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**DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
SADDLEBROOK ESTATES  
CITY OF WAXAHACHIE,  
ELLIS COUNTY, TEXAS**

October 1, 2007

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After Recorded Return to:  
Lennar Homes of Texas Land & Construction, Ltd.  
1707 Market Place Blvd., Suite 260  
Irving, TX 75063

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**TABLE OF CONTENTS**

<b>ARTICLE 1</b>	<b>ESTABLISHMENT</b>	<b>1</b>
Section 1.1	Establishment of Covenants, Conditions and Restrictions.....	1
Section 1.2	Definitions .....	1
	<i>ACC</i> .....	1
	<i>Assessments</i> .....	2
	<i>Association</i> .....	2
	<i>Board</i> .....	2
	<i>Builder</i> .....	2
	<i>City</i> .....	2
	<i>Common Area</i> .....	2
	<i>Declarant</i> .....	2
	<i>Design Guidelines</i> .....	2
	<i>HUD</i> .....	3
	<i>Lot</i> .....	3
	<i>Managing Agent</i> .....	3
	<i>Owner</i> .....	3
	<i>Person</i> .....	3
	<i>PID</i> .....	3
	<i>Phase</i> .....	3
	<i>Plat</i> .....	3
	<i>Residence</i> .....	3
	<i>Street</i> .....	3
	<i>Structure</i> .....	3
	<i>VA</i> .....	3
	<i>Vehicle</i> .....	4
<b>ARTICLE 2</b>	<b>USE PROVISIONS</b>	<b>4</b>
Section 2.1	Permitted Uses .....	4
Section 2.2	Prohibited Uses and Activities .....	4
<b>ARTICLE 3</b>	<b>CONSTRUCTION PROVISIONS</b>	<b>6</b>
Section 3.1	Plan Approval Required.....	6
Section 3.2	Establishment of ACC.....	6
Section 3.3	Approval Process .....	6
Section 3.4	Specific Construction Provisions .....	8
Section 3.5	Construction Materials.....	10
Section 3.6	Height Restrictions.....	11
Section 3.7	Roof Restrictions.....	11
Section 3.8	Construction Period and Process.....	11
Section 3.9	Declarant Rights .....	11
<b>ARTICLE 4</b>	<b>MAINTENANCE PROVISIONS</b>	<b>11</b>
Section 4.1	Owner's Obligation to Maintain.....	11

Section 4.2	Damaged Improvements .....	11
Section 4.3	Declarant/Association Right to Perform.....	11
Section 4.4	Easement Maintenance .....	12
<b>ARTICLE 5</b>	<b>OWNER'S ASSOCIATION</b>	<b>13</b>
Section 5.1	Establishment.....	13
Section 5.2	Voting Power .....	13
Section 5.3	Officers.....	14
<b>ARTICLE 6</b>	<b>ASSESSMENTS</b>	<b>15</b>
Section 6.1	Power to Establish Assessments .....	15
Section 6.2	Commencement of Assessments .....	15
Section 6.3	Regular Annual Maintenance Assessments .....	15
Section 6.4	Special Assessments.....	16
Section 6.5	Liability for and Enforcement of Assessments.....	16
Section 6.6	Working Capital Fund .....	18
<b>ARTICLE 7</b>	<b>COMMON AREA</b>	<b>18</b>
Section 7.1	Right to Use Common Areas .....	18
Section 7.2	Specific Facilities .....	18
Section 7.3	Maintenance of Common Areas .....	19
Section 7.4	Risk of Loss - Use of Common Areas.....	19
Section 7.5	Conveyance of Common Area to Association .....	19
<b>ARTICLE 8</b>	<b>SPECIFIC DECLARANT RIGHTS</b>	<b>19</b>
Section 8.1	Rights to Annex.....	19
Section 8.2	No Duty to Annex.....	19
Section 8.3	Effect of Annexation on Class B Membership .....	20
Section 8.4	Specific Declarant Rights to Amend Declaration .....	20
Section 8.5	Easement/Access Right.....	20
Section 8.6	Assignment of Declarant Rights .....	20
Section 8.7	Declarant's Right to Install Other Improvements in Setback and Other Areas.....	20
Section 8.8	Replatting or Modification of Plat .....	21
Section 8.9	Limitation of Declarant Liability .....	21
Section 8.10	Termination of Declarant's Responsibilities.....	21
<b>ARTICLE 9</b>	<b>MISCELLANEOUS PROVISIONS</b>	<b>22</b>
Section 9.1	Term and Renewal.....	22
Section 9.2	Enforcement .....	22
Section 9.3	General Easement for Encroachments, Access, Maintenance and Utilities .....	22
Section 9.4	Amendment of Declaration.....	22
Section 9.5	City Provisions .....	22
Section 9.6	FHA/VA Approval.....	23

**Section 9.7 Notices ..... 23**  
**Section 9.8 Indemnification..... 23**  
**Section 9.9 Severability ..... 23**  
**Section 9.10 Acceptance by Owners of Rights and Obligations..... 23**  
**Section 9.11 Disclosure by Declarant..... 23**  
**Section 9.12 Arbitration of Disputes Involving Declarant..... 24**

EXHIBITS

EXHIBIT A.....	29
Legal Description .....	29
EXHIBIT B.....	41
Standard Mailbox Detail .....	41
EXHIBIT C.....	42
Mini-Plats.....	42
EXHIBIT D.....	43
Articles of Incorporation .....	43
EXHIBIT E.....	47
By-Laws.....	47
EXHIBIT F.....	59
Enforcement Policy .....	59
EXHIBIT F-1.....	64
Disclosure by Declarant.....	64
EXHIBIT F-2.....	66
Budget.....	66
EXHIBIT F-3.....	69
Budget Narrative.....	69
EXHIBIT G.....	71
PUBLIC IMPROVEMENT DISTRICT #1 .....	71
EXHIBIT G-1.....	72
NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT .....	72

LIST OF DEFINED TERMS

ACC ..... 1

Assessment Lien ..... 16

Assessments ..... 2

Association ..... 2

Board ..... 2

Builder ..... 2

City ..... 2

Common Area ..... 2

Declarant ..... 2

Declaration ..... 1

Design Guidelines ..... 2

HUD ..... 3

Lot ..... 3

Managing Agent ..... 3

Owner ..... 3

Person ..... 3

Phase ..... 3

PID ..... 3

Plat ..... 3

Property ..... 1

Residence ..... 3

Special Assessments ..... 16

Street ..... 3

Structure ..... 3

VA ..... 3

Vehicle ..... 4

**DECLARATION OF COVENANTS, CONDITIONS  
AND RESTRICTIONS FOR SADDLEBROOK ESTATES**

STATE OF TEXAS       §  
                                  §  
COUNTY OF ELLIS    §

KNOW BY ALL THESE PRESENT:

This **Declaration** (herein so called) is executed effective as of October 1, 2007 by **287 WAXAHACHIE, L.P. and HW Waxahachie, L.P.**

**RECITALS:**

A. 287 Waxahachie, L.P. and HW Waxahachie, L.P. are the owners of the real property in Ellis County, Texas described on Exhibit A attached hereto, which Declarant is developing as an addition to the City of Waxahachie to be known as Saddlebrook Estates (the "**Property**").

B. Declarant desires to establish a planned residential community of single family detached homes on the Property and, accordingly, has executed this Declaration to impose the covenants, conditions, restrictions, and easements herein described upon the Property.

**ARTICLE 1  
ESTABLISHMENT**

**Section 1.1 Establishment of Covenants, Conditions and Restrictions.** Declarant hereby imposes upon the Property the covenants, conditions, restrictions, liens and easements set forth in this Declaration (the "**Covenants**") for the purposes of establishing a general scheme for development of the Property, enhancing the value of the Lots and Residences (defined below), and establishing restrictions for residential use for the benefit of Declarant and the Owners (defined below). Declarant does not guarantee that all of these purposes will be accomplished through the creation and imposition of the Covenants. The Covenants touch and concern title to the Property, run with the land and shall be binding upon all persons hereafter acquiring any portion of the Property.

**Section 1.2 Definitions.** The terms set forth below shall have indicated meanings when used in this Declaration; other terms are defined elsewhere herein and shall have the meaning given to them in this Declaration.

"**ACC**" means the architectural control committee established pursuant to this Declaration.

**Assessments** means the Maintenance Assessments and Special Assessments provided for in Article 6.

**Association** means the Waxahachie Saddlebrook Estates Homeowners' Association, Inc., a Texas non-profit corporation, or such other homeowners' association name selected and available at the time of formation and established as provided in this Declaration.

**Board** means the Board of Directors of the Association.

**Builder** means any homebuilder constructing the initial Residence upon a Lot in the normal course of conducting its business for profit.

**City** means the City of Waxahachie, Texas.

**Common Area** means those portions of the Property as described in or on the Plat that do not constitute Lots, Streets, roads, or alleys. Accordingly, the Common Area means those portions of the Property designated as such on the Plat, including any recreational centers or similar areas. The Common Area also includes: (i) any areas within the Property owned by the City, the Association, or any other governmental entity, but which are required to be maintained by the Association; (ii) any landscape, wall maintenance, pedestrian access or maintenance easements reflected on the Plat, required by the City or recorded by separate instrument; and (iii) those areas, if any, which are owned by an Owner, but on which are located monuments, signs, fences, landscaping, berms, sidewalks, irrigation systems or other improvements that may be maintained by the City, the PID or the Association, (iv) any areas owned by the PID (as defined in this section) but designated to be maintained by the Association. The Common Area shall also include all improvements on or to any portion of any of the areas described in the preceding sentence. Declarant shall at all times have and retain the right, but without obligation whatsoever, to effect minor redesigns or reconfigurations of the Common Area and to execute any open space declarations applicable to the Common Area which may be permitted in order to reduce property taxes, and to take whatever steps as may be appropriate to lawfully avoid or minimize the imposition of federal and state ad valorem and/or income taxes.

**Declarant** shall be 287 WAXAHACHIE, L.P. and HW WAXAHACHIE, L.P., who by this instrument is authorized to exercise all of the rights of the Declarant in this Declaration; or any other person or entity who is designated as a successor Declarant in writing pursuant to the provisions of this Declaration

**Design Guidelines** shall mean and refer to those particular standards, restrictions, guidelines, recommendations and specifications applicable to all aspects of construction, placement, location, alteration, maintenance and design of any improvements within the Property, and all amendments, modifications, supplements and interpretations thereof, which may be established pursuant to section 3.3(d).



**"HUD"** means the U.S. Department of Housing and Urban Development.

**"Lot"** means any of the individual platted building lots reflected, or to be reflected, on the Plat that are to be used for residential purposes as herein described.

**"Managing Agent"** means any Person who has been engaged and designated by the Board to manage the daily affairs and operations of the Association.

**"Owner"** means any Person owning fee title to any Lot, but excluding any mortgagee or beneficiary under a deed of trust until such time as it acquires legal title to a Lot.

**"Person"** means any individual, corporation, limited liability company, partnership or other entity of any kind or types whatsoever.

**"PID"** means Waxahachie Public Improvement District #1 ("the PID"). Established under the authority of Chapter 372 of the Texas Local Government Code by the City of Waxahachie under Resolution #1048 on April 18, 2005 (attached hereto as Exhibit G).

**"Phase"** means a particular phase developed upon the Property. Declarant may impose, as provided in Section 3.3(d), additional or different restrictions on each Phase. If Declarant annexes additional property into the Property as provided in Section 8.1, it may designate the area annexed as a particular Phase, and may impose, as provided in Section 3.3(d), additional or different restrictions on such area.

**"Plat"** means (i) initially, the Preliminary Plat, and thereafter the Final Plat, for any Phase of the Property submitted to and approved by the City, or any other applicable governmental entity; (ii) after the recording thereof, the final Plat for any Phase of the Property as recorded in the Records of Ellis County, Texas; and, (iii) any replat of, or amendment to, the foregoing made by Declarant in accordance with this Declaration. The term "Plat" shall also include the final recorded plat of any additional property annexed into the Property pursuant to Section 8.1.

**"Residence"** means a single family detached residence constructed upon a Lot in conformance with this Declaration.

**"Street"** means any paved road, but not alleys, that is typically within a fifty foot (50') or sixty foot (60') right-of-way and serves the front of a Lot upon which a Residence is constructed.

**"Structure"** means any structure (other than a Residence), fence, driveway, sidewalk, planting, landscaping, irrigation system, wall, tennis court, swimming pool, outbuilding, playground equipment, or other improvement of any kind or type.

**"VA"** means the U.S. Department of Veterans Affairs.

**"Vehicle"** means any vehicle of any kind or type whatsoever, including any automobile, truck, motorcycle, boat, mobile home, motor home, boat trailer, or other kind of trailer.

## **ARTICLE 2** **USE PROVISIONS**

### **Section 2.1 Permitted Uses.**

(a) **Lots Limited to Residential Use.** Except as otherwise provided in this Declaration, Lots shall be used only for single family, private residential purposes and activities reasonably related thereto. Additional uses for purposes such as schools, churches, or similar activities may be permitted within the Property, provided such use has received the prior written approval from the Board of the Association or the Declarant (but only so long as the Class B membership status exists).

(b) **Common Area Uses.** The Common Area designated on the Plat shall be used only for recreational and other similar purposes as approved by the Declarant, the PID or the Association. The Common Area consisting of landscaping, maintenance, wall maintenance easements, or similar areas shall be used for such purposes or similar purposes as approved by the Declarant, but only so long as the Class B membership status exists, the Board of the Association or the PID.

(c) **Sales Offices and Similar Uses.** Declarant may maintain one or more signs, sales offices, or trailers on Lots for the purpose of facilitating sales of Residences on the Property. Declarant or the ACC may also grant the right to maintain construction trailers on the Lots and to use Lots for signage, sales offices, and similar purposes to other Persons constructing Residences on the Property by written designation.

### **Section 2.2 Prohibited Uses and Activities.**

(a) **No Further Subdivision.** No Lot may be further subdivided without the written consent of the Declarant or the ACC. Lots may be combined for the purpose of constructing a single residence on more than one Lot only upon written approval of the Declarant or the ACC. Without regard to any such permitted subdivision or combination, the Lots involved shall continue to be treated as single individual Lots hereunder for all other purposes, including voting in the Association and assessing and collecting Assessments.

(b) **Parking and Vehicle Restrictions.** No Vehicles shall be parked within the Properties except on a paved parking surface, driveway or within a garage. No trucks or vehicles that are primarily used for commercial purposes, other than those temporarily present on business, nor any trailers, may be parked within the Properties other than enclosed garages or other areas concealed from public view. Boats, boat trailers, campers, travel trailers, mobile homes, recreational vehicles and the like, and any vehicles not in operable condition and validly licensed, shall only be permitted to be kept within the Properties if such are kept inside a garage and concealed from public view. Any other vehicle that is not required to be kept in a garage or concealed from public view (as provided above) may not be parked on the street for more than twenty-four (24) hours. Parking on the streets shall be restricted in accordance with the laws, statutes, ordinances and rules of the state and municipal governments applicable to the Properties. However,

the Board shall have no obligation to take action to enforce such laws, statutes, ordinances and rules. The Board may adopt reasonable rules and regulations governing the parking and operation of vehicles on the Properties.

(c) **Specific Use Restrictions.** The Property is restricted solely to residential and related uses; accordingly, no industrial, business, commercial, professional, manufacturing, mineral or other similar use shall be permitted on any part of the Property. This Section shall not be construed so as to prohibit the conduct of a reasonable amount of in-home work, such as computer work or similar activities, provided that such work or activity does not involve the parking of Vehicles of employees, consultants, or other parties other than the occupants of the Residences in question, and does not involve the delivery or pick-up of any materials or services. Unless expressly permitted by the Declarant or the Board of the Association, no church may be maintained on the Property. No direct sales activities (excluding, however, activities of the Declarant, approved homebuilders and community activities specifically approved by the Board), patio sales, flea markets, bazaars, sample sales, or similar activities shall be conducted on any portion of the Properties. Garage sales are permitted within municipal guidelines and with prior approval from the Board.

(d) **Pet and Animal Restrictions.** Only regular household pets such as cats and dogs shall be permitted on the Property and then only for personal use and not for any business use such as breeding, kennel operations and the like. No other animals shall be permitted to be maintained upon the Property, including the following: cows, horses, bees, hogs, sheep, goats, poultry, or skunks. No more than four (4) domesticated household pets are permitted in any Residence. All pets shall be kept within the fenced-in area of an Owner's Lot and shall not be permitted to run free through the Property.

(e) **Outdoor Burning Restrictions.** Outdoor burning of trash, leaves, and other items is prohibited. This restriction shall not be construed as prohibiting outdoor cooking on barbecue grills in connection with use of a Residence.

(f) **Trash/Garbage Disposal.** Trash, garbage and other waste shall at all times be kept in clean, well maintained, sanitary containers for regular scheduled pickup for removal of such items. Trash, garbage or other waste shall not be dumped on the ground of any Lot or in any Common Area.

(g) **Occupancy.** Each Lot shall be improved with a single family detached Residence. No Person shall occupy any garage or other outbuilding at any time.

(h) **Projections from Structures.** Window air conditioning units and other similar projections are prohibited. Any projection through the roof of any structure on the Property shall require the prior written approval of the Declarant or the ACC.

(i) **Private Water/Sewer Systems.** Each Residence shall be connected to the City water and sanitary sewer system, and no private water well or water, sanitary or storm sewer system is permitted within the Property unless the Declarant constructs it. If Declarant uses private drainage easements in areas that necessitate or contain a private sub-surface storm sewer drainage system, then such sewer lines are to be kept freely running and unobstructed at all times. If the lines become obstructed, all parties that benefit from their function shall be required to equally and promptly share in the cost of repair or replacement of the lines.

(j) **Changes in Grade.** Except for such changes as are reasonably necessary to facilitate construction of a Residence on a Lot, no Owner shall change the

grade of any Lot except in compliance with all applicable laws. After Declarant has developed the Lots, the general grading, slope and drainage plan of a Lot may not be altered, and no dams, berms, channels or swales may be constructed or excavated without the prior written approval of Declarant (or the ACC), the City (if applicable) and other appropriate agencies having authority to grant such approval.

(k) **Visible Activities - Outdoors.** Outdoor drying of clothes is prohibited. Lawn mowers, rakes, carts, and other yard equipment shall be stored from view from adjoining Lots and Streets when not in use.

(l) **General Restriction - Nuisances.** In general, no condition shall be allowed to exist on a Lot which, by sight or smell (as determined exclusively by the ACC), shall constitute a public or private nuisance or unreasonably disturbs any other Owner in the use and enjoyment of its Lot or the Common Area.

(m) **Window Treatments or Coverings.** Window treatments, coverings and screens must be compatible with the design and color of the residence and the overall appearance of the Property. The Committee shall have the sole authority to determine whether particular window treatments, coverings or screens are compatible with the design and color of the residence and the overall appearance of the Property. No window in any residential dwelling or other approved improvement that is visible from any other Lot, street or Common Area may be covered with bed sheets, any type of paper, poster board, aluminum foil or other reflective material.

### **ARTICLE 3** **CONSTRUCTION PROVISIONS**

**Section 3.1 Plan Approval Required.** No Residence or Structure shall be constructed, placed, or installed within the Property until the plans therefor have been approved in writing by the ACC or Declarant as provided in this Article 3.

**Section 3.2 Establishment of ACC.**

(a) **Initial Appointment.** The ACC shall consist of three (3) members; the initial members of the ACC shall be appointed by the Declarant.

(b) **Term and Subsequent Appointments.** The members of the ACC shall serve until they resign or are removed by the party appointing them to the ACC (which the appointing party may do at any time). Subsequent appointments to the ACC shall be made by the Declarant until such time as the Declarant either relinquishes such power by written notice to the Board, or the Declarant no longer owns any Lot; thereafter appointments to and removals from the ACC shall be made by the Board. The ACC or Declarant may engage the services of a third party to review plans and specifications pursuant to this Article.

(c) **Compensation; Fee for Review.** No member of the ACC shall be entitled to compensation for its services. The ACC may impose a reasonable charge for reviewing plans.

**Section 3.3 Approval Process.**

(a) **Submission of Plans.** Any party wishing to construct a Residence or any Structure on the Property shall submit two (2) copies of complete plans and

specifications to the ACC for its approval prior to commencing construction. Such plans and specifications shall include engineering information, landscaping description, and construction plans showing the location and elevations of the proposed Residence or Structure and the materials to be used in constructing the same, all in sufficient detail to enable the ACC to evaluate the proposed Structure or Residence. The ACC may request additional information, including samples of proposed materials to aid it in its decision process. After receipt of a complete set of plans and specifications, the ACC shall promptly review the same and notify the Person submitting whether it approves the plans or whether it requires changes thereto. Alternately, the ACC may disapprove a set of plans by so noting thereon and returning it to the Person submitting, accompanied by a statement of the reasons for disapproval. No construction shall be commenced on any portion of the Property unless and until the plans for the Residence or Structure in question have been approved in writing by the ACC or Declarant. All Work shall be completed within (9) months of commencement of construction or such shorter period as the Committee may specify in the notice of approval, unless completion within such time is delayed due to causes beyond the reasonable control of the Owner, as determined in the sole discretion of the Committee. Any construction not commenced within (3) months of approval from the Committee shall be deemed to have been disapproved and must be resubmitted to the Committee for approval.

(b) **Time for Review/Approval.** The ACC shall approve or disapprove all plans submitted for construction within thirty (30) days after the date it receives a complete set of plans and specifications, if the ACC fails to specifically approve or disapprove of any plans within such thirty (30) day period, then the ACC shall be deemed to have approved the plans submitted. Under no circumstances shall the ACC's failure to respond within the thirty (30) day period constitute deemed approval of, or the granting of a variance for any aspect of construction, use of materials, or location of improvements, which would otherwise constitute a violation of the Covenants or the Design Guidelines.

(c) **Review Standards.** The ACC, in reviewing and approving plans for construction of Structures or Residences, shall use commercially reasonable efforts to promote and ensure a high level of taste, design quality, aesthetic harmony, and conformity throughout the Property, consistent with the standards established by this Declaration and any Design Guidelines.

(d) **Special Procedure for Homebuilders.** Once the reviewer has approved a set of final plans and specifications (including, but not limited to, exterior colors) submitted by the builder, that homebuilder may use such plans and specifications for other homes it will construct on the Property, provided that (a) there shall be at least two lots on the same side of the street between lots with houses using the same or substantially the same floorplan; (b) there shall be at least three lots on the same side of the street between lots with houses using the same or substantially the same exterior elevations; and (c) no houses with the same or substantially the same exterior elevation shall be constructed on Lots directly across the street from each other.

(e) **Design Guidelines/Building Standards.** The Declarant or the ACC may but is not required to, from time to time, establish specific guidelines and building standards to assist Persons in determining the type of Structures and Residences, which may be constructed on the Property. Pursuant to Section 8.1, Declarant may annex additional Property to become a portion of the Property, and may develop the overall

Property in various Phases. Declarant may establish differing restrictions, guidelines and building standards for each such Phase of the Property, which may impose more restrictive or less onerous building standards with respect to a particular Phase. The ACC or Declarant may amend or modify such guidelines or standards from time to time in its sole discretion. Such guidelines or standards shall supplement this Declaration and be general guides to permitted construction within the Property, but shall not diminish the authority of the ACC and Declarant to approve plans as otherwise herein provided.

(f) **Failure to Obtain Approval.** The construction, repair, replacement, installation, or placement of any Structure or improvement of any type on a Lot without the prior written approval from the ACC shall constitute grounds for the imposition by the ACC or the Association of a fine against the Owner of said Lot per the Saddlebrook Estates Declaration "Enforcement Policy". A fine levied under this Section shall be charged to the Owner's assessment account, payable upon demand and secured by the lien created in Article 6.

(g) **Limitation of Liability.** Neither the Declarant, its officers, directors, partners, agents, employees, representatives, parent or subsidiaries, nor the Association, the Board, or the ACC, including any of its respective members, shall be liable to any Person for any official act of the ACC in connection with submitted plans and specifications. Notwithstanding any approval by the Declarant or the ACC, neither the Declarant nor the ACC shall be responsible or liable to any Person with respect to any loss, liability, claim or expense which may arise by reason of such approval or the construction of a Residence or Structure related thereto. Neither the Declarant, the Association, the Board nor the ACC shall be responsible in any way for any defects in any plans or specifications submitted, reviewed or approved in accordance with the provisions of this Declaration, nor for any structural or other defects in any work done according to such plans or specifications. No approval of any plans by either the ACC or the Declarant shall be construed to mean that the plans comply with any applicable law, building code, or governmental regulation, it being the responsibility of the Person submitting any plans to assure compliance with all applicable laws. Conversely, the issuance of a building permit or any approval from any governmental authority shall not, under any circumstance, constitute any evidence that construction of a Residence or a Structure complies with the terms and conditions contained in this Declaration or any Design Guidelines. Declarant and members of the ACC shall have no liability for decisions made by them regarding the approval or disapproval of plans, so long as the decisions are made in good faith and are not discriminatory, arbitrary, or capricious.

### **Section 3.4 Specific Construction Provisions.**

(a) **Setbacks.** All Residences and other Structures shall be constructed in conformity with the setback requirements of the City and the building lines reflected on the Plat.

(b) **Structure Size and Type.** Each Residence shall have the minimum number of square feet of enclosed air-conditioned area as set forth by the City in the applicable zoning ordinance and as set forth in the Design Guidelines. Each Residence shall be of new construction on a Lot and no mobile homes or manufactured housing shall be permitted on the Property except on a temporary basis in connection with construction or sales activities.

(c) **Garage Requirements.** Each Residence shall have at least a two car attached garage constructed as a part thereof.

(d) **Drive/Walkway Requirements.** All driveways and sidewalks shall conform to applicable City and other governmental specifications and regulations.

(e) **Ancillary Structure Provisions.** All ancillary Structures (as described below) shall conform to the requirements of this Section:

(1) **Antennae/Satellite Dishes.** The erection, construction, placement or installation of any television, radio, or other electronic tower, serial, antenna, satellite dish or device of any type for the reception or transmission of radio or television broadcasts or for any means of communication upon a Lot or upon any improvement thereon is prohibited except as provided for herein. This prohibition shall not apply to those antennae specifically covered by 47 C.F.R. Part 1, Subpart S, Section 1.4000 (or any successor provision) promulgated pursuant to the Telecommunications Act of 1996, as amended from time to time. The ACC or the Declarant shall be empowered to adopt rules governing the types of antennae that are permissible hereunder and establishing reasonable, non-discriminatory restrictions relating to safety, location and maintenance of antennae. All television antennas and other antennas and aerials shall be located inside the attic of the residence constructed on the Lot. Amateur radio towers and antennas (whether for reception or transmission) are specifically prohibited. No exterior television, radio or other antenna of any type shall be placed, allowed or maintained upon any Lot, Residence, or Structure without prior written approval and authorization of the ACC.

(2) **Fences and Walls.** All fences and walls (excluding retaining walls described in (6) below and wrought iron fencing along common areas) shall be at least six feet (6') in height and shall have a maximum height of eight feet (8'), and shall be located in an area and constructed of materials in accordance with the provisions therefor contained in any Design Guidelines. No fence or wall may be constructed, repaired, rebuilt, or relocated if it impedes or obstructs drainage. Prior written approval from the ACC is required for any construction, placement or repair of fences or walls on any Lot. All fence stain and sealant colors must be approved by the ACC prior to application. All stains and sealants must be applied in uniform coats according to the manufacturer's recommendations and instructions.

(3) **Outbuildings.** Outbuildings shall not extend above the fence such that they are visible from any front street elevation, collector or arterial road. The location, installation and screening of an outbuilding requires, without exception, the prior written approval from the ACC. The maximum size of any shed will be 8' x 8' x 8'. All sheds must be shingled and painted to match home.

(4) **Trash Containers.** All trash containers shall be screened from view from Streets.

(5) **Hedges.** Hedges shall be maintained at a height that is in conformity with the height of fences and walls. No hedge shall be maintained in a manner that obstructs any sidewalk or the visibility of intersections of Streets and/or alleys.

(6) **Retaining Walls.** Retaining walls, other than those constructed by the Declarant, require prior written approval by the ACC to ensure conformity with the requirements contained in any Design Guidelines with respect to location,

construction, and materials. Except for those built by Declarant or its affiliates, any retaining walls which generally face an alley or are either between Residences or along or adjacent to the side or rear property lines of Lots shall be constructed of stone materials. Except for those built by Declarant or its affiliates, any retaining walls which generally face a Street or are along or adjacent to the front property lines of Lots shall be constructed of stone materials.

(7) **Mailboxes.** Mailboxes shall be of a design and constructed of materials approved by the ACC and shall conform to the standard attached hereto as Exhibit B, United States Postal Service regulations and any Design Guidelines. Address numbers must remain visible at all times.

(8) **Tennis Court/Swimming Pool/Recreational Facilities.** A tennis court, swimming pool, and/or recreational facilities may be constructed within any Lot provided the plans are approved by the ACC prior to commencement of construction to ensure compliance with the requirements contained in any Design Guidelines with respect to location and screening. Above ground pools are prohibited.

(9) **Signage.** Except for Declarant's signs, no signage may be maintained on any Lot other than the following: (a) a maximum of one (1) "For Sale" sign not exceeding twenty-four inches (24") by thirty-six (36") in size; (b) A maximum of three (3) signs for political purposes, not to exceed twenty-four inches (24") by thirty-six inches (36") in size, may be displayed no earlier than three (3) weeks prior to an election and not later than one (1) day following the conclusion of the election; (c) spirit signs (announcing the involvement of teenagers in athletics or school programs) shall only be allowed if provided for and in strict compliance with any Design Guidelines. Such advertising and spirit signs shall be subject to approval of the ACC. All signs must be professionally produced and manufactured. Each Owner hereby grants permission to the ACC (or its duly authorized agents) to enter upon a Lot or any part of the Property and remove any sign, billboard or advertising structure that does not comply with the above requirements and, in doing so, shall not be subject to any liability to any Person whatsoever for trespass, conversion, or any claim for damages in connection with such removal. The ACC's cost to remove any sign shall be added to the Owner's assessment account, is payable upon demand and secured by the lien created in Article 6.

(10) **Playground and Recreational Equipment.** Any playground or other play areas or equipment furnished by the Association or erected within the Properties shall be used at the risk of the user. Temporary or permanent basketball goals may not be placed or used on the street or a cul-de-sac. The Association shall not be liable to any Person for any claim, damage or injury occurring thereon or related to the use thereof. All recreational or playground equipment must be kept in a well maintained, attractive condition and in working order.

**Section 3.5 Construction Materials.** All construction materials shall conform to the following provisions:

(a) **Exterior Materials.** All exterior construction materials shall be subject to approval by the ACC in accordance with the provisions in any Design Guidelines or the PID as to aesthetic appearance and shall conform to any and all City ordinances.



(b) **Roof Materials.** Minimum 20 year warranty shingle or equivalent is required. Color of shingles to be gray or similar color. All roofing materials must be fireproof and conform to City requirements, and are subject to ACC approval.

**Section 3.6 Height Restrictions.** All Structures shall conform to the height restrictions of the City.

**Section 3.7 Roof Restrictions.** All roofs shall have at least a 6:12 pitch on the main structure and on garage structures unless otherwise approved by the ACC.

**Section 3.8 Construction Period and Process.** Construction of any Residence shall be pursued with all due diligence and, in any event, shall be completed within nine (9) months after commencement. Construction of any other Structure shall be completed within the time periods specified in the plan approval process. All areas under construction shall be maintained in a clean, safe condition, and debris, trash, and rubble shall be stored in appropriate containers and promptly removed from the Property.

(a) **Landscaping.** All Lots shall be appropriately landscaped, including planting of grass and other plants in conformity with any Design Guidelines and other improvements on the Property. In addition to complying with City requirements and the PID, all Lots with a Residence thereon shall include at least 2 trees with 3" caliper in the area of the Lot between the front property line and the front building line.

(b) **Right to Waive or Modify Specific Instruction Provisions.** The ACC shall have the right, in its discretion, to grant reasonable waivers of the construction provisions set forth in this Declaration, and any such waiver shall not entitle any other person to a similar waiver.

**Section 3.9 Declarant Rights.** So long as Declarant owns any Lot, Declarant may exercise any of the rights of the ACC under this Article 3.

#### **ARTICLE 4 MAINTENANCE PROVISIONS**

**Section 4.1 Owner's Obligation to Maintain.** Each Owner shall maintain its Lot and the Residence and other Structures thereon in a clean, first class condition. Each Owner shall regularly mow grass and maintain the landscaping on its Lot in good condition at all times. Each Owner shall maintain the exterior of all Residences and Structures in good condition and shall make such repairs and replacements as necessary to maintain good order and the aesthetic harmony of the Property.

**Section 4.2 Damaged Improvements.** If any Residence or Structure is damaged in any way, the Owner shall immediately repair such damage or, in the case of substantial damage when the Owner does not wish to rebuild, raze the damaged Structure or Residence and remove the same and leave the surface of the Lot in good order.

**Section 4.3 Declarant/Association Right to Perform.** If any Owner fails to maintain the condition of its Lot, the landscaping thereon, including the prompt removal of

deceased trees and shrubs, or the Residence or other Structures thereon as contemplated by this Article 4 and fails to take action to correct such defect within ten (10) days after the Declarant or the Association has furnished written notice thereof to such Owner, then the Owner of such Lot hereby grants permission to the Declarant or Association (or its duly authorized agents) to enter upon such Lot and perform those duties which the Owner failed to perform without liability whatsoever to such Owner or any Person for trespass, conversion, or any claim for damages. The cost of performing such duties shall be added to the Owner's assessment account and shall bear interest at the rate of eighteen percent (18%) per annum (but not in excess of the lawful maximum rate), be payable upon demand, and shall be secured by the lien provided for in Article 6.

**Section 4.4 Easement Maintenance.** Each Owner grants to the Association, the Board, the PID and the Declarant the right to access, repair, and maintain all facilities and improvements within any wall, entry, fence, landscape, or other similar easement as recorded on any Plat (including, but not limited to, any Plat attached hereto as Exhibit A), especially, without limitation to, the following Lots: **Phase 1A** – Lots 1, 86-94 & 107 of Block D; Lots 1 & 14 of Block F; Lots 1, 11, 31-36 & 51 of Block G; Lots 14 & 15 of Block H; Lots 7 & 8 of Block I; and Lots 1-6 of Blk X; **Phase 1B** – Lots 19 of Block T; and Lots 1-4 of Block Q. **By acquisition of a Lot, each Owner hereby grants, creates and conveys unto the Association, the PID, the other adjacent Owners and the Declarant a perpetual Drainage Easement (herein so called) over, through, under and across the Owner's Lot for the purpose of permitting runoff and/or storm water to drain from other adjacent Lots over, through, under and across the Owner's Lot(s).** Without limiting the foregoing, in order to facilitate drainage from the Property subject to the Declaration over, through, under and across the Owner's Lot, each Owner hereby agrees that the Declarant or the Association, or PID as the case may be, shall have the right to enter onto the Owner's Lot at any time to (i) prevent possible interference with the Drainage Easement and to remove possible hazards from the Drainage Easement area, (ii) prevent the construction or placement of any building, structure or other obstruction within the Drainage Easement area which may endanger or interfere with the efficient and convenient use of the Drainage Easement, (iii) grade, improve, construct, reconstruct, repair and perpetually maintain swales within the Drainage Easement area, and (iv) or regrade portions of the Drainage Easement area necessary or appropriate to permit drainage as generally described herein or as approved or required by appropriate governmental authorities especially and without limitation to, the following Lots: **Phase 1A** - Lots 9, 10, 18, 19, 91 and 92 of Block D; Lots 34-37 of Block G. Notwithstanding any of the foregoing rights of the Association, the PID or the Developer, each Owner hereby agrees to maintain the Drainage Easement area at such Owner's sole cost and expense. If any structures or other obstructions are constructed, created or placed by any Owner within the Drainage Easement area without the prior written consent of the Board or the Declarant, the Declarant, the PID or the Association shall have the right to remove such structure or obstruction at the sole cost of such Owner. The cost to remove the structure or the obstruction shall be charged to the Owner's assessment account, be payable on demand, and shall be secured by the lien provided for in Article 6.

There shall be reciprocal appurtenant easements for maintenance of retaining walls and fences between each Lot on which any such retaining wall or fence is constructed and

such portion or portions of the Common area adjacent thereto and between adjacent Lots for purposes of repairing and/or replacing all or any portion of such retaining walls or fence to a distance of not more than five (5) feet, as measured from any point on the common boundary between each Lot and the adjacent portion of the Common Area or between adjacent Lots, as the case may be, along a line perpendicular to such boundary at such point. Unless it is specifically provided for herein, or on the Plat, that the Association has the sole responsibility to maintain, repair or replace the retaining wall or fence at issue, the Association or the PID shall have no liability, obligation or responsibility whatsoever for such repairs, maintenance and/or replacement, it being the specific intent of this provision to place such obligation and responsibility on the Owners of the Lots upon which such retaining walls or fences are built or are located.

## **ARTICLE 5** **OWNER'S ASSOCIATION**

**Section 5.1 Establishment.** The Association has heretofore been or will hereafter be created as a Texas non-profit corporation. Each Owner of a Lot shall be a member in the Association and such membership is appurtenant to and shall not be separated from ownership of a Lot. Upon the transfer of a Lot, the new Owner shall automatically become a member of the Association. The term of existence of the Association and other matters pertaining to its operation are set forth in its Articles of Incorporation (attached hereto as Exhibit C) and the By-Laws (attached hereto as Exhibit D). The Association is established to enforce this Declaration and the Covenants, to promote the interests of the Owners as residents of the Property, and to enhance the value of the Lots as a part of a harmonious, high quality, residential subdivision.

**Section 5.2 Voting Power.** The Association shall have two classes of voting membership as follows:

(a) **Class A.** The Class A Member shall be all Owners other than Declarant and shall be entitled to one vote for each Lot owned. If more than one person owns an interest in a Lot, they shall combine their vote in such way as they see fit, but there shall be no fractional votes, and no more than one vote with respect to any Lot.

(b) **Class B.** The Class B Member shall be the Declarant who shall be entitled to fifteen (15) votes for each Lot owned by Declarant. Subject to the conditions set forth in the remainder of this paragraph, the Class B membership shall be converted to Class A membership upon the earlier of (i) the total votes outstanding in the Class A membership equaling the total votes outstanding in the Class B membership, (ii) October 1, 2020, or (iii) the recording in the Records of Ellis County, Texas of a notice signed by Declarant terminating the Class B membership. In determining the number of Lots owned by Declarant for the purpose of Class B membership status hereunder, the total number of Lots covered by this Declaration, including all Lots annexed thereto in accordance with Section 8.1 herein, shall be considered. In the event the Class B membership has previously lapsed as provided in (i) above, but annexation of additional property restores the ratio of Lots owned by Declarant to the number required for Class B membership status, such Class B membership shall be reinstated until it expires pursuant to the terms hereof.

(c) **Board of Directors Election.** The Board shall be elected as provided in the articles and bylaws of the Association. The Board shall act by majority vote as provided in the bylaws.

(d) **Specific Powers of Board.** Without limiting the authority granted to a board of directors under the Texas Non-Profit Corporation Act, the Board shall have the following specific powers on behalf of the Association:

- (1) to enforce the provisions of this Declaration;
- (2) to enter into contracts;
- (3) to retain third parties, as necessary, to assist the Board in carrying on the Association's activities, including engineers, accountants, lawyers, architects, land planners, professional management, and other consultants;
- (4) to take such action as necessary to maintain the Common Area in good order and condition;
- (5) to acquire property, services and materials to carry out its duties;
- (6) to purchase insurance covering potential liability for use of the Common Area and for other risks;
- (7) to borrow money for Association purposes;
- (8) to initiate and defend litigation, arbitration and other similar proceedings;
- (9) to promulgate reasonable rules and regulations for access to and use of Common Areas and governance of the Association, as well as a policy establishing a schedule and procedures by which the Board may assess fines against Owners or invoke self-help remedies for violations of the Covenants, the By-Laws, rules and regulations or any Design Guidelines;
- (10) to establish and collect reasonable fees for the use of any recreational facilities on the Common Area; and
- (11) to establish and collect a reasonable fee for copying and furnishing copies of the Association's governing documents and furnishing a Resale Certificate as required by law. This function and the authority to collect and receive such fees may be delegated or assigned by the Board to the Association's Managing Agent.
- (12) to enforce any provision of the Declaration, the By-laws, the Design Guidelines, or the rules and regulations of the Association through self-help procedures, after prior written notice to the Owner of the Lot at issue, or by suit at law or in equity to enjoin any violation or to recover monetary damages or both or an action to foreclose the lien against any Lot without the necessity or compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorneys' fees and expenses actually incurred.

**Section 5.3 Officers.** The Association will have such officers as are set forth in the bylaws.

**ARTICLE 6**  
**ASSESSMENTS**

**Section 6.1 Power to Establish Assessments.** The Association is empowered to establish and collect Assessments as provided in this Article 6 for the purpose of obtaining funds to maintain the Common Area, perform its other duties, and otherwise preserve and further the operation of the Property as a first quality residential subdivision. The purposes for which Assessments may be used include, without limitation, maintaining, operating, managing, repairing, replacing or improving the Common Area or any improvements thereon; mowing grass and maintaining grades and signs; paying legal fees and expenses incurred in enforcing this Declaration; paying expenses incurred in collecting and administering assessments; paying insurance premiums for liability and fidelity coverage for the ACC, the Board and the Association; satisfying any indemnity obligation under the articles or bylaws; and for any other purpose that furthers or serves the interests of the Association. The Board may reject partial payments and demand payment in full of all amounts due and owing the Association. The Board is specifically authorized to establish a policy governing how payments are to be applied.

**Section 6.2 Commencement of Assessments.**

(a) **Owner other than Declarant.** Unless otherwise provided by separate agreement by and between Declarant and any Person, the Assessments shall commence as to each Lot upon its conveyance by Declarant to any Person that is not an affiliate of Declarant.

(b) **Declarant.** Declarant shall not be liable for Assessments for any Lots that it owns. Declarant may, but shall have no obligation to, subsidize the Association from time to time. In the event Declarant decides to subsidize the Association and any shortfall in the operating budget of the Association is due in part to the failure of the Association to collect delinquent Assessments, then the Association shall immediately and vigorously pursue collection of such delinquent Assessments through foreclosure, if necessary, and shall reimburse the Declarant the amounts, if any, so collected.

**Section 6.3 Regular Annual Maintenance Assessments.**

(a) **Annual Budget.** For each calendar year or a part thereof during the term of this Declaration, the Board shall establish an estimated budget of the expenses to be incurred by the Association for the forthcoming year in performing its duties (proposed proforma for year one in Exhibits F-2 and F-3).

(b) **Limits on Maintenance Assessments.** The initial Maintenance Assessment for each Lot shall not exceed Seventy Five Dollars and No Cents (\$75.00) per month. Thereafter the Board may increase the Maintenance Assessment annually to meet the anticipated needs of the appropriate budget, but the Maintenance Assessment may not be increased in any year by an amount in excess of twenty percent (20%) above the previous year's Maintenance Assessment, unless such increase is approved by a majority vote of those members of the Association present at a meeting, in person or by proxy, where a quorum exists.

(c) **Uniform Assessments.** Maintenance Assessments for all Lots shall be uniform.

**Section 6.4 Special Assessments.** The Association may impose special assessments ("**Special Assessments**") to make capital improvements to the Common Area, to satisfy its indemnity obligations under the articles or bylaws, or for other similar purposes. Any Special Assessment proposed by the Association must be approved by a majority vote of those members of the Association present at a meeting, in person or by proxy, at which a quorum exists. At least fifteen (15) days prior to any meeting of the Association called to consider any Special Assessment, the Board shall notify each Owner thereof by written notice specifying the total amount of the Special Assessment required, the amount thereof imposed on each Lot (which shall be uniform), the purpose for such Special Assessment, and the time and method of payment thereof. The time for paying any Special Assessment (which may be in installments) shall be as specified in the approved proposal therefor.

**Section 6.5 Liability for and Enforcement of Assessments.**

(a) **Personal Liability.** Each Owner shall be personally liable for all Assessments imposed during the time it owns a Lot.

(b) **Reservation, Subordination, and Enforcement of Assessment Lien.** Declarant hereby reserves for the benefit of itself and the Association, a lien (the "**Assessment Lien**") against each Lot to secure payment of (1) the Assessments imposed hereunder; (2) the payment of fines imposed under Section 3.3 (e) and Section 9.2 hereof or Section 3.18 of the By-Laws; (3) the cost to remove unauthorized signage under Section 3.4 (g) hereof; (4) the cost to perform a defaulting Owner's obligations under Section 4.3 hereof; (5) the cost to remove any structure or obstruction from the Drainage Easement area under Section 4.4 hereof; and (6) attorneys' fees incurred by the Association in collecting Assessments or other charges added to an Owner's account and to enforce the Declaration. Each Owner, by accepting conveyance of a Lot, shall be deemed to have agreed to pay the Assessments, along with fines, costs for remedial measures and attorneys' fees as herein provided for and to the reservation of the Assessment Lien. The Assessment Lien shall be subordinate to the liens of any valid first lien mortgage or deed of trust encumbering a particular Lot. Sale or transfer of any Lot shall not affect the Assessment Lien. However, the sale or transfer of any Lot pursuant to a first mortgage or deed of trust foreclosure (whether by exercise of power of sale or otherwise) or any proceeding in lieu thereof, shall only extinguish the Assessment Lien as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from Liability and the Assessment Lien for any Assessments thereafter becoming due. The Assessment Lien may be non-judicially foreclosed by power of sale in accordance with the provisions of Section 51.002 of the *Texas Property Code* (or any successor provision) or may be enforced judicially. Each Owner, by accepting conveyance of a Lot, expressly grants the Association a power of sale in connection with the foreclosure of the Assessment Lien. The Board is empowered to appoint a trustee, who may be a member of the Board, to exercise the powers of the Association to non-judicially foreclose the Assessments Lien in the manner provided for in Section 51.002 of the *Texas Property Code* (or any successor statute). The Association, through duly authorized agents, shall have the power to bid on the Lot at foreclosure sale and to acquire and hold, lease, mortgage and convey the same.

(c) **Notices of Delinquency or Payment.** The Association, the Association's attorney or Declarant may file notice of any delinquency in payment of any Assessment in the Records of Ellis County, Texas. Upon the timely curing of any default for which a notice was recorded by the Association, the Association through its attorney is hereby authorized to file of record a release of such notice upon payment by the defaulting Owner of a fee, to be determined by the Association but not to exceed the actual cost of preparing and filing a release. Upon request of any Owner, any title company on behalf of such Owner or any Owner's mortgagee, the Board through its agents may also issue certificates evidencing the status of payments of Assessments as to any particular Lot (i.e., whether they are current or delinquent and if delinquent, the amount thereof). The Association or its Managing Agent may impose a reasonable fee for furnishing such certificates or statements.

(d) **Suit to Recover.** The Association may file suit to recover any unpaid Assessment and, in addition to collecting such Assessment and interest thereon, may also recover all expenses reasonably expended in enforcing such obligation, including reasonable attorneys' fees and court costs.

(e) **Late Charges and Collection Fees.** If any Assessment or any part thereof remains unpaid after thirty (30) calendar days from and after the due date established by the Board, a late charge shall be assessed against the non-paying Owner for each quarter or any part thereof, that any portion of any Assessment remains unpaid. Should any Assessment be payable in installments, the Association is authorized to accelerate the entire Assessment and demand immediate payment thereof. The late charge shall be in the amount of Fifty and No/100 Dollars (\$50.00) per quarter. The Association's Managing Agent shall be entitled to charge an Owner a quarterly collection fee to compensate Managing Agent for its administrative costs and efforts to collect and process the late payment of Assessments. A service charge in the amount of Twenty And No/100 Dollars (\$20.00) shall be charged for each check that is returned because of insufficient funds or any other reason. The amount of late charges and service charges may be adjusted, from time to time, by the Board consistent with any changes in the administrative costs to collect unpaid Assessments or the Association's bank charges. All late charges, collection fees, service charges and attorneys' fees assessed or incurred due to late payment of Assessments shall be charged to an Owner's Assessment account which shall be part of the delinquent Assessment and shall be payable and secured in the same manner as herein provided with regard to Assessments.

(f) **Interest on Past Due Amounts.** All Assessments past due more than thirty (30) days, unpaid fines and other amounts owed to the Association by any Owner which are not paid when due shall bear interest from the date due until paid at the rate of eighteen percent (18%) per annum, but not in excess of the maximum rate allowed by applicable law.

(g) **Suspension of Right to Use Common Area.** In addition to the other powers herein granted, the Board may suspend the right of Owner to use any of the Common Area during the time that such Owner is delinquent in paying any Assessment.

(h) **Suspension of Voting Rights.** No Owner who is delinquent in paying its Assessments shall have the right to vote as a member of the Association while such delinquency continues; an Owner may cure a delinquency at a meeting to regain the right

to vote by paying all outstanding amounts (including interest, fines, and penalties) by cashier's or certified check or other good funds acceptable to the Board.

(i) **Working Capital Contributions.** Upon acquisition of record title to a Lot by any Owner other than Declarant or an affiliate of Declarant, a contribution shall be made by or on behalf of such Owner to the working capital of the Association in an amount equal to One Hundred Dollars and No Cents (\$100). This amount is not refundable, shall be in addition to, not in lieu of, the Maintenance Assessment levied on the Lot and shall not be considered an advance payment of any portion thereof. This amount shall be deposited into escrow and disbursed therefrom to the Association or to the Declarant if the Association is not yet established and shall be used for covering operating and other expenses incurred by the Association pursuant to the terms of this Declaration and the bylaws of the Association.

(j) **Transfer Fees and Fees for Issuance of Resale Certificates.** The Board may, at its sole discretion, enter into contracts with third parties to oversee the daily operation and management of the association. These third parties may, and probably will, have fees, which will be charged to an Owner for the transfer of a significant estate or fee simple title to a Lot and the issuance of a Resale Certificate. The Association or its agent shall not be required to issue a Resale Certificate until payment for the cost thereof has been received by the Association or its agent. Transfer fees and fees for the issuance of a Resale Certificate are not refundable and may not be regarded as a prepayment of or credit against regular or special assessments, and are in addition to the Working Capital Contribution in Section 6.5(i) above. This Section does not obligate the Board or any third party to levy such fees.

**Section 6.6 Working Capital Fund.** In the event that, after the final Tract and Lot owned by Declarant have been sold for development, the Association is holding working capital funds that have been collected from the proceeds of Lot or Tract sales from the Property, then such monies shall be used by the Association only for the following purposes and in the following order of priority: (i) to cover deficits, if any, from operations; and, (ii) to make further improvements to Common Area.

## **ARTICLE 7 COMMON AREA**

**Section 7.1 Right to Use Common Areas.** Each Owner, the members of that Owner's immediate family, and the Owner's guests (provided guests are accompanied by an Owner) shall have the right to use the Common Area for its intended purposes as herein provided. The Declarant and the Association shall have the right to enter on and use the Common Areas at all times to exercise their rights or (in the case of the Association) perform its duties hereunder.

**Section 7.2 Specific Facilities.** Specific facilities, if any, to be located in the Common Area shall be determined by Declarant. The Declarant and the Board may promulgate reasonable rules and regulations for use of these facilities.



**Section 7.3 Maintenance of Common Areas.** The Association shall be solely responsible for all maintenance, repair, replacement, and improvement of the Common Areas, utilizing the Assessments for such purposes as herein provided. Declarant shall have no responsibility for maintenance, repair, replacement, or improvement of the Common Area after initial construction.

**Section 7.4 Risk of Loss - Use of Common Areas.** Each Owner shall be individually responsible and assume all risk of loss associated with its use of the Common Area and use by its family members and guests. Neither the Association nor Declarant shall have any liability to any Owner or their family members or guests, or to any other Person, arising out of or in connection with the use, in any manner whatsoever, of the Common Area or any improvements comprising a part thereof from time to time. **Each owner and Resident shall be liable to the Association for any damage to any portion of the Common Properties caused by the negligence or willful misconduct of the Owner or Resident or their family, guests or invitees. Any cost of repair incurred by the Association as a result of such damage shall be charged to the Owner's assessment account, payable upon demand, and secured by the lien provided for in Article 6.**

**Section 7.5 Conveyance of Common Area to Association.** Declarant shall convey the Common Area to the Association, free and clear of any liens, claims or encumbrances, not later than sixty (60) days after Declarant no longer owns a Lot in the Property.

## **ARTICLE 8**

### **SPECIFIC DECLARANT RIGHTS**

**Section 8.1 Rights to Annex.** Declarant may annex additional property to become a portion of the Property and thereafter be subject to the terms, provisions and conditions of these Covenants, provided that so long as the Class B membership provided for in Section 5.2(b) exists, any such annexation by Declarant may require the prior approval of HUD or VA. Declarant may exercise such right by recording a supplement to this Declaration in the Records of Ellis County, Texas subjecting such additional property to the terms and conditions hereof. No further action or approval shall be required or necessary for the Declarant to annex additional properties into the Property for the purpose of subjecting it to the Covenants. Any document subjecting additional property to the Declaration may also impose additional restrictions not found in this Declaration upon such additional property. Upon the annexation and platting of any additional property as herein provided, each lot described therein shall become a "Lot" for all purposes hereunder.

**Section 8.2 No Duty to Annex.** Nothing herein contained shall establish any duty or obligation on the part of Declarant or any member to annex any property to this Declaration and no owner of the property excluded from this Declaration shall have any right to have such property annexed thereto.

**Section 8.3 Effect of Annexation on Class B Membership.** In determining the number of Lots owned by Declarant for the purpose of Class B membership status according to Section 5.2 hereof, the total number of Lots covered by this Declaration, including all Lots annexed thereto, shall be considered. If Class B membership has previously lapsed but annexation of additional property restores the ratio of Lots owned by Declarant to the number required by Class B membership, such Class B membership shall be reinstated until it expires pursuant to the terms of Section 5.2.

**Section 8.4 Specific Declarant Rights to Amend Declaration.** Declarant, without joinder of the Board, the Association, may amend, modify or repeal this Declaration (i) at anytime prior to final conversion, (ii) as necessary to bring any provision into compliance with any applicable government statute, rule, regulation, or judicial determination; (iii) as necessary to comply with the requirements set by the Federal Housing Administration, the Veterans Administration, the Department of Housing and Urban Affairs, the Federal Home Loan Mortgage Corporation, or the Government National Mortgage Association, or (iv) as necessary for clarification or to correct technical, typographical, or scrivener's errors. Any amendment to this Declaration must be recorded in the Real Property Records of the County.

**Section 8.5 Easement/Access Right.** Declarant reserves a general easement over all Streets, roads, rights of way, alleys and utility, maintenance, landscaping, wall and other easements in the Property and over the balance of the Common Area for access for the purpose of finishing development of the Property as a subdivision and as otherwise reasonably necessary to effect Declarant's rights hereunder. Such easements and rights shall expire at such time that Declarant no longer owns a Lot.

**Section 8.6 Assignment of Declarant Rights.** Declarant may only assign its rights to a successor Declarant upon written consent of Co-Declarant hereunder by execution of a written document, recorded in Records of Ellis County, Texas specifically stating that Declarant has assigned its rights as such to a designated assignee and declaring such assignee to be the new "Declarant" hereunder.

**Section 8.7 Declarant's Right to Install Improvements in Setback and Other Areas.** Declarant, in connection with development of the Property and construction of homes thereon, reserves the right but shall have no obligation to install or construct walls, fences, irrigation systems and other improvements in the setback areas (being the area on, along and/or between the boundary line of a Lot and the building or setback lines applicable to such Lot) and/or the following described areas: **Phase 1A** – Lots 1, 86-94 & 107 of Block D; Lots 1 & 14 of Block F; Lots 1, 11, 31-36 & 51 of Block G; Lots 14 & 15 of Block H; Lots 7 & 8 of Block I; and Lots 1-6 of Blk X; **Phase 1B** – Lots 19 of Block T; and Lots 1-4 of Block Q. If Declarant exercises such right in a setback area, then such wall, fence, irrigation system, or other improvement shall be the property of the Owner(s) of the Lot(s) upon which or adjacent to these are located, and such Owner(s) shall maintain and repair any such improvement unless Declarant or the Association, by and through the Board, shall advise the Owner(s) in writing of its intent to assume such maintenance and repair obligations. If Declarant exercises such right in the above-described non-setback

areas, then such wall, fence, irrigation system, or other improvement shall be the property of the Association. So long as it owns any Lot, Declarant shall have the right, but not the obligation, to maintain and repair any such non-setback area improvements; otherwise, the Association shall assume the maintenance and repair or it may abandon such improvements at its discretion. If the City requires the maintenance, repair, or removal of any such non-setback area improvements, the Association shall assume such responsibility at its expense. If the Association so abandons such non-setback area improvements or is properly dissolved, then the Owner(s) of the Lot(s) on or adjacent to which such improvements are located shall assume maintenance and repair at its expense.

**Section 8.8 Replating or Modification of Plat.** From time to time, Declarant reserves the right to replat the Property or to amend or modify the Plat in order to assure a harmonious and orderly development of the Property as herein provided. Declarant may exercise such rights so long as it owns any Lot and no joinder of any other Owner shall be required to give effect to such rights, each Owner consenting to Declarant's execution of any replat on such Owner's behalf. However, any such replating or amendment of the Plat shall be with the purpose of efficiently and economically developing the Property for the purposes herein provided or for compliance with any applicable governmental regulation. Declarant's rights under this Section 8.8 shall expire at such time Declarant no longer owns a Lot.

**Section 8.9 Limitation of Declarant Liability.** The Declarant shall not be responsible or liable for any deficit in the Association's funds. Declarant may, but is under no obligation to, subsidize any liabilities incurred by the Association and the Declarant may, but is not obligated to, lend funds to the Association to enable it to defray its expenses, provided the terms of such loans are on reasonable market conditions at the time.

**Section 8.10 Termination of Declarant's Responsibilities.** In consideration of Declarant's deficit funding of the Association, if any, upon the occurrence of any of the following events: (i) conversion of Declarant's Class B membership status to Class A membership status; (ii) completion of any facilities in the Common Area by Declarant; or (iii) assignment of Declarant's rights hereunder pursuant to Section 8.6, then and in such event Declarant shall be fully released, relieved and forever discharged from any further duty or obligation to the Association or any of its members as Declarant by reason of the terms and conditions of this Declaration including any amendments thereof or supplements thereto, save and except the duties and obligations, if any, of Declarant as a Class A member by reason of Declarant's continued ownership of one or more Lots, but not otherwise. Further, and without regard to whether or not Declarant has been released from obligations and duties to the Association, so long as Declarant holds record title to at least one (1) Lot and holds same for sale in the ordinary course of business, neither the Association nor its Board, nor any member of the Association shall take any action that will impair or adversely affect the rights of the Declarant or cause the Declarant to suffer any financial, legal or other detriment, including but not limited to, any direct or indirect interference with the sale of Lots. In the event there is a breach of this Section, it is acknowledged that any monetary award which may be available would be an insufficient remedy and therefore, in addition to all other remedies, the Declarant shall be entitled to

injunctive relief restraining the Association, its Board or any member of the Association from further breach of this Section.

## **ARTICLE 9**

### **MISCELLANEOUS PROVISIONS**

**Section 9.1 Term.** These Covenants shall commence on the date hereof. The period of duration is perpetual.

**Section 9.2 Enforcement.** The terms, provisions and conditions of this Declaration and any Design Guidelines shall be enforceable by Declarant, the ACC, the Association, and each Owner in accordance with the Waxahachie Saddlebrook Estates Homeowners' Association, Inc. Enforcement Policy (Exhibit F). The Board shall have the power and authority to impose reasonable fines for violation of this Declaration, any Design Guidelines or any rule or regulation of the Association, which shall constitute a lien upon the Lot of the violating Owner as provided in the Declaration, and to suspend the Owner's right to vote or any Person's right to use of the Common Area. Each day the violation continues to exist shall constitute a separate violation. If any occupant, guest, or invitee of a Lot violates the Declaration, any Design Guidelines or a rule or regulation of the Association and a fine is imposed, the fine shall first be assessed against such occupant, guest, or invitee; provided, however, if such occupant, guest, or invitee does not pay the fine within thirty (30) days after written demand for payment from the Association, the Owner shall pay the fine upon notice from the Association. The failure of the Board to enforce any provision of the Declaration, any Design Guidelines or any rule or regulation of the Association shall not operate as a waiver of the right of the Board to do so thereafter.

**Section 9.3 General Easement for Encroachments, Access, Maintenance and Utilities.** Each Owner grants to the Association, the Board, the Declarant, the PID and the other Owners a general easement for the maintenance of any minor encroachments of Common Area facilities over adjoining Lots and for access to and from each Owner's Lot through driveways, rights of way and easements as reflected on the Plat for the purpose of giving effect to the provisions of these Covenants.

**Section 9.4 Amendment of Declaration.** These Covenants may be amended by Declarant as provided in Section 8.4. In addition, the Declaration may be amended at any time and in any respect with the approval of Owners owning at least seventy percent (70%) of the Lots; provided, however, that no such amendment shall be effective unless joined in by Declarant until such time as Declarant no longer owns a Lot. In addition, so long as the Class B membership provided for in Section 5.2(b) exists, any amendment of these Covenants may, at Declarant's discretion, require the prior approval of HUD or VA.

**Section 9.5 City Provisions.** All construction within the Property shall also comply with all applicable City ordinances and regulations. If any ordinance or regulation imposed by the City imposes more demanding, extensive or restrictive requirements than those set forth in this Declaration, such requirements shall govern. No ordinance or regulations adopted by the City shall lessen the requirements set forth in these Covenants.

**Section 9.6 HUD/VA Approval.** Should any approval from HUD or VA be required under the terms of this Declaration, Declarant shall forward such request for approval to HUD and/or VA. If neither HUD nor VA notify Declarant of any objection to the request for approval within twenty (20) days of the date such request for approval was forwarded to HUD or VA, then such approval shall be deemed to have been granted.

**Section 9.7 Notices.** Any notice required to be given to any Owner under the terms of this Declaration shall be deemed to have been properly delivered when deposited with the United States Postal Service, postage prepaid, properly addressed to the addressee. Each Lot Owner's address for purpose of notice hereunder shall be deemed to be the Residence located on its Lot.

**Section 9.8 Indemnification.** Neither the Declarant, including any of its officers, directors, employees or agents, nor any officer, director or agent of the Association, nor any member of the ACC shall be liable to any Person, Owner or any person claiming by or through any Owner or otherwise for any act or omission in the performance of the duties of such Declarant or officer, director or agent of the Association, or member of the ACC except only if such act or omission should be judicially declared to constitute fraud or intentional willful misconduct. The Association shall and does hereby agree to indemnify the Declarant, including any of its officers, directors, agents or employees, the officers, directors and agents of the Association, and the members of the ACC against all claims, demands, actions and proceedings and all expenses in connection therewith arising from the good faith exercise of their duties pursuant to this Declaration.

**Section 9.9 Severability.** If any of the terms hereof shall be invalid by a court of competent jurisdiction, such invalidity shall not affect the other provisions of these Covenants, which shall be in full force and effect.

**Section 9.10 Acceptance by Owners of Rights and Obligations.** By the recording of a deed or other conveyance transferring all or part of an interest in a Lot subject to this Declaration, the person or entity to whom such Lot or interest is conveyed shall be deemed to accept and agree to be bound by and subject to all the provisions of the Declaration, any Design Guidelines, the articles and bylaws of the Association, including any rules or regulations adopted or promulgated by the Association, whether or not mention thereof is made in said deed.

**Section 9.11 Disclosure by Declarant.** Attached hereto as Exhibit F-1 are summaries of certain disclosures made in various forms to all purchasers of a Residence from Declarant, who, having made such disclosures to such purchasers of a Residence and having attached such summaries to this Declaration, shall be deemed to have fully made such disclosures to any Person acquiring title to any Lot and is hereby fully released and forever discharged by any Owner of a Lot from any further duty or obligation to make such disclosures.

**Section 9.12 Arbitration of Disputes Involving Declarant.**

(a) **Dispute Resolution Procedure.** The Declarant and any Owner or Builder will attempt in good faith to resolve promptly by negotiation any and all decisions, controversies and disputes arising under, out of or relating to the Declaration or the relationships contemplated hereby. If such negotiation is unsuccessful, any party by written demand on the other party may request that the dispute be mediated, and all parties agree to participate in good faith in such mediation. The mediation shall be scheduled within seven (7) days after the requesting party's written demand. The mediation shall take place in Dallas, Texas, and the mediator shall be an attorney practicing mediation in Dallas, Texas. If the parties are unable to jointly select a mediator, one shall be appointed by the Attorney-Mediators Institute. The parties shall share equally any mediation fees and expenses. If such mediation does not result in a resolution of the decision, controversy or dispute, such decision, controversy or dispute shall be settled by binding arbitration in accordance with the procedures and conditions set further herein.

(b) Except as modified herein, the Federal Arbitration Act, 9 U.S.C. § 1, et seq., shall apply to any arbitration hereunder.

(c) Any arbitration proceedings hereunder shall be conducted in the City of Dallas, Texas; provided, however, the location of any depositions conducted in connection with any arbitration proceeding hereunder shall be governed by the Federal Rules of Civil Procedure as provided in Paragraph (h) hereof. The arbitration shall be administered by the American Arbitration Association ("AAA"), or its successor, pursuant to the expedited procedures (irrespective of the amount in controversy) of the AAA's then-prevailing Commercial Arbitration Rules (the "Rules"), subject to the limitations and modifications set forth herein.

(d) Notice of a demand for arbitration pursuant to this Procedure (the "Notice to Arbitrate") shall be made in writing and delivered to the other party by personal delivery or by certified or registered mail, return receipt requested. The Notice to Arbitrate shall be accompanied by a short and plain statement of the party's claim(s), the grounds for same and the relief sought. Within seven (7) days of receipt of the Notice to Arbitrate, the other party shall set forth in writing and deliver to the other party by personal delivery or certified or registered mail, return receipt requested, an answer setting forth its response to the claim for relief, as well as any affirmative defenses and counterclaims.

(e) The arbitration shall be before one neutral arbitrator (the "Arbitrator") to be selected in accordance with the Rules (as modified herein). In the event the parties cannot agree upon an Arbitrator within ten (10) business days from receipt of the Notice to Arbitrate, the Arbitrator shall be selected in the following manner:

(i) The AAA shall submit to the parties an initial (or if needed subsequent) list of five (5) proposed arbitrators drawn from the AAA National Panel of Commercial Arbitrators. Each party may, within five (5) business days, exercise challenges for cause and up to two (2) preemptory strikes of the names appearing on the list.

(ii) In the event more than one name remains after the exercise of all strikes and challenges for cause, the AAA shall select the Arbitrator from among the remaining names.

(iii) In any event, no person shall serve as Arbitrator who has a bias, or financial or personal interest, in the result of the arbitration or any past or present relationship with the parties or their representatives, parents, subsidiaries or related entities, unless such relationship is disclosed in writing to the parties and all parties nevertheless approve in writing such person as Arbitrator.

(f) It is the express intention of the parties hereto that, except as otherwise expressly provided herein and subject to the terms and provisions of the Contract, the Arbitrator shall be authorized and empowered to award any and all relief, at law or in equity, that could be granted by a court of competent jurisdiction. By way of example and not limitation, the Arbitrator may order or grant damages, specific performance of any obligation of a party, injunctive relief, pre- and post-judgment interest, attorneys' fees, costs and/or sanctions for abuse or frustration of the arbitration process.

(g) It shall be the responsibility of each party to timely comply with the Arbitrator's requests for payment of his or her fees. Any party who has not complied with any such request within ten (10) calendar days thereof shall be deemed in default of this Contract and the Arbitrator may enter a default judgment against such party on the merits.

(h) The parties shall have the right to conduct and enforce pre-hearing discovery in accordance with the Federal Rules of Civil Procedure then in effect for the Northern District of Texas, including any Local Rules (collectively, the "Court Rules"), subject to the following:

(i) The parties shall make the voluntary disclosures described in the Court Rules (except those applicable to expert witnesses) within thirty (30) days after the appointment of the Arbitrator. The identity and report of each expert witness, as well as all other disclosures described in the Court Rules, shall be disclosed to the other party no later than forty-five (45) days after the appointment of the Arbitrator.

(ii) Each party may serve a request for production of tangible and documentary evidence. Responses to a request for production shall be due fifteen (15) days after receipt.

(iii) Each party may serve no more than one set of interrogatories limited to no more than thirty (30) questions, including subparts. Answers to interrogatories shall be due fifteen (15) days after receipt.

(iv) Each party may depose each expert witness and up to, but no more than, three (3) other witnesses; provided, however, each party will be limited to no

more than a total of eighteen (18) hours of deposition time in the aggregate for non-expert witnesses.

(v) All discovery must be completed within forty-five (45) days after appointment of the Arbitrator (the "Discovery Deadline").

(vi) The Arbitrator, for good cause shown, may, upon motion and three (3) days' notice to all parties, extend any of the discovery deadlines set forth herein for a period not to exceed fourteen (14) days.

(vii) The Arbitrator shall have the right and authority to decide any and all discovery disputes. The Arbitrator shall be empowered to issue subpoenas and any and all process and orders permitted under the Rules to compel cooperation in the discovery and otherwise enforce the discovery rights and obligations of the parties.

(i) The Arbitrator, within ten (10) days of his or her appointment, shall conduct a pre-hearing conference (the "Pre-Hearing Conference"). The parties shall be prepared to discuss discovery matters, schedule the Additional Conference and Arbitration Hearing, decide procedural matters and address all other questions that may be presented.

(j) Within ten (10) days after the Discovery Deadline, the Arbitrator shall hold an additional conference (the "Additional Conference") to set dates for the exchange of witness and exhibit lists, deposition testimony designations, testimony summaries and arbitration briefs, determine the length of the Arbitration Hearing, and address any and all other questions that may be presented.

(k) The arbitration hearing (the "Arbitration Hearing") shall commence within twenty (20) days after the date of the Additional Conference, unless otherwise agreed by the parties. For good cause shown, the Arbitrator may grant no more than one (1) continuance per party of a duration not to exceed twenty (20) days each. Unless otherwise agreed by the parties or ordered by the Arbitrator for good cause shown, the Arbitration Hearing shall continue from day-to-day for such period of time (not to exceed five (5) days) as may be set by the Arbitrator. Each party shall have equal time for presentation and rebuttal, unless otherwise agreed by the parties. The parties may present evidence, at their option, in the form of testimony (live and/or by deposition), documents and other tangible evidence, or testimony summaries, or any combination thereof, provided, however, that the testimony of expert witnesses (other than rebuttal testimony) shall be presented solely in the form of written reports. The Arbitrator shall, upon timely request by a party or if otherwise required by law, require witnesses to testify under oath administered by a duly qualified person. Any party may, at its own cost and three (3) days notice to all other parties, arrange for a stenographic record of the proceedings. Such record shall be made available for inspection and copying by all other parties and the Arbitrator.

(l) The Arbitrator shall issue and deliver to each party a written and signed award (the "Arbitration Award") within fourteen (14) days after the conclusion of the Arbitration Hearing. The arbitration Award shall contain the factual and legal basis for such



award. The Arbitration Award shall, in addition to the relief granted therein, award attorneys' fees and costs to the prevailing party as the Arbitrator may determine in light of all of the circumstances. The term "costs" shall include, but is not necessarily limited to, court costs, the Arbitrator's fees, administrative fees, travel expenses and out-of-pocket expenses such as copying charges, telephone expenses and witness fees (including expert witness fees). The Arbitration Award shall be binding upon the parties in accordance with its terms provided that the Arbitration Award is rendered, and the Arbitration proceedings are conducted, in accordance with the terms and provisions of this Contract.

(m) The Arbitration Award shall be presented by any party to the United States District Court for the Northern District of Texas for entry of a judgment thereon, or to vacate all or any portion thereof, in accordance with the Federal Arbitration Act. In the event that the Arbitration Award is vacated in part or in whole, then the parties each agree to promptly resubmit such vacated matters to the Arbitrator who issued the original Arbitration Award, provided, however, that if a basis for such vacatur is the Arbitrator's partiality, corruption or failure to follow the terms and provisions of this Contract, or if the original Arbitrator is not able to continue to serve, then the parties shall select a new Arbitrator in the manner provided in Paragraph (e) hereof.

(n) **Other Dispute Resolutions.** Notwithstanding Declarant's and Owner's intent to submit any controversy or claim arising out of or relating to this Declaration to arbitration, in the event that a court of competent jurisdiction shall determine or a relevant law shall provide that a particular dispute is not subject to the arbitration provisions in this Section, then the parties agree to the following provisions:

(o) **Waiver of Trial by Jury.** EACH OWNER ACKNOWLEDGES THAT THIS DECLARATION IS A SOPHISTICATED LEGAL DOCUMENT. ACCORDINGLY, JUSTICE WILL BEST BE SERVED IF ISSUES REGARDING THIS DECLARATION ARE HEARD BY A JUDGE IN A COURT PROCEEDING, AND NOT A JURY. EACH OWNER AGREES THAT ANY CLAIM, DEMAND, ACTION, OR CAUSE OR ACTION, WITH RESPECT TO ANY ACTION, PROCEEDING, CLAIM, COUNTERCLAIM, OR CROSSCLAIM, WHETHER IN CONTRACT AND/OR IN TORT (REGARDLESS IF THE TORT ACTION IS PRESENTLY RECOGNIZED OR NOT), BASED ON, ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY RELATED TO THIS DECLARATION, ANY COURSE OF CONDUCT, COURSE OF DEALING, VERBAL OR WRITTEN STATEMENT, VALIDATION, PROTECTION, ENFORCEMENT ACTION OR OMISSION OF ANY PARTY SHALL BE HEARD BY A JUDGE IN A COURT PROCEEDING AND NOT A JURY.

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Executed by Owner as of the date set forth above.

**287 WAXAHACHIE, L.P.**  
a Texas limited partnership

BY: CENTAMTAR TERRAS, L.L.C.,  
a Texas limited liability company,  
its General Partner

By: *Mehrdad Moayed*  
Mehrdad Moayed, Sole Member and  
Sole Manager

STATE OF TEXAS §  
COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, on this day personally appeared Mehrdad Moayed, Sole Member and Sole Manager of Centamtar Terras, L.L.C, a Texas limited liability company, General Partner of 287 Waxahachie, L.P., a Texas limited partnership, 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.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 13 day of Sept., 2007.

*Laura Wayland*  
Notary Public, State of Texas

(Notary Stamp Here)

My Commission Expires: \_\_\_\_\_



**EXHIBIT A****Legal Description****PHASE 1A**

STATE OF TEXAS           §  
 COUNTY OF ELLIS       §

WHEREAS 287 WAXAHACHIE, L.P. IS THE OWNER OF A 53.635 ACRE TRACT OF LAND SITUATED IN THE G. CARPENTER SURVEY, ABSTRACT NO. 190 AND THE M. RAFFERTY SURVEY, ABSTRACT NO.898, CITY OF WAXAHACHIE, ELLIS COUNTY, TEXAS, AND BEING PART OF A 293.183 ACRE TRACT OF LAND, CONVEYED AS TRACT 1 TO WAXAHACHIE, L.P. BY DEED RECORDED IN VOLUME 2156 PAGE 687, DEED RECORDS, ELLIS COUNTY, TEXAS AND PART OF THE REMAINDER OF A 233.182 ACRE TRACT OF LAND CONVEYED TO 287 WAXAHACHIE, L.P. BY DEED RECORDED IN VOLUME 02024, PAGE 0886, DEED RECORDS, ELLIS COUNTY, TEXAS, SAID 53.635 ACRE TRACT, WITH REFERENCE BEARING BEING GRID NORTH, TEXAS STATE PLANE COORDINATES, NORTH CENTRAL ZONE, NAD83 (CORS96, EPOCH DATE 2002) DATUM, DETERMINED BY GPS OBSERVATIONS ON JULIAN DAY 357, 2003, CALCULATED FROM ARLINGTON RRP2 CORS ARP (PID-DF5387) AND ELLIS CORS ARP (PID-DF8988) AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

**COMMENCING** AT A 5/8 INCH IRON ROD SET FOR THE SOUTHEAST CORNER OF AFORESAID 233.182 ACRE TRACT AND THE COMMON NORTHEAST CORNER OF A 8.194 ACRE TRACT CONVEYED TO THE STATE OF TEXAS BY DEED RECORDED IN VOLUME 584, PAGE 261 DEED RECORDS ELLIS COUNTY, TEXAS, SAID POINT BEING ON THE NORTHEAST LINE OF U.S. HIGHWAY 287 ( A VARIABLE WIDTH RIGHT-OF-WAY);

**THENCE**, OVER AND ACROSS AFORESAID TRACT 1 AND SAID REMAINDER OF THAT 233.182 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:

NORTH 43 DEGREES 26 MINUTES 57 SECONDS WEST, A DISTANCE OF 1999.73 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR THE **POINT OF BEGINNING**;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 1212.83 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 31 DEGREES 36 MINUTES 35 SECONDS WEST, A DISTANCE OF 215.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP

STAMPED "CARTER BURGESS" SET FOR CORNER;  
SOUTH 13 DEGREES 23 MINUTES 21 SECONDS EAST, A DISTANCE OF 90.06 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER, BEING ON THE NORTHEAST LINE OF U.S. HIGHWAY 287;

**THENCE** ALONG THE SOUTHWEST LINE OF SAID REMAINDER OF THAT 233.182 ACRE TRACT AND THE COMMON NORTHEAST LINE OF SAID U.S. HIGHWAY 287, THE FOLLOWING COURSES AND DISTANCES:

NORTH 44 DEGREES 20 MINUTES 55 SECONDS WEST, A DISTANCE OF 15.17 FEET, TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 208.96 FEET ALONG THE NORTHEAST LINE OF U.S. HIGHWAY 287, TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

**THENCE** OVER AND ACROSS SAID REMAINDER OF THAT 233.182 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:

NORTH 76 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 84.85 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 31 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 215.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 620.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 31 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 600.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 58 DEGREES 23 MINUTES 25 SECONDS EAST, A DISTANCE OF 38.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 31 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 110.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 10.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 31 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 50.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 58 DEGREES 23 MINUTES 25 SECONDS EAST, A DISTANCE OF 15.52 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 31 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 220.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 58.52 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 31 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 50.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 58 DEGREES 23 MINUTES 25 SECONDS EAST, A DISTANCE OF 10.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 31 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 77.73 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 45 DEGREES 03 MINUTES 58 SECONDS EAST, A DISTANCE OF 186.99 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 31 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 194.13 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 10.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 31 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 80.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED

"CARTER BURGESS" SET FOR CORNER;

SOUTH 58 DEGREES 23 MINUTES 25 SECONDS EAST, A DISTANCE OF 111.05 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 76 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 14.85 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 58 DEGREES 23 MINUTES 25 SECONDS EAST, A DISTANCE OF 50.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 13 DEGREES 23 MINUTES 25 SECONDS EAST, A DISTANCE OF 14.85 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 58 DEGREES 23 MINUTES 25 SECONDS EAST, A DISTANCE OF 279.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 76 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 14.85 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 58 DEGREES 23 MINUTES 25 SECONDS EAST, A DISTANCE OF 50.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 13 DEGREES 23 MINUTES 25 SECONDS EAST, A DISTANCE OF 14.85 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 58 DEGREES 23 MINUTES 25 SECONDS EAST, A DISTANCE OF 343.29 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 15 DEGREES 02 MINUTES 10 SECONDS, A RADIUS OF 990.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 50 DEGREES 52 MINUTES 20 SECONDS EAST, A DISTANCE OF 259.06 FEET;

ALONG SAID TANGENT CURVE TO THE RIGHT, AN ARC LENGTH OF 259.80 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 81 DEGREES 01 MINUTES 52 SECONDS EAST, A DISTANCE OF 16.55 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 01 DEGREE 32 MINUTES 20 SECONDS, A RADIUS OF 475.00 FEET, AND A LONG CHORD THAT BEARS NORTH 62 DEGREES 23 MINUTES 27 SECONDS EAST, A DISTANCE OF 12.76 FEET;

ALONG SAID NON-TANGENT CURVE TO THE RIGHT, AN ARC LENGTH OF 12.76 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 26 DEGREES 50 MINUTES 23 SECONDS EAST, A DISTANCE OF 50.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 11 DEGREES 29 MINUTES 10 SECONDS WEST, A DISTANCE OF 13.23 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 08 DEGREES 51 MINUTES 06 SECONDS, A RADIUS OF 990.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 34 DEGREES 45 MINUTES 03 SECONDS EAST, A DISTANCE OF 152.79 FEET;

ALONG SAID NON-TANGENT CURVE TO THE RIGHT, AN ARC LENGTH OF 152.94 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 59 DEGREES 40 MINUTES 30 SECONDS WEST, A DISTANCE OF 80.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 22 DEGREES 17 MINUTES 08 SECONDS, A RADIUS OF 910.00 FEET, AND A LONG CHORD THAT BEARS NORTH 41 DEGREES 28 MINUTES 05 SECONDS WEST, A DISTANCE OF 351.72 FEET;

ALONG SAID NON-TANGENT CURVE TO THE LEFT, AN ARC LENGTH OF 353.95 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 47 DEGREES 35 MINUTES 18 SECONDS WEST, A DISTANCE OF 148.56 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 31 DEGREES 18 MINUTES 44 SECONDS EAST, A DISTANCE OF 132.30 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP

STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 58 DEGREES 41 MINUTES 16 SECONDS WEST, A DISTANCE OF 81.45 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 00 DEGREES 46 MINUTES 48 SECONDS, A RADIUS OF 475.00 FEET TO AND A LONG CHORD THAT BEARS SOUTH 58 DEGREES 17 MINUTES 52 SECONDS WEST, A DISTANCE OF 6.47 FEET;

ALONG SAID TANGENT CURVE TO THE LEFT, AN ARC LENGTH OF 6.47 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 32 DEGREES 05 MINUTES 32 SECONDS EAST, A DISTANCE OF 50.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 01 DEGREES 21 MINUTES 46 SECONDS, A RADIUS OF 425.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 57 DEGREES 13 MINUTES 35 SECONDS WEST, A DISTANCE OF 10.11 FEET;

ALONG SAID NON-TANGENT CURVE TO THE LEFT, AN ARC LENGTH OF 10.11 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 33 DEGREES 27 MINUTES 18 SECONDS EAST, A DISTANCE OF 85.67 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 31 DEGREES 35 MINUTES 14 SECONDS EAST, A DISTANCE OF 67.08 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 25 DEGREES 07 MINUTES 18 SECONDS EAST, A DISTANCE OF 67.14 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 18 DEGREES 39 MINUTES 11 SECONDS EAST, A DISTANCE OF 67.14 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 12 DEGREES 11 MINUTES 17 SECONDS EAST, A DISTANCE OF 67.07 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;



SOUTH 05 DEGREES 43 MINUTES 55 SECONDS EAST, A DISTANCE OF 66.94 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 00 DEGREES 42 MINUTES 32 SECONDS WEST, A DISTANCE OF 66.76 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 06 DEGREES 01 MINUTES 40 SECONDS WEST, A DISTANCE OF 66.54 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 06 DEGREES 33 MINUTES 46 SECONDS WEST, A DISTANCE OF 67.15 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 12 DEGREES 53 MINUTES 11 SECONDS WEST, A DISTANCE OF 140.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 31 DEGREES 36 MINUTES 35 SECONDS WEST, A DISTANCE OF 148.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 58 DEGREES 23 MINUTES 25 SECONDS EAST, A DISTANCE OF 46.90 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 16 DEGREES 11 MINUTES 05 SECONDS, A RADIUS OF 425.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 66 DEGREES 28 MINUTES 57 SECONDS EAST, A DISTANCE OF 119.65 FEET,

ALONG SAID TANGENT CURVE TO THE LEFT, AN ARC LENGTH OF 120.05 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 52 MINUTES 04 SECONDS EAST, A DISTANCE OF 14.59 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 12 DEGREES 53 MINUTES 11 SECONDS EAST, A DISTANCE OF 10.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 77 DEGREES 06 MINUTES 49 SECONDS EAST, A DISTANCE OF 50.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED

"CARTER BURGESS" SET FOR CORNER;

SOUTH 12 DEGREES 53 MINUTES 11 SECONDS WEST, A DISTANCE OF 28.70 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 77 DEGREES 06 MINUTES 49 SECONDS EAST, A DISTANCE OF 120.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 12 DEGREES 53 MINUTES 11 SECONDS WEST, A DISTANCE OF 4.32 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 18 DEGREES 43 MINUTES 23 SECONDS, A RADIUS OF 960.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 22 DEGREES 14 MINUTES 52 SECONDS WEST, A DISTANCE OF 312.31 FEET;

ALONG SAID TANGENT CURVE TO THE RIGHT, AN ARC LENGTH OF 313.71 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 31 DEGREES 36 MINUTES 34 SECONDS WEST, A DISTANCE OF 214.43 FEET TO THE **POINT OF BEGINNING** AND CONTAINING 53.635 ACRES OF LAND, MORE OR LESS.

PHASE 1B

STATE OF TEXAS           §  
 COUNTY OF ELLIS       §

WHEREAS 287 WAXAHACHIE L.P. IS THE OWNER OF A 25.004 ACRE TRACT OF LAND SITUATED IN THE G. CARPENTER SURVEY, ABSTRACT NO. 190, CITY OF WAXAHACHIE, ELLIS COUNTY, TEXAS, AND BEING PART OF THE REMAINDER OF A 233.182 ACRE TRACT OF LAND CONVEYED TO 287 WAXAHACHIE, L.P. BY DEED RECORDED IN VOLUME 02024, PAGE 0886, DEED RECORDS, ELLIS COUNTY, TEXAS, SAID 25.004 ACRE TRACT, WITH REFERENCE BEARING BEING GRID NORTH, TEXAS STATE PLANE COORDINATES, NORTH CENTRAL ZONE, NAD83 (CORS96, EPOCH DATE 2002) DATUM, DETERMINED BY GPS OBSERVATIONS ON JULIAN DAY 357, 2003, CALCULATED FROM ARLINGTON RRP2 CORS ARP (PID-DF5387) AND ELLIS CORS ARP (PID-DF8988) AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

**COMMENCING** AT A 5/8 INCH IRON ROD SET FOR THE SOUTHEAST CORNER OF AFORESAID 287 WAXAHACHIE, L.P. TRACT AND THE COMMON NORTHEAST CORNER OF A 8.194 ACRE TRACT CONVEYED TO THE STATE OF TEXAS BY DEED RECORDED IN VOLUME 584, PAGE 261 DEED RECORDS ELLIS COUNTY, TEXAS, SAID POINT BEING ON THE NORTHEAST LINE OF U.S. HIGHWAY 287 (A VARIABLE WIDTH RIGHT-OF-WAY);

**THENCE**, OVER AND ACROSS AFORESAID 287 WAXAHACHIE, L.P. TRACT, THE FOLLOWING COURSES AND DISTANCES:

NORTH 09 DEGREES 23 MINUTES 09 SECONDS WEST, A DISTANCE OF 3731.52 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR **THE POINT OF BEGINNING** ON THE EAST LINE OF SAID 287 WAXAHACHIE, L.P. TRACT AND THE COMMON WEST LINE OF A 68.105 ACRE TRACT OF LAND CONVEYED TO LAWRENCE O. TROJACEK BY DEED RECORDED IN VOLUME 1162, PAGE 320, DEED RECORDS, ELLIS COUNTY, TEXAS;

SOUTH 66 DEGREES 08 MINUTES 59 SECONDS WEST, A DISTANCE OF 152.82 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 23 DEGREES 51 MINUTES 01 SECONDS EAST, A DISTANCE OF 37.62 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 66 DEGREES 08 MINUTES 59 SECONDS WEST, A DISTANCE OF 50.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED

"CARTER BURGESS" SET FOR CORNER;

NORTH 68 DEGREES 51 MINUTES 01 SECONDS WEST, A DISTANCE OF 14.85 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 66 DEGREES 08 MINUTES 59 SECONDS WEST, A DISTANCE OF 33.50 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 10 DEGREES 50 MINUTES 03 SECONDS, A RADIUS OF 475.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 71 DEGREES 34 MINUTES 01 SECONDS WEST, A DISTANCE OF 89.68 FEET;

ALONG SAID TANGENT CURVE TO THE RIGHT, AN ARC LENGTH OF 89.82 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 13 DEGREES 00 MINUTES 58 SECONDS EAST, A DISTANCE OF 156.06 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 84 DEGREES 55 MINUTES 47 SECONDS WEST, A DISTANCE OF 318.93 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 58 DEGREES 13 MINUTES 07 SECONDS WEST, A DISTANCE OF 173.05 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 06 DEGREES 38 MINUTES 03 SECONDS, A RADIUS OF 990.00 FEET, AND A LONG CHORD THAT BEARS NORTH 55 DEGREES 04 MINUTES 23 SECONDS WEST, A DISTANCE OF 114.57 FEET;

ALONG SAID NON-TANGENT TO THE LEFT, AN ARC LENGTH OF 114.63 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 343.29 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 13 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 14.85 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 50.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 76 DEGREES 36 MINUTES 35 SECONDS WEST, A DISTANCE OF 14.85 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 139.50 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 31 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 585.50 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 14 DEGREES 10 MINUTES 30 SECONDS EAST, A DISTANCE OF 82.40 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 01 DEGREES 14 MINUTES 02 SECONDS EAST, A DISTANCE OF 78.85 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 04 DEGREES 06 MINUTES 58 SECONDS WEST, A DISTANCE OF 80.18 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 15 DEGREES 49 MINUTES 02 SECONDS WEST, A DISTANCE OF 63.54 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 22 DEGREES 39 MINUTES 36 SECONDS WEST, A DISTANCE OF 32.11 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 67 DEGREES 20 MINUTES 24 SECONDS EAST, A DISTANCE OF 150.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 22 DEGREES 39 MINUTES 36 SECONDS WEST, A DISTANCE OF 29.09 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 67 DEGREES 20 MINUTES 24 SECONDS EAST, A DISTANCE OF 481.15 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP

STAMPED "CARTER BURGESS" SET FOR CORNER ON THE EAST LINE OF SAID 287 WAXAHACHIE, L.P. TRACT AND THE COMMON WEST LINE OF AFORESAID 68.105 ACRE TRACT;

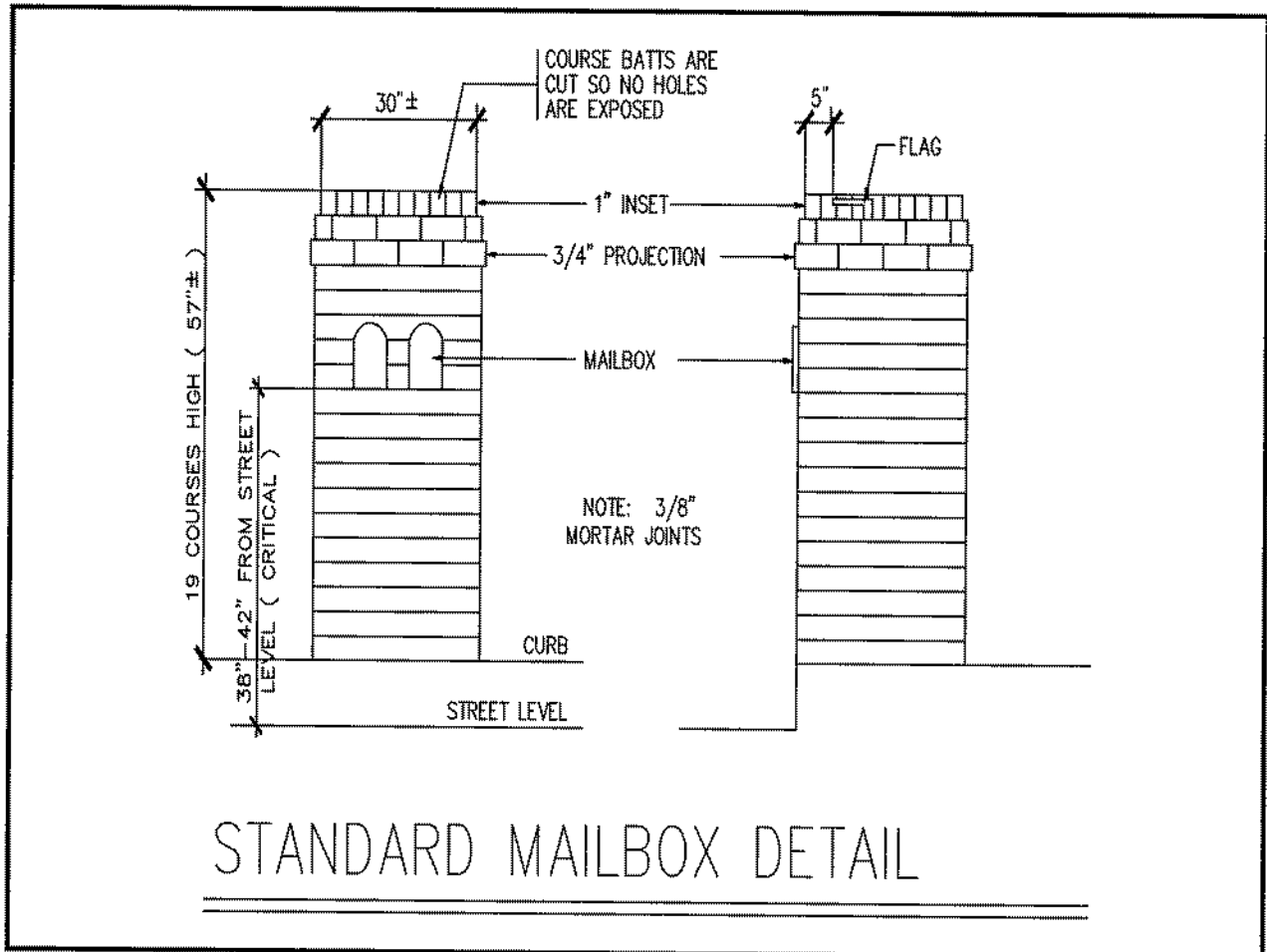
**THENCE** ALONG SAID COMMON LINE, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 22 DEGREES 39 MINUTES 36 SECONDS EAST, A DISTANCE OF 596.36 FEET TO A 1/2 INCH IRON PIPE FOUND FOR CORNER;

SOUTH 22 DEGREES 43 MINUTES 40 SECONDS EAST, A DISTANCE OF 519.64 FEET TO THE **POINT OF BEGINNING** AND CONTAINING 25.004 ACRES OF LAND, MORE OR LESS.

EXHIBIT B

Standard Mailbox Detail



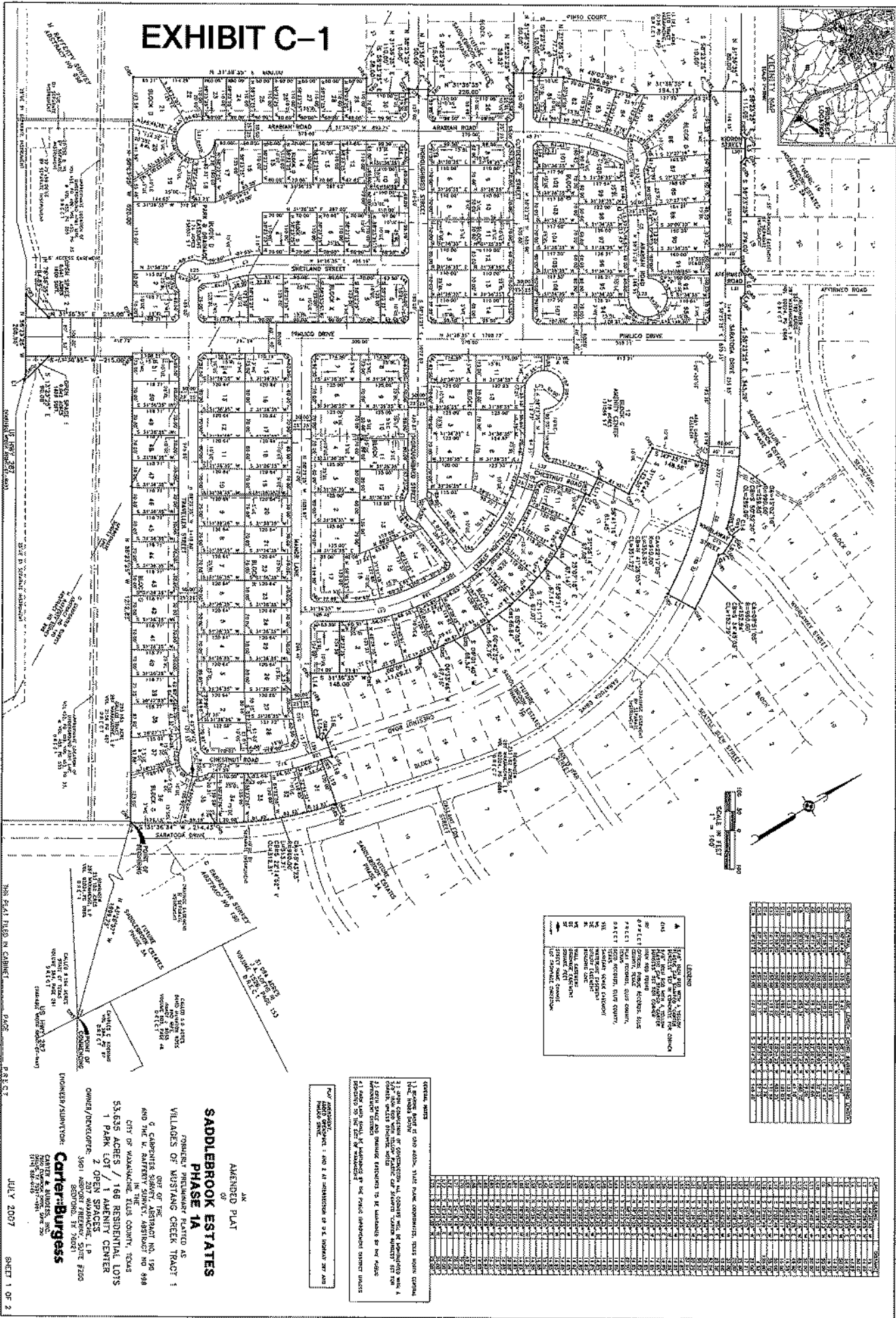
**EXHIBIT C**

**Mini-Plats**

**(See Attached)**



# EXHIBIT C-1



**SADDLEBROOK ESTATES  
PHASE 1A**

RESUBDIVISION PREPARED AS  
VILLAGES OF MUSTANG CREEK TRACT 1  
OF THE  
C CARPENTER SUBDIVISION, ABSTRACT NO. 198  
AND THE W. RAINERY SUBDIVISION, ABSTRACT NO. 488  
CITY OF WYOMING, FOLSOM COUNTY, TEXAS

53.625 ACRES / 168 RESIDENTIAL LOTS  
1 PARK LOT / 1 AMENITY CENTER  
2 OPEN SPACES

OWNER/DEVELOPER: 3601 W. WYOMING, L.P.  
287 WYOMING, L.P.  
WYOMING, TEXAS 75002

ENGINEER/SURVEYOR:  
**Carter Burgess**  
CARTER BURGESS & ASSOCIATES, P.C.  
3601 W. WYOMING, L.P.  
287 WYOMING, L.P.  
WYOMING, TEXAS 75002

DATE: JULY 2007

SHEET 1 OF 2

CONTRACT NO. 1402

DATE: JULY 2007

SCALE: AS SHOWN

p. 42 a

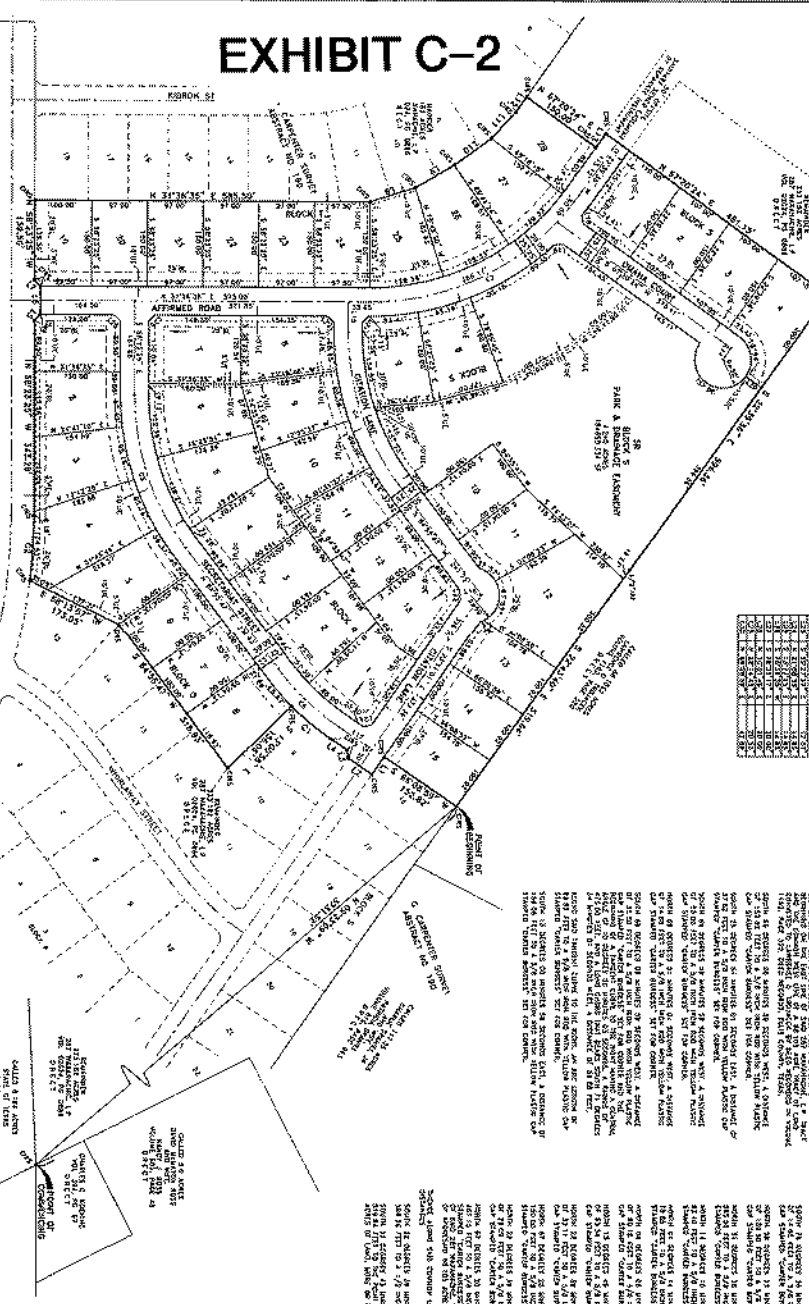
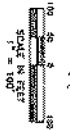
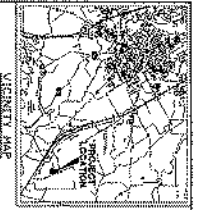


Table with 10 columns: Tract No., Area (Ac.), etc. Listing various lots and their characteristics.

STATE OF TEXAS, COUNTY OF TARRANT, CITY OF WASHINGTON. THE PLAT HEREIN IS MADE BY THE UNDERSIGNED ENGINEER, AND THE SAME IS CORRECT AND TRUE TO THE BEST OF HIS KNOWLEDGE AND BELIEF, AND THE SAME IS A TRUE AND CORRECT COPY OF THE ORIGINAL PLAT ON FILE IN THE OFFICE OF THE COUNTY CLERK AT WASHINGTON, TEXAS.

THE ENGINEER HAS BEEN PROVIDED WITH ALL NECESSARY INFORMATION AND DATA BY THE UNDERSIGNED AS TO THE ACCURACY OF THE MEASUREMENTS AND CALCULATIONS MADE HEREON, AND AS TO THE ACCURACY OF THE INFORMATION AND DATA SO PROVIDED.

BY SUBSCRIBING HEREON, I HEREBY CERTIFY THAT THE INFORMATION AND DATA SO PROVIDED TO ME BY THE UNDERSIGNED AS TO THE ACCURACY OF THE MEASUREMENTS AND CALCULATIONS MADE HEREON, AND AS TO THE ACCURACY OF THE INFORMATION AND DATA SO PROVIDED, IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THE SAME IS A TRUE AND CORRECT COPY OF THE ORIGINAL PLAT ON FILE IN THE OFFICE OF THE COUNTY CLERK AT WASHINGTON, TEXAS.

# EXHIBIT C-2

Table with 10 columns: Tract No., Area (Ac.), etc. Listing various lots and their characteristics.

APPROVED AND CORRECTED COPY OF THE ORIGINAL PLAT ON FILE IN THE OFFICE OF THE COUNTY CLERK AT WASHINGTON, TEXAS.

CORPORATION OF TEXAS  
REGISTERED PROFESSIONAL ENGINEER  
NO. 12345  
1000 MAIN ST.  
HOUSTON, TEXAS 77002

AMENDED PLAT  
OF  
**SADDLEBROOK ESTATES  
PHASE 1B**  
FOURTH PLEASANT PLAT AS  
VILLAGES OF MUSTANG CREEK TRACT 1  
IN THE  
CITY OF WASHINGTON, TARRANT COUNTY, TEXAS

**EXHIBIT D****Articles of Incorporation****Of****WAXAHACHIE SADDLEBROOK ESTATES  
HOMEOWNERS' ASSOCIATION, INC.  
(A Non-Profit Corporation)**

The undersigned natural person of the age of eighteen (18) years or more, acting as the sole incorporator of a corporation under the Texas Non-Profit Corporation Act, does hereby adopt the following Articles of Incorporation for such corporation:

**ARTICLE ONE**

The name of the corporation is Waxahachie Saddlebrook Estates Homeowners' Association, Inc.

**ARTICLE TWO**

The corporation is a non-profit corporation.

**ARTICLE THREE**

The period of its duration is perpetual.

**ARTICLE FOUR**

The purposes for which the corporation is organized are to exercise all powers and privileges and perform all duties and obligations of the corporation as granted and required in the Declaration of Covenants, Conditions and Restrictions for Waxahachie Saddlebrook Estates (to be) recorded in the Records of Ellis County, Texas (the "Declaration"), and to be treated as a homeowners' association within the meaning of the Internal Revenue Code, and to do all other things necessary and proper to accomplish any and all of the purposes and to exercise such of the general powers of a non-profit corporation.

**ARTICLE FIVE**

The corporation shall have members as provided in the Declaration.

**ARTICLE SIX**

The address of its initial registered office is 1707 Market Place Blvd., Suite 270,

Irving, Texas 75063 and the name of its initial registered agent at such address is Jennifer Eller.

### **ARTICLE SEVEN**

The number of directors constituting the initial Board of Directors is five (5) and the name and address of the person who is to serve as the director of the corporation for the term set forth opposite his name or until his successor is elected and qualified is:

<u>NAME</u>	<u>ADDRESS</u>	<u>INITIAL TERM OF OFFICE</u>
Chris Green	1707 Market Place Blvd. Suite 260 Irving, TX 75063	Until first election
Jack Dawson	1707 Market Place Blvd. Suite 260 Irving, TX 75063	Until first election
Mehrdad Moayedi	3901 Airport Freeway, Suite 200 Bedford, TX 76021	Until first election
Brian Carlock	5430 LBJ Freeway, Suite 800 Dallas, TX 75240	Until first election
Kristen Zirkle	1707 Market Place Blvd. Suite 260 Irving, TX 75063	Until first election

The right of members to cumulative voting in the election of directors is expressly prohibited.

### **ARTICLE EIGHT**

The address of the incorporator is 1707 Market Place Blvd., Suite 270, Irving, Texas 75063.

### ARTICLE NINE

Except as may be provided in the By-Laws of the corporation, the power to alter, amend, or repeal the By-Laws or to adopt new By-Laws of the corporation shall be by the affirmative vote or written consent, or combination thereof, of Voting Members representing seventy percent (70%) of the total votes in the Association, provided however, the By-Laws made by the Board of Directors and the power so conferred may be repealed or changed by action of the members.

### ARTICLE TEN

Any action authorized or required by the Texas Non-Profit Corporation Act to be taken at any annual or special meeting of members, board of directors, or any committee thereof, or any action which may be taken at any annual or special meeting of members, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall have been signed by the holder or holders of a sufficient number of votes to take such action at a meeting at which all members were present and voted.

### ARTICLE ELEVEN

No director of the corporation shall be liable to the corporation or its members for monetary damages for an act or omission in the director's capacity as a director, except for liability (1) for any breach of the director's duty of loyalty to the corporation or its members, (2) for acts or omissions not in good faith that constitute a breach of duty of the director to the corporation or an act or omission that involves intentional misconduct or a knowing violation of law, (3) for any transaction from which the director received an improper benefit, whether or not the benefit resulted from an act taken within the scope of the director's office, and (4) for acts or omissions for which the liability of a director is expressly provided by statute. Any repeal or amendment of this Article by the members of the corporation shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of the corporation existing at the time of such repeal or amendment. In addition to the circumstances in which a director of the corporation is not personally liable as set forth in the preceding sentences, a director shall not be liable to the fullest extent permitted by any amendment to the Texas statutes hereafter enacted that further limits the liability of a director.

### ARTICLE TWELVE

The corporation is a non-profit corporation, without capital stock, organized solely for the purposes specified in Article Four, and no part of its property, whether income or principal, shall ever inure to the benefit of any director, officer, or employee of the corporation, or any individual having a personal or private interest in the activities of the corporation, nor shall any such director, officer, employee, or individual receive or be lawfully entitled to receive any profit from the operations of the corporation except a

reasonable allowance for salaries and other compensation for personal services actually rendered in carrying out the corporation's stated purposes.

**ARTICLE THIRTEEN**

These Articles may be amended by the affirmative vote or written consent of Owners owning at least 70% of the Lots, provided that so long as the Class B membership provided for in Section 5.2(b) of the Declaration exists, Declarant may determine whether any amendment of these Articles shall require the prior written approval of VA.

IN WITNESS WHEREOF, the undersigned has set his hand on \_\_\_\_\_  
Date

\_\_\_\_\_  
Jennifer Eller, Incorporator

## EXHIBIT E

## By-Laws

Of

WAXAHACHIE SADDLEBROOK ESTATES  
HOMEOWNERS' ASSOCIATION, INC.

These Bylaws (referred to as the "Bylaws") govern the affairs of Waxahachie Saddlebrook Estates Homeowners Association, Inc., a non-profit corporation (referred to as the "Association") organized under the Texas Non-Profit Corporation Act (referred to as the "Act")

ARTICLE 1  
NAME, PRINCIPAL OFFICE, DEFINITIONS

Section 1.1 **Name**. The name of the Association shall be Waxahachie Saddlebrook Estates Homeowners' Association, Inc. (the "**Association**").

Section 1.2 **Principal Office**. The principal office of the Association in the State of Texas shall be located in Dallas County. The Association may have such other offices, as the Board may determine or as the affairs of the Association may require.

Section 1.3 **Definitions**. Capitalized terms used herein but not defined shall have the same meaning as set forth in the Declaration of Covenants, Conditions and Restrictions for Saddlebrook Estates recorded in the Records of Ellis County, Texas (the "**Declaration**").

ARTICLE 2  
ASSOCIATION: MEMBERSHIP, MEETINGS, QUORUM, VOTING, PROXIES

Section 2.1 **Membership**. The Association shall have two classes of membership, as more fully set forth in the Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference.

Section 2.2 **Place of Meeting**. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the board of directors of the Association (the "**Board**") either within the Property or as convenient thereto as possible and practical.

Section 2.3 **Annual Meetings**. The first meeting of the Association, whether a regular or special meeting, shall be held within one (1) year from the Association's incorporation date. Meetings shall be of the members entitled to vote or their alternates

(the "**Voting Members**"). Subsequent regular Annual Meetings shall be set by the Board on a date and at a time so as to occur no more than one hundred and twenty (120) days prior to and no more than one hundred twenty (120) days after the anniversary date of the incorporation of the Association. At the Annual Meetings, the quorum for conducting business shall be ten percent (10%) of the total eligible combined Class A and Class B Members in the Association.

Section 2.4 **Special Meetings**. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board or upon a petition signed by Voting Members representing at least fifty-one percent (51%) of the total Class A votes of the Association. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 2.5 **Notice of Meetings**. Except as otherwise provided in the Declaration, written or printed notice stating the place, day, and hour of the meeting of the Voting Members shall be delivered, either personally or by mail, to each Voting Member, no less than five (5) or more than sixty (60) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting.

In the case of a special meeting or when required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Voting Member at his or her address as it appears on the records of the Association, with postage prepaid.

Section 2.6 **Waiver of Notice**. Waiver of notice of a meeting of the Voting Members shall be deemed the equivalent of proper notice. Any Voting Member may, in writing, waive notice of any meeting of the Voting Members, either before or after such meeting. Attendance at a meeting by a Voting Member shall be deemed waiver of notice of the time, date, and place thereof, unless such Voting Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted at such meeting unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

Section 2.7 **Adjournment of Meetings**. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Voting Members who are present at such meeting, either in person or by alternate, may adjourn the meeting to a time no less than five (5) or more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, a quorum shall constitute ten percent (10%) of the total eligible Class A and Class B votes in the Association, and if such number of votes are present, any business which might have been transacted at the meeting originally called may be transacted. If 10% of the total eligible Class A and Class B votes in the



Association are not present at any such reconvened meeting, then a majority of the Voting Members who are present at such reconvened meeting, either in person or by alternate, may adjourn the meeting to a time no less than three (3) or more than ten (10) days from the time the reconvened meeting was called. At the second reconvened meeting, a quorum shall constitute a majority of the Board. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after an adjournment, notice of the time and place for reconvening the meeting shall be given to Voting Members in the manner prescribed for regular meetings.

Section 2.8 **Voting**. The voting rights of the members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein. Except as otherwise specifically provided herein or in the Declaration, the vote allocated to each Lot shall be cast only by the Voting Member.

Section 2.9 **Proxies**. Voting Members may vote by proxy as permitted by the Texas Non-Profit Corporation Act.

Section 2.10 **Majority**. As used in these By-Laws, the term "majority" shall mean those votes, Owners, or other group as the context may indicate totaling more than fifty percent (50%) of the total eligible number.

Section 2.11 **Quorum**. Except as provided in Section 2.7 with respect to adjourned meetings of the Association, the presence in person or by alternate of the Voting Members representing a majority of the total eligible Class A and Class B votes in the Association shall constitute a quorum at all meetings of the Association.

Section 2.12 **Conduct of Meetings**. The President (or, in his absence, any person so designated by the President) shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

Section 2.13 **Action without a Meeting**. Any action required by law to be taken at a meeting of the Voting Members, or any action which may be taken at a meeting of the Voting Members, may be taken without a meeting if written consent setting forth the action so taken is signed by a number of Voting Members sufficient to take such action as if all Voting Members were present and voted on such action.

### **ARTICLE 3** **BOARD: NUMBER, MEETINGS, POWERS**

#### **COMPOSITION AND SELECTION**

Section 3.1 **Governing Body; Composition**. The affairs of the Association shall be governed by a Board of directors, each of whom shall have one (1) vote. Except with respect to the initial directors appointed in the Articles of Incorporation, the directors shall

be members or spouses of members; provided, however, no person and his or her spouse may serve on the Board at the same time. In the case of a member which is a corporation or partnership, the person designated in writing to the Secretary of the Association as the representative of such corporation or partnership shall be eligible to serve as a director.

Section 3.2 **Number of Directors.** The number of directors in the Association shall be no less than three (3) or more than five (5). The initial Board shall consist of five (5) directors as identified in the Articles of Incorporation. The Board may be increased in size by majority vote of the then-existing board.

Section 3.3 **Election and Term of Office.**

(a) At the first Annual Meeting following the Development Period, which expires on the earlier to occur of the date that Declarant (1) sells its last Lot, or (2) voluntarily terminates its Class B status, the Voting Members shall elect five (5) directors, who shall be Members, to replace the existing three (3) directors appointed by the Declarant. At such election, two (2) directors shall be elected for an initial term of three (3) years, two (2) directors shall be elected for an initial term of two (2) years and one (1) director shall be elected for an initial term of one (1) year. After the expiration of the initial terms, successors shall thereafter be elected each to serve a term of two (2) years.

(b) Each Voting Member shall be entitled to cast all votes attributable to the Lots which it represents with respect to each vacancy to be filled from each slate on which such Voting Member is entitled to vote. There shall be no cumulative voting. The candidate(s) receiving the most votes shall be elected. The directors elected by the Voting Members shall hold office until their respective successors have been elected by the Association. Directors may be elected to serve any number of consecutive terms.

Section 3.4 **Removal of Directors and Vacancies.** Any director elected by the Voting Members may be removed, with or without cause, by a majority of both the Class A votes and the Class B votes of the Association. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall then and there be elected by the remaining directors.

Any director elected by the Voting Members who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of any Assessment or other charge due the Association for more than thirty (30) days may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a director, a vacancy may be declared by the Board, and it may appoint a successor to fill the vacancy for the remainder of the term.

## **MEETINGS**

Section 3.5 **Organizational Meetings.** The first meeting of the Board following each annual meeting of the membership shall be held within sixty (60) days thereafter at such time and place as shall be fixed by the Board.

Section 3.6 **Regular Meetings**. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least one (1) such meeting shall be held during each fiscal year. Notice of the time and place of the meeting shall be communicated to directors no less than five (5) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to the holding of such meeting.

Section 3.7 **Special Meetings**. Special meetings of the Board shall be held when called by written notice signed by the President of the Association or by any two (2) directors. The notice shall specify the time and place of the meeting. The notice shall be given to each director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) telephone communication, either directly to the director or to a person at the director's office home who would reasonably be expected to communicate such notice promptly to the director; or (d) by fax, charges prepaid. All such notices shall be given at the director's telephone number or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least five (5) days before the time set for the meeting. Notices given by personal delivery, telephone, or fax, shall be delivered, telephoned or faxed at least seventy-two (72) hours before the time set for the meeting.

Section 3.8 **Waiver of Notice**. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 3.9 **Quorum of Board**. At all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors who are present at such meeting may adjourn the meeting to a time no less than five (5) or more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 3.10 **Compensation**. No director shall receive any compensation from the Association for acting as such unless approved by Voting Members representing a majority of the total votes of the Association at a regular or special meeting of the Association; provided any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors.

Section 3.11 **Conduct of Meetings**. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of meetings of the Board, recording therein all resolutions adopted by the Board and all transactions and proceedings occurring at such meetings.

Section 3.12 **Action Without a Formal Meeting**. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a number of directors sufficient to take such action if all directors were present and voted on such action.

## **POWERS AND DUTIES**

Section 3.13 **Powers**. The Board shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do or cause to be done all acts and things as are not directed to be done and exercised exclusively by the Voting Members or the membership generally by the Declaration, Articles of Incorporation, or these By-Laws.

The Board shall delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board.

Section 3.14 **Management**. The Board may employ for the Association a professional management agent or agents at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Board may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board by these By-Laws that can properly be delegated. Declarant, or an affiliate of the Declarant, may be employed as managing agent or manager.

Section 3.15 **Accounts and Reports**. The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise:

- (a) accrual accounting, as defined by generally accepted accounting principles, shall be employed;
- (b) accounting and controls should conform to generally accepted accounting principles;
- (c) cash accounts of the Association shall not be commingled with any other accounts;
- (d) no remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association;
- (e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board;

(f) financial reports shall be prepared for the Association at least annually containing:

(1) an income statement reflecting all income and expense activity for the preceding period on an accrual basis;

(2) a statement reflecting all cash receipts and disbursements for the preceding period;

(3) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(4) a balance sheet as of the last day of the preceding period; and

(5) a delinquency report listing all Owners who are delinquent in paying any Assessments at the time of the report and describing the status of any action to collect such Assessments which remain delinquent (any Assessment or installment thereof shall be considered to be delinquent on the fifteenth (15th) day following the due date unless otherwise determined by the Board); and

(g) an annual report consisting of at least the following shall be available to all members within one hundred twenty (120) days after the close of the fiscal year: (1) a balance sheet; (2) an operating (income) statement; and (3) a statement of changes in financial position for the fiscal year.

Section 3.16 **Borrowing**. The Board shall have the power to borrow money for the purpose of maintenance, repair or restoration of Common Area without the approval of the Voting Members. The Board shall also have the power to borrow money for other purposes; provided, the Board shall obtain Voting Member approval in the same manner provided in the Declaration for Special Assessments in the event that the proposed borrowing is for the purpose of modifying, improving, or adding amenities and the total amount of such borrowing exceeds or would exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year.

Section 3.17 **Rights of the Association**. With respect to the Common Area, and in accordance with the Articles of Incorporation and the Declaration, the Association shall have the right to contract with any person for the performance of various duties and functions. Such agreements shall require the consent of a majority of the total number of directors of the Association.

Section 3.18 **Enforcement**. The Board shall have the power to impose reasonable fines (which shall not exceed Five Hundred And No/100 Dollars (\$500.00) per occurrence), which shall constitute a lien upon the Lot of the violating Owner as provided in Article 6, Section 6.5(b) of the Declaration, and to suspend an Owner's right to vote or any person's right to use the Common Area for violation of any duty, covenant, restriction or obligation imposed under the Declaration, these By-Laws, or any rules and regulations duly adopted by the Association's Board of Directors. If any occupant, guest or invitee of a Lot violates the Declaration, By-Laws, or a rule or regulation adopted by the Board of Directors of the

Association, and a fine is imposed, the fine shall first be assessed against the occupant; provided, however, if the fine is not paid by such occupant, guest or invitee within the time period designated by the Board, the Owner shall pay the fine upon demand from the Association. The failure of the Board to enforce any provision of the Declaration, By-Laws, or any rule or regulation duly adopted by the Board of Directors of the Association shall not be a waiver of the right of the Board to do so thereafter.

(a) **Notice.** Prior to the imposition of any sanction hereunder, the Board or its delegate shall serve the alleged violator with written notice (the "Notice of Violation") setting forth the following:

- (i) Describe the nature, description and location of the alleged violation and notification that if the violation is corrected within fifteen (15) days from the date of the Notice of Violation, no further action will be taken;
- (ii) Notification that if the violation is not corrected or eliminated within fifteen (15) days from the date of the Notice of Violation, a fine may be imposed and that any attorneys' fees incurred by the Association in eliminating or abating the violation will be charged to the violator's account;
- (iii) The recipient must cease all work which has been deemed a violation and, within fifteen (15) days from the date of the Notice of Violation, must submit the plans and specifications for any such work to the ACC for approval;
- (iv) Failure to cease work which is the subject of the Notice of Violation shall permit the Association to pursue any one or more of the remedies available by law, under the Declaration or these By-Laws; and
- (v) The Notice of Violation shall be sent to the violator by certified mail, return receipt requested, and shall advise the violator that he or she has the right to request a hearing on or before the thirtieth (30<sup>th</sup>) day after the date the violator receives the Notice of Violation. The hearing, if one is requested in a timely manner, will be held before the Covenants Committee (defined below, if appointed by the Board) or the Board of Directors. In the event a Covenants Committee has been appointed by the Board of Directors, the Notice of Violation shall also advise the violator that the Covenants Committee's

decision may be appealed to the Board of Directors by written notice of appeal as set forth below.

(b) **Hearing.** If a written request for hearing is received by the manager, if any, President or Secretary of the Association on or before the thirtieth (30<sup>th</sup>) day after the date the violator receives the Notice of Violation, the Covenants Committee, if one is appointed, or the Board of Directors, shall hold a hearing not later than the thirtieth (30<sup>th</sup>) day after the date of receipt of the written request for hearing. The Covenants Committee or the Board of Directors, as appropriate, shall notify the violator of the date, time and place of the hearing not later than the tenth (10<sup>th</sup>) day before the date of the hearing. Any notice requirements set forth herein shall be satisfied if a copy of the Notice of Violation, with a statement as to the date and method of delivery, is entered in the minutes of the meeting or, alternatively, if the alleged violator appears at the hearing. The Covenants Committee, the Board or the violator may request a postponement and, if requested, a postponement shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of the parties. The violator's presence is not required to hold a hearing.

(c) **Appeal.** In the event a hearing has been conducted before the Covenants Committee, the violator shall have the right to appeal the decision to the Board of Directors. In order to perfect this right, a written notice of appeal must be received by the manager, if any, President or Secretary of the Association within ten (10) days after the day written notice of the Covenants Committee's decision is sent to the violator.

(d) **Repeated Violation of the Same Provision of the Declaration, Bylaws or Rules and Regulations of the Association.** Whenever an Owner or occupant, who has previously cured or eliminated a violation after receipt of a Notice of Violation, commits a separate violation of the same provision of the Declaration, By-Laws or rules and regulations of the Association within six (6) months from the date of the first Notice of Violation, the Board shall reinstate the violation and pursue the procedures set forth herein as if the violation had never been cured or eliminated. For purposes of illustration only, in the event an Owner or occupant has cured a violation after having received a Notice of Violation, the second violation of the same provision shall prompt the Board to send notice to the Owner or occupant that a violation fine has been imposed.

Section 3.19 **Additional Enforcement Rights.** The Association, acting through the Board, may elect to enforce any provision of the Declaration, these By-Laws, or the rules and regulations of the Association by self-help or by suit at law or in equity to enjoin any violation or to recover monetary damages or both or an action to foreclose the lien against any Lot without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorneys' fees and expenses actually incurred.

#### **ARTICLE 4** **OFFICERS**

Section 4.1 **Officers**. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer, to be elected from among the members of the Board. The Board may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

Section 4.2 **Election, Term of Office, and Vacancies**. The officers of the Association shall be elected annually by the Board at the first meeting of the Board following each annual meeting of the Voting Members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.

Section 4.3 **Removal**. Any officer may be removed by majority vote of the Board whenever, in the Board's judgment, the best interests of the Association shall be served thereby.

Section 4.4 **Powers and Duties**. The officers of the Association shall each have such powers and duties as generally associated with their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget and reports as provided for herein and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

Section 4.5 **Resignation**. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.6 **Agreements, Contracts, Deeds, Leases, Checks, Etc.** All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board.

## **ARTICLE 5 COMMITTEES**

Section 5.1 **General**. The Board is authorized to establish committees to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Each committee established by the Board shall operate in accordance with the terms of the resolution of the Board designating the committee and such rules as are adopted by the Board.



Section 5.2 **Covenants Committee**. The Board may appoint a "**Covenants Committee**" consisting of at least five (5) and no more than seven (7) Voting Members, who shall be appointed to serve a term of one (1) year and may, in the discretion of the Board, be appointed for any number of consecutive terms of one (1) year each. Acting in accordance with the provisions of the Declaration, these By-Laws, and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Section 3.18.

## **ARTICLE 6** **MISCELLANEOUS**

Section 6.1 **Fiscal Year**. The fiscal year of the Association shall be set by resolution of the Board. In the absence of a resolution, the fiscal year shall be equal to the calendar year.

Section 6.2 **Parliamentary Rules**. Except as may be modified by Board resolution, *Robert's Rules of Order* (current edition) shall govern the conduct of Association proceedings when not in conflict with Texas law, the Articles of Incorporation, the Declaration, or these By-Laws.

Section 6.3 **Conflicts**. If there are conflicts between the provisions of Texas law, the Articles of Incorporation, the Declaration, and/or these By-Laws, then the provisions of Texas law, the Declaration, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.

Section 6.4 **Books and Records**.

(a) **Inspection by Members and Mortgagees**. The Declaration, By-Laws, Articles of Incorporation, any amendments to the foregoing, the rules and regulations of the Association, the membership register, books of account, and the minutes of meetings of the members, the Board, and committees shall be made available for inspection and copying by any Owner, or any holder, insurer or guarantor of a first mortgage on a Lot at any reasonable time during reasonable business hours and for a purpose reasonably related to his or her interest in the Lot at the office of the Association or at such other place within the Property as the Board shall prescribe. Any such request must be in writing and shall state the purpose for which the inspection is requested. The Board may impose a reasonable fee for costs of copying any such information, which shall be payable in advance.

(b) **Rules for Inspection**. The Board shall establish reasonable rules with respect to: (1) notice to be given to the custodian of the records; (2) hours and days of the week when such an inspection may be made; and (3) payment of the cost of reproducing copies of documents requested.

(c) **Inspection by Directors**. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a

director includes the right to make extracts and a copy of relevant documents at the reasonable expense of the Association.

Section 6.5 **Notices**. Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first class postage prepaid:

(a) if to a member or Voting Member, at the address which the member or Voting Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such member or Voting Member; or

(b) if to the Association, the Board, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the members pursuant to this Section.

Section 6.6 **Amendment**. The Declaration may only be amended pursuant thereto. Except as otherwise specifically provided above and elsewhere in these By-Laws, these By-Laws may be amended only by the affirmative vote or written consent, or combination thereof, of Voting Members representing fifty-one (51%) of the total votes of those members present, in person or by proxy, at a duly convened meeting of the Members of the Association. Notwithstanding the above, the percentage of votes or other approval necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes or other approval required for action to be taken under that clause.

In addition, so long as the Class B membership provided for in Section 5.2(b) of the Declaration exists, Declarant may determine whether any amendment to these By-Laws shall require the prior written approval of HUD or VA.

If an Owner consents to an amendment to these By-Laws, it will be conclusively presumed that such Owner has the authority to so consent and no contrary provision in any mortgage or contract between Owner and a third party will affect the validity of such amendment.

## EXHIBIT F

## Enforcement Policy

Of

WAXAHACHIE SADDLEBROOK ESTATES  
HOMEOWNERS ASSOCIATION, INC.

**WHEREAS**, the Board of Directors of the Waxahachie Saddlebrook Estates Homeowners Association, Inc. (the "**Association**") finds there is a need to establish orderly procedures for the enforcement of the Rules & Regulations of the Association, the Design Guidelines of the Association and the restrictive covenants set forth in the Declaration of Covenants, Conditions and Restrictions for Saddlebrook Estates (hereinafter referred to, collectively, as the "Saddlebrook Estates **Governing Documents**") against violating owners.

**NOW, THEREFORE, IT IS RESOLVED** that the following procedures and practices are established for the enforcement of the Saddlebrook Estates Governing Documents and for the elimination of violations of such provisions found to exist in, on and about the property subject to the Saddlebrook Estates Governing Documents (to be referred to herein as the "**Enforcement Policy**").

1. **Establishment of Violation**. Any condition, use, activity or improvement which does not comply with the provisions of the Saddlebrook Estates Governing Documents, shall constitute a "**Violation**" under this Policy for all purposes.

2. **Report of Violation**. The existence of a Violation will be verified by a field observation conducted by the Board or its delegate. For the purpose of this Enforcement Policy, the delegate of the Board may include Management, an officer or member of the Board, or a member of any committee established by the Board for this purpose. A timely written report shall be prepared by the field observer for each Violation which will include the following information:

- a. Identification of the nature and description of the Violation(s).
- b. Identification by street address and legal description, if available, of the Lot on which the Violation exists.
- c. Date of the verification observation and name of the person making such observation.

At the same time that the field observation report is prepared, the Board or its delegate may forward to the Owner of the Lot in question written notice via regular first class mail or via postcard of the discovery of a Violation(s) (the "**Courtesy Notice**"). The

Owner will have at least ten (10) days from the date of the Courtesy Notice to correct or eliminate the Violation(s). The Board or its delegate may, in lieu of this notice, proceed immediately to the notice set forth in Paragraph 3 below.

3. **Notice of Violation**. If the Violation is not corrected or eliminated within the time period specified in the Courtesy Notice, or if the Board or its delegate deem it appropriate to proceed without the Courtesy Notice, the Association will forward to the Owner of the Lot in question written notice of the Violation(s) by first class mail or personal delivery and by certified mail, return receipt requested (the "**Notice of Violation**"). A Notice of Violation is not required if the alleged violator received a Notice of Violation relating to a similar Violation within six (6) months of the current Violation and was given a reasonable opportunity to cure the prior Violation. In such event, the Board may impose sanctions as authorized by the Saddlebrook Estates Governing Documents and/or this Enforcement Policy without notice to the Owner other than the Final Notice of Violation described in Paragraph 4 below. The Notice of Violation, if required, will state the following:

- a. The nature, description and location of the Violation, including any property damage caused by the Owner.
- b. The authority for establishing the Violation, including the authority for recovering property damages caused by the Owner.
- c. The proposed sanction to be imposed, including the amount claimed to be due from the owner for property damage, in the event the Violation is not cured within a reasonable time.
- d. If the Violation is corrected or eliminated within a reasonable time after the Owner's receipt of the Notice of Violation that no further action will be taken.
- e. The recipient may, on or before thirty (30) days from the receipt of the Notice of Violation, deliver to the Association a written request for a hearing.
- f. The Owner has the right to submit a written request for a hearing on or before thirty (30) days from the receipt of the Notice of Violation, that any attorney's fees and costs incurred by the Association will be charged to the Owner.

Sanctions under this Paragraph 3 may include, but are not limited to, the suspension of the right to use the Common Area and/or the imposition of violation fines at the rate of Ten and No/100 Dollars (\$10.00) per day until the violation is cured. There shall be no limit to the aggregate amount of violation fines imposed for the same Violation.

4. **Final Notice of Violation**. A formal notice of the Violation and the sanction to be imposed, including the amount of any property damage (the "**Final Notice of Violation**") will be sent by the Association to the Owner by regular first class mail and by

certified mail, return receipt requested, where, within the time period specified in the Notice of Violation, the Violation has not been corrected or eliminated or the Association has not timely received a written request for a hearing, whichever occurs first.

5. **Request for a Hearing.** If the Owner submits a written request for a hearing in a timely manner, the hearing shall be held in executive session of the Board of Directors affording the alleged violator a reasonable opportunity to be heard. Such hearing shall be held no later than the 30<sup>th</sup> day after the date the Board or its delegate receives the Owner's request for a hearing. The notice of the hearing shall be sent no later than the 10<sup>th</sup> day before the date of the hearing. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The Association or the Owner may request a postponement, and, if requested, a postponement shall be granted for a period of not more than ten (10) days. The minutes of the meeting shall contain a written statement of the results of the hearing. The Association shall notify the Owner in writing of its action within ten (10) days after the hearing. The Board may, but shall not be obligated to, suspend any proposed sanction if the Violation is cured within the ten (10) day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions of the Saddlebrook Estates Governing Documents by any Owner.

6. **Correction of Violation.** Where the Owner corrects or eliminates the Violation(s) prior to the imposition of any sanction, no further action will be taken (except for collection of any monies for which the Lot Owner may become liable under this Enforcement Policy and/or the Saddlebrook Estates Governing Documents). Written notice of correction or elimination of the Violation may be obtained from the Board upon request for such notice by the Owner and upon payment of a fee for same, the amount of which is set by the Board.

7. **Referral to Legal Counsel.** Where a Violation is determined or deemed determined to exist and where the Board deems it to be in the best interests of the Association to refer the Violation to legal counsel for appropriate action, the Board may do so at any time. Such legal action may include, without limitation, sending demand letters to the violating Owner and/or seeking injunctive relief against the Owner to correct or otherwise abate the Violation. Attorney's fees and all costs incurred by the Association in enforcing the Saddlebrook Estates Governing Documents and administering this Enforcement Policy shall become the personal obligation of the Owner.

8. **Notices.** Unless otherwise provided in the Enforcement Policy, all notices required by this Enforcement Policy shall be in writing and shall be deemed to have been duly given if delivered personally and/or if sent by United States Mail, first class postage prepaid, to the Owner at the address which the Owner has designated in writing and filed with the Secretary of the Association or, if no such address has been designated, to the address of the Lot of the Owner.

a. Where the notice is directed by personal delivery, notice shall be deemed to have been given, sent, delivered or received upon actual receipt by any person

accepting delivery thereof at the address of the recipient as set forth in such notice or if no person is there, by leaving the notice taped to the front door of the residence.

b. Where the notice is placed into the care and custody of the United States Postal Service, notice shall be presumed to have been given, sent, delivered or received, as of the third (3<sup>rd</sup>) calendar day following the date of postmark of such notice hearing postage prepaid and the appropriate name and address as required herein unless otherwise shown by the recipient to have been received at a later date.

c. Where a day required for an action to be taken or a notice to be given, sent, delivered or received, as the case may be, falls on a Saturday, Sunday or United States Postal Service holiday, the required date for the action or notice will be extended to the first day following which is neither a Saturday, Sunday or United States Postal Service holiday.

d. Where the Board has actual knowledge that such situation exists, any action to be taken pursuant to this Enforcement Policy which would directly affect the property of a third party or would be the responsibility of a party other than the Owner, notices required under this Enforcement Policy may be given, if possible, to such third party in addition to the Owner. Notwithstanding any notice sent to a third party, the Owner remains the party responsible for compliance with the requirements of the Declaration. The Board shall accept a response from any such third party only upon the written direction of the Owner of the Lot upon which the Violation exists.

e. Where the Owner has notified the Association that the interests of said Owner in a Lot are being handled by a representative or agent of such Owner or where an Owner has otherwise acted so as to put the Association on notice that its interest in a Lot has been and are being handled by a representative or agent, any notice or communication from the Association pursuant to this Enforcement Policy will be deemed full and effective for all purposes if given to such representative or agent.

f. Where an Owner transfer record title to a Lot at any time during the pendency of any procedure prescribed by this Enforcement Policy, such Owner shall remain personally liable for all costs under this Enforcement Policy. As soon as practical after receipt by the Association of a notice of a change in the record title to a Lot which is the subject of enforcement proceedings under this Enforcement Policy, the Board may begin enforcement proceedings against the new Owner in accordance with this Enforcement Policy. The new Owner shall be personally liable for all costs under this Enforcement Policy which are the result of the new Owner's failure and/or refusal to correct or eliminate the Violation in the time and manner specified under this Enforcement Policy.

**9. Cure of Violation During Enforcement.** An Owner may correct or eliminate a Violation at any time during the pendency of any procedure prescribed by this Enforcement Policy. Upon verification by written report to the Board and sent, where appropriate, to the Board that the Violation has been corrected or eliminated; the Violation will be deemed no longer to exist. The Owner will remain liable for all costs under this

Enforcement Policy, which costs, if not paid upon demand therefor by Management, will be referred to the Board of Directors of the Association for collection.

10. **Definitions.** The definitions contained in the Saddlebrook Estates Governing Documents are hereby incorporated herein by reference.

**IT IS FURTHER RESOLVED** that this Enforcement Policy is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended by the Board of Directors.

This is to certify that the foregoing Enforcement Policy was adopted by the Board of Directors at a duly convened meeting held on the \_\_\_\_\_ day of \_\_\_\_\_ 200\_\_\_\_, and that the same shall be filed of record in the Real Property Records of \_\_\_\_\_ County, Texas.

DATE: \_\_\_\_\_ Secretary

**EXHIBIT F-1****Disclosure by Declarant**

By its acquisition and ownership of a Lot in the Property, each Owner acknowledges that:

(a) due to the topography of its Lot and the Property, water will, at times, flow through and over portions of its Lot from adjacent and surrounding Lots in order to achieve positive drainage away from all applicable Lots. No adverse action may be taken by said Owner(s) to the detriment of this positive drainage on its or adjacent Lots.

(b) the property adjacent to Saddlebrook Estates is not owned or controlled by Declarant and it has hereby been advised to consult with the applicable departments of the City for any changes to and/or specific zoning information regarding its Lot, the Property and the zoning or proposed (re-)zoning of any adjacent property. It is also understood that there are no oral, written or implied representations or warranties regarding zoning or development of the Property or adjoining properties.

(c) its Lot may have "back-to-front" or "front-to-back" drainage. There may be a swale or swales over various portions of its Lot due to this drainage situation. The depth and width of any swales will vary depending on the elevations of its and adjacent Lots. The front and the rear portions of its Lot will not be level and no adjustments to the depth or severity of any swales should be made due to cosmetic or aesthetic concerns. Any alterations made after closing to any swales by an Owner may impact the drainage as well as any foundation warranty that it may own.

(d) Its lot falls within the boundaries of Waxahachie Public Improvement District #1 (the PID). The district serves to pay for the creation and administration of the District and for the design, acquisition, and construction of district improvements. The District includes an assessment schedule as follows:

**WAXAHACHIE PUBLIC IMPROVEMENT DISTRICT NO. 1  
RESIDENTIAL AND COMMERCIAL SPECIAL ASSESSMENTS**

<b>LOT TYPE</b>	<b>ASSESSMENT (without interest)</b>
<b>Residential Lots</b>	
(sf1) 12,500 square feet or greater	\$8,426.00 per lot
(sf2) 8,000 – 12,499 square feet	\$7,095.00 per lot
(sf3) Less than 8,000 square feet	\$6,320.00 per lot
<b>Commercial Lots</b>	
(mf) Multifamily	\$15,875.00 per acre
Duplex	\$2,970.00 per lot
	\$4,433.00 per lot

(e) its lot falls under the jurisdiction of the Waxahachie Saddlebrook Estates Homeowners' Association, which requires mandatory affiliation thereto, including the payment of an annual fee (which may be payable on a quarterly or other basis) per Section 6.3 of the Declaration. In conjunction therewith, a proforma budget reflecting an estimate of the Association's expenses for the first full year of operation are attached. It will also incur a working capital contribution fee and a transfer fee per Section 6.5 of the Declaration, which it understands should be further reviewed for more detailed information regarding Association dues, assessments and restrictions.

(f) it understands and agrees that neither Declarant nor Builder has any responsibility as to the present condition or future maintenance of any trees on its Lot. Furthermore, it is understood that neither



Declarant nor Builder makes any assurances, implied or stated, in regard to the survival of any trees during the construction process of building and completing a Residence on its Lot. It is also acknowledged that neither Declarant nor Builder has any liability consideration on trees either during construction or after a Residence is purchased and occupied on the Lot. It is further understood that each Owner assumes all responsibility for the maintenance and the condition of any trees on his Lot.

(g) any modifications or additions to its Residence or any Structure on its Lot requires prior submittal to and approval of plans and specifications by the Association's ACC pursuant to the Declaration. It is also understood that failure to so comply may result in the imposition of fines against the Owner and/or the removal of such modifications or additions at Owner's expense.

(h) there is no prescribed time for the construction or marketing by Builder or Declarant of a Residence on any Lot or the Lot itself. It is also understood that Builder and Declarant make no assurances regarding any established period of time during which Lots near the model homes or trailers of any Builder will remain vacant since the use of such homes or trailers is of an indeterminate length of time.

(i) it should direct any issues, concerns or questions regarding the Common Area or the Association to the Managing Agent, whose name can be obtained by contacting the Builder or Declarant.

## EXHIBIT F-2

## Budget

**INCOME**

Annual Assessments (4543 lots @ \$395 per year) includes	1,794,485
Miscellaneous Income/Late Fees/NSF Fees	5,000
Interest Income	2,000
<b>Total Income</b>	<b>1,801,485</b>

**EXPENSES****Utilities**

Electricity	130,000
Water/Sewer	200,000
Telephone 911 Call Boxes - Pools	28,000
<b>Total Utilities</b>	<b>358,000</b>

Landscape Maintenance/Common Area	200,000
Landscape Maintenance/Walking Trails	35,000
Landscape Maintenance/Neighborhood & Community Park	67,000
Landscape Maintenance/Fields/Playgrounds	30,000
Landscape Improvement/Color	70,000
Irrigation Repairs	30,000
Electrical Repairs/Maintenance	10,000
Screening Wall Maintenance/Entry Features	40,000
Bridge Repairs/Maintenance	10,000
Pond(s)/Fountain(s) Maintenance	60,000
Main Amenity Center #1-Pool(s) Service	40,000
Main Amenity Center #1-Pool(s) Maintenance/Supplies	22,000

Main Amenity Center #1-Cabana Maintenance/Supplies	7,500
Amenity Center #2-Pool(s) Service	35,000
Amenity Center #2-Pool(s) Maintenance Supplies	20,000
Amenity Center #3-Pool(s) Service	35,000
Amenity Center #3-Pool(s) Maintenance Supplies	20,000
Amenity Center #4-Pool(s) Service	35,000
Amenity Center #4-Pool(s) Maintenance Supplies	20,000
Holiday Decorations/Lighting	7,500
Common Area Maintenance/Cleaning	80,000
<b>Total Common Areas/Facilities Maintenance</b>	<b>874,000</b>

### General & Administrative

Professional Management	150,000
Legal Fees	30,000
Legal Fees Billed Back	-25,000
Audit & Accounting	5,000
Administrative Supplies/Postage	65,000
Homeowner Functions/Social Events	15,000
Web Site/Newsletter	12,000
<b>Total General &amp; Administrative</b>	<b>252,000</b>

### Insurance & Taxes

Property & Liability Insurance	80,000
Umbrella Liability Insurance	3,000
D & O Insurance	3,000
Corporate Income Tax	5,000
Property Tax	2,500
<b>Total Insurance &amp; Taxes</b>	<b>93,500</b>

<b>TOTAL EXPENSES</b>	<b>1,577,500</b>
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>223,985</b>
<b>LESS: RESERVE CONTRIBUTION</b>	<b>100,000</b>
<b>NET SURPLUS (DEFICIT)</b>	<b>123,985</b>

**EXHIBIT F-3****Budget Narrative****Waxahachie Saddlebrook Estates  
Homeowner's Association  
Budget****INCOME**

Annual Dues	Estimate of association dues at \$275 per year.
Late Charges/NSF Fees	Other income collected from delinquent dues.
Interest Income	Interest income generated from operating account.

**EXPENSES**

Electricity	Estimate for common area electricity service.
Water/Sewer	Estimate for common area water service.
Irrigation Repairs	Estimate for common area sprinkler repairs.
Landscape Maintenance	Current landscape maintenance contract.
Landscape Improvements/ Color/Trees	Estimate for color changes in the common area, and other landscape additions and replacements.
Canal Maintenance	Estimate for treatment of the canals for algae.
Pool Maintenance Service	Estimate for scheduled pool service contract.
Pool Supplies/Repairs	Estimate for cost of repairs to the pool and pool chemicals.
Pool Telephone	Estimate for pool emergency 911 call boxes.
Pool Permit	Estimate for annual health department pool permit.
Playground Maintenance	Estimate for playground maintenance and repair.
Pest Control	Estimate for extermination around the pool area during the swimming season.

Electrical Repairs	Estimate for common area lighting repairs.
Common Area Maintenance/ Cleaning	Estimate for miscellaneous common area repairs, maintenance and porter services.
Professional Management	Contract for professional management services by SBB Management Company.
Legal Fees	Estimate for Association legal expense.
Audit & Accounting	Estimate for an independent audit of the balance sheet and the related statements of revenue and expense.
Office Supplies/Newsletter	Estimate for supplies necessary for Association business such as postage, homeowner mailings, printing and other miscellaneous expenses and printing on the homeowner newsletter.
Website Expenses	Estimate for annual maintenance of the HOA website.
Bank Fees	Estimate for association bank account.
Homeowners Functions	Estimate for homeowner functions, annual meeting facility and social events.
Association Insurance Property, Liability, Directors & Officers	The premium costs for insurance required by the Declaration of Covenants, Conditions and Restrictions (i.e., Property and Liability Insurance, Directors and Officers Insurance).
Property Taxes	Estimate of Property Taxes.
Franchise Taxes	Estimate of Franchise Taxes.
Reserve Funding	Estimate of surplus allocated for future replacements.
Operating Surplus (Deficit)	Operating surplus or net deficit.

**EXHIBIT G**  
**PUBLIC IMPROVEMENT DISTRICT #1**

**(See Attached)**

## EXHIBIT G

RESOLUTION NO. 1087

**A RESOLUTION OF THE CITY OF WAXAHACHIE, TEXAS,  
DISSOLVING THE ORIGINAL WAXAHACHIE PUBLIC  
IMPROVEMENT DISTRICT NO. 1 AND AUTHORIZING THE  
ESTABLISHMENT AND CREATION OF NEW WAXAHACHIE PUBLIC  
IMPROVEMENT DISTRICT NO. 1.**

**WHEREAS**, Chapter 372, Texas Local Government Code (as amended, the "Act"), authorizes the City of Waxahachie, Texas (the "City") to dissolve any public improvement district created by the City and existing within the City's corporate limits; and

**WHEREAS**, the Act authorizes the City to establish and create a public improvement district within the City's corporate limits; and

**WHEREAS**, on April 18, 2005, the City Council of the City (the "City Council") approved and adopted Resolution 1048 ("Resolution 1048") authorizing the establishment and creation of Waxahachie Public Improvement District No. 1 covering approximately 1,965 acres within the corporate limits of the City (the "Original District"); and

**WHEREAS**, notice of Resolution 1048 was duly published as required by the Act, and the Original District was, therefore, duly established and created; and

**WHEREAS**, the City and Owner (as defined below) desired to amend Resolution 1048; and

**WHEREAS**, the Act does not provide a process whereby a resolution authorizing a public improvement district may be amended; and

**WHEREAS**, the Act does provide a process whereby the Original District can be dissolved and a new public improvement district may be established and created; and

**WHEREAS**, in light of the foregoing provisions of the Act, the City and Owner determined it prudent to dissolve the Original District and authorize a new public improvement district covering the same land as the Original District and including the same public improvement projects as the Original District; and



**WHEREAS**, on March 13, 2007, 287 Waxahachie L.P. and Ellis County CTR Development, Ltd. (collectively "Owner"), the owners of all the property within the Original District, submitted and filed with the City Secretary of the City a petition (the "Petition") requesting the dissolution of the Original District and concurrently requesting the establishment and creation of a new public improvement district covering the same land that had been in the Original District (the new public improvement district, the "District"); and

**WHEREAS**, the boundaries of the District will be identical to the boundaries of the Original District; namely 1,965 acres, more or less, generally located east of Highway 287 and north and south of Park School House Road and more particularly described by metes and bounds on Exhibit A attached to this Resolution (the "Property"); and

**WHEREAS**, after providing all notices required by the Act and otherwise required by applicable law, the City Council on April 16, 2007, conducted a public hearing on the advisability of dissolving the Original District; and

**WHEREAS**, on April 16, 2007, the City Council closed the public hearing on the dissolution of the Original District; and

**WHEREAS**, after providing all notices required by the Act and otherwise required by applicable law, the City Council on April 16, 2007, conducted a public hearing on the advisability of the public improvement projects generally described by the Petition and on the advisability of establishing and creating the District; and

**WHEREAS**, on April 16, 2007, the City Council closed the public hearing on the establishment and creation of the District; and

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY AS FOLLOWS:**

SECTION 1. THAT the recitals set forth in this Resolution are true and correct and are hereby adopted as findings of the City Council.

SECTION 2. THAT the City Council hereby determines that the facts contained in the Petition are true and correct and that the Petition fully satisfies the requirements of the Act with respect to the dissolution of the Original District.

SECTION 3. THAT pursuant to the authority of the Act, the City Council, after considering the Petition requesting the dissolution of the Original District, and after hearing the evidence and testimony presented at the public hearing on April 16, 2007, hereby finds and declares that it is advisable to dissolve the Original District.

SECTION 4. THAT, pursuant to the authority of the Act, the Original District is hereby dissolved and does not continue in existence for any purpose.

SECTION 5. THAT notice of the authorization provided by this Resolution for the dissolution of the Original District shall be given by publishing notice of this Resolution once in the Waxahachie Daily Light, a newspaper of general circulation in Ellis County, Texas; whereupon dissolution of the Original District shall be effective.

SECTION 6. THAT the City Council hereby determines that the facts contained in the Petition are true and correct and that the Petition fully satisfies the requirements of the Act with respect to the establishment and creation of the District.

SECTION 7. THAT pursuant to the authority of the Act, the City Council, after considering the Petition requesting the establishment of the District and after hearing the evidence and testimony presented at the public hearing on April 16, 2007, hereby finds and declares:

- (a) Advisability of the District Improvements. THAT it is advisable for the District to provide the District Improvements (hereinafter defined) generally described in this Resolution and that the District Improvements will promote the interests of the City and will confer a special benefit on the Property.
- (b) Nature of District Improvements. THAT the public improvement projects to be undertaken by the District (the "District Improvements") shall include, but are not limited to, the design, acquisition, construction, and improvement of roadways,

drainage, landscaping, parks, recreational facilities, and other common area improvements and enhancements authorized by the Act.

- (c) Estimated Cost of District Improvements. THAT the total cost the District Improvements is estimated to be \$34,882,328.
- (d) Boundaries. THAT the District boundaries consist of the Property located within the corporate limits of the City and more particularly described in the Recitals of this Resolution and by the legal description attached hereto as Exhibit A.
- (e) Method of Assessment. THAT the cost of the District Improvements will be assessed in a manner that imposes equal shares of the cost of the District Improvements on property within the District that is similarly benefited, including methods of assessing special benefits for various classes of improvements.
- (f) Apportionment of Cost. THAT the cost of the District Improvements will be apportioned to the District, and none will be apportioned to the municipality or county.

SECTION 8. THAT, pursuant to the authority of the Act, the District is hereby established and created in accordance with the findings contained in this Resolution and in accordance with the further finding that the District Improvements will confer a special benefit upon the Property.

SECTION 9. THAT the District shall have all rights, powers, and authority of a public improvement district authorized, established, and created under the authority of the Act.

SECTION 10. THAT notice of the authorization provided by this Resolution for the establishment and creation of the District shall be given by publishing notice of this Resolution once in the Waxahachie Daily Light, a newspaper of general circulation in Ellis County, Texas; whereupon the establishment and creation of the District shall be effective.

SECTION 11. THAT to promote efficient management of the District, the City Council hereby determines that the District should be managed by the City.

SECTION 12. THAT this Resolution shall take effect immediately from and after its passage and publication as required by law.

PASSED AND APPROVED on this 16th day of April, 2007.



THE CITY OF WAXAHACHIE, TEXAS

Nancy Ross  
Nancy Ross, City Secretary

Joe Jenkins  
Joe Jenkins, Mayor

EXHIBIT A**LEGAL DESCRIPTION OF THE PROPERTY  
1965.303 ACRES**

BEING A 1965.303 ACRE TRACT OF LAND SITUATED IN THE C. BEDWELL SURVEY, ABSTRACT NO. 94, R.M. BERRY SURVEY, ABSTRACT NO. 96, R.M. BERRY SURVEY, ABSTRACT NO. 97, G. CARPENTER SURVEY, ABSTRACT NO. 190, W.C. COLEMAN SURVEY, ABSTRACT NO. 204, B. COLLIER SURVEY, ABSTRACT NO. 216, S.M. DURRITT SURVEY, ABSTRACT NO. 272, G. GARCIA SURVEY, ABSTRACT NO. 418, T. HAVENS SURVEY, ABSTRACT NO. 492, J. JOHNSON SURVEY, ABSTRACT NO. 557, W.H. JAMES SURVEY, ABSTRACT NO. 562, McKINNEY & WILLIAMS SURVEY, ABSTRACT NO. 750 AND M. RAFFERTY SURVEY, ABSTRACT NO. 898, CITY OF WAXAHACHIE, ELLIS COUNTY, TEXAS, AND BEING ALL OF A CALLED 956.759 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 533, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 166.081 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 96.170 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1043, PAGE 371, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 87.450 ACRE TRACT OF LAND, CONVEYED TO GREG LOFTIS BY DEED RECORDED IN VOLUME 1061, PAGE 145, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING PART OF A TRACT OF LAND, CONVEYED TO ELLIS COUNTY LIVESTOCK, INC. BY DEED RECORDED IN VOLUME 758, PAGE 207, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 75.616 ACRE TRACT OF LAND, CONVEYED TO GREG LOFTIS BY DEED RECORDED IN VOLUME 1061, PAGE 145, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 120.358 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 196.971 ACRE TRACT OF LAND, CONVEYED TO ELLIS COUNTY CTR DEVELOPMENT, LTD. BY DEED RECORDED IN VOLUME 1985, PAGE 1495, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING PART OF A CALLED 208.763 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS. SAID 1965.303 ACRE TRACT, HAVING A BEARING BASIS OF GRID NORTH, STATE PLANE COORDINATES, TEXAS NORTH CENTRAL ZONE, NAD 83 DATUM (CORS), BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF AFORESAID 956.759 ACRE TRACT;

THENCE NORTH 88 DEGREES 56 MINUTES 16 SECONDS EAST, ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 4630.85 FEET TO A POINT FOR CORNER;

THENCE NORTH 01 DEGREES 35 MINUTES 54 SECONDS WEST, ALONG A WEST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1762.77 FEET TO A POINT FOR CORNER;

THENCE NORTH 89 DEGREES 19 MINUTES 47 SECONDS EAST, ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1193.70 FEET TO A POINT FOR CORNER;

THENCE SOUTH 40 DEGREES 28 MINUTES 00 SECONDS EAST, ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 329.15 FEET TO A POINT FOR CORNER;

THENCE SOUTH 01 DEGREES 03 MINUTES 50 SECONDS EAST, ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1561.46 FEET TO A POINT FOR CORNER;

THENCE ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

NORTH 88 DEGREES 52 MINUTES 47 SECONDS EAST, A DISTANCE OF 849.09 FEET TO A POINT FOR CORNER;

SOUTH 60 DEGREES 17 MINUTES 43 SECONDS EAST, A DISTANCE OF 435.54 FEET TO A POINT FOR CORNER;

NORTH 62 DEGREES 17 MINUTES 11 SECONDS EAST, A DISTANCE OF 1518.41 FEET TO A POINT FOR CORNER;

SOUTH 57 DEGREES 39 MINUTES 13 SECONDS EAST, A DISTANCE OF 894.53 FEET TO A POINT FOR CORNER;

NORTH 59 DEGREES 31 MINUTES 44 SECONDS EAST, A DISTANCE OF 525.22 FEET TO A POINT FOR CORNER;

THENCE ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 20 DEGREES 32 MINUTES 39 SECONDS EAST, A DISTANCE OF 1124.36 FEET TO A POINT FOR CORNER;

SOUTH 49 DEGREES 42 MINUTES 53 SECONDS EAST, A DISTANCE OF 815.43 FEET TO A POINT FOR CORNER;

NORTH 59 DEGREES 01 MINUTES 39 SECONDS EAST, A DISTANCE OF 656.24 FEET TO A POINT FOR CORNER;

SOUTH 31 DEGREES 41 MINUTES 03 SECONDS EAST, A DISTANCE OF 330.87 FEET TO A POINT FOR CORNER;

SOUTH 01 DEGREES 17 MINUTES 41 SECONDS EAST, A DISTANCE OF 449.93 FEET TO A POINT FOR CORNER;

SOUTH 00 DEGREES 34 MINUTES 53 SECONDS EAST, A DISTANCE OF 329.11 FEET TO THE EAST CORNER OF AFORESAID 956.759 ACRE TRACT;

THENCE ALONG THE SOUTH LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 60 DEGREES 05 MINUTES 45 SECONDS WEST, A DISTANCE OF 1996.26 FEET TO A POINT FOR CORNER;

SOUTH 59 DEGREES 59 MINUTES 15 SECONDS WEST, A DISTANCE OF 1287.20 FEET TO A POINT FOR CORNER;

SOUTH 49 DEGREES 31 MINUTES 18 SECONDS WEST, A DISTANCE OF 1288.90 FEET TO A POINT FOR CORNER;

SOUTH 47 DEGREES 40 MINUTES 43 SECONDS EAST, A DISTANCE OF 313.75 FEET TO A POINT FOR CORNER;

SOUTH 59 DEGREES 09 MINUTES 11 SECONDS WEST, A DISTANCE OF 46.40 FEET TO A POINT FOR CORNER;

SOUTH 58 DEGREES 58 MINUTES 21 SECONDS WEST, A DISTANCE OF 1721.09 FEET TO THE NORTH CORNER OF AFORESAID 96.170 ACRE TRACT;

THENCE SOUTH 24 DEGREES 19 MINUTES 22 SECONDS EAST, ALONG THE EAST LINE OF AFORESAID 96.170 ACRE TRACT, A DISTANCE OF 1752.77 FEET TO THE

EAST CORNER OF SAID 96.170 ACRE TRACT AND THE NORTH CORNER OF AFORESAID 87.450 ACRE TRACT;

THENCE SOUTH 22 DEGREES 39 MINUTES 36 SECONDS EAST, ALONG THE EAST LINE OF AFORESAID 87.450 ACRE TRACT, A DISTANCE OF 1583.45 FEET TO THE EAST CORNER OF SAID 87.450 ACRE TRACT AND THE NORTH CORNER OF AFORESAID ELLIS COUNTY LIVESTOCK, INC. TRACT;

THENCE ALONG THE EAST LINE OF AFORESAID ELLIS COUNTY LIVESTOCK, INC. TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 22 DEGREES 43 MINUTES 40 SECONDS EAST, A DISTANCE OF 663.62 FEET TO A POINT FOR CORNER;

SOUTH 23 DEGREES 51 MINUTES 01 SECONDS EAST, A DISTANCE OF 1918.49 FEET TO A POINT FOR CORNER;

THENCE SOUTH 74 DEGREES 23 MINUTES 36 SECONDS WEST, OVER AND ACROSS AFORESAID ELLIS COUNTY LIVESTOCK, INC TRACT, A DISTANCE OF 247.58 FEET TO THE EAST CORNER OF AFORESAID 75.616 ACRE TRACT;

THENCE ALONG THE EAST LINE OF AFORESAID 75.616 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 08 DEGREES 01 MINUTES 17 SECONDS EAST, A DISTANCE OF 689.60 FEET TO A POINT FOR CORNER;

SOUTH 04 DEGREES 24 MINUTES 42 SECONDS WEST, A DISTANCE OF 1047.76 FEET TO THE SOUTHEAST CORNER OF AFORESAID 75.616 ACRE TRACT AND BEING ON THE NORTHEAST RIGHT-OF-WAY OF U.S. HIGHWAY 287 (A VARIABLE WIDTH RIGHT-OF-WAY);

THENCE ALONG THE NORTHEAST RIGHT-OF-WAY LINE OF AFORESAID U.S. HIGHWAY 287 AND THE COMMON SOUTHWEST LINES OF AFORESAID 75.616 ACRE TRACT, 87.450 ACRE TRACT, 120.358 ACRE TRACT, AND 196.971 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

NORTH 58 DEGREES 23 MINUTES 26 SECONDS WEST, A DISTANCE OF 15.24 FEET TO A POINT FOR CORNER;

NORTH 61 DEGREES 15 MINUTES 11 SECONDS WEST, A DISTANCE OF 400.50 FEET TO A POINT FOR CORNER;



NORTH 58 DEGREES 23 MINUTES 26 SECONDS WEST, A DISTANCE OF 1698.10 FEET TO A POINT FOR CORNER;

NORTH 00 DEGREES 26 MINUTES 16 SECONDS WEST, A DISTANCE OF 279.09 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 25 MINUTES 41 SECONDS WEST, A DISTANCE OF 756.93 FEET TO A POINT FOR CORNER;

NORTH 44 DEGREES 19 MINUTES 42 SECONDS WEST, A DISTANCE OF 103.19 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 09 SECONDS WEST, A DISTANCE OF 300.13 FEET TO A POINT FOR CORNER;

NORTH 72 DEGREES 35 MINUTES 27 SECONDS WEST, A DISTANCE OF 102.79 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 24 MINUTES 44 SECONDS WEST, A DISTANCE OF 1398.16 FEET TO A POINT FOR CORNER;

NORTH 39 DEGREES 48 MINUTES 54 SECONDS WEST, A DISTANCE OF 106.71 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 17 MINUTES 27 SECONDS WEST, A DISTANCE OF 299.32 FEET TO A POINT FOR CORNER;

NORTH 77 DEGREES 09 MINUTES 31 SECONDS WEST, A DISTANCE OF 106.27 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 29 MINUTES 18 SECONDS WEST, A DISTANCE OF 751.60 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 15 MINUTES 31 SECONDS WEST, A DISTANCE OF 548.42 FEET TO A POINT FOR CORNER;

NORTH 39 DEGREES 03 MINUTES 02 SECONDS WEST, A DISTANCE OF 105.15 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 31 MINUTES 08 SECONDS WEST, A DISTANCE OF 199.27 FEET TO A POINT FOR CORNER;

NORTH 77 DEGREES 21 MINUTES 47 SECONDS WEST, A DISTANCE OF 106.45 FEET TO A POINT FOR CORNER;

NORTH 48 DEGREES 44 MINUTES 14 SECONDS WEST, A DISTANCE OF 482.75 FEET TO A POINT FOR CORNER;

NORTH 38 DEGREES 38 MINUTES 24 SECONDS WEST, A DISTANCE OF 1846.63 FEET TO A POINT FOR CORNER;

NORTH 27 DEGREES 01 MINUTES 24 SECONDS WEST, A DISTANCE OF 551.72 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 20 MINUTES 42 SECONDS WEST, A DISTANCE OF 146.48 FEET TO THE WEST CORNER OF AFORESAID 196.971 ACRE TRACT;

THENCE NORTH 58 DEGREES 50 MINUTES 18 SECONDS EAST, ALONG THE NORTHWEST LINE OF AFORESAID 196.971 ACRE TRACT, A DISTANCE OF 1110.80 FEET TO THE SOUTH CORNER OF AFORESAID 208.763 ACRE TRACT;

THENCE NORTH 30 DEGREES 04 MINUTES 07 SECONDS WEST, ALONG A SOUTHWEST LINE OF AFORESAID 208.763 ACRE TRACT, A DISTANCE OF 1529.85 FEET TO THE INSIDE ELL CORNER OF SAID 208.763 ACRE TRACT;

THENCE SOUTH 59 DEGREES 54 MINUTES 53 SECONDS WEST, A DISTANCE OF 640.88 FEET TO A WEST CORNER OF AFORESAID 208.763 ACRE TRACT AND ON THE EAST LINE OF AFORESAID U.S. HIGHWAY 287;

THENCE ALONG THE WEST LINE OF AFORESAID 208.763 ACRE TRACT AND THE COMMON EAST RIGHT-OF-WAY OF AFORESAID U.S. HIGHWAY 287 THE FOLLOWING COURSES AND DISTANCES:

NORTH 26 DEGREES 36 MINUTES 51 SECONDS WEST, A DISTANCE OF 71.48 FEET TO A POINT FOR CORNER;

NORTH 81 DEGREES 47 MINUTES 50 SECONDS WEST, A DISTANCE OF 69.97 FEET TO A POINT FOR CORNER;

NORTH 30 DEGREES 00 MINUTES 58 SECONDS WEST, A DISTANCE OF 694.24 FEET TO A POINT FOR CORNER;

NORTH 23 DEGREES 12 MINUTES 25 SECONDS WEST, A DISTANCE OF 390.34 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 50 MINUTES 53 SECONDS WEST, A DISTANCE OF 1000.41 FEET TO A POINT FOR CORNER;

NORTH 17 DEGREES 40 MINUTES 00 SECONDS WEST, A DISTANCE OF 499.95 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 19 MINUTES 41 SECONDS WEST, A DISTANCE OF 929.05 FEET TO THE WEST CORNER OF AFORESAID 208.763 ACRE TRACT;

THENCE NORTH 59 DEGREES 24 MINUTES 03 SECONDS EAST, ALONG THE NORTHWEST LINE OF AFORESAID 208.763 ACRE TRACT A DISTANCE OF 1476.25 FEET TO THE NORTH CORNER OF SAID 208.763 ACRE TRACT AND BEING ON A SOUTHWEST LINE OF AFORESAID 956.759 ACRE TRACT;

THENCE NORTH 31 DEGREES 24 MINUTES 42 SECONDS WEST, ALONG A SOUTHWEST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 902.95 FEET TO THE POINT OF BEGINNING, AND CONTAINING 1965.303 ACRES OF LAND, MORE OR LESS.

THIS DOCUMENT WAS PREPARED UNDER 22 TAC 663.21, DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY, AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED.

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**PETITION REQUESTING THE DISSOLUTION AND  
REESTABLISHMENT  
OF  
WAXAHACHIE  
PUBLIC IMPROVEMENT DISTRICT NO. 1**

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**REQUEST TO DISSOLVE AND REESTABLISH DISTRICT**

This petition (the "Petition") is submitted and filed with the City Secretary of the City of Waxahachie, Texas (the "City") by 287 Waxahachie L.P. and Ellis County CTR Development, Ltd. each a Texas limited partnership (collectively, the "Applicant") requesting the dissolution and reestablishment of Waxahachie Public Improvement District No. 1 (the "District"), which District includes the Property (hereinafter defined) owned by the Applicant. This Petition is submitted under the authority of Chapter 372 of the Texas Local Government Code (the "Act"). This Petition is submitted and filed upon the express condition that prior to the approval and adoption by the governing body of the City (the "Council") of a resolution dissolving and reestablishing the District (the "Resolution"), the Applicant and the City shall have agreed upon the form and content of all resolutions, ordinances, orders, and other documents and agreements necessary to dissolve and reestablish the District and levy special assessments against the Property that will pay for the creation and administration of the District and for the design, acquisition, and construction of the District Improvements (hereinafter defined) including, but not limited to, the form and content of: (1) the Resolution; (2) a resolution determining the total cost of the District Improvements; (3) the proposed assessment roll for the District; and (4) the ordinance and order levying special assessments against the Property. If the City fails to approve and adopt the Resolution in a form approved by the Applicant, the Applicant shall be deemed to have withdrawn this Petition. If the City fails to approve and adopt the other resolutions, ordinances, orders, documents and agreements necessary to levy special assessments against the Property, all in a form approved by the Applicant, the City shall be deemed to be without authority under the Act to levy such assessments. The Applicant reserves the right to withdraw this Petition at any time and for any reason by giving written notice of withdrawal (including notice by FAX or e-mail) to the City prior to the approval and adoption by the Council of the Resolution.

### LEGAL SUFFICIENCY OF THE PETITION

This Petition is legally sufficient under the Act to dissolve and reestablish the District because it has been signed: (1) by the record owners of taxable real property representing 100% of the appraised value of taxable real property liable for assessment under this Petition, as determined by the current roll of the Ellis County Central Appraisal District (the "Appraisal District"); (2) by the record owners of taxable real property who constitute 100% of all record owners of property that is liable for assessment under this Petition, as determined by the current roll of the Appraisal District; and (3) by the record owners of real property liable for assessment under this Petition who own taxable property that constitutes 100% of the area of all taxable real property that is liable for assessment under this Petition, as determined by the current roll of the Appraisal District.

### BOUNDARIES OF PROPOSED ASSESSMENT DISTRICT

The District boundaries shall not change, and shall include the approximately 1,996-acre tract located in the City of Waxahachie, Ellis County, Texas and more particularly described by the metes and bounds description attached herewith as Exhibit A and by the narrative description attached herewith as Exhibit B (the "Property").

### GENERAL NATURE OF PROPOSED IMPROVEMENTS

The purposes of the District include the design, acquisition, and construction of public improvement projects authorized by the Act and that are necessary for full development of the Property including, but not limited to, public infrastructure (water, sewer, drainage, and roadways), landscaping, parks and recreational facilities, and common-area improvements and enhancements; all of which improvement projects shall promote the interests of the City and confer a special benefit upon the Property.

### ESTIMATED COST OF PROPOSED IMPROVEMENTS

The Applicant estimates that the total cost to design, acquire, and construct the District Improvements will be approximately \$34,882,328.

### PROPOSED METHOD OF ASSESSMENT

The Property will be developed in phases, with each phase represented by one or more subdivisions. The Applicant requests that assessments be levied against property within the District only after a final plat of the completed subdivision has been recorded. Applicant proposes that property in the District be assessed according to the value of the property as determined by the Appraisal District, with regard to improvements on the property. Each assessment of property may be paid in full at any time (including accrued and unpaid interest) or it may be paid in annual installments (including interest at a rate one-half of one percent higher than the actual interest rate paid on the public debt used to finance the District Improvements) (the "Annual Assessments"). The Annual Assessments for each property shall continue until the total assessment on the property is paid in full (including interest at a rate one-half of one percent higher than the actual interest rate paid on the public debt used to finance the District Improvements), but not more than 25 years.

### APPORTIONMENT OF COSTS BETWEEN THE DISTRICT AND THE CITY

All costs of the District will be apportioned to the District, and no City property will be liable for assessment.

### MANAGEMENT OF THE DISTRICT

The Applicant proposes that the District be managed by the City, with the assistance of a consultant, who shall, from time to time, advise the City regarding certain operations of the District.

**OWNER REQUESTS DISSOLUTION AND REESTABLISHMENT OF THE DISTRICT.**

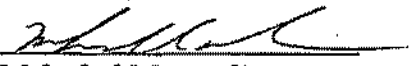
The person signing this Petition requests the dissolution and reestablishment of the District.

**ADVISORY BODY**

The Applicant proposes that the District be dissolved, reestablished and managed without the creation of an advisory body.

**287 WAXAHACHIE L.P.,**  
a Texas limited partnership

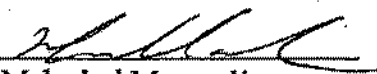
By: **CENTAMTAR TERRAS, L.L.C.,**  
a Texas limited liability company,  
its general partner

By:   
Mehrdad Moayed  
Sole Member and Sole Manager

Date: MARCH 13 / 07

**ELLIS COUNTY CTR DEVELOPMENT, LTD.,**  
a Texas limited partnership

By: **Pars Investments, Inc.,**  
a Texas corporation,  
its general partner

By:   
Mehrdad Moayed  
President

Date: MARCH 13 / 07



EXHIBIT A

## METES AND BOUNDS DESCRIPTION OF THE PROPERTY

## ZONING DESCRIPTION

1965.303 ACRES

BEING A 1965.303 ACRE TRACT OF LAND SITUATED IN THE C. BEDWELL SURVEY, ABSTRACT NO. 94, R.M. BERRY SURVEY, ABSTRACT NO. 96, R.M. BERRY SURVEY, ABSTRACT NO. 97, G. CARPENTER SURVEY, ABSTRACT NO. 190, W.C. COLEMAN SURVEY, ABSTRACT NO. 204, B. COLLIER SURVEY, ABSTRACT NO. 216, S.M. DURRITT SURVEY, ABSTRACT NO. 272, G. GARCIA SURVEY, ABSTRACT NO. 418, T. HAVENS SURVEY, ABSTRACT NO. 492, J. JOHNSON SURVEY, ABSTRACT NO. 557, W.H. JAMES SURVEY, ABSTRACT NO. 562, MCKINNEY & WILLIAMS SURVEY, ABSTRACT NO. 750 AND M. RAFFERTY SURVEY, ABSTRACT NO. 898, CITY OF WAXAHACHIE, ELLIS COUNTY, TEXAS, AND BEING ALL OF A CALLED 956.759 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 533, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 166.081 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 96.170 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1043, PAGE 371, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 87.450 ACRE TRACT OF LAND, CONVEYED TO GREG LOFTIS BY DEED RECORDED IN VOLUME 1061, PAGE 145, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING PART OF A TRACT OF LAND, CONVEYED TO ELLIS COUNTY LIVESTOCK, INC. BY DEED RECORDED IN VOLUME 758, PAGE 207, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 75.616 ACRE TRACT OF LAND, CONVEYED TO GREG LOFTIS BY DEED RECORDED IN VOLUME 1061, PAGE 145, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 120.358 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 196.971 ACRE TRACT OF LAND, CONVEYED TO ELLIS COUNTY CTR DEVELOPMENT, LTD. BY DEED RECORDED IN VOLUME 1985, PAGE 1495, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING PART OF A CALLED 208.763 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS. SAID 1965.303 ACRE TRACT, HAVING A BEARING BASIS OF GRID NORTH, STATE PLANE COORDINATES, TEXAS NORTH CENTRAL ZONE, NAD 83 DATUM (CORS), BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF AFORESAID 956.759 ACRE TRACT;

THENCE NORTH 88 DEGREES 56 MINUTES 16 SECONDS EAST, ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 4630.85 FEET TO A POINT FOR CORNER;

THENCE NORTH 01 DEGREES 35 MINUTES 54 SECONDS WEST, ALONG A WEST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1762.77 FEET TO A POINT FOR CORNER;

THENCE NORTH 89 DEGREES 19 MINUTES 47 SECONDS EAST, ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1193.70 FEET TO A POINT FOR CORNER;

THENCE SOUTH 40 DEGREES 28 MINUTES 00 SECONDS EAST, ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 329.15 FEET TO A POINT FOR CORNER;

THENCE SOUTH 01 DEGREES 03 MINUTES 50 SECONDS EAST, ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1561.46 FEET TO A POINT FOR CORNER;

THENCE ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

NORTH 88 DEGREES 52 MINUTES 47 SECONDS EAST, A DISTANCE OF 849.09 FEET TO A POINT FOR CORNER;

SOUTH 60 DEGREES 17 MINUTES 43 SECONDS EAST, A DISTANCE OF 435.54 FEET TO A POINT FOR CORNER;

NORTH 62 DEGREES 17 MINUTES 11 SECONDS EAST, A DISTANCE OF 1518.41 FEET TO A POINT FOR CORNER;

SOUTH 57 DEGREES 39 MINUTES 13 SECONDS EAST, A DISTANCE OF 894.53 FEET TO A POINT FOR CORNER;

NORTH 59 DEGREES 31 MINUTES 44 SECONDS EAST, A DISTANCE OF 525.22 FEET TO A POINT FOR CORNER;

THENCE ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 20 DEGREES 32 MINUTES 39 SECONDS EAST, A DISTANCE OF 1124.36 FEET TO A POINT FOR CORNER;

SOUTH 49 DEGREES 42 MINUTES 53 SECONDS EAST, A DISTANCE OF 815.43 FEET TO A POINT FOR CORNER;

NORTH 59 DEGREES 01 MINUTES 39 SECONDS EAST, A DISTANCE OF 656.24 FEET TO A POINT FOR CORNER;

SOUTH 31 DEGREES 41 MINUTES 03 SECONDS EAST, A DISTANCE OF 330.87 FEET TO A POINT FOR CORNER;

SOUTH 01 DEGREES 17 MINUTES 41 SECONDS EAST, A DISTANCE OF 449.93 FEET TO A POINT FOR CORNER;

SOUTH 00 DEGREES 34 MINUTES 53 SECONDS EAST, A DISTANCE OF 329.11 FEET TO THE EAST CORNER OF AFORESAID 956.759 ACRE TRACT;

THENCE ALONG THE SOUTH LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 60 DEGREES 05 MINUTES 45 SECONDS WEST, A DISTANCE OF 1996.26 FEET TO A POINT FOR CORNER;

SOUTH 59 DEGREES 59 MINUTES 15 SECONDS WEST, A DISTANCE OF 1287.20 FEET TO A POINT FOR CORNER;

SOUTH 49 DEGREES 31 MINUTES 18 SECONDS WEST, A DISTANCE OF 1288.90 FEET TO A POINT FOR CORNER;

SOUTH 47 DEGREES 40 MINUTES 43 SECONDS EAST, A DISTANCE OF 313.75 FEET TO A POINT FOR CORNER;

SOUTH 59 DEGREES 09 MINUTES 11 SECONDS WEST, A DISTANCE OF 46.40 FEET TO A POINT FOR CORNER;

SOUTH 58 DEGREES 58 MINUTES 21 SECONDS WEST, A DISTANCE OF 1721.09 FEET TO THE NORTH CORNER OF AFORESAID 96.170 ACRE TRACT;

THENCE SOUTH 24 DEGREES 19 MINUTES 22 SECONDS EAST, ALONG THE EAST LINE OF AFORESAID 96.170 ACRE TRACT, A DISTANCE OF 1752.77 FEET TO THE

EAST CORNER OF SAID 96.170 ACRE TRACT AND THE NORTH CORNER OF AFORESAID 87.450 ACRE TRACT;

THENCE SOUTH 22 DEGREES 39 MINUTES 36 SECONDS EAST, ALONG THE EAST LINE OF AFORESAID 87.450 ACRE TRACT, A DISTANCE OF 1583.45 FEET TO THE EAST CORNER OF SAID 87.450 ACRE TRACT AND THE NORTH CORNER OF AFORESAID ELLIS COUNTY LIVESTOCK, INC. TRACT;

THENCE ALONG THE EAST LINE OF AFORESAID ELLIS COUNTY LIVESTOCK, INC. TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 22 DEGREES 43 MINUTES 40 SECONDS EAST, A DISTANCE OF 663.62 FEET TO A POINT FOR CORNER;

SOUTH 23 DEGREES 51 MINUTES 01 SECONDS EAST, A DISTANCE OF 1918.49 FEET TO A POINT FOR CORNER;

THENCE SOUTH 74 DEGREES 23 MINUTES 36 SECONDS WEST, OVER AND ACROSS AFORESAID ELLIS COUNTY LIVESTOCK, INC TRACT, A DISTANCE OF 247.58 FEET TO THE EAST CORNER OF AFORESAID 75.616 ACRE TRACT;

THENCE ALONG THE EAST LINE OF AFORESAID 75.616 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 08 DEGREES 01 MINUTES 17 SECONDS EAST, A DISTANCE OF 689.60 FEET TO A POINT FOR CORNER;

SOUTH 04 DEGREES 24 MINUTES 42 SECONDS WEST, A DISTANCE OF 1047.76 FEET TO THE SOUTHEAST CORNER OF AFORESAID 75.616 ACRE TRACT AND BEING ON THE NORTHEAST RIGHT-OF-WAY OF U.S. HIGHWAY 287 (A VARIABLE WIDTH RIGHT-OF-WAY);

THENCE ALONG THE NORTHEAST RIGHT-OF-WAY LINE OF AFORESAID U.S. HIGHWAY 287 AND THE COMMON SOUTHWEST LINES OF AFORESAID 75.616 ACRE TRACT, 87.450 ACRE TRACT, 120.358 ACRE TRACT, AND 196.971 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

NORTH 58 DEGREES 23 MINUTES 26 SECONDS WEST, A DISTANCE OF 15.24 FEET TO A POINT FOR CORNER;

NORTH 61 DEGREES 15 MINUTES 11 SECONDS WEST, A DISTANCE OF 400.50 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 26 SECONDS WEST, A DISTANCE OF 1698.10 FEET TO A POINT FOR CORNER;

NORTH 00 DEGREES 26 MINUTES 16 SECONDS WEST, A DISTANCE OF 279.09 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 25 MINUTES 41 SECONDS WEST, A DISTANCE OF 756.93 FEET TO A POINT FOR CORNER;

NORTH 44 DEGREES 19 MINUTES 42 SECONDS WEST, A DISTANCE OF 103.19 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 09 SECONDS WEST, A DISTANCE OF 300.13 FEET TO A POINT FOR CORNER;

NORTH 72 DEGREES 35 MINUTES 27 SECONDS WEST, A DISTANCE OF 102.79 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 24 MINUTES 44 SECONDS WEST, A DISTANCE OF 1398.16 FEET TO A POINT FOR CORNER;

NORTH 39 DEGREES 48 MINUTES 54 SECONDS WEST, A DISTANCE OF 106.71 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 17 MINUTES 27 SECONDS WEST, A DISTANCE OF 299.32 FEET TO A POINT FOR CORNER;

NORTH 77 DEGREES 09 MINUTES 31 SECONDS WEST, A DISTANCE OF 106.27 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 29 MINUTES 18 SECONDS WEST, A DISTANCE OF 751.60 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 15 MINUTES 31 SECONDS WEST, A DISTANCE OF 548.42 FEET TO A POINT FOR CORNER;

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NORTH 27 DEGREES 01 MINUTES 24 SECONDS WEST, A DISTANCE OF 551.72 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 20 MINUTES 42 SECONDS WEST, A DISTANCE OF 146.48 FEET TO THE WEST CORNER OF AFORESAID 196.971 ACRE TRACT;

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THENCE NORTH 30 DEGREES 04 MINUTES 07 SECONDS WEST, ALONG A SOUTHWEST LINE OF AFORESAID 208.763 ACRE TRACT, A DISTANCE OF 1529.85 FEET TO THE INSIDE ELL CORNER OF SAID 208.763 ACRE TRACT;

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THENCE ALONG THE WEST LINE OF AFORESAID 208.763 ACRE TRACT AND THE COMMON EAST RIGHT-OF-WAY OF AFORESAID U.S. HIGHWAY 287 THE FOLLOWING COURSES AND DISTANCES:

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NORTH 81 DEGREES 47 MINUTES 50 SECONDS WEST, A DISTANCE OF 69.97 FEET TO A POINT FOR CORNER;

NORTH 30 DEGREES 00 MINUTES 58 SECONDS WEST, A DISTANCE OF 694.24 FEET TO A POINT FOR CORNER;

NORTH 23 DEGREES 12 MINUTES 25 SECONDS WEST, A DISTANCE OF 390.34 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 50 MINUTES 53 SECONDS WEST, A DISTANCE OF 1000.41 FEET TO A POINT FOR CORNER;

NORTH 17 DEGREES 40 MINUTES 00 SECONDS WEST, A DISTANCE OF 499.95 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 19 MINUTES 41 SECONDS WEST, A DISTANCE OF 929.05 FEET TO THE WEST CORNER OF AFORESAID 208.763 ACRE TRACT;

THENCE NORTH 59 DEGREES 24 MINUTES 03 SECONDS EAST, ALONG THE NORTHWEST LINE OF AFORESAID 208.763 ACRE TRACT A DISTANCE OF 1476.25 FEET TO THE NORTH CORNER OF SAID 208.763 ACRE TRACT AND BEING ON A SOUTHWEST LINE OF AFORESAID 956.759 ACRE TRACT;

THENCE NORTH 31 DEGREES 24 MINUTES 42 SECONDS WEST, ALONG A SOUTHWEST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 902.95 FEET TO THE POINT OF BEGINNING, AND CONTAINING 1965.303 ACRES OF LAND, MORE OR LESS.

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EXHIBIT B

## NARRATIVE DESCRIPTION OF THE PROPERTY

The District is proposed to include approximately 1,966 acres owned by the Applicant and located inside the corporate limits of the City of Waxahachie, Ellis County, Texas, being composed of tracts recorded in Volume \_\_\_\_, Page \_\_\_\_, Ellis County Deed Records. The Property is located east of Highway 287 and north and south of Park School House Road.



ORDINANCE NO. 2413

**AN ORDINANCE OF THE CITY OF WAXAHACHIE, TEXAS LEVYING SPECIAL ASSESSMENTS FOR, AND APPORTIONING THE COST OF, IMPROVEMENT PROJECTS THAT CONFER A SPECIAL BENEFIT ON A PORTION OF THE PROPERTY IN THE WAXAHACHIE PUBLIC IMPROVEMENT DISTRICT NO. 1; APPROVING A SERVICE AND ASSESSMENT PLAN FOR A PORTION OF THE PROPERTY IN THE DISTRICT THAT IMPOSES EQUAL SHARES OF THE COST OF THE IMPROVEMENT PROJECTS ON PROPERTY SIMILARLY BENEFITED; APPROVING AN ASSESSMENT ROLL, INCLUDING ANNUAL INSTALLMENTS, FOR A PORTION OF THE PROPERTY IN THE DISTRICT; PROVIDING FOR THE COLLECTION OF ASSESSMENTS AND ANNUAL INSTALLMENTS, INCLUDING INTEREST; PROVIDING THAT THE COST OF IMPROVEMENT PROJECTS WILL BE PAID FROM ASSESSMENTS; AUTHORIZING PAYMENT AGREEMENTS; INCORPORATING CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Waxahachie, Texas (the "City") is authorized under Chapter 372 of the Texas Local Government Code, as amended (the "Act"), to create a public improvement district within its corporate limits;

**WHEREAS**, 287 Waxahachie L.P. and Ellis County CTR Development, Ltd. (collectively, the "Applicant") own 100% of the approximately 1,965 contiguous acres located within the corporate limits of the City, which property is more particularly described by metes and bounds on Exhibit A attached to this Ordinance (the "Property");

**WHEREAS**, on March 13, 2007, the Applicant submitted and filed with the City Secretary of the City (the "City Secretary") a petition (the "Petition"): (i) requesting the dissolution of a previously created public improvement district (the "Original District") that included the Property (and only the Property), and (ii) concurrently requesting the establishment and creation of a new public improvement district that includes the Property (and no other property), which new district was referred to in the Petition as the Waxahachie Public Improvement District No. 1 (the "District");

**WHEREAS**, after providing all notices required by the Act and otherwise required by the laws of the State of Texas, the City Council of the City (the "City Council") on April 16, 2007, conducted a public hearing on the advisability of dissolving the Original District;

**WHEREAS**, as of public hearing held on April 16, 2007, no public improvement projects had been undertaken within or for the benefit of the Original District;

**WHEREAS**, after closing the public hearing on April 16, 2007, and after duly considering the Petition and all evidence, information, and testimony provided to the City Council, the City Council passed and adopted Resolution No. 1087 which dissolved the Original District;

**WHEREAS**, after providing all notices required by the Act and otherwise required by the laws of the State of Texas, the City Council, on April 16, 2007, conducted a public hearing on the advisability of the public improvement projects described in the Petition and on the advisability of creating the District to include the Property;

**WHEREAS**, after closing the public hearing on April 16, 2007, and after duly considering the Petition and all evidence, information, and testimony provided to the City Council, the City Council passed and adopted Resolution No. 1087 which authorized the District in accordance with the City Council's findings as to the advisability of the public improvement projects described in the Petition and as to the advisability of creating the District;

**WHEREAS**, after providing all notices required by the Act and otherwise required by the laws of the State of Texas, the City Council, on April 16, 2007, passed and adopted Resolution No. 1088 in which the City Council, pursuant to and in accordance with the requirements of the Act: (i) determined the total cost of the public improvement projects described in the Petition, (ii) took action to cause the preparation of a proposed assessment roll (stating the assessment against each parcel of land in the District as determined by the method of assessment chosen by the City), (iii) took action to cause the proposed assessment roll to be filed with the City Secretary and to be made available for public inspection, and (iv) took action to require the City Secretary to publish and mail notice of the City Council's intent to consider the proposed assessments at a public hearing to be held on May 21, 2007;

**WHEREAS**, the authorization creating the District became effective on May, 17, 2007, upon publication of Resolution 1087 in the Waxahachie Daily Light, a newspaper of general circulation in the City;

**WHEREAS**, on May 9, 2007, the proposed assessment roll was filed with the City Secretary and was immediately made available for public inspection;

**WHEREAS**, on May 10, 2007, the City Secretary caused to be published in the Waxahachie Daily Light, a newspaper of general circulation in the City, notice of the City Council's intent to consider the proposed assessments at a public hearing to be held on May 21, 2007;

**WHEREAS**, after the proposed assessment roll was filed with the City Secretary and made available for public inspection, the City Secretary caused to be mailed to the owners of property liable for assessment written notice of the City Council's intent to consider the proposed assessments at a public hearing to be held on May 21, 2007;

**WHEREAS**, after providing all notices required by the Act and otherwise required by the laws of the State of Texas, the City Council, on May 21, 2007, opened a public hearing to consider the

proposed assessments and to consider, hear, and pass on any written or oral objections to the proposed assessments;

**WHEREAS**, after opening the public hearing on May 21, 2007, the City Council continued until June 4, 2007, the public hearing to consider the proposed assessments and to consider, hear, and pass on any written or oral objections to the proposed assessments;

**WHEREAS**, after providing all notices required by the Act and otherwise required by the laws of the State of Texas, the City Council, on June 4, 2007, continued until June 18, 2007, the public hearing to consider separately revised proposed assessments for platted land and revised proposed assessments for undeveloped land and to consider, hear, and pass on any written or oral objections to such revised proposed assessments;

**WHEREAS**, after providing all notices required by the Act and otherwise required by the laws of the State of Texas, the City Council, on June 4, 2007, passed and adopted Resolution No. 1091 in which the City Council, among other things: (i) continued until June 18, 2007, the public hearing to consider revised proposed assessments prepared separately for platted land and undeveloped land; (ii) provided that when revised proposed assessment rolls for platted and undeveloped land are filed with the City Secretary, the City Secretary was directed to publish notice of the continuation of the public hearing (in accordance with Section 372.016 of the Act) in the Waxahachie Daily Light before the 10<sup>th</sup> day before June 18, 2007; (iii) provided that when revised proposed assessment rolls for platted and undeveloped land are filed with the City Secretary, the City Secretary was directed to mail to owners of property liable for assessment notice of the continuation of the public hearing (in accordance with Section 372.016 of the Act); and (iv) directed the City staff to take all other actions re required to place on the agenda for the June 18, 2007 meeting of the City Council the continuation of the public hearing to consider revised proposed assessments for platted and undeveloped land;

**WHEREAS**, on June 6, 2007, revised assessment rolls for platted and undeveloped land were filed with the City Secretary and were immediately available for public inspection

**WHEREAS**, on June 7, 2007, after the proposed revised assessment rolls for platted and undeveloped land were filed with the City Secretary and made available for public inspection, the City Secretary caused to be published in the Waxahachie Daily Light, a newspaper of general circulation in the City, notice of the City Council's intent to consider the proposed revised assessments at a public hearing continued from June 4, 2007, until June 18, 2007;

**WHEREAS**, on June 7, 2007, after the proposed revised assessment rolls for platted and undeveloped land were filed with the City Secretary and made available for public inspection, the City Secretary caused to be mailed to the owners of property liable for assessment written notice of the City Council's intent to consider the proposed revised assessments at a public hearing continued from June 4, 2007, until June 18, 2007;

**WHEREAS**, after providing all notices required by the Act and otherwise required by the laws of the State of Texas, the City Council, on June 18, 2007, continued the public hearing originally

opened on May 21, 2007, as continued until June 4, 2007, and further continued to June 18, 2007, to consider the revised proposed assessments for platted and undeveloped land and to consider, hear, and pass on any written or oral objections to the revised proposed assessments;

**WHEREAS**, no objections (written or oral) to the proposed assessments or proposed assessment rolls were presented at the public hearing opened on May 21, 2007, or at the hearing as continued until June 4, 2007, or at the hearing as further continued until June 18, 2007, and no other objections (written or oral) to the proposed assessments or assessment rolls have been received by the City;

**WHEREAS**, the Applicant, being the owner of 100% of the property in the District that is liable for assessment, appeared at the original public hearing on May 21, 2007, and at the continuation of the public hearing on June 4, 2007, and appeared and testified at the further continuation of the public hearing on June 18, 2007, at all times in support of and consenting to this Ordinance including, but not limited to, the proposed assessment rolls, the proposed assessments, the resulting lien created on the Property by the assessments, and the personal liability of the owners of the Property to pay the assessments;

**WHEREAS**, based on the evidence, information, and testimony provided to the City Council, the City Council has found and determined that the Assessed Property (being a portion of the Property and being more particularly defined in the Service and Assessment Plan approved by the City Council and attached as Exhibit B to this Ordinance) will be specially benefited by the public improvement projects approved by the City Council and identified as the "District Improvements" as set forth on Exhibit B to the Service and Assessment Plan;

**WHEREAS**, based on the evidence, information, and testimony provided to the City Council, the City Council has further found and determined: (i) that the method of apportioning the cost of the District Improvements against the Assessed Property and the real and true owners thereof as set forth in the Service and Assessment Plan is just and equitable; (ii) that such method of apportioning the cost will produce substantial equality considering the benefits to be received by and the burdens imposed on the Assessed Property; and (iii) that the assessments levied and charges declared against the Assessed Property and the real and true owners thereof as set forth in the Service and Assessment Plan are just and equitable; and

**WHEREAS**, after closing the public hearing on June 18, 2007, and after considering all evidence, information, and testimony provided to the City Council, and taking into consideration the fact that there were no written or oral objections to the proposed assessments, and further taking into consideration that the owners of 100% of the property liable for assessment consented to the proposed assessments, the City Council passed and adopted this Ordinance.

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY AS FOLLOWS:**

**SECTION 1.** The recitals set forth in this Ordinance are true and correct in all material respects and constitute legislative findings and determinations of the City Council.

SECTION 2. The exhibits attached to this Ordinance are incorporated as part of this Ordinance as if fully set forth in the body of this Ordinance.

SECTION 3. All actions described in the recitals set forth in this Ordinance (as well as all other actions related to the creation of the District and the approval of this Ordinance): (i) have been taken and performed in compliance with the Act, the laws of the State of Texas, the Charter of the City, and all procedures of the City Council; (ii) have, in all respects, been performed in a regular, proper, and valid manner; and (iii) are hereby approved and ratified.

SECTION 4. All prerequisites to the levying of the Assessments (hereinafter defined) and the creation of liens against the Assessed Property, and the personal liability of the real and true owners of the Assessed Property to pay the Assessments, whether or not correctly named in this Ordinance, have been regularly and duly performed in compliance with the Act, the laws of the State of Texas, the Charter of the City, and all procedures of the City Council.

SECTION 5. The City Council hereby finds and determines, based on the evidence, information, and testimony provided to the City Council: (i) that undertaking the District Improvements (including, but not limited to, the acquisition, construction, or installation of the District Improvements) will specially benefit the Assessed Property in relation to the cost of such improvements; (ii) that the method of apportioning the cost of the District Improvements against the Assessed Property and the real and true owners of the Assessed Property as set forth in the Service and Assessment Plan is just and equitable; (iii) that such method of apportioning the cost will produce substantial equality considering the benefits to be received by and the burdens imposed on the Assessed Property; and (iv) that the Assessments levied and charges declared against the Assessed Property and the real and true owners of the Assessed Property as set forth in the Service and Assessment Plan are just and equitable.

SECTION 6. The City Council, having received no oral or written objections (whether at the public hearings or otherwise) to the proposed assessments, was not required to hear or pass on any objections.

SECTION 7. The cost of the District Improvements to be assessed against the Assessed Property shall be apportioned against the Assessed Property as set forth in the Service and Assessment Plan attached as Exhibit B to this Ordinance (the "Service and Assessment Plan"). No portion of the cost of the District Improvements will be apportioned to property owned by the City or any other political subdivision of the State of Texas. The Service and Assessment Plan has been separately reviewed by the City Council and is hereby separately approved by the City Council. The Service and Assessment Plan shall be updated as needed and as required by the Act.

SECTION 8. The apportionment of the cost of the District Improvements against the Assessed Property as set forth in the Service and Assessment Plan: (i) is made on the basis of special benefits accruing to the Assessed Property because of the District Improvements; (ii) includes methods of assessing special benefits for various classes of improvements; (iii) includes reasonable classifications and formulas for the apportionment; and (iv) results in imposing equal

shares of the cost of the District Improvements on Parcels (hereinafter defined) within the Assessed Property that are similarly benefited.

**SECTION 9.** There are levied and assessed against specifically identified parcels (individually, a "Parcel") the special assessments, excluding interest (individually, an "Assessment"), set forth on the assessment roll (the "Assessment Roll") attached as **Exhibit C** to the Service and Assessment Plan. The amount of the Assessment for each Parcel is subject to adjustment in accordance with the Service and Assessment Plan. The Assessment Roll has been separately reviewed by the City Council and is hereby separately approved by the City Council. The Assessment Roll shall be updated as needed and as required by the Act.

**SECTION 10.** The City Council, after considering the evidence, information, and testimony provided to the City Council, the cost of the District Improvements that will improve the Assessed Property (and the corresponding increase in value of the Assessed Property), the cost of the private improvements that will improve the Assessed Property (and the corresponding increase in value of the Assessed Property), hereby finds and determines that each Parcel shown on the Assessment Roll receives a special benefit from undertaking the District Improvements that equals or exceeds the Assessment for the Parcel.

**SECTION 11.** The owner of a Parcel has the right to pay the Assessment (or remaining unpaid principal balance thereof) in full at any time, together with accrued and unpaid interest, as set forth in the Service and Assessment Plan. If an Assessment is not paid in full, it shall be paid in annual installments, including interest (an "Annual Installment"), as set forth in the Service and Assessment Plan and shown on the Assessment Roll.

**SECTION 12.** Assessments and Annual Installments shall be collected and administered, and the cost of District Improvements paid, as set forth in: (i) this Ordinance; (ii) the Service and Assessment Plan; and (iii) any bond indenture or other ordinance, resolution, document, or agreement approved by the City Council in connection with the issuance of bonds that are secured, in whole or in part, by Assessments and Annual Installments ("Bonds").

**SECTION 13.** The City shall pay the cost of District Improvements from the proceeds of one or more series of Bonds to be issued by the City (or by any corporation or entity created by the City with the authority to issue Bonds) as provided in the Service and Assessment Plan.

**SECTION 14.** This Ordinance incorporates by reference, and is subject to, all provisions and requirements of the Act.

**SECTION 15.** The City Council hereby approves, and the City Manager of the City is authorized and directed to execute on behalf of the City, one or more "Payment Agreements" (in substantially the form attached to this Ordinance as **Exhibit C**) with individuals or entities that undertake District Improvements and as approved by the City Council from time to time.



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VOL. PG.

THE CITY OF WAXAHACHIE, TEXAS

Nancy Ross  
Nancy Ross, City Secretary

Joe Jenkins  
Joe Jenkins, Mayor

Exhibit A to Assessment OrdinanceMETES AND BOUNDS DESCRIPTION OF THE PROPERTY WITHIN WAXAHACHIE  
PUBLIC IMPROVEMENT DISTRICT NO. 1

1965.3 Acres

BEING A 1965.303 ACRE TRACT OF LAND SITUATED IN THE C. BEDWELL SURVEY, ABSTRACT NO. 94, R.M. BERRY SURVEY, ABSTRACT NO. 96, R.M. BERRY SURVEY, ABSTRACT NO. 97, G. CARPENTER SURVEY, ABSTRACT NO. 190, W.C. COLEMAN SURVEY, ABSTRACT NO. 204, B. COLLIER SURVEY, ABSTRACT NO. 216, S.M. DURRITT SURVEY, ABSTRACT NO. 272, G. GARCIA SURVEY, ABSTRACT NO. 418, T. HAVENS SURVEY, ABSTRACT NO. 492, J. JOHNSON SURVEY, ABSTRACT NO. 557, W.H. JAMES SURVEY, ABSTRACT NO. 562, MCKINNEY & WILLIAMS SURVEY, ABSTRACT NO. 750 AND M. RAFFERTY SURVEY, ABSTRACT NO. 898, CITY OF WAXAHACHIE, ELLIS COUNTY, TEXAS, AND BEING ALL OF A CALLED 956.759 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 533, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 166.081 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 96.170 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1043, PAGE 371, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 87.450 ACRE TRACT OF LAND, CONVEYED TO GREG LOFTIS BY DEED RECORDED IN VOLUME 1061, PAGE 145, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING PART OF A TRACT OF LAND, CONVEYED TO ELLIS COUNTY LIVESTOCK, INC. BY DEED RECORDED IN VOLUME 758, PAGE 207, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 75.616 ACRE TRACT OF LAND, CONVEYED TO GREG LOFTIS BY DEED RECORDED IN VOLUME 1061, PAGE 145, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 120.358 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 196.971 ACRE TRACT OF LAND, CONVEYED TO ELLIS COUNTY CTR DEVELOPMENT, LTD. BY DEED RECORDED IN VOLUME 1985, PAGE 1495, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING PART OF A CALLED 208.763 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS. SAID 1965.303 ACRE TRACT, HAVING A BEARING BASIS OF GRID NORTH, STATE PLANE COORDINATES, TEXAS NORTH CENTRAL ZONE, NAD 83 DATUM (CORS), BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:



BEGINNING AT THE NORTHWEST CORNER OF AFORESAID 956.759 ACRE TRACT;

THENCE NORTH 88 DEGREES 56 MINUTES 16 SECONDS EAST, ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 4630.85 FEET TO A POINT FOR CORNER;

THENCE NORTH 01 DEGREES 35 MINUTES 54 SECONDS WEST, ALONG A WEST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1762.77 FEET TO A POINT FOR CORNER;

THENCE NORTH 89 DEGREES 19 MINUTES 47 SECONDS EAST, ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1193.70 FEET TO A POINT FOR CORNER;

THENCE SOUTH 40 DEGREES 28 MINUTES 00 SECONDS EAST, ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 329.15 FEET TO A POINT FOR CORNER;

THENCE SOUTH 01 DEGREES 03 MINUTES 50 SECONDS EAST, ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1561.46 FEET TO A POINT FOR CORNER;

THENCE ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

NORTH 88 DEGREES 52 MINUTES 47 SECONDS EAST, A DISTANCE OF 849.09 FEET TO A POINT FOR CORNER;

SOUTH 60 DEGREES 17 MINUTES 43 SECONDS EAST, A DISTANCE OF 435.54 FEET TO A POINT FOR CORNER;

NORTH 62 DEGREES 17 MINUTES 11 SECONDS EAST, A DISTANCE OF 1518.41 FEET TO A POINT FOR CORNER;

SOUTH 57 DEGREES 39 MINUTES 13 SECONDS EAST, A DISTANCE OF 894.53 FEET TO A POINT FOR CORNER;

NORTH 59 DEGREES 31 MINUTES 44 SECONDS EAST, A DISTANCE OF 525.22 FEET TO A POINT FOR CORNER;

THENCE ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 20 DEGREES 32 MINUTES 39 SECONDS EAST, A DISTANCE OF 1124.36 FEET TO A POINT FOR CORNER;

SOUTH 49 DEGREES 42 MINUTES 53 SECONDS EAST, A DISTANCE OF 815.43 FEET TO A POINT FOR CORNER;

NORTH 59 DEGREES 01 MINUTES 39 SECONDS EAST, A DISTANCE OF 656.24 FEET TO A POINT FOR CORNER;

SOUTH 31 DEGREES 41 MINUTES 03 SECONDS EAST, A DISTANCE OF 330.87 FEET TO A POINT FOR CORNER;

SOUTH 01 DEGRFES 17 MINUTES 41 SECONDS EAST, A DISTANCE OF 449.93 FEET TO A POINT FOR CORNER;

SOUTH 00 DEGREES 34 MINUTES 53 SECONDS EAST, A DISTANCE OF 329.11 FEET TO THE EAST CORNER OF AFORESAID 956.759 ACRE TRACT;

THENCE ALONG THE SOUTH LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 60 DEGREES 05 MINUTES 45 SFCONDS WEST, A DISTANCE OF 1996.26 FEET TO A POINT FOR CORNER;

SOUTH 59 DEGREES 59 MINUTES 15 SECONDS WEST, A DISTANCE OF 1287.20 FEET TO A POINT FOR CORNER;

SOUTH 49 DEGREES 31 MINUTES 18 SECONDS WEST, A DISTANCE OF 1288.90 FEET TO A POINT FOR CORNER;

SOUTH 47 DEGREES 40 MINUTES 43 SECONDS EAST, A DISTANCE OF 313.75 FFET TO A POINT FOR CORNER;

SOUTH 59 DEGREES 09 MINUTES 11 SECONDS WEST, A DISTANCE OF 46.40 FEET TO A POINT FOR CORNER;

SOUTH 58 DEGRFES 58 MINUTES 21 SECONDS WEST, A DISTANCE OF 1721.09 FEET TO THE NORTH CORNER OF AFORESAID 96.170 ACRE TRACT;

THENCE SOUTH 24 DEGREES 19 MINUTES 22 SECONDS EAST, ALONG THE EAST LINE OF AFORESAID 96.170 ACRE TRACT, A DISTANCE OF 1752.77 FEET TO THE

EAST CORNER OF SAID 96.170 ACRE TRACT AND THE NORTH CORNER OF AFORESAID 87.450 ACRE TRACT;

THENCE SOUTH 22 DEGREES 39 MINUTES 36 SECONDS EAST, ALONG THE EAST LINE OF AFORESAID 87.450 ACRE TRACT, A DISTANCE OF 1583.45 FEET TO THE EAST CORNER OF SAID 87.450 ACRE TRACT AND THE NORTH CORNER OF AFORESAID ELLIS COUNTY LIVESTOCK, INC. TRACT;

THENCE ALONG THE EAST LINE OF AFORESAID ELLIS COUNTY LIVESTOCK, INC. TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 22 DEGREES 43 MINUTES 40 SECONDS EAST, A DISTANCE OF 663.62 FEET TO A POINT FOR CORNER;

SOUTH 23 DEGREES 51 MINUTES 01 SECONDS EAST, A DISTANCE OF 1918.49 FEET TO A POINT FOR CORNER;

THENCE SOUTH 74 DEGREES 23 MINUTES 36 SECONDS WEST, OVER AND ACROSS AFORESAID ELLIS COUNTY LIVESTOCK, INC TRACT, A DISTANCE OF 247.58 FEET TO THE EAST CORNER OF AFORESAID 75.616 ACRE TRACT;

THENCE ALONG THE EAST LINE OF AFORESAID 75.616 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 08 DEGREES 01 MINUTES 17 SECONDS EAST, A DISTANCE OF 689.60 FEET TO A POINT FOR CORNER;

SOUTH 04 DEGREES 24 MINUTES 42 SECONDS WEST, A DISTANCE OF 1047.76 FEET TO THE SOUTHEAST CORNER OF AFORESAID 75.616 ACRE TRACT AND BEING ON THE NORTHEAST RIGHT-OF-WAY OF U.S. HIGHWAY 287 (A VARIABLE WIDTH RIGHT-OF-WAY);

THENCE ALONG THE NORTHEAST RIGHT-OF-WAY LINE OF AFORESAID U.S. HIGHWAY 287 AND THE COMMON SOUTHWEST LINES OF AFORESAID 75.616 ACRE TRACT, 87.450 ACRE TRACT, 120.358 ACRE TRACT, AND 196.971 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

NORTH 58 DEGREES 23 MINUTES 26 SECONDS WEST, A DISTANCE OF 15.24 FEET TO A POINT FOR CORNER;

NORTH 61 DEGREES 15 MINUTES 11 SECONDS WEST, A DISTANCE OF 400.50 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 26 SECONDS WEST, A DISTANCE OF 1698.10 FEET TO A POINT FOR CORNER;

NORTH 00 DEGREES 26 MINUTES 16 SECONDS WEST, A DISTANCE OF 279.09 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 25 MINUTES 41 SECONDS WEST, A DISTANCE OF 756.93 FEET TO A POINT FOR CORNER;

NORTH 44 DEGREES 19 MINUTES 42 SECONDS WEST, A DISTANCE OF 103.19 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 09 SECONDS WEST, A DISTANCE OF 300.13 FEET TO A POINT FOR CORNER;

NORTH 72 DEGREES 35 MINUTES 27 SECONDS WEST, A DISTANCE OF 102.79 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 24 MINUTES 44 SECONDS WEST, A DISTANCE OF 1398.16 FEET TO A POINT FOR CORNER;

NORTH 39 DEGREES 48 MINUTES 54 SECONDS WEST, A DISTANCE OF 106.71 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 17 MINUTES 27 SECONDS WEST, A DISTANCE OF 299.32 FEET TO A POINT FOR CORNER;

NORTH 77 DEGREES 09 MINUTES 31 SECONDS WEST, A DISTANCE OF 106.27 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 29 MINUTES 18 SECONDS WEST, A DISTANCE OF 751.60 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 15 MINUTES 31 SECONDS WEST, A DISTANCE OF 548.42 FEET TO A POINT FOR CORNER;

NORTH 39 DEGREES 03 MINUTES 02 SECONDS WEST, A DISTANCE OF 105.15 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 31 MINUTES 08 SECONDS WEST, A DISTANCE OF 199.27 FEET TO A POINT FOR CORNER;

NORTH 77 DEGREES 21 MINUTES 47 SECONDS WEST, A DISTANCE OF 106.45 FEET TO A POINT FOR CORNER;

NORTH 48 DEGREES 44 MINUTES 14 SECONDS WEST, A DISTANCE OF 482.75 FEET TO A POINT FOR CORNER;

NORTH 38 DEGREES 38 MINUTES 24 SECONDS WEST, A DISTANCE OF 1846.63 FEET TO A POINT FOR CORNER;

NORTH 27 DEGREES 01 MINUTES 24 SECONDS WEST, A DISTANCE OF 551.72 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 20 MINUTES 42 SECONDS WEST, A DISTANCE OF 146.48 FEET TO THE WEST CORNER OF AFORESAID 196.971 ACRE TRACT;

THENCE NORTH 58 DEGREES 50 MINUTES 18 SECONDS EAST, ALONG THE NORTHWEST LINE OF AFORESAID 196.971 ACRE TRACT, A DISTANCE OF 1110.80 FEET TO THE SOUTH CORNER OF AFORESAID 208.763 ACRE TRACT;

THENCE NORTH 30 DEGREES 04 MINUTES 07 SECONDS WEST, ALONG A SOUTHWEST LINE OF AFORESAID 208.763 ACRE TRACT, A DISTANCE OF 1529.85 FEET TO THE INSIDE ELL CORNER OF SAID 208.763 ACRE TRACT;

THENCE SOUTH 59 DEGREES 54 MINUTES 53 SECONDS WEST, A DISTANCE OF 640.88 FEET TO A WEST CORNER OF AFORESAID 208.763 ACRE TRACT AND ON THE EAST LINE OF AFORESAID U.S. HIGHWAY 287;

THENCE ALONG THE WEST LINE OF AFORESAID 208.763 ACRE TRACT AND THE COMMON EAST RIGHT-OF-WAY OF AFORESAID U.S. HIGHWAY 287 THE FOLLOWING COURSES AND DISTANCES:

NORTH 26 DEGREES 36 MINUTES 51 SECONDS WEST, A DISTANCE OF 71.48 FEET TO A POINT FOR CORNER;

NORTH 81 DEGREES 47 MINUTES 50 SECONDS WEST, A DISTANCE OF 69.97 FEET TO A POINT FOR CORNER;

NORTH 30 DEGREES 00 MINUTES 58 SECONDS WEST, A DISTANCE OF 694.24 FEET TO A POINT FOR CORNER;

NORTH 23 DEGREES 12 MINUTES 25 SECONDS WEST, A DISTANCE OF 390.34 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 50 MINUTES 53 SECONDS WEST, A DISTANCE OF 1000.41 FEET TO A POINT FOR CORNER;

NORTH 17 DEGREES 40 MINUTES 00 SECONDS WEST, A DISTANCE OF 499.95 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 19 MINUTES 41 SECONDS WEST, A DISTANCE OF 929.05 FEET TO THE WEST CORNER OF AFORESAID 208.763 ACRE TRACT;

THENCE NORTH 59 DEGREES 24 MINUTES 03 SECONDS EAST, ALONG THE NORTHWEST LINE OF AFORESAID 208.763 ACRE TRACT A DISTANCE OF 1476.25 FEET TO THE NORTH CORNER OF SAID 208.763 ACRE TRACT AND BEING ON A SOUTHWEST LINE OF AFORESAID 956.759 ACRE TRACT;

THENCE NORTH 31 DEGREES 24 MINUTES 42 SECONDS WEST, ALONG A SOUTHWEST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 902.95 FEET TO THE POINT OF BEGINNING, AND CONTAINING 1965.303 ACRES OF LAND, MORE OR LESS.

THIS DOCUMENT WAS PREPARED UNDER 22 TAC 663.21, DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY, AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED.

Exhibit B to Assessment Ordinance

**WAXAHACHIE PUBLIC IMPROVEMENT DISTRICT NO. 1  
CITY OF WAXAHACHIE, TEXAS  
SERVICE AND ASSESSMENT PLAN  
PLATTED LOTS**

June 18, 2007

TABLE OF CONTENTS

Section I	Introduction and Definitions	3
Section II	Property Included Within the PID	7
Section III	District Improvements	8
Section IV	Service Plan	8
Section V	Assessment Plan	10
Section VI	Determination of Assessment	14
Section VII	Assessment Roll	15
Section VIII	Miscellaneous Provisions	16

LIST OF EXHIBITS

Exhibit A	Descriptions of the PID Property
Exhibit B	District Improvements
Exhibit C	Assessment Roll



**SECTION I**  
**INTRODUCTION AND DEFINITIONS**

**A. Introduction**

1. Chapter 372, Texas Local Government Code, as amended (the "Act"), governs the creation of public improvement districts in Texas. On April 16, 2007, pursuant to and in accordance with the petition, notice, and public hearing requirements of the Act and the other applicable laws of the State of Texas, the City Council of the City of Waxahachie, Ellis County, Texas (the "City") approved and adopted Resolution No. 1087 approving and authorizing the creation of Waxahachie Public Improvement District No. 1 (the "PID"). The purpose of the PID is to undertake public improvement projects that will confer a special benefit on property within the boundaries of the PID.

2. Prior to the levy by the City of any special assessments on property within the boundaries of the PID, the Act requires the preparation of a service plan for the PID covering a period of at least five years and defining the annual indebtedness and the projected costs for the improvement projects (which plan shall be reviewed and updated annually). The required service plan for the PID is contained in Section IV of this Service and Assessment Plan.

3. The Act requires that an assessment plan be included in the service plan for the PID. As part of the assessment plan, the Act requires that the City Council of the City shall apportion the costs of the improvement projects to be assessed against property in the PID. The apportionment shall be made on the basis of special benefits accruing to the property within the boundaries of the PID because of the improvement projects. The required assessment plan for the PID is contained in Section V of this Service and Assessment Plan.

4. The Act requires that after the total costs of the improvement projects are determined, the City Council of the City shall prepare a proposed assessment roll that states the assessment against each parcel of land in the PID, as determined by the method of assessment chosen by the City. The Assessment Roll for the PID is included as Exhibit C attached to this Service and Assessment Plan.

**B. Definitions**

Terms used in this Service and Assessment Plan shall have the following meanings:

**"Administrator"** means a person or entity that contracts with, or that is an employee, representative, or agent of, the City that performs the responsibilities provided for in this Service and Assessment Plan, in the Bond Indenture, or in any other agreement approved by the City Council and related to the administration of the PID.

**“Annual Collection Costs”** mean the following actual or anticipated costs related to the annual collection of outstanding Assessments (whether paid in full or in Annual Installments), including, but not limited to, the actual or anticipated costs of:

- (i) preparing this Service and Assessment Plan, each Annual Service Plan Update, and each Assessment Roll;
- (ii) computing, preparing, levying, collecting, and transmitting Assessments;
- (iii) remitting Assessments to the Trustee;
- (iv) the City, the Administrator, and the Trustee (and their respective legal counsel) in the discharge of their duties under this Service and Assessment Plan;
- (v) complying with arbitrage rebate requirements;
- (vi) complying with annual securities disclosure requirements; and
- (vii) the City, the Administrator, and the Trustee in any way related to computing, preparing, levying, collecting, and transmitting the Assessments (including, but not limited to, the administration of the PID, maintaining a record of installments, payments, reallocations, and/or cancellations of Assessments, repayment of Bonds, any associated legal expenses, reasonable costs of other consultants and advisors, and contingencies and reserves for all of the foregoing costs as deemed appropriate by the City Council).

**“Annual Installment”** means, with respect to each Parcel, each annual installment payment of the Assessment for the Parcel as shown on the Assessment Roll, which includes, without limitation, debt service and transaction costs related to any Bonds (other than costs payable from Bond proceeds), and Annual Collection Costs.

**“Annual Service Plan Update”** means the annual update to Section V of this Service and Assessment Plan as required by the Act.

**“Assessed Property”** means, collectively, all the Parcels (excluding Non-Benefited Property) described on the Assessment Roll attached as Exhibit C to this Service and Assessment Plan.

**“Assessment”** means, with respect to each Parcel, the assessment levied against the Parcel in accordance with the Assessment Ordinance and this Service and Assessment Plan.

**“Assessment Ordinance”** means the Assessment Ordinance approved by the City Council that approves this Service and Assessment Plan and levies and imposes the Assessments, as shown on the Assessment Roll, subject to reallocation, from time to time, as provided by this Service and Assessment Plan.

**"Assessment Revenues"** mean the revenues actually received by the City from Assessments including, but not limited to, revenues from Annual Installments, revenues that result from the payment, in full, of any Assessment, and including revenues from prepayments of Assessments as provided by this Service and Assessment Plan.

**"Assessment Roll"** means a list of and description of all Parcels and the Assessment and Annual Installment for each Parcel attached as *Exhibit C* to this Service and Assessment Plan, and including any updates thereto prepared from time to time including, but not limited to, updates prepared in connection with any issuance of Bonds or in connection with any Annual Service Plan Update.

**"Bond Indenture"** means any indenture, ordinance, or similar document setting forth the terms and other provisions relating to any series of Bonds, as modified, amended, or supplemented from time to time.

**"Bonds"** mean any bonds (including refunding bonds) or other debt secured by Assessment Revenues, whether in one or more series, issued by the City with respect to the PID.

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

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

**"Collection Costs"** mean the sum of Annual Collection Costs and Delinquent Collection Costs.

**"Cost"** mean actual or budgeted costs, as applicable, to acquire, design, construct, install, or improve District Improvements including, but not limited to, all costs paid or incurred in connection with the issuance, from time to time, of multiple series of Bonds, and including all costs otherwise paid or incurred in connection with the transaction that results in the issuance of Bonds (whether such costs are characterized as interest, costs of issuance, reserve fund, or other costs of the transaction).

**"Delinquent Collection Costs"** mean interest, penalties, and expenses incurred or imposed with respect to any delinquent installments of the Assessments in accordance with the Act.

**"Developer"** means either Waxahachie 287, LP or Ellis County CTR Development, Ltd, and their respective successors and assigns.

**"District Improvements"** mean the public improvement projects authorized by the Act that confer a special benefit on the Assessed Property and that are described in Exhibit B attached to this Service and Assessment Plan.

**"Equivalent Units"** mean, for each Parcel, (i) the number of residential dwelling units built or expected to be built within the Parcel for each "Lot Type" shown below multiplied times (ii) the equivalency factor shown below.

LOT TYPE	EQUIVALENCY FACTOR
Lot Type 1 (single-family residential)	1.00 per dwelling
Lot Type 2 (single-family residential)	0.84 per dwelling unit
Lot Type 3 (single-family residential)	0.75 per dwelling unit

**“Lot Type 1”** means a single-family lot designated “SF-1” in the Planned Development Ordinance.

**“Lot Type 2”** means a single-family lot designated as “SF-2” in the Planned Development Ordinance.

**“Lot Type 3”** means a single-family lot designated as “SF-3” in the Planned Development Ordinance.

**“Non-Benefited Property”** means Parcels within the boundaries of the PID that have been determined by the City Council to receive no measurable special benefit from the District Improvements, including, but not limited to, Owner Association Property, Public Property, and right-of-way and easements for use by a public or private utility providers.

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

**“Parcel”** means a parcel of land within the PID identified (i) by a tax map identification number assigned by the Ellis County Central Appraisal District for real property tax purposes, (ii) by lot and block number in a final subdivision plat recorded in the real property records of Ellis County, (iii) by metes and bounds description, or (iv) by any other means determined by the City.

**“PID”** means the Waxahachie Public Improvement District No. 1.

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

**“PID Property”** means the property depicted and described on Exhibit A attached to this Service and Assessment Plan identifying the total property included within the boundaries of the PID.

**“Planned Development Ordinance”** means Ordinance No. 2302 adopted by the City Council of the City on April 18, 2005, which ordinance establishes the zoning that is applicable to the PID Property.

“Public Property” means property within the boundaries of the PID that is owned by or offered for dedication to the federal government, the State of Texas, a 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 easement.

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

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

## SECTION II PROPERTY INCLUDED WITHIN THE PID

The PID Property is depicted and described by metes and bounds on Exhibit A attached to this Service and Assessment Plan. The PID Property consists of approximately 1,965 acres of land located within the corporate limits of the City, Ellis County, Texas. The PID Property is zoned as a planned development zoning district in accordance with the Planned Development Ordinance. The projected residential and commercial development at build out of the PID Property is shown in Table II-A below for each of the six Lot Types that will be developed. The PID Property includes approximately 227 acres of land that is platted (which platted land is covered by this Service and Assessment Plan and is referred to herein as the Assessed Property) and approximately 1,739 acres of land that is undeveloped (which undeveloped land is covered by a separate Assessment Ordinance and a separate Service and Assessment Plan).

TABLE II-A

LOT TYPE	PROJECTED DEVELOPMENT AT BUILD OUT
Lot Type 1 – Single-Family	684 units
Lot Type 2 – Single-Family	2,546 units
Lot Type 3 – Single-Family	1,369 units
Lot Type 4 - Duplex	200 units
Lot Type 5 – Multi-Family	749 units
Lot Type 6 - Commercial	169 acres

### SECTION III DISTRICT IMPROVEMENTS

The Act provides that if the governing body of a municipality determines that it promotes the interests of the municipality, the governing body may undertake public improvement projects authorized by the Act that confer a special benefit on a definable part of the municipality. The City Council has determined that the "District Improvements" described on Exhibit B to this Service and Assessment Plan are authorized by the Act, promote the interests of the City, and confer a special benefit on the Assessed Property. The individual line items described on Exhibit B may be updated with each update of this Service and Assessment Plan. Individual line items may be adjusted upward or downward, however, the total cost of all line items cannot exceed the total shown on Exhibit B.

### SECTION IV SERVICE PLAN

The Act requires a service plan covering 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 public improvement district. The projected Cost for the District Improvements is estimated to be \$3,559,307. An estimate of how the Cost will be undertaken is set forth in Table IV-A. An estimate of how indebtedness to pay for the District Improvements will be undertaken is set forth in Table IV-B. Table IV-C and Table IV-D set forth, respectively, the anticipated sources and uses of Bond proceeds. Tables IV-A through D will be updated as part of each Annual Service Plan Update and upon the issuance of Bonds.

TABLE IV-A

YEAR WHICH COST EXPENDED	PROJECTED COST OF IMPROVEMENTS
Year 1	\$ 3,559,307
Year 2	\$ 0
Year 3	\$ 0
Year 4	\$ 0
Year 5	\$ 0

Table IV-B

<u>YEAR INDEBTEDNESS UNDERTAKEN</u>	<u>PROJECTED INDEBTEDNESS</u>
Year 1	\$ 3,559,307
Year 2	\$ 0
Year 3	\$ 0
Year 4	\$ 0
Year 5	\$ 0

TABLE IV - C

<u>SOURCES OF FUNDS</u>	<u>TOTAL</u>
TOTAL SOURCES OF FUNDS	\$ 3,559,307

TABLE IV – D

<u>USES OF FUNDS</u>	<u>TOTAL</u>
Debt Service Reserve Funds	\$248,552
Capitalized Interest	\$309,362
Bond Counsel	\$45,990
Underwriters Counsel	\$35,566
Developers Financial Advisor	\$26,675
City Financial Advisor	\$26,675
Underwriters Fee	\$71,132
Interest from Dev. Fund	\$(30,865)
Developer's Counsel	\$7,154
Assessment Consultant	\$7,154
Other Administrative Costs	\$8,892
<b>SUB-TOTAL</b>	<b>\$756,287</b>
<b>PAR AMOUNT OF BONDS</b>	<b>\$3,559,307</b>
<b>DEPOSIT TO PROJECT FUND</b>	<b>\$2,803,020</b>

## SECTION V ASSESSMENT PLAN

### A. Introduction

The Act requires the governing body of a municipality to apportion the cost of improvement projects to be assessed against property in a public improvement district on the basis of special benefits conferred upon the property because of the projects. The Act provides that the cost of improvement projects 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 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 of improvements. This Section V of this Service and Assessment Plan describes the special benefit received by each Parcel of the Assessed Property as a result of the District Improvements, provides the basis and justification for the determination that this special benefit exceeds the costs of the Assessments, and establishes the methodology by which the City Council allocates the special benefit of the District Improvements to Parcels in a manner that results in equal shares of the Cost of the District Improvements 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 PID Property.

#### **B. Special Benefit**

The Assessed Property will receive a direct and special benefit from the District Improvements, and this benefit will be equal to or greater than the cost of the Assessments. The District Improvements are provided specifically for the benefit of the Assessed Property. The District Improvements (more particularly described in line-item format on Exhibit B to this Service and Assessment Plan) include the following categories of public improvement projects authorized by the Act: (i) streets (including paving, landscaping, sidewalks, street lights, and screening walls), recreational facilities, entry features, parks, hike and bike trails, open space improvements, common area improvements, pond improvements, water improvements, wastewater improvements, and storm water improvements; (ii) engineering, contract administration, and contingencies associated with the foregoing; and (iii) various issuance and transaction costs related to the issuance of one or more series of Bonds.

The owners of the Assessed Property have acknowledged that the District Improvements confer a special benefit on the Assessed Property and have consented to the imposition of the Assessments to pay for the District Improvements. The owners are acting in their interest in consenting to this imposition because the special benefit conferred upon the Assessed Property by the District Improvements exceeds the amount of the Assessments.

The owners of the Assessed Property have represented: (i) that, based on their evaluation of the potential development of the Assessed Property, the highest and best use is the use described in this Service and Assessment Plan and otherwise required by the Planned Development Ordinance; and (ii) that it is in the interest of the owners of the Assessed Property to maximize the value of such property. Use of the Assessed Property as described in this Service and Assessment Plan and as required by the Planned Development Ordinance will require that District Improvements be acquired, constructed, installed, and improved. Funding the cost of the District Improvements through the PID is determined to be the most beneficial means of doing

so. In summary, the Assessments result in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessments based on the evidence, information, and testimony provided to the City Council.

### C. Assessment Methodology

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

2. For purposes of this Service and Assessment Plan, the City Council has determined that the Cost of the District Improvements shall be allocated to the Assessed Property on the basis of the relative value of Parcels after undertaking the District Improvements and that such method of allocation will result in the imposition of equal shares of the Cost on Parcels similarly situated. In determining the relative value of Parcels, the City Council has taken into consideration (i) the type of residential development (i.e., single-family, duplex, or multi-family); (ii) single-family lot size; (iii) current and projected land values; (iv) current and projected home prices; (v) current and projected market demands for single-family residential development within the City and within the region; and (vi) the high-quality, master-planned community development standards created by the Planned Development Ordinance. In determining the relative value of Parcels, the City Council has also taken into consideration independent studies supporting the conclusion that larger residential lots with full municipal services (including police, fire, and other emergency services), with access to concrete streets with curb and gutter storm drainage facilities, and with municipal water and wastewater service will be developed with larger, more expensive homes; and that such larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption.

3. Having taken into consideration the matters described above, the City Council has determined that allocating the Cost of the District Improvements among Parcels based on value after undertaking the District Improvements is best accomplished (and most easily illustrated) by creating a hierarchy of benefited Parcels based on the "Lot Types" defined in Section I.B of this Service and Assessment Plan. This hierarchy of value (from Lot Type 1 representing the highest value to Lot Type 3 representing the lowest value) is set forth in Table V-A below. This table illustrates that the City Council has determined: (i) that a Lot Type 1 dwelling unit receives the greatest benefit from the District Improvements, which benefit is given an "Equivalent Unit" value of 1.0 per dwelling unit; (ii) that a Lot Type 2 dwelling unit receives a smaller benefit; namely, 84% of the benefit received by a Type 1 Lot dwelling unit (hence the Equivalent Unit value of 0.84 per dwelling unit); and (iii) that a Lot Type 3 dwelling unit receives an even smaller benefit; namely, 75% of the benefit received by a Type 1 dwelling unit (hence the Equivalent Unit value of 0.75 per dwelling unit).

TABLE V-A

<u>LOT TYPE</u>	<u>EQUIVALENT UNIT VALUE</u>	<u>TOTAL NUMBER OF DWELLING UNITS</u>	<u>TOTAL EQUIVALENT UNITS FOR PURPOSES OF CALCULATING ASSESSMENTS</u>
Lot Type 1 (single-family residential)	1.00 per dwelling	171 dwelling units	171
Lot Type 2 (single-family residential)	0.84 per dwelling unit	163 dwelling units	137
Lot Type 3 (single-family residential)	0.75 per dwelling unit	209 dwelling units	157

**TOTAL EQUIVALENT UNITS = 465**

**AUTHORIZED IMPROVEMENT COST PER EQUIVALENT UNIT = \$7,660**

4. The Cost of the District Improvements is allocated among 465 Equivalent Units resulting in a cost per Equivalent Unit of \$7,660. The Assessment per dwelling unit is calculated as the product of (i) \$7,660 multiplied times (ii) the applicable Equivalent Unit value for each Lot Type. Table V-B sets forth the Assessment per dwelling unit.

TABLE V-B

<u>LOT TYPE</u>	<u>EQUIVALENT UNIT VALUE</u>	<u>ASSESSMENT PER DWELLING UNIT AND PER ACRE</u>
Lot Type 1	1.0 per dwelling unit	\$7,660 per dwelling unit
Lot Type 2	0.84 per dwelling unit	\$6,434 per dwelling unit
Lot Type 3	0.75 per dwelling unit	\$5,745 per dwelling unit

5. It has been represented to the City Council by the owners of the Assessed Property that the District Improvements for the Assessed Property will be completed in accordance with the Planned Development Ordinance and the City's Subdivision Ordinance, as amended. When the City has determined that the District Improvements have been completed in accordance with the Planned Development Ordinance and the City's Subdivision Ordinance or when financial security (including, but not limited to, proceeds from the issuance of Bonds) to complete the

District Improvements in accordance with the Planned Development Ordinance and Subdivision Ordinance has been provided in a manner approved by the City; then the Assessed Property shall be deemed to have received a special benefit from the District Improvements. When the Assessed Property is deemed to have received a special benefit from District Improvements, the City shall collect Assessments and Annual Installments to pay for such District Improvements and shall issue Bonds for such purpose.

## SECTION VI DETERMINATION OF ASSESSMENT

### A. Amount of Assessments

The total Assessments for all Assessed Property shall not exceed the total Cost of the District Improvements. The Assessment for each Parcel shall be as shown on the Assessment Roll, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the Act.

### B. Reduction of Assessments

If after all District Improvements have been completed the actual Cost of the District Improvements is less than the Cost used to calculate the Assessments, then the Assessment for each Parcel shall be reduced by an equal percentage such that the sum of the resulting reduced Assessments for all Parcels equals the actual reduced Cost of the District Improvements (but never less than an amount equal to the principal amount of outstanding Bonds). To the extent permitted by law and as provided by any Bond Indenture, the trustee under the Bond Indenture shall (with the consent of the City Council) refund the amount of such reduction to any owner of a Parcel who has already paid in full the Assessment for such owner's Parcel.

### C. Payment of Assessments

#### 1. **Payment in Full**

(a) The Assessment for any Parcel may be paid in full at any time. Payment shall include interest through the date of payment to the extent such interest is not included in any Annual Installment paid or to be paid. If payment in full will result in a redemption of Bonds, the payment amount shall be reduced by the amount, if any, of reserve funds applied to the redemption under the Bond Indenture.

(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, the City shall deposit the payment in accordance with the applicable Bond Indenture; 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, including interest and Annual Collection Costs, beginning on the date the City determines that a phase of development of the PID Property has received a special benefit from District Improvements completed or to be completed in connection with such phase of development as provided by Section V.C.5 of this Service and Assessment Plan. Each Assessment shall bear interest at one-half of one percent above than the actual interest rate paid on the public debt used to finance the District Improvements. The Assessment Roll sets forth for each year the Annual Installment for each Parcel.

### **D. 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 applicable Bond Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City. The Assessments shall have lien priority as specified in the Act.

## **SECTION VII ASSESSMENT ROLL**

A. Each Parcel has been evaluated by the City Council (based on the Planned Development Ordinance, developable area, proposed Owner Association Property and Public Property, the District Improvements, best and highest use of land, and other development factors deemed relevant by the City Council) to determine the Lot Type that is anticipated to be developed within such Parcel. The Assessment for each Parcel is then determined based on the last column of Table V-B of this Service and Assessment Plan, all of which Assessments are set forth on the Assessment Roll attached as Exhibit C to this Service and Assessment Plan. The Assessment Roll shall be updated upon the issuance of each series Bonds, upon the preparation of each Annual Service Plan Update, and to reflect, for each Parcel, prepayments and reductions authorized by this Service and Assessment Plan.

B. The Administrator shall prepare, and the City Council shall review and approve, updates (no less frequently than annually) to the Assessment Roll to reflect the following matters, together with any other changes helpful to the Administrator and permitted by the Act: (i) the identification of each Parcel (including, if available, the tax parcel identification number for 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.

## SECTION VIII MISCELLANEOUS PROVISIONS

### A. Administrative Review

An owner of a Parcel claiming that an error has been made in calculating the Assessment Roll (including the Annual Installment) shall (prior to pursuing any other remedy) give written notice describing the alleged error to the City within thirty (30) days after the owner receives the purportedly erroneous calculation. If an owner fails to give such notice, such owner shall be deemed to have accepted the calculation of the Assessment Roll (including the Annual Installment) and to have waived any objections to the calculation. The Administrator shall promptly review all notices alleging calculation errors and decide whether an error has been made. Any overpayment of a prior Annual Installment shall be credited against future Annual Installments, and no cash refunds shall be made except for the final year during which the Annual Installment is collected. 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 Act.

### B. Termination of Assessments

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

### C. Amendments

Supplemental Assessments may be made by the City Council in accordance with the Act to correct omissions or mistakes relating to the total Cost of the District Improvements. The City Council reserves the right to amend this Service and Assessment Plan without notice under the Act and without notice to owners of Parcels: (i) to correct minor mistakes and clerical errors; (ii) to clarify minor ambiguities; and (iii) to provide procedures for the collection and enforcement of Assessments, Collection Costs, and other charges imposed by this Service and Assessment Plan. The City Council further reserves the right to amend this Service and Assessment Plan (after notice and public hearing as required by the Act) to conform this Service and Assessment Plan to

the requirements of the Act, including requirements arising from interpretations of the Act by the Attorney General of the State of Texas.

**D. Interpretations and Determinations**

The City Council shall make all interpretations and determinations related to the application of this Service and Assessment Plan, which determinations and interpretations are governmental actions involving legislative discretion. Ministerial and administrative acts may be delegated pursuant to the this Service and Assessment Plan and the Bond Indenture.

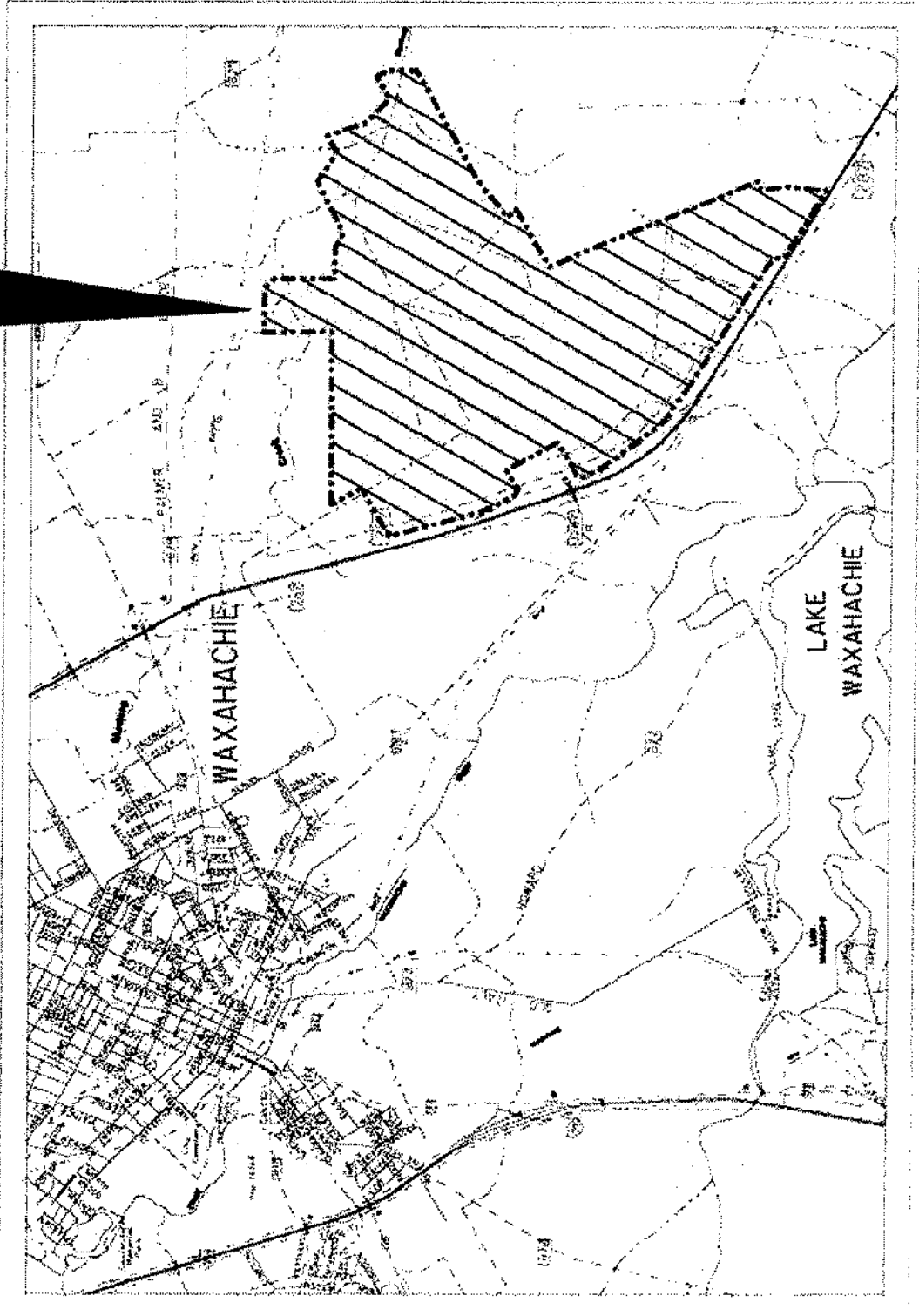
**E. Severability**

If any provision of this Service and Assessment Plan is held to be unenforceable by final judgment of any court having jurisdiction, such unenforceable provision shall be deleted and severed from this Service and Assessment Plan, and this Service and Assessment Plan, and all remaining provisions, shall remain in full force and effect and be interpreted to give effect to the intent of the parties as evidenced by this Service and Assessment Plan as a whole. To the extent required to give maximum effect to the intent of the parties, the remaining provisions of this Service and Assessment Plan shall be reformed or rewritten. All provisions of this Service and Assessment Plan are deemed to be severable.

**DEPICTION OF THE PID PROPERTY**

**WAXAHACHIE PUBLIC IMPROVEMENT DISTRICT NO. 1**

**PROJECT  
LOCATION**





**METES AND BOUNDS DESCRIPTION OF THE PID PROPERTY**

WAXAHACHIE PUBLIC IMPROVEMENT DISTRICT NO. I

1965.303 ACRES

BEING A 1965.303 ACRE TRACT OF LAND SITUATED IN THE C. BEDWELL SURVEY, ABSTRACT NO. 94, R.M. BERRY SURVEY, ABSTRACT NO. 96, R.M. BERRY SURVEY, ABSTRACT NO. 97, G. CARPENTER SURVEY, ABSTRACT NO. 190, W.C. COLEMAN SURVEY, ABSTRACT NO. 204, B. COLLIER SURVEY, ABSTRACT NO. 216, S.M. DURRITT SURVEY, ABSTRACT NO. 272, G. GARCIA SURVEY, ABSTRACT NO. 418, T. HAVENS SURVEY, ABSTRACT NO. 492, J. JOHNSON SURVEY, ABSTRACT NO. 557, W.H. JAMES SURVEY, ABSTRACT NO. 562, McKINNEY & WILLIAMS SURVEY, ABSTRACT NO. 750 AND M. RAFFERTY SURVEY, ABSTRACT NO. 898, CITY OF WAXAHACHIE, ELLIS COUNTY, TEXAS, AND BEING ALL OF A CALLED 956.759 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 533, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 166.081 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 96.170 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1043, PAGE 371, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 87.450 ACRE TRACT OF LAND, CONVEYED TO GREG LOFTIS BY DEED RECORDED IN VOLUME 1061, PAGE 145, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING PART OF A TRACT OF LAND, CONVEYED TO ELLIS COUNTY LIVESTOCK, INC. BY DEED RECORDED IN VOLUME 758, PAGE 207, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 75.616 ACRE TRACT OF LAND, CONVEYED TO GREG LOFTIS BY DEED RECORDED IN VOLUME 1061, PAGE 145, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 120.358 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 196.971 ACRE TRACT OF LAND, CONVEYED TO ELLIS COUNTY CTR DEVELOPMENT, LTD. BY DEED RECORDED IN VOLUME 1985, PAGE 1495, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING PART OF A CALLED 208.763 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS. SAID 1965.303 ACRE TRACT, HAVING A BEARING BASIS OF GRID NORTH, STATE PLANE COORDINATES, TEXAS NORTH CENTRAL ZONE, NAD 83 DATUM (CORS), BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF AFORESAID 956.759 ACRE TRACT;

THENCE NORTH 88 DEGREES 56 MINUTES 16 SECONDS EAST, ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 4630.85 FEET TO A POINT FOR CORNER;

THENCE NORTH 01 DEGREES 35 MINUTES 54 SECONDS WEST, ALONG A WEST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1762.77 FEET TO A POINT FOR CORNER;

THENCE NORTH 89 DEGREES 19 MINUTES 47 SECONDS EAST, ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1193.70 FEET TO A POINT FOR CORNER;

THENCE SOUTH 40 DEGREES 28 MINUTES 00 SECONDS EAST, ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 329.15 FEET TO A POINT FOR CORNER;

THENCE SOUTH 01 DEGREES 03 MINUTES 50 SECONDS EAST, ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1561.46 FEET TO A POINT FOR CORNER;

THENCE ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

NORTH 88 DEGREES 52 MINUTES 47 SECONDS EAST, A DISTANCE OF 849.09 FEET TO A POINT FOR CORNER;

SOUTH 60 DEGREES 17 MINUTES 43 SECONDS EAST, A DISTANCE OF 435.54 FEET TO A POINT FOR CORNER;

NORTH 62 DEGREES 17 MINUTES 11 SECONDS EAST, A DISTANCE OF 1518.41 FEET TO A POINT FOR CORNER;

SOUTH 57 DEGREES 39 MINUTES 13 SECONDS EAST, A DISTANCE OF 894.53 FEET TO A POINT FOR CORNER;

NORTH 59 DEGREES 31 MINUTES 44 SECONDS EAST, A DISTANCE OF 525.22 FEET TO A POINT FOR CORNER;

THENCE ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 20 DEGREES 32 MINUTES 39 SECONDS EAST, A DISTANCE OF 1124.36 FEET TO A POINT FOR CORNER;

SOUTH 49 DEGREES 42 MINUTES 53 SECONDS EAST, A DISTANCE OF 815.43 FEET TO A POINT FOR CORNER;

NORTH 59 DEGREES 01 MINUTES 39 SECONDS EAST, A DISTANCE OF 656.24 FEET TO A POINT FOR CORNER;

SOUTH 31 DEGREES 41 MINUTES 03 SECONDS EAST, A DISTANCE OF 330.87 FEET TO A POINT FOR CORNER;

SOUTH 01 DEGREES 17 MINUTES 41 SECONDS EAST, A DISTANCE OF 449.93 FEET TO A POINT FOR CORNER;

SOUTH 00 DEGREES 34 MINUTES 53 SECONDS EAST, A DISTANCE OF 329.11 FEET TO THE EAST CORNER OF AFORESAID 956.759 ACRE TRACT;

THENCE ALONG THE SOUTH LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 60 DEGREES 05 MINUTES 45 SECONDS WEST, A DISTANCE OF 1996.26 FEET TO A POINT FOR CORNER;

SOUTH 59 DEGREES 59 MINUTES 15 SECONDS WEST, A DISTANCE OF 1287.20 FEET TO A POINT FOR CORNER;

SOUTH 49 DEGREES 31 MINUTES 18 SECONDS WEST, A DISTANCE OF 1288.90 FEET TO A POINT FOR CORNER;

SOUTH 47 DEGREES 40 MINUTES 43 SECONDS EAST, A DISTANCE OF 313.75 FEET TO A POINT FOR CORNER;

SOUTH 59 DEGREES 09 MINUTES 11 SECONDS WEST, A DISTANCE OF 46.40 FEET TO A POINT FOR CORNER;

SOUTH 58 DEGREES 58 MINUTES 21 SECONDS WEST, A DISTANCE OF 1721.09 FEET TO THE NORTH CORNER OF AFORESAID 96.170 ACRE TRACT;

THENCE SOUTH 24 DEGREES 19 MINUTES 22 SECONDS EAST, ALONG THE EAST LINE OF AFORESAID 96.170 ACRE TRACT, A DISTANCE OF 1752.77 FEET TO THE

EAST CORNER OF SAID 96.170 ACRE TRACT AND THE NORTH CORNER OF AFORESAID 87.450 ACRE TRACT;

THENCE SOUTH 22 DEGREES 39 MINUTES 36 SECONDS EAST, ALONG THE EAST LINE OF AFORESAID 87.450 ACRE TRACT, A DISTANCE OF 1583.45 FEET TO THE EAST CORNER OF SAID 87.450 ACRE TRACT AND THE NORTH CORNER OF AFORESAID ELLIS COUNTY LIVESTOCK, INC. TRACT;

THENCE ALONG THE EAST LINE OF AFORESAID ELLIS COUNTY LIVESTOCK, INC. TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 22 DEGREES 43 MINUTES 40 SECONDS EAST, A DISTANCE OF 663.62 FEET TO A POINT FOR CORNER;

SOUTH 23 DEGREES 51 MINUTES 01 SECONDS EAST, A DISTANCE OF 1918.49 FEET TO A POINT FOR CORNER;

THENCE SOUTH 74 DEGREES 23 MINUTES 36 SECONDS WEST, OVER AND ACROSS AFORESAID ELLIS COUNTY LIVESTOCK, INC TRACT, A DISTANCE OF 247.58 FEET TO THE EAST CORNER OF AFORESAID 75.616 ACRE TRACT;

THENCE ALONG THE EAST LINE OF AFORESAID 75.616 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 08 DEGREES 01 MINUTES 17 SECONDS EAST, A DISTANCE OF 689.60 FEET TO A POINT FOR CORNER;

SOUTH 04 DEGREES 24 MINUTES 42 SECONDS WEST, A DISTANCE OF 1047.76 FEET TO THE SOUTHEAST CORNER OF AFORESAID 75.616 ACRE TRACT AND BEING ON THE NORTHEAST RIGHT-OF-WAY OF U.S. HIGHWAY 287 (A VARIABLE WIDTH RIGHT-OF-WAY);

THENCE ALONG THE NORTHEAST RIGHT-OF-WAY LINE OF AFORESAID U.S. HIGHWAY 287 AND THE COMMON SOUTHWEST LINES OF AFORESAID 75.616 ACRE TRACT, 87.450 ACRE TRACT, 120.358 ACRE TRACT, AND 196.971 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

NORTH 58 DEGREES 23 MINUTES 26 SECONDS WEST, A DISTANCE OF 15.24 FEET TO A POINT FOR CORNER;

NORTH 61 DEGREES 15 MINUTES 11 SECONDS WEST, A DISTANCE OF 400.50 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 26 SECONDS WEST, A DISTANCE OF 1698.10 FEET TO A POINT FOR CORNER;

NORTH 00 DEGREES 26 MINUTES 16 SECONDS WEST, A DISTANCE OF 279.09 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 25 MINUTES 41 SECONDS WEST, A DISTANCE OF 756.93 FEET TO A POINT FOR CORNER;

NORTH 44 DEGREES 19 MINUTES 42 SECONDS WEST, A DISTANCE OF 103.19 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 09 SECONDS WEST, A DISTANCE OF 300.13 FEET TO A POINT FOR CORNER;

NORTH 72 DEGREES 35 MINUTES 27 SECONDS WEST, A DISTANCE OF 102.79 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 24 MINUTES 44 SECONDS WEST, A DISTANCE OF 1398.16 FEET TO A POINT FOR CORNER;

NORTH 39 DEGREES 48 MINUTES 54 SECONDS WEST, A DISTANCE OF 106.71 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 17 MINUTES 27 SECONDS WEST, A DISTANCE OF 299.32 FEET TO A POINT FOR CORNER;

NORTH 77 DEGREES 09 MINUTES 31 SECONDS WEST, A DISTANCE OF 106.27 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 29 MINUTES 18 SECONDS WEST, A DISTANCE OF 751.60 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 15 MINUTES 31 SECONDS WEST, A DISTANCE OF 548.42 FEET TO A POINT FOR CORNER;

NORTH 39 DEGREES 03 MINUTES 02 SECONDS WEST, A DISTANCE OF 105.15 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 31 MINUTES 08 SECONDS WEST, A DISTANCE OF 199.27 FEET TO A POINT FOR CORNER;

NORTH 77 DEGREES 21 MINUTES 47 SECONDS WEST, A DISTANCE OF 106.45 FEET TO A POINT FOR CORNER;

NORTH 48 DEGREES 44 MINUTES 14 SECONDS WEST, A DISTANCE OF 482.75 FEET TO A POINT FOR CORNER;

NORTH 38 DEGREES 38 MINUTES 24 SECONDS WEST, A DISTANCE OF 1846.63 FEET TO A POINT FOR CORNER;

NORTH 27 DEGREES 01 MINUTES 24 SECONDS WEST, A DISTANCE OF 551.72 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 20 MINUTES 42 SECONDS WEST, A DISTANCE OF 146.48 FEET TO THE WEST CORNER OF AFORESAID 196.971 ACRE TRACT;

THENCE NORTH 58 DEGREES 50 MINUTES 18 SECONDS EAST, ALONG THE NORTHWEST LINE OF AFORESAID 196.971 ACRE TRACT, A DISTANCE OF 1110.80 FEET TO THE SOUTH CORNER OF AFORESAID 208.763 ACRE TRACT;

THENCE NORTH 30 DEGREES 04 MINUTES 07 SECONDS WEST, ALONG A SOUTHWEST LINE OF AFORESAID 208.763 ACRE TRACT, A DISTANCE OF 1529.85 FEET TO THE INSIDE ELL CORNER OF SAID 208.763 ACRE TRACT;

THENCE SOUTH 59 DEGREES 54 MINUTES 53 SECONDS WEST, A DISTANCE OF 640.88 FEET TO A WEST CORNER OF AFORESAID 208.763 ACRE TRACT AND ON THE EAST LINE OF AFORESAID U.S. HIGHWAY 287;

THENCE ALONG THE WEST LINE OF AFORESAID 208.763 ACRE TRACT AND THE COMMON EAST RIGHT-OF-WAY OF AFORESAID U.S. HIGHWAY 287 THE FOLLOWING COURSES AND DISTANCES:

NORTH 26 DEGREES 36 MINUTES 51 SECONDS WEST, A DISTANCE OF 71.48 FEET TO A POINT FOR CORNER;

NORTH 81 DEGREES 47 MINUTES 50 SECONDS WEST, A DISTANCE OF 69.97 FEET TO A POINT FOR CORNER;

NORTH 30 DEGREES 00 MINUTES 58 SECONDS WEST, A DISTANCE OF 694.24 FEET TO A POINT FOR CORNER;

NORTH 23 DEGREES 12 MINUTES 25 SECONDS WEST, A DISTANCE OF 390.34 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 50 MINUTES 53 SECONDS WEST, A DISTANCE OF 1000.41 FEET TO A POINT FOR CORNER;

NORTH 17 DEGREES 40 MINUTES 00 SECONDS WEST, A DISTANCE OF 499.95 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 19 MINUTES 41 SECONDS WEST, A DISTANCE OF 929.05 FEET TO THE WEST CORNER OF AFORESAID 208.763 ACRE TRACT;

THENCE NORTH 59 DEGREES 24 MINUTES 03 SECONDS EAST, ALONG THE NORTHWEST LINE OF AFORESAID 208.763 ACRE TRACT A DISTANCE OF 1476.25 FEET TO THE NORTH CORNER OF SAID 208.763 ACRE TRACT AND BEING ON A SOUTHWEST LINE OF AFORESAID 956.759 ACRE TRACT;

THENCE NORTH 31 DEGREES 24 MINUTES 42 SECONDS WEST, ALONG A SOUTHWEST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 902.95 FEET TO THE POINT OF BEGINNING, AND CONTAINING 1965.303 ACRES OF LAND, MORE OR LESS.

THIS DOCUMENT WAS PREPARED UNDER 22 TAC 663.21, DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY, AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED.

Exhibit B to Service and Assessment PlanDISTRICT IMPROVEMENTS

<b>PUBLIC IMPROVEMENT PROJECTS</b>	<b>COST</b>
Thoroughfare Paving	
Median Landscaping	
6' Concrete Sidewalk	
Landscape Buffer	
Thin Screening Wall	
Engineering / Survey	
Contingency	
Recreational Facilities	\$700,000
Main Entry	\$250,000
Secondary Entry	\$100,000
Public Neighborhood Park	\$100,000
Pocket Park	\$100,000
Hike & Bike Trail	\$52,500
Open Space Improvements	\$75,000
Pond Improvements	\$100,000
6' Concrete Sidewalk (Collectors)	\$184,800
Landscape Buffer (Collectors)	\$211,200
Thin Screening Wall (Collectors)	\$277,500
Engineering / Survey	\$196,339
Contingency	\$97,362
Water	\$32,020
Sewer	\$53,298
Drainage	\$61,380
Roads	\$60,050
Public Right of Way	\$5,115
Related Appurtenances	\$1,535
Street Lighting	\$3,582
Storm Water Control Improvements	\$12,378
Common Area Fencing, Landscaping	\$13,197
Common Area Improvements	\$5,831
Other Park Items	\$2,148
Other Recreational Facilities	\$5,729
Other Trail Improvements	\$4,194
Engineering	\$2,864
Contract Administration	\$35,805
Master Common Utility Improvements	\$24,654
Contingencies	\$34,539
<b>SUB-TOTAL</b>	<b>\$2,803,020</b>



Debt Service Reserve Fund	\$248,552
Capitalized Interest	\$309,362
Bond Counsel	\$45,990
Underwriters Counsel	\$35,566
Developers Financial Advisor	\$26,675
City Financial Advisor	\$26,675
Underwriters Fee	\$71,132
Interest from Dev. Fund	\$(30,865)
Developer's Counsel	\$7,154
Assessment Consultant	\$7,154
Other Administrative Costs	\$8,892
SUB-TOTAL	\$756,287
PAR AMOUNT OF BONDS	\$3,559,307
DEPOSIT TO PROJECT FUND	\$2,803,020

Exhibit C to Service and Assessment PlanASSESSMENT ROLL

PARCEL DESCRIPTIONS	LOT TYPE	ASSESSMENT PER LOT/PARCEL
Block K, Lots 1-6, 8-44 Block L, Lots 1-19 Block M, Lots 1-17 Block N, Lots 1-13 Block O, Lots 1-10 Block P, Lots 1-10 Block Q, Lots 1-8** Block Q, Lots 9-15 Block R, Lots 1-13** Block S, Lots 1-4, 6-15** Block S, Lots 16-22 Block T, Lots 19-28**	Type 1 - (SF 1) (171 total lots)	\$7,660
*Block G, Lots 1-11, 31-51 Block G, Lots 13-30 Block H, Lots 1-28* Block I, Lots 1-17* Block J, Lots 1-11* Block J, Lots 12-24 Block T, Lots 1-18 Block V, Lots 1-8 Block W, Lots 1-18	Type 2 - (SF 2) (163 total lots)	\$6,434
Block A, Lots 1-29 Block B, Lots 1-18 Block C, Lots 1-11 Block D, Lots 1, 2, 4-30, 81-107* Block D, Lots 31-56, 58-80 Block E, Lots 1, 26* Block E, Lots 2-25 Block F, Lots 1-14* Block X, Lots 1-6*	Type 3 - (SF 3) (209 total lots)	\$5,745

\*As shown on final plat of Saddle Brook Estates, Phase 1A, formerly platted as Villages of Mustang Creek Tract 1, prepared by Carter & Burgess, Inc., File No. 01-7744, dated April 2007, as recorded in Cabinet A, Slide 401-402, P.R.E.C.T., Ellis County, Texas, May 21, 2007.

\*\*As shown on final plat of Saddle Brook Estates, Phase 1B, formerly platted as Villages of Mustang Creek Tract 1, prepared by Carter & Burgess, Inc., File No. 01-7745, dated April 2007, as recorded in Cabinet A, Slide 398, P.R.E.C.T., Ellis County, Texas, May 21, 2007.

All other lots are as shown on preliminary plat of Villages of Mustang Creek Tract 1, prepared by Carter & Burgess, Inc., File No. 01-7760, dated January 2006.

**Annual Installments Per Lot/Parcel – All Lot Type 1 (S/F 1) Lots/Parcels**  
**Assessment per Lot/Parcel = \$7,660**

<u>Year</u>	<u>Principal and Interest</u>	<u>Collection Costs</u>	<u>Total</u>
1	\$473.36	\$11.01	\$484.37
2	\$480.46	\$11.18	\$491.64
3	\$487.67	\$11.34	\$499.01
4	\$494.98	\$11.51	\$506.50
5	\$502.41	\$11.69	\$514.09
6	\$509.94	\$11.86	\$521.80
7	\$517.59	\$12.04	\$529.63
8	\$525.36	\$12.22	\$537.58
9	\$533.24	\$12.40	\$545.64
10	\$541.24	\$12.59	\$553.82
11	\$549.35	\$12.78	\$562.13
12	\$557.59	\$12.97	\$570.56
13	\$565.96	\$13.16	\$579.12
14	\$574.45	\$13.36	\$587.81
15	\$583.06	\$13.56	\$596.63
16	\$591.81	\$13.77	\$605.57
17	\$600.69	\$13.97	\$614.66
18	\$609.70	\$14.18	\$623.88
19	\$618.84	\$14.39	\$633.24
20	\$628.13	\$14.61	\$642.74
21	\$637.55	\$14.83	\$652.38
22	\$647.11	\$15.05	\$662.16
23	\$656.82	\$15.28	\$672.09
24	\$666.67	\$15.51	\$682.18
25	\$676.67	\$15.74	\$692.41
26	\$686.82	\$15.97	\$702.79
27	\$697.12	\$16.21	\$713.34
28	\$707.58	\$16.46	\$724.04
29	\$718.19	\$16.70	\$734.90
30	\$728.97	\$16.96	\$745.92
<b>Total</b>	<b>\$17,769.31</b>	<b>\$413.30</b>	<b>\$18,182.61</b>

**Annual Installments Per Lot/Parcel – All Lot Type 2 (S/F 2) Lots/Parcels**  
**Assessment per Lot/Parcel = \$6,434**

<u>Year</u>	<u>Principal and Interest</u>	<u>Collection Costs</u>	<u>Total</u>
1	\$397.62	\$9.25	\$406.87
2	\$403.58	\$9.39	\$412.97
3	\$409.64	\$9.53	\$419.17
4	\$415.78	\$9.67	\$425.46
5	\$422.02	\$9.82	\$431.84
6	\$428.35	\$9.96	\$438.31
7	\$434.77	\$10.11	\$444.89
8	\$441.30	\$10.27	\$451.56
9	\$447.92	\$10.42	\$458.34
10	\$454.63	\$10.58	\$465.21
11	\$461.45	\$10.74	\$472.19
12	\$468.38	\$10.90	\$479.27
13	\$475.40	\$11.06	\$486.46
14	\$482.53	\$11.23	\$493.76
15	\$489.77	\$11.39	\$501.16
16	\$497.12	\$11.56	\$508.68
17	\$504.57	\$11.74	\$516.31
18	\$512.14	\$11.91	\$524.06
19	\$519.82	\$12.09	\$531.92
20	\$527.62	\$12.27	\$539.90
21	\$535.54	\$12.46	\$547.99
22	\$543.57	\$12.65	\$556.21
23	\$551.72	\$12.83	\$564.56
24	\$560.00	\$13.03	\$573.03
25	\$568.40	\$13.22	\$581.62
26	\$576.92	\$13.42	\$590.35
27	\$585.58	\$13.62	\$599.20
28	\$594.36	\$13.83	\$608.19
29	\$603.28	\$14.03	\$617.31
30	\$612.33	\$14.24	\$626.57
<b>Total</b>	<b>\$14,926.13</b>	<b>\$347.23</b>	<b>\$15,273.36</b>

**Annual Installments Per Lot/Parcel – All Lot Type 3 (S/F 3) Lots/Parcels**  
**Assessment per Lot/Parcel = \$5,745**

<u>Year</u>	<u>Principal and Interest</u>	<u>Collection Costs</u>	<u>Total</u>
1	\$355.02	\$8.26	\$363.28
2	\$360.35	\$8.38	\$368.73
3	\$365.75	\$8.51	\$374.26
4	\$371.24	\$8.64	\$379.87
5	\$376.81	\$8.77	\$385.57
6	\$382.46	\$8.90	\$391.36
7	\$388.19	\$9.03	\$397.23
8	\$394.02	\$9.17	\$403.18
9	\$399.93	\$9.30	\$409.23
10	\$405.93	\$9.44	\$415.37
11	\$412.02	\$9.59	\$421.60
12	\$418.20	\$9.73	\$427.93
13	\$424.47	\$9.88	\$434.34
14	\$430.84	\$10.02	\$440.86
15	\$437.30	\$10.17	\$447.47
16	\$443.86	\$10.33	\$454.18
17	\$450.52	\$10.48	\$461.00
18	\$457.27	\$10.64	\$467.91
19	\$464.13	\$10.80	\$474.93
20	\$471.09	\$10.96	\$482.05
21	\$478.16	\$11.13	\$489.29
22	\$485.33	\$11.29	\$496.62
23	\$492.61	\$11.46	\$504.07
24	\$500.00	\$11.63	\$511.64
25	\$507.50	\$11.81	\$519.31
26	\$515.11	\$11.98	\$527.10
27	\$522.84	\$12.16	\$535.01
28	\$530.68	\$12.35	\$543.03
29	\$538.64	\$12.53	\$551.18
30	\$546.72	\$12.72	\$559.44
<b>Total</b>	<b>\$13,326.98</b>	<b>\$310.07</b>	<b>\$13,637.05</b>

## Aggregate Annual Installments – All Lots/Parcels

Total Assessments = \$3,559,307

<u>Year</u>	<u>Principal and Interest</u>	<u>Collection Costs</u>	<u>Total</u>
1	\$219,955.80	\$5,116.80	\$225,072.60
2	\$223,255.14	\$5,193.55	\$228,448.69
3	\$226,603.96	\$5,271.46	\$231,875.42
4	\$230,003.02	\$5,350.53	\$235,353.55
5	\$233,453.07	\$5,430.79	\$238,883.85
6	\$236,954.86	\$5,512.25	\$242,467.11
7	\$240,509.19	\$5,594.93	\$246,104.12
8	\$244,116.83	\$5,678.85	\$249,795.68
9	\$247,778.58	\$5,764.04	\$253,542.62
10	\$251,495.26	\$5,850.50	\$257,345.75
11	\$255,267.69	\$5,938.26	\$261,205.94
12	\$259,096.70	\$6,027.33	\$265,124.03
13	\$262,983.15	\$6,117.74	\$269,100.89
14	\$266,927.90	\$6,209.51	\$273,137.40
15	\$270,931.82	\$6,302.65	\$277,234.46
16	\$274,995.79	\$6,397.19	\$281,392.98
17	\$279,120.73	\$6,493.15	\$285,613.88
18	\$283,307.54	\$6,590.54	\$289,898.08
19	\$287,557.16	\$6,689.40	\$294,246.56
20	\$291,870.51	\$6,789.74	\$298,660.25
21	\$296,248.57	\$6,891.59	\$303,140.16
22	\$300,692.30	\$6,994.96	\$307,687.26
23	\$305,202.68	\$7,099.89	\$312,302.57
24	\$309,780.72	\$7,206.38	\$316,987.11
25	\$314,427.43	\$7,314.48	\$321,741.91
26	\$319,143.85	\$7,424.20	\$326,568.04
27	\$323,931.00	\$7,535.56	\$331,466.56
28	\$328,789.97	\$7,648.59	\$336,438.56
29	\$333,721.82	\$7,763.32	\$341,485.14
30	\$338,727.65	\$7,879.77	\$346,607.42
<b>Total</b>	<b>\$8,256,850.69</b>	<b>\$192,077.92</b>	<b>\$8,448,928.62</b>

Exhibit C to Assessment Ordinance**THE SALE, PLEDGE OR TRANSFER OF RIGHTS GRANTED IN THIS AGREEMENT WITHOUT STRICT COMPLIANCE WITH THE TERMS HEREOF SHALL BE INEFFECTIVE**DISTRICT IMPROVEMENTS PAYMENT AGREEMENT

This District Improvements Payment Agreement (the "Agreement") is executed between the City of Waxahachie, Texas (the "City") and <sup>287 Waxahachie L.P.</sup> ~~Ellis County CTR~~ ("Developer").

**RECITALS**

**WHEREAS**, on April 16, 2007, the City Council of the City (the "City Council") approved and adopted Resolution No. 1087 which authorized and created the Waxahachie Public Improvement District No. 1 (the "District") covering the property more particularly described in such Resolution (the "Property");

**WHEREAS**, on June 18, 2007, the City Council approved and adopted Ordinance No. 2413 (the "Assessment Ordinance") which, among other things: (i) separately approved a "Service and Assessment Plan", as updated from time to time; (ii) levied special assessments against property within the District (the "Assessments") to pay for the cost of public improvement projects to be undertaken for the special benefit of land within the District; (iii) separately approved an "Assessment Roll", as updated from time to time (including, for each "Parcel" identified on the Assessment Roll, the amount of the Assessment and the corresponding "Annual Installment" if the Assessment is paid in installments);

**WHEREAS**, Exhibit B to the Service and Assessment Plan identifies public improvement projects to be "undertaken" (including, but not limited to, the acquisition, construction, installation, and improvement of such public improvement projects) for the special benefit of land within the District (the "District Improvements");

**WHEREAS**, Developer is the owner or developer of land located within the Property ("Developer's Land") and intends to undertake District Improvements that will confer a special benefit on Developer's Land;

**WHEREAS**, the Assessment Ordinance approves this Agreement and authorizes and directs the execution of this Agreement to set forth the obligations of the City to pay for the cost of District Improvements; and

**WHEREAS**, this Agreement was approved by the City Council on June, 18, 2007.

NOW THEREFORE, FOR AND IN CONSIDERATION OF DEVELOPER UNDERTAKING DISTRICT IMPROVEMENTS, THE MUTUAL OBLIGATIONS OF THE CITY AND DEVELOPER SET FORTH IN THIS AGREEMENT, AND OTHER GOOD AND VALUABLE CONSIDERATION THE RECEIPT OF WHICH IS ACKNOWLEDGED, THE CITY AND DEVELOPER AGREE AS FOLLOWS:

1. Recitals. The Recitals set forth above are true and correct and form the basis upon which the City and Developer have negotiated and entered into this Agreement.
2. Phased Development of Developer's Land. The City and Developer acknowledge that Developer's Land will be developed in multiple phases, and that the phased development of Developer's Land will be accompanied by the phased undertaking of District Improvements that are required by the City to be completed in accordance with the Planned Development Ordinance (the zoning ordinance applicable to Developer's Land, as defined in the Service and Assessment Plan and as amended) and the City's Subdivision Ordinance, as amended. When, for each phase of development of Developer's Land, the City determines that either: (i) District Improvements have been completed for such phase of development in accordance with the requirements of the Planned Development Ordinance and the City's Subdivision Ordinance; or (ii) financial security (including, but not limited to, proceeds from the issuance of Bonds, as hereinafter defined) to complete District Improvements in accordance with the requirements of the Planned Development Ordinance and Subdivision Ordinance has been provided in a manner approved by the City; then such phase of development of Developer's Land shall be deemed to have received a special benefit from the District Improvements completed or to be completed in connection with such phase of development. When a phase of development of Developer's Land is deemed to have received a special benefit from District Improvements completed or to be completed in connection such phase, the City shall issue Bonds as set forth below and shall collect Assessments and Annual Installments to pay such Bonds.
3. Collection of Assessments and Annual Installments. Assessments and Annual Installments shall be collected and administered as set forth in: (i) the Assessment Ordinance; (ii) the Service and Assessment Plan; (iii) this Agreement; and (iii) any bond indenture or other ordinance, resolution, document, or agreement approved by the City Council in connection with the issuance of any series of Bonds.
4. Issuance of Bonds. The City shall issue a series of bonds in accordance with Chapter 372, Texas Local Government Code (the "Act") payable solely from Assessments (the "Bonds") to finance District Improvements benefiting each phase of development of Developer's Land when such phase of development is benefited by District Improvements as described above; provided, however, the issuance of any series of Bonds prior to completing the District Improvements for a phase of development of Developer's Land (i.e., the issuance of Bonds the proceeds from which will be used as financial security to complete the District Improvements) will be at the sole discretion of the City.



5. Payment for District Improvements. The City shall pay the cost of District Improvements from the proceeds of one or more series of Bonds to be issued by the City (or by any corporation or entity created by the City with the authority to issue Bonds) in accordance with Section 4 of this Agreement.
6. Temporary Notes. If Developer undertakes to complete or fund the completion of District Improvements prior to the issuance of any series of Bonds, the City shall (upon written request of Developer) evidence its obligation to pay for such District Improvements by executing one or more temporary notes in favor of Developer in the form attached to this Agreement as Exhibit A, which temporary notes are payable only from the issuance of Bonds and not from any other funds of the City.
7. Assignment. Developer shall have the right to collaterally assign all or any portion of its right to receive monies under this Agreement to any lender providing monies for the District Improvements being undertaken by Developer upon written notice to (but without requiring the approval of) the City. Otherwise, Developer may not pledge, transfer, or assign this Agreement or any benefits hereunder without the prior written consent of the City which may be withheld for any reason.

Executed to be effective June 18, 2007.

**ELLIS COUNTY CTR DEVELOPMENT, LTD.**

**a Texas limited partnership**

By: Pars Investments, Inc, a Texas corporation

Its GENERAL PARTNER

By: Mehrdad Moayed

Mehrdad Moayed, President

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

**287 WAXAHACHIE, L.P.**

**a Texas limited partnership**

By: LENNAR TEXAS HOLDING COMPANY, a  
Texas corporation

By: Jack Dawson

Jack Dawson,

Its GENERAL PARTNER

By: CENTAMTAR TERRAS, L.L.C.,

A Texas limited liability company,

By: Mehrdad Moayed

Mehrdad Moayed, Sole Member and Sole Manager

Its GENERAL PARTNER

**CITY OF WAXAHACHIE, TEXAS**

Paul Stevens

Paul Stevens, City Manager

Exhibit A to Payment AgreementTEMPORARY NOTE

**THIS NOTE IS NEITHER A NEGOTIABLE INSTRUMENT NOR A  
PUBLIC SECURITY<sup>1</sup>**

MATURITY DATE: \_\_\_\_\_, \_\_, 20\_\_

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FOR VALUE RECEIVED, the City of Waxahachie (the "City"), in the County of Ellis, State of Texas, subject to the terms, conditions, and requirements set forth below, hereby promises to pay to:

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or its permitted assigns (collectively, "Payee"), on or before the Maturity Date stated above, the principal sum of \_\_\_\_\_ No/100<sup>ths</sup> Dollars (\$\_\_\_\_\_), or so much thereof as shall have been certified to have been advanced and remain outstanding hereunder (such outstanding amount, from time to time is herein referred to as the "Principal Amount"), together with interest accrued on the unpaid principal balance of each advance from day-to-day remaining,

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<sup>1</sup> THIS TEMPORARY NOTE IS NOT A NEGOTIABLE INSTRUMENT AND IS NOT A PUBLIC SECURITY UNDER TEXAS LAW. DEFENSES AGAINST PAYMENT OF THIS TEMPORARY NOTE, INCLUDING RIGHTS OF OFFSET, MAY BE ASSERTED BY THE CITY FOR ANY DEFAULT BY PAYEE IN CONNECTION WITH THE ACQUISITION, CONSTRUCTION, OR IMPROVEMENT OF IMPROVEMENT PROJECTS WITHIN WAXAHACHIE PUBLIC IMPROVEMENT DISTRICT NO 1. THIS TEMPORARY NOTE HAS NOT BEEN REVIEWED OR RATED BY ANY NATIONAL, LOCAL, OR STATE BOND RATING AGENCY.

computed from the date of such advance until the Maturity Date at a rate per annum equal to seven percent (7%). This Note shall not bear interest after the Maturity Date. Each amount of expenditure for work performed on improvements certified by the City Manager of the City, and as reflected on the attached Schedule of Advances, shall be considered an advance hereunder that has been certified. Interest shall accrue and be payable on the Principal Amount from the date of each advance at the rate of seven percent (7%) per annum simple interest until the earlier of the Maturity Date or payment by the City.

The Principal Amount is due and payable on the Maturity Date, including any interest thereon, solely from the proceeds of bonds payable solely from assessments levied by the City in accordance with the provisions of Ordinance No. 2413, adopted by the City on June 18, 2007 (the "Assessment Ordinance"). This Note does not otherwise create a debt or other obligation of the City payable from any source of revenues, taxes, or income of the City, other than as described herein.

This Temporary Note is issued by the City for the purpose of recording and securing the City's obligation to pay Payee, in accordance with the provisions of the Assessment Ordinance and the District Improvements Payment Agreement entered into between the City and Payee, for the costs and expenses paid or incurred by or on behalf of Payee in undertaking (including, but not limited to, acquiring, constructing, installing, and improving) "District Improvements" authorized by the Assessment

Ordinance (which District Improvements are more particularly described by the Service and Assessment Plan attached as Exhibit B to the Assessment Ordinance).

This Temporary Note may be redeemed prior to its scheduled maturity, at the option of the City, on any date on or after the tenth (10<sup>th</sup>) day after City provides Payee written notice of redemption, for a price equal to the principal amount hereof plus unpaid accrued interest hereon to the date fixed for redemption, without premium. Prepayments shall be applied first against unpaid interest and then to the unpaid Principal Amount.

This Temporary Note may not be pledged, transferred or assigned by Payee without the prior written consent of the City, which may be withheld for any reason; provided however, that upon written notice to the City, Payee may collaterally assign its right to receive payment from this Temporary Note to any party that advances money to Payee for purposes of funding the improvements reflected on the attached Schedule of Advances.

The issuance of this Temporary Note is duly authorized by law, and all acts, conditions and things required to be done precedent to and in the issuance of this Temporary Note have been properly done and performed and have happened in regular and due time, form and manner, as required by law.

IN WITNESS WHEREOF, the City has caused this Temporary Note to be executed by the Mayor of the City and attested by the City Secretary of the City on and as of June, 18 2007.

*Nancy Ross*

Nancy Ross, City Secretary,  
City of Waxahachie, Texas

*Joe Jenkins*

Joe Jenkins, Mayor  
City of Waxahachie, Texas



SCHEDULE OF ADVANCES

DATE	AMOUNT OF EXPENDITURES FOR WORK ON DISTRICT IMPROVEMENTS	CITY CERTIFICATION OF EXPENDITURES FOR WORK ON DISTRICT IMPROVEMENTS	AMOUNT OF PAYMENT	OUTSTANDING PRINCIPAL AMOUNT (CUMULATIVE)

ORDINANCE NO. 2414

**AN ORDINANCE OF THE CITY OF WAXAHACHIE, TEXAS LEVYING SPECIAL ASSESSMENTS FOR, AND APPORTIONING THE COST OF, IMPROVEMENT PROJECTS THAT CONFER A SPECIAL BENEFIT ON A PORTION OF THE PROPERTY IN THE WAXAHACHIE PUBLIC IMPROVEMENT DISTRICT NO. 1; APPROVING A SERVICE AND ASSESSMENT PLAN FOR A PORTION OF THE PROPERTY IN THE DISTRICT THAT IMPOSES EQUAL SHARES OF THE COST OF THE IMPROVEMENT PROJECTS ON PROPERTY SIMILARLY BENEFITED; APPROVING AN ASSESSMENT ROLL, INCLUDING ANNUAL INSTALLMENTS, FOR A PORTION OF THE PROPERTY IN THE DISTRICT; PROVIDING FOR THE COLLECTION OF ASSESSMENTS AND ANNUAL INSTALLMENTS, INCLUDING INTEREST; PROVIDING THAT THE COST OF IMPROVEMENT PROJECTS WILL BE PAID FROM ASSESSMENTS; AUTHORIZING PAYMENT AGREEMENTS; INCORPORATING CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Waxahachie, Texas (the "City") is authorized under Chapter 372 of the Texas Local Government Code, as amended (the "Act"), to create a public improvement district within its corporate limits;

**WHEREAS**, 287 Waxahachie L.P. and Ellis County CTR Development, Ltd. (collectively, the "Applicant") own 100% of the approximately 1,965 contiguous acres located within the corporate limits of the City, which property is more particularly described by metes and bounds on Exhibit A attached to this Ordinance (the "Property");

**WHEREAS**, on March 13, 2007, the Applicant submitted and filed with the City Secretary of the City (the "City Secretary") a petition (the "Petition"): (i) requesting the dissolution of a previously created public improvement district (the "Original District") that included the Property (and only the Property), and (ii) concurrently requesting the establishment and creation of a new public improvement district that includes the Property (and no other property), which new district was referred to in the Petition as the Waxahachie Public Improvement District No. 1 (the "District");

**WHEREAS**, after providing all notices required by the Act and otherwise required by the laws of the State of Texas, the City Council of the City (the "City Council") on April 16, 2007, conducted a public hearing on the advisability of dissolving the Original District;

**WHEREAS**, as of public hearing held on April 16, 2007, no public improvement projects had been undertaken within or for the benefit of the Original District;

**WHEREAS**, after closing the public hearing on April 16, 2007, and after duly considering the Petition and all evidence, information, and testimony provided to the City Council, the City Council passed and adopted Resolution No. 1087 which dissolved the Original District;

**WHEREAS**, after providing all notices required by the Act and otherwise required by the laws of the State of Texas, the City Council, on April 16, 2007, conducted a public hearing on the advisability of the public improvement projects described in the Petition and on the advisability of creating the District to include the Property;

**WHEREAS**, after closing the public hearing on April 16, 2007, and after duly considering the Petition and all evidence, information, and testimony provided to the City Council, the City Council passed and adopted Resolution No. 1087 which authorized the District in accordance with the City Council's findings as to the advisability of the public improvement projects described in the Petition and as to the advisability of creating the District;

**WHEREAS**, after providing all notices required by the Act and otherwise required by the laws of the State of Texas, the City Council, on April 16, 2007, passed and adopted Resolution No. 1088 in which the City Council, pursuant to and in accordance with the requirements of the Act: (i) determined the total cost of the public improvement projects described in the Petition, (ii) took action to cause the preparation of a proposed assessment roll (stating the assessment against each parcel of land in the District as determined by the method of assessment chosen by the City), (iii) took action to cause the proposed assessment roll to be filed with the City Secretary and to be made available for public inspection, and (iv) took action to require the City Secretary to publish and mail notice of the City Council's intent to consider the proposed assessments at a public hearing to be held on May 21, 2007;

**WHEREAS**, the authorization creating the District became effective on May, 17, 2007, upon publication of Resolution 1087 in the Waxahachie Daily Light, a newspaper of general circulation in the City;

**WHEREAS**, on May 9, 2007, the proposed assessment roll was filed with the City Secretary and was immediately made available for public inspection;

**WHEREAS**, on May 10, 2007, the City Secretary caused to be published in the Waxahachie Daily Light, a newspaper of general circulation in the City, notice of the City Council's intent to consider the proposed assessments at a public hearing to be held on May 21, 2007;

**WHEREAS**, after the proposed assessment roll was filed with the City Secretary and made available for public inspection, the City Secretary caused to be mailed to the owners of property liable for assessment written notice of the City Council's intent to consider the proposed assessments at a public hearing to be held on May 21, 2007;

**WHEREAS**, after providing all notices required by the Act and otherwise required by the laws of the State of Texas, the City Council, on May 21, 2007, opened a public hearing to consider the



proposed assessments and to consider, hear, and pass on any written or oral objections to the proposed assessments;

**WHEREAS**, after opening the public hearing on May 21, 2007, the City Council continued until June 4, 2007, the public hearing to consider the proposed assessments and to consider, hear, and pass on any written or oral objections to the proposed assessments;

**WHEREAS**, after providing all notices required by the Act and otherwise required by the laws of the State of Texas, the City Council, on June 4, 2007, continued until June 18, 2007, the public hearing to consider separately revised proposed assessments for platted land and revised proposed assessments for undeveloped land and to consider, hear, and pass on any written or oral objections to such revised proposed assessments;

**WHEREAS**, after providing all notices required by the Act and otherwise required by the laws of the State of Texas, the City Council, on June 4, 2007, passed and adopted Resolution No. 1091 in which the City Council, among other things: (i) continued until June 18, 2007, the public hearing to consider revised proposed assessments prepared separately for platted land and undeveloped land; (ii) provided that when revised proposed assessment rolls for platted and undeveloped land are filed with the City Secretary, the City Secretary was directed to publish notice of the continuation of the public hearing (in accordance with Section 372.016 of the Act) in the Waxahachie Daily Light before the 10<sup>th</sup> day before June 18, 2007; (iii) provided that when revised proposed assessment rolls for platted and undeveloped land are filed with the City Secretary, the City Secretary was directed to mail to owners of property liable for assessment notice of the continuation of the public hearing (in accordance with Section 372.016 of the Act); and (iv) directed the City staff to take all other actions required to place on the agenda for the June 18, 2007 meeting of the City Council the continuation of the public hearing to consider revised proposed assessments for platted and undeveloped land;

**WHEREAS**, on June 6, 2007, revised assessment rolls for platted and undeveloped land were filed with the City Secretary and were immediately available for public inspection

**WHEREAS**, on June 7, 2007, after the proposed revised assessment rolls for platted and undeveloped land were filed with the City Secretary and made available for public inspection, the City Secretary caused to be published in the Waxahachie Daily Light, a newspaper of general circulation in the City, notice of the City Council's intent to consider the proposed revised assessments at a public hearing continued from June 4, 2007, until June 18, 2007;

**WHEREAS**, on June 7, 2007, after the proposed revised assessment rolls for platted and undeveloped land were filed with the City Secretary and made available for public inspection, the City Secretary caused to be mailed to the owners of property liable for assessment written notice of the City Council's intent to consider the proposed revised assessments at a public hearing continued from June 4, 2007, until June 18, 2007;

**WHEREAS**, after providing all notices required by the Act and otherwise required by the laws of the State of Texas, the City Council, on June 18, 2007, continued the public hearing originally

opened on May 21, 2007, as continued until June 4, 2007, and further continued to June 18, 2007, to consider the revised proposed assessments for platted and undeveloped land and to consider, hear, and pass on any written or oral objections to the revised proposed assessments;

**WHEREAS**, no objections (written or oral) to the proposed assessments or proposed assessment rolls were presented at the public hearing opened on May 21, 2007, or at the hearing as continued until June 4, 2007, or at the hearing as further continued until June 18, 2007, and no other objections (written or oral) to the proposed assessments or assessment rolls have been received by the City;

**WHEREAS**, the Applicant, being the owner of 100% of the property in the District that is liable for assessment, appeared at the original public hearing on May 21, 2007, and at the continuation of the public hearing on June 4, 2007, and appeared and testified at the further continuation of the public hearing on June 18, 2007, at all times in support of and consenting to this Ordinance including, but not limited to, the proposed assessment rolls, the proposed assessments, the resulting lien created on the Property by the assessments, and the personal liability of the owners of the Property to pay the assessments;

**WHEREAS**, based on the evidence, information, and testimony provided to the City Council, the City Council has found and determined that the Assessed Property (being a portion of the Property and being more particularly defined in the Service and Assessment Plan approved by the City Council and attached as Exhibit B to this Ordinance) will be specially benefited by the public improvement projects approved by the City Council and identified as the "District Improvements" as set forth on Exhibit B to the Service and Assessment Plan;

**WHEREAS**, based on the evidence, information, and testimony provided to the City Council, the City Council has further found and determined: (i) that the method of apportioning the cost of the District Improvements against the Assessed Property and the real and true owners thereof as set forth in the Service and Assessment Plan is just and equitable; (ii) that such method of apportioning the cost will produce substantial equality considering the benefits to be received by and the burdens imposed on the Assessed Property; and (iii) that the assessments levied and charges declared against the Assessed Property and the real and true owners thereof as set forth in the Service and Assessment Plan are just and equitable; and

**WHEREAS**, after closing the public hearing on June 18, 2007, and after considering all evidence, information, and testimony provided to the City Council, and taking into consideration the fact that there were no written or oral objections to the proposed assessments, and further taking into consideration that the owners of 100% of the property liable for assessment consented to the proposed assessments, the City Council passed and adopted this Ordinance.

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY AS FOLLOWS:**

**SECTION 1.** The recitals set forth in this Ordinance are true and correct in all material respects and constitute legislative findings and determinations of the City Council.

SECTION 2. The exhibits attached to this Ordinance are incorporated as part of this Ordinance as if fully set forth in the body of this Ordinance.

SECTION 3. All actions described in the recitals set forth in this Ordinance (as well as all other actions related to the creation of the District and the approval of this Ordinance): (i) have been taken and performed in compliance with the Act, the laws of the State of Texas, the Charter of the City, and all procedures of the City Council; (ii) have, in all respects, been performed in a regular, proper, and valid manner; and (iii) are hereby approved and ratified.

SECTION 4. All prerequisites to the levying of the Assessments (hereinafter defined) and the creation of liens against the Assessed Property, and the personal liability of the real and true owners of the Assessed Property to pay the Assessments, whether or not correctly named in this Ordinance, have been regularly and duly performed in compliance with the Act, the laws of the State of Texas, the Charter of the City, and all procedures of the City Council.

SECTION 5. The City Council hereby finds and determines, based on the evidence, information, and testimony provided to the City Council: (i) that undertaking the District Improvements (including, but not limited to, the acquisition, construction, or installation of the District Improvements) will specially benefit the Assessed Property in relation to the cost of such improvements; (ii) that the method of apportioning the cost of the District Improvements against the Assessed Property and the real and true owners of the Assessed Property as set forth in the Service and Assessment Plan is just and equitable; (iii) that such method of apportioning the cost will produce substantial equality considering the benefits to be received by and the burdens imposed on the Assessed Property; and (iv) that the Assessments levied and charges declared against the Assessed Property and the real and true owners of the Assessed Property as set forth in the Service and Assessment Plan are just and equitable.

SECTION 6. The City Council, having received no oral or written objections (whether at the public hearings or otherwise) to the proposed assessments, was not required to hear or pass on any objections.

SECTION 7. The cost of the District Improvements to be assessed against the Assessed Property shall be apportioned against the Assessed Property as set forth in the Service and Assessment Plan attached as Exhibit B to this Ordinance (the "Service and Assessment Plan"). No portion of the cost of the District Improvements will be apportioned to property owned by the City or any other political subdivision of the State of Texas. The Service and Assessment Plan has been separately reviewed by the City Council and is hereby separately approved by the City Council. The Service and Assessment Plan shall be updated as needed and as required by the Act.

SECTION 8. The apportionment of the cost of the District Improvements against the Assessed Property as set forth in the Service and Assessment Plan: (i) is made on the basis of special benefits accruing to the Assessed Property because of the District Improvements; (ii) includes methods of assessing special benefits for various classes of improvements; (iii) includes reasonable classifications and formulas for the apportionment; and (iv) results in imposing equal

shares of the cost of the District Improvements on Parcels (hereinafter defined) within the Assessed Property that are similarly benefited.

SECTION 9. There are levied and assessed against specifically identified parcels (individually, a "Parcel") the special assessments, excluding interest (individually, an "Assessment"), set forth on the assessment roll (the "Assessment Roll") attached as Exhibit C to the Service and Assessment Plan. The amount of the Assessment for each Parcel is subject to adjustment in accordance with the Service and Assessment Plan. The Assessment Roll has been separately reviewed by the City Council and is hereby separately approved by the City Council. The Assessment Roll shall be updated as needed and as required by the Act.

SECTION 10. The City Council, after considering the evidence, information, and testimony provided to the City Council, the cost of the District Improvements that will improve the Assessed Property (and the corresponding increase in value of the Assessed Property), the cost of the private improvements that will improve the Assessed Property (and the corresponding increase in value of the Assessed Property), hereby finds and determines that each Parcel shown on the Assessment Roll receives a special benefit from undertaking the District Improvements that equals or exceeds the Assessment for the Parcel.

SECTION 11. The owner of a Parcel has the right to pay the Assessment (or remaining unpaid principal balance thereof) in full at any time, together with accrued and unpaid interest, as set forth in the Service and Assessment Plan. If an Assessment is not paid in full, it shall be paid in annual installments, including interest (an "Annual Installment"), as set forth in the Service and Assessment Plan and shown on the Assessment Roll.

SECTION 12. Assessments and Annual Installments shall be collected and administered, and the cost of District Improvements paid, as set forth in: (i) this Ordinance; (ii) the Service and Assessment Plan; and (iii) any bond indenture or other ordinance, resolution, document, or agreement approved by the City Council in connection with the issuance of bonds that are secured, in whole or in part, by Assessments and Annual Installments ("Bonds").

SECTION 13. The City shall pay the cost of District Improvements from the proceeds of one or more series of Bonds to be issued by the City (or by any corporation or entity created by the City with the authority to issue Bonds) as provided in the Service and Assessment Plan.

SECTION 14. This Ordinance incorporates by reference, and is subject to, all provisions and requirements of the Act.

SECTION 15. The City Council hereby approves, and the City Manager of the City is authorized and directed to execute on behalf of the City, one or more "Payment Agreements" (in substantially the form attached to this Ordinance as Exhibit C) with individuals or entities that undertake District Improvements and as approved by the City Council from time to time.



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VOL. PG.

THE CITY OF WAXAHACHIE, TEXAS

*Nancy Ross*  
\_\_\_\_\_  
Nancy-Ross, City Secretary

*Joe Jenkins*  
\_\_\_\_\_  
Joe Jenkins, Mayor

Exhibit A to Assessment OrdinanceMETES AND BOUNDS DESCRIPTION OF THE PROPERTY WITHIN WAXAHACHIE  
PUBLIC IMPROVEMENT DISTRICT NO. 1

1965.3 Acres

BEING A 1965.303 ACRE TRACT OF LAND SITUATED IN THE C. BEDWELL SURVEY, ABSTRACT NO. 94, R.M. BERRY SURVEY, ABSTRACT NO. 96, R.M. BERRY SURVEY, ABSTRACT NO. 97, G. CARPENTER SURVEY, ABSTRACT NO. 190, W.C. COLEMAN SURVEY, ABSTRACT NO. 204, B. COLLIER SURVEY, ABSTRACT NO. 216, S.M. DURRITT SURVEY, ABSTRACT NO. 272, G. GARCIA SURVEY, ABSTRACT NO. 418, T. HAVENS SURVEY, ABSTRACT NO. 492, J. JOHNSON SURVEY, ABSTRACT NO. 557, W.H. JAMES SURVEY, ABSTRACT NO. 562, MCKINNEY & WILLIAMS SURVEY, ABSTRACT NO. 750 AND M. RAFFERTY SURVEY, ABSTRACT NO. 898, CITY OF WAXAHACHIE, ELLIS COUNTY, TEXAS, AND BEING ALL OF A CALLED 956.759 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 533, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 166.081 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 96.170 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1043, PAGE 371, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 87.450 ACRE TRACT OF LAND, CONVEYED TO GREG LOFTIS BY DEED RECORDED IN VOLUME 1061, PAGE 145, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING PART OF A TRACT OF LAND, CONVEYED TO ELLIS COUNTY LIVESTOCK, INC. BY DEED RECORDED IN VOLUME 758, PAGE 207, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 75.616 ACRE TRACT OF LAND, CONVEYED TO GREG LOFTIS BY DEED RECORDED IN VOLUME 1061, PAGE 145, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 120.358 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 196.971 ACRE TRACT OF LAND, CONVEYED TO ELLIS COUNTY CTR DEVELOPMENT, LTD. BY DEED RECORDED IN VOLUME 1985, PAGE 1495, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING PART OF A CALLED 208.763 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS. SAID 1965.303 ACRE TRACT, HAVING A BEARING BASIS OF GRID NORTH, STATE PLANE COORDINATES, TEXAS NORTH CENTRAL ZONE, NAD 83 DATUM (CORS), BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF AFORESAID 956.759 ACRE TRACT;

THENCE NORTH 88 DEGREES 56 MINUTES 16 SECONDS EAST, ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 4630.85 FEET TO A POINT FOR CORNER;

THENCE NORTH 01 DEGREES 35 MINUTES 54 SECONDS WEST, ALONG A WEST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1762.77 FEET TO A POINT FOR CORNER;

THENCE NORTH 89 DEGREES 19 MINUTES 47 SECONDS EAST, ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1193.70 FEET TO A POINT FOR CORNER;

THENCE SOUTH 40 DEGREES 28 MINUTES 00 SECONDS EAST, ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 329.15 FEET TO A POINT FOR CORNER;

THENCE SOUTH 01 DEGREES 03 MINUTES 50 SECONDS EAST, ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1561.46 FEET TO A POINT FOR CORNER;

THENCE ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

NORTH 88 DEGREES 52 MINUTES 47 SECONDS EAST, A DISTANCE OF 849.09 FEET TO A POINT FOR CORNER;

SOUTH 60 DEGREES 17 MINUTES 43 SECONDS EAST, A DISTANCE OF 435.54 FEET TO A POINT FOR CORNER;

NORTH 62 DEGREES 17 MINUTES 11 SECONDS EAST, A DISTANCE OF 1518.41 FEET TO A POINT FOR CORNER;

SOUTH 57 DEGREES 39 MINUTES 13 SECONDS EAST, A DISTANCE OF 894.53 FEET TO A POINT FOR CORNER;

NORTH 59 DEGREES 31 MINUTES 44 SECONDS EAST, A DISTANCE OF 525.22 FEET TO A POINT FOR CORNER;

THENCE ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 20 DEGREES 32 MINUTES 39 SECONDS EAST, A DISTANCE OF 1124.36 FEET TO A POINT FOR CORNER;

SOUTH 49 DEGREES 42 MINUTES 53 SECONDS EAST, A DISTANCE OF 815.43 FEET TO A POINT FOR CORNER;

NORTH 59 DEGREES 01 MINUTES 39 SECONDS EAST, A DISTANCE OF 656.24 FEET TO A POINT FOR CORNER;

SOUTH 31 DEGREES 41 MINUTES 03 SECONDS EAST, A DISTANCE OF 330.87 FEET TO A POINT FOR CORNER;

SOUTH 01 DEGREES 17 MINUTES 41 SECONDS EAST, A DISTANCE OF 449.93 FEET TO A POINT FOR CORNER;

SOUTH 00 DEGREES 34 MINUTES 53 SECONDS EAST, A DISTANCE OF 329.11 FEET TO THE EAST CORNER OF AFORESAID 956.759 ACRE TRACT;

THENCE ALONG THE SOUTH LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 60 DEGREES 05 MINUTES 45 SECONDS WEST, A DISTANCE OF 1996.26 FEET TO A POINT FOR CORNER;

SOUTH 59 DEGREES 59 MINUTES 15 SECONDS WEST, A DISTANCE OF 1287.20 FEET TO A POINT FOR CORNER;

SOUTH 49 DEGREES 31 MINUTES 18 SECONDS WEST, A DISTANCE OF 1288.90 FEET TO A POINT FOR CORNER;

SOUTH 47 DEGREES 40 MINUTES 43 SECONDS EAST, A DISTANCE OF 313.75 FEET TO A POINT FOR CORNER;

SOUTH 59 DEGREES 09 MINUTES 11 SECONDS WEST, A DISTANCE OF 46.40 FEET TO A POINT FOR CORNER;

SOUTH 58 DEGREES 58 MINUTES 21 SECONDS WEST, A DISTANCE OF 1721.09 FEET TO THE NORTH CORNER OF AFORESAID 96.170 ACRE TRACT;

THENCE SOUTH 24 DEGREES 19 MINUTES 22 SECONDS EAST, ALONG THE EAST LINE OF AFORESAID 96.170 ACRE TRACT, A DISTANCE OF 1752.77 FEET TO THE



EAST CORNER OF SAID 96.170 ACRE TRACT AND THE NORTH CORNER OF AFORESAID 87.450 ACRE TRACT;

THENCE SOUTH 22 DEGREES 39 MINUTES 36 SECONDS EAST, ALONG THE EAST LINE OF AFORESAID 87.450 ACRE TRACT, A DISTANCE OF 1583.45 FEET TO THE EAST CORNER OF SAID 87.450 ACRE TRACT AND THE NORTH CORNER OF AFORESAID ELLIS COUNTY LIVESTOCK, INC. TRACT;

THENCE ALONG THE EAST LINE OF AFORESAID ELLIS COUNTY LIVESTOCK, INC. TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 22 DEGREES 43 MINUTES 40 SECONDS EAST, A DISTANCE OF 663.62 FEET TO A POINT FOR CORNER;

SOUTH 23 DEGREES 51 MINUTES 01 SECONDS EAST, A DISTANCE OF 1918.49 FEET TO A POINT FOR CORNER;

THENCE SOUTH 74 DEGREES 23 MINUTES 36 SECONDS WEST, OVER AND ACROSS AFORESAID ELLIS COUNTY LIVESTOCK, INC TRACT, A DISTANCE OF 247.58 FEET TO THE EAST CORNER OF AFORESAID 75.616 ACRE TRACT;

THENCE ALONG THE EAST LINE OF AFORESAID 75.616 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 08 DEGREES 01 MINUTES 17 SECONDS EAST, A DISTANCE OF 689.60 FEET TO A POINT FOR CORNER;

SOUTH 04 DEGREES 24 MINUTES 42 SECONDS WEST, A DISTANCE OF 1047.76 FEET TO THE SOUTHEAST CORNER OF AFORESAID 75.616 ACRE TRACT AND BEING ON THE NORTHEAST RIGHT-OF-WAY OF U.S. HIGHWAY 287 (A VARIABLE WIDTH RIGHT-OF-WAY);

THENCE ALONG THE NORTHEAST RIGHT-OF-WAY LINE OF AFORESAID U.S. HIGHWAY 287 AND THE COMMON SOUTHWEST LINES OF AFORESAID 75.616 ACRE TRACT, 87.450 ACRE TRACT, 120.358 ACRE TRACT, AND 196.971 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

NORTH 58 DEGREES 23 MINUTES 26 SECONDS WEST, A DISTANCE OF 15.24 FEET TO A POINT FOR CORNER;

NORTH 61 DEGREES 15 MINUTES 11 SECONDS WEST, A DISTANCE OF 400.50 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 26 SECONDS WEST, A DISTANCE OF 1698.10 FEET TO A POINT FOR CORNER;

NORTH 00 DEGREES 26 MINUTES 16 SECONDS WEST, A DISTANCE OF 279.09 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 25 MINUTES 41 SECONDS WEST, A DISTANCE OF 756.93 FEET TO A POINT FOR CORNER;

NORTH 44 DEGREES 19 MINUTES 42 SECONDS WEST, A DISTANCE OF 103.19 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 09 SECONDS WEST, A DISTANCE OF 300.13 FEET TO A POINT FOR CORNER;

NORTH 72 DEGREES 35 MINUTES 27 SECONDS WEST, A DISTANCE OF 102.79 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 24 MINUTES 44 SECONDS WEST, A DISTANCE OF 1398.16 FEET TO A POINT FOR CORNER;

NORTH 39 DEGREES 48 MINUTES 54 SECONDS WEST, A DISTANCE OF 106.71 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 17 MINUTES 27 SECONDS WEST, A DISTANCE OF 299.32 FEET TO A POINT FOR CORNER;

NORTH 77 DEGREES 09 MINUTES 31 SECONDS WEST, A DISTANCE OF 106.27 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 29 MINUTES 18 SECONDS WEST, A DISTANCE OF 751.60 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 15 MINUTES 31 SECONDS WEST, A DISTANCE OF 548.42 FEET TO A POINT FOR CORNER;

NORTH 39 DEGREES 03 MINUTES 02 SECONDS WEST, A DISTANCE OF 105.15 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 31 MINUTES 08 SECONDS WEST, A DISTANCE OF 199.27 FEET TO A POINT FOR CORNER;

NORTH 77 DEGREES 21 MINUTES 47 SECONDS WEST, A DISTANCE OF 106.45 FEET TO A POINT FOR CORNER;

NORTH 48 DEGREES 44 MINUTES 14 SECONDS WEST, A DISTANCE OF 482.75 FEET TO A POINT FOR CORNER;

NORTH 38 DEGREES 38 MINUTES 24 SECONDS WEST, A DISTANCE OF 1846.63 FEET TO A POINT FOR CORNER;

NORTH 27 DEGREES 01 MINUTES 24 SECONDS WEST, A DISTANCE OF 551.72 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 20 MINUTES 42 SECONDS WEST, A DISTANCE OF 146.48 FEET TO THE WEST CORNER OF AFORESAID 196.971 ACRE TRACT;

THENCE NORTH 58 DEGREES 50 MINUTES 18 SECONDS EAST, ALONG THE NORTHWEST LINE OF AFORESAID 196.971 ACRE TRACT, A DISTANCE OF 1110.80 FEET TO THE SOUTH CORNER OF AFORESAID 208.763 ACRE TRACT;

THENCE NORTH 30 DEGREES 04 MINUTES 07 SECONDS WEST, ALONG A SOUTHWEST LINE OF AFORESAID 208.763 ACRE TRACT, A DISTANCE OF 1529.85 FEET TO THE INSIDE ELL CORNER OF SAID 208.763 ACRE TRACT;

THENCE SOUTH 59 DEGREES 54 MINUTES 53 SECONDS WEST, A DISTANCE OF 640.88 FEET TO A WEST CORNER OF AFORESAID 208.763 ACRE TRACT AND ON THE EAST LINE OF AFORESAID U.S. HIGHWAY 287;

THENCE ALONG THE WEST LINE OF AFORESAID 208.763 ACRE TRACT AND THE COMMON EAST RIGHT-OF-WAY OF AFORESAID U.S. HIGHWAY 287 THE FOLLOWING COURSES AND DISTANCES:

NORTH 26 DEGREES 36 MINUTES 51 SECONDS WEST, A DISTANCE OF 71.48 FEET TO A POINT FOR CORNER;

NORTH 81 DEGREES 47 MINUTES 50 SECONDS WEST, A DISTANCE OF 69.97 FEET TO A POINT FOR CORNER;

NORTH 30 DEGREES 00 MINUTES 58 SECONDS WEST, A DISTANCE OF 694.24 FEET TO A POINT FOR CORNER;

NORTH 23 DEGREES 12 MINUTES 25 SECONDS WEST, A DISTANCE OF 390.34 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 50 MINUTES 53 SECONDS WEST, A DISTANCE OF 1000.41 FEET TO A POINT FOR CORNER;

NORTH 17 DEGREES 40 MINUTES 00 SECONDS WEST, A DISTANCE OF 499.95 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 19 MINUTES 41 SECONDS WEST, A DISTANCE OF 929.05 FEET TO THE WEST CORNER OF AFORESAID 208.763 ACRE TRACT;

THENCE NORTH 59 DEGREES 24 MINUTES 03 SECONDS EAST, ALONG THE NORTHWEST LINE OF AFORESAID 208.763 ACRE TRACT A DISTANCE OF 1476.25 FEET TO THE NORTH CORNER OF SAID 208.763 ACRE TRACT AND BEING ON A SOUTHWEST LINE OF AFORESAID 956.759 ACRE TRACT;

THENCE NORTH 31 DEGREES 24 MINUTES 42 SECONDS WEST, ALONG A SOUTHWEST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 902.95 FEET TO THE POINT OF BEGINNING, AND CONTAINING 1965.303 ACRES OF LAND, MORE OR LESS.

THIS DOCUMENT WAS PREPARED UNDER 22 TAC 663.21, DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY, AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED.

Exhibit B to Assessment Ordinance

**WAXAHACHIE PUBLIC IMPROVEMENT DISTRICT NO. 1  
CITY OF WAXAHACHIE, TEXAS  
SERVICE AND ASSESSMENT PLAN  
UNDEVELOPED LAND**

June 18, 2007

**TABLE OF CONTENTS**

Section I	Introduction and Definitions	3
Section II	Property Included in the PID	8
Section III	District Improvements	9
Section IV	Service Plan	9
Section V	Assessment Plan	11
Section VI	Determination of Assessment	16
Section VII	Assessment Roll	19
Section VIII	Miscellaneous Provisions	20

**LIST OF EXHIBITS**

Exhibit A	Descriptions of the PID Property
Exhibit B	District Improvements
Exhibit C	Assessment Roll

**SECTION I**  
**INTRODUCTION AND DEFINITIONS**

**A. Introduction**

1. Chapter 372, Texas Local Government Code, as amended (the "Act"), governs the creation of public improvement districts in Texas. On April 16, 2007, pursuant to and in accordance with the petition, notice, and public hearing requirements of the Act and the other applicable laws of the State of Texas, the City Council of the City of Waxahachie, Ellis County, Texas (the "City") approved and adopted Resolution No. 1087 approving and authorizing the creation of Waxahachie Public Improvement District No. 1 (the "PID"). The purpose of the PID is to undertake public improvement projects that will confer a special benefit on property within the boundaries of the PID.

2. Prior to the levy by the City of any special assessments on property within the boundaries of the PID, the Act requires the preparation of a service plan for the PID covering a period of at least five years and defining the annual indebtedness and the projected costs for the improvement projects (which plan shall be reviewed and updated annually). The required service plan for the PID is contained in Section IV of this Service and Assessment Plan.

3. The Act requires that an assessment plan be included in the service plan for the PID. As part of the assessment plan, the Act requires that the City Council of the City shall apportion the costs of the improvement projects to be assessed against property in the PID. The apportionment shall be made on the basis of special benefits accruing to the property within the boundaries of the PID because of the improvement projects. The required assessment plan for the PID is contained in Section V of this Service and Assessment Plan.

4. The Act requires that after the total costs of the improvement projects are determined, the City Council of the City shall prepare a proposed assessment roll that states the assessment against each parcel of land in the PID, as determined by the method of assessment chosen by the City. The Assessment Roll for the PID is included as *Exhibit C* attached to this Service and Assessment Plan.

**B. Definitions**

Terms used in this Service and Assessment Plan shall have the following meanings:

"**Administrator**" means a person or entity that contracts with, or that is an employee, representative, or agent of, the City that performs the responsibilities provided for in this Service and Assessment Plan, in the Bond Indenture, or in any other agreement approved by the City Council and related to the administration of the PID.

**“Annual Collection Costs”** mean the following actual or anticipated costs related to the annual collection of outstanding Assessments (whether paid in full or in Annual Installments), including, but not limited to, the actual or anticipated costs of:

- (i) preparing this Service and Assessment Plan, each Annual Service Plan Update, and each Assessment Roll;
- (ii) computing, preparing, levying, collecting, and transmitting Assessments;
- (iii) remitting Assessments to the Trustee;
- (iv) the City, the Administrator, and the Trustee (and their respective legal counsel) in the discharge of their duties under this Service and Assessment Plan;
- (v) complying with arbitrage rebate requirements;
- (vi) complying with annual securities disclosure requirements; and
- (vii) the City, the Administrator, and the Trustee in any way related to computing, preparing, levying, collecting, and transmitting the Assessments (including, but not limited to, the administration of the PID, maintaining a record of installments, payments, reallocations, and/or cancellations of Assessments, repayment of Bonds, any associated legal expenses, reasonable costs of other consultants and advisors, and contingencies and reserves for all of the foregoing costs as deemed appropriate by the City Council).

**“Annual Installment”** means, with respect to each Parcel, each annual installment payment of the Assessment for the Parcel as shown on the Assessment Roll, which includes, without limitation, debt service and transaction costs related to any Bonds (other than costs payable from Bond proceeds), and Annual Collection Costs.

**“Annual Service Plan Update”** means the annual update to Section V of this Service and Assessment Plan as required by the Act.

**“Assessed Property”** means, collectively, all the Parcels (excluding Non-Benefited Property) described on the Assessment Roll attached as Exhibit C to this Service and Assessment Plan.

**“Assessment”** means, with respect to each Parcel, the assessment levied against the Parcel in accordance with the Assessment Ordinance and this Service and Assessment Plan.

**“Assessment Ordinance”** means the Assessment Ordinance approved by the City Council that approves this Service and Assessment Plan and levies and imposes the Assessments, as shown on the Assessment Roll, subject to reallocation, from time to time, as provided by this Service and Assessment Plan.



**"Assessment Revenues"** mean the revenues actually received by the City from Assessments including, but not limited to, revenues from Annual Installments, revenues that result from the payment, in full, of any Assessment, and including revenues from prepayments of Assessments as provided by this Service and Assessment Plan.

**"Assessment Roll"** means a list of and description of all Parcels and the Assessment and Annual Installment for each Parcel attached as *Exhibit C* to this Service and Assessment Plan, and including any updates thereto prepared from time to time including, but not limited to, updates prepared in connection with any issuance of Bonds or in connection with any Annual Service Plan Update.

**"Bond Indenture"** means any indenture, ordinance, or similar document setting forth the terms and other provisions relating to any series of Bonds, as modified, amended, or supplemented from time to time.

**"Bonds"** mean any bonds (including refunding bonds) or other debt secured by Assessment Revenues, whether in one or more series, issued by the City with respect to the PID.

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

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

**"Collection Costs"** mean the sum of Annual Collection Costs and Delinquent Collection Costs.

**"Cost"** mean actual or budgeted costs, as applicable, to acquire, design, construct, install, or improve District Improvements including, but not limited to, all costs paid or incurred in connection with the issuance, from time to time, of multiple series of Bonds, and including all costs otherwise paid or incurred in connection with the transaction that results in the issuance of Bonds (whether such costs are characterized as interest, costs of issuance, reserve fund, or other costs of the transaction).

**"Delinquent Collection Costs"** mean interest, penalties, and expenses incurred or imposed with respect to any delinquent installments of the Assessments in accordance with the Act.

**"Developer"** means either Waxahachie 287, LP or Ellis County CTR Development, Ltd, and their respective successors and assigns.

**"District Improvements"** mean the public improvement projects authorized by the Act that confer a special benefit on the Assessed Property and that are described in *Exhibit B* attached to this Service and Assessment Plan.

**"Equivalent Units"** mean, for each Parcel, (i) the number of residential dwelling units and/or acres of commercial development built or expected to be built within the Parcel for each "Lot Type" shown below multiplied times (ii) the equivalency factor shown below.

LOT TYPE	EQUIVALENCY FACTOR
Lot Type 1 (single-family residential)	1.00 per dwelling
Lot Type 2 (single-family residential)	0.84 per dwelling unit
Lot Type 3 (single-family residential)	0.75 per dwelling unit
Lot Type 4 (duplex residential)	0.53 per dwelling unit
Lot Type 5 (multi-family residential)	0.35 per dwelling unit
Lot Type 6 (commercial)	1.88 per acre

The number of residential dwelling units and number of acres of commercial development for each "Lot Type" that are built or expected to be built within a Parcel shall be determined based on the uses permitted by the Planned Development Ordinance, on estimates of net buildable area, and on conceptual development plans prepared by the Developer.

"Lot Type 1" means a single-family lot designated "SF-1" in the Planned Development Ordinance.

"Lot Type 2" means a single-family lot designated as "SF-2" in the Planned Development Ordinance.

"Lot Type 3" means a single-family lot designated as "SF-3" in the Planned Development Ordinance.

"Lot Type 4" means a duplex lot designated as "2-F" in the Planned Development Ordinance..

"Lot Type 5" means a multi-family lot designated "MF" in the Planned Development Ordinance.

"Lot Type 6" means a lot designated for retail or commercial uses in the Planned Development Ordinance.

"Maximum Assessment" means the following maximum Assessment amounts per dwelling unit and commercial acre:

LOT TYPE	MAXIMUM ASSESSMENT PER DWELLING UNIT OR PER ACRE
Lot Type 1 (single-family residential)	\$8,426 per dwelling unit

LOT TYPE	MAXIMUM ASSESSMENT PER DWELLING UNIT OR PER ACRE
Lot Type 2 (single-family residential)	\$7,095 per dwelling unit
Lot Type 3 (single-family residential)	\$6,320 per dwelling unit
Lot Type 4 (duplex residential)	\$4,433 per dwelling unit
Lot Type 5 (multi-family residential)	\$2,970 per dwelling unit
Lot Type 6 (commercial)	\$15,875 per acre

**“Non-Benefited Property”** means Parcels within the boundaries of the PID that have been determined by the City Council to receive no measurable special benefit from the District Improvements, including, but not limited to, Owner Association Property, Public Property, and right-of-way and easements for use by a public or private utility providers.

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

**“Parcel”** means a parcel of land within the PID identified (i) by a tax map identification number assigned by the Ellis County Central Appraisal District for real property tax purposes, (ii) by lot and block number in a final subdivision plat recorded in the real property records of Ellis County, (iii) by metes and bounds description, or (iv) by any other means determined by the City.

**“PID”** means the Waxahachie Public Improvement District No. 1.

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

**“PID Property”** means the property depicted and described on *Exhibit A* attached to this Service and Assessment Plan identifying the total property included within the boundaries of the PID.

**“Planned Development Ordinance”** means Ordinance No. 2302 adopted by the City Council of the City on April 18, 2005, which ordinance establishes the zoning that is applicable to the PID Property.

**“Public Property”** means property within the boundaries of the PID that is owned by or offered for dedication to the federal government, the State of Texas, a 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 easement.

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

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

## SECTION II PROPERTY INCLUDED WITHIN THE PID

The PID Property is depicted and described by metes and bounds on Exhibit A attached to this Service and Assessment Plan. The PID Property consists of approximately 1,965 acres of land located within the corporate limits of the City, Ellis County, Texas. The PID Property is zoned as a planned development zoning district in accordance with the Planned Development Ordinance. The projected residential and commercial development at build out of the PID Property is shown in Table II-A below for each of the six Lot Types that will be developed. The PID Property includes approximately 1,739 acres of land that is undeveloped (which undeveloped land is covered by this Service and Assessment Plan and is defined herein as the Assessed Property) and approximately 227 acres of land that is platted (which platted property is covered by a separate Assessment Ordinance and a separate Service and Assessment Plan).

TABLE II-A

LOT TYPE	PROJECTED DEVELOPMENT AT BUILD OUT
Lot Type 1 - Single-Family	684 units
Lot Type 2 - Single-Family	2,546 units
Lot Type 3 - Single-Family	1,369 units
Lot Type 4 - Duplex	200 units
Lot Type 5 - Multi-Family	749 units
Lot Type 6 - Commercial	169 acres

Exhibit B to Assessment Ordinance  
Service and Assessment Plan – UNDEVELOPED LAND

### SECTION III DISTRICT IMPROVEMENTS

The Act provides that if the governing body of a municipality determines that it promotes the interests of the municipality, the governing body may undertake public improvement projects authorized by the Act that confer a special benefit on a definable part of the municipality. The City Council has determined that the "District Improvements" described on *Exhibit B* to this Service and Assessment Plan are authorized by the Act, promote the interests of the City, and confer a special benefit on the Assessed Property. The individual line items described on Exhibit B are projections and will be updated with each update of this Service and Assessment Plan. Individual line items may be adjusted upward or downward, however, the total cost of all line items cannot exceed the total shown on Exhibit B.

### SECTION IV SERVICE PLAN

The Act requires a service plan covering 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 public improvement district. The projected Cost for the District Improvements is estimated to be \$31,192,769, which Cost will be undertaken over a period in excess of five years. The indebtedness to be undertaken to pay for the District Improvements will, likewise, be undertaken in several series of bonds issued over a period in excess of five years. An estimate of how the Cost of the District Improvements will be undertaken is set forth in Table IV-A. An estimate of how indebtedness to pay for the District Improvements will be undertaken is set forth in Table IV-B. Table IV-C and Table IV-D set forth, respectively, the anticipated sources and uses of Bond proceeds. Tables IV-A through D will be updated as part of each Annual Service Plan Update and upon the issuance of each series of Bonds.

TABLE IV-A

YEAR WHICH COST EXPENDED	PROJECTED COST OF IMPROVEMENTS
Year 1	\$8,169,262
Year 2	\$ -0-
Year 3	\$ -0-
Year 4	\$9,605,615
Year 5	\$ -0-

Exhibit B to Assessment Ordinance  
Service and Assessment Plan – UNDEVELOPED LAND

Table IV-B

<u>YEAR INDEBTEDNESS UNDERTAKEN</u>	<u>PROJECTED INDEBTEDNESS</u>
Year 1	\$8,169,262
Year 2	\$ -0-
Year 3	\$ -0-
Year 4	\$9,605,615
Year 5	\$ -0-

TABLE IV - C

<u>SOURCES OF FUNDS</u>	<u>TOTAL</u>
<b>TOTAL SOURCES OF FUNDS</b>	<b>\$31,192,769</b>

TABLE IV – D

<b>USES OF FUNDS</b>	<b>TOTAL</b>
Debt Service Reserve Funds	\$2,167,697
Capitalized Interest	\$2,698,035
Bond Counsel	\$401,095
Underwriters Counsel	\$310,180
Developers Financial Advisor	\$232,635
City Financial Advisor	\$232,635
Underwriters Fee	\$620,361
Interest from Dev. Fund	\$(269,180)
Developer's Counsel	\$62,393
Assessment Consultant	\$62,393
Other Administrative Costs	\$77,545
<b>SUB-TOTAL</b>	<b>\$6,595,789</b>
<b>PAR AMOUNT OF BONDS</b>	<b>\$31,192,769</b>
<b>DEPOSIT TO PROJECT FUND</b>	<b>\$24,596,980</b>

## SECTION V ASSESSMENT PLAN

### A. Introduction

The Act requires the governing body of a municipality to apportion the cost of improvement projects to be assessed against property in a public improvement district on the basis of special benefits conferred upon the property because of the projects. The Act provides that the cost of improvement projects 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 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 of improvements. This Section V of this Service and Assessment Plan describes the special benefit received by each Parcel of the Assessed Property as a result of the District Improvements, provides the basis and justification for the determination that this special benefit exceeds the costs of the Assessments, and establishes the methodology by which the City Council allocates the special benefit of the District Improvements to Parcels in a manner that results in equal shares of the Cost of the District Improvements 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 PID Property.

#### **B. Special Benefit**

The Assessed Property will receive a direct and special benefit from the District Improvements, and this benefit will be equal to or greater than the cost of the Assessments. The District Improvements are provided specifically for the benefit of the Assessed Property. The District Improvements (more particularly described in line-item format on Exhibit B to this Service and Assessment Plan) include the following categories of public improvement projects authorized by the Act: (i) streets (including paving, landscaping, sidewalks, street lights, and screening walls), recreational facilities, entry features, parks, hike and bike trails, open space improvements, common area improvements, pond improvements, water improvements, wastewater improvements, and storm water improvements; (ii) engineering, contract administration, and contingencies associated with the foregoing; and (iii) various issuance and transaction costs related to the issuance of one or more series of Bonds.

The owners of the Assessed Property have acknowledged that the District Improvements confer a special benefit on the Assessed Property and have consented to the imposition of the Assessments to pay for the District Improvements. The owners are acting in their interest in consenting to this imposition because the special benefit conferred upon the Assessed Property by the District Improvements exceeds the amount of the Assessments.

The owners of the Assessed Property have represented: (i) that, based on their evaluation of the potential development of the Assessed Property, the highest and best use is the use described in this Service and Assessment Plan and otherwise required by the Planned Development Ordinance; and (ii) that it is in the interest of the owners of the Assessed Property to maximize the value of such property. Use of the Assessed Property as described in this Service and Assessment Plan and as required by the Planned Development Ordinance will require that District Improvements be acquired, constructed, installed, and improved. Funding the cost of the District Improvements through the PID is determined to be the most beneficial means of doing



so. In summary, the Assessments result in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessments based on the evidence, information, and testimony provided to the City Council.

**C. Assessment Methodology**

1. The Cost of the District Improvements may be assessed by the City Council against the Assessed Property so long as the special benefit conferred upon the Assessed Property by the District Improvements equals or exceeds the Assessments on the Assessed Property. The Cost may be assessed by using any methodology that results in the imposition of equal shares of the Cost on Assessed Property similarly benefited.
2. For purposes of this Service and Assessment Plan, the City Council has determined that the Cost of the District Improvements shall be allocated to the Assessed Property on the basis of the relative value of Parcels after undertaking the District Improvements and that such method of allocation will result in the imposition of equal shares of the Cost on Parcels similarly situated. In determining the relative value of Parcels, the City Council has taken into consideration (i) the type of development (i.e., residential or commercial); (ii) the type of residential development (i.e., single-family, duplex, or multi-family); (iii) single-family lot size; (iv) current and projected land values; (v) current and projected home prices; (vi) current and projected market demands for residential and commercial development within the City and within the region; and (vii) the high-quality, master-planned community development standards created by the Planned Development Ordinance. In determining the relative value of Parcels, the City Council has also taken into consideration independent studies supporting the conclusion that larger residential lots with full municipal services (including police, fire, and other emergency services), with access to concrete streets with curb and gutter storm drainage facilities, and with municipal water and wastewater service will be developed with larger, more expensive homes; and that such larger, more expensive homes, on average, will create more vehicle trips and greater demands for water and wastewater consumption.
3. Having taken into consideration the matters described above, the City Council has determined that allocating the Cost of the District Improvements among Parcels based on value after undertaking the District Improvements is best accomplished (and most easily illustrated) by creating a hierarchy of benefited Parcels based on the "Lot Types" defined in Section I.B of this Service and Assessment Plan. This hierarchy of value (from Lot Type 1 representing the highest value to Lot Type 6 representing the lowest value) is set forth in Table V-A below. This table illustrates that the City Council has determined that a Lot Type 1 dwelling unit receives the greatest benefit from the District Improvements, which benefit is given an "Equivalent Unit" value of 1.0 per dwelling unit. The City Council has determined that a Lot Type 2 dwelling unit receives a smaller benefit; namely, 84% of the benefit received by a Type 1 Lot dwelling unit (hence the Equivalent Unit value of 0.84 per dwelling unit). This table illustrates that the City Council has determined that a Lot Type 3 dwelling unit receives an even smaller benefit; namely, 75% of the benefit received by a Type 1 dwelling unit (hence the Equivalent Unit value of 0.75 per dwelling unit). The table further illustrates that the City Council has made similar determinations with respect to all of the Lot Types.

TABLE V-A

LOT TYPE	EQUIVALENT UNIT VALUE	TOTAL NUMBER OF DWELLING UNITS AND ACRES	TOTAL EQUIVALENT UNITS FOR PURPOSES OF CALCULATING ASSESSMENTS
Lot Type 1 (single-family residential)	1.00 per dwelling	513 dwelling units	513
Lot Type 2 (single-family residential)	0.84 per dwelling unit	2,383 dwelling units	2002
Lot Type 3 (single-family residential)	0.75 per dwelling unit	1,160 dwelling units	870
Lot Type 4 (duplex residential)	0.53 per dwelling unit	200 dwelling units	106
Lot Type 5 (multi-family residential)	0.35 per dwelling unit	749 dwelling units	264
Lot Type 6 (commercial)	1.88 per acre	169 acres	319

**TOTAL EQUIVALENT UNITS = 4,074**

**AUTHORIZED IMPROVEMENT COST PER EQUIVALENT UNIT = \$7,660**

4. The Cost of the District Improvements is allocated among 4,074 Equivalent Units resulting in a cost per Equivalent Unit of \$7,660. The Assessment per dwelling unit or per acre of commercial development is calculated as the product of (i) \$7,660 multiplied times (ii) the applicable Equivalent Unit value for each Lot Type. Table V-B sets forth the Assessment per dwelling unit and commercial acre for each of the six Lot Types.

TABLE V-B

<u>LOT TYPE</u>	<u>EQUIVALENT UNIT VALUE</u>	<u>ASSESSMENT PER DWELLING UNIT AND PER ACRE</u>
Lot Type 1	1.0 per dwelling unit	\$7,660 per dwelling unit
Lot Type 2	0.84 per dwelling unit	\$6,434 per dwelling unit
Lot Type 3	0.75 per dwelling unit	\$5,745 per dwelling unit
Lot Type 4	0.53 per dwelling unit	\$4,030 per dwelling unit
Lot Type 5	0.35 per dwelling unit	\$2,700 per dwelling unit
Lot Type 6	1.88 per acre	\$14,432 per acre

5. It has been represented to the City Council by the owners of the Assessed Property that such property will be developed in multiple phases (generally consisting of one or more residential subdivisions containing one or more Lot Type) and that such phased development of the Assessed Property will be accompanied by the phased development of District Improvements that are required by the City to be completed in accordance with the Planned Development Ordinance and the City's Subdivision Ordinance, as amended. When, for each phase of development of the Assessed Property, the City determines that either: (i) District Improvements have been completed for such phase of development in accordance with the requirements of the Planned Development Ordinance and the City's Subdivision Ordinance; or (ii) financial security (including, but not limited to, proceeds from the issuance of Bonds) to complete District Improvements in accordance with the requirements of the Planned Development Ordinance and Subdivision Ordinance has been provided in a manner approved by the City; then such phase of development of the Assessed Property shall be deemed to have received a special benefit from the District Improvements completed or to be completed in connection with such phase of development. When a phase of development of the Assessed Property is deemed to have received a special benefit from District Improvements completed or to be completed in connection such phase, the City shall collect Assessments and Annual Installments to pay for such District Improvements and shall issue Bonds for such purpose.

**SECTION VI  
DETERMINATION OF ASSESSMENT**

**A. Amount of Assessments**

The total Assessments for all Assessed Property shall not exceed the total Cost of the District Improvements. The Assessment for each Parcel shall be as shown on the Assessment Roll, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the Act.

**B. Reallocation of Assessments**

**1. Upon Request of Landowners.**

The City Council may approve changes to the mix of Lot Types contained within any Parcel or among Parcels together with the corresponding reallocation of the Assessment for the Parcel as among the new mix of Lot Types: (i) if the owners of all the land within the affected Parcels request and consent in writing to the changes and reallocations; and (ii) if the Assessment for each affected Parcel remains the same. An Assessment for a Parcel cannot be reallocated if any portion of the Parcel has become a homestead under Texas law. 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 Subdivision**

Upon the subdivision of any Parcel, the Assessment for the Parcel prior to the subdivision shall be reallocated 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 each new subdivided Parcel.

B = the Assessment for the Parcel prior to subdivision.

C = the Equivalent Units allocated to each newly subdivided Parcel, which allocation shall be made by the Administrator with the approval of the City Council and taking into consideration information provided by the owner of the Parcel being subdivided and the owners of the newly subdivided Parcels as to the allocation among the newly subdivided Parcels of Lot Types and the corresponding Equivalent Units.

D = the sum of the Equivalent Units for all of the new subdivided Parcels.

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. In the event an Parcel is subdivided to include any Non-Benefited Property, the Assessment for the Parcel shall be reallocated among the newly subdivided Parcels according to the same formula. An Assessment for a Parcel cannot be reallocated if the Parcel has become a homestead under Texas law. Any reallocation pursuant to this section shall be reflected in an update to this Service and Assessment Plan approved by the City Council.

### **3. 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. An Assessment for a Parcel cannot be reallocated if the Parcel has become a homestead under Texas law. Any reallocation pursuant to this section shall be reflected in an update to this Service and Assessment Plan approved by the City Council.

### **C. Prepayment of Assessments**

1. If at any time the Assessment on a Parcel exceeds the Maximum Assessment calculated for the Parcel as a result of any reallocation of an Assessment authorized by this Service and Assessment Plan and initiated by the owner of the Parcel, then such owner shall pay to the City (within 30 days after receiving written notice from the Administrator) the amount (certified by the Administrator) by which the Assessment for the Parcel exceeds the Maximum Assessment for the Parcel.

2. If a Parcel or portion thereof is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel or portion thereof to become Non-Benefited Property and the Assessment may not be reallocated to any other Parcel as authorized by this Service and Assessment Plan, the owner of such Parcel or portion thereof shall pay to the City (within 30 days after receiving written notice from the Administrator) the full amount of the Assessment for such Parcel or portion thereof.

3. The payments required above shall be treated the same as any Assessment that is due and owing under the Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the Act.

### **D. Reduction of Assessments**

1. If after all District Improvements have been completed the actual Cost of the District Improvements is less than the Cost used to calculate the Assessments, then the Assessment for each Parcel shall be reduced by an equal percentage such that the sum of the resulting reduced Assessments for all Parcels equals the actual reduced Cost of the District Improvements (but never less than an amount equal to the principal amount of outstanding Bonds). To the extent permitted by law and as provided by any Bond Indenture, the trustee under the Bond Indenture

shall (with the consent of the City Council) refund the amount of such reduction to any owner of a Parcel who has already paid in full the Assessment for such owner's Parcel.

2. If all the District Improvements are not undertaken, the Assessment for each Parcel shall be appropriately reduced by the City Council to reflect only the Cost of the District Improvements that were undertaken. 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 actual Cost of the District Improvements that were undertaken (but never less than an amount equal to the principal amount of outstanding Bonds). To the extent permitted by law and as provided by any Bond Indenture, the trustee under the Bond Indenture shall (with the consent of the City Council) refund the amount of such reduction to any owner of a Parcel who has already paid in full the Assessment for such owner's Parcel.

#### **E. Payment of Assessments**

##### **1. Payment in Full**

(a) The Assessment for any Parcel may be paid in full at any time. Payment shall include interest through the date of payment to the extent such interest is not included in any Annual Installment paid or to be paid. If payment in full will result in a redemption of Bonds, the payment amount shall be reduced by the amount, if any, of reserve funds applied to the redemption under the Bond Indenture.

(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, the City shall deposit the payment in accordance with the applicable Bond Indenture; 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, including interest and Annual Collection Costs, beginning on the date the City determines that a phase of development of the PID Property has received a special benefit from District Improvements completed or to be completed in connection with such phase of development as provided by Section V.C.5 of this Service and Assessment Plan. Each Assessment shall bear interest at one-half of one percent above than the actual interest rate paid on the public debt used to finance the District Improvements. The Assessment Roll sets forth for each year the Annual Installment for each Parcel.

**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 applicable Bond Indenture, such as capitalized interest, interest earnings on any account balances, and any other funds available to the Trustee for such purpose. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City. The Assessments shall have lien priority as specified in the Act.

**SECTION VII  
THE ASSESSMENT ROLL**

**A.** Each Parcel has been evaluated by the City Council (based on the Planned Development Ordinance, developable area, proposed Owner Association Property and Public Property, the District Improvements, best and highest use of land, and other development factors deemed relevant by the City Council) to determine, by Lot Type, the number of dwelling units (and/or acres, in the case of commercial) that are anticipated to be developed within such Parcel. Each dwelling unit and each commercial acre is then multiplied by the applicable amount per dwelling unit and per acre set forth in last column of Table V-B of this Service and Assessment Plan, and the total of such amounts for all dwelling units and commercial acres within the applicable Parcel shall constitute the "Assessment" for the Parcel set forth on the Assessment Roll attached as Exhibit C to this Service and Assessment Plan. The Assessment Roll shall be updated upon the issuance of each series Bonds, upon the preparation of each Annual Service Plan Update, and to reflect, for each Parcel, subdivisions, consolidations, prepayments, and reductions authorized by this Service and Assessment Plan.

**B.** The Administrator shall prepare, and the City Council shall review and approve, updates (no less frequently than annually) to the Assessment Roll to reflect the following matters, together with any other changes helpful to the Administrator and permitted by the Act: (i) the identification of each Parcel (including, if available, the tax parcel identification number for 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.

**SECTION VIII  
MISCELLANEOUS PROVISIONS**

**A. Administrative Review**

An owner of a Parcel claiming that an error has been made in calculating the Assessment Roll (including the Annual Installment) shall (prior to pursuing any other remedy) give written notice describing the alleged error to the City within thirty (30) days after the owner receives the purportedly erroneous calculation. If an owner fails to give such notice, such owner shall be deemed to have accepted the calculation of the Assessment Roll (including the Annual Installment) and to have waived any objections to the calculation. The Administrator shall promptly review all notices alleging calculation errors and decide whether an error has been made. Any overpayment of a prior Annual Installment shall be credited against future Annual Installments, and no cash refunds shall be made except for the final year during which the Annual Installment is collected. 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 Act.

**B. Termination of Assessments**

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

**C. Amendments**

Supplemental Assessments may be made by the City Council in accordance with the Act to correct omissions or mistakes relating to the total Cost of the District Improvements. The City Council reserves the right to amend this Service and Assessment Plan without notice under the Act and without notice to owners of Parcels: (i) to correct minor mistakes and clerical errors; (ii) to clarify minor ambiguities; and (iii) to provide procedures for the collection and enforcement of Assessments, Collection Costs, and other charges imposed by this Service and Assessment Plan. The City Council further reserves the right to amend this Service and Assessment Plan (after notice and public hearing as required by the Act) to conform this Service and Assessment Plan to the requirements of the Act, including requirements arising from interpretations of the Act by the Attorney General of the State of Texas.

**D. Interpretations and Determinations**

The City Council shall make all interpretations and determinations related to the application of this Service and Assessment Plan, which determinations and interpretations are governmental actions involving legislative discretion. Ministerial and administrative acts may be delegated pursuant to the this Service and Assessment Plan and the Bond Indenture.



**E. Severability**

If any provision of this Service and Assessment Plan is held to be unenforceable by final judgment of any court having jurisdiction, such unenforceable provision shall be deleted and severed from this Service and Assessment Plan, and this Service and Assessment Plan, and all remaining provisions, shall remain in full force and effect and be interpreted to give effect to the intent of the parties as evidenced by this Service and Assessment Plan as a whole. To the extent required to give maximum effect to the intent of the parties, the remaining provisions of this Service and Assessment Plan shall be reformed or rewritten. All provisions of this Service and Assessment Plan are deemed to be severable.

Exhibit A to Service and Assessment Plan

DEPICTION OF THE PID PROPERTY

WAXAHACHIE PUBLIC IMPROVEMENT DISTRICT NO. 1

**PROJECT  
LOCATION**

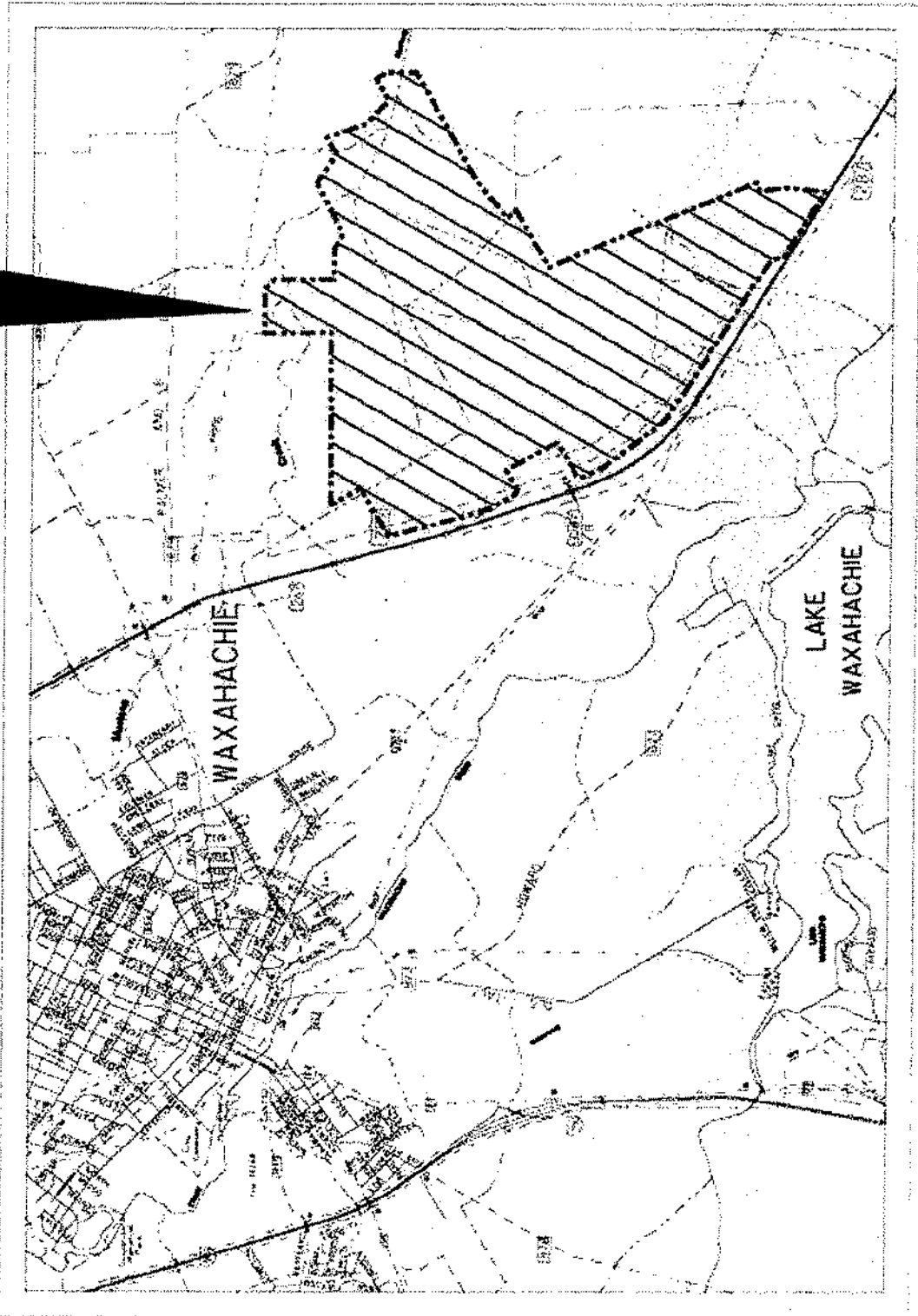


Exhibit A to Service and Assessment Plan (Continued)METES AND BOUNDS DESCRIPTION OF THE PID PROPERTY

## WAXAHACHIE PUBLIC IMPROVEMENT DISTRICT NO. 1

1965.303 ACRES

BEING A 1965.303 ACRE TRACT OF LAND SITUATED IN THE C. BEDWELL SURVEY, ABSTRACT NO. 94, R.M. BERRY SURVEY, ABSTRACT NO. 96, R.M. BERRY SURVEY, ABSTRACT NO. 97, G. CARPENTER SURVEY, ABSTRACT NO. 190, W.C. COLEMAN SURVEY, ABSTRACT NO. 204, B. COLLIER SURVEY, ABSTRACT NO. 216, S.M. DURRITT SURVEY, ABSTRACT NO. 272, G. GARCIA SURVEY, ABSTRACT NO. 418, T. HAVENS SURVEY, ABSTRACT NO. 492, J. JOHNSON SURVEY, ABSTRACT NO. 557, W.H. JAMES SURVEY, ABSTRACT NO. 562, McKINNEY & WILLIAMS SURVEY, ABSTRACT NO. 750 AND M. RAFFERTY SURVEY, ABSTRACT NO. 898, CITY OF WAXAHACHIE, ELLIS COUNTY, TEXAS, AND BEING ALL OF A CALLED 956.759 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 533, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 166.081 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 96.170 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1043, PAGE 371, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 87.450 ACRE TRACT OF LAND, CONVEYED TO GREG LOFTIS BY DEED RECORDED IN VOLUME 1061, PAGE 145, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING PART OF A TRACT OF LAND, CONVEYED TO ELLIS COUNTY LIVESTOCK, INC. BY DEED RECORDED IN VOLUME 758, PAGE 207, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 75.616 ACRE TRACT OF LAND, CONVEYED TO GREG LOFTIS BY DEED RECORDED IN VOLUME 1061, PAGE 145, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 120.358 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING ALL OF A CALLED 196.971 ACRE TRACT OF LAND, CONVEYED TO ELLIS COUNTY CTR DEVELOPMENT, LTD. BY DEED RECORDED IN VOLUME 1985, PAGE 1495, DEED RECORDS, ELLIS COUNTY, TEXAS, BEING PART OF A CALLED 208.763 ACRE TRACT OF LAND, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS. SAID 1965.303 ACRE TRACT, HAVING A BEARING BASIS OF GRID NORTH, STATE PLANE COORDINATES, TEXAS NORTH CENTRAL ZONE, NAD 83 DATUM (CORS), BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF AFORESAID 956.759 ACRE TRACT;

THENCE NORTH 88 DEGREES 56 MINUTES 16 SECONDS EAST, ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 4630.85 FEET TO A POINT FOR CORNER;

THENCE NORTH 01 DEGREES 35 MINUTES 54 SECONDS WEST, ALONG A WEST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1762.77 FEET TO A POINT FOR CORNER;

THENCE NORTH 89 DEGREES 19 MINUTES 47 SECONDS EAST, ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1193.70 FEET TO A POINT FOR CORNER;

THENCE SOUTH 40 DEGREES 28 MINUTES 00 SECONDS EAST, ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 329.15 FEET TO A POINT FOR CORNER;

THENCE SOUTH 01 DEGREES 03 MINUTES 50 SECONDS EAST, ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 1561.46 FEET TO A POINT FOR CORNER;

THENCE ALONG A NORTH LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

NORTH 88 DEGREES 52 MINUTES 47 SECONDS EAST, A DISTANCE OF 849.09 FEET TO A POINT FOR CORNER;

SOUTH 60 DEGREES 17 MINUTES 43 SECONDS EAST, A DISTANCE OF 435.54 FEET TO A POINT FOR CORNER;

NORTH 62 DEGREES 17 MINUTES 11 SECONDS EAST, A DISTANCE OF 1518.41 FEET TO A POINT FOR CORNER;

SOUTH 57 DEGREES 39 MINUTES 13 SECONDS EAST, A DISTANCE OF 894.53 FEET TO A POINT FOR CORNER;

NORTH 59 DEGREES 31 MINUTES 44 SECONDS EAST, A DISTANCE OF 525.22 FEET TO A POINT FOR CORNER;

THENCE ALONG A EAST LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 20 DEGREES 32 MINUTES 39 SECONDS EAST, A DISTANCE OF 1124.36 FEET TO A POINT FOR CORNER;

SOUTH 49 DEGREES 42 MINUTES 53 SECONDS EAST, A DISTANCE OF 815.43 FEET TO A POINT FOR CORNER;

NORTH 59 DEGREES 01 MINUTES 39 SECONDS EAST, A DISTANCE OF 656.24 FEET TO A POINT FOR CORNER;

SOUTH 31 DEGREES 41 MINUTES 03 SECONDS EAST, A DISTANCE OF 330.87 FEET TO A POINT FOR CORNER;

SOUTH 01 DEGREES 17 MINUTES 41 SECONDS EAST, A DISTANCE OF 449.93 FEET TO A POINT FOR CORNER;

SOUTH 00 DEGREES 34 MINUTES 53 SECONDS EAST, A DISTANCE OF 329.11 FEET TO THE EAST CORNER OF AFORESAID 956.759 ACRE TRACT;

THENCE ALONG THE SOUTH LINE OF AFORESAID 956.759 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 60 DEGREES 05 MINUTES 45 SECONDS WEST, A DISTANCE OF 1996.26 FEET TO A POINT FOR CORNER;

SOUTH 59 DEGREES 59 MINUTES 15 SECONDS WEST, A DISTANCE OF 1287.20 FEET TO A POINT FOR CORNER;

SOUTH 49 DEGREES 31 MINUTES 18 SECONDS WEST, A DISTANCE OF 1288.90 FEET TO A POINT FOR CORNER;

SOUTH 47 DEGREES 40 MINUTES 43 SECONDS EAST, A DISTANCE OF 313.75 FEET TO A POINT FOR CORNER;

SOUTH 59 DEGREES 09 MINUTES 11 SECONDS WEST, A DISTANCE OF 46.40 FEET TO A POINT FOR CORNER;

SOUTH 58 DEGREES 58 MINUTES 21 SECONDS WEST, A DISTANCE OF 1721.09 FEET TO THE NORTH CORNER OF AFORESAID 96.170 ACRE TRACT;

THENCE SOUTH 24 DEGREES 19 MINUTES 22 SECONDS EAST, ALONG THE EAST LINE OF AFORESAID 96.170 ACRE TRACT, A DISTANCE OF 1752.77 FEET TO THE

EAST CORNER OF SAID 96.170 ACRE TRACT AND THE NORTH CORNER OF AFORESAID 87.450 ACRE TRACT;

THENCE SOUTH 22 DEGREES 39 MINUTES 36 SECONDS EAST, ALONG THE EAST LINE OF AFORESAID 87.450 ACRE TRACT, A DISTANCE OF 1583.45 FEET TO THE EAST CORNER OF SAID 87.450 ACRE TRACT AND THE NORTH CORNER OF AFORESAID ELLIS COUNTY LIVESTOCK, INC. TRACT;

THENCE ALONG THE EAST LINE OF AFORESAID ELLIS COUNTY LIVESTOCK, INC. TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 22 DEGREES 43 MINUTES 40 SECONDS EAST, A DISTANCE OF 663.62 FEET TO A POINT FOR CORNER;

SOUTH 23 DEGREES 51 MINUTES 01 SECONDS EAST, A DISTANCE OF 1918.49 FEET TO A POINT FOR CORNER;

THENCE SOUTH 74 DEGREES 23 MINUTES 36 SECONDS WEST, OVER AND ACROSS AFORESAID ELLIS COUNTY LIVESTOCK, INC TRACT, A DISTANCE OF 247.58 FEET TO THE EAST CORNER OF AFORESAID 75.616 ACRE TRACT;

THENCE ALONG THE EAST LINE OF AFORESAID 75.616 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 08 DEGREES 01 MINUTES 17 SECONDS EAST, A DISTANCE OF 689.60 FEET TO A POINT FOR CORNER;

SOUTH 04 DEGREES 24 MINUTES 42 SECONDS WEST, A DISTANCE OF 1047.76 FEET TO THE SOUTHEAST CORNER OF AFORESAID 75.616 ACRE TRACT AND BEING ON THE NORTHEAST RIGHT-OF-WAY OF U.S. HIGHWAY 287 (A VARIABLE WIDTH RIGHT-OF-WAY;

THENCE ALONG THE NORTHEAST RIGHT-OF-WAY LINE OF AFORESAID U.S. HIGHWAY 287 AND THE COMMON SOUTHWEST LINES OF AFORESAID 75.616 ACRE TRACT, 87.450 ACRE TRACT, 120.358 ACRE TRACT, AND 196.971 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

NORTH 58 DEGREES 23 MINUTES 26 SECONDS WEST, A DISTANCE OF 15.24 FEET TO A POINT FOR CORNER;

NORTH 61 DEGREES 15 MINUTES 11 SECONDS WEST, A DISTANCE OF 400.50 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 26 SECONDS WEST, A DISTANCE OF 1698.10 FEET TO A POINT FOR CORNER;

NORTH 00 DEGREES 26 MINUTES 16 SECONDS WEST, A DISTANCE OF 279.09 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 25 MINUTES 41 SECONDS WEST, A DISTANCE OF 756.93 FEET TO A POINT FOR CORNER;

NORTH 44 DEGREES 19 MINUTES 42 SECONDS WEST, A DISTANCE OF 103.19 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 09 SECONDS WEST, A DISTANCE OF 300.13 FEET TO A POINT FOR CORNER;

NORTH 72 DEGREES 35 MINUTES 27 SECONDS WEST, A DISTANCE OF 102.79 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 24 MINUTES 44 SECONDS WEST, A DISTANCE OF 1398.16 FEET TO A POINT FOR CORNER;

NORTH 39 DEGREES 48 MINUTES 54 SECONDS WEST, A DISTANCE OF 106.71 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 17 MINUTES 27 SECONDS WEST, A DISTANCE OF 299.32 FEET TO A POINT FOR CORNER;

NORTH 77 DEGREES 09 MINUTES 31 SECONDS WEST, A DISTANCE OF 106.27 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 29 MINUTES 18 SECONDS WEST, A DISTANCE OF 751.60 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 15 MINUTES 31 SECONDS WEST, A DISTANCE OF 548.42 FEET TO A POINT FOR CORNER;

NORTH 39 DEGREES 03 MINUTES 02 SECONDS WEST, A DISTANCE OF 105.15 FEET TO A POINT FOR CORNER;

NORTH 58 DEGREES 31 MINUTES 08 SECONDS WEST, A DISTANCE OF 199.27 FEET TO A POINT FOR CORNER;

NORTH 77 DEGREES 21 MINUTES 47 SECONDS WEST, A DISTANCE OF 106.45 FEET TO A POINT FOR CORNER;

NORTH 48 DEGREES 44 MINUTES 14 SECONDS WEST, A DISTANCE OF 482.75 FEET TO A POINT FOR CORNER;

NORTH 38 DEGREES 38 MINUTES 24 SECONDS WEST, A DISTANCE OF 1846.63 FEET TO A POINT FOR CORNER;

NORTH 27 DEGREES 01 MINUTES 24 SECONDS WEST, A DISTANCE OF 551.72 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 20 MINUTES 42 SECONDS WEST, A DISTANCE OF 146.48 FEET TO THE WEST CORNER OF AFORESAID 196.971 ACRE TRACT;

THENCE NORTH 58 DEGREES 50 MINUTES 18 SECONDS EAST, ALONG THE NORTHWEST LINE OF AFORESAID 196.971 ACRE TRACT, A DISTANCE OF 1110.80 FEET TO THE SOUTH CORNER OF AFORESAID 208.763 ACRE TRACT;

THENCE NORTH 30 DEGREES 04 MINUTES 07 SECONDS WEST, ALONG A SOUTHWEST LINE OF AFORESAID 208.763 ACRE TRACT, A DISTANCE OF 1529.85 FEET TO THE INSIDE ELL CORNER OF SAID 208.763 ACRE TRACT;

THENCE SOUTH 59 DEGREES 54 MINUTES 53 SECONDS WEST, A DISTANCE OF 640.88 FEET TO A WEST CORNER OF AFORESAID 208.763 ACRE TRACT AND ON THE EAST LINE OF AFORESAID U.S. HIGHWAY 287;

THENCE ALONG THE WEST LINE OF AFORESAID 208.763 ACRE TRACT AND THE COMMON EAST RIGHT-OF-WAY OF AFORESAID U.S. HIGHWAY 287 THE FOLLOWING COURSES AND DISTANCES:

NORTH 26 DEGREES 36 MINUTES 51 SECONDS WEST, A DISTANCE OF 71.48 FEET TO A POINT FOR CORNER;

NORTH 81 DEGREES 47 MINUTES 50 SECONDS WEST, A DISTANCE OF 69.97 FEET TO A POINT FOR CORNER;

NORTH 30 DEGREES 00 MINUTES 58 SECONDS WEST, A DISTANCE OF 694.24 FEET TO A POINT FOR CORNER;

NORTH 23 DEGREES 12 MINUTES 25 SECONDS WEST, A DISTANCE OF 390.34 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 50 MINUTES 53 SECONDS WEST, A DISTANCE OF 1000.41 FEET TO A POINT FOR CORNER;



NORTH 17 DEGREES 40 MINUTES 00 SECONDS WEST, A DISTANCE OF 499.95 FEET TO A POINT FOR CORNER;

NORTH 15 DEGREES 19 MINUTES 41 SECONDS WEST, A DISTANCE OF 929.05 FEET TO THE WEST CORNER OF AFORESAID 208.763 ACRE TRACT;

THENCE NORTH 59 DEGREES 24 MINUTES 03 SECONDS EAST, ALONG THE NORTHWEST LINE OF AFORESAID 208.763 ACRE TRACT A DISTANCE OF 1476.25 FEET TO THE NORTH CORNER OF SAID 208.763 ACRE TRACT AND BEING ON A SOUTHWEST LINE OF AFORESAID 956.759 ACRE TRACT;

THENCE NORTH 31 DEGREES 24 MINUTES 42 SECONDS WEST, ALONG A SOUTHWEST LINE OF AFORESAID 956.759 ACRE TRACT, A DISTANCE OF 902.95 FEET TO THE POINT OF BEGINNING, AND CONTAINING 1965.303 ACRES OF LAND, MORE OR LESS.

THIS DOCUMENT WAS PREPARED UNDER 22 TAC 663.21, DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY, AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED.

## Exhibit B to Service and Assessment Plan

**DISTRICT IMPROVEMENTS****WAXAHACHIE PUBLIC IMPROVEMENT DISTRICT NO. 1**

<b>PUBLIC IMPROVEMENT PROJECTS</b>	<b>COST</b>
Thoroughfare Paving	\$2,738,000
Median Landscaping	\$391,650
6' Concrete Sidewalk	\$523,320
Landscape Buffer	\$598,080
Thin Screening Wall	\$1,269,375
Engineering / Survey	\$278,242
Contingency	\$139,121
Recreational Facilities	\$2,680,759
Main Entry	\$300,000
Secondary Entry	\$1,200,000
Public Neighborhood Park	
Pocket Park	\$800,000
Hike & Bike Trail	\$809,200
Open Space Improvements	\$625,000
Pond Improvements	\$800,000
6' Concrete Sidewalk (Collectors)	\$1,266,720
Landscape Buffer (Collectors)	\$1,447,680
Thin Screening Wall (Collectors)	\$2,992,875
Engineering / Survey	\$1,722,908
Contingency	\$854,369
Water	\$280,980
Sewer	\$467,702
Drainage	\$538,620
Roads	\$526,950
Public Right of Way	\$44,885
Related Appurtenances	\$13,466
Street Lighting	\$31,420
Storm Water Control Improvements	\$108,622
Common Area Fencing, Landscaping	\$115,800
Common Area Improvements	\$51,169
Other Park Items	\$18,852
Other Recreational Facilities	\$50,271
Other Trail Improvements	\$36,806
Engineering	\$25,136
Contract Administration	\$314,195
Master Common Utility Improvements	\$216,346
Contingencies	\$318,461
<b>SUB-TOTAL</b>	<b>\$24,596,980</b>

Debt Service Reserve Fund	\$2,167,697
Capitalized Interest	\$2,698,035
Bond Counsel	\$401,095
Underwriters Counsel	\$310,180
Developers Financial Advisor	\$232,635
City Financial Advisor	\$232,635
Underwriters Fee	\$620,361
Interest from Dev. Fund	\$(269,180)
Developer's Counsel	\$62,393
Assessment Consultant	\$62,393
Other Administrative Costs	\$77,545
SUB-TOTAL	\$6,595,789
PAR AMOUNT OF BONDS	\$31,192,769
DEPOSIT TO PROJECT FUND	\$24,596,980

Exhibit C to Service and Assessment PlanASSESSMENT ROLLWAXAHACHIE PUBLIC IMPROVEMENT DISTRICT NO. 1

This Assessment Roll identifies five Parcels. For purposes of calculating the Assessments, each Parcel is projected to include the following number of units of each Lot Type 1 through 6:

<u>PARCEL</u>	Lot Type 1 SF-1	Lot Type 2 SF-2	Lot Type 3 SF-3	Lot Type 4 2-F	Lot Type 5 MF	Lot Type 6 Commercial
<b>A</b>	503 units	1,535 units	819 units	103 units	435 units	56.7 acres
<b>B/C</b>	10 units	512 units	116 units	65 units	155 units	66.7 acres
<b>D</b>	0 units	75 units	2 units	0 units	0 units	0 acres
<b>E</b>	0 units	261 units	223 units	32 units	159 units	17.5 acres
<b>F</b>	0 units	0 units	0 units	0 units	0 units	28.1 acres

Exhibit C to Service and Assessment PlanASSESSMENT ROLLWAXAHACHIE PUBLIC IMPROVEMENT DISTRICT NO. 1

PARCEL	DESCRIPTION	ACREAGE	ASSESSMENT
A	That property described by the metes and bounds attached as Exhibit A hereto and incorporated herein by reference, save and except the property described by the metes and bounds attached as Exhibit B and incorporated herein by reference, and save and except the property described by the metes and bounds attached as Exhibit C and incorporated herein by reference.	1241.151	\$20,843,829
B/C	That property described by the metes and bounds attached as Exhibit B hereto and incorporated herein by reference, save and except the property described by the metes and bounds attached as Exhibit D and incorporated herein by reference, together with that property described by the metes and bounds attached as Exhibit C hereto and incorporated herein by reference, save and except the 226.601-acre tract described on Exhibit G.	278.271	\$5,679,752
D	That property described by the metes and bounds attached as Exhibit D hereto and incorporated herein by reference.	21.493	\$494,040
E	That property described by the metes and bounds attached as Exhibit E hereto and incorporated herein by reference.	169.065	\$3,769,609
F	That property described by the metes and bounds attached as Exhibit F hereto and incorporated herein by reference.	28.084	\$405,539
		<b>TOTAL</b>	<b>\$31,192,769</b>

**Annual Installments Per Parcel  
Waxahachie Public Improvement District No. 1**

PARCEL	DESCRIPTION	ACREAGE	ASSESSMENT
A	That property described by the metes and bounds attached as Exhibit A hereto and incorporated herein by reference, save and except the property described by the metes and bounds attached as Exhibit B and incorporated herein by reference, and save and except the property described by the metes and bounds attached as Exhibit C and incorporated herein by reference.	1241.151	\$20,843,829

Year	Principal and Interest	Collection Costs	Total
1	\$1,288,072	\$29,960	\$1,318,032
2	\$1,307,394	\$30,409	\$1,337,803
3	\$1,327,004	\$30,865	\$1,357,870
4	\$1,346,909	\$31,328	\$1,378,238
5	\$1,367,113	\$31,798	\$1,398,911
6	\$1,387,620	\$32,275	\$1,419,895
7	\$1,408,434	\$32,759	\$1,441,193
8	\$1,429,561	\$33,251	\$1,462,811
9	\$1,451,004	\$33,749	\$1,484,753
10	\$1,472,769	\$34,256	\$1,507,025
11	\$1,494,861	\$34,769	\$1,529,630
12	\$1,517,284	\$35,291	\$1,552,574
13	\$1,540,043	\$35,820	\$1,575,863
14	\$1,563,143	\$36,358	\$1,599,501
15	\$1,586,591	\$36,903	\$1,623,494
16	\$1,610,389	\$37,456	\$1,647,846
17	\$1,634,545	\$38,018	\$1,672,564
18	\$1,659,063	\$38,589	\$1,697,652
19	\$1,683,949	\$39,167	\$1,723,117
20	\$1,709,209	\$39,755	\$1,748,964
21	\$1,734,847	\$40,351	\$1,775,198
22	\$1,760,870	\$40,957	\$1,801,826
23	\$1,787,283	\$41,571	\$1,828,853
24	\$1,814,092	\$42,194	\$1,856,286
25	\$1,841,303	\$42,827	\$1,884,131
26	\$1,868,923	\$43,470	\$1,912,392
27	\$1,896,957	\$44,122	\$1,941,078
28	\$1,925,411	\$44,784	\$1,970,195
29	\$1,954,292	\$45,455	\$1,999,747
30	\$1,983,606	\$46,137	\$2,029,744
Total	\$48,352,541	\$1,124,644	\$49,477,185

**Annual Installments Per Parcel  
Waxahachie Public Improvement District No. 1**

PARCEL	DESCRIPTION	ACREAGE	ASSESSMENT
<b>B/C</b>	That property described by the metes and bounds attached as Exhibit B hereto and incorporated herein by reference, save and except the property described by the metes and bounds attached as Exhibit D and incorporated herein by reference, together with that property described by the metes and bounds attached as Exhibit C hereto and incorporated herein by reference, save and except the 226.601-acre tract described on Exhibit G.	<b>278.271</b>	<b>\$5,679,752</b>

Year	Principal and Interest	Collection Costs	Total
1	\$350,988	\$8,164	\$359,152
2	\$356,253	\$8,286	\$364,539
3	\$361,597	\$8,410	\$370,007
4	\$367,020	\$8,537	\$375,557
5	\$372,526	\$8,665	\$381,190
6	\$378,114	\$8,795	\$386,908
7	\$383,785	\$8,927	\$392,712
8	\$389,542	\$9,060	\$398,603
9	\$395,385	\$9,196	\$404,582
10	\$401,316	\$9,334	\$410,650
11	\$407,336	\$9,474	\$416,810
12	\$413,446	\$9,616	\$423,062
13	\$419,648	\$9,761	\$429,408
14	\$425,942	\$9,907	\$435,849
15	\$432,331	\$10,056	\$442,387
16	\$438,816	\$10,207	\$449,023
17	\$445,399	\$10,360	\$455,758
18	\$452,080	\$10,515	\$462,595
19	\$458,861	\$10,673	\$469,534
20	\$465,744	\$10,833	\$476,577
21	\$472,730	\$10,995	\$483,725
22	\$479,821	\$11,160	\$490,981
23	\$487,018	\$11,328	\$498,346
24	\$494,323	\$11,498	\$505,821
25	\$501,738	\$11,670	\$513,408
26	\$509,264	\$11,845	\$521,109
27	\$516,903	\$12,023	\$528,926
28	\$524,657	\$12,203	\$536,860
29	\$532,527	\$12,386	\$544,913
30	\$540,515	\$12,572	\$553,087
<b>Total</b>	<b>\$13,175,623</b>	<b>\$306,455</b>	<b>\$13,482,079</b>

**Annual Installments Per Parcel  
Waxahachie Public Improvement District No. 1**

PARCEL	DESCRIPTION	ACREAGE	ASSESSMENT
<b>D</b>	That property described by the metes and bounds attached as Exhibit D hereto and incorporated herein by reference.	<b>21.493</b>	<b>\$494,040</b>

Year	Principal and Interest	Collection Costs	Total
1	\$30,530	\$710	\$31,240
2	\$30,988	\$721	\$31,709
3	\$31,453	\$732	\$32,184
4	\$31,924	\$743	\$32,667
5	\$32,403	\$754	\$33,157
6	\$32,889	\$765	\$33,654
7	\$33,383	\$776	\$34,159
8	\$33,883	\$788	\$34,672
9	\$34,392	\$800	\$35,192
10	\$34,908	\$812	\$35,719
11	\$35,431	\$824	\$36,255
12	\$35,963	\$836	\$36,799
13	\$36,502	\$849	\$37,351
14	\$37,050	\$862	\$37,911
15	\$37,605	\$875	\$38,480
16	\$38,169	\$888	\$39,057
17	\$38,742	\$901	\$39,643
18	\$39,323	\$915	\$40,238
19	\$39,913	\$928	\$40,841
20	\$40,512	\$942	\$41,454
21	\$41,119	\$956	\$42,076
22	\$41,736	\$971	\$42,707
23	\$42,362	\$985	\$43,347
24	\$42,998	\$1,000	\$43,998
25	\$43,643	\$1,015	\$44,658
26	\$44,297	\$1,030	\$45,327
27	\$44,962	\$1,046	\$46,007
28	\$45,636	\$1,061	\$46,698
29	\$46,321	\$1,077	\$47,398
30	\$47,015	\$1,094	\$48,109
<b>Total</b>	<b>\$1,146,051</b>	<b>\$26,656</b>	<b>\$1,172,707</b>



**Annual Installments Per Parcel  
Waxahachie Public Improvement District No. 1**

PARCEL	DESCRIPTION	ACREAGE	ASSESSMENT
<b>E</b>	That property described by the metes and bounds attached as Exhibit E hereto and incorporated herein by reference.	<b>169.065</b>	<b>\$3,769,609</b>

Year	Principal and Interest	Collection Costs	Total
1	\$232,948	\$5,418	\$238,366
2	\$236,442	\$5,499	\$241,942
3	\$239,989	\$5,582	\$245,571
4	\$243,589	\$5,666	\$249,254
5	\$247,243	\$5,751	\$252,993
6	\$250,951	\$5,837	\$256,788
7	\$254,715	\$5,924	\$260,640
8	\$258,536	\$6,013	\$264,550
9	\$262,414	\$6,104	\$268,518
10	\$266,350	\$6,195	\$272,546
11	\$270,346	\$6,288	\$276,634
12	\$274,401	\$6,382	\$280,783
13	\$278,517	\$6,478	\$284,995
14	\$282,695	\$6,575	\$289,270
15	\$286,935	\$6,674	\$293,609
16	\$291,239	\$6,774	\$298,013
17	\$295,608	\$6,876	\$302,483
18	\$300,042	\$6,979	\$307,021
19	\$304,542	\$7,083	\$311,626
20	\$309,111	\$7,190	\$316,300
21	\$313,747	\$7,298	\$321,045
22	\$318,453	\$7,407	\$325,860
23	\$323,230	\$7,518	\$330,748
24	\$328,079	\$7,631	\$335,710
25	\$333,000	\$7,745	\$340,745
26	\$337,995	\$7,862	\$345,856
27	\$343,065	\$7,979	\$351,044
28	\$348,211	\$8,099	\$356,310
29	\$353,434	\$8,221	\$361,655
30	\$358,735	\$8,344	\$367,079
Total	\$8,744,563	\$203,392	\$8,947,955

**Annual Installments Per Parcel  
Waxahachie Public Improvement District No. 1**

PARCEL	DESCRIPTION	ACREAGE	ASSESSMENT
F	That property described by the metes and bounds attached as Exhibit F hereto and incorporated herein by reference	28.084	\$405,539

Year	Principal and Interest	Collection Costs	Total
1	\$25,061	\$583	\$25,644
2	\$25,437	\$592	\$26,028
3	\$25,818	\$600	\$26,419
4	\$26,206	\$609	\$26,815
5	\$26,599	\$619	\$27,217
6	\$26,998	\$628	\$27,625
7	\$27,403	\$637	\$28,040
8	\$27,814	\$647	\$28,460
9	\$28,231	\$657	\$28,887
10	\$28,654	\$666	\$29,321
11	\$29,084	\$676	\$29,760
12	\$29,520	\$687	\$30,207
13	\$29,963	\$697	\$30,660
14	\$30,413	\$707	\$31,120
15	\$30,869	\$718	\$31,587
16	\$31,332	\$729	\$32,060
17	\$31,802	\$740	\$32,541
18	\$32,279	\$751	\$33,030
19	\$32,763	\$762	\$33,525
20	\$33,254	\$773	\$34,028
21	\$33,753	\$785	\$34,538
22	\$34,260	\$797	\$35,056
23	\$34,773	\$809	\$35,582
24	\$35,295	\$821	\$36,116
25	\$35,825	\$833	\$36,658
26	\$36,362	\$846	\$37,207
27	\$36,907	\$858	\$37,766
28	\$37,461	\$871	\$38,332
29	\$38,023	\$884	\$38,907
30	\$38,593	\$898	\$39,491
Total	\$940,750	\$21,878	\$962,628

**Annual Installments – Cumulative All Parcels  
Waxahachie Public Improvement District No. 1**

	DESCRIPTION	ACREAGE	ASSESSMENT
	All Parcels	1,738.06	\$31,192,769.00

Year	Principal and Interest	Collection Costs	Total
1	\$1,927,599.10	\$44,834.52	\$1,972,433.62
2	\$1,956,513.09	\$45,507.03	\$2,002,020.12
3	\$1,985,860.79	\$46,189.64	\$2,032,050.42
4	\$2,015,648.70	\$46,882.48	\$2,062,531.18
5	\$2,045,883.43	\$47,585.72	\$2,093,469.15
6	\$2,076,571.68	\$48,299.51	\$2,124,871.19
7	\$2,107,720.26	\$49,024.00	\$2,156,744.25
8	\$2,139,336.06	\$49,759.36	\$2,189,095.42
9	\$2,171,426.10	\$50,505.75	\$2,221,931.85
10	\$2,203,997.49	\$51,263.34	\$2,255,260.83
11	\$2,237,057.45	\$52,032.29	\$2,289,089.74
12	\$2,270,613.32	\$52,812.77	\$2,323,426.09
13	\$2,304,672.52	\$53,604.96	\$2,358,277.48
14	\$2,339,242.60	\$54,409.04	\$2,393,651.64
15	\$2,374,331.24	\$55,225.17	\$2,429,556.41
16	\$2,409,946.21	\$56,053.55	\$2,465,999.76
17	\$2,446,095.40	\$56,894.35	\$2,502,989.76
18	\$2,482,786.84	\$57,747.77	\$2,540,534.60
19	\$2,520,028.64	\$58,613.98	\$2,578,642.62
20	\$2,557,829.07	\$59,493.19	\$2,617,322.26
21	\$2,596,196.50	\$60,385.59	\$2,656,582.09
22	\$2,635,139.45	\$61,291.38	\$2,696,430.83
23	\$2,674,666.54	\$62,210.75	\$2,736,877.29
24	\$2,714,786.54	\$63,143.91	\$2,777,930.45
25	\$2,755,508.34	\$64,091.07	\$2,819,599.40
26	\$2,796,840.96	\$65,052.43	\$2,861,893.40
27	\$2,838,793.58	\$66,028.22	\$2,904,821.80
28	\$2,881,375.48	\$67,018.64	\$2,948,394.12
29	\$2,924,596.11	\$68,023.92	\$2,992,620.04
30	\$2,968,465.06	\$69,044.28	\$3,037,509.34
Total	\$72,359,528.55	\$1,683,028.58	\$74,042,557.13

Exhibit A to Assessment Roll**Property (including any improvements):**

Being all those certain lots, tracts or parcels of land situated in the C. Bedwell Survey, Abstract No. 94, the R.M. Berry Survey, Abstract No. 96, the R.M. Berry Survey, Abstract No. 97, the G. Carpenter Survey, Abstract No. 190, the W.C. Coleman Survey, Abstract No. 204, the B. Collier Survey, Abstract No. 216, the S.M. Duritt Survey, Abstract No. 272, the G. Garcia Survey, Abstract No. 418, the T. Havens Survey, Abstract No. 492, the J. Johnson Survey, Abstract No. 557, the W.H. James Survey, Abstract No. 562, the McKinney & Williams Survey, Abstract No. 750, and the M. Rafferty Survey, Abstract No. 898, in partially in the City of Waxahachie, Ellis County, Texas, and being comprised and consisting of the following nine (9) tracts of land;

A called 96.170 acre tract of land conveyed by J. A. Loftis to Ennis Auction Company, Inc. as recorded in Volume 1043, Page 371 of the Official Public Records of Ellis County, Texas (OPRECT);

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A called 87.450 acre tract of land conveyed by J. A. Loftis to Ennis Auction Company, Inc., as recorded in Volume 1043, Page 371 OPRECT;

A called 208.763 acre tract of land conveyed by Gregg Loftis to Ennis Auction Company, Inc., as recorded in Volume 1047, Page 525 OPRECT;

A called 166.081 acre tract of land conveyed by Gregg Loftis to Ennis Auction Company, Inc., as recorded in Volume 1047, Page 525 OPRECT;

A called 956.759 acre tract of land conveyed by J. A. Loftis, Jr. to Ennis Auction Company, Inc., as recorded in Volume 1047, Page 533 OPRECT;

A called 120.358 acre tract of land conveyed by Gregg Loftis to Ennis Auction Company, Inc., as recorded in Volume 1059, Page 791 OPRECT;

A called 75.616 acre tract of land conveyed by J. A. Loftis to Ellis County Livestock, Inc., as recorded in Volume 1043, Page 367 OPRECT;

A called 3.105 acre tract of land conveyed by Hancock Properties to Greg Loftis as recorded in Volume 1094, Page 103 OPRECT;

And a residual tract out of a called 89.10 acre tract of land conveyed by J. A. Loftis to Ellis County Livestock, Inc., as recorded in Volume 758, Page 207 Deed Records of Ellis County, Texas (DRECT);

Said 1767.516 acres of land being more particularly described by metes and bounds as follows:

**BEGINNING** at a 1/2" steel rod found in Parks School House Road and in the recognized northeast line of the said Duritt Survey and being the recognized northwest corner of the said Collier Survey and the southwest corner of the said Johnson Survey for the northwest corner of said 956.759 acre tract and the southwest corner of a called 67.376 acre tract described in deed and recorded in Volume 1732, Page 2409 OPRECT;

**THENCE** N 89°51'59" E, 4630.85 feet (Deed - S 89°53'01" E, 4627.12 feet) along the north line of said Collier survey and the south line of said Johnson survey, and along a northerly line of said 956.759 acre tract and the south line of said 67.376 acre tract, passing the southeast corner thereof and the southwest corner of a called 126.333 acre tract described in deed and recorded in Volume 855, Page 787 DRECT, then passing the northeast corner of said Collier Survey and the northwest corner of said Bedwell Survey to a 1/2" steel rod found for an inset corner of said 956.759 acre tract and the southeast corner of said 126.333 acre tract;

**THENCE** N 00°40'11" W, 1762.77 feet (Deed - N 00°24'15" W, 1762.47 feet) along a westerly line of said 956.759 acre tract and the east line of said 126.333 acre tract to a 1/2" steel rod set in the recognized north line of said Johnson Survey and the south line of the J.B. & Ann Adams Survey, Abstract No. 5 and same for a 36.10 acre tract described in deed and recorded in Volume 1091, Page 266 OPRECT, for the most northerly northwest corner of said 956.759 acre tract;

**THENCE** S 89°44'30" E, 1193.70 feet (Deed - S 89°30'05" E, 1194.38 feet) along the north line of said Johnson Survey and along the south line of said Adams Survey, and along a northerly line of said 956.759 acre tract and the south line of said 36.10 acre tract, passing the southeast corner thereof and a southwesterly corner of a called 184.5 acre tract described in deed and recorded in Volume 752, Page 694 DRECT, to a 5/8" steel rod found for the recognized northeast corner of said Johnson Survey and the west corner of said McKinney & Williams Survey for most northerly northeast corner of this tract, and being an inset corner of said 184.5 acre tract;

THENCE S 39°32'17" E, 329.15 feet (Deed - S 39°07'31" E, 329.29 feet) along the occupied east line of said Johnson Survey and the southwest line of said McKinney & Williams Survey, and along a northeasterly line of said 956.759 acre tract and a southwesterly line of said 184.5 acre tract, to a 5/8" steel rod found for a northeast corner of this tract, and being an inset corner of said 184.5 acre tract;

THENCE S 00°08'07" E, 1561.46 feet (Deed - S 00°08'28" W, 1561.32 feet) along an easterly line of said 956.759 acre tract and a west line of said 184.5 acre tract to a 1/2" steel rod found in the south line of said Johnson Survey and the north line of said Bedwell Survey for an inset corner of this tract and same for said 184.5 acre tract;

THENCE N 89°48'30" E, 849.09 feet (Deed - S 89°55'34" W, 849.09 feet) along the south line of said Johnson Survey and the north line of said Bedwell Survey, and along a northerly line of said 956.759 acre tract and a south line of said 184.5 acre tract, to a 1/2" steel pipe found in the northeast line of said Bedwell Survey, and for the southeast corner of said Johnson Survey, the southwest corner of said McKinney & Williams Survey, and the northwest corner of said Havens Survey, and being a northerly corner of said 956.759 acre tract and a southerly corner of said 184.5 acre tract;

THENCE S 59°22'00" E, 435.54 feet (Deed - S 59°06'00" E, 435.54 feet) along a northerly line of said 956.759 acre tract and a southwest line of said 184.5 acre tract, to a 1/2" steel pipe found for a northerly corner of said 956.759 acre tract and a southerly corner of said 184.5 acre tract;

THENCE N 63°12'54" E, 1518.41 feet (Deed - N 63°30'02" E, 1518.75 feet) along a northerly line of said 956.759 acre tract and a southerly line of said 184.5 acre tract, passing the Havens-McKinney & Williams Survey Line, to a 1/2" steel pipe found for a northerly corner of said 956.759 acre tract, and being a southeasterly corner of said 184.5 acre tract, and being a southwesterly corner of a called 117.016 acre tract described as "First Tract" in deed and recorded in Volume 626, Page 321 DIRECT;

THENCE S 56°43'30" E, 894.53 feet (Deed - S 56°25'41" E, 894.00 feet) along a northeasterly line of said 956.759 acre tract and a southwesterly line of said 117.016 acre tract, passing the McKinney & Williams-Garcia Survey Line to a 1/2" steel rod set at or near the occupied south line of said Garcia Survey and the north line of said Havens Survey for a northeasterly corner of said 956.759 acre tract and a southerly corner of said 117.016 acre tract;

THENCE N 60°27'27" E, 525.22 feet (Deed - N 60°44'07" E, 525.86 feet) along a northeasterly line of said 956.759 acre tract and a southeasterly line of said 117.016 acre tract to a 1/2" steel rod found for corner, and being the east corner of a called 34.02 acre tract described as "Fifth Tract" in deed and recorded in Volume 626, Page 321 DIRECT;

THENCE S 19°36'56" E, 1124.36 feet (Deed - S 19°20'35" E, 1124.30 feet) along an easterly line of said 956.759 acre tract and the west line of said 34.02 acre tract, passing the Garcia-Havens Survey Line, to a 1/2" steel pipe found for corner;

THENCE S 48°47'10" E, 815.43 feet (Deed - S 48°29'09" E, 815.55 feet) continuing along an easterly line of said 956.759 acre tract and the west line of said 34.02 acre tract to a 1/2" steel rod set for corner, and being the south corner of said 34.02 acre tract;

THENCE N 59°57'22" E, 656.24 feet (Deed - N 60°10'21" E, 656.52 feet) along a northerly line of said 956.759 acre tract and the southeast line of said 34.02 acre tract to a 1/2" steel rod set for corner, and being the east corner of said 34.02 acre tract, and being in the southwest line of a called 50 acre tract described as "Fourth Tract" in deed and recorded in Volume 626, Page 321 DIRECT;

THENCE S 30°45'20" E, 330.87 feet (Deed - N 60°10'21" E, 656.52 feet) along an easterly line of said

956.759 acre tract and the southwest line of said 50 acre tract to a 1/2" steel pipe found in the recognized southeast line of said Havens Survey and the northwest line of said James Survey, said point also being the northeast corner of said 3.105 acre tract, said point also being a northwest corner of a called 850.099 acre described in deed and recorded in Volume 1316, Page 537 OPRECT;

THENCE S 00°21'58" E, 449.93 feet (Dahlgren Deed - S 00°06'48" W) along the east line of said 3.105 acre tract and a northwesterly line of 850.099 acre tract to a 1/2" steel rod set for corner;

THENCE S 00°20'50" W, 329.11 feet continuing along the east line of said 3.105 acre tract and a northwesterly line of 850.099 acre tract to a 1/2" steel rod set for a southeast corner of said 956.759 acre tract;

THENCE S 61°01'28" W, 1996.26 feet (Deed - S 61°15'00" W, 1996.26 feet) along a southeasterly line of said 956.759 acre tract and a northwesterly line of said 850.099 acre tract, passing the James-Bedwell Survey Line to a 1/2" steel rod set for corner;

THENCE S 60°54'58" W, 1287.20 feet (Deed - S 61°15'00" W, 1288.90 feet) continuing along a southeasterly line of said 956.759 acre tract and a northwesterly line of said 850.099 acre tract to a 1/2" steel rod set for corner;

THENCE S 50°27'01" W, 1288.90 feet (Deed - S 50°39'00" W, same distance) continuing along a southeasterly line of said 956.759 acre tract and a northwesterly line of said 850.099 acre tract to a 1/2" steel rod set in Parks School House Road for corner;

THENCE S 46°45'00" E, 313.75 feet (Deed - Same Bearing) along said road, and continuing along a southeasterly line of said 956.759 acre tract and a northwesterly line of said 850.099 acre tract to a 1/2" steel rod set in the recognized southeast line of said Bedwell Survey and the northwest line of said Carpenter Survey for a southeast corner of said 956.759 acre tract;

THENCE S 60°04'54" W, 46.40 feet (Deed - Same Bearing, 46.56 feet) along said occupied Bedwell-Carpenter Survey Line to a 1/2" steel rod set for a southeasterly corner of said 956.759 acre tract, and for a northwesterly corner of said 850.099 acre tract, and being the north corner of a called 44.000 acre tract described to deed and recorded in Volume 912, Page 936 OPRECT;

THENCE S 59°54'04" W, 1721.19 feet (Deed - S 60°19'19" W, 1721.14 feet) continuing along said occupied Bedwell-Carpenter Survey Line, and along a southeasterly line of said 956.759 acre tract and the northwest line of said 44.000 acre tract, passing the south corner of said Bedwell Survey and the east corner of said Berry Survey, A-97, continuing along the southeast line thereof to a 1/2" steel rod found for an inset corner of said 956.759 acre tract, and being the north corner of said 96.170 acre tract, and being the west corner of said 44.000 acre tract;

THENCE S 23°23'56" E, 1752.39 feet (Deed - S 23°07'23" E, 1752.78 feet) along the northeast line of said 96.170 acre tract and the southwest line of said 44.000 acre tract, passing the south corner thereof and the west corner of the residual of a called 56.6 acre tract described in deed and recorded in Volume 847, Page 900 DRECT, to a 1/2" steel pipe found for corner, said point also being the east corner of said 96.170 acre tract, said point also being the north corner of said 87.450 acre tract;

THENCE S 21°44'04" E, 1583.81 feet (Deed - S 21°28'03" E, 1584.30 feet) along the northeast line of said 87.450 acre tract and the southwest line of said 56.6 acre residual, passing the south corner thereof and the west corner of a called 68.1052 acre tract described in deed and recorded in Volume 1162, Page 320 OPRECT, to a 1/2" steel pipe found for corner, said point also being the southeast corner of said 87.450 acre tract, said point also being the northeast corner of said 89.10 acre residual;

THENCE S 22°35'40" E, 2568.52 feet (Deed - S 22°45'00" E) along the east line of said 89.10 acre

tract and the southwest line of said 68.1052 acre tract, passing the south corner thereof and the west corner of a called 117.55 acre tract described in deed and recorded in Volume 616, Page 963 DIRECT, to a 1/2" steel rod set for a southeast corner of said 89.10 acre residual, and being the most northerly corner of a called 31.094 acre tract described in deed and recorded in Volume 1526, Page 153 OIRECT;

THENCE S 77°36'45" W, 241.34 feet along the south line of said 89.10 acre residual and the north line of said 31.094 acre tract to a 1/2" steel rod found for a northeast corner of said 75.616 acre tract;

THENCE S 07°05'55" E, 712.57 feet (Deed - S 06°48'36" W, 712.04 feet) along the east line of said 75.616 acre tract and the west line of said 31.094 acre tract to a 3/8" steel rod found for corner;

THENCE S 05°17'25" W, 1044.82 feet (Deed - S 05°35'11" W, 1046.06 feet) continuing along the east line of said 75.616 acre tract and the west line of said 31.094 acre tract, passing a westerly corner thereof and the northwest corner of a residual of a called 5.0 acre tract described in deed and recorded in Volume 605, Page 48 DIRECT, continuing along the west line thereof to a 1/2" steel rod found for the most southerly corner of said 75.616 acre tract, and for the southwest corner of said 5.0 acre residual, said point also being in the north line of U.S. Highway 287 (a variable width right-of-way);

THENCE N 58°02'50" W, 2113.81 feet (Deed - N 57°41'11" W, 2114.06 feet) along the southwest line of said 75.616 acre tract and a northeast line of said Highway, passing the southwest line of said Carpenter Survey and the northeast line of said Coleman Survey, to a 1/2" steel rod found in the recognized northwest line of said Coleman Survey and the southeast line of said Rafferty Survey for the southeast corner of said 75.616 acre tract;

THENCE N 00°29'27" E, 277.37 feet (Deed - N 01°43'32" W, 272.36 feet) along a westerly line of said 75.616 acre tract and a northeasterly line of said Highway, passing the southwest line of said Carpenter Survey and the northeast line of said Rafferty Survey, said point also being the most southerly corner of said 87.450 acre tract;

THENCE along the southwest line of said 87.450 acre tract and the northeast line of said Highway as follows:

N 57°29'58" W, 756.93 feet to a highway monument for corner;

N 43°23'59" W, 103.19 feet to a highway monument for corner;

N 57°27'26" W, 300.13 feet to a point for the southwest corner of said 87.450 acre tract, said point also being the southeast corner of said 207.808 acre tract;

THENCE along the southwest line of said 120.358 acre tract and the northeast line of said Highway as follows:

N 71°39'44" W, 102.79 feet to a highway monument for corner;

N 57°29'01" W, 1398.16 feet to a 1/2" steel rod set for corner;

N 38°53'11" W, 106.71 feet to a 1/2" steel rod set for corner;

N 57°21'44" W, 299.32 feet to a 1/2" steel rod set for corner;

N 76°13'48" W, 106.27 feet to a highway monument for corner;



N 57°33'35" W, 752.72 feet to a 1/2" steel rod set for the west corner of said 120.358 acre tract, said point also being the south corner of the residual of a called 327.50 acre tract described in deed and recorded in Volume 248, Page 464 DRECT;

THENCE N 32°34'29" E, 2234.49 feet along a northwest line of said 120.358 acre tract and the southeast line of said 327.50 acre residual tract, passing the said Rafferty-Carpenter Survey Line, to a 1/2" steel rod found for a northwest corner of said 120.358 acre tract, said point also being in the west line of said 96.170 acre tract of land, and being the east corner of said 327.50 acre residual tract; THENCE N 38°00'15" W, 692.46 feet (Deed - N 37°45'19" W, 692.89 feet) along the southwesterly line of said 96.170 acre tract and the northeast line of said 327.50 acre residual tract to a 1/2" steel rod found for the recognized west corner of said Carpenter Survey, the south corner of said Berry Survey, A-96, the east corner of said Duritt Survey, and the north corner of said Rafferty Survey, and for the west corner of said 96.170 acre tract;

THENCE N 58°53'12" E, 12.82 feet (Deed - N 60°10'19" E, 13.30 feet) along the occupied Duritt-Berry Survey Line, and along the north line of said 96.170 acre tract and the northeast line of said 327.50 acre residual to a 1/2" steel rod found, said point also being the south corner of said 166.081 acre tract;

THENCE N 30°40'50" W, 2117.06 feet (Deed - N 37°45'19" W, 692.89 feet) continuing along the occupied Duritt-Berry Survey Line, and along the southwest line of said 166.081 acre tract and the northeast line of said 327.50 acre residual tract to a 1/2" steel rod found, said point also being the north corner of said 327.50 acre residual tract and being the east corner of said 208.763 acre tract;

THENCE S 59°46'01" W, 1517.89 feet (Deed - S 59°58'14" W, 1517.89 feet) along the southeast line of said 208.763 acre tract and the northwest line of said 327.50 acre residual tract to a 1/2" steel rod found for the most southerly corner of said 208.763 acre tract, said point also being the east corner of a called 31.959 acre tract described as "Tract 1" in deed and recorded in Volume 1604, Page 919 ORECT;

THENCE N 29°08'24" W, 1529.85 feet (Deed - N 28°52'04" W, 1529.85 feet) along a southwesterly line of said 208.763 acre tract and the northeast line of said 31.959 acre tract to a 1/2" steel rod found for corner, and being the north corner of said 31.959 acre tract;

THENCE S 60°50'36" W, 640.88 feet (Deed - S 61°08'17" W, 640.96 feet) along a southeasterly line of said 208.763 acre tract and the northwest line of said 31.959 acre tract to a 1/2" steel rod found in the southwest line of said 208.763 acre tract and also being a northeast line of said Highway;

THENCE along the southwesterly line of said 208.763 acre tract and a northeast line of said Highway as follows:

N 25°41'08" W, 71.48 feet to a highway monument for corner;

N 80°52'07" W, 69.97 feet to a highway monument for corner;

N 29°05'15" W, 694.24 feet to a highway monument corner;

N 22°16'42" W, 390.34 feet to a highway monument corner;

N 14°55'10" W, 1000.41 feet to a 1/2" steel rod set for corner;

N 16°44'17" W, 499.95 feet to a 1/2" steel rod set for corner;

And N 14°23'58" W, 929.05 feet to a 1/2" steel rod set for corner, said rod being the south corner of a residual of a called 322.14 acre tract described in deed and recorded in Volume 361, Page 280  
DIRECT;

THENCE N 60°19'46" E, 1476.25 feet along the northwest line of said 208.763 acre tract and the southeast line of said 322.14 acre residual to a 1/2" steel rod set in a cattle guard and in Parks School House Road, and in the northeast line of said Duritt Survey, and the southwest line of said Collier Survey, and same for said 956.759 acre tract, for the north corner of said 208.763 acre tract, and the east corner of said 322.14 acre residual tract;

THENCE N 30°28'59" W, 902.96 feet along said road, and along said Duritt-Collier Survey Line, and along a southwesterly line of said 956.759 acre tract and the northeast line of said 322.14 acre residual tract to the POINT OF BEGINNING, and containing approximately 1767.516 acres of land.

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COUNTY CLERK'S MEMO  
Instrument UNSATISFACTORY  
For microfilm recording

Exhibit B to Assessment Roll

BEING a 233.182 acre tract of land situated in the R. M. Berry Survey, Abstract No. 96, R. M. Berry Survey, Abstract No. 97, G. Carpenter Survey, Abstract No. 190, and the M. Rafferty Survey, Abstract No. 898, Ellis County, Texas, and being part of a called 95.85 acre tract of land conveyed to Ellis County Livestock, Inc. by Deed recorded in Volume 758, Page 207, Deed Records, Ellis County, Texas, part of a 96.170 acre tract of land conveyed to Ennis Auction Company, Inc. by Deed recorded in Volume 1043, Page 371, Deed Records, Ellis County, Texas, part of a 87.450 acre tract and a 75.616 acre tract of land conveyed to Greg Loftis by Deed recorded in Volume 1061, Page 145, Deed Records, Ellis County, Texas, part of a 166.081 acre tract and a 120.358 acre tract of land conveyed to Ennis Auction Company, Inc. by Deed recorded in Volume 1047, Page 525, Deed Records, Ellis County, Texas, and part of a 956.759 acre tract of land conveyed to Ennis Auction Company, Inc. by Deed recorded in Volume 1047, Page 533, Deed Records, Ellis County, Texas. Said 233.182 acre tract, with bearing basis of grid north, Texas State Plane Coordinates, North Central Zone, NAD 83 Datum, being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 inch iron rod found for corner, said point being the northeast corner of said 96.170 acre tract, being on the south line of said 956.759 acre tract and being the northwest corner of a 44.00 acre tract of land conveyed to Jane Sawyer Jarratt by Deed recorded in Volume 912, Page 936, Deed Records, Ellis County, Texas;

THENCE, South 24 degrees 19 minutes 22 seconds East, along the common line of said 96.170 acre tract and said 44.00 acre tract and along the southwest line of the remainder of a 56.6 acre tract of land conveyed to the Rubh Stollenwerk and Elizabeth Ann Campbell Trust by Deed recorded in Volume 847, Page 900, Deed Records, Ellis County, Texas, a distance of 1753.04 feet to a 1/2 inch iron rod pipe found for the common southeast corner of aforesaid 96.170 acre tract and the northeast corner of aforesaid 87.450 acre tract;

THENCE, South 22 degrees 39 minutes 36 seconds East, along the common southwest line of said 56.6 acre tract, the northeast line of said 87.450 acre tract, and the southwest line of a 68.1052 acre tract of land conveyed to Lawrence O. Trojacek by Deed recorded in Volume 1162, Page 320, Deed Records, Ellis County, Texas, a distance of 1583.45 feet to a 1/2 inch iron pipe found for the common southeast corner of said 87.450 acre tract and the northeast corner of aforesaid 95.85 acre tract;

THENCE, South 22 degrees 43 minutes 40 seconds East, continuing along said common southwest line of 68.1052 acre tract and the northeast line of said 95.85 acre tract, distance of 663.62 feet to a 1 inch iron pipe found for corner;

THENCE, South 23 degrees 51 minutes 01 seconds East, continuing along said northeast line of 95.85 acre tract, a distance of 1918.49 feet to a point in a pond for corner on said northeast line of 95.85 acre tract and being the northeast corner of a 31.094 acre tract of land conveyed to J. A. Loftis, III by Deed recorded in Volume 1526, Page 153, Deed Records, Ellis County, Texas;

THENCE, South 74 degrees 23 minutes 36 seconds West, along the north line of said 31.094 acre tract, a distance of 247.58 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner at the northwest corner of said 31.094 acre tract and being on the west line of said 95.85 acre tract and on the east line of aforesaid 75.616 acre tract;

THENCE, South 08 degrees 01 minutes 17 seconds East, along the common west line of said

31.094 acre tract and the common east line of said 75.616 acre tract, a distance of 689.60 feet to a 3/8 inch iron rod found for corner;

THENCE, South 04 degrees 24 minutes 42 seconds West, continuing along said common line of 31.094 acre tract and 75.616 acre tract, and the west line of a 5.0 acre tract of land conveyed to David McMayon Ross and wife, Nancy J. Ross by Deed recorded in Volume 605, Page 48, Deed Records, Ellis County, Texas, and the west line of a tract of land conveyed to Charles C. Koening by Deed recorded in Volume 394, Page 97, Deed Records, Ellis County, Texas, a distance of 1047.76 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner on the north line of U.S. Highway No. 287 (a variable width right-of-way) and being the northeast corner of a 8.194 acre tract of land conveyed to the State of Texas by Deed recorded in Volume 584, Page 261, Deed Records, Ellis County, Texas;

THENCE, along the north line of said 8.194 acre tract, being the north right-of-way line of said U.S. Highway No. 287, the following courses and distances:

North 58 degrees 23 minutes 26 seconds West, a distance of 15.24 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

North 61 degrees 15 minutes 11 seconds West, a distance of 400.50 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

North 58 degrees 23 minutes 26 seconds West, a distance of 1514.08 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

THENCE, over and across, aforesaid 75.616 acre tract, 87.450 acre tract, 120.358 acre tract, 96.170 acre tract, 166.081 acre tract and 956.759 acre tract, the following courses and distance:

North 31 degrees 01 minutes 29 seconds East, a distance of 51.02 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner and the beginning of a tangent curve to the right having a central angle of 10 degrees 53 minutes 15 seconds, a radius of 500.00 feet, and a long chord that bears North 36 degrees 28 minutes 07 seconds East, a distance of 94.87 feet;

Along said tangent curve to the right, an arc distance of 95.01 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner and the beginning of a reverse curve to the left having a central angle of 10 degrees 53 minutes 15 seconds, a radius of 500.00 feet, and a long chord that bears North 36 degrees 28 minutes 07 seconds East, a distance of 94.87 feet;

Along said reverse curve to the left, an arc distance of 95.01 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

North 31 degrees 01 minutes 29 seconds East, a distance of 320.84 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner and the beginning of a tangent curve to the left having a central angle of 66 degrees 45 minutes 31 seconds, a radius of 1090.82 feet, and a long chord that bears North 02 degrees 21 minutes 16 seconds West, a distance of 1200.29 feet;

Along said tangent curve to the left, an arc distance of 1270.97 feet to a 5/8 inch iron rod with yellow cap stamped "Carter Burgess" set for corner and the beginning of a reverse curve to the

right having a central angle of 16 degrees 31 minutes 47 seconds, a radius of 9462.23 feet, and a long chord that bears North 27 degrees 28 minutes 08 seconds West, a distance of 2720.40 feet;

Along said reverse curve to the right, an arc distance of 2729.85 feet to a WES 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner and the beginning of a reverse curve to the left having a central angle of 16 degrees 14 minutes 43 seconds, a radius of 3468.00 feet, and a long chord that bears North 27 degrees 19 minutes 36 seconds West, a distance of 980.00 feet;

Along said reverse curve to the left, an arc distance of 983.29 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner and the beginning of a reverse curve to the right having a central angle of 11 degrees 07 minutes 35 seconds, a radius of 1232.00 feet, and a long chord that bears North 29 degrees 53 minutes 09 seconds West, a distance of 238.87 feet;

Along said reverse curve to the right an arc distance of 239.25 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

North 24 degrees 19 minutes 22 seconds West, a distance of 1079.20 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

North 65 degrees 40 minutes 38 seconds East, a distance of 1422.85 feet to a 5/8 inch iron rod with yellow plastic cap stamped "Carter Burgess" set for corner;

South 24 degrees 19 minutes 22 seconds East, a distance of 555.36 feet the POINT OF BEGINNING and CONTAINING 233.182 acres of land, more or less.

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Exhibit C to Assessment Roll

BEING A 293.183 ACRE TRACT OF LAND SITUATED IN THE S.M. DURITT SURVEY, ABSTRACT NO. 272, THE M. RAFFERTY SURVEY, ABSTRACT, NO. 898, THE G. CARPENTER SURVEY, ABSTRACT NO. 190 AND THE R.M. BERRY SURVEY ABSTRACT NO. 96, CITY OF WAXAHACHIE, ELLIS COUNTY, TEXAS, AND BEING PART OF A 75.616 ACRE TRACT AND AN 87.450 ACRE TRACT OF LAND CONVEYED TO GREG LOFTIS BY DEED RECORDED IN VOLUME 1061, PAGE 145, DEED RECORDS, ELLIS COUNTY, TEXAS, ALSO BEING PART OF A 166.081 ACRE TRACT OF LAND (TRACT 1), A 208.763 ACRE TRACT OF LAND (TRACT 2) AND A 120.358 ACRE TRACT OF LAND, (TRACT 3), CONVEYED TO ENNIS AUCTION COMPANY INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS, ALSO BEING PART OF A 96.170 ACRE TRACT OF LAND CONVEYED TO ENNIS AUCTION COMPANY INC. BY DEED RECORDED IN VOLUME 1043, PAGE 371, DEED RECORDS, ELLIS COUNTY, TEXAS, SAID 293.183 ACRE TRACT, WITH BASIS BEARING OF GRID NORTH, TEXAS STATE PLANE COORDINATES, NORTH CENTRAL ZONE NAD 83 DATUM BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR THE SOUTHWEST CORNER OF A 233.182 ACRE TRACT OF LAND CONVEYED TO 287 WAXAHACHIE, L.P. BY DEED RECORDED IN VOLUME 02024, PAGE 886, DEED RECORDS, ELLIS COUNTY, TEXAS AND ON THE NORTH LINE OF A 8.194 ACRE TRACT OF LAND CONVEYED TO STATE OF TEXAS BY DEED RECORDED IN VOLUME 584, PAGE 261, DEED RECORDS, ELLIS COUNTY, TEXAS, SAID POINT BEING THE NORTHEAST RIGHT-OF WAY LINE OF U.S. HWY 287 (A VARIABLE WIDTH RIGHT-OF-WAY);

THENCE, NORTH 58 DEGREES 23 MINUTES 26 SECONDS WEST, ALONG SAID NORTH LINE AND SAID RIGHT-OR-WAY LINE, A DISTANCE OF 183.99 FEET TO A 3/8 INCH IRON ROD FOUND FOR CORNER, SAID POINT BEING ON THE EAST LINE OF A 37.839 ACRE TRACT OF LAND CONVEYED TO STATE OF TEXAS BY DEED RECORDED IN VOLUME 531, PAGE 674, DEED RECORDS, ELLIS COUNTY, TEXAS;

THENCE, NORTH 00 DEGREES 18 MINUTES 29 SECONDS WEST, ALONG SAID EAST LINE AND SAID RIGHT-OR-WAY LINE, DISTANCE OF 277.57 FEET TO A 3/4 INCH IRON ROD FOUND FOR CORNER AT THE NORTHEAST CORNER OF SAID 37.839 ACRE TRACT AND THE SOUTH CORNER OF AFORESAID 87.450 ACRE TRACT;

THENCE, ALONG THE NORTHEAST LINE OF AFORESAID 37.839 ACRE STATE OF

TEXAS TRACT, SOUTH LINE OF SAID 87.450 ACRE TRACT AND SAID RIGHT-OF-WAY LINE, THE FOLLOWING COURSES AND DISTANCES:

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 735.93 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 44 DEGREES 21 MINUTES 25 SECONDS WEST, A DISTANCE OF 103.08 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 300.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 72 DEGREES 25 MINUTES 25 SECONDS WEST, A DISTANCE OF 103.08 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 1400.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 39 DEGREES 06 MINUTES 25 SECONDS WEST, A DISTANCE OF 105.95 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 300.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 77 DEGREES 40 MINUTES 25 SECONDS WEST, A DISTANCE OF 105.95 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 773.66 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER ON THE NORTH CORNER OF SAID 37.839 ACRE STATE OF TEXAS TRACT, THE COMMON SOUTHWEST CORNER OF AFORESAID TRACT 3-120.358 ACRE TRACT, ENNIS AUCTION COMPANY, INC AND BEING THE SOUTH CORNER OF A 196.971 ACRE TRACT CONVEYED BY DEED TO ELLIS COUNTY CENTER DEVELOPMENT, LTD. RECORDED IN VOLUME 1985, PAGE 1495, DEED RECORDS, ELLIS COUNTY, TEXAS;

THENCE, NORTH 31 DEGREES 37 MINUTES 58 SECONDS EAST, ALONG THE NORTHWEST LINE OF SAID TRACT 3-120.358 ACRE TRACT AND THE SOUTH LINE OF SAID 196.971 ACRE TRACT, A DISTANCE OF 2233.31 FEET TO A 1/2 INCH IRON ROD FOUND FOR CORNER ON THE SOUTHWEST LINE OF AFORESAID 96.170 ACRE TRACT AND BEING THE NORTHEAST CORNER OF SAID 196.971 ACRE TRACT;



THENCE, ALONG THE COMMON SOUTHWEST LINE OF SAID 96.170 ACRE TRACT, THE SOUTHWEST LINE OF AFORESAID TRACT 1-166.081 ACRE TRACT, AND NORTHEAST LINE OF SAID 196.971 ACRE TRACT; THE FOLLOWING COURSES AND DISTANCES:

NORTH 38 DEGREES 56 MINUTES 46 SECONDS WEST, A DISTANCE OF 692.46 FEET TO A 1/2 INCH IRON ROD FOUND FOR CORNER ON THE WESTERLY CORNER OF SAID 96.170 ACRE TRACT;

NORTH 57 DEGREES 56 MINUTES 41 SECONDS EAST, A DISTANCE OF 12.82 FEET TO A 1/2 INCH IRON ROD FOUND FOR CORNER ON THE MOST SOUTHERLY CORNER OF AFORESAID 166.081 ACRE TRACT;

NORTH 31 DEGREES 36 MINUTES 41 SECONDS WEST, A DISTANCE OF 2116.91 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER ON THE MOST EASTERLY CORNER OF AFORESAID TRACT 1-208.763 ACRE TRACT AND THE COMMON MOST NORTHERLY CORNER OF SAID 196.971 ACRE TRACT;

THENCE, SOUTH 58 DEGREES 48 MINUTES 34 SECONDS WEST, A DISTANCE OF 1518.52 FEET TO A 2" PIPE FENCE CORNER FOUND FOR CORNER ON THE MOST SOUTHERLY CORNER OF SAID 208.763 ACRE TRACT AND BEING THE EAST CORNER OF A 31.959 ACRE TRACT OF LAND CONVEYED BY DEED AS TRACT 1 TO MUELLER, INC. RECORDED IN VOLUME 1604, PAGE 919, DEED RECORDS, ELLIS COUNTY, TEXAS;

THENCE, NORTH 30 DEGREES 02 MINUTES 35 SECONDS WEST, ALONG THE COMMON SOUTHWEST LINE OF SAID 208.763 ACRE TRACT AND THE NORTHWEST LINE OF SAID 31.959 ACRE TRACT, A DISTANCE OF 504.12 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A NON-TANGENT CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 17 DEGREES 02 MINUTES 32 SECONDS, A RADIUS OF 1000.00 FEET AND A LONG CHORD THAT BEARS NORTH 29 DEGREES 05 MINUTES 42 SECONDS EAST, A DISTANCE OF 296.35 FEET;

THENCE OVER AND ACROSS AFORESAID 208.763 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:

ALONG SAID NON-TANGENT CURVE TO THE LEFT, AN ARC DISTANCE OF 297.44 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 20 DEGREES 34 MINUTES 26 SECONDS EAST, A DISTANCE OF 1347.81 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 19 DEGREES 33 MINUTES 48 SECONDS, A RADIUS OF 1000.00 FEET, AND A LONG CHORD THAT BEARS NORTH 30 DEGREES 21 MINUTES 20 SECONDS EAST, A DISTANCE OF

339.79 FEET;

ALONG SAID TANGENT CURVE TO THE RIGHT, PASSING AT A DISTANCE OF 226.64 FEET THE WEST PROPERTY LINE OF SAID 166.081 ACRE TRACT, A TOTAL ARC DISTANCE OF 341.45 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

THENCE, CONTINUING OVER AND ACROSS SAID 166.081 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 51 DEGREES 22 MINUTES 14 SECONDS EAST, A DISTANCE OF 758.66 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A TANGENT CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 23 DEGREES 43 MINUTES 26 SECONDS, A RADIUS OF 990.00 FEET AND A LONG CHORD THAT BEARS SOUTH 39 DEGREES 30 MINUTES 31 SECONDS EAST, A DISTANCE OF 407.00 FEET;

ALONG SAID TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 409.92 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 27 DEGREES 38 MINUTES 48 SECONDS EAST, A DISTANCE OF 326.32 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A TANGENT CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 17 DEGREES 16 MINUTES 13 SECONDS, A RADIUS OF 910.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 36 DEGREES 16 MINUTES 55 SECONDS EAST, A DISTANCE OF 273.26 FEET;

ALONG SAID TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 274.30 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 44 DEGREES 55 MINUTES 01 SECONDS EAST, A DISTANCE OF 191.24 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A TANGENT CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 14 DEGREES 24 MINUTES 52 SECONDS, A RADIUS OF 990.00 FEET AND A LONG CHORD THAT BEARS SOUTH 37 DEGREES 42 MINUTES 35 SECONDS EAST, A DISTANCE OF 248.41 FEET;

ALONG SAID TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 249.06 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 30 DEGREES 30 MINUTES 09 SECONDS EAST, A DISTANCE OF 1625.70 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

THENCE, NORTH 59 DEGREES 29 MINUTES 33 SECONDS EAST, ALONG SAID NORTHWEST LINE, A DISTANCE OF 725.64 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET ON THE WEST PROPERTY LINE OF AFORESAID 287 WAXAHACHIE, L.P. TRACT;

TRENCE ALONG SAID WEST PROPERTY LINE, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 24 DEGREES 19 MINUTES 22 SECONDS EAST, A DISTANCE OF 344.12 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A TANGENT CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 11 DEGREES 07 MINUTES 35 SECONDS, A RADIUS OF 1232.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 29 DEGREES 53 MINUTES 09 SECONDS EAST, A DISTANCE OF 238.87 FEET;

ALONG SAID TANGENT CURVE TO THE LEFT, AN ARC DISTANCE OF 239.25 FEET AND THE BEGINNING OF A REVERSE CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 16 DEGREES 14 MINUTES 43 SECONDS, A RADIUS OF 3468.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 27 DEGREES 19 MINUTES 36 SECONDS EAST, A DISTANCE OF 980.00 FEET,

ALONG SAID REVERSE CURVE TO THE RIGHT, AN ARC DISTANCE OF 983.29 FEET AND THE BEGINNING OF A REVERSE CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 16 DEGREES 31 MINUTES 47 SECONDS, A RADIUS OF 9462.23 FEET, AND A LONG CHORD THAT BEARS SOUTH 27 DEGREES 28 MINUTES 08 SECONDS EAST, A DISTANCE OF 2720.40 FEET;

ALONG SAID REVERSE CURVE TO THE LEFT, AN ARC DISTANCE OF 2729.85 FEET AND THE BEGINNING OF A REVERSE CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 66 DEGREES 45 MINUTES 31 SECONDS, A RADIUS OF 1090.82 FEET AND A LONG CHORD THAT BEARS SOUTH 02 DEGREES 21 MINUTES 16 SECONDS EAST, A DISTANCE OF 1200.29 FEET;

ALONG SAID REVERSE CURVE TO THE RIGHT, AN ARC DISTANCE OF 1270.97 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 31 DEGREES 01 MINUTES 29 SECONDS WEST, A DISTANCE OF 320.84 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 10 DEGREES 53 MINUTES 15 SECONDS, A RADIUS OF 500.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 36 DEGREES 28 MINUTES 07 SECONDS WEST, A DISTANCE OF 94.87 FEET;

ALONG SAID TANGENT CURVE TO THE RIGHT, AN ARC DISTANCE OF 95.01 FEET AND THE BEGINNING OF A REVERSE CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 10 DEGREES 53 MINUTES 15 SECONDS, A RADIUS OF 500.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 36 DEGREES 28 MINUTES 07

SECONDS WEST, A DISTANCE OF 94.87 FEET;

ALONG SAID REVERSE CURVE TO THE LEFT, AN ARC DISTANCE OF 95.01 FEET  
TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER  
BURGESS" SET FOR CORNER;

SOUTH 31 DEGREES 01 MINUTES 29 SECONDS WEST, A DISTANCE OF 51.02 FEET  
TO THE POINT OF BEGINNING AND CONTAINING 293.183 ACRES OF LAND,  
MORE OR LESS.

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Exhibit D to Assessment Roll

BEING A 21.493 ACRE TRACT OF LAND SITUATED IN THE G. CARPENTER SURVEY, ABSTRACT NO. 190, THE R.M. BERRY SURVEY, ABSTRACT NO. 98 AND THE R.M. BERRY SURVEY, ABSTRACT NO. 97, ELLIS COUNTY, TEXAS, AND BEING PART OF A CALLED 283.182 ACRE TRACT OF LAND CONVEYED TO 287 WAXAHACHIE, L.P. BY DEED RECORDED IN VOLUME 02024, PAGE 0886, DEED RECORDS, ELLIS COUNTY, TEXAS, SAID 211.689 ACRE TRACT, WITH BEARING BASIS OF GRID NORTH, TEXAS STATE PLANE COORDINATES, NORTH CENTRAL ZONE, NAD 83 DATUM, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 5/8 INCH IRON ROD WITH YELLOW CAP STAMPED "CARTER BURGESS" SET FOR THE NORTHEAST CORNER OF AFORESAID 287 WAXAHACHIE TRACT;

THENCE SOUTH 24 DEGREES 19 MINUTES 22 SECONDS EAST, ALONG THE EAST LINE OF SAID 287 WAXAHACHIE TRACT, PASSING AT A DISTANCE OF 559.36 FEET A 1/2 INCH IRON ROD FOUND FOR THE NORTHWEST CORNER OF A 44.00 ACRE TRACT OF LAND CONVEYED TO JANE SAWYER JARRATT BY DEED RECORDED IN VOLUME 512, PAGE 836, DEED RECORDS, ELLIS COUNTY, TEXAS, A TOTAL DISTANCE OF 580.89 FEET TO A 5/8 INCH IRON ROD WITH YELLOW CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

THENCE NORTH 59 DEGREES 29 MINUTES 33 SECONDS EAST, OVER AND ACROSS SAID 287 WAXAHACHIE TRACT, A DISTANCE OF 1431.18 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER ON THE WEST PROPERTY LINE OF AFORESAID 287 WAXAHACHIE, L.P. TRACT, SAME BEING AN EAST LINE OF A 166.081 ACRE TRACT OF LAND CONVEYED TO ENNIS AUCTION COMPANY INC. BY DEED RECORDED IN VOLUME 1047, PAGE 625, DEED RECORDS, ELLIS COUNTY, TEXAS;

THENCE NORTH 24 DEGREES 19 MINUTES 22 SECONDS WEST, ALONG THE WEST PROPERTY LINE OF AFORESAID 287 WAXAHACHIE, L.P. TRACT AND AN EAST LINE OF SAID 166.081 ACRE TRACT A DISTANCE OF 735.08 FEET TO A 5/8 INCH IRON ROD WITH YELLOW CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

THENCE NORTH 65 DEGREES 40 MINUTES 38 SECONDS EAST, ALONG THE NORTH PROPERTY LINE OF AFORESAID 287 WAXAHACHIE, L.P. TRACT A DISTANCE OF 1422.86 FEET TO THE POINT OF BEGINNING AND CONTAINING 21.493 ACRES OF LAND, MORE OR LESS.

COUNTY CLERK'S MEMO  
Instrument UNSATISFACTORY  
For microfilm recording

Exhibit E to Assessment Roll

BEING A 169.065 ACRE TRACT OF LAND SITUATED IN THE S.M. DURITT SURVEY, ABSTRACT NO. 272, THE M. RAFFERTY SURVEY, ABSTRACT, NO. 898 AND THE G. CARPENTER SURVEY, ABSTRACT NO.190, CITY OF WAXAHACHIE, ELLIS COUNTY, TEXAS, AND PART OF A CALLED 196.971 ACRE TRACT OF LAND CONVEYED TO ELLIS COUNTY CTR. DEVELOPMENT, LTD. BY DEED RECORDED IN VOLUME 1985, PAGE 1495, DEED RECORDS, ELLIS COUNTY, TEXAS, SAID 169.065 ACRE TRACT, WITH BASIS BEARING OF GRID NORTH, TEXAS STATE PLANE COORDINATES, NORTH CENTRAL ZONE NAD 83 DATUM BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR THE SOUTHEAST CORNER OF A 73.443 ACRE TRACT OF LAND CONVEYED TO THE STATE OF TEXAS BY DEED RECORDED IN VOLUME 528, PAGE 262, DEED RECORDS, ELLIS COUNTY, TEXAS, AND THE COMMON SOUTH CORNER OF AFORESAID 196.171 ACRE TRACT AND THE COMMON WEST CORNER OF A 120.358 ACRE TRACT OF LAND CONVEYED BY DEED AS TRACT 3 TO ENNIS AUCTION COMPANY, INC. RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, DALLAS COUNTY, TEXAS AND THE NORTHWEST CORNER OF A 37.839 ACRE TRACT OF LAND CONVEYED TO THE STATE OF TEXAS BY DEED RECORDED IN VOLUME 531, PAGE 674, DEED RECORDS, ELLIS COUNTY, TEXAS SAID POINT BEING THE NORTHEAST RIGHT-OF WAY LINE OF U.S. HWY 287 (A VARIABLE WIDTH RIGHT-OF-WAY);

THENCE, ALONG THE NORTHEAST LINE OF SAID 73.443 ACRE TRACT BEING THE NORTHEAST LINE OF SAID U.S. HWY 287, AND THE COMMON SOUTHWEST LINE OF SAID 196.171 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 546.03 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 39 DEGREES 06 MINUTES 25 SECONDS WEST, A DISTANCE OF 105.95 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 200.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 77 DEGREES 40 MINUTES 25 SECONDS WEST, A DISTANCE OF 105.95 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 48 DEGREES 46 MINUTES 25 SECONDS WEST, A DISTANCE OF 482.79 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 38 DEGREES 38 MINUTES 25 SECONDS WEST, A DISTANCE OF 356.49 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

THENCE OVER AND ACROSS SAID 196.171 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

NORTH 59 DEGREES 29 MINUTES 51 SECONDS EAST, A DISTANCE OF 618.58 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 35 DEGREES 30 MINUTES 49 SECONDS WEST, A DISTANCE OF 259.37 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 64 DEGREES 10 MINUTES 45 SECONDS WEST, A DISTANCE OF 263.83 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 30 DEGREES 15 MINUTES 30 SECONDS WEST, A DISTANCE OF 393.98 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 74 DEGREES 15 MINUTES 26 SECONDS WEST, A DISTANCE OF 168.72 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 27 DEGREES 23 MINUTES 49 SECONDS WEST, A DISTANCE OF 559.60 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 22 DEGREES 03 MINUTES 21 SECONDS WEST, A DISTANCE OF 352.30 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 31 DEGREES 26 MINUTES 44 SECONDS WEST, A DISTANCE OF 269.69 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER

BURGESS" SET FOR CORNER ON THE COMMON NORTHWEST LINE OF SAID 196.971 ACRE TRACT AND THE SOUTHEAST LINE OF A 31.959 ACRE TRACT OF LAND CONVEYED TO MULLER INC. BY DEED RECORDED IN VOLUME 1604, PAGE 919, OFFICIAL PUBLIC RECORDS, ELLIS COUNTY, TEXAS,

THENCE NORTH 58 DEGREES 33 MINUTES 16 SECONDS EAST, THE COMMON NORTHWEST LINE OF SAID 196.971 ACRE TRACT AND THE SOUTHEAST LINE OF SAID 31.959 ACRE TRACT A DISTANCE OF 558.27 FEET TO A 2" INCH PIPE FENCE CORNER FOUND FOR THE SOUTHEAST CORNER OF 31.959 ACRE TRACT AND THE COMMON SOUTH CORNER OF A 208.763 ACRE TRACT OF LAND (TRACT 2), CONVEYED TO ENNIS AUCTION COMPANY INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS;

THENCE NORTH 58 DEGREES 48 MINUTES 34 SECONDS EAST, A DISTANCE OF 1518.52 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET ON THE WEST LINE OF A 166.081 ACRE TRACT OF LAND, (TRACT 1), CONVEYED TO ENNIS AUCTION COMPANY INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS AND THE COMMON NORTH CORNER OF SAID 196.971 ACRE TRACT AND THE SOUTHEAST CORNER OF SAID 208.763 ACRE TRACT;

THENCE, SOUTH 31 DEGREES 36 MINUTES 41 SECONDS EAST, ALONG THE COMMON NORTHEAST LINE OF SAID 196.971 ACRE TRACT AND THE SOUTHWEST LINE OF SAID 166.081 ACRE TRACT, A DISTANCE OF 2116.91 FEET TO A 1/2 INCH IRON ROD FOUND FOR CORNER ON THE NORTH LINE OF A 96.170 ACRE TRACT OF LAND, (TRACT 1), CONVEYED TO ENNIS COUNTY COMPANY INC. BY DEED RECORDED IN VOLUME 1043, PAGE 371, DEED RECORDS, ELLIS COUNTY, TEXAS;

THENCE SOUTH 57 DEGREES 56 MINUTES 41 SECONDS WEST, A DISTANCE OF 12.82 FEET TO A 1/2 INCH IRON ROD FOUND ON THE NORTHWEST CORNER OF AFORESAID 96.170 ACRE TRACT;

THENCE, SOUTH 38 DEGREES 56 MINUTES 46 SECONDS EAST, ALONG THE COMMON WEST LINE OF SAID 96.170 ACRE TRACT AND NORTHEAST LINE OF SAID 196.971 ACRE TRACT, A DISTANCE OF 692.46 FEET TO A 1/2 INCH IRON ROD FOUND ON THE NORTHEAST CORNER OF SAID 196.971 ACRE TRACT AND THE COMMON NORTH CORNER OF AFORESAID 120.358 ACRE TRACT;

THENCE, SOUTH 31 DEGREES 37 MINUTES 58 SECONDS WEST, ALONG THE COMMON SOUTHEAST LINE OF SAID 196.971 ACRE TRACT AND THE NORTHWEST LINE OF SAID 120.358 ACRE TRACT, A DISTANCE OF 2233.31 FEET TO THE POINT OF BEGINNING AND CONTAINING 169.065 ACRES OF LAND, MORE OR LESS.



Exhibit F to Assessment Roll

BEING A 28.084 ACRE TRACT OF LAND SITUATED IN THE S.M. DURITT SURVEY, ABSTRACT NO. 272, AND THE M. RAFFERTY SURVEY, ABSTRACT, NO. 898, CITY OF WAXAHACHIE, ELLIS COUNTY, TEXAS, AND PART OF A CALLED 196.971 ACRE TRACT OF LAND CONVEYED TO ELLIS COUNTY CTR. DEVELOPMENT, LTD. BY DEED RECORDED IN VOLUME 1985, PAGE 1495, DEED RECORDS, ELLIS COUNTY, TEXAS, SAID 28.084 ACRE TRACT, WITH BASIS BEARING OF GRID NORTH, TEXAS STATE PLANE COORDINATES, NORTH CENTRAL ZONE NAD 83 DATUM BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING AT A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR THE SOUTHEAST CORNER OF A 73.443 ACRE TRACT OF LAND CONVEYED TO THE STATE OF TEXAS BY DEED RECORDED IN VOLUME 528, PAGE 262, DEED RECORDS, ELLIS COUNTY, TEXAS, AND THE COMMON SOUTH CORNER OF AFORESAID 196.171 ACRE TRACT AND THE COMMON WEST CORNER OF A 120.358 ACRE TRACT OF LAND CONVEYED BY DEED AS TRACT 3 TO ENNIS AUCTION COMPANY, INC. RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, DALLAS COUNTY, TEXAS AND THE NORTHWEST CORNER OF A 37.839 ACRE TRACT OF LAND CONVEYED TO THE STATE OF TEXAS BY DEED RECORDED IN VOLUME 531, PAGE 674, DEED RECORDS, ELLIS COUNTY, TEXAS SAID POINT BEING THE NORTHEAST RIGHT-OF-WAY LINE OF U.S. HWY 287 (A VARIABLE WIDTH RIGHT-OF-WAY);

THENCE, ALONG THE NORTHEAST LINE OF SAID 73.443 ACRE TRACT BEING THE NORTHEAST LINE OF SAID U.S. HWY 287, AND THE COMMON SOUTHWEST LINE OF SAID 196.171 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 546.03 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 39 DEGREES 06 MINUTES 25 SECONDS WEST, A DISTANCE OF 185.95 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 200.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 77 DEGREES 40 MINUTES 25 SECONDS WEST, A DISTANCE OF 105.95 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 48 DEGREES 46 MINUTES 25 SECONDS WEST, A DISTANCE OF 482.79 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 38 DEGREES 38 MINUTES 25 SECONDS WEST, A DISTANCE OF 356.49 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR THE POINT OF BEGINNING;

THENCE, CONTINUING ALONG THE NORTHEAST LINE OF SAID 73.443 ACRE TRACT

BEING THE NORTHEAST LINE OF SAID U.S. HWY 287, AND THE COMMON SOUTHWEST LINE OF SAID 196.171 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:

NORTH 38 DEGREES 38 MINUTES 25 SECONDS WEST, A DISTANCE OF 1490.14 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 27 DEGREES 01 MINUTES 25 SECONDS WEST, A DISTANCE OF 551.72 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 15 DEGREES 26 MINUTES 38 SECONDS WEST, A DISTANCE OF 140.57 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET ON THE COMMON WEST CORNER OF SAID 196.171 ACRE TRACT, THE SOUTH CORNER OF A 31.959 ACRE TRACT OF LAND CONVEYED TO MULLER INC. BY DEED RECORDED IN VOLUME 1604, PAGE 919, OFFICIAL PUBLIC RECORDS, ELLIS COUNTY, TEXAS, THE NORTH CORNER OF SAID 73.443 ACRE TRACT, AND THE SOUTHEAST CORNER OF A 49.945 ACRE TRACT CONVEYED TO THE STATE OF TEXAS, BY DEED RECORDED IN VOLUME 528, PAGE 587, DEED RECORDS, ELLIS COUNTY, TEXAS;

THENCE NORTH 58 DEGREES 33 MINUTES 16 SECONDS EAST, ALONG THE COMMON NORTHWEST LINE OF SAID 196.971 ACRE TRACT AND THE SOUTHEAST LINE OF SAID 31.959 ACRE TRACT, A DISTANCE OF 553.26 FEET TO 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

THENCE OVER AND ACROSS SAID 196.971 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

SOUTH 31 DEGREES 26 MINUTES 44 SECONDS EAST, A DISTANCE OF 269.69 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 22 DEGREES 03 MINUTES 21 SECONDS EAST, A DISTANCE OF 352.30 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 27 DEGREES 23 MINUTES 49 SECONDS EAST, A DISTANCE OF 559.60 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 74 DEGREES 15 MINUTES 26 SECONDS EAST, A DISTANCE OF 168.72 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 30 DEGREES 15 MINUTES 30 SECONDS EAST, A DISTANCE OF 393.98 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 64 DEGREES 10 MINUTES 45 SECONDS EAST, A DISTANCE OF 263.83 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 35 DEGREES 30 MINUTES 49 SECONDS EAST, A DISTANCE OF 259.37 FEET TO A 5/8" IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

**SOUTH 59 DEGREES 29 MINUTES 51 SECONDS WEST, A DISTANCE OF 618.58 FEET  
TO THE POINT OF BEGINNING AND CONTAINING 28.084 ACRES OF LAND, MORE  
OR LESS.**

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Exhibit G to Assessment Roll

## LEGAL DESCRIPTION OF 226-ACRE TRACT OF LAND

BEING A 226.601 ACRE TRACT OF LAND SITUATED IN THE G. CARPENTER SURVEY, ABSTRACT NO. 190 AND THE M. RAFFERTY SURVEY, ABSTRACT 898, CITY OF WAXAHACHIE, ELLIS COUNTY, TEXAS, AND BEING PART OF A 233.182 ACRE TRACT OF LAND, CONVEYED TO 287 WAXAHACHIE L.P. BY DEED RECORDED IN VOLUME 02024, PAGE 0886, DEED RECORDS, ELLIS COUNTY, TEXAS, PART OF A 75.616 ACRE TRACT OF LAND AND PART OF A 87.450 ACRE TRACT OF LAND CONVEYED TO GREG LOFTIS BY DEED RECORDED IN VOLUME I061, PAGE 145, DEED RECORDS, ELLIS COUNTY TEXAS, AND ALSO BEING PART OF A 120.358 ACRE TRACT CALLED TRACT 3 CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1047, PAGE 525, DEED RECORDS, ELLIS COUNTY, TEXAS AND PART OF A 96.170 ACRE TRACT OF LAND CALLED TRACT I, CONVEYED TO ENNIS AUCTION COMPANY, INC. BY DEED RECORDED IN VOLUME 1043, PAGE 371, DEED RECORDS, ELLIS COUNTY, TEXAS; SAID 226.601 ACRE TRACT, WITH REFERENCE BEARING OF GRID NORTH, TEXAS STATE PLANE COORDINATES, NORTH CENTRAL ZONE NAD 83 DATUM BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

**COMMENCING** AT A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR THE SOUTHEAST CORNER OF AFORESAID 287 WAXAHACHIE, L.P. TRACT AND THE COMMON NORTHEAST CORNER OF A 8.194 ACRE TRACT OF LAND CONVEYED TO STATE OF TEXAS BY DEED RECORDED IN VOLUME 584, PAGE 261, DEED RECORDS, ELLIS COUNTY, TEXAS, SAID POINT ALSO BEING ON THE WEST LINE OF A TRACT OF LAND CONVEYED TO THE STATE OF TEXAS BY DEED RECORDED IN VOLUME 584, PAGE 802, DEED RECORDS, ELLIS COUNTY, TEXAS;

THENCE NORTH 04 DEGREES 24 MINUTES 42 SECONDS EAST, ALONG THE EAST LINE OF SAID 287 WAXAHACHIE TRACT AND THE COMMON WEST LINE OF AFORESAID STATE OF TEXAS TRACT, A DISTANCE OF 330.09 FEET TO THE **POINT OF BEGINNING**;

THENCE, OVER AND ACROSS SAID 287 WAXAHACHIE TRACT, THE FOLLOWING COURSES AND DISTANCES:

NORTH 61 DEGREES 15 MINUTES 11 SECONDS WEST, A DISTANCE OF 272.20 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 26 SECONDS WEST, A DISTANCE OF 968.94 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 14 DEGREES 01 MINUTES 46 SECONDS EAST, A DISTANCE OF 570.22 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 71 DEGREES 57 MINUTES 54 SECONDS WEST, A DISTANCE OF 296.78 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A NON-TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 01 DEGREES 19 MINUTES 01 SECONDS, A RADIUS OF 1040.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 30 DEGREES 57 MINUTES 03 SECONDS WEST, A DISTANCE OF 23.91 FEET;

ALONG SAID NON-TANGENT CURVE TO THE RIGHT, AN ARC LENGTH OF 23.91 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 31 DEGREES 36 MINUTES 34 SECONDS WEST, A DISTANCE OF 214.43 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 58 DEGREES 23 MINUTES 25 SECONDS EAST, A DISTANCE OF 5.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 31 DEGREES 36 MINUTES 34 SECONDS WEST, A DISTANCE OF 535.60 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER ON THE NORTH LINE OF SAID 8.194 ACRE TRACT;

THENCE, NORTH 58 DEGREES 23 MINUTES 26 SECONDS WEST, ALONG THE NORTH LINE OF SAID 8.194 ACRE TRACT, PASSING AT A DISTANCE OF 82.20 FEET THE SOUTHEAST CORNER OF AFORESAID 75.626 ACRE TRACT, A TOTAL DISTANCE OF 90.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

THENCE, OVER AND ACROSS AFORESAID GREG LOFTIS TRACTS, THE FOLLOWING COURSES AND DISTANCES:

NORTH 31 DEGREES 36 MINUTES 34 SECONDS EAST, A DISTANCE OF 535.60 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 1212.83 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 31 DEGREES 36 MINUTES 35 SECONDS WEST, A DISTANCE OF 275.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER ON THE NORTH PROPERTY LINE OF A 37.839 ACRE TRACT OF LAND CONVEYED TO THE STATE OF TEXAS BY DEED RECORDED IN VOLUME 531, PAGE 674, DEED RECORDS, ELLIS COUNTY, TEXAS;

THENCE, NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, ALONG SAID NORTH PROPERTY LINE, A DISTANCE OF 90.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

THENCE, OVER AND ACROSS SAID GREG LOFTIS TRACTS AND AFORESAID TRACT 3 AND TRACT 1, ENNIS AUCTION COMPANY INC., THE FOLLOWING COURSES AND DISTANCES:

NORTH 31 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 275.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 625.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 31 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 600.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 858.48 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 31 DEGREES 36 MINUTES 35 SECONDS WEST, A DISTANCE OF 900.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 90.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 31 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 900.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 58 DEGREES 23 MINUTES 25 SECONDS WEST, A DISTANCE OF 628.57 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 38 DEGREES 14 MINUTES 49 SECONDS WEST, A DISTANCE OF 291.04 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 06 DEGREES 02 MINUTES 51 SECONDS EAST, A DISTANCE OF 109.27 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 34 DEGREES 00 MINUTES 55 SECONDS EAST, A DISTANCE OF 107.90 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 51 DEGREES 54 MINUTES 19 SECONDS EAST, A DISTANCE OF 201.21 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 59 DEGREES 29 MINUTES 51 SECONDS EAST, A DISTANCE OF 896.57 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 30 DEGREES 30 MINUTES 09 SECONDS EAST, A DISTANCE OF 375.34 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 55 DEGREES 26 MINUTES 22 SECONDS EAST, A DISTANCE OF 160.99 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 46 DEGREES 22 MINUTES 47 SECONDS EAST, A DISTANCE OF 145.20 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 31 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 130.32 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 63 DEGREES 23 MINUTES 25 SECONDS EAST, A DISTANCE OF 2.29 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER AND THE BEGINNING OF A TANGENT CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 05 DEGREES 00 MINUTES 00 SECONDS, A RADIUS OF 475.00 FEET, AND A LONG CHORD THAT BEARS SOUTH 60 DEGREES 53 MINUTES 25 SECONDS EAST, A DISTANCE OF 41.44 FEET;

ALONG SAID TANGENT CURVE TO THE RIGHT, AN ARC LENGTH OF 41.45 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 58 DEGREES 23 MINUTES 25 SECONDS EAST, A DISTANCE OF 261.32 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 31 DEGREES 36 MINUTES 35 SECONDS EAST, A DISTANCE OF 151.96 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 35 DEGREES 37 MINUTES 27 SECONDS EAST, A DISTANCE OF 66.01 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 44 DEGREES 00 MINUTES 35 SECONDS EAST, A DISTANCE OF 65.62 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 52 DEGREES 22 MINUTES 22 SECONDS EAST, A DISTANCE OF 65.62 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 60 DEGREES 44 MINUTES 09 SECONDS EAST, A DISTANCE OF 65.63 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 67 DEGREES 00 MINUTES 17 SECONDS EAST, A DISTANCE OF 68.73 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 67 DEGREES 20 MINUTES 24 SECONDS EAST, A DISTANCE OF 146.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;



SOUTH 22 DEGREES 39 MINUTES 36 SECONDS EAST, A DISTANCE OF 125.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 67 DEGREES 20 MINUTES 24 SECONDS EAST, A DISTANCE OF 137.85 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BUROESS" SET FOR CORNER;

SOUTH 22 DEGREES 39 MINUTES 36 SECONDS EAST, A DISTANCE OF 554.09 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 67 DEGREES 20 MINUTES 24 SECONDS EAST, A DISTANCE OF 150.00 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 22 DEGREES 39 MINUTES 36 SECONDS WEST, A DISTANCE OF 29.09 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

NORTH 67 DEGREES 20 MINUTES 24 SECONDS EAST, A DISTANCE OF 481.15 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER ON THE EAST PROPERTY LINE OF SAID 287 WAXAHACHIE TRACT;

THENCE, ALONG SAID EAST PROPERTY LINE, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 22 DEGREES 39 MINUTES 36 SECONDS EAST, A DISTANCE OF 596.36 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 22 DEGREES 43 MINUTES 40 SECONDS EAST, A DISTANCE OF 663.62 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 23 DEOREES 51 MINUTES 01 SECONDS EAST, A DISTANCE OF 1918.49 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 74 DEGREES 23 MINUTES 36 SECONDS WEST, A DISTANCE OF 247.58 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 08 DEGREES 01 MINUTES 17 SECONDS EAST, A DISTANCE OF 689.60 FEET TO A 5/8 INCH IRON ROD WITH YELLOW PLASTIC CAP STAMPED "CARTER BURGESS" SET FOR CORNER;

SOUTH 04 DEGREES 24 MINUTES 42 SECONDS WEST, A DISTANCE OF 717.67 FEET TO THE POINT OF BEGINNING AND CONTAINING 226.601 ACRES OF LAND, MORE OR LESS.

Exhibit C to Assessment Ordinance**THE SALE, PLEDGE OR TRANSFER OF RIGHTS GRANTED IN THIS AGREEMENT WITHOUT STRICT COMPLIANCE WITH THE TERMS HEREOF SHALL BE INEFFECTIVE****DISTRICT IMPROVEMENTS PAYMENT AGREEMENT**

This District Improvements Payment Agreement (the "Agreement") is executed between the City of Waxahachie, Texas (the "City") and <sup>287 Waxahachie L.P.</sup> Ellis County CTR ("Developer").

**RECITALS**

WHEREAS, on April 16, 2007, the City Council of the City (the "City Council") approved and adopted Resolution No. 1087 which authorized and created the Waxahachie Public Improvement District No. 1 (the "District") covering the property more particularly described in such Resolution (the "Property");

WHEREAS, on June 18, 2007, the City Council approved and adopted Ordinance No. \_\_\_\_\_ (the "Assessment Ordinance") which, among other things: (i) separately approved a "Service and Assessment Plan", as updated from time to time; (ii) levied special assessments against property within the District (the "Assessments") to pay for the cost of public improvement projects to be undertaken for the special benefit of land within the District; (iii) separately approved an "Assessment Roll", as updated from time to time (including, for each "Parcel" identified on the Assessment Roll, the amount of the Assessment and the corresponding "Annual Installment" if the Assessment is paid in installments);

WHEREAS, Exhibit B to the Service and Assessment Plan identifies public improvement projects to be "undertaken" (including, but not limited to, the acquisition, construction, installation, and improvement of such public improvement projects) for the special benefit of land within the District (the "District Improvements");

WHEREAS, Developer is the owner or developer of land located within the Property ("Developer's Land") and intends to undertake District Improvements that will confer a special benefit on Developer's Land;

WHEREAS, the Assessment Ordinance approves this Agreement and authorizes and directs the execution of this Agreement to set forth the obligations of the City to pay for the cost of District Improvements; and

WHEREAS, this Agreement was approved by the City Council on June, 18, 2007.

NOW THEREFORE, FOR AND IN CONSIDERATION OF DEVELOPER UNDERTAKING DISTRICT IMPROVEMENTS, THE MUTUAL OBLIGATIONS OF THE CITY AND DEVELOPER SET FORTH IN THIS AGREEMENT, AND OTHER GOOD AND VALUABLE CONSIDERATION THE RECEIPT OF WHICH IS ACKNOWLEDGED, THE CITY AND DEVELOPER AGREE AS FOLLOWS:

1. Recitals. The Recitals set forth above are true and correct and form the basis upon which the City and Developer have negotiated and entered into this Agreement.
2. Phased Development of Developer's Land. The City and Developer acknowledge that Developer's Land will be developed in multiple phases, and that the phased development of Developer's Land will be accompanied by the phased undertaking of District Improvements that are required by the City to be completed in accordance with the Planned Development Ordinance (the zoning ordinance applicable to Developer's Land, as defined in the Service and Assessment Plan and as amended) and the City's Subdivision Ordinance, as amended. When, for each phase of development of Developer's Land, the City determines that either: (i) District Improvements have been completed for such phase of development in accordance with the requirements of the Planned Development Ordinance and the City's Subdivision Ordinance; or (ii) financial security (including, but not limited to, proceeds from the issuance of Bonds, as hereinafter defined) to complete District Improvements in accordance with the requirements of the Planned Development Ordinance and Subdivision Ordinance has been provided in a manner approved by the City; then such phase of development of Developer's Land shall be deemed to have received a special benefit from the District Improvements completed or to be completed in connection with such phase of development. When a phase of development of Developer's Land is deemed to have received a special benefit from District Improvements completed or to be completed in connection such phase, the City shall issue Bonds as set forth below and shall collect Assessments and Annual Installments to pay such Bonds.
3. Collection of Assessments and Annual Installments. Assessments and Annual Installments shall be collected and administered as set forth in: (i) the Assessment Ordinance; (ii) the Service and Assessment Plan; (iii) this Agreement; and (iii) any bond indenture or other ordinance, resolution, document, or agreement approved by the City Council in connection with the issuance of any series of Bonds.
4. Issuance of Bonds. The City shall issue a series of bonds in accordance with Chapter 372, Texas Local Government Code (the "Act") payable solely from Assessments (the "Bonds") to finance District Improvements benefiting each phase of development of Developer's Land when such phase of development is benefited by District Improvements as described above; provided, however, the issuance of any series of Bonds prior to completing the District Improvements for a phase of development of Developer's Land (i.e., the issuance of Bonds the proceeds from which will be used as financial security to complete the District Improvements) will be at the sole discretion of the City.

5. Payment for District Improvements. The City shall pay the cost of District Improvements from the proceeds of one or more series of Bonds to be issued by the City (or by any corporation or entity created by the City with the authority to issue Bonds) in accordance with Section 4 of this Agreement.
6. Temporary Notes. If Developer undertakes to complete or fund the completion of District Improvements prior to the issuance of any series of Bonds, the City shall (upon written request of Developer) evidence its obligation to pay for such District Improvements by executing one or more temporary notes in favor of Developer in the form attached to this Agreement as Exhibit A, which temporary notes are payable only from the issuance of Bonds and not from any other funds of the City.
7. Assignment. Developer shall have the right to collaterally assign all or any portion of its right to receive monies under this Agreement to any lender providing monies for the District Improvements being undertaken by Developer upon written notice to (but without requiring the approval of) the City. Otherwise, Developer may not pledge, transfer, or assign this Agreement or any benefits hereunder without the prior written consent of the City which may be withheld for any reason.

Executed to be effective June 18, 2007.

**ELLIS COUNTY CTR DEVELOPMENT, LTD.**

**a Texas limited partnership**

By: Pars Investments, Inc, a Texas corporation  
Its GENERAL PARTNER

By: Mehrdad Moayedi  
Mehrdad Moayedi, President

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

**287 WAXAHACHIE, L.P.**

**a Texas limited partnership**

By: LENNAR TEXAS HOLDING COMPANY, a  
Texas corporation

By: Jack Dawson  
Jack Dawson,

Its GENERAL PARTNER

By: CENTAMTAR TERRAS, L.L.C.,  
A Texas limited liability company,

By: Mehrdad Moayedi  
Mehrdad Moayedi, Sole Member and Sole Manager

Its GENERAL PARTNER

**CITY OF WAXAHACHIE, TEXAS**

Paul Stevens

Paul Stevens, City Manager

Exhibit A to Payment AgreementTEMPORARY NOTE

**THIS NOTE IS NEITHER A NEGOTIABLE INSTRUMENT NOR A  
PUBLIC SECURITY<sup>1</sup>**

MATURITY DATE: \_\_\_\_\_, \_\_, 20\_\_

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FOR VALUE RECEIVED, the City of Waxahachie (the "City"), in the County of Ellis, State of Texas, subject to the terms, conditions, and requirements set forth below, hereby promises to pay to:

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or its permitted assigns (collectively, "Payee"), on or before the Maturity Date stated above, the principal sum of \_\_\_\_\_ No/100<sup>ths</sup> Dollars (\$ \_\_\_\_\_), or so much thereof as shall have been certified to have been advanced and remain outstanding hereunder (such outstanding amount, from time to time is herein referred to as the "Principal Amount"), together with interest accrued on the unpaid principal balance of each advance from day-to-day remaining,

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<sup>1</sup> THIS TEMPORARY NOTE IS NOT A NEGOTIABLE INSTRUMENT AND IS NOT A PUBLIC SECURITY UNDER TEXAS LAW. DEFENSES AGAINST PAYMENT OF THIS TEMPORARY NOTE, INCLUDING RIGHTS OF OFFSET, MAY BE ASSERTED BY THE CITY FOR ANY DEFAULT BY PAYEE IN CONNECTION WITH THE ACQUISITION, CONSTRUCTION, OR IMPROVEMENT OF IMPROVEMENT PROJECTS WITHIN WAXAHACHIE PUBLIC IMPROVEMENT DISTRICT NO 1. THIS TEMPORARY NOTE HAS NOT BEEN REVIEWED OR RATED BY ANY NATIONAL, LOCAL, OR STATE BOND RATING AGENCY.

computed from the date of such advance until the Maturity Date at a rate per annum equal to seven percent (7%). This Note shall not bear interest after the Maturity Date. Each amount of expenditure for work performed on improvements certified by the City Manager of the City, and as reflected on the attached Schedule of Advances, shall be considered an advance hereunder that has been certified. Interest shall accrue and be payable on the Principal Amount from the date of each advance at the rate of seven percent (7%) per annum simple interest until the earlier of the Maturity Date or payment by the City.

The Principal Amount is due and payable on the Maturity Date, including any interest thereon, solely from the proceeds of bonds payable solely from assessments levied by the City in accordance with the provisions of Ordinance No. 2414, adopted by the City on June 18, 2007 (the "Assessment Ordinance"). This Note does not otherwise create a debt or other obligation of the City payable from any source of revenues, taxes, or income of the City, other than as described herein.

This Temporary Note is issued by the City for the purpose of recording and securing the City's obligation to pay Payee, in accordance with the provisions of the Assessment Ordinance and the District Improvements Payment Agreement entered into between the City and Payee, for the costs and expenses paid or incurred by or on behalf of Payee in undertaking (including, but not limited to, acquiring, constructing, installing, and improving) "District Improvements" authorized by the Assessment

Ordinance (which District Improvements are more particularly described by the Service and Assessment Plan attached as Exhibit B to the Assessment Ordinance).

This Temporary Note may be redeemed prior to its scheduled maturity, at the option of the City, on any date on or after the tenth (10<sup>th</sup>) day after City provides Payee written notice of redemption, for a price equal to the principal amount hereof plus unpaid accrued interest hereon to the date fixed for redemption, without premium. Prepayments shall be applied first against unpaid interest and then to the unpaid Principal Amount.

This Temporary Note may not be pledged, transferred or assigned by Payee without the prior written consent of the City, which may be withheld for any reason; provided however, that upon written notice to the City, Payee may collaterally assign its right to receive payment from this Temporary Note to any party that advances money to Payee for purposes of funding the improvements reflected on the attached Schedule of Advances.

The issuance of this Temporary Note is duly authorized by law, and all acts, conditions and things required to be done precedent to and in the issuance of this Temporary Note have been properly done and performed and have happened in regular and due time, form and manner, as required by law.



IN WITNESS WHEREOF, the City has caused this Temporary Note to be executed by the Mayor of the City and attested by the City Secretary of the City on and

as of June, 18 2007.



Nancy Ross  
Nancy Ross, City Secretary,  
City of Waxahachie, Texas

Joe Jenkins  
Joe Jenkins, Mayor  
City of Waxahachie, Texas

[SEAL]

SCHEDULE OF ADVANCES

DATE	AMOUNT OF EXPENDITURES FOR WORK ON DISTRICT IMPROVEMENTS	CITY CERTIFICATION OF EXPENDITURES FOR WORK ON DISTRICT IMPROVEMENTS	AMOUNT OF PAYMENT	OUTSTANDING PRINCIPAL AMOUNT (CUMULATIVE)

EXHIBIT G-1

NOTICE OF OBLIGATION TO PAY PUBLIC IMPROVEMENT DISTRICT ASSESSMENT TO THE CITY OF WAXAHACHIE, ELLIS COUNTY, TEXAS CONCERNING THE PROPERTY AT

\_\_\_\_\_, WAXAHACHIE, TEXAS 75165  
BLOCK \_\_\_\_, Lot \_\_\_\_ SADDLEBROOK ESTATES ADDITION

As the purchaser of this parcel of real property, you are obligated to pay an assessment to the City of Waxahachie, Texas, for improvement projects undertaken by a public improvement district under Chapter 372, Local Government Code. The amount of the assessment against your property is based on whether it is classified as a Type 1 (SF 1), Type 2 (SF 2), or Type 3 (SF 3) parcel as described on Schedule 1 attached to this notice.

THE ASSESSMENT AGAINST A TYPE 1 (SF 1) PARCEL IS \$7,660.00.

THE ASSESSMENT AGAINST A TYPE 2 (SF 2) PARCEL IS \$6,434.00.

THE ASSESSMENT AGAINST A TYPE 3 (SF 3) PARCEL IS \$5,745.00.

The amount of the assessment against your property may be paid in full at any time together with interest to the date of payment. If you do not pay the assessment in full, it will be due and payable in annual installments (including interest and collection costs) as set forth on Schedule 2 for Type 1 (SF 1) parcels, on Schedule 3 for Type 2 (SF 2) parcels, and on Schedule 4 for Type 3 (SF 3) parcels.

The amount of the assessment against your property and the amount of the annual installments are subject to change. More information concerning the amount of the assessment and annual installments and the due date of the assessment and annual installments may be obtained from the City of Waxahachie.

Your failure to pay the assessment or the annual installments could result in a lien on and the foreclosure of your property.

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

\_\_\_\_\_  
\_\_\_\_\_

Signature of Purchaser(s)

**SEE ATTACHED SCHEDULES 1-4**

Schedule 1

PARCEL DESCRIPTIONS BY BLOCK AND LOT, SADDLEBROOK ESTATES ADDITION	PARCEL CLASSIFICATION	ASSESSMENT PER PARCEL
Block Q, Lots 1-8 Block R, Lots 1-13 Block S, Lots 1-4 and 6-15 Block T, Lots 19-28	Type 1 - (SF 1)	\$7,660 (See Schedule 2 for annual installments)
Block G, Lots 1-11 and 31-51 Block H, Lots 1-28 Block I, Lots 1-17 Block J, Lots 1-11	Type 2 - (SF 2)	\$6,434 (See Schedule 3 for annual installments)
Block D, Lots 1 and 2, and 4-30, and 81-107 Block E, Lots 1 and 26 Block F, Lots 1-14 Block X, Lots 1-6	Type 3 - (SF 3)	\$5,745 (See Schedule 4 for annual installments)

Schedule 2Annual Installments – Lot Type 1 (SF 1) Parcels  
Assessment = \$7,660

<u>Year</u>	<u>Principal and Interest</u>	<u>Collection Costs</u>	<u>Total</u>
1	\$473.36	\$11.01	\$484.37
2	\$480.46	\$11.18	\$491.64
3	\$487.67	\$11.34	\$499.01
4	\$494.98	\$11.51	\$506.50
5	\$502.41	\$11.69	\$514.09
6	\$509.94	\$11.86	\$521.80
7	\$517.59	\$12.04	\$529.63
8	\$525.36	\$12.22	\$537.58
9	\$533.24	\$12.40	\$545.64
10	\$541.24	\$12.59	\$553.82
11	\$549.35	\$12.78	\$562.13
12	\$557.59	\$12.97	\$570.56
13	\$565.96	\$13.16	\$579.12
14	\$574.45	\$13.36	\$587.81
15	\$583.06	\$13.56	\$596.63
16	\$591.81	\$13.77	\$605.57
17	\$600.69	\$13.97	\$614.66
18	\$609.70	\$14.18	\$623.88
19	\$618.84	\$14.39	\$633.24
20	\$628.13	\$14.61	\$642.74
21	\$637.55	\$14.83	\$652.38
22	\$647.11	\$15.05	\$662.16
23	\$656.82	\$15.28	\$672.09
24	\$666.67	\$15.51	\$682.18
25	\$676.67	\$15.74	\$692.41
26	\$686.82	\$15.97	\$702.79
27	\$697.12	\$16.21	\$713.34
28	\$707.58	\$16.46	\$724.04
29	\$718.19	\$16.70	\$734.90
30	\$728.97	\$16.96	\$745.92
Total	\$17,769.31	\$413.30	\$18,182.61

Schedule 3Annual Installments – Lot Type 2 (SF 2) Parcels  
Assessment = \$6,434

<u>Year</u>	<u>Principal and Interest</u>	<u>Collection Costs</u>	<u>Total</u>
1	\$397.62	\$9.25	\$406.87
2	\$403.58	\$9.39	\$412.97
3	\$409.64	\$9.53	\$419.17
4	\$415.78	\$9.67	\$425.46
5	\$422.02	\$9.82	\$431.84
6	\$428.35	\$9.96	\$438.31
7	\$434.77	\$10.11	\$444.89
8	\$441.30	\$10.27	\$451.56
9	\$447.92	\$10.42	\$458.34
10	\$454.63	\$10.58	\$465.21
11	\$461.45	\$10.74	\$472.19
12	\$468.38	\$10.90	\$479.27
13	\$475.40	\$11.06	\$486.46
14	\$482.53	\$11.23	\$493.76
15	\$489.77	\$11.39	\$501.16
16	\$497.12	\$11.56	\$508.68
17	\$504.57	\$11.74	\$516.31
18	\$512.14	\$11.91	\$524.06
19	\$519.82	\$12.09	\$531.92
20	\$527.62	\$12.27	\$539.90
21	\$535.54	\$12.46	\$547.99
22	\$543.57	\$12.65	\$556.21
23	\$551.72	\$12.83	\$564.56
24	\$560.00	\$13.03	\$573.03
25	\$568.40	\$13.22	\$581.62
26	\$576.92	\$13.42	\$590.35
27	\$585.58	\$13.62	\$599.20
28	\$594.36	\$13.83	\$608.19
29	\$603.28	\$14.03	\$617.31
30	\$612.33	\$14.24	\$626.57
Total	\$14,926.13	\$347.23	\$15,273.36

Schedule 4

**Annual Installments – Lot Type 3 (SF 3) Parcels  
Assessment = \$5,745**

<u>Year</u>	<u>Principal and Interest</u>	<u>Collection Costs</u>	<u>Total</u>
1	\$355.02	\$8.26	\$363.28
2	\$360.35	\$8.38	\$368.73
3	\$365.75	\$8.51	\$374.26
4	\$371.24	\$8.64	\$379.87
5	\$376.81	\$8.77	\$385.57
6	\$382.46	\$8.90	\$391.36
7	\$388.19	\$9.03	\$397.23
8	\$394.02	\$9.17	\$403.18
9	\$399.93	\$9.30	\$409.23
10	\$405.93	\$9.44	\$415.37
11	\$412.02	\$9.59	\$421.60
12	\$418.20	\$9.73	\$427.93
13	\$424.47	\$9.88	\$434.34
14	\$430.84	\$10.02	\$440.86
15	\$437.30	\$10.17	\$447.47
16	\$443.86	\$10.33	\$454.18
17	\$450.52	\$10.48	\$461.00
18	\$457.27	\$10.64	\$467.91
19	\$464.13	\$10.80	\$474.93
20	\$471.09	\$10.96	\$482.05
21	\$478.16	\$11.13	\$489.29
22	\$485.33	\$11.29	\$496.62
23	\$492.61	\$11.46	\$504.07
24	\$500.00	\$11.63	\$511.64
25	\$507.50	\$11.81	\$519.31
26	\$515.11	\$11.98	\$527.10
27	\$522.84	\$12.16	\$535.01
28	\$530.68	\$12.35	\$543.03
29	\$538.64	\$12.53	\$551.18
30	\$546.72	\$12.72	\$559.44
<b>Total</b>	<b>\$13,326.98</b>	<b>\$310.07</b>	<b>\$13,637.05</b>

SCANNED

Any provision herein which restricts the sale, rental, or use of this described real property because of color or race is invalid and unenforceable under federal law. STATE OF TEXAS, COUNTY OF ELLIS I hereby certify this instrument was filed on the date and time stamped herein and was duly recorded in the volume and page of the OFFICIAL PUBLIC RECORDS of Ellis County Texas as stamped hereon.



*Cindy Palko*  
COUNTY CLERK, ELLIS COUNTY, TEXAS

FILED FOR RECORD - ELLIS COUNTY, TEXAS  
Inst No: 0725587  
on Oct 01, 2007 at 10:45:00 AM