORM OF CLOSING DISBURSEMENT REQUEST**

The undersigned is an agent \_\_\_\_\_ (including its Designated Successors and Assigns, the “**Owner**”) and requests payment to the Owner from the applicable account of the Project Fund from \_\_\_\_\_ (the “**Trustee**”) in the amount of \$\_\_\_\_\_ to be transferred from the applicable account of the Project Fund upon the delivery of the PID Bonds for costs incurred in the establishment, administration, and operation of the Lakeside Meadows Public Improvement District (the “**District**”), as follows. Unless otherwise defined, any capitalized terms used herein shall have the meanings ascribed to them in the Indenture of Trust by and between the City of Pflugerville, Texas (the “**City**”) and the Trustee dated as of \_\_\_\_\_, 20\_\_ (the “**Indenture**”) relating to the “[INSERT NAME OF BONDS] (the “**PID Bonds**”).

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

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

**Payments requested hereunder shall be made as directed below:**

[Information regarding amount and deposit instructions attached]

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

**OWNER**

By: \_\_\_\_\_

Its: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## Exhibit “G”

### PROPERTY BUYER DISCLOSURE PROGRAM

A Builder<sup>1</sup> for an Assessed Parcel shall provide each residential homebuyer or purchaser of Commercial property (the “**Buyer**”) with the “Notice of Obligation to Pay Public Improvement District Assessment to the City of Pflugerville” in accordance with the PID Act and on the form attached to the Assessment Plan.

2. A Builder for an Assessed Parcel shall provide evidence of compliance with 1 above, signed by such Buyer, to the City upon receipt of written request by the City or Developer which sets forth the City’s mailing address and other contact information.

3. A Builder for an Assessed Parcel shall prominently display signage provided by Developer or the PID Administrator in its model homes, if any, located within the Property.

4. If prepared and provided by the City and approved by Developer (such approval not to be unreasonably withheld), a Builder for an Assessed Parcel shall distribute informational brochures about the existence and effect of the PID in prospective homebuyer and commercial property buyer sales packets.

5. A Builder shall include Special Assessments in estimated property taxes, if such Builder estimates monthly ownership costs for prospective property buyers for an Assessed Parcel.

6. The Developer must post signage along the main entry/exits located at the boundaries of the Public Improvement District that identifies the area as a Public Improvement District. All signage shall be clearly visible to all motorists entering and exiting the District.

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<sup>1</sup> A “Builder” shall be defined as a commercial builder or developer who is in the business of (a) constructing and/or selling residences to individual home buyers and/or (b) developing, constructing and/or selling commercial property to end users (e.g. multifamily, office, hotel).

**EXHIBIT “H”**

**BUDGET**

City’s Financial Advisor	2.00% of par value of each series of bonds
Bond Counsel	2.00% of par value of each series of bonds, minimum of \$50,000 per series
Underwriter	2.00% of par value of each series of bonds
Underwriter's Counsel	1.00% of par value of each series of bonds

**EXHIBIT "I"**  
**IMPROVEMENT AREAS**