

Parkside Public Improvement District (Public Improvement District #3)

Public Improvement Service and Assessment Plan

City of Irving, Texas

Prepared by

David Pettit Economic Development, LLC.
306 West Seventh, Suite 1025
Fort Worth, TX 76102
(817) 439-9515

City of Irving

**Parkside Public Improvement District
(Public Improvement District #3)**

Public Infrastructure Service and Assessment Plan

Table of Contents

Section I	Introduction and Definitions
Section II	Property Included in the PID
Section III	Description of Authorized Improvements
Section IV	Service Plan
Section V	Assessment Plan
Section VI	Term of the Assessments
Section VII	Assessment Roll
Section VIII	Miscellaneous Provisions

List of Exhibits

Exhibit A	PID Boundary Map
Exhibit B	PID Lot Layout Map
Exhibit C	Assessment Roll

Section I

Introduction and Definitions

A. Introduction

On January 9, 2014, (the “Creation Date”) the Irving City Council approved a resolution which authorized the creation of Parkside Public Improvement District (the “PID”) to finance the Authorized Improvements for the benefit of certain property in the PID, all of which is located within the corporate limits of the City.

Upon application of the current property owners, the property within the PID was rezoned by Ordinance No. ORD-2013-9489 and ORD-2013-9490 (the “Generalized Site Plan Ordinance”) adopted by the City of Irving on September 5, 2013. The Generalized Site Plan Ordinance designates the property within the PID for Single Family residential use and includes a specific site plan with lot sizes and layouts.

Chapter 372 of the Texas Local Government Code, Improvement Districts in Municipalities and Counties (as amended, the “PID Act”), governs the creation of public improvement districts within the State of Texas. This Service and Assessment Plan has been prepared pursuant to Section 372.013, 372.014, 372.015 and 372.016 of the PID Act. According to Section 372.013 of the PID Act, a service plan “must cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements.” The service plan is described in Section IV of this Service and Assessment Plan.

Section 372.014 of the PID Act states that “an assessment plan must be included in the annual service plan.” The assessment plan is described in Section V.

Section 372.015 of the PID Act states that “the governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district.” The method of assessing the PID Costs to the property in the PID is included in Section V of this Service and Assessment Plan.

Section 372.016 of the PID Act states that “after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed assessment roll. The roll must state the assessment of each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter.” The Assessment Roll for the PID is attached hereto as Exhibit C and addressed in Section VII of this Service and Assessment Plan. The Assessments as shown on the Assessment Roll are based on the method of assessment described in Sections V and VI of this Service and Assessment Plan.

B. Definitions

Capitalized terms used herein shall have the meanings ascribed to them as follows:

"Administrator" means an employee or designee of the City who shall have the responsibilities provided for herein, in the bond ordinance related to any Bonds issued by the City containing a pledge of Assessments, or in another agreement approved by the City Council.

"Assessment Per Square Foot" means the Net Assessment divided by the Anticipated Total Assessable Area or the Assessable Area, as applicable.

"Annual Collection Costs" mean the following actual or budgeted costs, as applicable, related to the annual collection costs of outstanding Assessments paid in installments, including the costs or anticipated costs of: (i) issuing, refunding or refinancing bonds, (ii) computing, levying, collecting and transmitting the Assessments (whether by the City, the Administrator or otherwise), (iii) remitting the Assessments to the City, (iv) the City, the Administrator and Paying Agent/Registrar (including legal counsel) in the discharge of their duties, (v) complying with arbitrage rebate requirements, (vi) complying with securities disclosure requirements, and (vii) the City in any way related to the collection of the Assessments in installments, including, without limitation, the administration of the PID, maintaining the record of installments, payments and reallocations and/or cancellations of Assessments, and the repayment of the Bonds, including, without limitation, any associated legal expenses, the reasonable costs of other consultants and advisors and contingencies and reserves for such costs as deemed appropriate by the City Council. Annual Collection Costs collected and not expended for actual Annual Collection Costs shall be carried forward and applied to reduce Annual Collection Costs in subsequent years to avoid the over-collection of Annual Collection Costs.

"Annual Installment" means, with respect to each Parcel, each annual payment of the Assessment, as shown on the Assessment Roll attached hereto as Exhibit C or an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan.

"Annual Service Plan Update" has the meaning set forth in Section IV of this Service and Assessment Plan.

"Anticipated Total Assessable Area" means the total anticipated square footage of all residential parcels within the PID Boundary as described in Exhibit B.

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

"Assessable Area" means the total square footage per subdivided Parcel as determined by the Dallas Central Appraisal District following the final platting of the properties.

“Assessment” means the Principal, Interest and Annual Collection Costs levied against a Parcel imposed pursuant to the Assessment Ordinance and the provisions herein, as shown on the Assessment Roll, subject to reallocation upon the subdivision of such Parcel created by such subdivision or reduction according to the provision herein and the PID Act.

“Assessment Ordinance” means the Assessment Ordinance approved by the City Council to approve the imposition of the Assessments.

“Assessment Revenues” mean the revenues actually received by the City from Assessments.

“Assessment Roll” means the document included in this Service and Assessment Plan as Exhibit C, as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act.

“Authorized Improvements” mean those public improvements described in Table III-A of this Service and Assessment Plan and Section 372.003 of the PID Act.

“Bonds” mean any bonds or other obligations secured by Assessment Revenues issued by the City in one or more series.

“Bond Ordinance” means the indenture, ordinance or similar document setting forth the terms and other provisions relating to the Bonds, as modified, amended, and/or supplemented from time to time.

“City” means the City of Irving, Texas.

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

“Delinquent Collection Costs” mean interest, penalties and expenses incurred or imposed with respect to any delinquent installment of an Assessment in accordance with Section 372.018 (b) of the PID Act and the costs related to pursuing collection of a delinquent Assessment and foreclosing the lien against the Assessed Property, including attorney’s fees.

“Developer” means Hines Interests Limited Partnership, or its assignees or successors.

“Interest” means the interest payments on the Bonds and Assessments.

“Generalized Site Plan Ordinance” has the meaning set forth in Section I.A of this Service and Assessment Plan.

“Non-Benefited Property” means Parcels within the boundaries of the PID that accrue no special benefit from the Authorized Improvements, including Owner Association

Property, Public Property and easements that create an exclusive use for a public utility provider. Assessed Property converted to Non-Benefited Property, if the Assessments may not be reallocated pursuant to Section VI.E, remains subject to the Assessments and requires the Assessments to be prepaid as provided for in Section VI.E.

“Net Assessments” means the Assessment less TIRZ #5 Agreement Revenue.

“Owner Association Property” means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, a property owners’ association.

“Parcel” means a parcel identified by either a tax map identification number assigned by the Dallas Central Appraisal District for real property tax purpose or by lot and block number in a final subdivision plat recorded in the real property records of Dallas County.

“PID” has the meaning set forth in Section I.A of this Service and Assessment Plan.

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

“PID Costs” means the actual or budgeted costs, as applicable, of all or any portion of the Authorized Improvements that provide a special benefit to the Assessed Property and are allocated to the PID, as described in Table III-A of this Service and Assessment Plan, including, Principal, Interest and Annual Collection Costs.

“Prepayment Costs” mean interest and expenses to the date of prepayment (or in the case of capital appreciation bonds, the accreted value on the date of prepayment), plus any additional amounts due pursuant to the ordinance related to the Bonds and allowed by law, if any, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment.

“Principal” means the total principal amount of the Assessments levied to pay for Authorized Improvements, plus capitalized interest and cost of issuance and payment of costs incurred in the establishment of the PID.

“Public Property” means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to the federal government, the State of Texas, Dallas County, the City, a school district, a public utility provider or any other political subdivision or public agency, whether in fee simple or through an exclusive use easement.

“Service and Assessment Plan” means this Service and Assessment Plan prepared for the PID pursuant to the PID Act, as the same may be amended from time to time.

“Tax Increment Reinvestment Zone #5” means City of Irving, Texas, Reinvestment Zone #5.

“TIRZ #5 Agreement Revenue” means any revenue from Tax Increment Reinvestment Zone #5 that is collected and distributed to pay for a portion of the PID Costs.

“Trustee” means the fiscal agent or trustee, if any, as specified in the Bond Ordinance, including a substitute fiscal agent or trustee.

Section II

Property Included in the PID

A. Property Included in the PID

The Parkside Development is located in the City of Irving, Texas within Dallas County, Texas. The PID contains approximately 275 acres of which approximately 135 acres is planned to be developed as Assessed Property. A map of the property within the PID is shown below and attached hereto for all purposes as Exhibit A.



At completion, the PID is expected to consist of approximately 900 residential units, a public trail system, open space, attractive features, street and roadway improvements and a remedy of numerous issues including floodway desiltation and improved regional drainage system, as well as, infrastructure necessary to provide roadways, drainage and utilities to the PID.

The estimated number of lots is 869, which is based on the PID Lot Layout Map which is attached here to for all purposes as Exhibit B.

Section III

Description of Authorized Improvements

A. Authorized Improvement Overview

Section 372.003 of the PID Act defines the Authorized Improvements that may be undertaken by a municipality or county through the establishment of a public improvement district, as follows:

Sec. 372.003. AUTHORIZED IMPROVEMENTS.

- (a) If the governing body of a municipality or county finds that it promotes the interests of the municipality or county, the governing body may undertake an improvement project that confers a special benefit on a definable part of the municipality or county or the municipality's extraterritorial jurisdiction. A project may be undertaken in the municipality or county or the municipality's extraterritorial jurisdiction.
- (b) A public improvement project may include:
 - (1) landscaping;
 - (2) erection of fountains, distinctive lighting, and signs;
 - (3) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of-way;
 - (4) construction or improvement of pedestrian malls;
 - (5) acquisition and installation of pieces of art;
 - (6) acquisition, construction, or improvement of libraries;
 - (7) acquisition, construction, or improvement of off-street parking facilities;
 - (8) acquisition, construction, improvement, or rerouting of mass transportation facilities;
 - (9) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements;
 - (10) the establishment or improvement of parks;
 - (11) projects similar to those listed in Subdivisions (1)-(10);
 - (12) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;
 - (13) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security,

business recruitment, development, recreation, and cultural enhancement;

(14) payment of expenses incurred in the establishment, administration, and operation of the district; and

(15) the development, rehabilitation, or expansion of affordable housing.

(b-1) Payment of expenses under Subsection (b)(14) may also include expenses related to the operation and maintenance of mass transportation facilities.

(c) A public improvement project may be limited to the provision of the services described by Subsection (b)(13).

(d) A county may establish a public improvement district unless within 30 days of a county's action to approve such a district, a home rule municipality objects to its establishment within the municipality's corporate limits or extraterritorial jurisdiction.

After analyzing the public improvements authorized by the PID ACT, the City has determined that the Authorized Improvements should be undertaken by the City and will benefit the properties in the PID as set forth herein. A list of Authorized Improvements and their estimated costs are outlined in Table III-A.

Table III-A
Authorized Improvements and Estimated Costs

Hard Costs	Total
Water Facilities and Improvements	\$2,040,579
Sanitary Sewer Facilities and Improvements	\$1,328,872
Strom Water Facilities and Improvements	\$864,899
Street Improvements	\$4,821,659
Open Space, Park and Recreation Facilities and Improvements	\$11,503,989
Total Project Costs	\$20,559,998

The improvements to be provided by the PID will provide a special benefit to the property.

A discussion of the bonded indebtedness expected to be incurred to fund the PID Costs set forth in Table III-A is included in Section IV of this Service and Assessment Plan.

The costs shown in table III-A are estimates and may be revised in Annual Service Plan Updates. Savings from one line item may be applied to a cost increase in another line item.

Section IV

Service Plan

The PID Act requires a service plan cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the improvement projects undertaken within the PID. The City anticipates the issuance of Bonds in the approximate principal amount of \$21,700,000. The Bonds are expected to be issued in 2014 for all of the PID Costs. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements. The annual update to this Service and Assessment Plan is herein referred to as the "Annual Service Plan Update."

Table IV-A shows the estimated sources and uses of the Principal.

Table IV-A
Estimated Sources and Uses of Funds

Source of Funds	
Principal	\$ 21,700,000
Use of Funds	
Authorized Improvements	\$ 20,500,000
Capitalized interest	\$ 1,936,945
Cost of issuance and payment of costs incurred in the establishment of the PID	\$ 332,750
Total Use of Funds	\$ 21,700,000

This sources and uses of funds table is subject to revision upon the issuance of the Bonds and the actual sources and uses of funds for any line item may be different than shown above. The sources and uses of funds shown in Table IV-A shall be updated each year in the Annual Service Plan Update to reflect the actual use of Bond proceeds.

The annual projected costs and annual projected indebtedness is shown by Table IV-B. The annual projected costs and annual projected indebtedness is subject to revision and shall be updated each year in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

Table IV-B
Annual Projected Costs and Indebtedness

Year	Annual Projected Costs of the Improvements	Annual Projected Indebtedness
2014	\$ 6,500,000	\$ 33,638,736
2015	\$ 15,200,000	\$ 33,638,736
2016	\$ 0.00	\$ 33,073,793
2017	\$ 0.00	\$ 32,105,320
2018	\$ 0.00	\$ 30,736,847
2019	\$ 0.00	\$ 28,978,374
2020	\$ 0.00	\$ 27,144,901
2021	\$ 0.00	\$ 25,281,041
2022	\$ 0.00	\$ 23,381,868
2023	\$ 0.00	\$ 21,446,955
2024	\$ 0.00	\$ 19,475,017
2025	\$ 0.00	\$ 17,468,679
2026	\$ 0.00	\$ 15,425,266
2027	\$ 0.00	\$ 13,340,553
2028	\$ 0.00	\$ 11,220,865
2029	\$ 0.00	\$ 9,057,527
2030	\$ 0.00	\$ 6,857,689
2031	\$ 0.00	\$ 4,615,201
2032	\$ 0.00	\$ 2,330,688
Total	\$ 21,700,000	\$ -

Section V

Assessment Plan

A. Introduction

The PID Act requires the City Council to apportion the PID Costs on the basis of special benefits conferred upon the property because of the Authorized Improvements. The PID Act provides that the PID Costs may be assessed: (i) equally per front foot or square foot; (ii) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or (iii) in any other manner that results in imposing equal shares of the cost on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes or improvements.

This section of this Service and Assessment Plan currently describes the special benefit received by each Parcel of the Property as a result of the Authorized Improvements, provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments, and establishes the methodology by which the City Council allocates the special benefit of the Authorized Improvements to Parcels in the manner that results in equal share of the PID Cost being apportioned to Parcels similarly benefited. The determination by the City Council of the assessment methodology set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

B. Special Benefit

The Assessed Property will receive a direct and special benefit from the Authorized Improvements, and this benefit will be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described in Table III-A of this Service and Assessment Plan) are authorized by the Act.

The owners of the Assessed Property will acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and will consent to the imposition of the Assessments to pay for the PID Costs associated therewith. The owners are acting in their interest in consenting to this imposition because the special benefit conferred upon the Assessed Property by the Authorized Improvements exceeds the amount of the Assessments.

The owners of the Assessed Property will ratify, confirm, accept, agree to and approve; (i) the determinations and finding as to benefits by the City Council in this Service and Assessment Plan and the Assessment Ordinance; and (ii) the Service and Assessment Plan

and the Assessment Ordinance. Funding the PID Costs through the PID is determined to be the most beneficial means of doing so. As a result, the Assessments results in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, and information provided to the City Council.

C. Allocation of Costs to the PID

The Authorized Improvements will provide a special benefit only to property inside the PID and therefore the costs are being apportioned solely to the PID, subject to section VI-D.

D. Assessment Methodology

The PID Costs may be assessed by the City Council against the Assessed Property so long as the special benefit conferred upon the Assessed Property by the Authorized Improvements equals or exceeds the Assessments. The PID Costs may be assessed using any methodology that results in the imposition of equal shares of the PID Costs on Assessed Property similarly benefited.

For purposes of this Service and Assessment Plan, the City Council has determined that the PID Costs shall be allocated to the Assessed Property on the basis of a modified area method and such method of allocation will result in the imposition of equal shares of the PID Costs on Parcels similarly benefited. The modified area method is applied by spreading the entire assessment across all Parcels within the PID based on the square footage of the Anticipated Total Assessable Area within the PID. When final residential building sites are platted, assessments are apportioned proportionately among each residential parcel based on its Assessable Area. The result of this approach is that each parcel with the same square footage has the same assessment and parcels with more square footage will have a higher assessment, which results in a fair and equitable apportionment of costs because larger homes will be built on larger lots and on average have more individuals residing in them creating more vehicle trips, increased use of parks and open space and have greater demand for water and waste water services.

The Lot Layout Map as shown in Exhibit B shows the anticipated final layout for the Parkside Development along with the Anticipated Total Assessable Area.

E. Assessments

The Assessments for the Authorized Improvements will be levied on each Parcel according to the Assessment Roll attached hereto as Exhibit C. The Annual Installments for the Assessments will be collected in the amounts shown on the Assessment Roll, subject to any revisions made during an Annual Service Plan Update.

Section VI

Terms of the Assessment Plan

A. Amount of Assessments and Annual Installments

The Assessment and Annual Installments for each Parcel are shown on the Assessment Roll, attached as Exhibit C, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act. The Annual Installments shall be collected in an amount sufficient to pay Principal, Interest on the Bonds and Annual Collection Costs.

B. Reallocation of Assessments

1. Upon Subdivision

Upon the subdivision of any Parcel, the Administrator shall reallocate the Assessment for the Parcel prior to the subdivision among the new subdivided Parcels according to the following formula:

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

Where the terms have the following meanings:

A = the Assessment for the new subdivided Parcel

B = the Assessment for the Parcel prior to subdivision

C = the square footage of the newly subdivided Parcel

D = the sum of the square footage for the Assessable Area (or the Anticipated Total Assessable Area) in the PID, excluding Non-Benefitted property

The calculation of the square footage of a Parcel shall be performed by the Administrator based on information available regarding the Parcel. The estimate as confirmed by the Administrator shall be conclusive. The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcel prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in an update to this Service and Assessment Plan approved by the City Council.

2. Upon Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for a Parcel that is a homestead under Texas law

may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be calculated by the Administrator and reflected in an update to this Service and Assessment Plan approved by the City Council.

C. Mandatory Prepayment of Assessments

If at any time the Assessment on a Parcel exceeds the original Assessment calculate for the Parcel as a result of any reallocation of an Assessment authorized by the Assessment Plan and initiated by the owner of the Parcel, or by a re-plat or re-division or parcels initiated by the owners that changes the size of such parcel with a resulting change in its square footage, such owner shall pay to the City prior to the recordation of the document subdividing the Parcel the amount calculated by the Administrator by which the Assessment for the Parcel exceeds the original Assessment for the Parcel. The City shall not approve the recordation of a plat or other document subdividing a Parcel without a letter from the Administrator either (a) confirming that the Assessment for any new Parcel created by the subdivision, re-plat or re-division will not exceed the original Assessment for each Parcel, or (b) confirming the payment of the Assessments, plus all Prepayment Costs on each Parcel to be subdivided, re-platted or re-divided as provided for herein.

D. Reduction of Assessments

If after all Authorized Improvements have been completed and the actual PID Costs are less than the PID Costs used to calculate the Assessments, resulting in excess Bond proceeds being available to redeem Bonds, then the Assessment for each Parcel shall be reduced pro rata such that the sum of the resulting reduced Assessments for all Parcels equals the actual reduced PID Costs and such excess Bond proceeds shall applied to redeem Bonds. The Assessments shall not be reduced to an amount less than the outstanding Bonds.

If all the Authorized Improvements are not undertaken, resulting in excess Bond proceeds being available to redeem Bonds, the Assessment for each Parcel shall be appropriately reduced by the City Council to reflect only the PID Costs that were expended and such excess Bond proceeds shall be applied to redeem Bonds. The City Council may reduce the Assessments for each Parcel by an equal percentage such that the sum of the resulting reduced Assessments equals the PID Costs with respect to the Authorized Improvements that were undertaken. The Assessments shall not be reduced to an amount less than the outstanding Bonds.

Pursuant to an agreement (the “Agreement”) between the City and Tax Increment Reinvestment Zone #5 (“TIRZ #5), whereby TIRZ #5 makes payments to the City from a portion of the tax increment revenues received for the payment of qualified TIRZ #5 project costs, the City shall apply such payments received to each Annual Installment on a pro rata basis to reduce the Annual Installment of each Assessment in the year the TIRZ #5 revenue is received. The Net Assessments will be calculated according to the following formula:

$$A = B - C$$

Where the terms have the following meanings;

A = the Net Assessment per Parcel

B = the Annual Installment per Parcel

C = pro rata TIRZ #5 Agreement Revenue applied to the Parcel

E. Payment of Assessments

1. Payment in Full

- a) The Assessment for any Parcel may be paid in full at any time in accordance with applicable laws. Payment shall include all Prepayment Costs. If prepayment in full will result in a redemption of Bonds, the payment amount shall receive credit from any proceeds from the reserve fund applied to the redemption under the Bond Ordinance, if any, net of any other costs applicable to the redemption of Bonds.
- b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.
- c) Upon payment in full of an Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the Bond Ordinance; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.

2. Payment in Annual Installments

The Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the Act authorizes the City to collect interest and collection costs on the outstanding Assessment. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown in the Assessment Roll, which include interest on the outstanding Assessments and Annual Collection Costs. Payment of the Annual Installments shall commence with tax year 2014, unless this Service and Assessment Plan and the Assessment Roll have terminated.

Each Assessment shall bear interest equal to the actual interest rate paid on the Bonds. The Annual Installments as listed on the Assessment Roll have been calculated at a rate of interest of 2.61%. The actual interest rate on the Bonds may be different than the interest rate estimated in the Assessment Roll.

The Assessment Roll shall be updated once the interest rate of the Bonds is known to reflect the actual interest rate. The principal amount of Annual Installments may not exceed the amounts shown on the Assessment Roll.

The Annual Installments shall be reduced to equal the actual costs of repaying the Bonds and PID Costs (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

The City reserves and shall have the right and option to refund the Bonds. In the event of such refunding, the Administrator shall recalculate the Annual Installments, and if necessary, may adjust, decrease, or extend the term of the Annual Installment so that total Annual Installments of Assessments will be produced in annual amounts that are required to pay the refunding bonds when due and payable as required by and established in the ordinance authorizing and securing the refunding bonds.

F. Collection of Annual Installments

No less frequently than annually, the Administrator shall prepare, and the City Council shall approve, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Assessment Roll and a calculation of the Annual Installment for each Parcel. Annual Collection Costs shall be allocated among Parcels in proportion to the amount of the Annual Installments for the Parcels. Each Annual Installment shall be reduced by any credits applied under the Bond Ordinance, such as capitalized interest, interest earnings on any account balances, and any other funds available for such purpose, including existing deposits for a prepayment reserve and revenues received from TIRZ #5 pursuant to Section VI D herein. Annual Installments shall be collected by the City (or such entity to whom the City directs) in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City. The City Council may provide for other means of collecting the Annual Installments to the extent permitted under the Act. The Assessments shall have lien priority as specified in the Act.

Any sale of property for nonpayment of the delinquent Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such property and such property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent Annual Installments against such property as they become due and payable.

Section VII

The Assessment Roll

Each Parcel has been evaluated by the City Council (based on the PID Lot Layout Map, developable area, proposed Owner Association Property and Public Property, the Authorized Improvements, best and highest use of land, and other development factors deemed relevant by the City Council) to determine, the number of lots and their square footages that are anticipated to be developed within the Parcels. The Anticipated Total Assessable Area is shown in Exhibit B.

Each parcel will be assessed on a per square foot basis based on the Anticipated Total Assessable Area, until such time the parcels are subdivided and final platted after which they will be assessed on a per square foot basis based upon their Assessable Area. The Assessment per Square Foot is calculated according to the following formula:

$$A = B \div C$$

Where the terms have the following meanings:

A = the Assessment Per Square Foot

B = the Net Assessment per Parcel

C = the Assessable Area (or the Anticipated Total Assessable Area)

Following the calculation of the Assessment per Square Foot, Assessments will be calculated on a per parcel basis based on the Anticipated Total Assessable Area of a Parcel prior to subdivision or the Assessable Area following final platting. The total of such amounts shall constitute the Assessment for the Parcel set forth on the Assessment Roll. The Assessment Roll shall be updated upon the preparation of each Annual Service Plan Update to reflect, for each Parcel, subdivisions, consolidations, prepayments, and reductions authorized by this Service and Assessment Plan. The Assessments per Parcel will be calculated according to the following formula:

$$A = B \times C$$

Where the terms have the following meanings:

A = the Assessment per Parcel

B = the Assessable Area (or the Anticipated Total Assessable Area)

C = the Assessment per Square Foot

The Administrator shall prepare, and the City Council shall review and approve, annual updates to the Assessment Roll in conjunction with the Annual Service Plan Update to reflect the following matters, together with any other changes helpful to the Administrator or the City and permitted by the Act: (i) the identification of each Parcel;

(ii) the Assessment for each Parcel, including any adjustments authorized by this Service and Assessment Plan or in the Act; (iii) the Annual Installment for the Parcel for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI C of this Service and Assessment Plan.

Once Bonds are issued, the Assessment Roll shall be updated, which update may be done in the next Annual Service Plan Update, to reflect any changes resulting from the issuance of the Bonds. This update shall reflect the actual interest on the Bonds at which the Annual Installments shall be paid, any reduction in the Assessments and any changes to the Assessments.

Section VIII

Miscellaneous Provisions

A. Administrative Review

The City shall serve as the Administrator until the Assessed Property is final platted at which time this practice will be re-examined and the City may elect to designate a third party to serve as Administrator.

To the extent consistent with the Act, an owner of an Assessed Property claiming that a calculation error has been made in the Assessment Roll, including the calculation of the Annual Installment, shall send a written notice describing the error to the City no later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Parcel owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Property owner, such change or modification shall be presented to the City Council for approval, to the extent permitted by the PID Act. A cash refund may not be made for any amount previously paid by the Assessed Property owner (except for the final year during which the Annual Installment shall be collected), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the City Council for determination. Any amendments made to the Assessment Roll pursuant to calculation errors shall be made pursuant to the PID Act.

B. Termination of Assessments

Each Assessment shall terminate on the date the Assessment is paid in full, including unpaid Annual Installments and Delinquent Collection Costs, if any. After the termination of an Assessment, and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the City shall provide the owner of the affected Parcel a recordable "Notice of the PID Assessment Termination."

E. Amendments

Amendments to the Service and Assessment Plan can be made as permitted by the PID Act and under Texas law.

F. Administration and Interpretation of Provisions

The City Council shall administer (or cause the administration of) the PID, this Service and Assessment Plan, and all Annual Service Plan Updates consistent with the PID Act, and shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein or in the Indenture, such determination shall be conclusive.

G. Severability

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

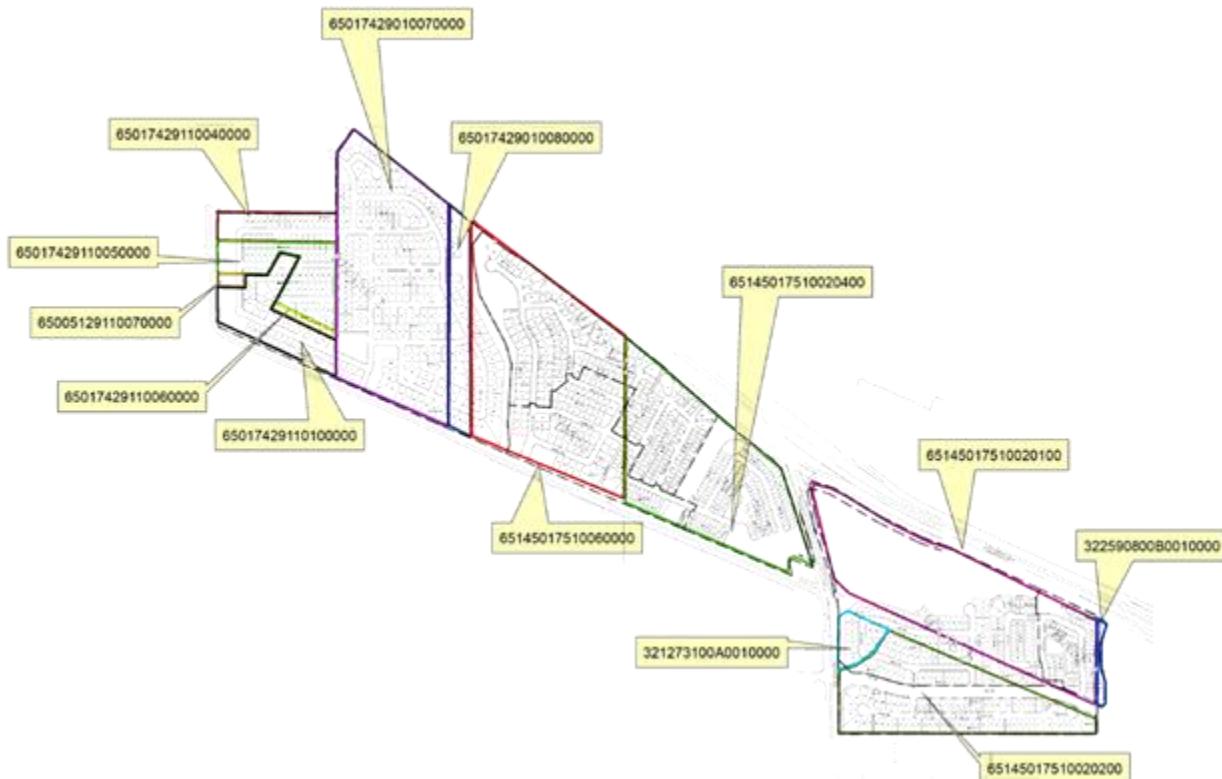
If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the City.

Exhibit A

PID Boundary Map



Exhibit B
PID Lot Layout Map



Parcel	Assessable SQFT
65145017510020100	589,408
65145017510020200	805,367
321273100A0010000	104,423
65017429010070000	1,318,549
65017429010080000	208,563
65017429110040000	92,000
65017429110050000	305,086
65017429110060000	5,749
65017429110100000	300,496
65145017510020400	793,728
65145017510060000	1,319,546
32259080080010000	0
65005129110070000	0
	5,842,915

Exhibit C
Assessment Roll

Parcel - 65145017510020100					
Total Anticipated Assessable Area			589,408	Square Feet	10.0876%
Year	Principal	Interest	Annual Collection Costs	Annual Installments	Annual Projected Indebtedness
2014	\$0.00	\$0.00	\$13,113.84	\$13,113.84	\$3,393,330.23
2015	\$0.00	\$0.00	\$13,376.11	\$13,376.11	\$3,393,330.23
2016	\$0.00	\$56,989.01	\$13,643.64	\$70,632.64	\$3,336,341.22
2017	\$0.00	\$97,695.37	\$13,916.51	\$111,611.88	\$3,238,645.86
2018	\$40,350.27	\$97,695.37	\$14,194.84	\$152,240.48	\$3,100,600.22
2019	\$80,700.54	\$96,686.61	\$14,478.74	\$191,865.89	\$2,923,213.06
2020	\$90,283.73	\$94,669.10	\$14,768.31	\$199,721.14	\$2,738,260.24
2021	\$95,831.89	\$92,186.25	\$15,063.68	\$203,081.81	\$2,550,242.10
2022	\$102,388.81	\$89,191.55	\$15,364.95	\$206,945.31	\$2,358,661.74
2023	\$109,450.11	\$85,735.55	\$15,672.25	\$210,857.91	\$2,163,476.08
2024	\$117,015.78	\$81,904.79	\$15,985.70	\$214,906.27	\$1,964,555.50
2025	\$124,581.46	\$77,809.24	\$16,305.41	\$218,696.11	\$1,762,164.80
2026	\$135,173.41	\$70,957.26	\$16,631.52	\$222,762.18	\$1,556,034.13
2027	\$146,774.11	\$63,522.72	\$16,964.15	\$227,260.98	\$1,345,737.30
2028	\$158,374.81	\$55,450.15	\$17,303.43	\$231,128.39	\$1,131,912.34
2029	\$171,488.65	\$46,739.53	\$17,649.50	\$235,877.68	\$913,684.16
2030	\$184,602.49	\$37,307.66	\$18,002.49	\$239,912.63	\$691,774.01
2031	\$197,211.95	\$29,000.55	\$18,362.54	\$244,575.03	\$465,561.52
2032	\$210,325.78	\$20,126.01	\$18,729.79	\$249,181.58	\$235,109.73
2033	\$224,448.38	\$10,661.35	\$19,104.39	\$254,214.11	\$0.00
	\$2,189,002.17	\$1,204,328.06	\$318,631.77	\$3,711,962.00	

Parcel - 65145017510020200					
Total Anticipated Assessable Area		805,367	Square Feet		13.7837%
Year	Principal	Interest	Annual Collection Costs	Annual Installments	Annual Projected Indebtedness
2014	\$0.00	\$0.00	\$17,918.75	\$17,918.75	\$4,636,645.90
2015	\$0.00	\$0.00	\$18,277.12	\$18,277.12	\$4,636,645.90
2016	\$0.00	\$77,869.77	\$18,642.66	\$96,512.43	\$4,558,776.13
2017	\$0.00	\$133,490.94	\$19,015.52	\$152,506.45	\$4,425,285.20
2018	\$55,134.60	\$133,490.94	\$19,395.83	\$208,021.37	\$4,236,659.66
2019	\$110,269.21	\$132,112.57	\$19,783.74	\$262,165.52	\$3,994,277.88
2020	\$123,363.67	\$129,355.84	\$20,179.42	\$272,898.93	\$3,741,558.36
2021	\$130,944.68	\$125,963.27	\$20,583.01	\$277,490.96	\$3,484,650.41
2022	\$139,904.06	\$121,871.32	\$20,994.67	\$282,770.04	\$3,222,875.04
2023	\$149,552.61	\$117,149.04	\$21,414.56	\$288,116.21	\$2,956,173.38
2024	\$159,890.35	\$111,914.70	\$21,842.85	\$293,647.90	\$2,684,368.34
2025	\$170,228.09	\$106,318.54	\$22,279.71	\$298,826.33	\$2,407,821.71
2026	\$184,700.92	\$96,955.99	\$22,725.30	\$304,382.21	\$2,126,164.80
2027	\$200,552.12	\$86,797.44	\$23,179.81	\$310,529.37	\$1,838,815.24
2028	\$216,403.32	\$75,767.07	\$23,643.40	\$315,813.80	\$1,546,644.85
2029	\$234,322.06	\$63,864.89	\$24,116.27	\$322,303.23	\$1,248,457.89
2030	\$252,240.81	\$50,977.18	\$24,598.60	\$327,816.59	\$945,239.90
2031	\$269,470.37	\$39,626.34	\$25,090.57	\$334,187.29	\$636,143.19
2032	\$287,389.12	\$27,500.18	\$25,592.38	\$340,481.68	\$321,253.90
2033	\$306,686.23	\$14,567.66	\$26,104.23	\$347,358.12	\$0.00
	\$2,991,052.22	\$1,645,593.68	\$435,378.40	\$5,072,024.30	

Parcel - 321273100A0010000					
Total Anticipated Assessable Area		104,423	Square Feet		1.7872%
Year	Principal	Interest	Annual Collection Costs	Annual Installments	Annual Projected Indebtedness
2014	\$0.00	\$0.00	\$2,323.32	\$2,323.32	\$601,182.41
2015	\$0.00	\$0.00	\$2,369.79	\$2,369.79	\$601,182.41
2016	\$0.00	\$10,096.51	\$2,417.19	\$12,513.70	\$591,085.90
2017	\$0.00	\$17,308.29	\$2,465.53	\$19,773.82	\$573,777.61
2018	\$7,148.69	\$17,308.29	\$2,514.84	\$26,971.82	\$549,320.63
2019	\$14,297.38	\$17,129.57	\$2,565.14	\$33,992.09	\$517,893.68
2020	\$15,995.20	\$16,772.14	\$2,616.44	\$35,383.78	\$485,126.34
2021	\$16,978.14	\$16,332.26	\$2,668.77	\$35,979.17	\$451,815.94
2022	\$18,139.81	\$15,801.70	\$2,722.15	\$36,663.65	\$417,874.43
2023	\$19,390.83	\$15,189.42	\$2,776.59	\$37,356.83	\$383,294.19
2024	\$20,731.21	\$14,510.74	\$2,832.12	\$38,074.06	\$348,052.25
2025	\$22,071.59	\$13,785.14	\$2,888.76	\$38,745.49	\$312,195.52
2026	\$23,948.12	\$12,571.21	\$2,946.54	\$39,465.86	\$275,676.19
2027	\$26,003.37	\$11,254.06	\$3,005.47	\$40,262.90	\$238,418.76
2028	\$28,058.62	\$9,823.88	\$3,065.58	\$40,948.07	\$200,536.27
2029	\$30,381.94	\$8,280.65	\$3,126.89	\$41,789.48	\$161,873.68
2030	\$32,705.27	\$6,609.64	\$3,189.43	\$42,504.34	\$122,558.77
2031	\$34,939.23	\$5,137.91	\$3,253.22	\$43,330.36	\$82,481.63
2032	\$37,262.56	\$3,565.64	\$3,318.28	\$44,146.48	\$41,653.43
2033	\$39,764.60	\$1,888.83	\$3,384.65	\$45,038.07	\$0.00
	\$387,816.54	\$213,365.87	\$56,450.68	\$657,633.10	

Parcel - 65017429010070000					
Total Anticipated Assessable Area		1,318,549	Square Feet		22.5666%
Year	Principal	Interest	Annual Collection Costs	Annual Installments	Annual Projected Indebtedness
2014	\$0.00	\$0.00	\$29,336.62	\$29,336.62	\$7,591,129.04
2015	\$0.00	\$0.00	\$29,923.35	\$29,923.35	\$7,591,129.04
2016	\$0.00	\$127,488.60	\$30,521.82	\$158,010.41	\$7,463,640.44
2017	\$0.00	\$218,551.72	\$31,132.25	\$249,683.97	\$7,245,088.72
2018	\$90,266.52	\$218,551.72	\$31,754.90	\$340,573.14	\$6,936,270.49
2019	\$180,533.04	\$216,295.05	\$32,390.00	\$429,218.09	\$6,539,442.39
2020	\$201,971.34	\$211,781.73	\$33,037.80	\$446,790.86	\$6,125,689.33
2021	\$214,382.98	\$206,227.40	\$33,698.55	\$454,308.94	\$5,705,078.94
2022	\$229,051.29	\$199,528.05	\$34,372.52	\$462,951.87	\$5,276,499.60
2023	\$244,847.93	\$191,796.72	\$35,059.98	\$471,704.63	\$4,839,854.95
2024	\$261,772.91	\$183,227.04	\$35,761.17	\$480,761.12	\$4,394,855.00
2025	\$278,697.88	\$174,064.99	\$36,476.40	\$489,239.27	\$3,942,092.13
2026	\$302,392.84	\$158,736.61	\$37,205.93	\$498,335.37	\$3,480,962.68
2027	\$328,344.46	\$142,105.00	\$37,950.04	\$508,399.51	\$3,010,513.21
2028	\$354,296.09	\$124,046.06	\$38,709.05	\$517,051.19	\$2,532,171.07
2029	\$383,632.71	\$104,559.77	\$39,483.23	\$527,675.71	\$2,043,978.59
2030	\$412,969.33	\$83,459.97	\$40,272.89	\$536,702.19	\$1,547,549.29
2031	\$441,177.61	\$64,876.35	\$41,078.35	\$547,132.31	\$1,041,495.33
2032	\$470,514.23	\$45,023.36	\$41,899.92	\$557,437.51	\$525,957.73
2033	\$502,107.51	\$23,850.22	\$42,737.91	\$568,695.65	\$0.00
	\$4,896,958.68	\$2,694,170.36	\$712,802.68	\$8,303,931.71	

Parcel - 65017429010080000					
Total Anticipated Assessable Area		208,563	Square Feet	3.5695%	
Year	Principal	Interest	Annual Collection Costs	Annual Installments	Annual Projected Indebtedness
2014	\$0.00	\$0.00	\$4,640.35	\$4,640.35	\$1,200,735.54
2015	\$0.00	\$0.00	\$4,733.16	\$4,733.16	\$1,200,735.54
2016	\$0.00	\$20,165.65	\$4,827.82	\$24,993.48	\$1,180,569.88
2017	\$0.00	\$34,569.67	\$4,924.38	\$39,494.05	\$1,146,000.22
2018	\$14,278.01	\$34,569.67	\$5,022.87	\$53,870.55	\$1,097,152.54
2019	\$28,556.02	\$34,212.72	\$5,123.33	\$67,892.06	\$1,034,383.80
2020	\$31,947.05	\$33,498.82	\$5,225.79	\$70,671.66	\$968,937.93
2021	\$33,910.27	\$32,620.26	\$5,330.31	\$71,860.84	\$902,407.40
2022	\$36,230.45	\$31,560.58	\$5,436.91	\$73,227.94	\$834,616.37
2023	\$38,729.10	\$30,337.67	\$5,545.65	\$74,612.42	\$765,549.61
2024	\$41,406.23	\$28,982.15	\$5,656.56	\$76,044.94	\$695,161.23
2025	\$44,083.36	\$27,532.93	\$5,769.70	\$77,385.98	\$623,544.94
2026	\$47,831.33	\$25,108.34	\$5,885.09	\$78,824.77	\$550,605.26
2027	\$51,936.26	\$22,477.62	\$6,002.79	\$80,416.68	\$476,191.38
2028	\$56,041.19	\$19,621.13	\$6,122.85	\$81,785.16	\$400,529.06
2029	\$60,681.54	\$16,538.86	\$6,245.30	\$83,465.71	\$323,308.66
2030	\$65,321.90	\$13,201.38	\$6,370.21	\$84,893.48	\$244,785.38
2031	\$69,783.77	\$10,261.89	\$6,497.61	\$86,543.28	\$164,739.72
2032	\$74,424.13	\$7,121.62	\$6,627.57	\$88,173.32	\$83,193.97
2033	\$79,421.43	\$3,772.54	\$6,760.12	\$89,954.09	\$0.00
	\$774,582.05	\$426,153.49	\$112,748.38	\$1,313,483.92	

Parcel - 65017429110040000					
Total Anticipated Assessable Area		92,000	Square Feet		1.5746%
Year	Principal	Interest	Annual Collection Costs	Annual Installments	Annual Projected Indebtedness
2014	\$0.00	\$0.00	\$2,046.92	\$2,046.92	\$529,660.92
2015	\$0.00	\$0.00	\$2,087.86	\$2,087.86	\$529,660.92
2016	\$0.00	\$8,895.35	\$2,129.62	\$11,024.97	\$520,765.57
2017	\$0.00	\$15,249.15	\$2,172.21	\$17,421.37	\$505,516.41
2018	\$6,298.23	\$15,249.15	\$2,215.66	\$23,763.04	\$483,969.03
2019	\$12,596.45	\$15,091.70	\$2,259.97	\$29,948.12	\$456,280.88
2020	\$14,092.28	\$14,776.79	\$2,305.17	\$31,174.24	\$427,411.81
2021	\$14,958.29	\$14,389.24	\$2,351.27	\$31,698.80	\$398,064.28
2022	\$15,981.75	\$13,921.80	\$2,398.30	\$32,301.85	\$368,160.73
2023	\$17,083.94	\$13,382.36	\$2,446.26	\$32,912.56	\$337,694.43
2024	\$18,264.86	\$12,784.42	\$2,495.19	\$33,544.47	\$306,645.15
2025	\$19,445.77	\$12,145.15	\$2,545.09	\$34,136.02	\$275,054.23
2026	\$21,099.06	\$11,075.64	\$2,595.99	\$34,770.69	\$242,879.53
2027	\$22,909.80	\$9,915.19	\$2,647.91	\$35,472.90	\$210,054.55
2028	\$24,720.54	\$8,655.15	\$2,700.87	\$36,076.56	\$176,678.86
2029	\$26,767.46	\$7,295.52	\$2,754.89	\$36,817.87	\$142,615.88
2030	\$28,814.38	\$5,823.31	\$2,809.99	\$37,447.68	\$107,978.19
2031	\$30,782.58	\$4,526.66	\$2,866.19	\$38,175.43	\$72,668.95
2032	\$32,829.50	\$3,141.44	\$2,923.51	\$38,894.46	\$36,698.00
2033	\$35,033.88	\$1,664.12	\$2,981.98	\$39,679.98	\$0.00
	\$341,678.77	\$187,982.15	\$49,734.86	\$579,395.77	

Parcel - 65017429110050000					
Total Anticipated Assessable Area			305,086	Square Feet	5.2215%
Year	Principal	Interest	Annual Collection Costs	Annual Installments	Annual Projected Indebtedness
2014	\$0.00	\$0.00	\$6,787.91	\$6,787.91	\$1,756,436.20
2015	\$0.00	\$0.00	\$6,923.67	\$6,923.67	\$1,756,436.20
2016	\$0.00	\$29,498.32	\$7,062.14	\$36,560.47	\$1,726,937.87
2017	\$0.00	\$50,568.52	\$7,203.38	\$57,771.90	\$1,676,369.36
2018	\$20,885.88	\$50,568.52	\$7,347.45	\$78,801.85	\$1,604,914.96
2019	\$41,771.75	\$50,046.37	\$7,494.40	\$99,312.52	\$1,513,096.84
2020	\$46,732.15	\$49,002.08	\$7,644.29	\$103,378.51	\$1,417,362.61
2021	\$49,603.96	\$47,716.92	\$7,797.17	\$105,118.05	\$1,320,041.74
2022	\$52,997.91	\$46,166.82	\$7,953.12	\$107,117.85	\$1,220,877.01
2023	\$56,652.94	\$44,377.94	\$8,112.18	\$109,143.06	\$1,119,846.12
2024	\$60,569.04	\$42,395.09	\$8,274.42	\$111,238.56	\$1,016,881.99
2025	\$64,485.14	\$40,275.18	\$8,439.91	\$113,200.23	\$912,121.67
2026	\$69,967.69	\$36,728.49	\$8,608.71	\$115,304.89	\$805,425.49
2027	\$75,972.38	\$32,880.27	\$8,780.89	\$117,633.53	\$696,572.85
2028	\$81,977.06	\$28,701.79	\$8,956.50	\$119,635.36	\$585,894.00
2029	\$88,764.97	\$24,193.05	\$9,135.63	\$122,093.66	\$472,935.97
2030	\$95,552.88	\$19,310.98	\$9,318.35	\$124,182.21	\$358,072.11
2031	\$102,079.72	\$15,011.10	\$9,504.71	\$126,595.53	\$240,981.29
2032	\$108,867.63	\$10,417.51	\$9,694.81	\$128,979.95	\$121,696.15
2033	\$116,177.69	\$5,518.47	\$9,888.70	\$131,584.86	\$0.00
	\$1,133,058.79	\$623,377.41	\$164,928.35	\$1,921,364.55	

Parcel - 65017429110060000					
Total Anticipated Assessable Area			5,749 Square Feet		0.0984%
Year	Principal	Interest	Annual Collection Costs	Annual Installments	Annual Projected Indebtedness
2014	\$0.00	\$0.00	\$127.91	\$127.91	\$33,098.05
2015	\$0.00	\$0.00	\$130.47	\$130.47	\$33,098.05
2016	\$0.00	\$555.86	\$133.08	\$688.94	\$32,542.19
2017	\$0.00	\$952.91	\$135.74	\$1,088.65	\$31,589.28
2018	\$393.57	\$952.91	\$138.45	\$1,484.93	\$30,242.80
2019	\$787.14	\$943.07	\$141.22	\$1,871.43	\$28,512.60
2020	\$880.61	\$923.39	\$144.05	\$1,948.05	\$26,708.59
2021	\$934.73	\$899.17	\$146.93	\$1,980.83	\$24,874.69
2022	\$998.69	\$869.96	\$149.87	\$2,018.51	\$23,006.04
2023	\$1,067.56	\$836.25	\$152.86	\$2,056.68	\$21,102.23
2024	\$1,141.35	\$798.89	\$155.92	\$2,096.16	\$19,161.99
2025	\$1,215.15	\$758.94	\$159.04	\$2,133.13	\$17,187.90
2026	\$1,318.46	\$692.11	\$162.22	\$2,172.79	\$15,177.33
2027	\$1,431.61	\$619.59	\$165.47	\$2,216.67	\$13,126.13
2028	\$1,544.76	\$540.85	\$168.78	\$2,254.39	\$11,040.51
2029	\$1,672.68	\$455.89	\$172.15	\$2,300.72	\$8,911.94
2030	\$1,800.59	\$363.89	\$175.59	\$2,340.07	\$6,747.46
2031	\$1,923.58	\$282.87	\$179.11	\$2,385.55	\$4,541.02
2032	\$2,051.49	\$196.31	\$182.69	\$2,430.48	\$2,293.23
2033	\$2,189.24	\$103.99	\$186.34	\$2,479.57	\$0.00
	\$21,351.21	\$11,746.84	\$3,107.89	\$36,205.94	

Parcel - 65017429110100000					
Total Anticipated Assessable Area		300,496	Square Feet		5.1429%
Year	Principal	Interest	Annual Collection Costs	Annual Installments	Annual Projected Indebtedness
2014	\$0.00	\$0.00	\$6,685.79	\$6,685.79	\$1,730,010.72
2015	\$0.00	\$0.00	\$6,819.50	\$6,819.50	\$1,730,010.72
2016	\$0.00	\$29,054.52	\$6,955.89	\$36,010.42	\$1,700,956.20
2017	\$0.00	\$49,807.72	\$7,095.01	\$56,902.73	\$1,651,148.48
2018	\$20,571.65	\$49,807.72	\$7,236.91	\$77,616.28	\$1,580,769.12
2019	\$41,143.30	\$49,293.43	\$7,381.65	\$97,818.37	\$1,490,332.39
2020	\$46,029.07	\$48,264.84	\$7,529.28	\$101,823.19	\$1,396,038.48
2021	\$48,857.67	\$46,999.02	\$7,679.87	\$103,536.55	\$1,300,181.79
2022	\$52,200.56	\$45,472.24	\$7,833.46	\$105,506.27	\$1,202,508.99
2023	\$55,800.60	\$43,710.28	\$7,990.13	\$107,501.01	\$1,102,998.11
2024	\$59,657.78	\$41,757.26	\$8,149.94	\$109,564.98	\$1,001,583.06
2025	\$63,514.97	\$39,669.24	\$8,312.93	\$111,497.14	\$898,398.86
2026	\$68,915.03	\$36,175.91	\$8,479.19	\$113,570.13	\$793,307.92
2027	\$74,829.38	\$32,385.59	\$8,648.78	\$115,863.74	\$686,092.95
2028	\$80,743.72	\$28,269.97	\$8,821.75	\$117,835.45	\$577,079.26
2029	\$87,429.51	\$23,829.07	\$8,998.19	\$120,256.77	\$465,820.68
2030	\$94,115.30	\$19,020.44	\$9,178.15	\$122,313.89	\$352,684.94
2031	\$100,543.94	\$14,785.26	\$9,361.71	\$124,690.91	\$237,355.74
2032	\$107,229.72	\$10,260.78	\$9,548.95	\$127,039.45	\$119,865.24
2033	\$114,429.80	\$5,435.44	\$9,739.93	\$129,605.17	\$0.00
	\$1,116,011.99	\$613,998.73	\$162,447.02	\$1,892,457.74	

Parcel - 65145017510020400					
Total Anticipated Assessable Area		793,728	Square Feet		13.5845%
Year	Principal	Interest	Annual Collection Costs	Annual Installments	Annual Projected Indebtedness
2014	\$0.00	\$0.00	\$17,659.79	\$17,659.79	\$4,569,638.04
2015	\$0.00	\$0.00	\$18,012.98	\$18,012.98	\$4,569,638.04
2016	\$0.00	\$76,744.41	\$18,373.24	\$95,117.66	\$4,492,893.63
2017	\$0.00	\$131,561.75	\$18,740.71	\$150,302.46	\$4,361,331.88
2018	\$54,337.81	\$131,561.75	\$19,115.52	\$205,015.08	\$4,175,432.31
2019	\$108,675.62	\$130,203.31	\$19,497.83	\$258,376.76	\$3,936,553.39
2020	\$121,580.85	\$127,486.42	\$19,887.79	\$268,955.05	\$3,687,486.12
2021	\$129,052.30	\$124,142.88	\$20,285.55	\$273,480.72	\$3,434,290.95
2022	\$137,882.19	\$120,110.06	\$20,691.26	\$278,683.51	\$3,176,298.70
2023	\$147,391.31	\$115,456.03	\$21,105.08	\$283,952.41	\$2,913,451.37
2024	\$157,579.65	\$110,297.33	\$21,527.18	\$289,404.16	\$2,645,574.39
2025	\$167,767.99	\$104,782.04	\$21,957.73	\$294,507.75	\$2,373,024.36
2026	\$182,031.66	\$95,554.80	\$22,396.88	\$299,983.35	\$2,095,437.90
2027	\$197,653.78	\$85,543.06	\$22,844.82	\$306,041.66	\$1,812,241.06
2028	\$213,275.90	\$74,672.10	\$23,301.72	\$311,249.72	\$1,524,293.05
2029	\$230,935.69	\$62,941.93	\$23,767.75	\$317,645.37	\$1,230,415.43
2030	\$248,595.48	\$50,240.47	\$24,243.10	\$323,079.05	\$931,579.49
2031	\$265,576.04	\$39,053.67	\$24,727.97	\$329,357.68	\$626,949.78
2032	\$283,235.83	\$27,102.75	\$25,222.53	\$335,561.10	\$316,611.20
2033	\$302,254.06	\$14,357.14	\$25,726.98	\$342,338.18	\$0.00
	\$2,947,826.14	\$1,621,811.89	\$429,086.40	\$4,998,724.44	

Parcel - 65145017510060000					
Total Anticipated Assessable Area			1,319,546	Square Feet	22.5837%
Year	Principal	Interest	Annual Collection Costs	Annual Installments	Annual Projected Indebtedness
2014	\$0.00	\$0.00	\$29,358.80	\$29,358.80	\$7,596,868.95
2015	\$0.00	\$0.00	\$29,945.98	\$29,945.98	\$7,596,868.95
2016	\$0.00	\$127,584.99	\$30,544.90	\$158,129.89	\$7,469,283.95
2017	\$0.00	\$218,716.97	\$31,155.79	\$249,872.77	\$7,250,566.98
2018	\$90,334.77	\$218,716.97	\$31,778.91	\$340,830.66	\$6,941,515.24
2019	\$180,669.55	\$216,458.60	\$32,414.49	\$429,542.64	\$6,544,387.09
2020	\$202,124.05	\$211,941.86	\$33,062.78	\$447,128.70	\$6,130,321.17
2021	\$214,545.09	\$206,383.34	\$33,724.03	\$454,652.46	\$5,709,392.75
2022	\$229,224.49	\$199,678.92	\$34,398.51	\$463,301.92	\$5,280,489.34
2023	\$245,033.07	\$191,941.74	\$35,086.49	\$472,061.30	\$4,843,514.53
2024	\$261,970.84	\$183,365.59	\$35,788.21	\$481,124.64	\$4,398,178.10
2025	\$278,908.61	\$174,196.61	\$36,503.98	\$489,609.20	\$3,945,072.88
2026	\$302,621.49	\$158,856.63	\$37,234.06	\$498,712.18	\$3,483,594.76
2027	\$328,592.74	\$142,212.45	\$37,978.74	\$508,783.93	\$3,012,789.57
2028	\$354,563.98	\$124,139.85	\$38,738.31	\$517,442.15	\$2,534,085.73
2029	\$383,922.79	\$104,638.83	\$39,513.08	\$528,074.70	\$2,045,524.11
2030	\$413,281.59	\$83,523.08	\$40,303.34	\$537,108.01	\$1,548,719.45
2031	\$441,511.20	\$64,925.41	\$41,109.41	\$547,546.02	\$1,042,282.84
2032	\$470,870.00	\$45,057.40	\$41,931.60	\$557,859.01	\$526,355.43
2033	\$502,487.17	\$23,868.25	\$42,770.23	\$569,125.66	\$0.00
	\$4,900,661.43	\$2,696,207.52	\$713,341.65	\$8,310,210.60	

Exhibit D
Sources & Uses – First Southwest

City of Irving

Certificates of Obligation
Series 2014

Sources & Uses

Dated 02/15/2014 | Delivered 02/15/2014

Sources Of Funds

Par Amount of Bonds	\$21,700,000.00
Reoffering Premium	1,200,389.15
Total Sources	\$22,900,389.15

Uses Of Funds

Original Issue Discount (OID)	126,834.70
Total Underwriter's Discount (0.750%)	162,750.00
Costs of Issuance	170,000.00
Deposit to Capitalized Interest (CIF) Fund	1,936,945.63
Deposit to Project Construction Fund	20,500,000.00
Rounding Amount	3,858.82

Total Uses	\$22,900,389.15
-------------------	------------------------

CO Financing Feb 2014 Par | SINGLE PURPOSE | 1/30/2014 | 9:41 AM

**FirstSouthwest
Public Finance**

Page 1