Lewisville City Council

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A G E N D A

LEWISVILLE CITY COUNCIL MEETING
APRIL 20, 2015

LEWISVILLE CITY HALL
151 WEST CHURCH STREET
LEWISVILLE, TEXAS 75057

WORKSHOP SESSION - 6:30 P.M.
REGULAR SESSION - 7:00 P.M.

Call to Order and Announce a Quorum is Present.

WORKSHOP SESSION - 6:30 P.M.

A. Discussion of Regular Agenda Items and Consent Agenda Items

REGULAR SESSION - 7:00 P.M.

A. **INVOCATION:** Councilman Durham

B. **PLEDGE TO THE AMERICAN AND TEXAS FLAGS:**
Mayor Pro Tem Gilmore

C. **PRESENTATIONS:**

1. Police Medal of Valor Award to Officer Robert "Butch" Steinle

2. Presentation by Texas New Mexico Power to City of Lewisville for City's Participation in TNMP Energy Efficiency for Cities Incentive Program Since 2010.

D. **PUBLIC HEARING: Consideration of an Ordinance for a Zone Change Request From Agriculture Open Space (AO) to Light Industrial (LI); 35.171 Acres of Land, Located at the Northeast and Southeast Corners of Valley Parkway and Spinks Road, as Requested by DFW Lewisville Partners, G.P., the Property Owner (Case No. PZ-2015-04-07).**

ADMINISTRATIVE COMMENTS:

The Southwest Lewisville Plan identifies the land east of Ace Lane from FM 3040 to SH 121 as being commercial/industrial in nature. Staff is currently reviewing a plat and site plan for the southern tract of land for two new office warehouse buildings on two separate lots on the southern tract and no plans for the northern tract at this time. The requested zone change falls within the plan's recommendations for light industrial uses for this general area and is consistent with other zoning and uses in the area. The Planning and Zoning Commission recommended approval of the zone change request by a vote of 6-0 at their meeting on April 7, 2015.

RECOMMENDATION:

That the City Council approve the proposed ordinance as set forth in the caption above.

PRESENTATION: Nika Reinecke, Dir. of Economic Development/Planning
Al Sorrels, Majestic Realty Co.

E. **VISITORS/CITIZENS FORUM:** At this time, any person with business before the Council not scheduled on the agenda may speak to the Council. No formal action can be taken on these items at this meeting.

F. **CONSENT AGENDA:** All of the following items on the Consent Agenda are considered to be self-explanatory by the Council and will be enacted with one motion. There will be no separate discussion of these items unless a Council Member or citizen so request. For a citizen to request removal of an item, a speaker card must be filled out and submitted to the City Secretary.

1. **APPROVAL OF MINUTES: City Council Minutes of the April 6, 2015, Workshop Session and Regular Session.**

2. **Approval of an Economic Development Agreement by and Between the City of Lewisville and HOYA Optical Labs of America, Inc.; and Authorization for the City Manager to Execute the Contract.**

ADMINISTRATIVE COMMENTS:

HOYA Vision is renovating its facility at 651 E. Corporate Dr. The project includes 82 additional employees and $14 million in new investment to create a state-of-the-art lens manufacturing facility. The proposed agreement requires HOYA to invest at least $14 million in business personal property, occupy at least 89,473 square feet of space in Lewisville, maintain a minimum of 300 full time employees, and contribute $5,000 annually in community support to a City-sponsored event. In turn, the City will provide a 50 percent rebate on HOYA's business personal property taxes for a period of 5 years. These terms are in keeping with the offer made by the City Council to HOYA Optical Labs, Inc. on August 18, 2014.

RECOMMENDATION:

That the City Council approve the Agreement as set forth in the caption above.

G. **REGULAR HEARINGS:**

3. Consideration of the Rental of Toyota of Lewisville Railroad Park by the Lewisville Citizens Police Academy Alumni Association for Fund Raising Purposes; and Consideration of a Variance to the Lewisville City Code, Section 2-201, Fee Schedule, Regarding a Waiver of Athletic Field Rental Fees and Temporary Event Permit Fees Associated With the Battle of the Badge Benefit Softball Tournament.

ADMINISTRATIVE COMMENTS:

The Lewisville Police and Fire Departments, and other local fire and police departments compete in the Battle of the Badge Softball Tournament to benefit the Children's Advocacy Center for Denton County. Battle of the Badge will take place on June 6, 2015 at the Toyota of Lewisville Railroad Park.

RECOMMENDATION:

That the City Council approve the rental and the variance as set forth in the caption above, and require the sponsoring parties to meet the City's standard liability insurance requirements.

4. Consideration of a Variance to Lewisville Code of Ordinances 2-201, Waiver of Special Event Permit Fees in the Amount of $4,344.98 and Waiver of MCL Grand Equipment Rental Fees in the Amount of $7,459.00; and Approval of In-Kind Support Using City Staff and Equipment; Related to "Chalk This Way" Festival to be Held May 9, 2015.

ADMINISTRATIVE COMMENTS:

"Chalk This Way," a family-oriented outdoor festival, will return to Old Town Lewisville for the third year on Saturday, May 9. City Council approved award of an Arts Support Grant in the amount of $11,000 for FY2015. The event organizer is seeking additional support in the form of fee waivers and in-kind assistance.

RECOMMENDATION:

That the City Council approve the request to waive special event and rental fees, and approve in-kind event support, as set forth in the caption above.

5. Consideration of an Ordinance Approving the 2015 Annual Assessment/Service Plan Updates for the Lewisville Castle Hills Public Improvement District (PID) No. 2.

ADMINISTRATIVE COMMENTS:

The City Council created Lewisville Castle Hills Public Improvement District No. 2 in 1999. A Supplemental Assessment/Service Plan update was most recently updated February 2013. Chapter 372 of the Texas Local Government Code requires that an Assessment/Service Plan be updated as the Plan defines the annual indebtedness and the projected costs of the improvements to be provided by a PID and the manner of assessing the property in the PID for the costs of the improvements.

RECOMMENDATION:

That the City Council approve the ordinance as set forth in the caption above.

6. Consideration of an Ordinance Authorizing the Issuance of Not To Exceed $9,285,000 City of Lewisville, Texas, Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project) (the "Series 2015 Refunding Bonds") in Accordance With the Terms of a Trust Agreement; Authorizing the Defeasance and Refunding of $9,285,000 of the Outstanding City of Lewisville, Texas, Combination Contract Revenue and Special Assessment Capital Improvement Bonds, Series 2005 (Lewisville Castle Hills Public Improvement District No. 2) (the "Series 2005 Bonds" or the "Refunded Bonds"); Approving and Authorizing the Execution of a Trust Agreement; Authorizing a Final Offering Statement Pertaining to the Issuance of the Series 2015 Refunding Bonds; Delegating Authority to Authorized Officials to Finalize Certain Sale Terms Relating to the Series 2015 Refunding Bonds, Finalize an Escrow Agreement and Finalize a Bond Purchase Agreement; Providing an Effective Date and Containing Other Matters Related to the Series 2015 Refunding Bonds.

ADMINISTRATIVE COMMENTS:

Denton County Fresh Water Supply District No 1-D has requested the City to authorize and approve the issuance of up to $9,285,000 of said bonds above for the purpose of refunding and defeasing the remaining 2005 bonds and pay certain costs incurred in connection with the issuance of the bonds.

RECOMMENDATION:

That the City Council consider the ordinance as set forth in the caption above.

PRESENTATION: Ross Martin, Kelly Hart and Hallman LLP

7. Consideration of an Ordinance Relinquishing Extraterritorial Jurisdiction Over Three Tracts of Land Which Total 1.216 Acres in Favor of the City of Carrollton, Texas; Acknowledgement of Receipt of a Petition and Approval of a Resolution for the Addition of 33.094 Acres of Land to the Boundaries of Denton County Fresh Water Supply District (DCFWSD) 1-C; and Approval of a Second Amendment to the 1996 Operating Agreement with Castle Hills Property Company to Add the 33.094 Acres of Land; and Authorization to the Mayor to Execute Said Amendment Agreement.

ADMINISTRATIVE COMMENTS:

On April 6, 2015, the Town of Hebron disannexed a 34.733 acre tract of land and relinquished its extraterritorial jurisdiction ("ETJ") in said land in favor of the City of Lewisville. Said land contains (i) a 1.078 acre tract of land on which the widening of Standridge Drive between Hebron Parkway and Polser Road is planned; (ii) a .087 acre tract of land on which a turn lane is required on Hebron Parkway; and (iii) a .051 acre tract of land on which another turn lane is required on Hebron Parkway. The current configuration of Standridge Drive between Hebron Parkway and Polser Road and of Hebron Parkway where the required turn lanes will be constructed are within the city limits of Carrollton. Lewisville desires to relinquish its ETJ over these tracts, which total 1.216 acres, in favor of the City of Carrollton. The remaining 33.517 acres of land relinquished to Lewisville's ETJ by the Town of Hebron remain in Lewisville's ETJ. Within these remaining acres, a petition was submitted by the property owner to add 33.094 acres to the Denton County Fresh Water District 1-C. An amendment to the 1996 Operating Agreement adding this 33.094 acres to land included in the Denton County Fresh Water Supply District is also submitted for approval.

RECOMMENDATION:

That the City Council approve the proposed ordinance, accept the petition and approve the resolution and authorize the Mayor to execute the amendment to the 1996 Operating Agreement.

8. Consideration of a Request by Councilman Vaughn to Attend the National League of Cities Summer Leadership Meeting in Salt Lake City.

ADMINISTRATIVE COMMENTS:

Councilman Vaughn is requesting to attend the National League of Cities Summer Leadership Meeting in Salt Lake City, Utah. The meeting is scheduled for June 9 – 12, 2015. Pursuant to Administrative Policy 1.0, I(C)(b), any out-of-state travel needs to be approved on a case-by-case base by the City Council prior to the trip. There is no registration cost for this meeting; however, there will be travel, hotel, and per diem expenses estimated to make the trip cost around $2,300. Councilman Vaughn currently serves as a member of the NLC Finance, Administration and Intergovernmental Relations Steering Committee.

RECOMMENDATION:

That the City Council consider Councilman Vaughn's request.

H. **REPORTS**: Reports about items of community interest regarding which no action will be taken.

I. **CLOSED SESSION:** In Accordance with Texas Government Code, Subchapter D,

1. Section 551.071 (Consultation with Attorney): Legal Issues Related to the Construction of the Old Town Park Plaza

2. Section 551.071 (Consultation with Attorney/Pending Litigation): *City of Lewisville v. City of Farmers Branch and Camelot Landfill TX, LP*, Cause No.4:12-CV-00782, United States District Court for the Eastern District of Texas, Sherman Division; Texas Commission on Environmental Quality Modification to Municipal Solid Waste Permit No. 1312A; and Texas Commission on Environmental Quality Application to Obtain Municipal Solid Waste Permit Amendment - Permit No. 1312B

3. Section 551.072 (Real Estate): Property Acquisition

4. Section 551.087 (Economic Development): Deliberation Regarding Economic Development Negotiations

J. **RECONVENE** into Regular Session and Consider Action, if Any, on Items Discussed in Closed Session.

K. **ADJOURNMENT**

The City Council reserves the right to adjourn into closed session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

POLICE MEDAL OF VALOR AWARD FOR OFFICER ROBERT "BUTCH" STEINLE

(To be read by Chief Russ Kerbow with Mayor Dean Ueckert assisting)

On November 26, 2014, Officer Steinle responded to a call to locate an armed suspect who had pointed a shotgun at someone. Officer Steinle located the suspect who was fleeing from him in a vehicle which ultimately collided with another vehicle at the RaceTrac convenience store on Round Grove Road. The suspect exited his vehicle where he attempted to steal another vehicle. As Officer Steinle approached, the suspect had his shotgun pointed directly at the car's owner. Officer Steinle ordered the suspect to drop his gun, but instead the suspect fired at Officer Steinle. To protect himself and those around him, Officer Steinle returned fire, striking the suspect and disabling him.

Officer Steinle faced an incredibly stressful, rapidly-evolving situation, and he performed his duties according to training, policy, and procedure. Officer Steinle not only faced the gunman and neutralized the threat to himself and others, but he also provided first aid to the suspect as soon as possible in an effort to save his life. Officer Steinle exhibited courage and bravery in the face of immediate danger. This is a credit to both Officer Steinle's character and his professionalism and is in keeping with the highest traditions of police service.

Therefore, on behalf of the City of Lewisville and the Lewisville Police Department, it is my honor to present you with the Police Medal of Valor.

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Lisa Weaver, Environmental Projects Coordinator

DATE: April 16, 2015

SUBJECT: **Presentation by Texas New Mexico Power to City of Lewisville for City's Participation in TNMP Energy Efficiency for Cities Incentive Program Since 2010**.

BACKGROUND

TNMP's CitySmart Program helps participating cities identify energy efficiency opportunities in existing and newly planned facilities and then provides monetary incentives to implement those qualifying projects. City of Lewisville has performed lighting retrofits and HVAC improvement in thirteen City facilities with another nine facilities with projects in process. The efficiency improvements have resulted in energy savings of 381,774 kilowatt hours and provided over $20,000 in monetary incentives to the City. Estimated energy cost savings for the City have been approximately $40,000 to date.

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Nika Reinecke, Director of Economic Development and Planning

DATE: April 6, 2015

SUBJECT: **Public Hearing: Consideration of an Ordinance for a Zone Change Request From Agriculture Open Space (AO) to Light Industrial (LI); 35.171 Acres of Land, Located at the Northeast and Southeast Corners of Valley Parkway and Spinks Road, as Requested by DFW Lewisville Partners, G.P., the Property Owner (Case No. PZ-2015-04-07).**

BACKGROUND

The Southwest Lewisville Plan identifies the land east of Ace Lane from FM 3040 to SH 121 as being commercial/industrial in nature while the land to the west of Ace Lane being residential in nature. Staff is currently reviewing a plat and site plan for two new office warehouse buildings (249,500 and 329,000 square feet) on two separate lots on the southern tract that will be developed by the property owner, DFW Lewisville Partners, G.P.. Staff is unaware of any plans for the northern tract at this time. DFW Lewisville Partners, G.P. also owns the majority of property between Edmonds Lane and Valley Parkway, south of Spinks Road and have built four other large office warehouse facilities in this area.

ANALYSIS

The site is located within the proposed Southwest Lewisville Land Use Plan boundaries. These two particular sites are located along Spinks Road and Valley Parkway, and have access to SH 121. This is a highly sought area for this type of use having access to both SH 121 and close proximity to DFW Airport, I-35E, I-635 and other major highways. The requested zone change falls within the plan's recommendations for light industrial uses for this general area and is consistent with other zoning and uses in the area. The Planning and Zoning Commission unanimously voted (6-0) to recommend approval of the zone change request at their meeting on April 7, 2015.

RECOMMENDATION

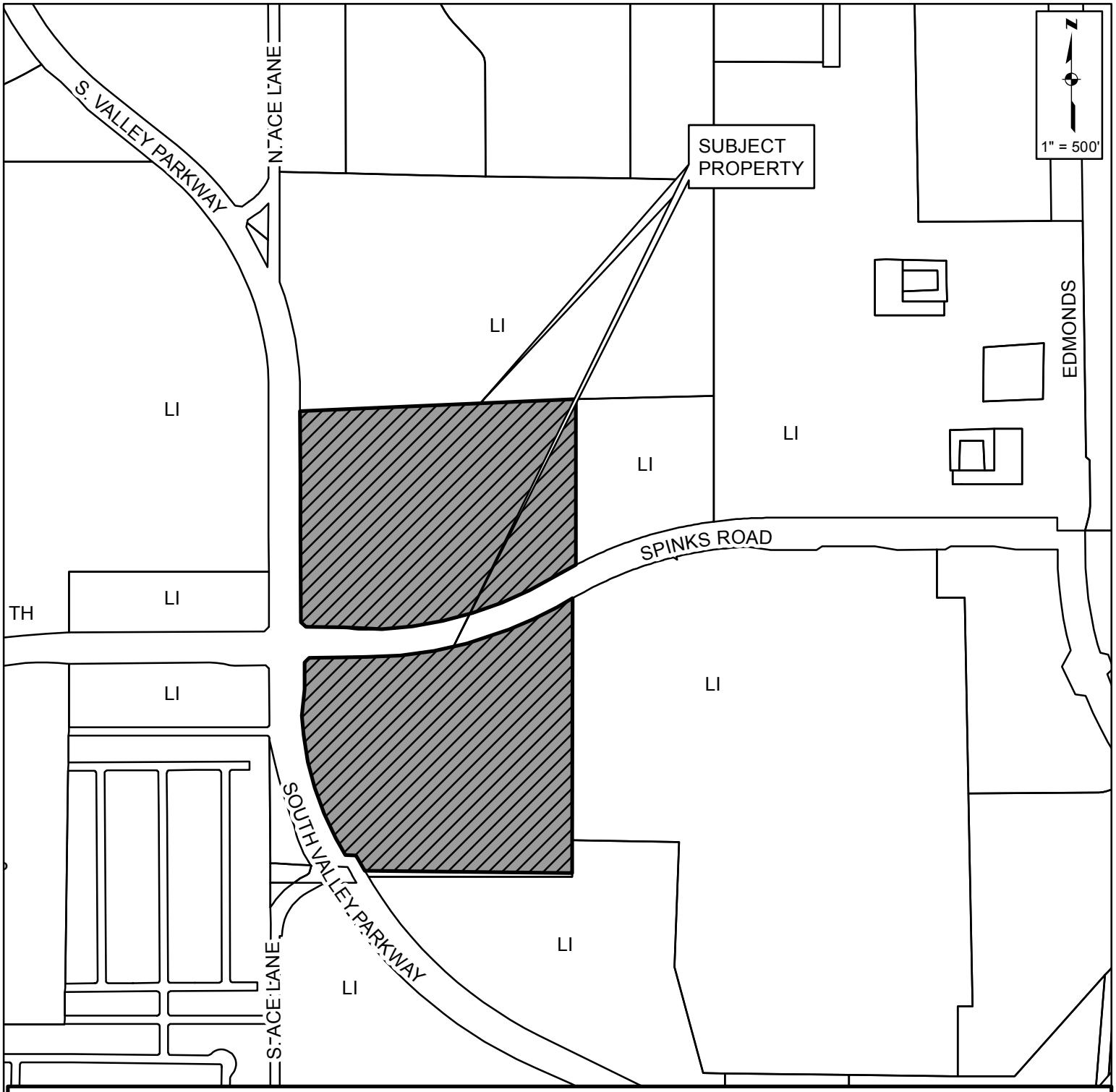
It is City staff's recommendation that the City Council approve the proposed ordinance as set forth in the caption above.

MINUTES
PLANNING AND ZONING COMMISSION
APRIL 7, 2015

Item 5:
Public hearings for Zoning and Special Use Permits were next on the agenda.

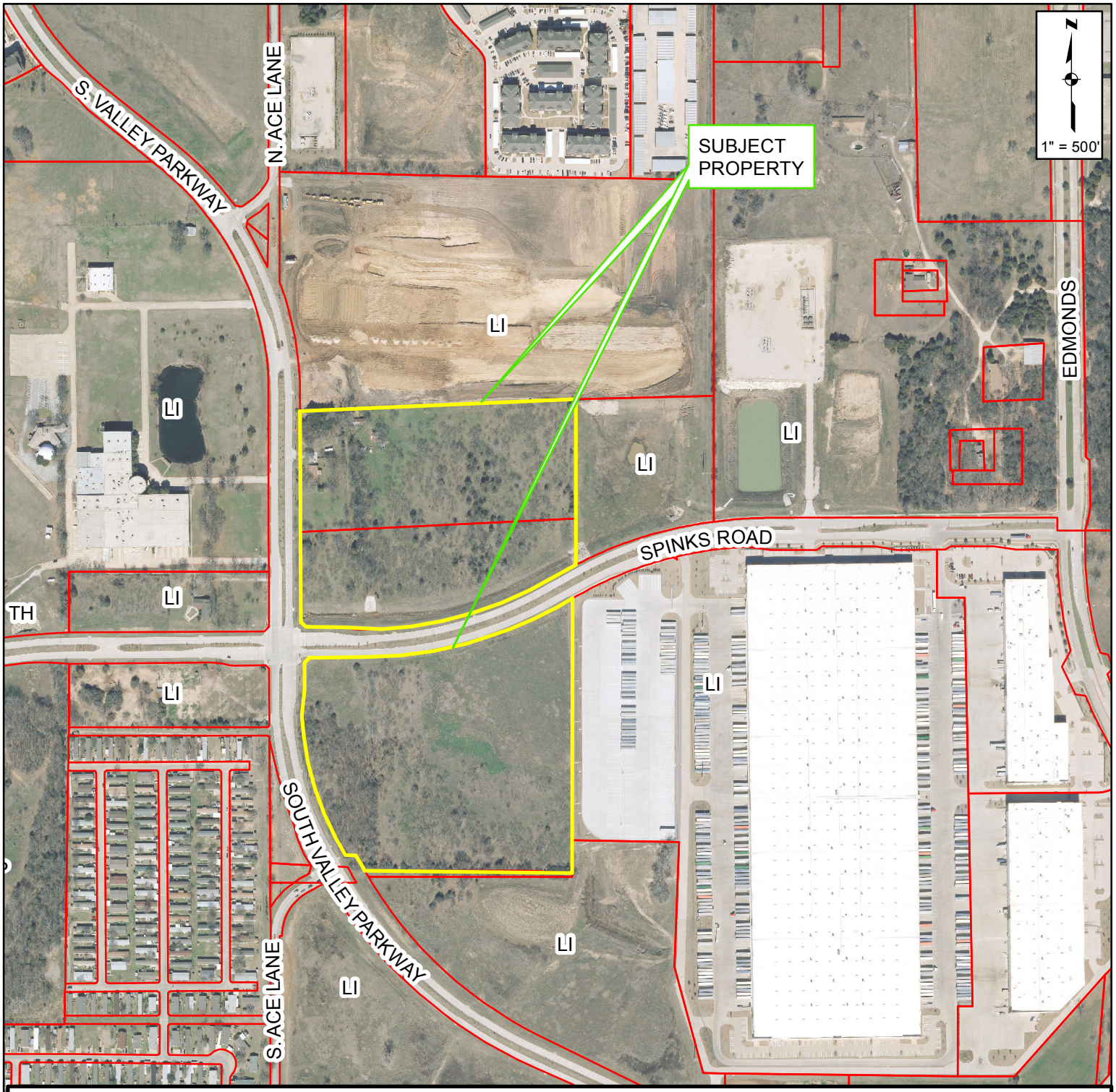
A. Consideration of a zone change request from Agriculture Open Space (AO) to Light Industrial (LI), located on 35.171 acres out of the P. Harmonson Survey, Abstract 530, located on both the northeast and southeast corner of Spinks Road and Valley Parkway. The request is being made by DFW Lewisville Partners, G.P., the property owners (Case No. PZ-2015-04-07).

Staff gave a brief presentation of the zone change request, indicating it was consistent with the surrounding land uses and the South Lewisville Plan. The public hearing was opened and there being no one present to speak on the item, the public hearing was then closed. Brent Daniels asked if staff had seen any plans for the northern site. Staff indicated that they had not seen any plans for the northern site, but was in the process of reviewing plans for the southern site. Kristin asked about the residential area shown on Ace Lane. Staff indicated the residential shown on the aerial was the mobile home park located on ace Lane. There being no other questions, *a motion was made by Brent Daniels to recommend approval of the zone change request, seconded by Sean Kirk. The motion passed unanimously (6-0).*



ZONING CASE NO. PZ-2015-04-07

OWNER NAME:	DFW LEWISVILLE PARTNERS, G.P.
COMPANY NAME:	MAJESTIC REALTY CO
PROPERTY LOCATION:	NORTHEAST CORNER AND SOUTHEAST CORNER OF VALLEY PKWY AND SPINKS RD; FURTHER IDENTIFIED AS TRACTS 4 & 6(PT) OF THE P. HARMONSON SURVEY, ABSTRACT 530 (35.171 ACRES)
CURRENT ZONING:	AGRICULTURE OPEN SPACE (AO)
PROPOSED ZONING:	LIGHT INDUSTRIAL (LI)



ZONING CASE NO. PZ-2015-04-07

OWNER NAME:	DFW LEWISVILLE PARTNERS, G.P.
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CURRENT ZONING:	AGRICULTURE OPEN SPACE (AO)
PROPOSED ZONING:	LIGHT INDUSTRIAL (LI)

This Section (Office Use Only)	
Case:	
PZ:	CC:
Sign/s Picked Up By:	

LEWISVILLE
Deep Roots. Broad Wings. Bright Future.

RECEIVED MAR 2 0 2015

ZONE CHANGE APPLICATION

Owner/s (name):	DFW Lewisville Partners, G.P.
Company Name:	Majestic Realty Co.
Mailing Address:	5400 LBJ Freeway, Suite 110, Dallas, Tx 75240
Work #: (972) 726-0700	Cell #: (214) 697-7730
E-Mail:	asorrels@majestic realty.com
Owner Signature (Owner/s Must Sign or Submit Letter of Authorization):	Date: 3/20/15
Printed Name:	Al Sorrels

Applicant/Agent (name):	Al Sorrels
Company Name:	Majestic Realty Co.
Mailing Address:	5400 LBJ Freeway, Suite 110, Dallas, Tx 75240
Work #: (972) 726-0700	Cell #: (214) 697-7730
E-Mail:	asorrels@majestic realty.com
Applicant/Agent Signature	Date: 3/20/15
Printed Name:	Al Sorrels

Current Zoning: Agricultural Requested Zoning: Light Industrial Acres: 35.171

Legal Description (Lot/ Block/Tract/Abstract): 17.130 acre tract (attached legal description). 18.041 acre tract (legal description attached)

Address/Location: Valley Parkway / Ace Lane, Lewisville, Tx

Application and Sign Fees:

	Less than 1/2 acre	$ 150.00
	1/2 acre up to 4.99 acres	$ 250.00
	5 acres up to 24.99 acres	$ 400.00
X	25 acres up to 49.99 acres	$ 750.00
	50 acres up to 99.99 acres	$1,000.00
	100 acres and more	$1,500.00

Qty: 5	Zone Change Signs - $35 each 1 sign required for each 5 acres (max. 5 per site)	$ ~~275.00~~ 175.00

Sign(s) must be posted a minimum of ten (10) days prior to the Planning & Zoning hearing date.

Amount Due (application & sign fee)	$ ~~775.00~~ 925.00

PAID MAR 2 0 2015

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REQUIRED:

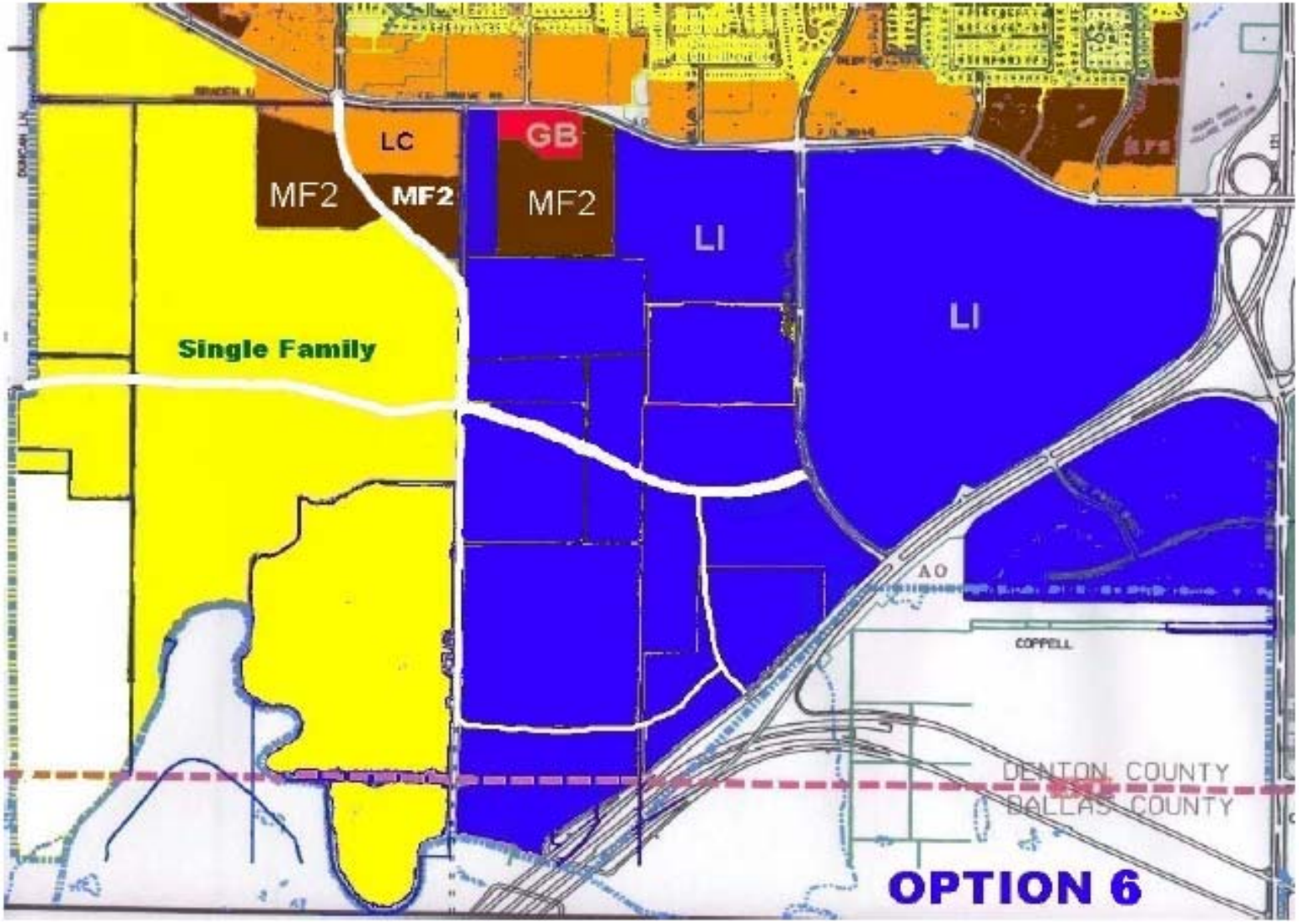
Fully describe the plans for the property

195 acre master planned business park in Lewisville, Tx - Majestic Airport Center DFW
Currently constructing two(2) industrial buildings and associated parking.

Building 4 consisting of 249,500 square feet
Building 6 consisting of 329,060 square feet

NOTE:

Items must be staff approved and deemed complete before they will be placed on an agenda.



South Lewisville Land Use Plan

SECTION 17-6. - "AO" AGRICULTURE – OPEN SPACE DISTRICT REGULATIONS

(a) *Use*. A building or premise shall be used only for the following purposes:

(1) All general and special agricultural, farming, ranching, stock and poultry raising, dairy and other related uses so long as same does not cause a hazard to health by reason of unsanitary conditions; and are not offensive by reason of odors, dust, fumes, noise or vibration; and are not otherwise detrimental to the public welfare; and in all cases poultry or livestock shall be kept as per the city's animal control ordinances.
(2) Public parks and recreation areas.
(3) Single-family dwellings on building lots of one (1) acre or more in areas where such dwellings can be served by city water and/or sanitary sewer services if practical or can be adequately served by water wells and/or septic tanks located on the building lot. The minimum floor area of any dwelling shall be one thousand four hundred (1400) square feet, exclusive of garages, breezeways and porches.
(4) Country clubs or golf courses, but not including miniature golf courses, driving ranges or similar forms of commercial amusement (indoor or outdoor)..
(5) Buildings and uses owned or operated by public governmental agencies.
(6) Church worship facilities.
(7) Schools, private, with full curriculum accredited by the State of Texas equivalent to that of a public elementary or high school.
(8) Temporary buildings for uses incidental to construction work on the premises, which buildings shall be removed upon the completion or abandonment of construction work.
(9) Accessory buildings and uses, customarily incidental to the above uses and located on the same lot therewith, not involving the conduct of a retail business except as provided herein and for home occupations as defined by this ordinance.
(10) Accessory dwelling unit (SUP required).
(11) Private Utility Plants or Sub-stations (including alternative energy) (SUP required).
(12) Gas and oil drilling accessory uses (SUP required).
(13) Cemetery, columbarium, mausoleum and accessory uses (SUP required).

(b) *Height*. No building shall exceed thirty-five (35) feet or two and one-half (2-1/2) stories in height.

(c) *Area*.

(1) *Size of Yards*. All front, side, and rear yards shall have a dimension of not less than one hundred (100) feet.

(2) *Size of Lot*: No lot shall have an area of less than one (1) acre.

(3) *Lot Coverage*. In no case shall more than ten percent (10%) of the total area of the lot be covered by the combined area of the main buildings and accessory buildings.

SECTION 17-23. - "LI" LIGHT INDUSTRIAL DISTRICT REGULATIONS

(a) *Use*. Buildings and premises may be used for retail, wholesale, office and service uses and campus style light manufacturing and industrial uses provided there is no dust, fumes, gas, noxious odor, smoke, glare, or other atmospheric influence beyond the boundaries of the property on which such use is located, and which produces no noise exceeding in intensity at the boundary of the property the average intensity of noise of street traffic at that point, and no more than ten percent (10%) of the total lot is used for outside storage, and further provided that such use does not create fire or explosive hazards on adjacent property.

(1) Any use permitted in districts "LC" and "GB" as regulated in said districts.
(2) Apparel and other products assembled from finished textiles.
(3) Bottling works.
(4) Warehouse distribution facilities.
(6) Airport/Heliport (SUP required).
(7) Auto repair shops including body shops (SUP required).
(8) Church worship facilities.
(9) Buildings and uses owned or operated by public governmental agencies.
(10) Cemetery, mausoleum, crematorium & accessory uses (SUP required).
(11) Cosmetic manufacturer.
(12) Drugs and pharmaceutical products manufacturing.
(13) Private Utility Plants or Sub-stations (including alternative energy) (SUP required).
(14) Electronic products manufacturing.
(15) Fur good manufacture, but not including tanning or dyeing (SUP required).
(16) Gas and oil drilling accessory uses (SUP required).
(17) Glass products, from previously manufactured glass.
(18) Heavy equipment – outdoor rental/sales/service (SUP required).
(19) Household appliance products assembly and manufacture from prefabricated parts.
(20) Industrial and manufacturing plants including the processing or assembling of parts for production of finished equipment.
(21) Musical instruments assembly and manufacture.
(22) Paint, shellac and varnish manufacture (SUP required).
(23) Plastic products manufacture, but not including the processing of raw materials.
(24) Racing facilities (SUP required).
(25) Recreational Vehicle (RV) Park. (Private) (SUP required).
(26) Self storage/mini warehouse facility (SUP required).
(27) Shooting Range (indoor or outdoor) (SUP required.).
(28) Sporting and athletic equipment manufacture.
(29) Testing and research laboratories.
(30) Auction yard (vehicle) (SUP required).
(31) Communication towers (SUP required).
(32) Temporary buildings for uses incidental to construction work on the premises, which buildings shall be removed upon the completion or abandonment of construction work.
(33) Accessory buildings and uses customarily incidental to any of the above uses, provided that such not be objectionable because of odor, smoke, noise, vibration or similar nuisance. Open storage shall be considered an accessory use but no more than ten percent (10%) of the platted lot may be used for outside storage, including access and maneuvering areas for moving the stored items.
(34) Cemetery, columbarium, mausoleum and accessory uses (SUP required).
(35) Other uses similar to the above listed uses are allowed by special use permit (SUP) only, except that the following uses are specifically prohibited:
    a. Acetylene gas manufacture or storage.
    b. Acid manufacture.
    c. Alcohol manufacture.
    d. Ammonia, bleaching powder or chlorine manufacture.
    e. Arsenal.
    f. Asphalt manufacture or refining.
    g. Blast furnace.
    h. Bag cleaning, unless clearly accessory to the manufacture of bags.

i. Boiler works.
j. Brick, tile, pottery or terra cotta manufacture other than the manufacture of handcraft or concrete products.
k. Reserved.
l. Celluloid manufacture or treatment.
m. Cement, lime, gypsum, or plaster of paris manufacture.
n. Central mixing plant for cement.
o. Coke ovens.
p. Cotton gins.
q. Cottonseed oil manufacture.
r. Creosote manufacture or treatment.
s. Disinfectants manufacture.
t. Distillation of bones, coal or wood.
u. Dyestuff manufacture.
v. Exterminator and insect poison manufacture.
w. Emery cloth and sandpaper manufacture.
x. Explosives or fireworks manufacture or storage.
y. Fat rendering.
z. Fertilizer manufacture.
aa. Fish smoking and curing.
bb. Forge plant.
cc. Garbage, offal or dead animals reduction or dumping.
dd. Gas manufacture or storage, for heating or illuminating purposes.
ee. Glue, size or gelatine manufacture.
ff. Hatchery.
gg. Iron, steel, brass or copper foundry or fabrication plant.
hh. Junk, iron or rag storage or baling.
ii. Match manufacture.
jj. Lampblack manufacture.
kk. Oilcloth or linoleum manufacture.
ll. Oiled rubber goods manufacture.
mm. Ore reduction.
nn. Oil or turpentine manufacture.
oo. Paper and pulp manufacture.
pp. Petroleum or its products, refining or wholesale storage of.
qq. Pickle manufacturing.
rr. Planing mills.
ss. Potash works.
tt. Pyroxline manufacture.
uu. Rock crusher.
vv. Rolling mill.
ww. Rubber or gutta-percha manufacture or treatment but not the making of articles out of rubber.
xx. Sauerkraut manufacture.
yy. Salt works.
zz. Shoe polish manufacture.
aaa. Smelting of tin, copper, zinc, or iron ores.
bbb. Soap manufacture other than liquid soap.
ccc. Soda and compound manufacture.
ddd. Stock yard or slaughter of animals or fowls.
eee. Stone mill or quarry.
fff. Storage yard.
ggg. Stove polish manufacture.
hhh. Tallow grease or lard manufacture or refining from or of animal fat.
iii. Tanning, curing or storage of raw hides or skins.
jjj. Tar distillation or manufacture.
kkk. Tar roofing or water-proofing manufacture.
lll. Tobacco (chewing) manufacture or treatment.
mmm. Vinegar manufacture.

nnn. Wool pulling or scouring.
ooo. Yeast plant.

(b) *Height*. No building shall exceed in height the width of the street on which it faces plus the depth of the front yard. In no event, however, shall the portion of a building located within one hundred fifty (150) feet of any property zoned for residential purposes exceed the height allowed in that residential zoning district.

(c) *Area*.

(1) *Size of yards*.

a. *Front yard*. There shall be a front yard having a minimum depth of twenty-five (25) feet. No parking, storage or similar use shall be allowed in required front yards in district "LI", except that automobile parking (including automobile dealer display parking) will be permitted in such yards if separated by at least twenty-five (25) feet from any residential district.

b. *Side yard*. A side yard of not less than fifteen (15) feet in width shall be provided on the side of a lot adjoining a side street. A side yard of not less than ten (10) feet in width shall be provided on the side of a lot adjoining a residential district. The required side yard shall be waived when a screening device is installed in accordance with the city's general development ordinance. The building itself can serve as a portion of the screening device when that portion of the building exterior is constructed of the same materials as the screening device. No parking, storage or similar use shall be allowed in any required side yard or in any side street yard adjoining a residential district.

c. *Rear yard.* No rear yard is required except that a rear yard of not less than fifty (50) feet in depth shall be provided upon that portion of a lot abutting or across a rear street from a residential district, except that such yard requirement shall not apply where the property in the residential district also backs up to the rear street. No parking, storage or similar use shall be allowed in required rear yards in district "LI" within twenty-five (25) feet of the rear property line.

(2) *Reserved*.

(d) *Outside storage regulations*. In all zoning districts where outside storage yards are allowed, such storage yards shall be screened from view in accordance with the standards outlined in the city's general development ordinance. This provision applies to all outside storage which began after the original date of passage of this provision (April 4, 1994). Any variance request involving the requirements or standards relating to such required screening devices shall be considered by the city council in accordance with the city's general development ordinance. Areas which are used for infrequent and temporary storage for a period of thirty (30) days or less per year shall not be deemed as "storage yards".

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS, AMENDING THE ZONING ORDINANCE OF THE CITY OF LEWISVILLE, TEXAS BY REZONING AN APPROXIMATELY 18.041 ACRE TRACT OF LAND LOCATED AT THE SOUTHEAST CORNER OF SPINKS ROAD AND VALLEY PARKWAY AND AN APPROXIMATELY 17.130 ACRE TRACT OF LAND LOCATED AT THE NORTHEAST CORNER OF SPINKS ROAD AND VALLEY PARKWAY FROM AGRICULTURE OPEN SPACE (AO) DISTRICT ZONING TO LIGHT INDUSTRIAL (LI) DISTRICT ZONING; CORRECTING THE OFFICIAL ZONING MAP; PRESERVING ALL OTHER PORTIONS OF THE ZONING ORDINANCE; PROVIDING A CLAUSE RELATING TO SEVERABILITY; DETERMINING THAT THE PUBLIC INTERESTS AND GENERAL WELFARE DEMAND THIS ZONING CHANGE AND AMENDMENT THEREIN MADE; PROVIDING A PENALTY; AND DECLARING AN EMERGENCY.

WHEREAS, applications were made to amend the Official Zoning Map of Lewisville, Texas by making applications for same with the Planning and Zoning Commission of the City of Lewisville, Texas, as required by State statutes and the Zoning Ordinances of the City of Lewisville, Texas, said Planning and Zoning Commission has recommended that rezoning of the approximately 18.041 acre and 17.130 acre properties described in the attached Exhibit "A" (the "Property") be **approved**, and all the legal requirements, conditions and prerequisites having been complied with, the case having come before the City Council of the City of Lewisville, Texas, after all legal notices, requirements, conditions and prerequisites having been complied with; and,

WHEREAS, the City Council of the City of Lewisville, Texas, at a public hearing called by the City Council of the City of Lewisville, Texas, did consider the following factors in making a determination as to whether this requested change should be granted or denied: effect on the

congestion of the streets; the fire hazards, panics and other dangers possibly present in the securing of safety from same; the effect on the promotion of health and the general welfare; effect on adequate light and air; the effect on the overcrowding of the land; the effect of the concentration on population; the effect on the transportation, water, sewerage, schools, parks and other public facilities; and,

WHEREAS, the City Council further considered among other things the character of the district and its peculiar suitability for particular uses and with the view to conserve the value of buildings, encourage the most appropriate use of land throughout this City; and,

WHEREAS, the City Council of the City of Lewisville, Texas, does find that there is a public necessity for the zoning change, that the public interest clearly requires the amendment, that the zoning changes do not unreasonably invade the rights of adjacent property owners; and,

WHEREAS, the City Council of the City of Lewisville, Texas, does find that the change in zoning lessens the congestion in the streets; helps secure safety from fire, panic and other dangers; promotes health and the general welfare; provides adequate light and air; prevents the overcrowding of land; avoids undue concentration of population; facilitates the adequate provisions of transportation, water, sewerage, schools, parks and other public requirements; and,

WHEREAS, the City Council of the City of Lewisville, Texas, has determined that there is a necessity and need for this change in zoning and has also found and determined that there has been a change in the conditions of the property surrounding and in close proximity to the Property since it was originally classified and, therefore, feels that a change in zoning classification for the Property is needed, is called for, and is in the best interest of the public at large, the citizens of the

City of Lewisville, Texas, and helps promote the general health, safety, and welfare of this community.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS, THAT:

SECTION 1. The Zoning Ordinance of the City of Lewisville, Texas, be, and the same is hereby amended and changed in that the zoning of the Property is hereby changed to **LIGHT INDUSTRIAL (LI) DISTRICT ZONING**.

SECTION 2. The City Manager, or her designee, is hereby directed to correct the official zoning map of the City of Lewisville, Texas, to reflect this change in zoning.

SECTION 3. That in all other respects the use of the tract or tracts of land hereinabove described shall be subject to all the applicable regulations contained in said City of Lewisville Zoning Ordinance and all other applicable and pertinent ordinances of the City of Lewisville, Texas.

SECTION 4. That the zoning regulations and districts as herein established have been made in accordance with the comprehensive plan for the purpose of promoting health, safety, and the general welfare of the community. They have been designed with respect to both present conditions and the conditions reasonably anticipated to exist in the foreseeable future, to lessen congestion in the streets; to secure safety from fire, panic, flood and other dangers; provide adequate light and air; to prevent overcrowding of land, to avoid undue concentration of population; facilitate the adequate provisions of transportation, water, sewage, parks and other public requirements, and to make adequate provisions for the normal business, commercial needs

and development of the community. They have been made with reasonable consideration, among other things of the character of the district, and its peculiar suitability for the particular uses and with a view of conserving the value of buildings and encouraging the most appropriate use of land throughout the community.

SECTION 5. This Ordinance shall be cumulative of all other ordinances of the City of Lewisville, Texas, affecting zoning and shall not repeal any of the provisions of said ordinances, except in those instances where provisions of those ordinances which are in direct conflict with the provisions of this Ordinance.

SECTION 6. That the terms and provisions of this Ordinance shall be deemed to be severable and that if the validity of the zoning affecting any portion of the Property shall be declared to be invalid, the same shall not affect the validity of the zoning of the balance of the tract or tracts of land described herein.

SECTION 7. Any person, firm or corporation who violates any provision of this Ordinance shall be deemed guilty of a misdemeanor and, upon conviction thereof in the Municipal Court, shall be subject to a fine of not more than $2,000.00 for each offense, and each and every day such offense is continued shall constitute a new and separate offense.

SECTION 8. The fact that the present Zoning Ordinance and regulations of the City of Lewisville, Texas are inadequate to properly safeguard the health, safety, peace and general welfare of the inhabitants of the City of Lewisville, Texas, creates an emergency for the immediate preservation of the public business, property, health, safety and general welfare of the public which

requires that this Ordinance shall become effective from and after the date of its final passage, and it is accordingly so ordained.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS, BY A VOTE OF _____ TO _____, ON THIS THE 20TH DAY OF APRIL, 2015.

APPROVED:

_____
Dean Ueckert, MAYOR

ATTEST:

_____
Julie Heinze, CITY SECRETARY

APPROVED AS TO FORM:

_____
Lizbeth Plaster, CITY ATTORNEY

DESCRIPTION, of a 18.041 acre tract of land situated in the Peter Harmonson Survey, Abstract No. 530, City of Lewisville, Denton County, Texas; said tract being a part of that tract of land described as Tract II in Warranty Deed with Vendor's Lien to Accelerated Christian Education, Inc. recorded in Document No. 96-R0089851 of the Deed Records of Denton County, Texas; and being all of that called 0.216 acre tract of land described in Quit Claim Deed to Accelerated Christian Education Inc., recorded in Instrument No. 2008-24581 of the Official Records of Denton County, Texas; said 18.041 acre tract being more particularly described as follows:

BEGINNING at a 1/2-inch iron rod with "PACHECO KOCH" cap found at the southeast corner of said Tract II, said point being the northeast corner of that tract of land described in Correction Quitclaim Deed to DFW Lewisville Partners, GP recorded in Document No. 2008-47877 of said Official Records; said point being in a west line of that tract of land described in Special Warranty Deed to DFW Lewisville Partners, GP recorded in Instrument No. 2006-82125 of said Official Records;

THENCE, North 87 degrees, 03 minutes, 06 seconds West, with the south line of said Tract II, a distance of 155.91 feet to a point at the east corner of said 0.216 acre tract; from said point a 1/2-inch iron rod with "PEISER" red cap found bears North 82 degrees, 00 minutes East, a distance of 0.7 feet;

THENCE, North 89 degrees, 41 minutes, 27 seconds West, with the south line of said 0.216 acre tract, a distance of 629.88 feet to a 1/2-inch iron rod with "PACHECO KOCH" cap found for corner in the east right-of-way line of Valley Parkway (a variable width right-of-way, 100 feet at this point); said point being the beginning of a non-tangent curve to the right;

THENCE, with the said east line of Valley Parkway, the following eight (8) calls:

> With said curve to the right, having a central angle of 00 degrees, 09 minutes, 37 seconds, a radius of 1,500.00 feet, a chord bearing and distance of North 30 degrees, 08 minutes, 23 seconds West, 4.20 feet, an arc distance of 4.20 feet to a point for corner at the end of said curve; from said point a 1/2-inch iron rod with "PEISER & MANKIN" cap found bears North 62 degrees, 17 minutes East, a distance of 1.2 feet;
>
> North 29 degrees, 27 minutes, 10 seconds West, a distance of 30.19 feet to a point at the northwest corner of said 0.216 acre tract;
>
> North 29 degrees, 54 minutes, 24 seconds West, a distance of 65.66 feet to a point for corner at the beginning of a non-tangent curve to the right; from said point a 1/2-inch iron rod with "PEISER & MANKIN" cap found bears North 82 degrees, 35 minutes East, a distance of 0.7 feet;
>
> With said curve to the right, having a central angle of 26 degrees, 26 minutes, 58 seconds, a radius of 1,075.00 feet, a chord bearing and distance of North 16 degrees, 47 minutes, 00 seconds West, 491.86 feet, an arc distance of 496.25 feet to a 1/2-inch iron rod with "HALFF" cap found for corner for corner at the beginning of a compound curve to the right;
>
> With said curve to the right, having a central angle of 15 degrees, 32 minutes, 17 seconds, a radius of 237.50 feet, a chord bearing and distance of North 04 degrees, 12 minutes, 39 seconds East, 64.21 feet, an arc distance of 64.41 feet to a 1/2-inch iron rod with "HALFF" cap found for corner at the beginning of a reverse curve to the left;

With said curve to the left, having a central angle of 11 degrees, 19 minutes, 37 seconds, a radius of 262.50 feet, a chord bearing and distance of North 06 degrees, 18 minutes, 59 seconds East, 51.81 feet, an arc distance of 51.89 feet to a 1/2-inch iron rod with “HALFF” cap found for corner at the end of said curve;

North 00 degrees, 39 minutes, 11 seconds East, a distance of 96.57 feet to a 1/2-inch iron rod with “PEISER & MANKIN” cap found for corner at the south end of a corner clip;

North 45 degrees, 29 minutes, 13 seconds East, departing the said east line of Valley Parkway, a distance of 25.53 feet to a point for corner at the north end of said corner clip; said point being in the south right-of-way line of Spinks Road (a variable width right-of-way, 112 feet at this point); from said point a 1/2-inch iron rod with “PEISER & MANKIN” cap found bears South 60 degrees, 10 minutes West, a distance of 0.2 feet;

THENCE, with the said south line of Spinks Road, the following three (3) calls:

South 89 degrees, 40 minutes, 45 seconds East, a distance of 206.06 feet to a point for corner at the beginning of a tangent curve to the left; from said point a 1/2-inch iron rod with “PEISER & MANKIN” cap found bears North 42 degrees, 04 minutes West, a distance of 0.3 feet;

With said curve to the left, having a central angle of 28 degrees, 29 minutes, 53 seconds, a radius of 1,439.00 feet, a chord bearing and distance of North 76 degrees, 04 minutes, 18 seconds East, 708.38 feet, an arc distance of 715.73 feet to a point for corner at the end of said curve;

North 61 degrees, 49 minutes, 21 seconds East, a distance of 78.61 feet to a point for corner in the east line of said Tract II; said point being in the west line of Lot 3R, Block A, Majestic Addition, an addition to the City of Lewisville, according to the plat recorded in Cabinet 2012, Page 9 of the Official Records of Denton County, Texas; from said point a 1/2-inch iron rod with “PACHECO KOCH” cap found bears North 00 degrees, 52 minutes East, a distance of 1.5 feet;

THENCE, South 00 degrees, 52 minutes, 25 seconds West, with the said east line of Tract II, a distance of 1,005.74 feet to the POINT OF BEGINNING.

CONTAINING: 785,879 square feet or 18.041 acres of land, more or less.

DESCRIPTION, of a 17.130 acre tract of land situated in the Peter Harmonson Survey, Abstract No. 530, City of Lewisville, Denton County, Texas; said tract being a part of that tract of land described as Tract I and a part of that tract of land described as Tract II in Warranty Deed with Vendor's Lien to Accelerated Christian Education, Inc. recorded in Document No. 96-R0089851 of the Deed Records of Denton County, Texas; said 17.130 acre tract being more particularly described as follows:

BEGINNING at a point for corner in the east line of said Tract II and in the north right-of-way line of Spinks Road (a 100-foot right-of-way); said point being the southwest corner of Lot 1, Block C, Majestic Addition, an addition to the City of Lewisville, according to the plat recorded in Cabinet X, Page 868 of the Official Records of Denton County, Texas; from said point a 1/2-inch iron rod with "PEISER & MANKIN" cap found bears North 23 degrees, 39 minutes West, a distance of 0.6 feet;

THENCE, with the said north line of Spinks Road, the following seven (7) calls:

South 61 degrees, 49 minutes, 24 seconds West, a distance of 134.15 feet to a point for corner at the beginning of a tangent curve to the right;

With said curve to the right, having a central angle of 28 degrees, 29 minutes, 54 seconds, a radius of 1,339.00 feet, a chord bearing and distance of South 76 degrees, 04 minutes, 18 seconds West, 659.16 feet, an arc distance of 666.00 feet to a point for corner at the end of said curve; from said point a 1/2-inch iron rod with "PEISER & MANKIN" cap found bears North 34 degrees, 55 minutes East, a distance of 0.5 feet;

North 89 degrees, 40 minutes, 45 seconds West, a distance of 12.10 feet to a point for corner at the beginning of a tangent curve to the right; from said point a 1/2-inch iron rod with "PEISER & MANKIN" cap found bears North 31 degrees, 33 minutes East, a distance of 0.6 feet;

With said curve to the right, having a central angle of 12 degrees, 34 minutes, 38 seconds, a radius of 237.50 feet, a chord bearing and distance of North 83 degrees, 23 minutes, 25 seconds West, 52.03 feet, an arc distance of 52.13 feet to a point for corner at the beginning of a reverse curve to the left; from said point a 1/2-inch iron rod with "PEISER & MANKIN" cap found bears North 35 degrees, 03 minutes East, a distance of 0.5 feet;

With said reverse curve to the left, having a central angle of 12 degrees, 34 minutes, 41 seconds, a radius of 262.50 feet, a chord bearing and distance of North 83 degrees, 23 minutes, 25 seconds West, 57.51 feet, an arc distance of 57.63 feet to a point for corner at the end of said curve; from said point a 1/2-inch iron rod with "PEISER & MANKIN" cap found bears North 38 degrees, 47 minutes East, a distance of 0.4 feet;

North 89 degrees, 40 minutes, 45 seconds West, a distance of 96.43 feet to a point for corner at the south end of a corner clip; from said point a 1/2-inch iron rod with "PEISER & MANKIN" cap found bears North 70 degrees, 46 minutes East, a distance of 0.3 feet;

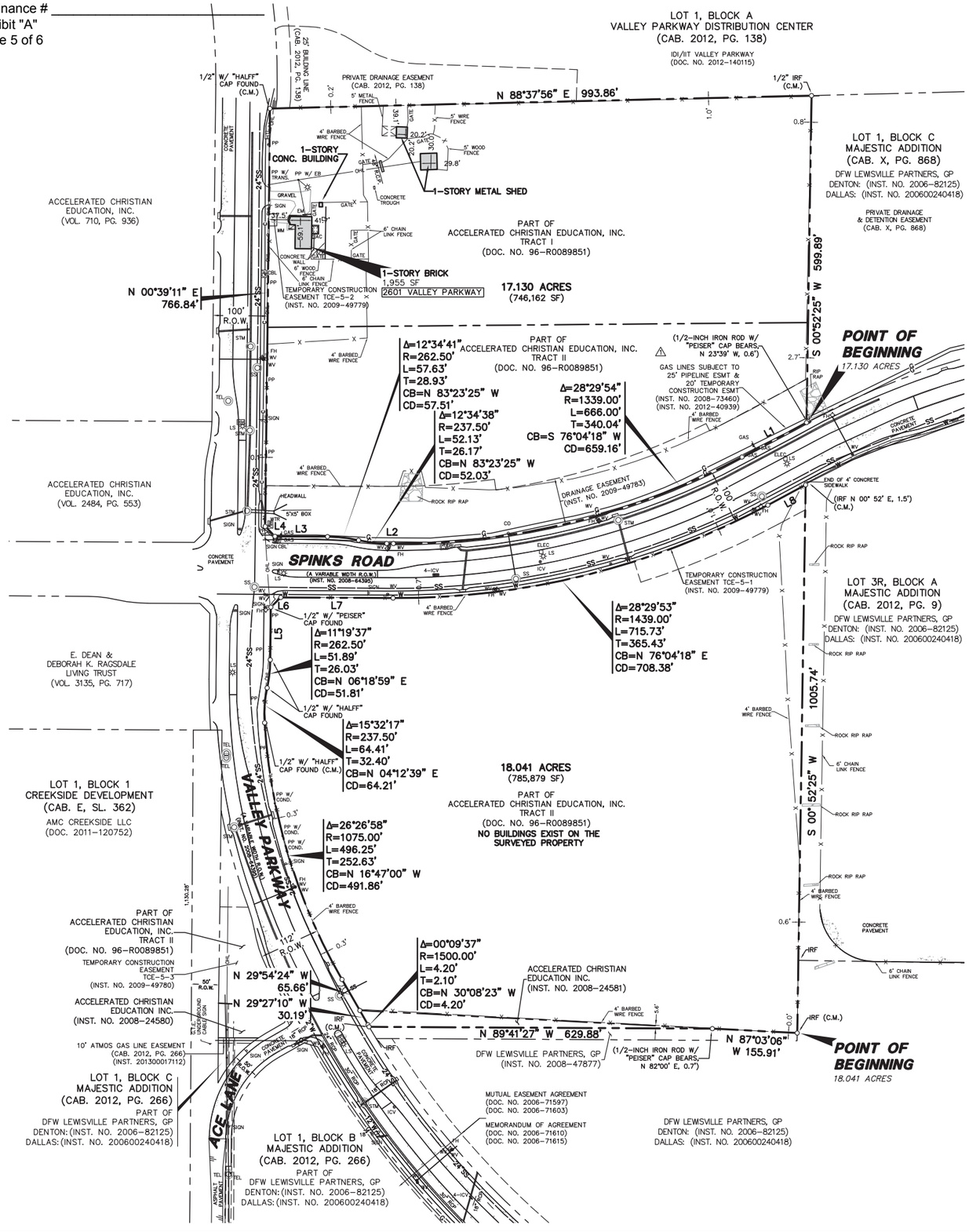
North 44 degrees, 30 minutes, 47 seconds West, departing the said north line of Spinks Road, a distance of 25.38 feet to a point for corner at the north end of said corner clip; said point being in the east right-of-way line of Valley Parkway (a variable width right-of-way, 112 feet at this point);

THENCE, North 00 degrees, 39 minutes, 11 seconds East, with the said east line of Valley Parkway, a distance of 766.84 feet to a 1/2-inch iron rod with “HALFF” cap found for corner in the north line of said Tract I;

THENCE, North 88 degrees, 37 minutes, 56 seconds East, departing the said east line of Valley Parkway and with the said north line of Tract I, a distance of 993.86 feet to a 1/2-inch iron rod found at the northeast corner of said Tract I; said point being the northwest corner of said Lot 1;

THENCE, South 00 degrees, 52 minutes, 25 seconds West, departing the said north line of Tract I and with the west line of said Lot 1, a distance of 599.89 feet to the POINT OF BEGINNING.

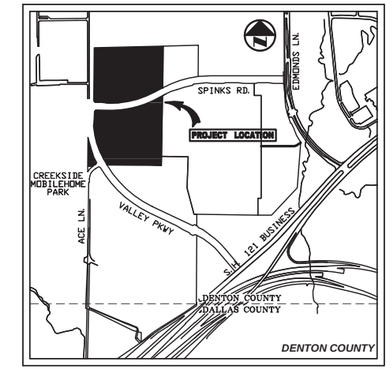
CONTAINING: 746,162 square feet or 17.130 acres of land, more or less.



LEGEND

- B BOLLARD
- FH FIRE HYDRANT
- FL FLOOD LIGHT
- GAS UG GAS MARKER
- HAND HOLE (TYPE UNKNOWN)
- ICB IRRIGATION CONTROL BOX
- ICV IRRIGATION CONTROL VALVE
- LS LIGHT STANDARD
- PP POWER POLE
- MP METAL UTILITY POLE
- RCB REINFORCED CONCRETE BOX
- RCP REINFORCED CONCRETE PIPE
- SIGN TRAFFIC SIGN
- SS SAN. SEWER MANHOLE
- STM STORM SEWER MANHOLE
- WM WATER METER
- WTR WATER MANHOLE
- WV WATER VALVE
- IRF 1/2-INCH IRON ROD W/"PACHECO KOCH" CAP FOUND
- IRS 1/2-INCH IRON ROD W/"PACHECO KOCH" CAP SET
- PROPERTY LINE
- EASEMENT LINE
- FENCE
- OHL OVERHEAD UTILITY LINE
- UGE UNDERGROUND ELECTRIC LINE
- UGT UNDERGROUND TELEPHONE LINE
- UGC UNDERGROUND CABLE LINE
- UGG UNDERGROUND GAS LINE
- STORM DRAIN LINE
- 6"W WATER LINE
- 6"SS SANITARY SEWER LINE

LINE TABLE		
LINE	BEARING	DISTANCE
L1	S 61°49'24" W	134.15'
L2	N 89°40'45" W	12.10'
L3	N 89°40'45" W	96.43'
L4	N 44°30'47" W	25.38'
L5	N 00°39'11" E	96.57'
L6	N 45°29'13" E	25.53'
L7	S 89°40'45" E	206.06'
L8	N 61°49'21" E	78.61'



VICINITY MAP
(CITY BASE MAP)
1" = 1,000'

NOTES ADDRESSING SCHEDULE "B" EXCEPTIONS

Items 10.

B. Due to the vague description of the Denton County Electric Cooperative, Inc. easement recorded in Volume 338, Page 319 of the Deed Records of Denton County, Texas, the surveyor is unable to determine its exact location.

C. The Brazos River Transmission Electric Cooperative, Inc. easement recorded in Volume 313, Page 477, is blanket in nature; however the subject property Subject is a part of that tract of land described therein.

D. The Brazos River Transmission Electric Cooperative, Inc. easement recorded in Volume 309, Page 33, is blanket in nature; however the subject property Subject is a part of that tract of land described therein.

E. Temporary Construction Easements recorded in Instrument No. 2009-49779, Official Records, Denton County, Texas do affect subject property, as shown hereon.

G. Drainage Easement recorded in Instrument No. 2009-49783, Official Records, Denton County, Texas does affect subject property, as shown hereon.

I. Subject property is a part of that tract of land described in Mineral Deed to ACE Lewisville Minerals, Ltd., recorded in Instrument No. 2008-49855, Official Records, Denton County, Texas.

J. Subject property is a part of that tract of land described in Mineral Deed to ACE Lewisville Minerals, Ltd., recorded in Instrument No. 2008-49856, Official Records, Denton County, Texas.

K. Subject property is a part of that tract of land described in Mineral Deed to ACE Lewisville Minerals, Ltd., recorded in Instrument No. 2008-49857, Official Records, Denton County, Texas.

L. Subject property is a part of those tracts of land described in Memorandum of Oil and Gas Lease recorded in Instrument No. 2008-73459, Official Records, Denton County, Texas; and in Memorandum of First Amendment to Paid Up Oil and Gas Lease recorded in Instrument No. 2012-40938, Official Records, Denton County, Texas.

a. Subject property is not a part of those tracts of land described in Declaration of Unit recorded in Instrument No. 2011-21622 , Official Records, Denton County, Texas; Subjec property is a part of those tracts of land described in Declaration of Unit recorded in Instrument Nos. 2011-21623 & 2011-21624, Official Records, Denton County, Texas; Subject property is not a part of those tracts of land described in Declaration of Unit recorded in Instrument No. 2011-21625 , Official Records, Denton County, Texas; Subject property is a part of those tracts of land described in Declaration of Unit recorded in Instrument No. 2011-21626, Official Records, Denton County Texas. Subject property is not a part of those tracts of land described in First Amendment to Declaration of Unit recorded in Instrument No. 2011-29041, Official Records, Denton County, Texas; Subject property is not a part of those tracts of land described in In Lieu First Amendment to Declaration of Unit recorded in Instrument No. 2011-59798, Official Records, Denton County, Texas; Subject property is not a part of those tracts of land described in Second Amendment to Declaration of Unit recorded in 2011-71287, Real Property Records, Denton County, Texas.

M. Subject property is a part of those tracts of land described in Memorandum of Surface Use Agreement recorded in Instrument No. 2008-73460, Official Records, Denton County, Texas; and Subject property is a part of those tracts of land referenced in Memorandum of Surface Use Agreement recorded in Instrument No. 2012-40939, Official Records, Denton County, Texas. Subject Property is affected by 25 foot wide Pipeline Easement and 20 foot Temporary Construction Easement described in Surface Use Agreement entered into date of April 4th, 2012 between Accelerated Christian Education, Inc., ACE Lewisville Minerals, Ltd. and WPX Energy Gulf Coast, LP. However, due to the vague description of the easements dewcribed therein, the surveyor is unable to determine their exact locations.

NOTES

1. Bearing system for this survey is based on a bearing of South 02 degrees, 22 minutes, 58 seconds West for a west line of Lot 3R, Block A, Majestic Addition recorded in Cabinet 2012, Page 9 of the Official Records of Denton County Texas.

2. Subject property also is shown on the National Flood Insurance Program Flood Insurance Rate Map for Denton County, Texas and Incorporated Areas, Map No. 48121C0545G, Community-Panel No. 480195 0545 G, Map Revised Date: April 18, 2011 and the National Flood Insurance Program Flood Insurance Rate Map for Denton County, Texas and Incorporated Areas, Map No. 48121C0685G, Community-Panel No. 480195 0685 G, Map Revised Date: April 18, 2011. All of the subject property is shown to be located in Zone "X", on said map. Relevant zones are defined on said map as follows:

   Zone "X" – Other Areas: Areas determined to be outside the 0.2% annual chance floodplain.

3. This survey is based on deeds, easements and/or recorded plats and other records furnished by the client and/or the client's representative as well as significant visible monuments found on the subject property and adjacent properties, field measurements and evidence of boundaries found on the ground. However, this survey shall not represent warranty of title or guarantee of ownership. The surveyor did not abstract the subject property. This survey was performed with the benefit of a current commitment for title insurance provided by Stewart Title Guaranty Company, File No. 01128-8730, effective date March 23, 2014, issued April 3, 2014.

4. All underground utility information depicted on the survey is based on available record information on file at the City of Lewisville and the appropriate public utility companies. This information has been verified where possible by visible utility appurtenances. The surveyor cannot guarantee the accuracy or completeness of these records. Lacking excavation, the exact location of underground utilities cannot be accurately, completely and reliably depicted. Where additional or more detailed information is required, the client is advised that excavation may be necessary.

5. This survey does not provide a determination or opinion concerning the location or existence of wetlands, faultlines, toxic or hazardous waste areas, subsidence, subsurface and environmental conditions or geological issues. No statement is made concerning the suitability of the subject tract for any intended use, purpose or development.

6. Square footage totals shown hereon or referenced herein are based on mathematical closures and do not necessarily represent the positional accuracy of the boundary monuments.

7. The word "certify" or "certificate" as shown and used hereon means an expression of professional opinion regarding the facts of the survey and does not constitute a warranty or guarantee, expressed or implied.

8. Except as specifically stated or shown on this plat, this survey does not purport to reflect any of the following which may be applicable to the subject tract: easements; building setback lines; restrictive covenants; subdivision restrictions; zoning or other land-use regulations; Agreements; Lease Agreements; and ownership title evidence.

9. Any declaration made hereon or herein is made to the original purchaser of the survey. It is not transferable to additional institutions or subsequent owners.

10. The distances shown hereon for adjoining and adjacent properties have been compiled from recorded plats and deeds, and do not necessarily represent field verified or monumented distances.

11. The surveyor did not observe evidence of current earth moving work, building construction or building additions.

12. The surveyor did not observe evidence of site use as a solid waste dump, sump or sanitary landfill.

13. No wetlands areas as delineated by appropriate authority were observed by the surveyor.

14. Professional Liability Insurance policy obtained by the surveyor in the minimum amount of $2,000,000 to be in effect throughout the contract term.

SHEET 1 OF 2

ALTA/ACSM LAND TITLE SURVEY

17.130 ACRES & 18.041 ACRES

LOCATED IN THE CITY OF LEWISVILLE, TEXAS
AND BEING OUT OF THE
PETER HARMONSON SURVEY, ABSTRACT NO. 530
DENTON COUNTY, TEXAS

FILE NO. 01128-8730

NO.	DATE	REVISION
1	04/03/2014	revisions to easement notes per revised title commitment, added easements along north side of Spinks Road

Pacheco Koch
6100 WESTERN PLACE, SUITE 1001
FORT WORTH, TX 76107 817.412.7155
TX REG. ENGINEERING FIRM F-14439
TX REG. SURVEYING FIRM LS-10193824

DRAWN BY	CHECKED BY	SCALE	DATE	JOB NUMBER
RS	PD	1"=100'	03/21/2014	2752-14.112

DWG FILE: 2752-14.112AS.DWG

RSILVAS
04/03/2014 - 4:47PM
J:\DWG-27\2752-14.112\DWG\SURVEY C3D 2012\2752-14.112AS.DWG

ALTA/ACSM LAND TITLE SURVEY - 17.130 ACRES & 18.041 ACRES

DESCRIPTION OF PROPERTY SURVEYED

DESCRIPTION, of a 17.130 acre tract of land situated in the Peter Harmonson Survey, Abstract No. 530, City of Lewisville, Denton County, Texas; said tract being a part of that tract of land described as Tract I and a part of that tract of land described as Tract II in Warranty Deed with Vendor's Lien to Accelerated Christian Education, Inc. recorded in Document No. 96–R0089851 of the Deed Records of Denton County, Texas; said 17.130 acre tract being more particularly described as follows:

BEGINNING at a point for corner in the east line of said Tract II and in the north right–of–way line of Spinks Road (a 100–foot right–of–way); said point being the southwest corner of Lot 1, Block C, Majestic Addition, an addition to the City of Lewisville, according to the plat recorded in Cabinet X, Page 868 of the Official Records of Denton County, Texas; from said point a 1/2–inch iron rod with "PEISER & MANKIN" cap found bears North 23 degrees, 39 minutes West, a distance of 0.6 feet;

THENCE, with the said north line of Spinks Road, the following seven (7) calls:

South 61 degrees, 49 minutes, 24 seconds West, a distance of 134.15 feet to a point for corner at the beginning of a tangent curve to the right;

With said curve to the right, having a central angle of 28 degrees, 29 minutes, 54 seconds, a radius of 1,339.00 feet, a chord bearing and distance of South 76 degrees, 04 minutes, 18 seconds West, 659.16 feet, an arc distance of 666.00 feet to a point for corner at the end of said curve; from said point a 1/2–inch iron rod with "PEISER & MANKIN" cap found bears North 34 degrees, 55 minutes East, a distance of 0.5 feet;

North 89 degrees, 40 minutes, 45 seconds West, a distance of 12.10 feet to a point for corner at the beginning of a tangent curve to the right; from said point a 1/2–inch iron rod with "PEISER & MANKIN" cap found bears North 31 degrees, 33 minutes East, a distance of 0.6 feet;

With said curve to the right, having a central angle of 12 degrees, 34 minutes, 38 seconds, a radius of 237.50 feet, a chord bearing and distance of North 83 degrees, 23 minutes, 25 seconds West, 52.03 feet, an arc distance of 52.13 feet to a point for corner at the beginning of a reverse curve to the left; from said point a 1/2–inch iron rod with "PEISER & MANKIN" cap found bears North 35 degrees, 03 minutes East, a distance of 0.5 feet;

With said reverse curve to the left, having a central angle of 12 degrees, 34 minutes, 41 seconds, a radius of 262.50 feet, a chord bearing and distance of North 83 degrees, 23 minutes, 25 seconds West, 57.51 feet, an arc distance of 57.63 feet to a point for corner at the end of said curve; from said point a 1/2–inch iron rod with "PEISER & MANKIN" cap found bears North 38 degrees, 47 minutes East, a distance of 0.4 feet;

North 89 degrees, 40 minutes, 45 seconds West, a distance of 96.43 feet to a point for corner at the south end of a corner clip; from said point a 1/2–inch iron rod with "PEISER & MANKIN" cap found bears North 70 degrees, 46 minutes East, a distance of 0.3 feet;

North 44 degrees, 30 minutes, 47 seconds West, departing the said north line of Spinks Road, a distance of 25.38 feet to a point for corner at the north end of said corner clip; said point being in the east right–of–way line of Valley Parkway (a variable width right–of–way, 112 feet at this point);

THENCE, North 00 degrees, 39 minutes, 11 seconds East, with the said east line of Valley Parkway, a distance of 766.84 feet to a 1/2–inch iron rod with "HALFF" cap found for corner in the north line of said Tract I;

THENCE, North 88 degrees, 37 minutes, 56 seconds East, departing the said east line of Valley Parkway and with the said north line of Tract I, a distance of 993.86 feet to a 1/2–inch iron rod found at the northeast corner of said Tract I; said point being the northwest corner of said Lot 1;

THENCE, South 00 degrees, 52 minutes, 25 seconds West, departing the said north line of Tract I and with the west line of said Lot 1, a distance of 599.89 feet to the POINT OF BEGINNING.

CONTAINING: 746,162 square feet or 17.130 acres of land, more or less.

DESCRIPTION OF PROPERTY SURVEYED

DESCRIPTION, of a 18.041 acre tract of land situated in the Peter Harmonson Survey, Abstract No. 530, City of Lewisville, Denton County, Texas; said tract being a part of that tract of land described as Tract II in Warranty Deed with Vendor's Lien to Accelerated Christian Education, Inc. recorded in Document No. 96–R0089851 of the Deed Records of Denton County, Texas; and being all of that called 0.216 acre tract of land described in Quit Claim Deed to Accelerated Christian Education Inc., recorded in Instrument No. 2008–24581 of the Official Records of Denton County, Texas; said 18.041 acre tract being more particularly described as follows:

BEGINNING at a 1/2–inch iron rod with "PACHECO KOCH" cap found at the southeast corner of said Tract II, said point being the northeast corner of that tract of land described in Correction Quitclaim Deed to DFW Lewisville Partners, GP recorded in Document No. 2008–47877 of said Official Records; said point being in a west line of that tract of land described in Special Warranty Deed to DFW Lewisville Partners, GP recorded in Instrument No. 2006–82125 of said Official Records;

THENCE, North 87 degrees, 03 minutes, 06 seconds West, with the south line of said Tract II, a distance of 155.91 feet to a point at the east corner of said 0.216 acre tract; from said point a 1/2–inch iron rod with "PEISER" red cap found bears North 82 degrees, 00 minutes East, a distance of 0.7 feet;

THENCE, North 89 degrees, 41 minutes, 27 seconds West, with the south line of said 0.216 acre tract, a distance of 629.88 feet to a 1/2–inch iron rod with "PACHECO KOCH" cap found for corner in the east right–of–way line of Valley Parkway (a variable width right–of–way, 100 feet at this point); said point being the beginning of a non–tangent curve to the right;

THENCE, with the said east line of Valley Parkway, the following eight (8) calls:

With said curve to the right, having a central angle of 00 degrees, 09 minutes, 37 seconds, a radius of 1,500.00 feet, a chord bearing and distance of North 30 degrees, 08 minutes, 23 seconds West, 4.20 feet, an arc distance of 4.20 feet to a point for corner at the end of said curve; from said point a 1/2–inch iron rod with "PEISER & MANKIN" cap found bears North 62 degrees, 17 minutes East, a distance of 1.2 feet;

North 29 degrees, 27 minutes, 10 seconds West, a distance of 30.19 feet to a point at the northwest corner of said 0.216 acre tract;

North 29 degrees, 54 minutes, 24 seconds West, a distance of 65.66 feet to a point for corner at the beginning of a non–tangent curve to the right; from said point a 1/2–inch iron rod with "PEISER & MANKIN" cap found bears North 82 degrees, 35 minutes East, a distance of 0.7 feet;

With said curve to the right, having a central angle of 26 degrees, 26 minutes, 58 seconds, a radius of 1,075.00 feet, a chord bearing and distance of North 16 degrees, 47 minutes, 00 seconds West, 491.86 feet, an arc distance of 498.25 feet to a 1/2–inch iron rod with "HALFF" cap found for corner for corner at the beginning of a compound curve to the right;

With said curve to the right, having a central angle of 15 degrees, 32 minutes, 17 seconds, a radius of 237.50 feet, a chord bearing and distance of North 04 degrees, 12 minutes, 39 seconds East, 64.21 feet, an arc distance of 64.41 feet to a 1/2–inch iron rod with "HALFF" cap found for corner at the beginning of a reverse curve to the left;

With said curve to the left, having a central angle of 11 degrees, 19 minutes, 37 seconds, a radius of 262.50 feet, a chord bearing and distance of North 06 degrees, 18 minutes, 59 seconds East, 51.81 feet, an arc distance of 51.89 feet to a 1/2–inch iron rod with "HALFF" cap found for corner at the end of said curve;

North 00 degrees, 39 minutes, 11 seconds East, a distance of 96.57 feet to a 1/2–inch iron rod with "PEISER & MANKIN" cap found for corner at the south end of a corner clip;

North 45 degrees, 29 minutes, 13 seconds East, departing the said east line of Valley Parkway, a distance of 25.53 feet to a point for corner at the north end of said corner clip; said point being in the south right–of–way line of Spinks Road (a variable width right–of–way, 112 feet at this point); from said point a 1/2–inch iron rod with "PEISER & MANKIN" cap found bears South 60 degrees, 10 minutes West, a distance of 0.2 feet;

THENCE, with the said south line of Spinks Road, the following three (3) calls:

South 89 degrees, 40 minutes, 45 seconds East, a distance of 206.06 feet to a point for corner at the beginning of a tangent curve to the left; from said point a 1/2–inch iron rod with "PEISER & MANKIN" cap found bears North 42 degrees, 04 minutes West, a distance of 0.3 feet;

With said curve to the left, having a central angle of 28 degrees, 29 minutes, 53 seconds, a radius of 1,439.00 feet, a chord bearing and distance of North 76 degrees, 04 minutes, 18 seconds East, 708.38 feet, an arc distance of 715.73 feet to a point for corner at the end of said curve;

North 61 degrees, 49 minutes, 21 seconds East, a distance of 78.61 feet to a point for corner in the east line of said Tract II; said point being in the west line of Lot 3R, Block A, Majestic Addition, an addition to the City of Lewisville, according to the plat recorded in Cabinet 2012, Page 9 of the Official Records of Denton County, Texas; from said point a 1/2–inch iron rod with "PACHECO KOCH" cap found bears North 00 degrees, 52 minutes East, a distance of 1.5 feet;

THENCE, South 00 degrees, 52 minutes, 25 seconds West, with the said east line of Tract II, a distance of 1,005.74 feet to the POINT OF BEGINNING.

CONTAINING: 785,879 square feet or 18.041 acres of land, more or less.

SURVEYOR'S CERTIFICATE

To: Majestic Realty Co. (insured);
Stewart Title Guaranty Company (insurer); and
The Northwestern Mutual Life Insurance Company (lender):

This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2011 Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes Items 2, 3, 4, 6(a), 6(b), 7(a), 7(b)(1), 8, 11(a), 11(b), 13, 14, 16, 18, 19 and 21 of Table A thereof. The field work was completed on March 21, 2014.

Date of Plat or Map: March 24, 2014.

STATE OF TEXAS REGISTERED RENE SILVAS 5921 PROFESSIONAL LAND SURVEYOR

René Silvas
Registered Professional Land Surveyor
No. 5921
rsilvas@pkce.com

SHEET 2 OF 2

ALTA/ACSM LAND TITLE SURVEY

17.130 ACRES & 18.041 ACRES

LOCATED IN THE CITY OF LEWISVILLE, TEXAS
AND BEING OUT OF THE
PETER HARMONSON SURVEY, ABSTRACT NO. 530
DENTON COUNTY, TEXAS

FILE NO. 01128–8730

NO.	DATE	REVISION
1	04/03/2014	revisions to easement notes per revised title commitment, added easements along north side of Spinks Road

Pacheco Koch
6100 WESTERN PLACE, SUITE 1001
FORT WORTH, TX 76107 817.412.7155
TX REG. ENGINEERING FIRM F–14439
TX REG. SURVEYING FIRM LS–10193824

DRAWN BY	CHECKED BY	SCALE	DATE	JOB NUMBER
RS	PD		03/21/2014	2752–14.112

DWG FILE: 2752–14.112AS.DWG

ALTA/ACSM LAND TITLE SURVEY - 17.130 ACRES & 18.041 ACRES

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04/02/2014 – 3:49PM
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MEMORANDUM

TO: Donna Baron, City Manager

FROM: Nika Reinecke, Director of Economic Development & Planning

DATE: April 7, 2015

SUBJECT: **Approval of an Economic Development Agreement by and Between the City of Lewisville and HOYA Optical Labs of America, Inc.; and Authorization for the City Manager to Execute the Contract.**

BACKGROUND

HOYA Optical Labs of America, Inc. is renovating its existing facility and expanding operations at 651 E. Corporate Drive to include "Super Optical Laboratory." HOYA is located in the Waters Ridge Business Park and employs 244 people at an average wage of $48,586. The proposed growth plan includes 82 additional employees, enhanced production capacity and a new state-of-the-art facility for lens manufacturing.

ANALYSIS

The proposed agreement requires HOYA to invest at least $14 million for business personal property, occupy at least 89,473 square feet of space in Lewisville, maintain a minimum of 300 full time employees, and contribute $5,000 in community support to a City-sponsored event. In turn, the City will provide a 50 percent rebate on HOYA's business personal property taxes for a period of 5 years. The proposed tax rebate is based on the new investment and aims to retain HOYA as a significant contributor to Lewisville's economy. The project will bring substantial capital investment and additional jobs to Lewisville, benefits that will offset and exceed the cost of the tax rebate.

RECOMMENDATION

It is City staff's recommendation that the City Council approve the agreement as set forth in the caption above.

ECONOMIC DEVELOPMENT AGREEMENT

This Economic Development Agreement (the "Agreement") dated _____ is entered into by and between the City of Lewisville, Texas, a home rule city and municipal corporation of Denton County, Texas, duly acting by and through its City Manager, (hereinafter referred to as "City"); and HOYA Optical Labs of America, Inc. (hereinafter referred to as "Company") (hereinafter all shall collectively be referred to as the "Parties").

W I T N E S S E T H:

WHEREAS, pursuant to Chapter 380 of the Texas Local Government Code (hereinafter referred to as "Statute"), the City adopted an Economic Incentive Policy for making economic development incentives and grants on August 16, 2010 (hereinafter referred to as "the Policy Statement"); and

WHEREAS, the Policy Statement constitutes appropriate guidelines and criteria governing economic development agreements to be entered into by the City as contemplated by the Statute; and

WHEREAS, in order to maintain and/or enhance the commercial economic and employment base in Lewisville, Texas, to the long-term interest and benefit of the City, in accordance with said Statute, the City desires to enter into this Agreement; and

WHEREAS, the Company occupies certain premises (the "Building"), as herein defined, a 89,473 square foot building located on a 7.106 acre tract of land situated on Lot 1, Block B of Waters Ridge Phase I, of the Plat Records of Denton County, Texas which real property is more particularly described in "Attachment A" attached hereto (the "Land"); 651 E. Corporate Dr., Lewisville, Texas, 75057.

WHEREAS, the Company's efforts described herein will retain permanent existing jobs and create new jobs in the City; and

WHEREAS, the contemplated use of the Building, the contemplated improvements to the Building in the amount as set forth in this Agreement and the other terms hereof are consistent with encouraging development of said Land in accordance with the purposes for its creation and are in compliance with the intent of the Statute and the Policy Statement and similar guidelines and criteria adopted by the City and all applicable law; and

WHEREAS, the City Council finds that the Improvements sought are feasible and practicable and would be of benefit to the Land and to the City after the expiration of this Agreement.

NOW THEREFORE, the City, in consideration of the mutual benefits and promises contained herein and for good and other valuable consideration, the adequacy and receipt of which is hereby acknowledged, including the expansion of primary employment, the attraction of major investment on the Land, which contributes to the economic development of the City and the enhancement of the tax base in the City, the parties hereto do mutually agree as follows:

ARTICLE I
TERM

1.1 The term of this Agreement ("Term") shall commence on the date this Agreement is authorized by the City ("Effective Date") and shall continue in effect from Effective Date until December 31, 2021, unless sooner terminated in accordance with the termination provisions in this Agreement.

ARTICLE II
DEFINITIONS

2.1 Wherever used in this Agreement, the following terms shall have the meanings ascribed to them:

"**Agreement**" has the meaning set forth in the introductory paragraph of this document.

"**Appraised Value**" shall have the same meaning assigned by Section 1.04 of the TEX. TAX CODE, as amended.

"**Building**" shall mean an occupied industrial facility located at 651 East Corporate Drive containing approximately 89,473 square feet of space which will be occupied by the Company and the other ancillary facilities such as required parking and landscaping more fully described in the approved development permit documents filed with the City including but not limited to a final plat and engineering site plan.

"Business Personal Property Improvements" shall mean the business personal property which is eligible for economic development incentive under this Agreement. The Business Personal Property Improvements include the tangible personal property, machinery, equipment and fixtures, other than inventory or supplies, owned

or leased by Company that are located at the Building subsequent to the execution of this Agreement. Inventory and supplies shall not be eligible for economic development incentive under this Agreement.

"**City**" has the meaning set forth in the introductory paragraph of this Agreement.

"**Clawback Event**" means the Company failed to meet a material term or condition of this Agreement after the expiration of any applicable Cure Period as defined in Article VI. To the extent that a Clawback Event has occurred, a portion of the annual economic development grant described in Section 4.1 of this Agreement and received by Company from the City shall be subject to repayment by Company pursuant to Article VI of this Agreement.

"**Company**" has the meaning set forth in the introductory paragraph of this Agreement (i.e., HOYA Optical Labs of America, Inc.);

"**Effective Date**" means that point in time established in Article I of this Agreement.

"**Event of Bankruptcy**" shall mean the dissolution or termination of a party's existence as a going business, insolvency, appointment of receiver for any part of such party's property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against such party and such proceeding is not dismissed within ninety (90) days after the filing thereof.

"**Facility Based Employees**" shall mean the total number of Full-Time Individuals and Full-Time Equivalents.

"**Force Majeure**" shall mean any contingency or cause beyond the reasonable control of Company, including without limitation, acts of God or the public enemy, war, riot, terrorism, civil commotion, insurrection, governmental or de facto governmental action including, but not limited to, government actions pertaining to the determination of flood zones or FEMA actions (unless caused by acts or omissions of Company), fire, explosion or flood, and strikes.

"**Full-Time Equivalents**" shall mean, for a particular tax year, the number of Part-Time Individuals that equal a Full-Time Individual, who are employed during such tax year.

"**Full-Time Individual**" shall mean, for a particular tax year, an individual who is employed during such year (a) holds a regular employment position with the Company who is typically scheduled to work at least 35 hours per week and whose primary work place is in the city limits of the City, or (b) is an independent contractor who is typically scheduled to work at least 35 hours per week for the Company and whose primary work place is in the city limits of the City.

"**Part-Time Individual**" shall mean, for a particular tax year, an individual who is employed or is an independent contractor during such year and is not a Full-Time Individual but who holds a regular employment position with the Company who is typically scheduled to work at least 10 hours per week and whose primary work place is in the city limits of the City. Each combination of Part-Time Individuals that collectively totals 35 working hours per week shall be considered one (1) Full-Time Equivalent.

"**Required Use**" shall mean the Company's use of the Building for the continuous operation of a headquarters and optical laboratory, subject to temporary cessations of such operations as a result of a casualty or Force Majeure.

"**Taxable Item**" shall have the same meaning as assigned by Chapter 151, TEX. TAX CODE, as amended.

ARTICLE III
GENERAL PROVISIONS

3.1 As soon as practical after the Effective Date of this Agreement, the Company shall commence with the installation of the Business Personal Property Improvements at a total capital investment as required in Section 5.3 of this Agreement. The Company shall substantially complete the installation of the Business Personal Property Improvements and occupy the facility by December 31, 2015, provided that it shall have such additional time as may be required to complete the installation of the Business Personal Property Improvements if it is diligently pursuing completion of the same. In the event of Force Majeure or, if in the reasonable opinion of the City the Company has made substantial progress toward completion of the installation of the Business Personal Property Improvements, additional time may be granted by the City as may be required. The date of substantial completion of the installation of

the Business Personal Property Improvements shall be defined as the date that the Company meets or exceeds the total capital investment defined in Section 5.3 of this Agreement.

3.2 During the Term of this Agreement, the Company shall be subject to all applicable City taxation, including but not limited to sales and use taxes and ad valorem taxation on otherwise taxable land, inventory and supplies.

ARTICLE IV
ECONOMIC DEVELOPMENT INCENTIVE

4.1 Annual Rate of Grant. Subject to the terms and conditions of this Agreement, the City agrees to grant to the Company an economic development grant equal to fifty percent (50%) of the value of taxes levied on the Company's Business Personal Property Improvements located in the Building, paid to the City of Lewisville. The Company shall pay all applicable taxes in accordance with the state and local regulations. The Company will be paid the grant by the City in accordance with this Agreement on annual basis subject to the timing referenced in Section 4.2. Said grant shall be available subject to the terms and conditions of this Agreement during the Term, beginning on January 1, 2016

4.2 The Company acknowledges that this Agreement makes an allowance for an economic development grant to be paid on an annual basis. Each year during the Term, prior to payment of such grant, the Company shall remit payment of taxes levied on the Business Personal Property Improvements, submit its Annual Compliance Report shown on "Attachment B" to the City, and send a payment request to the City prior to February 1 for each year in which the grant is to be paid. Subject to the satisfactory receipt of these items prior to February 1, the City agrees that the grant will be paid in full to the Company prior to March 15 or within forty-five (45) days of satisfactory receipt of the above listed items.

ARTICLE V
AGREEMENT CONDITIONS

5.1 Minimum Use Condition. During the Term of this Agreement following the issuance of a certificate of occupancy for the Company's occupancy of the Building and continuing thereafter until expiration of this Agreement or earlier termination of same the Company agrees to occupy a minimum of 89,473 square feet of space in the Building which shall not be used for any purpose other than the Required Use.

5.2 Minimum Employment Condition. During the Term of this Agreement following the issuance of a certificate of occupancy for the Company's occupancy of the Building and

continuing thereafter until expiration of this Agreement or earlier termination of same, the Company must maintain a minimum employment count of three hundred (300) Facility Based Employees. The Company shall employ three hundred (300) Facility Based Employees by the end of the twelfth (12th) month following the Effective Date of this Agreement. If the Company fails to meets the Minimum Employment Condition for a given year, the grant for that year shall not be applicable and will not be granted by the City.

5.3 Minimum Investment Condition. To be eligible for the grant under this Agreement, the Company shall invest a minimum of fourteen million dollars ($14,000,000) for Business Personal Property in the Building. This investment shall be made no later than December 31, 2015. The Company shall maintain a minimum investment of at least fourteen million dollars ($14,000,000) subject to depreciation in accordance with generally accepted accounting practices or applicable tax regulations and tables. The City and Company understand that the appraisal of the Business Personal Property Improvements will be determined by the Denton Central Appraisal District on an annual basis or as otherwise required by law. The Company agrees to allow reasonable access to its Business Personal Property as required by law so the Denton Central Appraisal District can make accurate appraisals of the Business Personal Property Improvements. In the event of Force Majeure, the appraised value of the Business Personal Property Improvements shall be set by the Denton County Appraisal District on January 1 of each year subject to this Agreement. If the Company fails to meets the Minimum Investment Condition for a given year, the grant for that year shall not be applicable and will not be granted by the City.

5.4 Community Support. The Company will be required to use the City of Lewisville as its Headquarters' location on any Official Announcements or Communications that relate to its physical location. The Company shall be required to donate five thousand dollars ($5,000) in support of a City sponsored event or program on an annual basis throughout the Term of this Agreement. The City will provide advertising and promotion of the Company at City events, as approved by the Company, in recognition of such contribution.

5.5 Certification. The Company must certify annually as to its attainment of the stated performance measures described in this Article V by submitting an Annual Compliance Report (Attachment B) and appropriate support documentation to the City through the City's Director of Economic Development no later than February 1 of each year continuing until the expiration of the Term.

ARTICLE VI
TERMINATION

6.1 This Agreement may be terminated upon any one of the following:

(a) by written agreement of the Parties;

(b) expiration of the Term;

(c) by either party if the other party breaches any material terms or conditions of this Agreement and such breach is not cured within sixty (60) days after written notice thereof (the "Cure Period") or a reasonably longer period of time not to exceed thirty (30) days so long as the breaching party commences curative action within such 60-day period and diligently pursues such curative action to a satisfactory completion;

(d) by City, if the Company suffers an Event of Bankruptcy; and

(e) by City, if any impositions owed to the City or the State of Texas by the Company shall remain delinquent after the Cure Period; and

(f) by the Company upon sixty (60) days prior written notice to the City.

6.2 Refund of Grant. In the event this Agreement is terminated by the City pursuant to Section 6.1(c), (d), (e), or (f) a Clawback Event shall have been deemed to occur the Company shall, as the City's sole remedy, immediately pay the City within sixty (60) days of notice from the City an amount equal to a proportional amount of the grant received by the Company for the applicable tax year when the Clawback Event occurs.

ARTICLE VII
MISCELLANEOUS

7.1 The terms and conditions of this Agreement are binding upon the successors and assigns of all parties hereto. This Agreement cannot be assigned by the Company unless written permission is first granted by the City prior to any sale or lease execution by the assignee, which consent shall not be unreasonably withheld, so long as the Company's assignee agrees to be bound by all terms and conditions of this Agreement. To initiate an assignment, the Company must submit an assignment request letter to the City identifying the assignee and acknowledging that the assignee has been provided a copy of this Agreement and agrees to be bound by the provisions herein.

7.2 It is understood and agreed between the Parties that the Company, in performing its obligations hereunder, is acting independently, and the City assumes no responsibility or liabilities in connection therewith to third parties.

7.3 The Company further agrees that the City, its agents and employees, shall have reasonable rights of access to the Building as required by law to inspect the Business Personal Property Improvements in order to ensure that the installation of the Business Personal Property Improvements is in accordance with all applicable agreements with the City, including this Agreement, and all applicable state and local laws and regulations, as well as the continuing right, subject to the Company's reasonable security, health and safety requirements, to inspect the Building up to twice in any year during the Term of this Agreement to ensure that the Building is maintained, operated, and occupied in accordance with all applicable agreements with the City, provided that with respect to matters concerning this Agreement (i) the City must give the Company reasonable prior written notice no less than two (2) days prior to any such inspection, and (ii) a representative of the Company shall have the right to accompany the agent or employee of the City who is conducting such inspection.

7.4 The City represents and warrants that the Building does not include any property that is owned by a member of the City Council having responsibility for the approval of this Agreement.

7.5 Notices required to be given to any party to this Agreement shall be given personally or by certified mail, return receipt requested, postage prepaid, addressed to the party at its address as set forth below, and, if given by mail, shall be deemed delivered three (3) days after the date deposited in the United States Postal Service:

For the City by notice to:
City of Lewisville
Attn: Economic Development Director
151 W. Church Street
P.O. Box 299002
Lewisville, Texas 75057

For the Company by notice to:
HOYA Optical Labs of America, Inc.
Attn: Jason White
Jason.White@hoyavision.com
972-221-4141
651 E. Corporate Dr.
Lewisville, TX 75057

Any party may change the address to which notices are to be sent by giving the other party written notice in the manner provided in this paragraph. The Company must maintain accurate contact information on file with the City for the sake of annual compliance reporting throughout the Term of this Agreement.

7.6 This Agreement may be executed in multiple counterparts, each of which shall constitute an original, but all of which in the aggregate shall constitute one agreement.

7.7 In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

7.8 Whenever the context requires, all words herein shall be deemed to include the male, female, and neuter gender, singular words shall include the plural, and vice versa.

7.9 This Agreement was authorized by action of the City Council, authorizing the City Manager to execute the Agreement on behalf of the City.

7.10 No claim or right arising out of a breach of this Agreement can be discharged in whole or in part by a waiver or renunciation of the claim or right unless the waiver or renunciation is supported by consideration and is in writing signed by the aggrieved.

7.11 This Agreement may be modified or rescinded only by a written document signed by both of the parties or their duly authorized agents.

7.12 Venue for any litigation arising from this Agreement shall lie in Denton County, Texas.

7.13 **THE COMPANY AGREES TO DEFEND, INDEMNIFY AND HOLD CITY, ITS OFFICERS, AGENTS AND EMPLOYEES, HARMLESS AGAINST ANY AND ALL CLAIMS, LAWSUITS, JUDGMENTS, COSTS AND EXPENSES FOR PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE OR OTHER HARM FOR WHICH RECOVERY OF DAMAGES IS SOUGHT, SUFFERED BY ANY PERSON OR PERSONS, THAT MAY ARISE OUT OF OR BE OCCASIONED BY THE COMPANY'S BREACH OF THIS AGREEMENT OR BY ANY NEGLIGENT OR STRICTLY LIABLE ACT OR OMISSION OF THE COMPANY, ITS OFFICERS, AGENTS, EMPLOYEES OR SUBCONTRACTORS, IN THE PERFORMANCE OF THIS AGREEMENT. THE PROVISIONS OF THIS PARAGRAPH ARE SOLELY FOR THE BENEFIT OF THE PARTIES HERETO**

AND NOT INTENDED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, TO ANY OTHER PERSON OR ENTITY. THIS PARAGRAPH SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

7.14 Nothing contained in this Agreement shall constitute a waiver of the City's governmental immunity.

7.15 This Agreement shall be considered drafted equally by both the City and Company.

DATED this the _____day of_____, 2015.

CITY OF LEWISVILLE, TEXAS

_____

Donna Barron, City Manager

ATTEST:

_____

Julie Heinze, City Secretary

APPROVED AS TO FORM:

_____

Lizbeth Plaster, City Attorney

COMPANY: HOYA Optical Labs of America

By:_____
Name:_____
Title:_____

ATTACHMENT A

Legal Description

LEGAL DESCRIPTION
BLOCK 'B'
WATER'S RIDGE

Being a tract of land out of the William E. King Survey, Abstract No. 697 and the J.R. Worrell Survey, Abstract No. 1432 and being a replat of a portion of Block B (excluding Lot 1) of Waters' Ridge Phase I as platted in Cabinet D, Pages 397-400 and Cabinet E, Page 1-2, Denton County Plat Records and being more particularly described as follows:

COMMENCING at a P.K. nail found at the intersection of the south line of Bennett Lane (variable width right-of-way (R.O.W.) at this point) and the east line of Lakeway Drive (60 foot R.O.W.);

THENCE S 85°52'50" E along said south line for a distance of 8.59 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the left having a central angle of 00°10'26" and a radius of 2110.45 feet;

THENCE Easterly along said south line and said curve for a distance of 6.41 feet to a found 1/2 inch iron rod being the POINT OF BEGINNING;

THENCE continuing along said south line and said curve to the left having a central angle of 03°57'55" and a radius of 2110.45 feet;

THENCE Easterly along said curve for a distance of 146.06 feet to a found 1/2 inch iron rod;

THENCE N 89°58'50" E for a distance of 629.10 feet to a found 1/2 inch iron rod;

THENCE S 45°01'35" E for a distance of 21.22 feet to a found 1/2 inch iron rod in the West line of Waters' Ridge Boulevard (70 foot R.O.W.);

THENCE S 00°02'00" E along said west line for a distance of 561.56 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the left having a central angle of 37°19'46" and a radius of 1035.00 feet;

THENCE Southeasterly along said curve for a distance of 674.33 feet to a found 1/2 inch iron rod;

THENCE S 37°21'46" E for a distance of 296.62 feet to a found 1/2 inch iron rod for corner, also being the Northeast corner of Lot 1, Block B of Waters' Ridge Phase I;

THENCE S 52°38'14" W leaving said west line of Waters' Ridge Drive and along the north line of said Lot 1, for a distance of 387.32 feet to a found 1/2 inch iron rod for corner in the east line of the lake boundary at normal water surface and being the point of curvature of a non-tangent curve to the left whose center bears S 54°04'34" W and having a central angle of 01°05'44" and a radius of 632.00 feet;

THENCE Northwesterly along said curve and said east lake boundary for a distance of 12.08 feet to a found 1/2 inch iron rod;

THENCE N 37°01'10" W for a distance of 51.41 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the right having a central angle of 24°00'00" and a radius of 673.00 feet;

THENCE Northwesterly along said curve for a distance of 281.91 feet to a found 1/2 inch iron rod and being the point of a curvature of a curve to the left having a central angle of 18°00'00" and a radius of 392.00 feet;

THENCE Northwesterly along said curve for a distance of 123.15 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the right having a central angle of 24°00'00" and a radius of 198.00 feet;

THENCE Northwesterly along said curve for a distance of 82.94 feet to a found 1/2 inch iron rod and the point of curvature of a curve to the left having a central angle of 24°00'00" and a radius of 512.00 feet;

THENCE Northwesterly along said curve for a distance of 214.47 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the right having a central angle of 30°00'00" and a radius of 378.00 feet;

THENCE Northwesterly along said curve for a distance of 197.92 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the left having a central angle of 19°00'00" and a radius of 572.00 feet;

THENCE Northwesterly along said curve for a distance of 189.68 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the right having a central angle of 25°00'00" and a radius of 238.00 feet;

THENCE Northerly along said curve for a distance of 103.85 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the left having a central angle of 17°00'00" and a radius of 802.00 feet;

THENCE Northwesterly along said curve for a distance of 237.96 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the right having a central angle of 20°23'27" and a radius of 168.00 feet;

THENCE Northerly along said curve for a distance of 59.80 feet to a 1/2 inch iron rod and being the point of curvature of a curve to the left having a central angle of 07°47'14" and a radius of 1417.50 feet;

THENCE Northeasterly along said curve for a distance of 192.66 feet to a found 1/2 inch iron rod;

THENCE N 00°35'07" E for a distance of 13.73 feet to a 1/2 inch iron rod for corner in the said south line of Bennett Lane;

THENCE S 89°58'50" W along said south line for a distance of 124.97 feet to a found 1/2 inch iron rod for corner in the west line of the lake boundary at normal water surface;

THENCE S 00°01'10" E along said west line for a distance of 202.74 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the right having a central angle of 10°00'00" and a radius of 1248.00 feet;

THENCE Southwesterly along said curve for a distance of 217.82 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the left having a central angle of 29°00'00" and a radius of 557.00 feet;

THENCE Southeasterly along said curve for a distance of 281.92 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the right having a central angle of 20°00'00" and a radius of 568.00 feet;

THENCE Southerly along said curve for a distance of 198.27 feet to a found 1/2 inch iron rod;

THENCE S 00°58'50" W for a distance of 150.00 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the left having a central angle of 13°00'00" and a radius of 902.00 feet;

THENCE Southerly along said curve for a distance of 204.66 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the right having a central angle of 28°00'00", and a radius of 313.00 feet;

THENCE Southerly along said curve for a distance of 152.96 feet to a found 1/2 inch iron rod;

THENCE S 15°58'50" W for a distance of 120.00 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the left having a central angle of 72°00'00" and a radius of 302.00 feet;

THENCE Southerly along said curve passing the Northwest corner of Lot 4 at 143.52 feet and in all 379.50 feet to a found 1/2 inch iron rod;

THENCE S 56°01'10" E for a distance of 48.30 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the right having a central angle of 120°04'26" and a radius of 100.83 feet;

THENCE Southerly along said curve for a distance of 211.31 feet to a found 1/2 inch iron rod for corner and being the point of curvature of a curve to the left having a central angle of 34°00'01" and a radius of 122.00 feet;

THENCE Southwesterly along said curve for a distance of 72.40 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the right having a central angle of 50°05'34" and a radius of 128.00 feet;

THENCE Southwesterly along said curve for a distance of 111.91 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the right having a central angle of 88°15'38" and a radius of 57.00 feet;

THENCE Southwesterly along said curve for a distance of 87.81 feet to a found 1/2 inch iron rod for corner being the northeast corner of Lot 2 and being the point of curvature of a curve to the right having a central angle of 54°14'03" and a radius of 53.00 feet;

THENCE Southwesterly along said curve and the southeast line of said Lot 2 for a distance of 50.17 feet to a found 1/2 inch iron rod for the southwest corner of Block B and being in the east line of Lakeway Drive;

THENCE S 65°58'22" W for a distance of 33.00 feet to a found 1/2 inch iron rod in the said east line of Lakeway Drive;

THENCE N 24°01'38" W along said east line passing the Northwest corner of said Lot 2 at 61.64 feet and in all a distance of 83.39 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the left having a central angle of 10°33'53" and a radius of 1730.00 feet;

THENCE Northwesterly along said curve for a distance of 318.99 feet to a found 1/2 inch iron rod and being the point of curvature of a curve to the right having a central angle of 34°33'31" and a radius of 570.00 feet;

THENCE Northwesterly along said curve passing the northwest corner of said Lot 4 at 203.00 and in all 343.80 feet to a found 1/2 inch iron rod;

THENCE N 00°02'00" W for a distance of 1594.89 feet to a found 1/2 inch iron rod;

THENCE N 47°01'14" E for a distance of 20.44 feet to the POINT OF BEGINNING and there ending all in the City of Lewisville, Denton County, Texas;

CONTAINING 1,345,023 square feet or 30.88 acres or land, more or less.

LEGAL DESCRIPTION
LOT 4, BLOCK B
WATERS' RIDGE

Being a tract of land out of the William E. King Survey, Abstract No. 697, Denton County, Texas, said tract also contained in Waters' Ridge Phase I, Block B as platted in Cabinet D, Pages 397-400, and Cabinet E, Pages 1-2, Denton County Plat Records and being more particularly described as follows:

COMMENCING at the centerline intersection of Corporate Drive (114 ' R.O.W.) and Lakeway Drive (60' R.O.W.) as dedicated in said plat thereof;

THENCE N 02°37'35" E for a distance of 66.86 feet to a point in the Northeast line of said Lakeway Drive;

THENCE N 24°01'38" W along said Northeast line for a distance of 161.50 feet to a set 1/2 inch iron rod, said point also being the POINT OF BEGINNING;

THENCE N 24°01'38" W continuing along said line for a distance of 21.75 feet to a found 1/2 inch iron rod, said point being the point of curvature of a curve to the left having a central angle of 10°33'53" and a radius of 1730.00 feet;

THENCE Northwesterly along said curve for a distance of 318.99 feet to a set 1/2 inch iron rod, said point being the point of curvature of a reverse curve to the right having a central angle of 20°24'19" and a radius of 570.00 feet;

THENCE Northerly along said curve for a distance of 203.00 feet to a set 1/2 inch iron rod for corner;

THENCE N 75°48'48" E leaving said Northeast line of Lakeway Drive for a distance of 362.76 feet to a set 1/2 inch iron rod for corner in the west line of the proposed lake boundary at normal water surface, said point being a nontangent curve whose center bears N 78°45'10" E and having a central angle of 44°46'20" and a radius of 302.00 feet;

THENCE continuing along said west line and said curve, Southeasterly for a distance of 235.99 feet to a set 1/2 inch iron rod for corner;

Location Map

HOYA Optical — 651 Corporate Dr.
Map of Area

ATTACHMENT B

To Economic Development Agreement

Annual Compliance Report

CITY OF LEWISVILLE

ANNUAL COMPLIANCE REPORT

HOYA Optical Labs of America, Inc.

Item	Purpose	Compliance Information
1	Calendar Year	
2	Total Facility Based Employees of Company (300)	
3	Business Personal Property Value of Company in Building ($14,000,000)	$
4	Marketing and business collaterals use Lewisville Headquarters' name and address;	Yes No
5	Minimum Use of Facility (85,647 Square Feet)	Yes No
6	Annual Contribution towards City Sponsored Event or Program ($5,000)	

Certified By:

COMPANY:

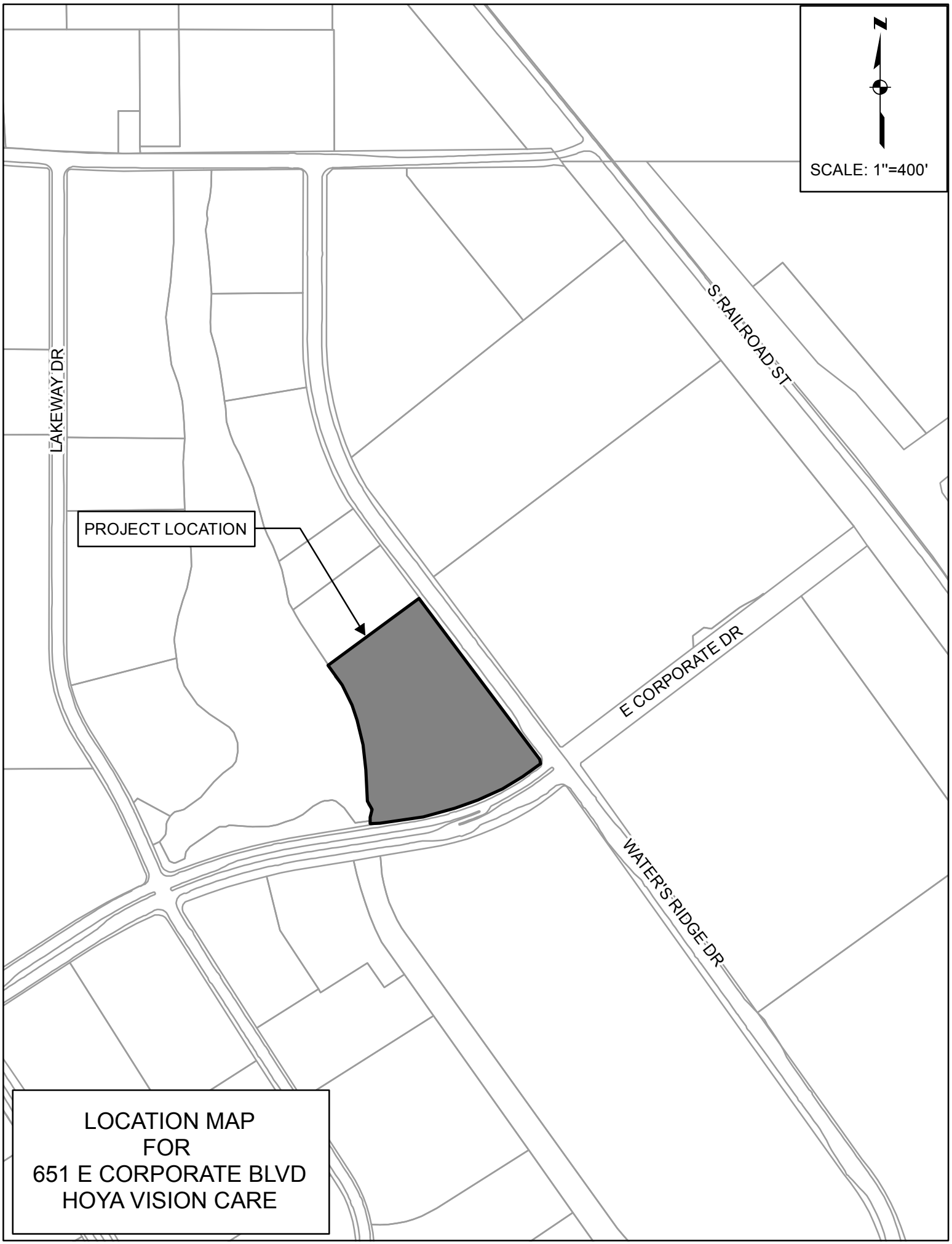
Name _____

Title _____

Email _____

Phone _____

LOCATION MAP
FOR
651 E CORPORATE BLVD
HOYA VISION CARE



LOCATION MAP
FOR
651 E CORPORATE BLVD
HOYA VISION CARE

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Bob Monaghan, Parks and Leisure Services Director

DATE: March 27, 2015

SUBJECT: **Consideration of the Rental of Toyota of Lewisville Railroad Park by the Lewisville Citizens Police Academy Alumni Association for Fund Raising Purposes; and Consideration of a Variance to the Lewisville City Code, Section 2-201, Fee Schedule, Regarding a Waiver of Athletic Field Rental Fees and Temporary Event Permit Fees Associated With the Battle of the Badge Benefit Softball Tournament.**

BACKGROUND

For the past 12 years, the Lewisville Citizens Police Academy Alumni Association has been conducting the Battle of the Badge Benefit Softball Tournament. The tournament consists of local police and fire departments in the Dallas Ft Worth area. Last year over 200 citizens attended the event as well as local media.

ANALYSIS

The Lewisville Police and Fire Departments, and other local fire and police departments compete while helping to raise money to help abused children in Denton County. The tournament will benefit the Children's Advocacy Center for Denton County. The CACDC is a non-profit agency that serves victims of sexual abuse or very serious physical abuse and their non-offending family members. The agency works closely with law enforcement, Child Protective Services, the District Attorney's Office, and sexual assault nurse examiners on the investigation and prosecution of severe child abuse cases. The Advocacy Center also provides free counseling and support services to the children and their families.

Battle of the Badge will take place on June 6, 2015 at The Toyota of Lewisville Railroad Park. Hot dogs and other refreshments will be available for purchase. An entrance fee for spectators will be charged at the event. Children 12 and under are free. The event will also feature an array of family activities such as a bounce house, clowns, crafts, face painting and a silent auction. The event proceeds will be split with 70% going directly to the CACDC and 30% to be used by the Lewisville Citizens Police Academy Alumni Association on other various community projects.

Field rental for the Lewisville teams to practice is estimated at $260, field rental for the tournament is estimated at $240, and the Temporary Event Permit is $15 for an estimated total of $565.

RECOMMENDATION

It is City staff's recommendation that the City Council approve the rental and the variance as set forth in the caption above, and to require the sponsoring parties to meet the City's standard liability insurance requirements.

MEMORANDUM

TO: Donna Barron, City Manager

FROM: James Kunke, Community Relations & Tourism Director

DATE: April 20, 2015

SUBJECT: **Consideration of a Variance to Lewisville Code of Ordinances 2-201, Waiver of Special Event Permit Fees in the Amount of $4,344.98 and Waiver of MCL Grand Equipment Rental Fees in the Amount of $7,459.00; and Approval of In-Kind Support Using City Staff and Equipment; Related to "Chalk This Way" Festival to be Held May 9, 2015.**

BACKGROUND

"Chalk This Way," a family-oriented outdoor festival that has been held the past two years in Lewisville, will return to Old Town Lewisville for the third year on Saturday, May 9, from 9 a.m. to 6 p.m. The event is organized by Lakeside Arts Foundation with assistance from Greater Lewisville Arts Alliance, Lewisville Morning Rotary Club, and other local groups. An estimated crowd of between 2,000 and 3,000 people have attended each of the past two years, with expected growth in 2015.

City Council already approved award of an Art Projects Grant in the amount of $11,000 out of the HOT Fund for this year's event. The event organizer is seeking additional support in the form of fee waivers and in-kind assistance. Council approved similar requests for this event in 2013 and 2014.

This year's festival will feature several new activities, including a pet parade coordinated by Lewisville Animal Services, interaction with Lewisville ISD art teachers, and a planned kite demonstration by the University of North Texas Pakistani Students Club. Depending upon conditions, some elements of the festival could be held in Wayne Ferguson Plaza.

ANALYSIS

A key component of a successful downtown revitalization program is the promotion of events. City contribution of in-kind items – those services that use existing personnel and materials – can provide tremendous support for events.

In the Lewisville 2025 vision plan, as part of Big Move #3 – Old Town, priority actions include "expand and enhance Old Town events to create a unique identity" and "partner with existing non-profit organizations . . . to create a number of quality events that create a unique identity for the core."
Chalk This Way will return to Old Town Lewisville on Saturday, May 9. It will mark the fifth year for this event, which was held previously for two years at Five Star Sports Complex in The Colony. It is the intent of participating groups that this event grow into a larger arts-related festival to be held each spring in Old Town Lewisville. MCL Grand staff is coordinating concurrent activities inside the arts center.

Event activities will be held on the grounds of MCL Grand and City Hall, in the west parking lot of City Hall, and on both Church and Charles streets. It will be necessary to close Church (between Mill and Herod) and Charles (between Main and Walters) from 6 a.m. Saturday through approximately 8 p.m. Charles street (between Walters and Church) will require an overnight closure beginning on Friday, May 8 at 12 p.m. through approximately 8 p.m. Saturday May 9 to stage a large 30x70 arts vendor tent. These closures have been approved previously and do not require additional Council action at this time. It is worth noting that the road closures, along with some on-site festival equipment, are being coordinated with the Keeping Tradition Alive Jam Session being held in the same location the evening of Friday, May 8.

Related requests from Lakeside Arts Foundation include permission to use both City Hall parking lots during the event (east lot for public parking, west lot for festival activities) and to use the parking lot on the corner of Mill and Walters for vendor and additional public parking.

The total value of the requested fee waiver is $11,803.98, allocated as follows:

Special Event Permit Fees

Fee Type	Description	Amount
Administration Fee	Special Event Permit	$15.50
Road Closures	Four barricades (Main/Charles, Church/Mill, Charles/Walters, Herod/Church)	$100.00
PALS Personnel	4 crew x 11 hours at event (Top Overtime Rate + 18 percent, per ordinance) Installation of 30x70 8 crew x 3.5 hr x 29.10 Installation of 8 tents 4 crew x 2.5 hr x 29.10 Table and chairs 4 crew x 2 hr x 29.10	$2993.38
Police Personnel	2 officers x six hours x $58.94	

	(base Sgt overtime rate, per ordinance)	$1178.80
Public Works Personnel	(Top Overtime Rate + 18 percent, per ordinance)	$57.30
	TOTAL	**$4,344.98**

MCL Grand Equipment Rental Fees

Equipment/Contractor	Description	Amount
Portable Sound System	(includes mixer, speakers, etc.)	$1,200.00
Event Tents	(10x10 canopy) 75.00 each x8	$600.00
Event Tents	(30x70 canopy) 75.00 each x 21	$1,575.00
Event Tables	10 tables @ $4 each	$40.00
Event Chairs	75 chairs @ $2 each	$150.00
Theatrical Tech	2 people x 12 hours x $30.00	$720.00
Performance Hall	12 hours	$852.00
Black Box	12 hours	$426.00
1A, 1B, 2B, 2A Classrooms	12 hours	$640.00
Lobby	12 hours	$480.00
Recital Hall	12 hours	$336.00
Great Lawn	12 hours	$440.00
	TOTAL	**$7,459.00**

In-kind support being requested is detailed in the attached letter from Lakeside Arts Foundation and includes marketing assistance, use city-owned festival equipment, and help with event planning. In addition, the city's 2014-15 budget includes $4,000 for professional on-site surveys that will be used to develop an attendee profile and an economic impact analysis.

RECOMMENDATION

It is City staff's recommendation that the City Council approve the request to waive special event and rental fees, and approve in-kind event support, as set forth in the caption above.

PO Box 560532
The Colony, Texas 75056

April 3, 2015

Mayor Dean Ueckert
City of Lewisville
Lewisville, TX 75057

Dear Mayor Ueckert,

Please accept this official request, on behalf of Lakeside Arts Foundation, for sponsorship and assistance with the "Chalk This Way" sidewalk chalk art festival, to be held in the Old Town/MCL Grand area of Lewisville on May 9, 2015.

Thank you and the other Lewisville council members for the $11,000 grant to fund this event and to the City of Lewisville Staff who are such great help with the event! The City staff is truly a joy to work with, for our entire crew. Lakeside Arts Foundation is delighted and proud to partner with the City to contribute, through events like this one, to the growth and success of the MCL Grand and businesses in the Old Town area.

The primary goal of the Chalk This Way event is to assist in promoting and encouraging visitors to Lewisville, Old Town and the MCL Grand, while promoting and nurturing local artists and arts organizations. We also aim to make art accessible to people who might not otherwise have much experience with the arts. Another goal of Chalk This Way is to promote and encourage partnerships between various Lewisville-area arts organizations, including the Greater Lewisville Arts Alliance and its member organizations, the schools and the community. So far, each one of these goals has been successful, and our festival is now achieving state-wide recognition, so we hope to continue to build and expand on the momentum in following years.

As a part of this partnership, Lakeside Arts Foundation is requesting that the City waive fees for Chalk This Way, as has been done for other community events, as follows:

- Waive all event related fees associated with Chalk This Way 2015
- Street Closures as needed for the event location site
- 8 of 10' x 10' Canopy Tents for Event Management activities
- 1 of 30' x 60' Market Canopy Tent for Arts & Crafts vendors
- 10 of 6-foot long tables for Event Management tents
- 60-75 folding chairs for Event Management tents
- Police and EMT assistance, as needed
- Trash receptacles and waste management

- 16 portable A-frame Event Directional Sign Frames
- Access to City marketing outlets to promote the event
- Use of the City owned sound equipment for the entire day
- 1 Theatrical Tech and 1 assistant to assist with sound equipment for the entire day (8 hours)
- Use of the electrical outlets in the MCL Courtyard and City Hall porch for the day
- Use of the sidewalks and streets for chalk art in the festival area (as approved by staff)
- Use of both parking lots at City Hall for the Command Tent and Food Vendors (West), vendor parking and guest parking (East).
- Use of the parking lot on the Northwest corner of Mill and Walters for guest parking.
- City staff for set-up and take-down of the event (7 AM and 6 PM)
- City Power Wash Truck and staff for clean-up after the event

Once again, I eagerly look forward to continued partnership with the City and its associates to make this festival a great success. It has been a delight working with the City of Lewisville for the past 3 years! Thanks again for your support!

Sincerely,

Christi Martin
President, Lakeside Arts Foundation

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Brenda Martin, Director of Finance

DATE: April 9, 2015

SUBJECT: **Consideration of an Ordinance Approving the 2015 Annual Assessment/Service Plan Updates for the Lewisville Castle Hills Public Improvement District (PID) No. 2.**

BACKGROUND

A development agreement between the City, Bright Farm Partnership and Denton County Fresh Water Supply Districts No. 1A and 1B was approved in 1996. The development agreement establishes the framework whereby Public Improvement Districts (PIDs) are established for the purpose of issuing bonds to pay for the construction of water, sewer, drainage and road improvements within the districts. Under this agreement, these bonds are required to be paid for through the tax rate levied by the districts and in no way are a liability of the City of Lewisville.

The City Council established Lewisville Public Improvement District (PID) No. 2 in 1999. PID No. 2 contains approximately 444.536 acres of land with 334.75 acres subdivided into 750 residential lots, 39.546 acres of commercial property and 70.24 acres of undevelopable or public easement land. Chapter 372 of the Texas Local Government Code requires that an Assessment/Service Plan be adopted for a PID and must be updated for the purpose of determining the annual budget for improvements. The Assessment/Service Plan must cover a period of at least five years and must define the annual indebtedness and the projected costs of the improvements in the district. The PID No. 2 Supplemental Assessment/Service Plan update was adopted February 4, 2013.

ANALYSIS

The plan is updated to reflect the total dollars spent to date. The City authorized the issuance of $14.0M PID No. 2 bonds in 1999. These bonds were used to finance the first phase of public improvements within DCFWSD 1-D (the "District"). In July 2002, the City authorized the issuance of $18.15M of bonds to finance the second phase of public improvements and advance refund the previously issued 1999 bonds. In July 2005, the City authorized the issuance of $10.35M of bonds to finance the third phase of public improvements. In January 2013, the City authorized the issuance of $14.3M of refunding bonds for the purpose of refunding and defeasing a portion of the 2002 bonds and to pay the cost of issuance of the bonds. The updated plan reflects the prior issuances along with the proposed bond issue.

Additionally, the updated plan provides revised assessment rolls that are reflective of current platting in the districts. The assessment dollar amount per lot (total assessment owed per lot) is provided in Table IV-A along with the total amount of the assessments.

RECOMMENDATION

It is City staff's recommendation that the City Council approve the ordinance thereby accepting the update plan.

CERTIFICATE FOR ORDINANCE

THE STATE OF TEXAS §

COUNTIES OF DENTON AND DALLAS §

CITY OF LEWISVILLE §

I, the undersigned City Secretary of the City of Lewisville, Texas, hereby certify as follows:

1. The City Council of the City of Lewisville, Texas convened in a regular session on the 20th day of April, 2015 in the Council Chambers of the Lewisville City Hall, 151 West Church Street, Lewisville, Texas (the "Meeting"), and the roll was called of the duly constituted Council Members of the City of Lewisville, Texas to-wit:

Dean Ueckert	Mayor
TJ Gilmore	Mayor Pro-Tem
R. Neil Ferguson	Deputy Mayor Pro-Tem
Leroy Vaughn	Council Member
Greg Tierney	Council Member
Rudy Durham	Council Member

And all of the persons were present except _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at the Meeting:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS UPDATING THE ASSESSMENT/SERVICE PLAN AND ASSESSMENT ROLL FOR LEWISVILLE CASTLE HILLS PUBLIC IMPROVEMENT DISTRICT NO. 2

was duly introduced for the consideration of the City Council. It was then duly moved and seconded that the Ordinance be passed; and, after due discussion, said motion carrying with it the passage of the Ordinance, prevailed and carried by the following vote:

Aye: ____ No:___

2. A true, full and correct copy of the Ordinance passed at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that the Ordinance has been duly recorded in the City Council's minutes of the Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the City Council's minutes of the Meeting pertaining to the passage of the Ordinance; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting city officials as indicated therein; that each of the elected officials and members of the City Council was duly and sufficiently notified, officially and personally, in advance, of the time, place and purpose of the Meeting, and that the Ordinance would be introduced and considered for passage at the Meeting, and each of the elected officials and members consented, in advance, to the holding of the Meeting for such purpose, and that the Meeting was open to the public and public notice of the time, place and

purpose of the meeting was given, all as required by Chapter 551, Government Code, as amended.

3. The City Council has approved the aforementioned attached Ordinance and the Mayor and the City Secretary of the City of Lewisville have duly signed the Ordinance; and that the City Secretary hereby declares that the attached Ordinance is a true and correct copy of the Ordinance for all purposes.

SIGNED AND SEALED this 4th day of April, 2015.

_____
Julie Heinze, City Secretary
City of Lewisville

[City Seal]

ORDINANCE NO. ____ - __ -2015

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS UPDATING THE ASSESSMENT/SERVICE PLAN AND ASSESSMENT ROLL FOR LEWISVILLE CASTLE HILLS PUBLIC IMPROVEMENT DISTRICT NO. 2 (THIS "ORDINANCE").

RECITALS

WHEREAS, a petition was submitted to the governing body of the City of Lewisville, Texas (the "Municipality"), pursuant to the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code (the "Act" or the "PID Act"), requesting the creation of a public improvement district over a portion of territory to be known as Lewisville Castle Hills Public Improvement District No. 2 ("P.I.D. No. 2" or the "P.I.D.");

WHEREAS, pursuant to Section 372.009(b) of the Act, the governing body of the Issuer, on the 13th day of September, 1999, passed and approved Resolution No. 2490-9-99, making certain findings as to the advisability of the improvements, the nature of the improvements, the boundaries of the proposed public improvement district, the method of assessment, and the apportionment of the costs between the proposed public improvement district and the Issuer as a whole and authorizing the creation of P.I.D. No. 2 and thereby establishing the exact boundaries of P.I.D. No. 2;

WHEREAS, on the 18th day of October, 1999, the governing body of the Issuer adopted Ordinance No. 2503-10-1999 (the "Assessment Ordinance") approving the Assessment/Service Plan for P.I.D. No. 2 and levied assessments as Special Assessments on each parcel of property within P.I.D. No. 2, all as provided in Section 372.017 of the Act;

WHEREAS, Section 372.013 of the PID Act and the Assessment/Service Plan require that the Assessment/Service Plan and Assessment Roll be annually reviewed and updated; and

WHEREAS, the Assessment/Service Plan Update, including an updated Assessment Roll, attached as Exhibit A hereto conforms the original Assessment Roll to the principal and interest payment schedule required for the bonds, thereby reducing the amounts listed on the original Assessment Roll, and updates the Assessment Roll to reflect prepayments, reallocation of lot types and assessments, issuance of additional bonds and changes to the budget allocation for District public improvements that occur during the year, if any; and

WHEREAS, the City Council now desires to proceed with the adoption of this Ordinance which updates the Assessment Ordinance and approves and adopts the Annual Assessment/Service Plan Update and the updated Assessment Roll attached thereto, in conformity with the requirements of the PID Act.

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

Section 1. Findings.

The findings and determinations set forth in the preambles are hereby incorporated by reference for all purposes.

Section 2. Annual Service Plan Update and Assessment Roll.

The Annual Service Plan Update, including updated Assessment Roll, is attached hereto as Exhibit A, is hereby accepted and approved.

Section 3. Effective Date.

This Ordinance shall take effect upon passage and execution hereof.

[From here to end of page intentionally left blank.]

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS, BY A VOTE OF _ TO _ ON THIS THE 20TH DAY OF APRIL, 2015.

APPROVED:

_____

DEAN UECKERT, MAYOR

ATTEST:

_____

JULIE HEINZE, CITY SECRETARY

APPROVED AS TO FORM:

_____

LIZBETH PLASTER, CITY ATTORNEY

EXHIBIT "A"

ANNUAL ASSESSMENT/SERVICE PLAN UPDATE

LEWISVILLE CASTLE HILLS
PUBLIC IMPROVEMENT DISTRICT NO. 2

CITY OF LEWISVILLE, TEXAS

ANNUAL ASSESSMENT/SERVICE PLAN UPDATE

APRIL 20, 2015

SECTION I
ANNUAL SERVICE PLAN UPDATE AND DEFINITIONS

On September 13, 1999, the City Council of the City of Lewisville (the "City") passed and approved Resolution No. 2490-9-99 approving and authorizing the creation of the Lewisville Castle Hills Public Improvement District No. 2 (the "PID") to finance the PID Costs for the benefit of certain property in the PID, all of which is located within the extraterritorial jurisdiction of the City.

On October 18, 1999, the City Council passed and approved Ordinance No. 2503-10-1999, levying assessments on property within the PID and approving the Lewisville Castle Hills Public Improvement District No. 2 Assessment/Service Plan (the "Assessment/Service Plan").

Chapter 372 of the Texas Local Government Code, "Improvement Districts in Municipalities and Counties" (as amended, the "PID Act"), governs the creation of public improvement districts within the State of Texas. The Assessment/Service Plan and this Annual Assessment/Service Plan Update (the "Update") have been prepared pursuant to Sections 372.013, 372.014, 372.015 and 372.016 of the PID Act.

According to Section 372.013 of the PID Act, a service plan "must cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements." This Update will serve as the update pursuant to Section 372.013.

This Update was prepared at the direction of the City, identifying the public improvements to be provided by the PID, the costs of the public improvements, the indebtedness to be incurred for the public improvements, the amount of remaining assessments and indebtedness and the manner of assessing the property in the PID for the costs of the public improvements all as described above. The City has prepared a revised assessment roll (the "Assessment Roll") for this Update identifying the remaining assessments on each parcel based on the method of assessment identified in the Assessment/Service Plan.

This update has been prepared pursuant to Section 372.013 as an update to the Assessment/Service Plan and Assessment Roll as originally adopted on October 18, 1999 by the City and such Assessment/Service Plan and Assessment Roll shall be updated annually by August 1 of each year that Assessments are due or when requested by the City.

The Assessments were levied for the total estimated costs of the improvements and facilities contemplated by the PID. The Assessments were pledged to contract revenue bonds issued by the City to fund improvements within the PID and the Assessments and any interest due is not collected if Contract Revenues collected pursuant to the terms of

the Amended Joint Utility Contract by and between the City and Denton County Fresh Water Supply District No. 1-D ("District No. 1-D") (the "Contract Revenues") are sufficient to pay debt service on the Bonds. The amount contemplated and authorized by the Joint Utility Contract and levied by the original Assessment Plan is $28,500,000. The City has previously issued two series of Bonds payable from the Assessments and from Contract Revenues: the City of Lewisville, Texas Combination Contract Revenue and Special Assessment Capital Improvement Bonds, Series 2002 (Lewisville Castle Hills Public Improvement District No. 2 Project) (the "Series 2002 Bonds") and the City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding and Capital Improvement Bonds, Series 2005 (Lewisville Castle Hills Public Improvement District No. 2 Project) (the "Series 2005 Bonds") and the $14,300,000 City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2013 (Lewisville Castle Hills Public Improvement District No. 2 Project) (the "Series 2013 Refunding Bonds"). Contract Revenues have been sufficient to pay debt service on the Series 2002 Bonds, Series 2005 and Series 2013 Refunding Bonds and payment of the Contract Revenues and the payment of principal and interest on the Series 2002 Bonds, Series 2005 Bonds and Series 2013 Refunding Bonds has reduced the debt service on these bonds and correspondingly reduced the amount of the Assessments due on property within the PID. This Update shall reflect a decrease in the Assessments to reflect the principal amount of the Series 2002 Bonds, Series 2005 Bonds and Series 2013 Refunding Bonds paid by Contract Revenues prior to the issuance of the proposed $8,730,000 City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project) (the "Series 2015 Refunding Bonds") to defease a portion of the Series 2005 Bonds in the current fiscal year.

For all purposes of this Update, the following words and terms, whenever the same appear herein without qualifying language, are defined to have the meanings set out below, unless the context requires a different interpretation:

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

"Annual Service Plan Update" or "Update" means the annual update to the Assessment/Service Plan.

"Assessment" means the assessment levied against a Parcel imposed pursuant to the Assessment Ordinance and the provisions of the Assessment/Service Plan as updated herein, as shown on the Assessment Roll, subject to reallocation upon the subdivision of such Parcel created by such subdivision or reduction according to the provisions herein and the PID Act.

"Assessment Ordinance" means Ordinance No. 2503-10-1999 approved by the City on October 18, 1999, approving the imposition of the Assessments.

"Assessed Property" means, for any year, Parcels within the PID that on which an Assessment has been levied.

"Authorized Improvements" mean those improvements described in the Assessment Ordinance and the Assessment/Service Plan adopted by the City as Exhibit B-1 of the Assessment/Service Plan and Section 372.003 of the PID Act.

"Bonds" mean all bonds secured in whole or in part by Assessments levied by the PID, issued by the City in one or more series.

"Contract Revenues" mean those revenues received by the City from District No. 1-D pursuant to the Amended 2000 Joint Utility Contract between the City and District No. 1-D, for the payment of debt service on the Bonds.

"Costs" mean the actual or budgeted costs, as applicable, of all or any portion of the Authorized Improvements, as described in the Assessment/Service Plan.

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

"PID Act" means Texas Local Government Code, Chapter 372, Improvement Districts in Municipalities and Counties, Subchapter A, Public Improvement Districts, as amended.

"PID Costs" mean the actual or budgeted costs, as applicable, of all or any portion of the Authorized Improvements that provide a special benefit to the Assessed Property and are allocated to the PID.

"Assessment Roll" means the document included with the Assessment/Service Plan as updated, modified or amended from time to time in accordance with the procedures set forth in the Assessment/Service Plan and in the PID Act.

"Prepayment Costs" mean interest and expenses to the date of prepayment, plus any additional amounts due pursuant to the documents authorizing the issuance of Bonds, if any, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment.

SECTION II
PROPERTY INCLUDED IN THE PID

The Lewisville Castle Hills Public Improvement District No. 2 ("PID") is located in the extraterritorial jurisdiction of the City of Lewisville, Texas. The PID contains approximately 444.536 acres of land, with 334.75 acres subdivided into 750 residential lots, 39.546 acres of commercial property and 70.24 acres of undevelopable or public

easement lands. The Parcels in the PID have been updated and are shown on the updated Assessment Roll, attached as Appendix A.

The property within the PID was originally allocated into 6 lot types, including two commercial lot types for medical office and retail development. Based on the actual development and lot build-out within the PID, the Assessed Property has been re-allocated into residential and commercial lot types as shown below. Both residential and commercial development have occurred within the PID.

TABLE II-A
PROPOSED LOT TYPES

The current Parcels in the PID are shown on the Assessment Roll. The number of units within the PID is based on the actual land use approvals for the property and platting of the property. The number of residential lots has been increased to 750 from the original 667.

Residential Lot Type	Number of Lots	Average Lot Size
Type A	469	11,000 sf or more
Type B	281	11,000 sf or less
	750	

Commercial Lot Type	Status	Lot Size
Type A Lot 1	Developed	3.304 acres
Type A Lot 2	Undeveloped	3.340 acres
Type A Lot 3	Developed	4.822 acres
Type A Lot 4	Developed	3.7 acres
Type B	Undeveloped	24.38 acres

*Commercial Lot Type A will be developed as phases of the Castle Hills Village Shops

SECTION III

SERVICE PLAN

The PID Act requires that the service plan define the annual projected costs and indebtedness for the improvement projects undertaken within the PID. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements.

Table III-A shows estimated costs and indebtedness for the PID.

TABLE III-A
COSTS AND INDEBTEDNESS

Sources of Funds:	
	Total
Total principal amount of outstanding Series 2002 Bonds, Series 2005 Bonds, Series 2013 Refunding Bonds and Series 2015 Refunding Bonds to provide facilities, improvements and services	$23,975,000
Total amount of outstanding prior debt:	**$23,975,000**
Total indebtedness of the PID payable from assessments	**$23,975,000**

The costs and indebtedness shown in Table III-A have been updated to reflect any changes in actual costs.

The annual projected costs and annual projected indebtedness is shown by Table III-B. The annual projected costs and indebtedness have been updated to reflect the outstanding balance of the Series 2002 Bonds, the Series 2005 Bonds, the Series 2013 Refunding Bonds and the proposed Series 2015 Refunding Bonds currently in the process of issuance in 2015 and included in this Update (the Series 2002 Bonds, Series 2005 Bonds, Series 2013 Refunding Bonds and Series 2015 Refunding Bonds are collectively referred to herein as the "Bonds"). The annual projected cost for 2015 is the cost of issuance of the Series 2015 Refunding Bonds as no other new costs are incurred by the refunding. The annual projected indebtedness and the total amount of outstanding Assessments decreases as shown in Table III-B as principal payments on the Bonds are made on a yearly basis.

The annual projected costs and indebtedness is subject to revision and shall be updated in each Annual Service Plan Update to reflect any expected changes in the costs or indebtedness. For purposes of this Annual Service Plan Update, the reporting year shall be from the approval of the October 18, 1999 Assessment/Service Plan to June 30, 2015. Each subsequent reporting year shall be from July 1 to June 30 of the following year.

TABLE III-B
ANNUAL PROJECTED COSTS AND INDEBTEDNESS

Year	Annual Projected Costs	Annual Projected Indebtedness
2015	$363,811	$23,975,000
2016	$0	$_____*
2017	$0	$_____
2018	$0	$_____
2019	$0	$_____

*available after pricing of the Series 2015 Refunding Bonds

TABLE III-C
ANNUAL BUDGET

The annual budget, updated to reflect the annual debt service and the interest and principal due on the Bonds, is shown by Table III-C**.**

Debt Service	Original Debt Service Amount	Revised Debt Service Amount after Prepayment related Redemptions	Total Debt Service
Interest Payment			
March/April 1, 2015	$_____	$0	$_____
September/October 1, 2015	$_____	$0	$_____
Subtotal	$_____	$0	$_____
Principal Payment			
October 1, 2015	$_____	$0.00	$_____
Subtotal	$_____	$0.00	$_____
Total Debt Service 2015	**$_____**	**$0**	**$_____**

*Interest payments on the Series 2002 Bonds, Series 2013 Refunding Bonds are due in March and September of each year. Interest payments on the Series 2005 Bonds are due in April and October of each year.

SECTION IV
ASSESSMENT PLAN

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

In the Assessment/Service Plan adopted on October 18th, 1999, the City Council determined that the PID Costs be allocated to the Assessed Property on the basis of the relative value of Parcels without regard to the Authorized Improvements completed and installed, and that such method of allocation results in the imposition of equal shares of the PID Costs on Parcels similarly benefited. In determining the relative value of Parcels, the City Council has taken into consideration (i) the type, size and number of lots; (ii) current and projected home prices; (iii) the costs of the Authorized Improvements, and (iv) the ability of different property types to utilize and benefit from the Authorized Improvements.

The Assessments have been reallocated based on current platting and development to reflect the allocation shown in Table IV-A. The Assessment per lot for residential lots with an average size of 11,000 square feet or less is shown in this Update as $23,890. The Assessment per lot for residential lots with an average size of more than 11,000 square feet is shown in this Update as $28,167. Assessments per lot are based on the percentage of assessments attributable to each lot type in the original Assessment/Service Plan and assessments per lot have been updated to reflect current development.

Table IV-A shows the updated summary of Assessments allocated to each lot type. The total Assessments are equal to $23,975,000.

TABLE IV-A
ASSESSMENT PER LOT TYPE

	No. of Lots	**Special Assessments per Lot**	**Total Assessments**
Residential:			
Lot Type A – (average size > 11,000 SF) – 469 lots (55.1% of original assessments)		$28,166.79	$13,210,225
Lot Type B – (average size < 11,000 SF) – 281 lots (28% of original assessments)		$23,889.68	$6,713,000
Total			**$19,923,225**

Commercial Lot Type	Status	Lot Size	Special Assessment
Type A Lot 1	Developed	3.304 acres	$338,519
Type A Lot 2	Undeveloped	3.340 acres	$342,207
Type A Lot 3	Developed	4.822 acres	$494,049
Type A Lot 4	Developed	3.7 acres	$379,092
Type B	Undeveloped	24.38 acres	$2,497,908
Total Commercial Assessment (equal to 16.9% of total assessments)		39.546 acres@ $102,457 per acre	**$4,051,775**

SECTION V
TERMS OF THE ASSESSMENTS

A. Amount of Assessments

The Assessment for each Parcel is shown on the updated Assessment Roll, and no Assessment shall be changed except as authorized by an Assessment/Service Plan Update or the PID Act. The Assessments shall not exceed the amount required to repay the portion of the principal amount of the Bonds payable from Assessments and shall be collected, if necessary, in an amount to pay a portion of the principal and interest on the Bonds in the event that the Contract Revenues are insufficient to pay debt service on the Bonds in any given year, to the extent permitted by law. Interest on the Assessments shall not accrue until Assessments are collected by the City as Annual Installments.

B. Reduction of Assessments

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

C. Payment of Assessments

1. Payment in Full

(a) The Assessment for any Parcel may be paid in full at any time. If prepayment in full will result in a redemption of Bonds after the deposit made pursuant to (c) below, the payment amount shall be reduced by the amount, if any, of reserve funds applied to the redemption under the Bond documents, net of any other costs applicable to the redemption of Bonds.

(b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.

(c) Upon payment in full of an Assessment, the City shall deposit the payment in accordance with the bond documents, on a pro rata basis among each series of Bonds outstanding; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.

(d) Once an Assessment is paid in full, the City is hereby authorized to grant a release relating to the Parcel subject to the Assessment. The form of such release shall be as determined by the City to comply with state law and shall effectuate the release of the City's lien on such Parcel subject to the Assessment upon payment in full of the Assessment.

2. Payment in Annual Installments

The Act provides that an Assessment for a Parcel may be paid in full at any time or paid in Annual Installments. The Assessment for a Parcel may be collected in Annual Installments each year in the amounts shown in the Assessment Roll, which include interest on the outstanding Assessments. It is anticipated that the Denton County Tax Assessor/Collector or District No. 1-A will bill and collect the annual installments on behalf of the City of Lewisville, if necessary. Collection of the Assessments and therefore the Annual Installments shall commence upon action of the City if Contract Revenues collected under the Amended 2000 Joint Utility Contract are insufficient to meet debt service obligations on the Bonds in any year. The principal amount of the Assessments shall be reduced by the amounts of principal paid toward the Bonds either by the application of collected Assessments or by payments received under the Amended 2000 Joint Utility Contract and such reductions shall be reflected in each future Annual Update as a reduced Assessment on each parcel.

Each Assessment shall bear interest of no more than the actual interest rate paid on the Outstanding Bonds and interest shall not accrue until the City begins collection of the Assessments, if ever. The Assessments or Annual Installments shall be reduced to equal

the actual costs of repaying the Bonds, taking into consideration any other available funds for these costs, such as interest income on account balances under the bond documents.

SECTION VI
THE ASSESSMENT ROLL

The Assessment Roll identifies each Parcel within the PID, the classification of each Parcel by lot type, and the Assessment imposed on each Parcel. The Assessment on each Parcel is based on the lot type and the benefit to each specific Parcel as explained herein.

The Assessment Roll has been updated to reflect changes resulting from the issuance of the Bonds and current platting, including the actual interest rate on the Bonds, any reductions to the Assessments based on collection of Assessments, Contract Revenues or prepayments, and reallocations based on current property distribution.

APPENDIX A

ASSESSMENT ROLL

LCHPID2 - ASSESSMENT ROLL - APRIL 2015

Property ID	Prop	Status	Situs Address	Legal Description	District Number	Land Size (in Acres)	Land Size (in feet)	Lot Type	Assessment
Lot Type B							**Less than 11,000 sf**		
310354	R	Active	2630 Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk A Lot 42		0.0918	3,999	B	$23,889.68
310376	R	Active	Grail Castle Dr	Castle Hills Ph Iv Sec C Blk A Lot 64		0.0918	3,999	B	$23,889.68
310377	R	Active	Grail Castle Dr	Castle Hills Ph Iv Sec C Blk A Lot 65		0.0918	3,999	B	$23,889.68
310378	R	Active	Grail Castle Dr	Castle Hills Ph Iv Sec C Blk A Lot 66		0.0918	3,999	B	$23,889.68
310382	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk A Lot 71		0.0918	3,999	B	$23,889.68
310575	R	Active	501 Grail Castle Dr	Castle Hills Ph Iv Sec C Blk A Lot 69		0.0926	4,034	B	$23,889.68
310590	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 5		0.0926	4,034	B	$23,889.68
310548	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk H Lot 1		0.0927	4,038	B	$23,889.68
310374	R	Active	Grail Castle Dr	Castle Hills Ph Iv Sec C Blk A Lot 62		0.0935	4,073	B	$23,889.68
310383	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk A Lot 72		0.0941	4,099	B	$23,889.68
310379	R	Active	Grail Castle Dr	Castle Hills Ph Iv Sec C Blk A Lot 67		0.0947	4,125	B	$23,889.68
310324	R	Active	2624 Sir Alexander Ln	Castle Hills Ph Iv Sec C Blk A Lot 15		0.0951	4,143	B	$23,889.68
310384	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk A Lot 73		0.0956	4,164	B	$23,889.68
310564	R	Active	Sir Torin Ln	Castle Hills Ph Iv Sec C Blk H Lot 17		0.0959	4,177	B	$23,889.68
310565	R	Active	Sir Torin Ln	Castle Hills Ph Iv Sec C Blk H Lot 18		0.0959	4,177	B	$23,889.68
310551	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk H Lot 4		0.0959	4,177	B	$23,889.68
310552	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk H Lot 5		0.0959	4,177	B	$23,889.68
310555	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk H Lot 8		0.0963	4,195	B	$23,889.68
310527	R	Active	King Galloway Dr	Castle Hills Ph Iv Sec C Blk G Lot 10		0.0968	4,217	B	$23,889.68
310521	R	Active	King Galloway Dr	Castle Hills Ph Iv Sec C Blk G Lot 4		0.0968	4,217	B	$23,889.68
310522	R	Active	King Galloway Dr	Castle Hills Ph Iv Sec C Blk G Lot 5		0.0968	4,217	B	$23,889.68
310523	R	Active	King Galloway Dr	Castle Hills Ph Iv Sec C Blk G Lot 6		0.0968	4,217	B	$23,889.68
310524	R	Active	King Galloway Dr	Castle Hills Ph Iv Sec C Blk G Lot 7		0.0968	4,217	B	$23,889.68
310525	R	Active	King Galloway Dr	Castle Hills Ph Iv Sec C Blk G Lot 8		0.0968	4,217	B	$23,889.68
310526	R	Active	King Galloway Dr	Castle Hills Ph Iv Sec C Blk G Lot 9		0.0968	4,217	B	$23,889.68
310520	R	Active	King Galloway Dr	Castle Hills Ph Iv Sec C Blk G Lot 3		0.097	4,225	B	$23,889.68
310589	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 4		0.0985	4,291	B	$23,889.68
310380	R	Active	Grail Castle Dr	Castle Hills Ph Iv Sec C Blk A Lot 68		0.0993	4,326	B	$23,889.68
310375	R	Active	Grail Castle Dr	Castle Hills Ph Iv Sec C Blk A Lot 63		0.101	4,400	B	$23,889.68
310562	R	Active	Sir Torin Ln	Castle Hills Ph Iv Sec C Blk H Lot 15		0.1011	4,404	B	$23,889.68
310332	R	Active	525 Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 23		0.1013	4,413	B	$23,889.68
310358	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk A Lot 46		0.1017	4,430	B	$23,889.68
310359	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk A Lot 47		0.1017	4,430	B	$23,889.68
310360	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk A Lot 48		0.1017	4,430	B	$23,889.68
310361	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk A Lot 49		0.1017	4,430	B	$23,889.68
310362	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk A Lot 50		0.1017	4,430	B	$23,889.68
310363	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk A Lot 51		0.1017	4,430	B	$23,889.68
310364	R	Active	504 Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk A Lot 52		0.1017	4,430	B	$23,889.68
310365	R	Active	508 Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk A Lot 53		0.1017	4,430	B	$23,889.68
310366	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk A Lot 54		0.1017	4,430	B	$23,889.68
310333	R	Active	521 Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 24		0.1022	4,452	B	$23,889.68
310326	R	Active	Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 17		0.1028	4,478	B	$23,889.68
310357	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk A Lot 45		0.1029	4,482	B	$23,889.68
310335	R	Active	509 Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 26		0.1033	4,500	B	$23,889.68
310336	R	Active	505 Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 27		0.1033	4,500	B	$23,889.68
310341	R	Active	Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 32		0.1033	4,500	B	$23,889.68
310353	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk A Lot 41		0.1033	4,500	B	$23,889.68
310367	R	Active	516 Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk A Lot 55		0.1033	4,500	B	$23,889.68
310331	R	Active	529 Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 22		0.1035	4,508	B	$23,889.68
310549	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk H Lot 2		0.1038	4,522	B	$23,889.68
310404	R	Active	Sir Wade Way	Castle Hills Ph Iv Sec C Blk B Lot 14		0.1042	4,539	B	$23,889.68
310570	R	Active	Sir Torin Ln	Castle Hills Ph Iv Sec C Blk I Lot 1		0.1044	4,548	B	$23,889.68
310595	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 10		0.1048	4,565	B	$23,889.68
310597	R	Active	2641 Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 12		0.1048	4,565	B	$23,889.68
310598	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 13		0.1048	4,565	B	$23,889.68
310599	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 14		0.1048	4,565	B	$23,889.68
310600	R	Active	2629 Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 15		0.1048	4,565	B	$23,889.68
310601	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 16		0.1048	4,565	B	$23,889.68
310602	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 17		0.1048	4,565	B	$23,889.68
310603	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 18		0.1048	4,565	B	$23,889.68
310593	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 8		0.1048	4,565	B	$23,889.68
310327	R	Active	Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 18		0.1053	4,587	B	$23,889.68
310563	R	Active	Sir Torin Ln	Castle Hills Ph Iv Sec C Blk H Lot 16		0.1055	4,596	B	$23,889.68
310566	R	Active	Sir Torin Ln	Castle Hills Ph Iv Sec C Blk H Lot 19		0.1055	4,596	B	$23,889.68
310567	R	Active	Sir Torin Ln	Castle Hills Ph Iv Sec C Blk H Lot 20		0.1055	4,596	B	$23,889.68
310550	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk H Lot 3		0.1055	4,596	B	$23,889.68
310553	R	Active	421 Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk H Lot 6	W12	0.1055	4,596	B	$23,889.68
310554	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk H Lot 7		0.1055	4,596	B	$23,889.68
310468	R	Active	Case Castle Ct	Castle Hills Ph Iv Sec C Blk D Lot 11 (pt)		0.1059	4,613	B	$23,889.68
310356	R	Active	Adventurous Shiled Dr	Castle Hills Ph Iv Sec C Blk A Lot 44		0.1061	4,622	B	$23,889.68
310337	R	Active	Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 28		0.1062	4,626	B	$23,889.68
310440	R	Active	2625 Sir Wade Way	Castle Hills Ph Iv Sec C Blk C Lot 16		0.1065	4,639	B	$23,889.68
310591	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 6		0.1066	4,643	B	$23,889.68
310569	R	Active	400 Sir Torin Ln	Castle Hills Ph Iv Sec C Blk H Lot 22		0.1067	4,648	B	$23,889.68
310330	R	Active	533 Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 21		0.107	4,661	B	$23,889.68
310437	R	Active	2620 Lady Viviane Ln	Castle Hills Ph Iv Sec C Blk C Lot 13		0.1071	4,665	B	$23,889.68
310342	R	Active	Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 33		0.1073	4,674	B	$23,889.68
310556	R	Active	Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk H Lot 9		0.1076	4,687	B	$23,889.68

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Property ID	Prop	Status	Situs Address	Legal Description	District Number	Land Size (in Acres)	Land Size (in feet)	Lot Type	Assessment
310322	R	Active	Sir Alexander Ln	Castle Hills Ph Iv Sec C Blk A Lot 14		0.108	4,704	B	$23,889.68
310368	R	Active	520 Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk A Lot 56		0.1084	4,722	B	$23,889.68
310328	R	Active	Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 19		0.1086	4,731	B	$23,889.68
310329	R	Active	537 Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 20		0.1086	4,731	B	$23,889.68
310339	R	Active	Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 30		0.109	4,748	B	$23,889.68
310340	R	Active	Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 31		0.109	4,748	B	$23,889.68
310438	R	Active	Sir Wade Way	Castle Hills Ph Iv Sec C Blk C Lot 14		0.1106	4,818	B	$23,889.68
310561	R	Active	Sir Torin Ln	Castle Hills Ph Iv Sec C Blk H Lot 14		0.1112	4,844	B	$23,889.68
310572	R	Active	409 Sir Torin Ln	Castle Hills Ph Iv Sec C Blk I Lot 3		0.1119	4,874	B	$23,889.68
310573	R	Active	415 Sir Torin Ln	Castle Hills Ph Iv Sec C Blk I Lot 4		0.1119	4,874	B	$23,889.68
310574	R	Active	Sir Torin Ln	Castle Hills Ph Iv Sec C Blk I Lot 5		0.1119	4,874	B	$23,889.68
310578	R	Active	Grail Castle Dr	Castle Hills Ph Iv Sec C Blk I Lot 8		0.113	4,922	B	$23,889.68
310334	R	Active	513 Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 25		0.1132	4,931	B	$23,889.68
310439	R	Active	2629 Sir Wade Way	Castle Hills Ph Iv Sec C Blk C Lot 15		0.1143	4,979	B	$23,889.68
310604	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 19		0.1146	4,992	B	$23,889.68
310350	R	Active	2614 Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk A Lot 38		0.1148	5,001	B	$23,889.68
310351	R	Active	Adventurous Shiled Dr	Castle Hills Ph Iv Sec C Blk A Lot 39		0.1148	5,001	B	$23,889.68
310352	R	Active	2622 Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk A Lot 40		0.1148	5,001	B	$23,889.68
310373	R	Active	Grail Castle Dr	Castle Hills Ph Iv Sec C Blk A Lot 61		0.1148	5,001	B	$23,889.68
310579	R	Active	412 Grail Castle Dr	Castle Hills Ph Iv Sec C Blk I Lot 9		0.1153	5,022	B	$23,889.68
310596	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 11		0.1153	5,022	B	$23,889.68
310594	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 9		0.1153	5,022	B	$23,889.68
310571	R	Active	Sir Torin Ln	Castle Hills Ph Iv Sec C Blk I Lot 2		0.1154	5,027	B	$23,889.68
310469	R	Active	2625 Lady Viviane Ln	Castle Hills Ph Iv Sec C Blk D Lot 12		0.1158	5,044	B	$23,889.68
310568	R	Active	Sir Torin Ln	Castle Hills Ph Iv Sec C Blk H Lot 21		0.1166	5,079	B	$23,889.68
310580	R	Active	408 Grail Castle Dr	Castle Hills Ph Iv Sec C Blk I Lot 10	W12	0.118	5,140	B	$23,889.68
310371	R	Active	Grail Castle Dr	Castle Hills Ph Iv Sec C Blk A Lot 59		0.1194	5,201	B	$23,889.68
310338	R	Active	429 Crown Of Gold Dr	Castle Hills Ph Iv Sec C Blk A Lot 29		0.1199	5,223	B	$23,889.68
310386	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk A Lot 75		0.1214	5,288	B	$23,889.68
310406	R	Active	2625 Sir Alexander Ln	Castle Hills Ph Iv Sec C Blk B Lot 16		0.122	5,314	B	$23,889.68
310582	R	Active	Grail Castle Dr	Castle Hills Ph Iv Sec C Blk I Lot 12		0.125	5,445	B	$23,889.68
310557	R	Active	513 Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk H Lot 10		0.1252	5,454	B	$23,889.68
310592	R	Active	2713 Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 7		0.1266	5,515	B	$23,889.68
310581	R	Active	404 Grail Castle Dr	Castle Hills Ph Iv Sec C Blk I Lot 11		0.1292	5,628	B	$23,889.68
310583	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 1		0.1296	5,645	B	$23,889.68
310405	R	Active	2624 Sir Wade Way	Castle Hills Ph Iv Sec C Blk B Lot 15		0.1309	5,702	B	$23,889.68
310585	R	Active	2733 Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 3	W12	0.133	5,793	B	$23,889.68
310560	R	Active	436 Sir Torin Ln	Castle Hills Ph Iv Sec C Blk H Lot 13		0.1334	5,811	B	$23,889.68
310369	R	Active	524 Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk A Lot 57		0.1337	5,824	B	$23,889.68
310372	R	Active	Grail Castle Dr	Castle Hills Ph Iv Sec C Blk A Lot 60		0.1374	5,985	B	$23,889.68
310576	R	Active	Sir Torin Ln	Castle Hills Ph Iv Sec C Blk I Lot 6		0.1434	6,247	B	$23,889.68
310370	R	Active	545 Grail Castle Dr	Castle Hills Ph Iv Sec C Blk A Lot 58		0.1456	6,342	B	$23,889.68
310584	R	Active	2801 Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 2	W12	0.1459	6,355	B	$23,889.68
310387	R	Active	2816 Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk A Lot 76		0.1476	6,429	B	$23,889.68
310605	R	Active	2605 Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 20		0.1531	6,669	B	$23,889.68
310577	R	Active	433 Sir Torin Ln	Castle Hills Ph Iv Sec C Blk I Lot 7		0.159	6,926	B	$23,889.68
310385	R	Active	Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk A Lot 74		0.1598	6,961	B	$23,889.68
223766	R	Active	1125 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk H Lot 7(pt)(dc	W-12	0.1612	7,022	B	$23,889.68
223765	R	Active	1121 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk H Lot 6(pt)(dc	W-12	0.1638	7,135	B	$23,889.68
310606	R	Active	2601 Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk J Lot 21 (pt)		0.1662	7,240	B	$23,889.68
223764	R	Active	1117 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk H Lot 5(pt)(dc	W-12	0.1685	7,340	B	$23,889.68
310558	R	Active	519 Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk H Lot 11		0.1699	7,401	B	$23,889.68
310559	R	Active	525 Adventurous Shield Dr	Castle Hills Ph Iv Sec C Blk H Lot 12		0.1983	8,638	B	$23,889.68
223747	R	Active	1040 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 27(pt)(c	W-12	0.2009	8,751	B	$23,889.68
310388	R	Active	2820 Hundred Knights Dr	Castle Hills Ph Iv Sec C Blk A Lot 77		0.2081	9,065	B	$23,889.68
223720	R	Active	1105 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk G Lot 2	W-12	0.2117	9,222	B	$23,889.68
223722	R	Active	1109 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk G Lot 3	W-12	0.2216	9,653	B	$23,889.68
223580	R	Active	2402 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk A Lot 12		0.2244	9,775	B	$23,889.68
223596	R	Active	2402 Merlin Dr	Castle Hills Ph Iii Sec A Blk B Lot 1	W12	0.225	9,801	B	$23,889.68
223597	R	Active	2404 Merlin Dr	Castle Hills Ph Iii Sec A Blk B Lot 2	W12	0.225	9,801	B	$23,889.68
223598	R	Active	2406 Merlin Dr	Castle Hills Ph Iii Sec A Blk B Lot 3	W12	0.225	9,801	B	$23,889.68
223659	R	Active	1104 Damsel Ginger Ln	Castle Hills Ph Iii Sec A Blk E Lot 16	W12	0.225	9,801	B	$23,889.68
223663	R	Active	1109 Damsel Ginger Ln	Castle Hills Ph Iii Sec A Blk F Lot 3	W12	0.225	9,801	B	$23,889.68
223731	R	Active	1141 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk G Lot 11	W-12	0.225	9,801	B	$23,889.68
223727	R	Active	1129 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk G Lot 8	W-12	0.225	9,801	B	$23,889.68
223779	R	Active	1043 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk I Lot 12	W-12	0.225	9,801	B	$23,889.68
223658	R	Active	1108 Damsel Ginger Ln	Castle Hills Ph Iii Sec A Blk E Lot 15	W12	0.227	9,888	B	$23,889.68
223668	R	Active	1108 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk F Lot 8	W-12	0.2283	9,945	B	$23,889.68
223662	R	Active	1105 Damsel Ginger Ln	Castle Hills Ph Iii Sec A Blk F Lot 2	W12	0.2289	9,971	B	$23,889.68
223793	R	Active	1016 Lady Lore Ln	Castle Hills Ph Iii Sec A Blk I Lot 26	W-12	0.229	9,975	B	$23,889.68
223736	R	Active	1201 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk G Lot 16	W-12	0.2294	9,993	B	$23,889.68
223769	R	Active	1009 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk I Lot 3	W-12	0.2309	10,058	B	$23,889.68
223794	R	Active	1012 Lady Lore Ln	Castle Hills Ph Iii Sec A Blk I Lot 27	W-12	0.2311	10,067	B	$23,889.68
223620	R	Active	1204 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk C Lot 13	W-12	0.2314	10,080	B	$23,889.68
223621	R	Active	1208 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk C Lot 14	W-12	0.2314	10,080	B	$23,889.68
223622	R	Active	1212 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk C Lot 15	W-12	0.2314	10,080	B	$23,889.68
223623	R	Active	1216 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk C Lot 16	W-12	0.2314	10,080	B	$23,889.68
223624	R	Active	1220 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk C Lot 17	W-12	0.2314	10,080	B	$23,889.68
223770	R	Active	1013 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk I Lot 4	W-12	0.2315	10,084	B	$23,889.68
223741	R	Active	1116 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 21	W12	0.232	10,106	B	$23,889.68
223778	R	Active	1039 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk I Lot 11	W-12	0.2324	10,123	B	$23,889.68

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Property ID	Prop	Status	Situs Address	Legal Description	District Number	Land Size (in Acres)	Land Size (in feet)	Lot Type	Assessment
223746	R	Active	1044 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 26	W-12	0.233	10,149	B	$23,889.68
223543	R	Active	1036 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 28	W-12	0.233	10,149	B	$23,889.68
223749	R	Active	1032 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 29	W-12	0.233	10,149	B	$23,889.68
223787	R	Active	1040 Lady Lore Ln	Castle Hills Ph Iii Sec A Blk I Lot 20	W-12	0.2342	10,202	B	$23,889.68
223788	R	Active	1036 Lady Lore Ln	Castle Hills Ph Iii Sec A Blk I Lot 21	W-12	0.2342	10,202	B	$23,889.68
223789	R	Active	1032 Lady Lore Ln	Castle Hills Ph Iii Sec A Blk I Lot 22	W-12	0.2342	10,202	B	$23,889.68
223790	R	Active	1028 Lady Lore Ln	Castle Hills Ph Iii Sec A Blk I Lot 23	W-12	0.2342	10,202	B	$23,889.68
223791	R	Active	1024 Lady Lore Ln	Castle Hills Ph Iii Sec A Blk I Lot 24	W-12	0.2342	10,202	B	$23,889.68
223792	R	Active	1020 Lady Lore Ln	Castle Hills Ph Iii Sec A Blk I Lot 25	W-12	0.2342	10,202	B	$23,889.68
223768	R	Active	1005 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk I Lot 2	W-12	0.2343	10,206	B	$23,889.68
223732	R	Active	1145 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk G Lot 12	W-12	0.2352	10,245	B	$23,889.68
223758	R	Active	1000 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 37	W-12	0.2352	10,245	B	$23,889.68
273251	R	Active	2305 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk F Lot 27	W-12	0.2354	10,254	B	$23,889.68
223570	R	Active	2422 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk A Lot 2	W12	0.2356	10,263	B	$23,889.68
223735	R	Active	1157 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk G Lot 15	W-12	0.2357	10,267	B	$23,889.68
223578	R	Active	2406 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk A Lot 10	W-12	0.2363	10,293	B	$23,889.68
223579	R	Active	2404 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk A Lot 11	W12	0.2363	10,293	B	$23,889.68
223575	R	Active	2412 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk A Lot 7	W-12	0.2365	10,302	B	$23,889.68
223573	R	Active	2416 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk A Lot 5	W12	0.2366	10,306	B	$23,889.68
223574	R	Active	2414 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk A Lot 6	W-12	0.2366	10,306	B	$23,889.68
223572	R	Active	2418 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk A Lot 4	W12	0.2367	10,311	B	$23,889.68
223571	R	Active	2420 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk A Lot 3	W12	0.2368	10,315	B	$23,889.68
223669	R	Active	1104 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk F Lot 9	W-12	0.2369	10,319	B	$23,889.68
273184	R	Active	1216 Lambeth Ln	Castle Hills Ph Iii Sec B Blk E Lot 16		0.2378	10,359	B	$23,889.68
273185	R	Active	1220 Lambeth Ln	Castle Hills Ph Iii Sec B Blk E Lot 17	W-12	0.2378	10,359	B	$23,889.68
273240	R	Active	1118 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk F Lot 16	W-12	0.2378	10,359	B	$23,889.68
273241	R	Active	1122 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk F Lot 17		0.2378	10,359	B	$23,889.68
223745	R	Active	1100 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 25	W-12	0.2381	10,372	B	$23,889.68
273242	R	Active	1126 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk F Lot 18	W-12	0.2381	10,372	B	$23,889.68
273144	R	Active	Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk C Lot 15		0.2382	6,961	B	$23,889.68
223757	R	Active	1004 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 36	W-12	0.2387	10,398	B	$23,889.68
223777	R	Active	1035 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk I Lot 10	W-12	0.2397	10,441	B	$23,889.68
223771	R	Active	1017 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk I Lot 5	W-12	0.2397	10,441	B	$23,889.68
223772	R	Active	1021 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk I Lot 6	W-12	0.2397	10,441	B	$23,889.68
223773	R	Active	1025 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk I Lot 7	W-12	0.2397	10,441	B	$23,889.68
223774	R	Active	1027 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk I Lot 8	W-12	0.2397	10,441	B	$23,889.68
223775	R	Active	1031 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk I Lot 9	W-12	0.2397	10,441	B	$23,889.68
223726	R	Active	Lady Carol Ln	Castle Hills Ph Iii Sec A Blk G Lot 7		0.24	10,454	B	$23,889.68
223640	R	Active	1212 Dame Susan Ln	Castle Hills Ph Iii Sec A Blk D Lot 12	W12	0.2402	10,463	B	$23,889.68
223639	R	Active	1216 Dame Susan Ln	Castle Hills Ph Iii Sec A Blk D Lot 11	W12	0.2405	10,476	B	$23,889.68
273145	R	Active	2360 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk C Lot 16	W-12	0.2409	10,494	B	$23,889.68
273139	R	Active	2336 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk C Lot 10		0.241	10,498	B	$23,889.68
273140	R	Active	2340 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk C Lot 11	W-12	0.241	10,498	B	$23,889.68
273135	R	Active	2320 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk C Lot 6	W-12	0.241	10,498	B	$23,889.68
273136	R	Active	2324 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk C Lot 7	W-12	0.241	10,498	B	$23,889.68
273137	R	Active	2328 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk C Lot 8	W-12	0.241	10,498	B	$23,889.68
273138	R	Active	2332 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk C Lot 9	W-12	0.241	10,498	B	$23,889.68
273165	R	Active	2335 Round Mountain Cir	Castle Hills Ph Iii Sec B Blk D Lot 20	W-12	0.241	10,498	B	$23,889.68
273166	R	Active	2331 Round Mountain Cir	Castle Hills Ph Iii Sec B Blk D Lot 21	W-12	0.241	10,498	B	$23,889.68
273243	R	Active	1200 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk F Lot 19	W-12	0.241	10,498	B	$23,889.68
273244	R	Active	1204 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk F Lot 20	W-12	0.241	10,498	B	$23,889.68
273252	R	Active	2309 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk F Lot 28	W-12	0.241	10,498	B	$23,889.68
273253	R	Active	2313 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk F Lot 29	W-12	0.241	10,498	B	$23,889.68
273254	R	Active	2317 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk F Lot 30	W-12	0.241	10,498	B	$23,889.68
273255	R	Active	Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk F Lot 31		0.241	10,498	B	$23,889.68
273256	R	Active	2325 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk F Lot 32	W-12	0.241	10,498	B	$23,889.68
273257	R	Active	2329 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk F Lot 33	W-12	0.241	10,498	B	$23,889.68
273258	R	Active	2333 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk F Lot 34	W-12	0.241	10,498	B	$23,889.68
273259	R	Active	2337 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk F Lot 35	W-12	0.241	10,498	B	$23,889.68
273260	R	Active	2341 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk F Lot 36	W-12	0.241	10,498	B	$23,889.68
223645	R	Active	1205 Dame Susan Ln	Castle Hills Ph Iii Sec A Blk E Lot 2	W12	0.2414	10,515	B	$23,889.68
273141	R	Active	2344 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk C Lot 12	W-12	0.2416	10,524	B	$23,889.68
273164	R	Active	2339 Round Mountain Cir	Castle Hills Ph Iii Sec B Blk D Lot 19	W-12	0.2423	10,555	B	$23,889.68
223641	R	Active	1208 Dame Susan Ln	Castle Hills Ph Iii Sec A Blk D Lot 13	W12	0.2425	10,563	B	$23,889.68
273369	R	Active	2314 Lady Rule Ln	Castle Hills Ph Iii Sec B Blk H Lot 3	W-12	0.2425	10,563	B	$23,889.68
223646	R	Active	1209 Dame Susan Ln	Castle Hills Ph Iii Sec A Blk E Lot 3	W12	0.2428	10,576	B	$23,889.68
223795	R	Active	1008 Lady Lore Ln	Castle Hills Ph Iii Sec A Blk I Lot 28	W-12	0.2431	10,589	B	$23,889.68
223781	R	Active	1051 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk I Lot 14	W-12	0.2432	10,594	B	$23,889.68
273143	R	Active	2352 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk C Lot 14	W-12	0.2434	10,603	B	$23,889.68
223786	R	Active	1044 Lady Lore Ln	Castle Hills Ph Iii Sec A Blk I Lot 19	W-12	0.2441	10,633	B	$23,889.68
223681	R	Active	1121 King Mark Dr	Castle Hills Ph Iii Sec A Blk K Lot 11	W12	0.2443	10,642	B	$23,889.68
223682	R	Active	1117 King Mark Dr	Castle Hills Ph Iii Sec A Blk K Lot 12	W12	0.2443	10,642	B	$23,889.68
223683	R	Active	1113 King Mark Dr	Castle Hills Ph Iii Sec A Blk K Lot 13	W-12	0.2443	10,642	B	$23,889.68
223674	R	Active	1149 King Mark Dr	Castle Hills Ph Iii Sec A Blk K Lot 4	W12	0.2443	10,642	B	$23,889.68
273263	R	Active	2332 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk F Lot 39	W-12	0.2443	10,642	B	$23,889.68
273264	R	Active	2328 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk F Lot 40	W-12	0.2443	10,642	B	$23,889.68
273265	R	Active	2324 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk F Lot 41	W-12	0.2443	10,642	B	$23,889.68
273266	R	Active	2320 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk F Lot 42	W-12	0.2443	10,642	B	$23,889.68
273267	R	Active	2316 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk F Lot 43	W-12	0.2443	10,642	B	$23,889.68
273268	R	Active	2312 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk F Lot 44	W-12	0.2443	10,642	B	$23,889.68
273269	R	Active	2308 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk F Lot 45	W-12	0.2443	10,642	B	$23,889.68

Property ID	Prop	Status	Situs Address	Legal Description	District Number	Land Size (in Acres)	Land Size (in feet)		Lot Type	Assessment
223628	R	Active	1236 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk C Lot 21	W-12	0.2444	10,646		B	$23,889.68
273134	R	Active	2316 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk C Lot 5	W-12	0.2452	10,681		B	$23,889.68
273381	R	Active	1201 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk I Lot 11	W-12	0.2455	10,694		B	$23,889.68
273249	R	Active	2301 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk F Lot 25	W-12	0.2456	10,698		B	$23,889.68
223680	R	Active	1125 King Mark Dr	Castle Hills Ph Iii Sec A Blk K Lot 10	W12	0.2461	10,720		B	$23,889.68
223653	R	Active	1128 Damsel Ginger Ln	Castle Hills Ph Iii Sec A Blk E Lot 10	W12	0.2462	10,724		B	$23,889.68
223690	R	Active	2432 King Arthur Blvd	Castle Hills Ph Iii Sec A Blk K Lot 19	W12	0.2475	10,781		B	$23,889.68
223691	R	Active	2428 King Arthur Blvd	Castle Hills Ph Iii Sec A Blk K Lot 20	W12	0.2475	10,781		B	$23,889.68
273118	R	Active	Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk B Lot 6		0.2475	10,781		B	$23,889.68
273121	R	Active	Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk B Lot 9		0.2475	10,781		B	$23,889.68
273282	R	Active	2327 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk J Lot 11	W-12	0.2475	10,781		B	$23,889.68
273283	R	Active	2331 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk J Lot 12	W-12	0.2475	10,781		B	$23,889.68
273284	R	Active	2335 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk J Lot 13	W-12	0.2475	10,781		B	$23,889.68
223733	R	Active	1149 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk G Lot 13	W-12	0.2476	10,785		B	$23,889.68
223734	R	Active	1153 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk G Lot 14	W-12	0.2476	10,785		B	$23,889.68
223675	R	Active	1145 King Mark Dr	Castle Hills Ph Iii Sec A Blk K Lot 5	W-12	0.248	10,803		B	$23,889.68
223638	R	Active	1220 Dame Susan Ln	Castle Hills Ph Iii Sec A Blk D Lot 10	W12	0.2483	10,816		B	$23,889.68
223676	R	Active	1141 King Mark Dr	Castle Hills Ph Iii Sec A Blk K Lot 6	W12	0.2489	10,842		B	$23,889.68
223677	R	Active	1137 King Mark Dr	Castle Hills Ph Iii Sec A Blk K Lot 7	W12	0.2489	10,842		B	$23,889.68
223678	R	Active	1133 King Mark Dr	Castle Hills Ph Iii Sec A Blk K Lot 8	W-12	0.2489	10,842		B	$23,889.68
223679	R	Active	1129 King Mark Dr	Castle Hills Ph Iii Sec A Blk K Lot 9	W12	0.2489	10,842		B	$23,889.68
223601	R	Active	2413 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk B Lot 7	W12	0.2494	10,864		B	$23,889.68
223602	R	Active	2411 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk B Lot 8	W12	0.2494	10,864		B	$23,889.68
223604	R	Active	2407 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk B Lot 10	W12	0.2497	10,877		B	$23,889.68
223605	R	Active	2405 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk B Lot 11	W12	0.2497	10,877		B	$23,889.68
223606	R	Active	2403 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk B Lot 12	W12	0.2497	10,877		B	$23,889.68
223603	R	Active	2409 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk B Lot 9	W12	0.2497	10,877		B	$23,889.68
223689	R	Active	2436 King Arthur Blvd	Castle Hills Ph Iii Sec A Blk K Lot 18	W12	0.25	10,890		B	$23,889.68
223617	R	Active	1203 Sir Malory Dr	Castle Hills Ph Iii Sec A Blk C Lot 10	W-12	0.2507	10,920		B	$23,889.68
223614	R	Active	1209 Sir Malory Dr	Castle Hills Ph Iii Sec A Blk C Lot 7	W-12	0.2507	10,920		B	$23,889.68
223615	R	Active	1207 Sir Malory Dr	Castle Hills Ph Iii Sec A Blk C Lot 8	W-12	0.2507	10,920		B	$23,889.68
223616	R	Active	1205 Sir Malory Dr	Castle Hills Ph Iii Sec A Blk C Lot 9		0.2507	10,920		B	$23,889.68
273281	R	Active	2323 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk J Lot 10	W-12	0.2507	10,920		B	$23,889.68
273279	R	Active	2315 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk J Lot 8	W-12	0.2507	10,920		B	$23,889.68
273280	R	Active	2319 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk J Lot 9	W-12	0.2507	10,920		B	$23,889.68
223661	R	Active	1101 Damsel Ginger Ln	Castle Hills Ph Iii Sec A Blk F Lot 1	W12	0.2508	10,925		B	$23,889.68
223692	R	Active	2424 King Arthur Blvd	Castle Hills Ph Iii Sec A Blk K Lot 21	W12	0.2509	10,929		B	$23,889.68
273226	R	Active	1213 Lambeth Ln	Castle Hills Ph Iii Sec B Blk F Lot 7	W-12	0.2514	10,951		B	$23,889.68
223742	R	Active	1112 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 22	W12	0.2524	10,995		B	$23,889.68
223743	R	Active	1108 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 23	W12	0.2524	10,995		B	$23,889.68
223744	R	Active	1104 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 24	W-12	0.2524	10,995	282	B	$23,889.68
Lot Type A							**Greater than 11,000 sf**			
223737	R	Active	1205 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk G Lot 17	W-12	0.2526	11,003	468	A	$28,166.79
273125	R	Active	2212 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk B Lot 13	W-12	0.2526	11,003		A	$28,166.79
223693	R	Active	2420 King Arthur Blvd	Castle Hills Ph Iii Sec A Blk K Lot 22	W12	0.2529	11,016		A	$28,166.79
223694	R	Active	2416 King Arthur Blvd	Castle Hills Ph Iii Sec A Blk K Lot 23	W12	0.2529	11,016		A	$28,166.79
223695	R	Active	2412 King Arthur Blvd	Castle Hills Ph Iii Sec A Blk K Lot 24	W12	0.2529	11,016		A	$28,166.79
223696	R	Active	2408 King Arthur Blvd	Castle Hills Ph Iii Sec A Blk K Lot 25	W12	0.2529	11,016		A	$28,166.79
223719	R	Active	1101 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk G Lot 1	W-12	0.253	11,021		A	$28,166.79
273370	R	Active	2310 Lady Rule Ln	Castle Hills Ph Iii Sec B Blk H Lot 4		0.2531	11,025		A	$28,166.79
223660	R	Active	1100 Damsel Ginger Ln	Castle Hills Ph Iii Sec A Blk E Lot 17	W12	0.2533	11,034		A	$28,166.79
223750	R	Active	1028 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 30	W-12	0.2534	11,038		A	$28,166.79
273239	R	Active	1114 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk F Lot 15	W-12	0.2536	11,047		A	$28,166.79
223609	R	Active	1219 Sir Malory Dr	Castle Hills Ph Iii Sec A Blk C Lot 1	W-12	0.2539	11,060		A	$28,166.79
223632	R	Active	1213 Queen Peggy Ln	Castle Hills Ph Iii Sec A Blk D Lot 4	W12	0.2539	11,060		A	$28,166.79
223633	R	Active	1217 Queen Peggy Ln	Castle Hills Ph Iii Sec A Blk D Lot 5	W12	0.2539	11,060		A	$28,166.79
223634	R	Active	1221 Queen Peggy Ln	Castle Hills Ph Iii Sec A Blk D Lot 6	W12	0.2539	11,060		A	$28,166.79
223724	R	Active	1117 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk G Lot 5	W-12	0.2542	11,073		A	$28,166.79
223725	R	Active	1121 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk G Lot 6	W-12	0.2542	11,073		A	$28,166.79
223723	R	Active	1113 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk G Lot 4	W-12	0.2547	11,095		A	$28,166.79
223762	R	Active	1109 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk H Lot 3(pt)(dc	W-12	0.255	11,108		A	$28,166.79
273248	R	Active	1220 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk F Lot 24	W-12	0.2551	11,112		A	$28,166.79
223631	R	Active	1209 Queen Peggy Ln	Castle Hills Ph Iii Sec A Blk D Lot 3	W-12	0.2552	11,117		A	$28,166.79
273272	R	Active	2336 Round Mountain Cir	Castle Hills Ph Iii Sec B Blk J Lot 1	W-12	0.2552	11,117		A	$28,166.79
223796	R	Active	1004 Lady Lore Ln	Castle Hills Ph Iii Sec A Blk I Lot 29	W-12	0.2554	11,125		A	$28,166.79
273183	R	Active	1212 Lambeth Ln	Castle Hills Ph Iii Sec B Blk E Lot 15	W-12	0.2556	11,134		A	$28,166.79
273131	R	Active	2304 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk C Lot 2	W-12	0.2557	11,138		A	$28,166.79
273227	R	Active	1209 Lambeth Ln	Castle Hills Ph Iii Sec B Blk F Lot 8		0.2559	11,147		A	$28,166.79
223654	R	Active	1124 Damsel Ginger Ln	Castle Hills Ph Iii Sec A Blk E Lot 11	W12	0.256	11,151		A	$28,166.79
223655	R	Active	1120 Damsel Ginger Ln	Castle Hills Ph Iii Sec A Blk E Lot 12	W-12	0.256	11,151		A	$28,166.79
223656	R	Active	1116 Damsel Ginger Ln	Castle Hills Ph Iii Sec A Blk E Lot 13	W12	0.256	11,151		A	$28,166.79
223657	R	Active	1112 Damsel Ginger Ln	Castle Hills Ph Iii Sec A Blk E Lot 14	W12	0.256	11,151		A	$28,166.79
223752	R	Active	1024 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 31	W-12	0.2563	11,164		A	$28,166.79
223753	R	Active	1020 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 32	W-12	0.2563	11,164		A	$28,166.79
223754	R	Active	1016 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 33	W-12	0.2563	11,164		A	$28,166.79
223600	R	Active	2415 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk B Lot 6(pt)(dc	W-12	0.2571	11,199		A	$28,166.79
273385	R	Active	Lady Rule Ln	Castle Hills Ph Iii Sec B Blk I Lot 15		0.2571	11,199		A	$28,166.79
273372	R	Active	2324 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk I Lot 2	W-12	0.2571	11,199		A	$28,166.79
273373	R	Active	Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk I Lot 3		0.2571	11,199		A	$28,166.79

LCHPID2 - ASSESSMENT ROLL - APRIL 2015

Property ID	Prop	Status	Situs Address	Legal Description	District Number	Land Size (in Acres)	Land Size (in feet)	Lot Type	Assessment
273374	R	Active	2316 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk I Lot 4	W-12	0.2571	11,199	A	$28,166.79
273375	R	Active	2312 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk I Lot 5	W-12	0.2571	11,199	A	$28,166.79
273376	R	Active	Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk I Lot 6		0.2571	11,199	A	$28,166.79
273377	R	Active	2304 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk I Lot 7	W-12	0.2571	11,199	A	$28,166.79
273273	R	Active	2332 Round Mountain Cir	Castle Hills Ph Iii Sec B Blk J Lot 2	W-12	0.2571	11,199	A	$28,166.79
273274	R	Active	Round Mountain Cir	Castle Hills Ph Iii Sec B Blk J Lot 3		0.2571	11,199	A	$28,166.79
273275	R	Active	2324 Round Mountain Cir	Castle Hills Ph Iii Sec B Blk J Lot 4	W-12	0.2571	11,199	A	$28,166.79
273386	R	Active	2317 Lady Rule Ln	Castle Hills Ph Iii Sec B Blk I Lot 16	W-12	0.2574	11,212	A	$28,166.79
223581	R	Active	2400 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk A Lot 13	W12	0.2576	11,221	A	$28,166.79
273380	R	Active	1205 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk I Lot 10	W-12	0.2588	11,273	A	$28,166.79
273122	R	Active	2224 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk B Lot 10	W-12	0.259	11,282	A	$28,166.79
223761	R	Active	1105 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk H Lot 2	W-12	0.2595	11,304	A	$28,166.79
223577	R	Active	2408 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk A Lot 9	W12	0.26	11,326	A	$28,166.79
223576	R	Active	2410 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk A Lot 8	W12	0.2601	11,330	A	$28,166.79
273181	R	Active	1204 Lambeth Ln	Castle Hills Ph Iii Sec B Blk E Lot 13	W-12	0.2601	11,330	A	$28,166.79
273182	R	Active	1208 Lambeth Ln	Castle Hills Ph Iii Sec B Blk E Lot 14	W-12	0.2601	11,330	A	$28,166.79
273362	R	Active	Harpes Castle Ct	Castle Hills Ph Iii Sec B Blk G Lot 7		0.2603	11,339	A	$28,166.79
273363	R	Active	1113 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk G Lot 8		0.2603	11,339	A	$28,166.79
273114	R	Active	2256 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk B Lot 2	W-12	0.2605	11,347	A	$28,166.79
223755	R	Active	1012 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 34	W-12	0.2607	11,356	A	$28,166.79
223804	R	Active	1045 Lady Lore Ln	Castle Hills Ph Iii Sec A Blk J Lot 6(pt)(dcl	W-12	0.2607	11,356	A	$28,166.79
273225	R	Active	1217 Lambeth Ln	Castle Hills Ph Iii Sec B Blk F Lot 6	W-12	0.2607	11,356	A	$28,166.79
223759	R	Active	1101 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk H Lot 1	W-12	0.2608	11,360	A	$28,166.79
223613	R	Active	1211 Sir Malory Dr	Castle Hills Ph Iii Sec A Blk C Lot 5	W-12	0.2612	11,378	A	$28,166.79
223739	R	Active	1124 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 19	W12	0.2615	11,391	A	$28,166.79
223607	R	Active	2401 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk B Lot 13	W12	0.2626	11,439	A	$28,166.79
273261	R	Active	2345 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk F Lot 37	W-12	0.2635	11,478	A	$28,166.79
273123	R	Active	Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk B Lot 11		0.2648	11,535	A	$28,166.79
273124	R	Active	2216 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk B Lot 12	W-12	0.2648	11,535	A	$28,166.79
273186	R	Active	1224 Lambeth Ln	Castle Hills Ph Iii Sec B Blk E Lot 18		0.2648	11,535	A	$28,166.79
273361	R	Active	1121 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk G Lot 6	W-12	0.2648	11,535	A	$28,166.79
273117	R	Active	2244 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk B Lot 5	W-12	0.265	11,543	A	$28,166.79
273180	R	Active	1200 Lambeth Ln	Castle Hills Ph Iii Sec B Blk E Lot 12	W-12	0.2653	11,556	A	$28,166.79
273384	R	Active	2309 Lady Rule Ln	Castle Hills Ph Iii Sec B Blk I Lot 14	W-12	0.2653	11,556	A	$28,166.79
223756	R	Active	1008 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 35	W-12	0.2664	11,604	A	$28,166.79
273120	R	Active	2232 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk B Lot 8	W-12	0.2664	11,604	A	$28,166.79
273285	R	Active	2339 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk J Lot 14	W-12	0.2668	11,622	A	$28,166.79
223610	R	Active	1217 Sir Malory Dr	Castle Hills Ph Iii Sec A Blk C Lot 2	W-12	0.2672	11,639	A	$28,166.79
273262	R	Active	2336 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk F Lot 38	W-12	0.268	11,674	A	$28,166.79
273220	R	Active	1221 Lambeth Ln	Castle Hills Ph Iii Sec B Blk F Lot 5		0.2681	11,678	A	$28,166.79
273359	R	Active	1116 Harpes Castle Ct	Castle Hills Ph Iii Sec B Blk G Lot 5	W-12	0.2681	11,678	A	$28,166.79
273132	R	Active	2308 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk C Lot 3	W-12	0.2683	11,687	A	$28,166.79
223767	R	Active	1001 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk I Lot 1	W-12	0.2684	11,692	A	$28,166.79
273119	R	Active	2236 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk B Lot 7	W-12	0.2694	11,735	A	$28,166.79
223647	R	Active	1213 Dame Susan Ln	Castle Hills Ph Iii Sec A Blk E Lot 4	W12	0.2695	11,739	A	$28,166.79
223648	R	Active	1217 Dame Susan Ln	Castle Hills Ph Iii Sec A Blk E Lot 5	W12	0.2695	11,739	A	$28,166.79
223649	R	Active	1221 Dame Susan Ln	Castle Hills Ph Iii Sec A Blk E Lot 6	W12	0.2695	11,739	A	$28,166.79
223650	R	Active	1225 Dame Susan Ln	Castle Hills Ph Iii Sec A Blk E Lot 7	W12	0.2695	11,739	A	$28,166.79
223651	R	Active	1229 Dame Susan Ln	Castle Hills Ph Iii Sec A Blk E Lot 8	W12	0.2696	11,744	A	$28,166.79
273177	R	Active	1209 Seige St	Castle Hills Ph Iii Sec B Blk E Lot 9	W-12	0.2699	11,757	A	$28,166.79
273178	R	Active	1205 Seige Ct	Castle Hills Ph Iii Sec B Blk E Lot 10	W-12	0.2703	11,774	A	$28,166.79
273228	R	Active	1205 Lambeth Ln	Castle Hills Ph Iii Sec B Blk F Lot 9	W-12	0.2711	11,809	A	$28,166.79
223627	R	Active	1232 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk C Lot 20	W-12	0.2713	11,818	A	$28,166.79
273116	R	Active	2248 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk B Lot 4	W-12	0.2725	11,870	A	$28,166.79
273172	R	Active	1214 Seige St	Castle Hills Ph Iii Sec B Blk E Lot 4	W-12	0.2728	11,883	A	$28,166.79
223670	R	Active	1100 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk F Lot 10	W-12	0.273	11,892	A	$28,166.79
273179	R	Active	1201 Seige Ct	Castle Hills Ph Iii Sec B Blk E Lot 11	W-12	0.2732	11,901	A	$28,166.79
273358	R	Active	1112 Harpes Castle Ct	Castle Hills Ph Iii Sec B Blk G Lot 4		0.2732	11,901	A	$28,166.79
273387	R	Active	2321 Lady Rule Ln	Castle Hills Ph Iii Sec B Blk I Lot 17	W-12	0.2739	11,931	A	$28,166.79
273115	R	Active	2252 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk B Lot 3	W-12	0.2742	11,944	A	$28,166.79
273245	R	Active	1208 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk F Lot 21	W-12	0.2742	11,944	A	$28,166.79
273365	R	Active	1105 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk G Lot 10	W-12	0.2749	11,975	A	$28,166.79
273133	R	Active	2312 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk C Lot 4	W-12	0.2751	11,983	A	$28,166.79
286453	R	Active	2810 Seven Shields Ln	Castle Hills Ph Ii Sec E Blk E Lot 7r	W12	0.2755	12,001	A	$28,166.79
286454	R	Active	2820 Seven Shields Ln	Castle Hills Ph Ii Sec E Blk E Lot 8r	W12	0.2755	12,001	A	$28,166.79
286455	R	Active	2830 Seven Shields Ln	Castle Hills Ph Ii Sec E Blk E Lot 9r	W12	0.2755	12,001	A	$28,166.79
223636	R	Active	1229 Queen Peggy Ln	Castle Hills Ph Iii Sec A Blk D Lot 8	W12	0.2755	12,001	A	$28,166.79
223625	R	Active	1224 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk C Lot 18	W-12	0.2757	12,009	A	$28,166.79
223740	R	Active	1120 Damsel Caroline Dr	Castle Hills Ph Iii Sec A Blk G Lot 20	W12	0.2759	12,018	A	$28,166.79
223666	R	Active	1121 Damsel Ginger Ln	Castle Hills Ph Iii Sec A Blk F Lot 6	W12	0.276	12,023	A	$28,166.79
273126	R	Active	2208 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk B Lot 14	W-12	0.2772	12,075	A	$28,166.79
273167	R	Active	2327 Round Mountain Cir	Castle Hills Ph Iii Sec B Blk D Lot 22	W-12	0.278	12,110	A	$28,166.79
223664	R	Active	1113 Damsel Ginger Ln	Castle Hills Ph Iii Sec A Blk F Lot 4	W12	0.2785	12,131	A	$28,166.79
223635	R	Active	1225 Queen Peggy Ln	Castle Hills Ph Iii Sec A Blk D Lot 7	W12	0.2797	12,184	A	$28,166.79
223642	R	Active	1204 Dame Susan Ln	Castle Hills Ph Iii Sec A Blk D Lot 14	W12	0.2803	12,210	A	$28,166.79
273379	R	Active	1209 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk I Lot 9	W-12	0.2809	12,236	A	$28,166.79
223637	R	Active	1224 Dame Susan Ln	Castle Hills Ph Iii Sec A Blk D Lot 9	W12	0.2813	12,253	A	$28,166.79
223699	R	Active	2400 King Arthur Blvd	Castle Hills Ph Iii Sec A Blk K Lot 27	W12	0.2819	12,280	A	$28,166.79
223626	R	Active	1228 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk C Lot 19	W-12	0.2823	12,297	A	$28,166.79
273366	R	Active	1101 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk G Lot 11	W-12	0.2825	12,306	A	$28,166.79
273382	R	Active	2301 Lady Rule Ln	Castle Hills Ph Iii Sec B Blk I Lot 12	W-12	0.285	12,415	A	$28,166.79

LCHPID2 - ASSESSMENT ROLL - APRIL 2015

Property ID	Prop	Status	Situs Address	Legal Description	District Number	Land Size (in Acres)	Land Size (in feet)	Lot Type	Assessment
223698	R	Active	2404 King Arthur Blvd	Castle Hills Ph Iii Sec A Blk K Lot 26	W12	0.2854	12,432	A	$28,166.79
223611	R	Active	1215 Sir Malory Dr	Castle Hills Ph Iii Sec A Blk C Lot 3	W-12	0.2857	12,445	A	$28,166.79
223612	R	Active	1213 Sir Malory Dr	Castle Hills Ph Iii Sec A Blk C Lot 4	W-12	0.2857	12,445	A	$28,166.79
273174	R	Active	1221 Seige St	Castle Hills Ph Iii Sec B Blk E Lot 6	W-12	0.2862	12,467	A	$28,166.79
223618	R	Active	1201 Sir Malory Dr	Castle Hills Ph Iii Sec A Blk C Lot 11	W-12	0.2876	12,528	A	$28,166.79
273238	R	Active	1110 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk F Lot 14	W-12	0.2877	12,532	A	$28,166.79
273176	R	Active	1213 Seige St	Castle Hills Ph Iii Sec B Blk E Lot 8	W-12	0.2885	12,567	A	$28,166.79
273234	R	Active	2251 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk F Lot 10	W-12	0.2887	12,576	A	$28,166.79
286429	R	Active	Merlin Dr	Castle Hills Ph Ii Sec E Blk C Lot 16r		0.2893	12,602	A	$28,166.79
223643	R	Active	1200 Dame Susan Ln	Castle Hills Ph Iii Sec A Blk D Lot 15	W-12	0.2894	12,606	A	$28,166.79
273237	R	Active	2263 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk F Lot 13	W-12	0.2895	12,611	A	$28,166.79
273187	R	Active	1228 Lambeth Ln	Castle Hills Ph Iii Sec B Blk E Lot 19	W-12	0.2897	12,619	A	$28,166.79
223665	R	Active	1117 Damsel Ginger Ln	Castle Hills Ph Iii Sec A Blk F Lot 5	W12	0.2898	12,624	A	$28,166.79
223785	R	Active	1048 Lady Lore Ln	Castle Hills Ph Iii Sec A Blk I Lot 18	W-12	0.2899	12,628	A	$28,166.79
273127	R	Active	2204 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk B Lot 15	W-12	0.2906	12,659	A	$28,166.79
223559	R	Active	1036 Holy Grail Dr	Castle Hills Ph Iii Sec A Blk J Lot 7 (split B	W12	0.2908	12,667	A	$28,166.79
223644	R	Active	1201 Dame Susan Ln	Castle Hills Ph Iii Sec A Blk E Lot 1	W12	0.2912	12,685	A	$28,166.79
273364	R	Active	1109 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk G Lot 9	W-12	0.2926	12,746	A	$28,166.79
273142	R	Active	2348 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk C Lot 13	W-12	0.2935	12,785	A	$28,166.79
223685	R	Active	1105 King Mark Dr	Castle Hills Ph Iii Sec A Blk K Lot 15	W12	0.2955	12,872	A	$28,166.79
273107	R	Active	2320 King Arthur Blvd	Castle Hills Ph Iii Sec B Blk A Lot 6	W-12	0.2956	12,876	A	$28,166.79
273108	R	Active	2324 King Arthur Blvd	Castle Hills Ph Iii Sec B Blk A Lot 7	W-12	0.296	12,894	A	$28,166.79
273357	R	Active	1108 Harpes Castle Ct	Castle Hills Ph Iii Sec B Blk G Lot 3	W-12	0.2961	12,898	A	$28,166.79
286373	R	Active	King Arthur Blvd	Castle Hills Ph Ii Sec E Blk A Lot 7r		0.2963	12,907	A	$28,166.79
273106	R	Active	2316 King Arthur Blvd	Castle Hills Ph Iii Sec B Blk A Lot 5	W-12	0.2967	12,924	A	$28,166.79
273278	R	Active	2311 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk J Lot 7	W-12	0.2967	12,924	A	$28,166.79
286372	R	Active	King Arthur Blvd	Castle Hills Ph Ii Sec E Blk A Lot 6r		0.2968	12,929	A	$28,166.79
273109	R	Active	2328 King Arthur Blvd	Castle Hills Ph Iii Sec B Blk A Lot 8	W-12	0.2975	12,959	A	$28,166.79
273371	R	Active	2328 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk I Lot 1	W-12	0.2984	12,998	A	$28,166.79
286391	R	Active	2820 Merlin Dr	Castle Hills Ph Ii Sec E Blk B Lot 6ar(pt) (c	W12	0.2985	13,003	A	$28,166.79
273110	R	Active	2332 King Arthur Blvd	Castle Hills Ph Iii Sec B Blk A Lot 9	W-12	0.2986	13,007	A	$28,166.79
286460	R	Active	620 Wallingford Ln	Castle Hills Ph Ii Sec E Blk F Lot 4r	W12	0.2997	13,055	A	$28,166.79
273368	R	Active	2318 Lady Rule Ln	Castle Hills Ph Iii Sec B Blk H Lot 2	W-12	0.2998	13,059	A	$28,166.79
273130	R	Active	2300 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk C Lot 1	W-12	0.3004	13,085	A	$28,166.79
273360	R	Active	1104 Harpes Castle Ct	Castle Hills Ph Iii Sec B Blk G Lot 2	W-12	0.3007	13,098	A	$28,166.79
286430	R	Active	2911 Merlin Dr	Castle Hills Ph Ii Sec E Blk C Lot 17r	W12	0.301	13,112	A	$28,166.79
286431	R	Active	Merlin Dr	Castle Hills Ph Ii Sec E Blk C Lot 18r		0.301	13,112	A	$28,166.79
223684	R	Active	1109 King Mark Dr	Castle Hills Ph Iii Sec A Blk K Lot 14	W12	0.3018	13,146	A	$28,166.79
223619	R	Active	1200 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk C Lot 12	W-12	0.3023	13,168	A	$28,166.79
223784	R	Active	1052 Holygrail Dr	Castle Hills Ph Iii Sec A Blk I Lot 17(pt)(d	W-12	0.3028	13,190	A	$28,166.79
286444	R	Active	2830 Gareths Sword Dr	Castle Hills Ph Ii Sec E Blk D Lot 10r	W12	0.303	13,199	A	$28,166.79
286442	R	Active	2810 Gareths Sword Dr	Castle Hills Ph Ii Sec E Blk D Lot 8r		0.303	13,199	A	$28,166.79
286443	R	Active	2820 Gareths Sword Dr	Castle Hills Ph Ii Sec E Blk D Lot 9r	W12	0.303	13,199	A	$28,166.79
286403	R	Active	Seven Shields Ln	Castle Hills Ph Ii Sec E Blk B Lot 17r		0.3047	13,273	A	$28,166.79
286374	R	Active	King Arthur Blvd	Castle Hills Ph Ii Sec E Blk A Lot 8r		0.3048	13,277	A	$28,166.79
286406	R	Active	Seven Shields Ln	Castle Hills Ph Ii Sec E Blk B Lot 20r		0.3048	13,277	A	$28,166.79
286394	R	Active	Merlin Dr	Castle Hills Ph Ii Sec E Blk B Lot 8r		0.3048	13,277	A	$28,166.79
273247	R	Active	1216 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk F Lot 23	W-12	0.3063	13,342	A	$28,166.79
286411	R	Active	2751 Seven Shields Ln	Castle Hills Ph Ii Sec E Blk B Lot 25r	W12	0.3072	13,382	A	$28,166.79
223687	R	Active	1101 King Mark Dr	Castle Hills Ph Iii Sec A Blk K Lot 16	W12	0.3076	13,399	A	$28,166.79
273171	R	Active	2209 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk E Lot 3	W-12	0.3076	13,399	A	$28,166.79
223711	R	Active	1124 King Mark Dr	Castle Hills Ph Iii Sec A Blk L Lot 12	W12	0.3079	13,412	A	$28,166.79
223712	R	Active	1120 King Mark Dr	Castle Hills Ph Iii Sec A Blk L Lot 13	W12	0.3079	13,412	A	$28,166.79
223713	R	Active	1116 King Mark Dr	Castle Hills Ph Iii Sec A Blk L Lot 14	W12	0.3079	13,412	A	$28,166.79
273219	R	Active	1225 Lambeth Ln	Castle Hills Ph Iii Sec B Blk F Lot 4	W-12	0.3085	13,438	A	$28,166.79
286452	R	Active	2800 Seven Shields Ln	Castle Hills Ph Ii Sec E Blk E Lot 6r	W12	0.3089	13,456	A	$28,166.79
286409	R	Active	2771 Seven Shields Ln	Castle Hills Ph Ii Sec E Blk B Lot 23r		0.3099	15,956	A	$28,166.79
286410	R	Active	2761 Seven Shields Ln	Castle Hills Ph Ii Sec E Blk B Lot 24r		0.3099	13,499	A	$28,166.79
286448	R	Active	2835 Gareths Sword Dr	Castle Hills Ph Ii Sec E Blk E Lot 2r	W12	0.3099	13,499	A	$28,166.79
286448	R	Active	2835 Gareths Sword Dr	Castle Hills Ph Ii Sec E Blk E Lot 2r	W12	0.3099	13,499	A	$28,166.79
286449	R	Active	2825 Gareths Sword Dr	Castle Hills Ph Ii Sec E Blk E Lot 3r	W12	0.3099	13,499	A	$28,166.79
286450	R	Active	2815 Gareths Sword Dr	Castle Hills Ph Ii Sec E Blk E Lot 4r	W12	0.3099	13,499	A	$28,166.79
273155	R	Active	1213 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 10	W-12	0.3099	13,499	A	$28,166.79
273156	R	Active	1217 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 11	W-12	0.3099	13,499	A	$28,166.79
273157	R	Active	1221 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 12	W-12	0.3099	13,499	A	$28,166.79
273158	R	Active	1225 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 13	W-12	0.3099	13,499	A	$28,166.79
273159	R	Active	1229 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 14	W-12	0.3099	13,499	A	$28,166.79
273149	R	Active	1113 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 4	W-12	0.3099	13,499	A	$28,166.79
273150	R	Active	1117 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 5	W-12	0.3099	13,499	A	$28,166.79
273151	R	Active	1121 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 6	W-12	0.3099	13,499	A	$28,166.79
273154	R	Active	1209 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 9	W-12	0.3099	13,499	A	$28,166.79
273210	R	Active	1237 Lambeth Ln	Castle Hills Ph Iii Sec B Blk F Lot 1	W-12	0.3106	13,530	A	$28,166.79
273188	R	Active	1232 Lambeth Ln	Castle Hills Ph Iii Sec B Blk E Lot 20	W-12	0.3112	13,556	A	$28,166.79
223710	R	Active	1128 King Mark Dr	Castle Hills Ph Iii Sec A Blk L Lot 11	W12	0.3118	13,582	A	$28,166.79
273173	R	Active	1218 Seige Ct	Castle Hills Ph Iii Sec B Blk E Lot 5	W-12	0.3137	13,665	A	$28,166.79
286445	R	Active	2840 Gareths Sword Dr	Castle Hills Ph Ii Sec E Blk D Lot 11r	W12	0.3144	13,695	A	$28,166.79
286418	R	Active	2631 Sir Castor Ct	Castle Hills Ph Ii Sec E Blk C Lot 5r		0.3149	13,717	A	$28,166.79
286418	R	Active	2631 Sir Castor Ct	Castle Hills Ph Ii Sec E Blk C Lot 5r		0.3149	13,717	A	$28,166.79
286467	R	Active	2720 Seven Shields Ln	Castle Hills Ph Ii Sec E Blk F Lot 11r	W12	0.3149	13,717	A	$28,166.79
223673	R	Active	1153 King Mark Dr	Castle Hills Ph Iii Sec A Blk K Lot 3	W12	0.3152	13,730	A	$28,166.79
273383	R	Active	2305 Lady Rule Ln	Castle Hills Ph Iii Sec B Blk I Lot 13	W-12	0.3156	13,748	A	$28,166.79

LCHPID2 - ASSESSMENT ROLL - APRIL 2015

Property ID	Prop	Status	Situs Address	Legal Description	District Number	Land Size (in Acres)	Land Size (in feet)	Lot Type	Assessment
286461	R	Active	610 Wallingford Ln	Castle Hills Ph Ii Sec E Blk F Lot 5r	W12	0.3162	13,774	A	$28,166.79
223589	R	Active	1216 Queen Peggy Ln	Castle Hills Ph Iii Sec A Blk A Lot 21	W12	0.3171	13,813	A	$28,166.79
223590	R	Active	1212 Queen Peggy Ln	Castle Hills Ph Iii Sec A Blk A Lot 22	W12	0.3171	13,813	A	$28,166.79
223591	R	Active	1208 Queen Peggy Ln	Castle Hills Ph Iii Sec A Blk A Lot 23	W-12	0.3172	13,817	A	$28,166.79
273152	R	Active	1201 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 7	W-12	0.3172	13,817	A	$28,166.79
527683	R	Active	2830 Merlin Dr	Castle Hills Ph Ii Sec E Blk B Lot 6br	W12	0.3179	13,848	A	$28,166.79
273105	R	Active	2312 King Arthur Blvd	Castle Hills Ph Iii Sec B Blk A Lot 4	W-12	0.3196	13,922	A	$28,166.79
273175	R	Active	1217 Seige St	Castle Hills Ph Iii Sec B Blk E Lot 7	W-12	0.3196	13,922	A	$28,166.79
286417	R	Active	2621 Sir Castor Ct	Castle Hills Ph Ii Sec E Blk C Lot 4r	W12	0.3214	14,000	A	$28,166.79
286408	R	Active	2781 Seven Shields Ln	Castle Hills Ph Ii Sec E Blk B Lot 22r		0.3215	14,005	A	$28,166.79
223671	R	Active	1161 King Mark Dr	Castle Hills Ph Iii Sec A Blk K Lot 1	W12	0.3219	14,022	A	$28,166.79
273236	R	Active	2259 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk F Lot 12	W-12	0.3219	14,022	A	$28,166.79
286400	R	Active	3120 Merlin Dr	Castle Hills Ph Ii Sec E Blk B Lot 14r	W12	0.3228	14,061	A	$28,166.79
286396	R	Active	3020 Merlin Dr	Castle Hills Ph Ii Sec E Blk B Lot 10r		0.3229	14,066	A	$28,166.79
286397	R	Active	3030 Merlin Dr	Castle Hills Ph Ii Sec E Blk B Lot 11r	W12	0.3229	14,066	A	$28,166.79
286398	R	Active	3100 Merlin Dr	Castle Hills Ph Ii Sec E Blk B Lot 12r	W12	0.3229	14,066	A	$28,166.79
286395	R	Active	3010 Merlin Dr	Castle Hills Ph Ii Sec E Blk B Lot 9r	W12	0.3229	14,066	A	$28,166.79
286399	R	Active	3110 Merlin Dr	Castle Hills Ph Ii Sec E Blk B Lot 13r		0.323	14,070	A	$28,166.79
273153	R	Active	1205 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 8	W-12	0.3244	14,131	A	$28,166.79
223588	R	Active	1220 Queen Peggy Ln	Castle Hills Ph Iii Sec A Blk A Lot 20	W12	0.3246	14,140	A	$28,166.79
223629	R	Active	1201 Queen Peggy Ln	Castle Hills Ph Iii Sec A Blk D Lot 1	W-12	0.3253	14,170	A	$28,166.79
273128	R	Active	2200 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk B Lot 16	W-12	0.3255	14,179	A	$28,166.79
286389	R	Active	King Arthur Blvd	Castle Hills Ph Ii Sec E Blk B Lot 4r		0.3261	14,205	A	$28,166.79
223652	R	Active	1233 Dame Susan Ln	Castle Hills Ph Iii Sec A Blk E Lot 9	W12	0.3265	14,222	A	$28,166.79
223706	R	Active	1144 King Mark Dr	Castle Hills Ph Iii Sec A Blk L Lot 7	W12	0.3271	14,248	A	$28,166.79
286441	R	Active	2800 Gareths Sword Dr	Castle Hills Ph Ii Sec E Blk D Lot 7r	W12	0.3292	14,340	A	$28,166.79
223688	R	Active	2440 King Arthur Blvd	Castle Hills Ph Iii Sec A Blk K Lot 17	W12	0.3295	14,353	A	$28,166.79
273113	R	Active	2260 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk B Lot 1	W-12	0.3309	14,414	A	$28,166.79
273235	R	Active	2255 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk F Lot 11	W-12	0.3322	14,471	A	$28,166.79
286437	R	Active	2831 Merlins Rock Ln	Castle Hills Ph Ii Sec E Blk D Lot 3r	W12	0.334	14,549	A	$28,166.79
286438	R	Active	2821 Merlins Rock Ln	Castle Hills Ph Ii Sec E Blk D Lot 4r	W12	0.334	14,549	A	$28,166.79
286439	R	Active	2811 Merlins Rock Ln	Castle Hills Ph Ii Sec E Blk D Lot 5r	W12	0.334	14,549	A	$28,166.79
286401	R	Active	Merlin Dr	Castle Hills Ph Ii Sec E Blk B Lot 15r		0.3341	14,553	A	$28,166.79
286462	R	Active	600 Wallingford Ln	Castle Hills Ph Ii Sec E Blk F Lot 6r		0.3341	14,553	A	$28,166.79
273378	R	Active	2300 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk I Lot 8	W-12	0.335	14,593	A	$28,166.79
286280	R	Active	King Arthur Blvd	Castle Hills Ph Ii Sec E Blk A Lot 1r		0.3355	14,614	A	$28,166.79
223707	R	Active	1140 King Mark Dr	Castle Hills Ph Iii Sec A Blk L Lot 8	W12	0.3358	14,627	A	$28,166.79
223716	R	Active	1104 King Mark Dr	Castle Hills Ph Iii Sec A Blk L Lot 17	W12	0.3378	14,715	A	$28,166.79
286412	R	Active	2735 Seven Shields Ln	Castle Hills Ph Ii Sec E Blk B Lot 26r		0.3384	14,741	A	$28,166.79
223672	R	Active	1157 King Mark Dr	Castle Hills Ph Iii Sec A Blk K Lot 2	W12	0.3391	14,771	A	$28,166.79
223569	R	Active	2424 Damsel Katie Dr	Castle Hills Ph Iii Sec A Blk A Lot 1	W12	0.3396	14,793	A	$28,166.79
273170	R	Active	Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk E Lot 2		0.34	14,810	A	$28,166.79
273216	R	Active	1233 Lambeth Ln	Castle Hills Ph Iii Sec B Blk F Lot 2	W-12	0.341	14,854	A	$28,166.79
273250	R	Active	2303 Maidens Castle Dr	Castle Hills Ph Iii Sec B Blk F Lot 26	W-12	0.3414	14,871	A	$28,166.79
273218	R	Active	1229 Lambeth Ln	Castle Hills Ph Iii Sec B Blk F Lot 3	W-12	0.3428	14,932	A	$28,166.79
286404	R	Active	2821 Seven Shields Ln	Castle Hills Ph Ii Sec E Blk B Lot 18r		0.3444	15,002	A	$28,166.79
286405	R	Active	Seven Shields Ln	Castle Hills Ph Ii Sec E Blk B Lot 19r		0.3444	15,002	A	$28,166.79
223708	R	Active	1136 King Mark Dr	Castle Hills Ph Iii Sec A Blk L Lot 9	W12	0.3451	15,033	A	$28,166.79
286440	R	Active	2801 Merlins Rock Ln	Castle Hills Ph Ii Sec E Blk D Lot 6r	W12	0.346	15,072	A	$28,166.79
273111	R	Active	2336 King Arthur Blvd	Castle Hills Ph Iii Sec B Blk A Lot 10	W-12	0.3465	15,094	A	$28,166.79
286388	R	Active	King Arthur Blvd	Castle Hills Ph Ii Sec E Blk B Lot 3r		0.3467	15,102	A	$28,166.79
286446	R	Active	2850 Gareths Sword Dr	Castle Hills Ph Ii Sec E Blk D Lot 12r	W12	0.3493	15,216	A	$28,166.79
223717	R	Active	1100 King Mark Dr	Castle Hills Ph Iii Sec A Blk L Lot 18	W12	0.3494	15,220	A	$28,166.79
273356	R	Active	Harpes Castle Ct	Castle Hills Ph Iii Sec B Blk G Lot 1		0.3494	15,220	A	$28,166.79
223705	R	Active	1148 King Mark Dr	Castle Hills Ph Iii Sec A Blk L Lot 6	W12	0.3521	15,337	A	$28,166.79
286436	R	Active	2841 Merlins Rock Ln	Castle Hills Ph Ii Sec E Blk D Lot 2r	W12	0.3547	15,451	A	$28,166.79
223667	R	Active	1112 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk F Lot 7	W-12	0.3552	15,473	A	$28,166.79
286466	R	Active	2730 Seven Shields Ln	Castle Hills Ph Ii Sec E Blk F Lot 10r	W12	0.3555	15,486	A	$28,166.79
286451	R	Active	2801 Gareths Sword Dr	Castle Hills Ph Ii Sec E Blk E Lot 5r	W12	0.3562	15,516	A	$28,166.79
273146	R	Active	1101 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 1		0.361	15,725	A	$28,166.79
286433	R	Active	2830 Merlins Rock Ln	Castle Hills Ph Ii Sec E Blk C Lot 20r	W12	0.3616	15,751	A	$28,166.79
223797	R	Active	1000 Lady Lore Ln	Castle Hills Ph Iii Sec A Blk I Lot 30	W-12	0.3624	15,786	A	$28,166.79
273148	R	Active	1109 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 3	W-12	0.363	15,812	A	$28,166.79
223630	R	Active	1205 Queen Peggy Ln	Castle Hills Ph Iii Sec A Blk D Lot 2	W12	0.3645	15,878	A	$28,166.79
286402	R	Active	Seven Shields Ln	Castle Hills Ph Ii Sec E Blk B Lot 16r		0.3656	15,926	A	$28,166.79
286427	R	Active	2821 Sir Castor Ct	Castle Hills Ph Ii Sec E Blk C Lot 14r	W12	0.3656	15,926	A	$28,166.79
223714	R	Active	1112 King Mark Dr	Castle Hills Ph Iii Sec A Blk L Lot 15	W12	0.3663	15,956	A	$28,166.79
273169	R	Active	2201 Lady Cornwall Dr	Castle Hills Ph Iii Sec B Blk E Lot 1	W-12	0.3716	16,187	A	$28,166.79
286387	R	Active	2809 King Arthur Blvd	Castle Hills Ph Ii Sec E Blk B Lot 2r		0.3718	16,196	A	$28,166.79
286447	R	Active	2845 Gareths Sword Dr	Castle Hills Ph Ii Sec E Blk E Lot 1r	W12	0.3719	16,200	A	$28,166.79
273367	R	Active	1101 Harpes Castle Ct	Castle Hills Ph Iii Sec B Blk H Lot 1	W-12	0.3734	16,265	A	$28,166.79
219551	R	Active	2655 Round Table Blvd	Castle Hills Ph Ii Sec C Blk B Lot 2-r	W12	0.3736	16,274	A	$28,166.79
223703	R	Active	1156 King Mark Dr	Castle Hills Ph Iii Sec A Blk L Lot 4	W12	0.3773	16,435	A	$28,166.79
273147	R	Active	1105 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 2	W-12	0.3796	16,535	A	$28,166.79
223582	R	Active	1218 Sir Malory Dr	Castle Hills Ph Iii Sec A Blk A Lot 14	W-12	0.3801	16,557	A	$28,166.79
273104	R	Active	2308 King Arthur Blvd	Castle Hills Ph Iii Sec B Blk A Lot 3	W-12	0.381	16,596	A	$28,166.79
286414	R	Active	2601 Sir Castor Ct	Castle Hills Ph Ii Sec E Blk C Lot 2r	W12	0.3829	16,679	A	$28,166.79
223586	R	Active	1228 Queen Peggy Ln	Castle Hills Ph Iii Sec A Blk A Lot 18	W12	0.3844	16,744	A	$28,166.79
273160	R	Active	1233 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 15	W-12	0.3849	16,766	A	$28,166.79
223583	R	Active	1216 Sir Malory Dr	Castle Hills Ph Iii Sec A Blk A Lot 15	W-12	0.3851	16,775	A	$28,166.79
273246	R	Active	1212 Morgan Lefay Ln	Castle Hills Ph Iii Sec B Blk F Lot 22	W-12	0.3855	16,792	A	$28,166.79

LCHPID2 - ASSESSMENT ROLL - APRIL 2015

Property ID	Prop	Status	Situs Address	Legal Description	District Number	Land Size (in Acres)	Land Size (in feet)	Lot Type	Assessment
286426	R	Active	Sir Castor Ct	Castle Hills Ph Ii Sec E Blk C Lot 13r		0.3863	16,827	A	$28,166.79
286435	R	Active	2851 Merlins Rock Ln	Castle Hills Ph Ii Sec E Blk D Lot 1r	W12	0.3888	16,936	A	$28,166.79
219553	R	Active	2651 Round Table Blvd	Castle Hills Ph Ii Sec C Blk B Lot 4-r	W12	0.3894	16,962	A	$28,166.79
286465	R	Active	2740 Seven Shields Ln	Castle Hills Ph Ii Sec E Blk F Lot 9r	W12	0.39	16,988	A	$28,166.79
223738	R	Active	1209 Lady Carol Ln	Castle Hills Ph Iii Sec A Blk G Lot 18	W-12	0.3941	17,167	A	$28,166.79
286421	R	Active	2711 Sir Castor Ct	Castle Hills Ph Ii Sec E Blk C Lot 8r		0.396	17,250	A	$28,166.79
219552	R	Active	2653 Round Table Blvd	Castle Hills Ph Ii Sec C Blk B Lot 3-r	W12	0.3964	17,267	A	$28,166.79
219555	R	Active	2627 Sir Gawain Ln	Castle Hills Ph Ii Sec C Blk B Lot 6-r	W12	0.3969	17,289	A	$28,166.79
219550	R	Active	2657 Round Table Blvd	Castle Hills Ph Ii Sec C Blk B Lot 1r(dcfws	W12	0.397	17,293	A	$28,166.79
300892	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 24		0.4014	17,485	A	$28,166.79
273270	R	Active	2304 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk F Lot 46	W-12	0.4015	17,489	A	$28,166.79
300824	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk B Lot 28		0.4022	17,520	A	$28,166.79
286432	R	Active	2840 Merlins Rock Ln	Castle Hills Ph Ii Sec E Blk C Lot 19r	W12	0.4025	17,533	A	$28,166.79
223782	R	Active	1060 Holy Grail	Castle Hills Ph Iii Sec A Blk I Lot 15 (split	W-12	0.4032	17,563	A	$28,166.79
223592	R	Active	1204 Queen Peggy Ln	Castle Hills Ph Iii Sec A Blk A Lot 24	W12	0.4037	17,585	A	$28,166.79
219522	R	Active	2630 Sir Gawain Ln	Castle Hills Ph Ii Sec C Blk A Lot 20-r	W12	0.4038	17,590	A	$28,166.79
219556	R	Active	2625 Sir Gawain Ln	Castle Hills Ph Ii Sec C Blk B Lot 7-r	W12	0.4046	17,624	A	$28,166.79
300820	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk B Lot 26		0.4049	17,637	A	$28,166.79
286381	R	Active	2740 Sir Castor Ct	Castle Hills Ph Ii Sec E Blk A Lot 12r	W12	0.4063	17,698	A	$28,166.79
286382	R	Active	2730 Sir Castor Ct	Castle Hills Ph Ii Sec E Blk A Lot 13r	W12	0.4063	17,698	A	$28,166.79
286384	R	Active	2710 Sir Castor Ct	Castle Hills Ph Ii Sec E Blk A Lot 15r		0.4082	17,781	A	$28,166.79
219605	R	Active	2621 Dame Brisen Dr	Castle Hills Ph Ii Sec C Blk E Lot 11-r	W12	0.4085	17,794	A	$28,166.79
219554	R	Active	2629 Sir Gawain Ln	Castle Hills Ph Ii Sec C Blk B Lot 5-r	W-12	0.4087	17,803	A	$28,166.79
286468	R	Active	2710 Seven Shields Ln	Castle Hills Ph Ii Sec E Blk F Lot 12r	W12	0.4102	17,868	A	$28,166.79
219615	R	Active	2642 Round Table Blvd	Castle Hills Ph Ii Sec C Blk E Lot 17-r	W12	0.4132	17,999	A	$28,166.79
219616	R	Active	2640 Round Table Blvd	Castle Hills Ph Ii Sec C Blk E Lot 18-r	W12	0.4132	17,999	A	$28,166.79
219623	R	Active	2626 Round Table Blvd	Castle Hills Ph Ii Sec C Blk E Lot 25-r	W12	0.4132	17,999	A	$28,166.79
219624	R	Active	2624 Round Table Blvd	Castle Hills Ph Ii Sec C Blk E Lot 26-r	W12	0.4132	17,999	A	$28,166.79
286383	R	Active	2720 Sir Castor Ct	Castle Hills Ph Ii Sec E Blk A Lot 14r	W12	0.4132	17,999	A	$28,166.79
219625	R	Active	2622 Round Table Blvd	Castle Hills Ph Ii Sec C Blk E Lot 27-r	W12	0.4139	18,029	A	$28,166.79
223702	R	Active	1160 King Mark Dr	Castle Hills Ph Iii Sec A Blk L Lot 3	W-12	0.4139	18,029	A	$28,166.79
219524	R	Active	2634 Sir Gawain Ln	Castle Hills Ph Ii Sec C Blk A Lot 22-r	W12	0.4148	18,069	A	$28,166.79
300884	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 18		0.4175	18,186	A	$28,166.79
219571	R	Active	2604 Queen Elizabeth Blvd	Castle Hills Ph Ii Sec C Blk C Lot 12-r		0.4184	18,226	A	$28,166.79
273276	R	Active	2320 Round Mountain Cir	Castle Hills Ph Iii Sec B Blk J Lot 5	W-12	0.4205	18,317	A	$28,166.79
286422	R	Active	2721 Sir Castor Ct	Castle Hills Ph Ii Sec E Blk C Lot 9r	W12	0.4217	18,369	A	$28,166.79
273102	R	Active	King Arthur Blvd	Castle Hills Ph Iii Sec B Blk A Lot 1		0.4221	18,387	A	$28,166.79
219521	R	Active	2628 Sir Gawain Ln	Castle Hills Ph Ii Sec C Blk A Lot 19r(w12	W12	0.4233	18,439	A	$28,166.79
219622	R	Active	2628 Round Table Blvd	Castle Hills Ph Ii Sec C Blk E Lot 24-r	W12	0.4235	18,448	A	$28,166.79
219627	R	Active	2620 Round Table Blvd	Castle Hills Ph Ii Sec C Blk E Lot 28r(w12	W12	0.4245	18,491	A	$28,166.79
219617	R	Active	2638 Round Table Blvd	Castle Hills Ph Ii Sec C Blk E Lot 19-r	W12	0.4249	18,509	A	$28,166.79
300846	R	Active	Long Isles Ln	Castle Hills Ph Iii Sec C Blk C Lot 18		0.4251	18,517	A	$28,166.79
300856	R	Active	1025 Long Isles Ln	Castle Hills Ph Iii Sec C Blk C Lot 26		0.4273	18,613	A	$28,166.79
300836	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk C Lot 11 (pt)		0.4274	18,618	A	$28,166.79
219523	R	Active	2632 Sir Gawain Ln	Castle Hills Ph Ii Sec C Blk A Lot 21-r	W12	0.4285	18,665	A	$28,166.79
219541	R	Active	2621 Round Table Blvd	Castle Hills Ph Ii Sec C Blk A Lot 39-r	W12	0.4294	18,705	A	$28,166.79
300855	R	Active	1029 Long Isles Ln	Castle Hills Ph Iii Sec C Blk C Lot 25		0.4304	18,748	A	$28,166.79
300778	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk A Lot 10		0.4305	18,753	A	$28,166.79
300779	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk A Lot 11		0.4305	18,753	A	$28,166.79
300780	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk A Lot 12		0.4305	18,753	A	$28,166.79
300781	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk A Lot 13		0.4305	18,753	A	$28,166.79
300782	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk A Lot 14		0.4305	18,753	A	$28,166.79
300783	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk A Lot 15		0.4305	18,753	A	$28,166.79
300773	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk A Lot 5		0.4305	18,753	A	$28,166.79
300774	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk A Lot 6		0.4305	18,753	A	$28,166.79
300775	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk A Lot 7		0.4305	18,753	A	$28,166.79
300776	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk A Lot 8		0.4305	18,753	A	$28,166.79
300798	R	Active	Hollow Hill Ln	Castle Hills Ph Iii Sec C Blk B Lot 5		0.4305	18,753	A	$28,166.79
300799	R	Active	2501 Hollow Hill Ln	Castle Hills Ph Iii Sec C Blk B Lot 6		0.4305	18,753	A	$28,166.79
300800	R	Active	2417 Hollow Hill Ln	Castle Hills Ph Iii Sec C Blk B Lot 7		0.4305	18,753	A	$28,166.79
300801	R	Active	2413 Hollow Hill Ln	Castle Hills Ph Iii Sec C Blk B Lot 8		0.4305	18,753	A	$28,166.79
300826	R	Active	1004 Excalibur Blvd	Castle Hills Ph Iii Sec C Blk C Lot 1		0.4319	18,814	A	$28,166.79
300874	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 8		0.4328	18,853	A	$28,166.79
300832	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk C Lot 7		0.4332	18,870	A	$28,166.79
300830	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk C Lot 5		0.4334	18,879	A	$28,166.79
300772	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk A Lot 4		0.4337	18,892	A	$28,166.79
300835	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk C Lot 10		0.4337	18,892	A	$28,166.79
300838	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk C Lot 12		0.4337	18,892	A	$28,166.79
300853	R	Active	Long Isles Ln	Castle Hills Ph Iii Sec C Blk C Lot 23		0.4337	18,892	A	$28,166.79
300854	R	Active	1101 Long Isles Ln	Castle Hills Ph Iii Sec C Blk C Lot 24		0.4337	18,892	A	$28,166.79
300833	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk C Lot 8		0.4337	18,892	A	$28,166.79
300834	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk C Lot 9		0.4337	18,892	A	$28,166.79
300876	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 10		0.4337	18,892	A	$28,166.79
300891	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 23		0.4337	18,892	A	$28,166.79
300875	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 9		0.4337	18,892	A	$28,166.79
300785	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk A Lot 16		0.4341	18,909	A	$28,166.79
300885	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 19		0.4348	18,940	A	$28,166.79
300864	R	Active	1000 Excalibur Blvd	Castle Hills Ph Iii Sec C Blk C Lot 34	W12	0.4351	18,953	A	$28,166.79
300831	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk C Lot 6		0.4351	18,953	A	$28,166.79
300815	R	Active	2325 Silver Table Dr	Castle Hills Ph Iii Sec C Blk B Lot 21		0.4366	19,018	A	$28,166.79
300849	R	Active	1117 Long Isles Ln	Castle Hills Ph Iii Sec C Blk C Lot 20		0.4369	19,031	A	$28,166.79

LCHPID2 - ASSESSMENT ROLL - APRIL 2015

Property ID	Prop	Status	Situs Address	Legal Description	District Number	Land Size (in Acres)	Land Size (in feet)	Lot Type	Assessment
300857	R	Active	Long Isles Ln	Castle Hills Ph Iii Sec C Blk C Lot 27		0.4369	19,031	A	$28,166.79
300797	R	Active	Hollow Hill Ln	Castle Hills Ph Iii Sec C Blk B Lot 4		0.437	19,036	A	$28,166.79
300852	R	Active	Long Isles Ln	Castle Hills Ph Iii Sec C Blk C Lot 22		0.437	19,036	A	$28,166.79
300868	R	Active	2504 Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 3		0.4372	19,044	A	$28,166.79
286425	R	Active	2801 Sir Castor Ct	Castle Hills Ph Ii Sec E Blk C Lot 12r		0.4374	19,053	A	$28,166.79
300869	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 4		0.4375	19,058	A	$28,166.79
300819	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk B Lot 25		0.4383	19,092	A	$28,166.79
300777	R	Active	920 Excalibur Blvd	Castle Hills Ph Iii Sec C Blk A Lot 9	W12	0.4386	19,105	A	$28,166.79
300840	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk C Lot 13		0.4398	19,158	A	$28,166.79
300842	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk C Lot 14		0.4401	19,171	A	$28,166.79
300879	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 13		0.4413	19,223	A	$28,166.79
300818	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk B Lot 24		0.4414	19,227	A	$28,166.79
286464	R	Active	Seven Shields Ln	Castle Hills Ph Ii Sec E Blk F Lot 8r		0.442	19,254	A	$28,166.79
300873	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 7		0.4421	19,258	A	$28,166.79
300845	R	Active	Long Isles Ln	Castle Hills Ph Iii Sec C Blk C Lot 17		0.4435	19,319	A	$28,166.79
273163	R	Active	1226 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 18	W-12	0.4438	19,332	A	$28,166.79
300771	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk A Lot 3		0.4442	19,349	A	$28,166.79
300827	R	Active	1008 Excalibur Blvd	Castle Hills Ph Iii Sec C Blk C Lot 2		0.4444	19,358	A	$28,166.79
300828	R	Active	1012 Excalibur Blvd	Castle Hills Ph Iii Sec C Blk C Lot 3		0.4444	19,358	A	$28,166.79
300861	R	Active	2412 Hollow Hill Ln	Castle Hills Ph Iii Sec C Blk C Lot 31		0.4444	19,358	A	$28,166.79
300862	R	Active	2416 Hollow Hill Ln	Castle Hills Ph Iii Sec C Blk C Lot 32		0.4444	19,358	A	$28,166.79
300829	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk C Lot 4		0.4444	19,358	A	$28,166.79
300860	R	Active	2408 Hollow Hill Ln	Castle Hills Ph Iii Sec C Blk C Lot 30		0.4449	19,380	A	$28,166.79
300851	R	Active	1113 Long Isles Ln	Castle Hills Ph Iii Sec C Blk C Lot 21		0.4452	19,393	A	$28,166.79
223585	R	Active	1212 Sir Malory Dr	Castle Hills Ph Iii Sec A Blk A Lot 17	W-12	0.4454	19,402	A	$28,166.79
300789	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk A Lot 18		0.4458	19,419	A	$28,166.79
300810	R	Active	2509 Silver Table Dr	Castle Hills Ph Iii Sec C Blk B Lot 17		0.446	19,428	A	$28,166.79
223783	R	Active	1056 Holy Grail Dr	Castle Hills Ph Iii Sec A Blk I Lot 16 (split	W-12	0.4461	19,432	A	$28,166.79
286423	R	Active	2731 Sir Castor Ct	Castle Hills Ph Ii Sec E Blk C Lot 10r	W12	0.4554	19,837	A	$28,166.79
300814	R	Active	2329 Silver Table Dr	Castle Hills Ph Iii Sec C Blk B Lot 20		0.4466	19,454	A	$28,166.79
300882	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 16		0.4473	19,484	A	$28,166.79
300886	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 20		0.4479	19,511	A	$28,166.79
300844	R	Active	Long Isles Ln	Castle Hills Ph Iii Sec C Blk C Lot 16		0.4485	19,537	A	$28,166.79
273277	R	Active	2316 Round Mountain Cir	Castle Hills Ph Iii Sec B Blk J Lot 6	W-12	0.4486	19,541	A	$28,166.79
300847	R	Active	1121 Long Isles Ln	Castle Hills Ph Iii Sec C Blk C Lot 19		0.4488	19,550	A	$28,166.79
300867	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 2		0.4493	19,572	A	$28,166.79
300880	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 14		0.4494	19,576	A	$28,166.79
300795	R	Active	2513 Hollow Hill Ln	Castle Hills Ph Iii Sec C Blk B Lot 2		0.45	19,602	A	$28,166.79
286390	R	Active	2810 Merlin Dr	Castle Hills Ph Ii Sec E Blk B Lot 5r	W12	0.4501	19,606	A	$28,166.79
300809	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk B Lot 16		0.4517	19,676	A	$28,166.79
223587	R	Active	1224 Queen Peggy Ln	Castle Hills Ph Iii Sec A Blk A Lot 19	W12	0.4529	19,728	A	$28,166.79
286393	R	Active	Merlin Dr	Castle Hills Ph Ii Sec E Blk B Lot 7r		0.4545	19,798	A	$28,166.79
223595	R	Active	2375 King Arthur Blvd	Castle Hills Ph Iii Sec A Blk A Lot 27	W-12	0.4555	19,842	A	$28,166.79
273162	R	Active	1230 Lady De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 17	W-12	0.4557	19,850	A	$28,166.79
300858	R	Active	Long Isles Ln	Castle Hills Ph Iii Sec C Blk C Lot 28		0.4564	19,881	A	$28,166.79
300866	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 1		0.4566	19,889	A	$28,166.79
219557	R	Active	2623 Sir Gawain Ln	Castle Hills Ph Ii Sec C Blk B Lot 8-r	W12	0.4568	19,898	A	$28,166.79
223584	R	Active	1214 Sir Malory Dr	Castle Hills Ph Iii Sec A Blk A Lot 16	W-12	0.4569	19,903	A	$28,166.79
219527	R	Active	2649 Round Table Blvd	Castle Hills Ph Ii Sec C Blk A Lot 25-r	W12	0.4573	19,920	A	$28,166.79
286459	R	Active	700 Wallingford Ln	Castle Hills Ph Ii Sec E Blk F Lot 3r	W12	0.4582	19,959	A	$28,166.79
219528	R	Active	2647 Round Table Blvd	Castle Hills Ph Ii Sec C Blk A Lot 26-r	W12	0.4591	19,998	A	$28,166.79
219529	R	Active	2645 Round Table Blvd	Castle Hills Ph Ii Sec C Blk A Lot 27-r	W12	0.4591	19,998	A	$28,166.79
300890	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 22		0.4591	19,998	A	$28,166.79
219530	R	Active	2643 Round Table Blvd	Castle Hills Ph Ii Sec C Blk A Lot 28-r	W12	0.4618	20,116	A	$28,166.79
300883	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 17		0.462	20,125	A	$28,166.79
300817	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk B Lot 23		0.4627	20,155	A	$28,166.79
223593	R	Active	1200 Queen Peggy Ln	Castle Hills Ph Iii Sec A Blk A Lot 25	W12	0.5546	24,158	A	$28,166.79
300872	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 6		0.5547	24,163	A	$28,166.79
300806	R	Active	Long Isles Ln	Castle Hills Ph Iii Sec C Blk B Lot 13		0.4647	20,242	A	$28,166.79
300816	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk B Lot 22		0.4707	20,504	A	$28,166.79
223704	R	Active	1152 King Mark Dr	Castle Hills Ph Iii Sec A Blk L Lot 5	W12	0.4714	20,534	A	$28,166.79
300888	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 21		0.4734	20,621	A	$28,166.79
219533	R	Active	2637 Round Table Blvd	Castle Hills Ph Ii Sec C Blk A Lot 31-r	W12	0.4738	20,639	A	$28,166.79
300877	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 11		0.4749	20,687	A	$28,166.79
300863	R	Active	2500 Hollow Hill Ln	Castle Hills Ph Iii Sec C Blk C Lot 33		0.4761	20,739	A	$28,166.79
223715	R	Active	1108 King Mark Dr	Castle Hills Ph Iii Sec A Blk L Lot 16	W-12	0.4777	20,809	A	$28,166.79
219618	R	Active	2636 Round Table Blvd	Castle Hills Ph Ii Sec C Blk E Lot 20-r	W12	0.4787	20,852	A	$28,166.79
219619	R	Active	2634 Round Table Blvd	Castle Hills Ph Ii Sec C Blk E Lot 21-r	W12	0.4787	20,852	A	$28,166.79
219620	R	Active	2632 Round Table Blvd	Castle Hills Ph Ii Sec C Blk E Lot 22-r	W12	0.4787	20,852	A	$28,166.79
219621	R	Active	2630 Round Table Blvd	Castle Hills Ph Ii Sec C Blk E Lot 23-r	W12	0.4787	20,852	A	$28,166.79
300802	R	Active	2409 Hollow Hill Ln	Castle Hills Ph Iii Sec C Blk B Lot 9		0.4799	20,904	A	$28,166.79
219534	R	Active	2635 Round Table Blvd	Castle Hills Ph Ii Sec C Blk A Lot 32-r	W12	0.4802	20,918	A	$28,166.79
300823	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk B Lot 27 (pt)		0.4825	21,018	A	$28,166.79
273388	R	Active	2325 Lady Rule Ln	Castle Hills Ph Iii Sec B Blk I Lot 18	W-12	0.485	21,127	A	$28,166.79
219540	R	Active	2623 Round Table Blvd	Castle Hills Ph Ii Sec C Blk A Lot 38-r	W12	0.4859	21,166	A	$28,166.79
223700	R	Active	2374 King Arthur Blvd	Castle Hills Ph Iii Sec A Blk L Lot 1	W12	0.4859	21,166	A	$28,166.79
300870	R	Active	2420 Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 5		0.4881	21,262	A	$28,166.79
273103	R	Active	2304 King Arthur Blvd	Castle Hills Ph Iii Sec B Blk A Lot 2	W-12	0.4903	21,357	A	$28,166.79
300878	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 12		0.4984	21,710	A	$28,166.79
286424	R	Active	2741 Sir Castor Ct	Castle Hills Ph Ii Sec E Blk C Lot 11r		0.4985	21,715	A	$28,166.79
300843	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk C Lot 15		0.5051	22,002	A	$28,166.79

LCHPID2 - ASSESSMENT ROLL - APRIL 2015

Property ID	Prop	Status	Situs Address	Legal Description	District Number	Land Size (in Acres)	Land Size (in feet)	Lot Type	Assessment
219531	R	Active	2641 Round Table Blvd	Castle Hills Ph Ii Sec C Blk A Lot 29-r	W12	0.5054	22,015	A	$28,166.79
583890	R	Active	1237 Lad De Vance Ln	Castle Hills Ph Iii Sec B Blk D Lot 16r	W-12	0.508	22,128	A	$28,166.79
300807	R	Active	1008 Long Isles Ln	Castle Hills Ph Iii Sec C Blk B Lot 14		0.5089	22,168	A	$28,166.79
300881	R	Active	Silver Table Dr	Castle Hills Ph Iii Sec C Blk D Lot 15		0.5183	22,577	A	$28,166.79
286458	R	Active	710 Wallingford Ln	Castle Hills Ph Ii Sec E Blk F Lot 2r	W12	0.519	22,608	A	$28,166.79
300768	R	Active	Excalibur Blvd	Castle Hills Ph Iii Sec C Blk A Lot 1		0.52	22,651	A	$28,166.79
286469	R	Active	2700 Seven Shields Ln	Castle Hills Ph Ii Sec E Blk F Lot 13r	W12	0.5239	22,821	A	$28,166.79
223594	R	Active	2379 King Arthur Blvd	Castle Hills Ph Iii Sec A Blk A Lot 26	W-12	0.5264	22,930	A	$28,166.79
219537	R	Active	2629 Round Table Blvd	Castle Hills Ph Ii Sec C Blk A Lot 35-r	W12	0.5332	23,226	A	$28,166.79
219532	R	Active	2639 Round Table Blvd	Castle Hills Ph Ii Sec C Blk A Lot 30-r	W-12	0.534	23,261	A	$28,166.79
286434	R	Active	2820 Merlins Rock Ln	Castle Hills Ph Ii Sec E Blk C Lot 21r	W12	0.5369	23,387	A	$28,166.79
286554	R	Active	2760 Seven Shields Ln	Castle Hills Ph Ii Sec E Blk F Lot 7r		0.5503	23,971	A	$28,166.79
223701	R	Active	2378 King Arthur Blvd	Castle Hills Ph Iii Sec A Blk L Lot 2	W-12	0.5509	23,997	A	$28,166.79
219535	R	Active	2633 Round Table Blvd	Castle Hills Ph Ii Sec C Blk A Lot 33-r	W12	0.5537	24,119	A	$28,166.79
219538	R	Active	2627 Round Table Blvd	Castle Hills Ph Ii Sec C Blk A Lot 36-r	W12	0.5574	24,280	A	$28,166.79
219539	R	Active	2625 Round Table Blvd	Castle Hills Ph Ii Sec C Blk A Lot 37-r	W12	0.566	24,655	A	$28,166.79
286419	R	Active	2641 Sir Castor Ct	Castle Hills Ph Ii Sec E Blk C Lot 6r	W12	0.5671	24,703	A	$28,166.79
300811	R	Active	2505 Silver Table Dr	Castle Hills Ph Iii Sec C Blk B Lot 18		0.5716	24,899	A	$28,166.79
286420	R	Active	2701 Sir Castor Ct	Castle Hills Ph Ii Sec E Blk C Lot 7r	W12	0.5729	24,956	A	$28,166.79
300805	R	Active	1000 Long Isles Ln	Castle Hills Ph Iii Sec C Blk B Lot 12		0.5759	25,086	A	$28,166.79
273271	R	Active	2300 Wild Forest Cir	Castle Hills Ph Iii Sec B Blk F Lot 47	W-12	0.5837	25,426	A	$28,166.79
219536	R	Active	2631 Round Table Blvd	Castle Hills Ph Ii Sec C Blk A Lot 34-r	W12	0.5999	26,132	A	$28,166.79
300803	R	Active	2405 Hollow Hill Ln	Castle Hills Ph Iii Sec C Blk B Lot 10		0.6263	27,282	A	$28,166.79
300859	R	Active	2404 Hollow Hill Ln	Castle Hills Ph Iii Sec C Blk C Lot 29		0.6331	27,578	A	$28,166.79
286457	R	Active	720 Wallingford Ln	Castle Hills Ph Ii Sec E Blk F Lot 1r		0.6548	28,523	A	$28,166.79
300794	R	Active	2517 Hollow Hill Ln	Castle Hills Ph Iii Sec C Blk B Lot 1		0.6566	28,601	A	$28,166.79
282121	R	Active	2636 Sir Gawain Ln	Castle Hills Ph Ii Sec C Blk A Lot 23r	W12	0.8715	37,963	A	$28,166.79
									$19,923,225

Commercial Lot Type	Lot Size	Special Assessment		
Type A Lot 1	3.304 acres	$338,519		
Type A Lot 2	3.340 acres	$342,207		
Type A Lot 3	4.822 acres	$494,409		
Type A Lot 4	3.7 acres	$379,092		
Type B	24.38 acres	$2,497,908		
		($360)	Rounding	
		$4,051,775		$4,051,775
				$23,975,000

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Brenda Martin, Director of Finance

DATE: April 9, 2015

SUBJECT: **Consideration of an Ordinance Authorizing the Issuance of Not To Exceed $9,285,000 City of Lewisville, Texas, Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project) (the "Series 2015 Refunding Bonds") in Accordance With the Terms of a Trust Agreement; Authorizing the Defeasance and Refunding of $9,285,000 of the Outstanding City of Lewisville, Texas, Combination Contract Revenue and Special Assessment Capital Improvement Bonds, Series 2005 (Lewisville Castle Hills Public Improvement District No. 2 Project) (the "Series 2005 Bonds" or the "Refunded Bonds"); Approving and Authorizing the Execution of a Trust Agreement; Authorizing a Final Offering Statement Pertaining to the Issuance of the Series 2015 Refunding Bonds; Delegating Authority to Authorized Officials to Finalize Certain Sale Terms Relating to the Series 2015 Refunding Bonds, Finalize an Escrow Agreement and Finalize a Bond Purchase Agreement; Providing an Effective Date and Containing Other Matters Related to the Series 2015 Refunding Bonds.**

BACKGROUND

The City of Lewisville entered into a development agreement with Bright Farm Partnership, Denton County Freshwater Supply District 1-A (DCFWSD) and Denton County Fresh Water Supply District 1-B in 1996. This agreement laid out the methodology for annexation of the DCFWSDs that make up what is known as "Castle Hills" as well as various other operational issues. This agreement allows the DCFWSDs to contract with the City of Lewisville to create Public Improvement Districts (PIDs) to issue Combination Contract Revenue and Special Assessment Bonds secured by an annual ad valorem tax without legal limitation as to the rate or amount. As such, the city provides a financing conduit for infrastructure for the districts. The bonds are not general obligations of the city and are not payable from any funds raised or to be raised by taxation or any other revenue sources of the city. The proceeds from the sale of the debt are limited to street and roadway improvements and water, sewer and drainage improvements. At this point, eight DCFWSDs have been formed (1-A through 1-H). A total of seven PIDs have been formed and there is total outstanding debt for all seven PIDs of $107.57M. DCFWSD 1-A is the managing district with no PID currently established for this district.

ANALYSIS

The City authorized the issuance of $14.0M PID No. 2 bonds in 1999. These bonds were used to finance the first phase of public improvements within DCFWSD 1-D (the "District"). In July 2002, the City authorized the issuance of $18.15M of bonds to finance the second phase of public improvements and advance refund the previously issued 1999 bonds. In July 2005, the City authorized the issuance of $10.35M of bonds to finance the third phase of public improvements. In 2013, $14.3M bonds were sold to refund and defease a portion of the 2002 bonds and to pay the cost of issuance of the bonds.

Proceeds of this sale along with funds of the District will be used to refund and defease the remaining 2005 bonds and pay certain costs incurred in connection with the issuance of the bonds. Funds of the District are accumulations of the Interest and Sinking (I&S) property tax collections that have remained with the trustee bank after debt service payments have been made throughout the years. Also, there are some excess debt service reserve funds that will not be needed due to this refunding. These funds that will be used to "pay down" the debt are estimated to be $2.1M.

The bond sizing allows for shifts in the bond market and all savings parameters must be met in order for the refunding bonds to be priced and approved. Interest savings over the life of the issue is estimated to result in gross savings of approximately $2,470,000 which equates to an estimated $1,555,000 net present value savings.

This issuance requires the sale to be structured at the best possible time to obtain the most favorable rate afforded by this type of bond market. Since the sale is not occurring the same day as approved by City Council, parameters have been included in the Bond Ordinance document that stipulate the conditions approved by City Council for the sale of these bonds. These parameters include the maximum maturity, interest rate cap, date authority to issue the bonds will lapse and other such matters.

RECOMMENDATION

It is City staff's recommendation that the City Council approve the ordinance as set forth in the caption above.

CERTIFICATE FOR ORDINANCE

THE STATE OF TEXAS §

COUNTIES OF DENTON AND DALLAS §

CITY OF LEWISVILLE §

I, the undersigned City Secretary of the City of Lewisville, Texas, hereby certify as follows:

1. The City Council of the City of Lewisville, Texas convened in a regular session on the ___ day of _____, 2015 in the Council Chambers of the Lewisville City Hall, 151 West Church Street, Lewisville, Texas (the "Meeting"), and the roll was called of the duly constituted Council Members of the City of Lewisville, Texas to-wit:

Dean Ueckert	Mayor
TJ Gilmore	Mayor Pro-Tem
R. Neil Ferguson	Deputy Mayor Pro-Tem
Greg Tierney	Council Member
Rudy Durham	Council Member
Leroy Vaughn	Council Member

And all of the persons were present except _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at the Meeting:

AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $9,285,000 CITY OF LEWISVILLE, TEXAS, COMBINATION CONTRACT REVENUE AND SPECIAL ASSESSMENT REFUNDING BONDS, SERIES 2015 (LEWISVILLE CASTLE HILLS PUBLIC IMPROVEMENT DISTRICT NO. 2 PROJECT) (THE "SERIES 2015 REFUNDING BONDS") IN ACCORDANCE WITH THE TERMS OF THE TRUST AGREEMENT; AUTHORIZING THE DEFEASANCE AND REFUNDING OF $9,285,000 OF THE OUTSTANDING CITY OF LEWISVILLE, TEXAS, COMBINATION CONTRACT REVENUE AND SPECIAL ASSESSMENT CAPITAL IMPROVEMENT BONDS, SERIES 2005 (LEWISVILLE CASTLE HILLS PUBLIC IMPROVEMENT DISTRICT NO. 2) (THE "SERIES 2005 BONDS" OR THE "REFUNDED BONDS"); APPROVING AND AUTHORIZING THE EXECUTION OF A TRUST AGREEMENT; AUTHORIZING A FINAL OFFERING STATEMENT PERTAINING TO THE ISSUANCE OF THE SERIES 2015 REFUNDING BONDS; DELEGATING AUTHORITY TO AUTHORIZED OFFICIALS TO FINALIZE CERTAIN SALE TERMS RELATING TO THE SERIES 2015 REFUNDING BONDS, FINALIZE AN ESCROW OR DEPOSIT AGREEMENT AND FINALIZE A BOND PURCHASE AGREEMENT; PROVIDING AN EFFECTIVE DATE AND

CONTAINING OTHER MATTERS RELATED TO THE SERIES 2015 REFUNDING BONDS.

was duly introduced for the consideration of the City Council. It was then duly moved and seconded that the Ordinance be passed; and, after due discussion, said motion carrying with it the passage of the Ordinance, prevailed and carried by the following vote:

Aye: ____ No:____

2. A true, full and correct copy of the Ordinance passed at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; that the Ordinance has been duly recorded in the City Council's minutes of the Meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the City Council's minutes of the Meeting pertaining to the passage of the Ordinance; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting city officials as indicated therein; that each of the elected officials and members of the City Council was duly and sufficiently notified, officially and personally, in advance, of the time, place and purpose of the Meeting, and that the Ordinance would be introduced and considered for passage at the Meeting, and each of the elected officials and members consented, in advance, to the holding of the Meeting for such purpose, and that the Meeting was open to the public and public notice of the time, place and purpose of the meeting was given, all as required by Chapter 551, Government Code, as amended.

3. The City Council has approved the aforementioned attached Ordinance and the Mayor and the City Secretary of the City of Lewisville have duly signed the Ordinance; and that the City Secretary hereby declares that the attached Ordinance is a true and correct copy of the Ordinance for all purposes.

SIGNED AND SEALED this ___ day of _____, 2015.

_____
Julie Heinze, City Secretary
City of Lewisville

[City Seal]

CITY OF LEWISVILLE, TEXAS

ORDINANCE NO. ____-__-2015

Adopted the ___ day of _____, 2015

AUTHORIZING THE ISSUANCE OF

$9,285,000 CITY OF LEWISVILLE, TEXAS
COMBINATION CONTRACT REVENUE AND
SPECIAL ASSESSMENT REFUNDING BONDS
SERIES 2015
(LEWISVILLE CASTLE HILLS PUBLIC IMPROVEMENT DISTRICT NO. 2 PROJECT)

Ordinance No. ____-__-2015

AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT TO EXCEED $9,285,000 CITY OF LEWISVILLE, TEXAS, COMBINATION CONTRACT REVENUE AND SPECIAL ASSESSMENT REFUNDING BONDS, SERIES 2015 (LEWISVILLE CASTLE HILLS PUBLIC IMPROVEMENT DISTRICT NO. 2 PROJECT) (THE "SERIES 2015 REFUNDING BONDS") IN ACCORDANCE WITH THE TERMS OF A TRUST AGREEMENT; AUTHORIZING THE DEFEASANCE AND REFUNDING OF $9,285,000 OF THE OUTSTANDING CITY OF LEWISVILLE, TEXAS, COMBINATION CONTRACT REVENUE AND SPECIAL ASSESSMENT CAPITAL IMPROVEMENT BONDS, SERIES 2005 (LEWISVILLE CASTLE HILLS PUBLIC IMPROVEMENT DISTRICT NO. 2 PROJECT) (THE "SERIES 2005 BONDS" OR THE "REFUNDED BONDS"); APPROVING AND AUTHORIZING THE EXECUTION OF A TRUST AGREEMENT; AUTHORIZING A FINAL OFFERING STATEMENT PERTAINING TO THE ISSUANCE OF THE SERIES 2015 REFUNDING BONDS; DELEGATING AUTHORITY TO AUTHORIZED OFFICIALS TO FINALIZE CERTAIN SALE TERMS RELATING TO THE SERIES 2015 REFUNDING BONDS, FINALIZE AN ESCROW AGREEMENT AND FINALIZE A BOND PURCHASE AGREEMENT; PROVIDING AN EFFECTIVE DATE AND CONTAINING OTHER MATTERS RELATED TO THE SERIES 2015 REFUNDING BONDS.

RECITALS

WHEREAS, all capitalized terms utilized in this Ordinance shall have the meanings defined in that certain Trust Agreement (the "Trust Agreement") by and among the City of Lewisville, Texas (the "Issuer" or "City") and Wilmington Trust, National Association, Dallas, Texas (the "Trustee"), dated as of _____, 2015 and relating to the "Series 2015 Refunding Bonds", together with all Exhibits thereto, a full and correct copy of which is attached hereto as Exhibit "A" and made a part hereof for all purposes (terms used herein and not otherwise defined shall have the meanings set forth in the Trust Agreement);

WHEREAS, the governing body of the Issuer desires to delegate to the Authorized Official, pursuant to Chapter 1207, as amended, Texas Government Code ("Chapter 1207") and the terms of this Ordinance, the authority to approve the amount, maturities, interest rate and terms of the Series 2015 Refunding Bonds as set forth in this Ordinance and in the Approval Certificate, as hereinafter defined, and to take all actions necessary to effectuate and finalize the issuance of the Series 2015 Refunding Bonds, including entering into a bond insurance policy for the Series 2015 Refunding Bonds;

WHEREAS, pursuant to Chapter 1207, the Issuer is authorized to issue refunding bonds for the purpose of restructuring debt and to deposit the proceeds of the sale thereof with the Trustee pursuant to the terms of an Escrow Agreement between the Issuer and Trustee and such deposit shall constitute firm banking and financial arrangements for the discharge and final payment of the Refunded Bonds;

WHEREAS, the Governing Body of the Issuer finds that the refunding contemplated by this Ordinance will benefit the City by providing for present value debt service savings for Lewisville Castle Hills Public Improvement District No. 2 to be identified in the Approval Certificate and such benefit is consideration for the refunding of the Refunded Bonds;

WHEREAS, on the 14th day of July, 1999, a petition signed by the requisite number of property owners located within the proposed Lewisville Castle Hills Public Improvement District No. 2 ("P.I.D. No. 2") was submitted to and filed with the governing body of the Issuer requesting that a public improvement district be created within the extraterritorial jurisdiction of the Issuer pursuant to the provisions of the Public Improvement District Assessment Act, Chapter 372, Texas Local Government Code, as amended (the "Act");

WHEREAS, the aforementioned petition was submitted in compliance with the provisions of Section 372.005 of the Act;

WHEREAS, notice of a public hearing to consider the advisability of the improvements was published in a newspaper of general circulation on the 29th day of August, 1999, disclosing the governing body's intention to consider the creation of a public improvement district;

WHEREAS, written notice of the scheduled public hearing was delivered on the 16th day of August, 1999, to each property owner located within the proposed public improvement district;

WHEREAS, on the 13th day of September, 1999, the governing body of the Issuer held a public hearing conforming to the requirements of Section 372.009 of the Act on the advisability of the improvements;

WHEREAS, pursuant to Section 372.009(b) of the Act, the governing body of the Issuer, on the 13th day of September, 1999, passed and approved Resolution No. 2490-9-99, making certain findings as to the advisability of the improvements, the nature of the improvements, the boundaries of the proposed public improvement district, the method of assessment, and the apportionment of the costs between the proposed public improvement district and the Issuer as a whole and authorizing the creation of P.I.D. No. 2 and thereby establishing the exact boundaries of P.I.D. No. 2;

WHEREAS, P.I.D. No. 2 is located within the extraterritorial jurisdiction of the Issuer;

WHEREAS, such authorization took effect on the 17th day of September, 1999, the date on which notice of the creation of P.I.D. No. 2 was published in the *Denton Record Chronicle* and *Lewisville News*, newspapers of general circulation in the extraterritorial jurisdiction of the Issuer;

WHEREAS, no protest was filed with any official of the Issuer, satisfying the requirements of Section 372.010(c) of the Act;

WHEREAS, an Assessment/Service Plan was prepared and reviewed by the staff of the Issuer and submitted to the governing body of the Issuer for review which was set for a public hearing before the governing body of the Issuer on the 18th day of October, 1999;

WHEREAS, the Assessment/Service Plan provides that one hundred percent (100%) of the cost of the improvements authorized by Section 372.003 of the Act (the "Authorized Improvements") may be paid by Special Assessments levied against property located within P.I.D. No. 2 or will be paid by taxes collected by Denton County Fresh Water Supply District No. 1-D ("District No. 1-D") and paid to the Issuer in accordance with the provisions of the 1999 Joint Utility Contract entered into between the Issuer, Denton County Fresh Water Supply District No. 1-A ("District No. 1-A") and District No. 1-D, dated as of the 27th day of September, 2001 (hereinafter designated the "1999 Joint Utility Contract");

WHEREAS, the Assessment/Service Plan recommended that the governing body of the Issuer apportion the cost of the Authorized Improvements on the basis of the value of the property in P.I.D. No. 2 as determined by the governing body, without regard to improvements on the property as set out in the Assessment/Service Plan, with such an apportionment resulting in the imposition of equal shares of the cost on property similarly benefited within P.I.D. No. 2;

WHEREAS, based upon the aforementioned method of apportionment, the governing body of the Issuer prepared and filed an Assessment Roll establishing the proposed Special Assessment against each parcel of property within P.I.D. No. 2 all as provided in Section 372.016 of the Act;

WHEREAS, a notice was published on the 1st day of October, 1999, in the *Denton Record Chronicle* and *Lewisville News,* newspapers of general circulation within the city limits and extraterritorial jurisdiction of the Issuer, evidencing the intention of the governing body of the Issuer to consider the proposed Special Assessments at a public hearing;

WHEREAS, written notice of the scheduled public hearing was delivered on or before the 1st day of October, 1999, to each property owner residing within P.I.D. No. 2;

WHEREAS, on the 18th day of October, 1999, the governing body of the Issuer conducted a public hearing to hear and pass on any objections to the proposed Special Assessments;

WHEREAS, on the 18th day of October, 1999, the governing body of the Issuer adopted Ordinance No. 2503-10-1999 (the "Assessment Ordinance") approving the Assessment/Service Plan for P.I.D. No. 2 and levied assessments as Special Assessments on each parcel of property within P.I.D. No. 2, all as provided in Section 372.017 of the Act;

WHEREAS, pursuant to the Assessment Ordinance, the Issuer permitted the Special Assessments to be paid in installments, fixed the rate of interest on installment payments, established the penalties and interest on delinquent installments, and established the procedure and mechanism that will be utilized to collect and enforce the Special Assessments in periodic installments;

WHEREAS, Sections 372.019 and 372.020 of the Act establish a mechanism for an issuer to make supplemental assessments to correct errors in the original Special Assessments, and a mechanism for reassessment in the event any Special Assessment is invalid or excessive;

WHEREAS, the Act provides that an assessment or any reassessment, the expense of collection, and reasonable attorney's fees, if incurred, are a first and prior lien against the property assessed, superior to all other liens and claims except liens or claims for ad valorem taxes by other governmental entities, and are a personal liability of and charge against the owners of the property regardless of whether the owners are named. The lien is effective from the date of the Assessment Ordinance levying the Special Assessment until the Special Assessment is paid, and may be enforced in the same manner that an ad valorem tax levied against real property is enforced. The owner of any property assessed may pay the entire Special Assessment against any lot or parcel with accrued interest to the date of payment at any time;

WHEREAS, Section 372.024 of the Act authorizes the Issuer to issue bonds payable from Special Assessments and from all or part of revenue or income received from any public or private source, pursuant to an agreement or otherwise;

WHEREAS, in the adoption of this Ordinance, the Issuer is exercising the authority granted by Section 372.026 of the Act by issuing bonds payable from Special Assessments and from the Contract Revenues derived from the Amended 2000 Joint Utility Contract;

WHEREAS, at an election conducted on January 17, 1983, the voters within the boundaries of Denton County Fresh Water Supply District No. 1 ("District No. 1") approved the creation of the District No. 1 and elected the governing body of District No. 1;

WHEREAS, on August 8, 1987, the voters within District No. 1 approved an election by which District No. 1 was authorized to assume the rights, authority, privileges and functions of a road district under Article III, Section 52(b)(3) of the Texas Constitution, in the manner provided by Section 53.029(c) of the Texas Water Code, as amended;

WHEREAS, at the same election on August 8, 1987, the voters within District No. 1 authorized District No. 1 to purchase, construct, acquire, own, operate, repair, improve and extend sanitary sewer systems to control wastes;

WHEREAS, on December 21, 1993, following a hearing conducted in accordance with Sections 51.040 through 51.044 of the Texas Water Code, as amended, the governing body of District No. 1 entered an Order Setting Out Findings On Conversion And Ordering Conversion To A Water Control And Improvement District by which the District No. 1 converted into a district operating under Chapter 51 of the Texas Water Code, as amended, and exercising all the powers, authority, functions and privileges provided in Chapter 51 and the District No. 1 specifically reserved in the manner specified in Section 51.044 of the Texas Water Code, as amended, the powers specified in Sections 53.029, 53.030 through 53.035, 53.037 through 53.041, 53.111, 53.112, 53.121 and 53.125 of the Texas Water Code, as amended from time to time;

WHEREAS, District No. 1 entered into a contract with the Upper Trinity Regional Water District, by which District No. 1 will receive a supply of potable fresh water for all areas located within the boundaries of District No. 1;

WHEREAS, pursuant to the specific authority retained by District No. 1 under Sections 53.029 through 53.035 and Sections 53.037 through 53.041, of the Texas Water Code, as amended, and granted to District No. 1 by Chapter 51 of the Texas Water Code, as amended, the voters within District No. 1 approved on May 6, 1995 an election by which the District was divided into District No. 1-A, consisting of 2,339 acres, more or less and District No. 1-B, consisting of 291 acres, more or less;

WHEREAS, the voters within District No. 1-A hereafter approved the division of District No. 1-A into District No. 1-A and District No. 1-C and District No. 1-C divided itself into District No. 1-C and District No. 1-D;

WHEREAS, pursuant to the specific authority set forth under Sections 53.029 through 53.35 and Sections 53.037 through 53.041 of the Texas Water Code as amended, the voters within District No. 1-A approved on May 1, 1999 an election by which District No. 1-A divided itself into District No. 1-A and District No. 1-D;

WHEREAS, on August 12, 2000, District No. 1-D conducted elections which authorized the issuance of bonds and refunding bonds and approved the Amended 2000 Joint Utility Contract and certain water supply contracts and the imposition of an annual tax on all taxable property within the boundaries of District No. 1-D, unlimited in rate or amount, sufficient to make payment under such contracts;

WHEREAS, pursuant to Chapter 1207, the Issuer is authorized to issue refunding bonds and deposit the proceeds of sale directly with a trust company or commercial bank not a depository of the Issuer, under an escrow agreement to provide for the payment of the Refunded Bonds, and such deposit, when made in accordance with the Chapter 1207, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Bonds; and

WHEREAS, the Districts (hereinafter defined) and the Issuer are authorized by Chapters 49 and 51 of the Texas Water Code, as amended, to enter into contracts for the provision of the facilities, improvements and services which the Districts have lawful authority to provide and to cover the expenses necessary to administer, maintain and operate the improvements and facilities;

WHEREAS, the governing body of the Issuer has determined that Series 2015 Refunding Bonds should be issued, and the proceeds used, to (i) refund the Refunded Bonds, as designated in the Approval Certificate and (ii) to pay costs of issuance of the Series 2015 Refunding Bonds;

WHEREAS, the Issuer may not issue any additional bonds pursuant to the voted authority of the elections held on August 12, 2000 and the Amended 2000 Joint Utility Contract but may issue additional bonds solely for refunding purposes;

WHEREAS, the terms and conditions of the Series 2015 Refunding Bonds and the pledge of the Contract Revenues derived from the Amended 2000 Joint Utility Contract and revenues derived from Special Assessments which are authorized to be collected on an annual basis while any of the Series 2015 Refunding Bonds remain Outstanding in the event revenues under the Amended 2000 Joint Utility Contract are not sufficient to pay debt service on the Series 2015 Refunding Bonds will be controlled by the provisions of this Ordinance, the Amended 2000 Joint Utility Contract and Sections 372.025 and 372.026 of the Act, Chapters 1207 and 1371, Texas Government Code, the Trust Agreement and any other applicable law;

WHEREAS, the Trust Agreement relating to the Series 2015 Refunding Bonds has been submitted to the Issuer for its approval along with a Bond Purchase Agreement and an Escrow Agreement;

WHEREAS, the governing body of the Issuer has determined that the Series 2015 Refunding Bonds should be issued in accordance with this Ordinance and the Trust Agreement.

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

Section 1. As authorized by Chapter 1207, the City Manager or Assistant City Manager for the Issuer (each designated as an "Authorized Official") are hereby authorized, appointed, and designated as the officers of the Issuer authorized to act on behalf of the Issuer in selling and delivering the Series 2015 Refunding Bonds authorized herein and carrying out the procedures specified in this Ordinance, including approval of the following terms and provisions for the Series 2015 Refunding Bonds:

1. Approval of the aggregate principal amount of each maturity of the Series 2015 Refunding Bonds;

2. Approval of the rate of interest to be borne on the principal amount of each maturity;

3. Approval of the interest payment dates;

4. Approval of the redemption provisions therefor, if any; and

5. Approval of the pricing of the Series 2015 Refunding Bonds, including use of premium, discount, underwriter's compensation, and costs of issuance.

6. Approval of a final Bond Purchase Agreement between the City and Raymond James and Associates, Inc. as underwriter.

7. Approval of a final Escrow Agreement between the Issuer and the Trustee.

8. Approval of the maturities of the Series 2005 Bonds to be refunded.

9. Approval of the determination of the final amount of remaining voted bond authorization pursuant to the Amended 2000 Joint Utility Contract.

The Series 2015 Refunding Bonds shall be issued within the following parameters:

1. The principal amount of the Series 2015 Refunding Bonds authorized to be issued pursuant to this Ordinance shall not exceed $9,285,000;

2. The maximum maturity of the Series 2015 Refunding Bonds will be September 1, 2034; and

3. The maximum net effective per annum interest rate shall not exceed a rate greater than 6.00% per annum calculated in a manner consistent with the provisions of Chapter 1204, as amended, Texas Government Code.

4. The issuance of the Series 2015 Refunding shall produce a minimum 3.00% net present value debt service savings to the Issuer.

5. District No. 1-D shall provide the Issuer with a letter evidencing receipt of an investment-grade rating from Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business.

Any Authorized Official, acting for and on behalf of the Issuer, is authorized to execute the Approval Certificate (the "Approval Certificate"), a form of which is attached hereto as Schedule I. The execution of the Approval Certificate shall evidence the sale date of the Series 2015 Refunding Bonds by the Issuer to the Purchasers (hereinafter defined) in accordance with the provisions of Chapter 1207 and as set forth in Schedule I. The Authorized Official is also authorized to enter into a bond insurance policy with a qualified bond insurer, in exchange for certain covenants by the bond insurer to assure payment of the aggregate principal amount of the Series 2015 Refunding Bonds, together with the full amount of the interest due and payable

thereon as described in the Approval Certificate, and further authorizes the payment of a reasonable and customary insurance premium to the bond insurer. It is further provided, however, that notwithstanding the foregoing provisions, the Series 2015 Refunding Bonds shall not be delivered unless prior to delivery, the Series 2015 Refunding Bonds have been rated by a nationally recognized rating agency for municipal securities in one of the four highest rating categories for long term obligations, as required by Chapter 1371. Upon execution of the Approval Certificate, Bond Counsel is authorized to complete this Ordinance to reflect such final terms as needed. The authorization for sale of the Series 2015 Refunding Bonds under the terms of this Ordinance shall terminate on May 15, 2015, provided, however, the governing body of the Issuer reserves the right to extend such authorization by official action of the governing body prior to the termination date.

Section 2. The Trust Agreement, together with all Exhibits thereto; is hereby approved in all particulars, in substantially the form attached hereto as Exhibit "A", subject to such changes as may be approved by the City Manager and the City Attorney. This Ordinance hereby specifies that the Series 2015 Refunding Bonds shall be issued under the terms and conditions set forth in the Trust Agreement and the Approval Certificate. The Mayor of the Issuer is hereby authorized and directed to execute the Trust Agreement and the City Secretary is hereby authorized and directed to attest such signature of the Mayor.

Section 3. The form and substance of the Preliminary Official Statement for the Series 2015 Refunding Bonds and any addenda, supplement or amendment thereto (the "Preliminary Official Statement") and the Official Statement (the "Official Statement") presented to and considered at this meeting, are hereby in all respects approved and adopted, and the Preliminary Official Statement is hereby deemed final as of its date (except for the omission of pricing and related information) within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. The Official Statement may be finalized by Bond Counsel pursuant to the terms of the Approval Certificate. The Mayor and the City Secretary are hereby authorized and directed to execute the Preliminary Official Statement and Official Statement and deliver appropriate numbers of copies thereof to the Underwriter of the Series 2015 Refunding Bonds. The Preliminary Official Statement and Official Statement as thus approved, executed and delivered, with such appropriate variations as shall be approved by the Mayor of the Issuer and the Underwriter of the Series 2015 Refunding Bonds, may be used by the Underwriter in the public offering of the Series 2015 Refunding Bonds and sale thereof. The City Secretary of the Issuer is hereby authorized and directed to include and maintain a copy of the Preliminary Official Statement and the Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting. The use and distribution of the Preliminary Official Statement in the public offering of the Series 2015 Refunding Bonds is hereby ratified, approved and confirmed.

Section 4. The City Council of Lewisville, Texas hereby authorizes and directs all parties named in this Ordinance and the Trust Agreement to take all action necessary or appropriate to the issuance and sale of the Series 2015 Refunding Bonds in conformity with the provisions of this Ordinance, the Trust Agreement, the Escrow Agreement and the other agreements identified in the Trust Agreement, including the Series 2005 Trust Agreement, subject to such changes as may be approved by First Southwest Company, the City's Financial

Advisor; Bracewell & Giuliani LLP, as special counsel to the City; the City's City Attorney and the City's Finance Director.

Section 5. Payment of Refunded Bonds; Redemption Of Refunded Bonds; Approval of Escrow Agreement; Purchase of Escrowed Securities

(i) Payment of Paying Agency.

Prior to the Closing Date, the Issuer shall ascertain from the paying agent for the Refunded Bonds the amount of all future fees and expenses for its paying agency services with respect to the Refunded Bonds. Concurrently with the sale and delivery of the Series 2015 Refunding Bonds, the Issuer shall cause an amount sufficient to pay such future fees and expenses to be paid to the paying agent.

(ii) Escrow or Deposit Agreement.

The discharge and defeasance of the Refunded Bonds shall be effectuated pursuant to the terms and provisions of an Escrow Agreement or Deposit Agreement (the "Escrow Agreement") to be entered into by and between the Issuer and the Escrow Agent, the terms and provisions of which, as completed and delivered by the Authorized Official pursuant to the Approval Certificate, are hereby approved, subject to such insertions, additions and modifications as shall be necessary to carry out the program designed for the Issuer and which shall be certified as to mathematical accuracy and sufficiency, to minimize the Issuer's costs of refunding, to comply with all applicable laws and regulations relating to the refunding of the Refunded Bonds, to carry out the other intents and purposes of this Ordinance and to comply with the terms set forth in the Approval Certificate, any Authorized Official, acting singly, is hereby authorized and directed to execute and deliver such Escrow Agreement on behalf of the Issuer in multiple counterparts and the City Secretary is hereby authorized and directed to attest thereto and affix the Issuer's seal.

(iii) Redemption of Refunded Bonds.

The Issuer hereby calls the Refunded Bonds for redemption prior to maturity on the dates and at the prices set forth in the Approval Certificate. Following the deposit to the Escrow Fund as herein specified, the Refunded Bonds shall be payable solely from and secured by the cash and securities on deposit in the Escrow Fund.

(iv) Purchase of Escrowed Securities.

To assure the purchase of the Escrowed Securities, if any, to be identified in the Escrow Agreement, the Authorized Official is hereby authorized to subscribe for, agree to purchase, and purchase the Escrowed Securities, in such amounts and maturities and bearing interest at such rates as may be provided for in the Escrow Agreement, and to execute any and all subscriptions, purchase agreements, commitments, letters of authorization and other documents necessary to effectuate the foregoing, and any actions heretofore taken for such purpose are hereby ratified and approved.

(vi) Notice of Deposit and Redemption.

The City Secretary of the Issuer is hereby authorized to cause notice of redemption to be given to the respective paying agent/registrar for the Refunded Bonds by delivery of a certified copy of this Ordinance. The paying agent/registrar for the Refunded Bonds is hereby authorized and directed to give notice of deposit and notice of redemption with respect to the Refunded Bonds as required under the ordinance pursuant to which the Refunded Bonds were issued.

Section 6. The Bond Purchase Agreement is hereby approved in all particulars, in substantially the form attached hereto as Exhibit "B" subject to such changes as may be approved by the City Manager, Bond Counsel and the City Attorney. The Authorized Official is hereby authorized and directed to execute and deliver the Bond Purchase Agreement on behalf of the Issuer pursuant to the parameters of this Ordinance.

Section 7. The recitation of facts in the preamble to this Ordinance are found to be true and correct and are incorporated herein by reference.

Section 8. The City Council of Lewisville, Texas will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the implementation of this Ordinance, the Trust Agreement, the Escrow Agreement and the Bond Purchase Agreement.

Section 9. Form of Bond. The Series 2015 Refunding Bonds shall be issued in generally the form set forth in the Trust Agreement, with such appropriate insertions, omissions, substitutions and other variations as are permitted or required by this Ordinance, the Trust Agreement and the Approval Certificate.

Section 10. The Mayor of the Issuer is hereby authorized to have control of the Series 2015 Refunding Bonds and all necessary records and proceedings pertaining thereto pending investigation, examination and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

After registration by the Comptroller of Public Accounts, delivery of the Series 2015 Refunding Bonds shall be made to the Underwriter under and subject to the general supervision and direction of the Mayor of the Issuer, against receipt by the Issuer of all amounts due to the Issuer under the terms of sale.

In the event the Mayor of the Issuer or City Secretary is absent, the Mayor Pro-Tem and the Assistant City Secretary, respectively, shall be authorized to execute such documents and take such actions, and the performance of such duties by the Mayor Pro-Tem and the Assistant City Secretary shall for the purposes of this Ordinance have the same force and effect as if such duties were performed by the Mayor of the Issuer or City Secretary, respectively.

Section 11. This Ordinance shall be effective immediately upon its final passage in accordance with Section 1201.028, Texas Government Code.

Section 12. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the Issuer, and their employees, the Trustee, Bond Counsel, and the Owners any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the Issuer and its employees, the Trustee, Bond Counsel, and the Owners.

Section 13. If any Section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 14. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the regular meeting of the governing body of the City Council of Lewisville, Texas at which this Ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Government Code, as amended, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council of Lewisville, Texas further ratifies, approves and confirms such written notice and the contents and posting thereof.

EXHIBIT A
TRUST AGREEMENT

EXHIBIT B
BOND PURCHASE AGREEMENT

SCHEDULE I
[FORM OF] APPROVAL CERTIFICATE

I, Donna Barron, an Authorized Official of the City of Lewisville, Texas pursuant to Section 1 of the Ordinance adopted on _____, 2015 (the "Bond Ordinance") authorizing the issuance of "City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project)" (the "Series 2015 Refunding Bonds"), do hereby approve the following terms of the Series 2015 Refunding Bonds:

1. The total principal amount of the Series 2015 Refunding Bonds is $_____..

2. The purchase price for the Series 2015 Refunding Bonds is $_____, representing the principal amount of the Series 2015 Refunding Bonds of $_____, including a reoffering premium of $_____, and less an Underwriters' discount of $_____.

3. The refunding will result in a net present value savings of approximately $_____ or _____% and a gross savings of $_____.

4. The maturity dates, principal amounts, interest rates, yields, and prices for the Series 2015 Refunding Bonds are as set forth below:

MATURITY DATES	PRINCIPAL AMOUNT	INTEREST RATE	MATURITY DATES	PRINCIPAL AMOUNT	INTEREST RATE

5. The maximum net effective interest rate on any series of the Series 2015 Refunding Bonds is _____%

6. Optional Redemption. The District reserves the right, at its option, to redeem Series 2015 Refunding Bonds having stated maturities on and after September 1, 2021 in whole or in part in principal amounts of $5,000 or any integral multiple thereof, on September 1, 2020, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption.

7. $_____, representing the principal amount of the Series 2015 Refunding Bonds of $_____, including a reoffering premium of $_____, and less an Underwriters' discount of $_____, represents the refunding authority utilized for the issuance of the Series 2015 Refunding Bonds under the terms of the Amended 2000 Joint Utility Contract.

8. The maturity dates and principal amounts of the Refunded Bonds are as set forth below:

Maturity Date	Principal Amount

Aggregate Principal Amount of Refunded Bonds $[]

(a)

9. The Refunded Bonds are approved as set forth in the Bond Ordinance and the governing body of the Issuer hereby finds that, pursuant to Section 1201.022(a)(3)(B) of the Texas Government Code, the terms of the sale were determined to be in the best interests of the Issuer.

* * *

EXECUTED AND DELIVERED this _____ ___, 2015.

CITY OF LEWISVILLE, TEXAS

_____

Authorized Official

TRUST AGREEMENT

by and between

THE CITY OF LEWISVILLE, TEXAS (the "ISSUER")

AND

WILMINGTON TRUST, NATIONAL ASSOCIATION, DALLAS, TEXAS (the "TRUSTEE")

Dated as of _____, 2015

Relating to

$8,730,000

CITY OF LEWISVILLE, TEXAS COMBINATION CONTRACT REVENUE
AND SPECIAL ASSESSMENT REFUNDING BONDS, SERIES 2015

(LEWISVILLE CASTLE HILLS PUBLIC IMPROVEMENT DISTRICT NO. 2 PROJECT)

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TRUST AGREEMENT

THIS TRUST AGREEMENT is made and entered into as of the ___ day of _____, 2015 (this Agreement, together with all Exhibits attached hereto and any amendments or supplements hereto, is hereinafter sometimes designated the "Trust Agreement"), by and between the CITY OF LEWISVILLE, TEXAS, a home rule city organized and operating pursuant to Article XI, Section 5 of the Constitution of the State of Texas (the "Issuer"), and WILMINGTON TRUST, NATIONAL ASSOCIATION, Dallas, Texas, a national banking association duly organized, existing and authorized to accept and execute trusts of the character set forth herein, acting as trustee (the "Trustee").

WITNESSETH:

WHEREAS, on the ___ day of _____, 2015, the City Council of the Issuer duly adopted that certain Ordinance No. ____-__-2015 (the "Bond Ordinance") authorizing the issuance of not to exceed $8,730,000 City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project) (the "Series 2015 Refunding Bonds") and approving the form, substance, and use of a Preliminary Official Statement;

WHEREAS, the Series 2015 Refunding Bonds are "Additional Bonds", as defined in Section 3.4 of that certain Trust Agreement dated as of July 1, 2005 (the "2005 Trust Agreement"), relating to the $10,350,000 "City of Lewisville, Texas Combination Contract Revenue And Special Assessment Capital Improvement Bonds, Series 2005 (Lewisville Castle Hills Public Improvement District No. 2 Project)" (the "Series 2005 Bonds");

WHEREAS, the Issuer desires to issue Series 2015 Refunding Bonds sufficient to refund all of the outstanding Series 2005 Bonds (the “Refunded Bonds”) as set forth in the Approval Certificate, and to pay the costs of issuance of the Series 2015 Refunding Bonds;

WHEREAS, Chapter 1207, Texas Government Code, as amended, and Section 372.027, Texas Local Government Code, as amended, provide that the Issuer is authorized to issue refunding bonds for the purpose of refunding the Refunded Bonds and restructuring the Issuer’s debt service requirements, and to accomplish such refunding by depositing directly with an Escrow Agent pursuant to the terms of an Escrow Agreement between the Issuer and Trustee the proceeds of such refunding bonds, together with other available funds, in an amount sufficient to provide for the payment or redemption of the Refunded Bonds, and that such deposit shall constitute the making of firm banking and financial arrangements for the discharge and final payment or redemption of the Refunded Bonds;

WHEREAS, as described in this Trust Agreement, the Issuer intends to issue Series 2015 Refunding Bonds in the principal amount of $8,730,000, which will be sufficient to refund all outstanding Refunded Bonds and to pay the costs of issuance of the Series 2015 Refunding Bonds;

WHEREAS, the City Council of the City of Lewisville has found and determined that (i) the issuance of the Series 2015 Refunding Bonds and the consequent restructuring of the debt service requirements of District No. 1-D is beneficial to the taxpayers and homeowners in District No. 1-D and is in the best interests of the Issuer, and (ii) the present value debt service savings as identified in the Approval Certificate is beneficial to the taxpayers and homeowners in District No. 1-D and is in the best interests of the Issuer and (iii) the Series 2015 Refunding Bonds will refund all of the Series 2005 Bonds with proceeds of the sale of the Series 2015 Refunding Bonds;

WHEREAS, the governing body of the Issuer desires to delegate to the Authorized Official, pursuant to Chapter 1207, and the terms of the Bond Ordinance, the authority to approve the amount, maturities, interest rate and terms of the Series 2015 Refunding Bonds as set forth in the Bond Ordinance and related Approval Certificate, and to take all actions necessary to effectuate and finalize the issuance of the Series 2015 Refunding Bonds, including entering into a bond insurance policy for the Series 2015 Refunding Bonds;

WHEREAS, the Issuer has duly filed a certified copy of the Bond Ordinance with the Trustee;

WHEREAS, the Trustee accepts the trusts created by this Trust Agreement, and evidences such acceptance by joining in the execution hereof; and

WHEREAS, all, capitalized terms have the meanings ascribed to them in this Trust Agreement.

ESTABLISHMENT OF TRUST ESTATE

NOW, THEREFORE, in consideration of the premises and acceptance by the Trustee of the trust hereby created and of the purchase and acceptance of the Series 2015 Refunding Bonds by the owners thereof, and for other good and valuable consideration, the receipt of which is hereby acknowledged, and in order to secure the payment of the principal of, premium, if any, and interest on the Series 2015 Refunding Bonds according to their tenor and the performance and observance by the Issuer of all the covenants expressed or implied in this Trust Agreement and the Series 2015 Refunding Bonds, the Issuer does hereby grant, bargain, sell, convey, pledge, mortgage and assign a security interest unto the Trustee, and to its successors in trust, in and to the following property (the "Trust Estate"), to-wit:

I.

Any and all money and securities which from time to time may be held by the Trustee under the terms of this Trust Agreement, including proceeds from the issuance of the Series 2015 Refunding Bonds, and all funds except the Rebate Fund established in accordance with this Trust Agreement;

II.

Any and all Special Assessment Revenues collected from the imposition by the Issuer of Special Assessments on all property located within the boundaries of the Lewisville Castle Hills Public Improvement District No. 2;

III.

All right, title and interest of the Issuer in, to and under (but not its obligations under) the Amended 2000 Joint Utility Contract, including, but not limited to, the Contract Payments due thereunder and the Contract Revenues payable to the Issuer in accordance with the terms and conditions of the Amended 2000 Joint Utility Contract and the improvements constructed or otherwise acquired pursuant thereto;

IV.

Any and all other property of every nature which may from time to time hereafter (by delivery or by writing of any kind) be conveyed, mortgaged, pledged, assigned or transferred by the Issuer or by anyone in its behalf (or with its written consent) as and for additional security hereunder, and the Trustee is hereby authorized to receive any and all such property at any and all times and to hold and apply the same, subject to the terms hereof;

V.

Any and all proceeds of the foregoing property and proceeds from the investment of the foregoing property.

TO HAVE AND TO HOLD, all the same, with all privileges and appurtenances thereto hereby conveyed, pledged and assigned or agreed or intended so to be, unto the Trustee and its successors in said Trust Estate, and to them and their assigns forever.

IN TRUST NEVERTHELESS, upon the terms and trust herein set forth for the equal and proportionate benefit, security and protection of all present and future owners of Series 2015 Refunding Bonds issued under the Bond Ordinance and secured by this Trust Agreement, without privilege, priority or distinction as to the lien or otherwise of any Series 2015 Refunding Bond over any other Series 2015 Refunding Bond.

PROVIDED, HOWEVER, that, if the Issuer shall pay, or cause to be paid, to the Owners of the Series 2015 Refunding Bonds the principal of, premium, if any, and interest on the Series 2015 Refunding Bonds at the times and in the manner provided in this Trust Agreement and if the Issuer shall keep, perform and observe, or cause to be kept, performed and observed, all of its covenants, warranties and agreements contained herein, then these presents in the Trust Estate and the rights hereby granted shall, at the option of the Issuer, cease, terminate and be void, and thereupon the Trustee shall cancel and discharge the lien of this Trust Agreement and execute and deliver to the Issuer such instruments in writing as shall be requisite to satisfy the lien thereof, reconvey to the Issuer the Trust Estate hereby conveyed and assign and deliver to the

Issuer any property which at that time is subject to the lien of this Trust Agreement and which may then be in its possession, except those amounts held by the Trustee for the payment of principal of, premium, if any, or interest on any of the Series 2015 Refunding Bonds, and other fees and expenses payable by Issuer, all in the manner provided in this Trust Agreement; otherwise, this Trust Agreement shall be and remain in full force and effect upon the Trust Estate, subject to the covenants herein set forth.

This Trust Agreement further witnesseth, and it is expressly declared, that the Series 2015 Refunding Bonds secured hereunder are to be issued, authenticated and delivered and all said property, rights and interest, including, without limitation, amounts hereby assigned and pledged, are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as expressed hereinafter and in the Bond Ordinance, and the Issuer has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners of the Series 2015 Refunding Bonds, as follows:

ARTICLE 1 - DEFINITIONS AND INTERPRETATIONS

Section 1.1 Definitions. For all purposes of this Trust Agreement, the following words and terms, whenever the same appear herein without qualifying language, are defined to have the meanings set out below, unless the context requires a different interpretation:

Act – means, collectively, Chapters 1207, Texas Government Code, as amended, and the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended.

Additional Bonds - means the Additional Bonds payable from Special Assessment Revenues and payable from Contract Payments in accordance with the Amended 2000 Joint Utility Contract, together with other bonds in the form of revenue bonds payable solely from revenue derived from contracts with other entities, including private corporations, municipalities and political subdivisions which the Issuer reserves the right to issue in Section 3.4 of this Trust Agreement solely for the limited purpose of refunding the City of Lewisville, Texas, Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2013 (Lewisville Castle Hills Public Improvement District No. 2 Project) (the "Series 2013 Refunding Bonds") or Series 2015 Refunding Bonds and paying the costs of issuance related to such refunding.

The Issuer also has the right to issue such notes, bonds or other obligations as are authorized to be issued by municipal corporations in accordance with the provisions of the Constitution and Laws of the State of Texas applicable to municipal corporations. Any such obligations issued by the Issuer other than pursuant to the Amended 2000 Joint Utility Contract will be payable from sources other than the District Revenues.

Administrative Expense Fund - means the fund established in Section 4.4 of this Trust Agreement.

Administrative Expenses - means the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the P.I.D. (hereinafter defined), including, but not limited to, the costs of: (a) creating and organizing the P.I.D., including conducting hearings, preparing notices and petitions, preparing assessment rolls and all costs incident thereto, including engineering fees, legal fees and consultant fees, (b) levying and collecting Special Assessments or the installments thereof, (c) negotiating and implementing the Amended 2000 Joint Utility Contract and the other agreements between the Issuer, and the District, including, but not limited to, the expenses of the Issuer and the District thereunder; (d) maintaining the record of installments of the Special Assessments and the system of registration and transfer of the Bonds, (e) paying and redeeming the Refunded Bonds, (f) investing or depositing of monies, (g) complying with the Code with respect to the Bonds, and (h) the Trustee fees and expenses, including attorneys' fees.

Amended 2000 Joint Utility Contract - means that certain Amended 2000 Joint Utility Contract, by and between the Districts and the Issuer approved by the voters on August 12, 2000, a copy of which is attached hereto as Exhibit "A" and made a part hereof for all purposes.

Annual Installment - has the meaning ascribed to it in Section 8.6 hereof.

Approval Certificate – means the approval certificate completed by an Authorized Official as described and defined in the Bond Ordinance.

Assessment Ordinance - means Ordinance No. 2503-10-1999 adopted by the governing body, of the Issuer on the 18th day of October, 1999, and any amendment, supplement or update thereto that may be hereafter adopted by the governing body of the Issuer, levying annual Special Assessments to pay the Debt Service Requirements on the Series 2015 Refunding Bonds against each eligible parcel of land in the P.I.D. and providing that such Special Assessments together with the Contract Revenues received under the Amended 2000 Joint Utility Contract be paid in periodic installments in amounts necessary to pay the Debt Service Requirements on the Series 2015 Refunding Bonds.

Assessment Roll - means the Assessment Roll which is attached to the Assessment/Service Plan as Exhibit "A" to the Assessment Ordinance, as amended from time to time in accordance with the Act, which shows, among other things, the properties within the P.I.D. subject to Special Assessments, the amount assessed and the installment payments on the Special Assessments.

Assessment/Service Plan - means the Assessment/Service Plan prepared in accordance with the Act and approved by the governing body of the Issuer, as part of the Assessment Ordinance, on October 18, 1999, setting forth the plan for services and activities to be provided in the P.I.D. and setting forth the plan for apportioning the cost of the improvements to be assessed against properties in the P.I.D and any later updates of the Assessment/Service Plan.

Authorized Investments or Permitted Investments - means any investment authorized by the Public Funds Investment Act, Chapter 2256, Texas Government Code.

Authorized Representative - when used with respect to the Trustee, means the President and any Vice President, banking officer or Assistant Secretary of the Trustee or any other employee of the Trustee who, by virtue of his position with the Trustee, has been authorized by the Board of Directors of the Trustee to execute trust agreements similar to this Trust Agreement and related documents. The term "Authorized Representative", when used with respect to the Issuer, means the Mayor, the City Manager or any other officer or employee of the Issuer who is designated in writing by the Governing Body or by resolution of the Governing Body of the Issuer as an Authorized Representative for purposes of this Trust Agreement.

Bankruptcy or Insolvency of the Issuer - means commencement by the Issuer of any voluntary case under any applicable bankruptcy, insolvency or similar law now or hereafter in effect, or any consent by the Issuer to the appointment of or taking of possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of the Issuer or any substantial part of its property, or any general assignment by the Issuer for the benefit of creditors, or failure by the Issuer generally to pay its debts as they become due.

Bond Ordinance – means a City of Lewisville Ordinance adopted by the City Council of the City of Lewisville on the ___ day of _____, 2015, authorizing the issuance of the Series 2015 Refunding Bonds and the Approval Certificate authorized therein.

Bonds or Series 2015 Refunding Bonds - means any bonds or all bonds of the $8,730,000 "City of Lewisville, Texas, Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project)", authorized by the Bond Ordinance and issued in accordance with this Trust Agreement and includes all Exchange Bonds or Replacement Bonds issued in respect thereof.

Business Day - means any day which is not a Saturday, Sunday or a day on which the Trustee is authorized by law or executive order to close, or a legal holiday or a day on which banking institutions located in Dallas, Texas are closed.

Cede & Co. - means the nominee of The Depository Trust Company in whose name the Initial Bonds are to be registered.

City - means the City of Lewisville, Texas, a home rule city organized and operating under Article XI, Section 5 of the Constitution of the State of Texas.

Closing Date or Date of Closing - means the date of physical delivery of the Initial Bonds for payment in full by the initial purchasers thereof.

Code - means the Internal Revenue Code of 1986, as amended.

Collection Fund - means the fund established in Section 4.1 of this Trust Agreement.

Comptroller - means the Comptroller of Public Accounts of the State of Texas.

Contract Payments - means the payments required to be made by District No. 1-D under the Amended 2000 Joint Utility Contract.

Contract Revenues - means the revenues paid to the Issuer by District No. 1-D in accordance with the provisions of the Amended 2000 Joint Utility Contract.

Debt Service Requirements - means, as of any particular date of computation, with respect to any Bonds and with respect to any period, the aggregate of the amounts to be paid or set aside from the Interest and Sinking Fund by the Trustee on behalf of the Issuer as of such date or in such period for the payment of the Principal Installment, redemption premium, if any, and interest (to the extent not capitalized) on such Bonds.

Debt Service Reserve Amount - means the lesser of (i) 10% of the principal amount of the Series 2015 Refunding Bonds, (ii) the maximum annual debt service requirement of the Series 2015 Refunding Bonds, or (iii) 125% of the average annual debt service of the Series 2015 Refunding Bonds.

Debt Service Reserve Fund - means the fund so designated and established pursuant to Section 4.5 of this Trust Agreement.

Delinquency Date - has the meaning ascribed to it in Section 8.6 hereof.

District or District No. 1-D - means Denton County Fresh Water Supply District No. 1-D.

Districts - means, collectively, Denton County Fresh Water Supply District No. 1-A and Denton County Fresh Water Supply District No. 1-D.

DTC - means The Depository Trust Company, New York, New York.

Electronic Means - means telecopy or facsimile transmission or other similar means of communication approved in writing by the Trustee.

EMMA – means the Electronic Municipal Market Access system, a service of the Municipal Securities Rulemaking Board.

Escrow Agent - means Wilmington Trust, National Association, Dallas, Texas, which serves as Escrow Agent under the Escrow Agreement.

Escrow Agreement - means that certain Escrow Agreement effective on the Date of Closing by and between the Issuer and the Escrow Agent.

Event of Default - means those events of default provided for in Section 5.1 of this Trust Agreement.

Exchange Bonds - means Bonds registered, authenticated, and delivered by the Trustee, as provided in Section 2.11 of this Trust Agreement.

Fiscal Year - means the twelve (12) month accounting period used by the Issuer, which currently ends on September 30. The Fiscal Year may be any twelve (12) consecutive month period established by the Issuer.

Foreclosure Proceeds - means the assessment amounts received from the judicial sale of assessed property within the P.I.D. as a result of the nonpayment of Special Assessments.

Funds - means the Collection Fund, the Interest and Sinking Fund, the Prepayment Fund, the Administrative Expense Fund, the Debt Service Reserve Fund and the Redemption Fund, all of which are established in accordance with this Trust Agreement, but not including the Rebate Fund.

Governing Body - means the City Council of the City of Lewisville, Texas.

Improvement Assessment or Special Assessment - has the meaning ascribed to it in Section 8.6 hereof.

Initial Bonds - means the Bonds authorized, issued and initially delivered as provided in Section 2.3 of this Trust Agreement, the form of which is set forth in Exhibit "D", which is attached hereto and made a part hereof for all purposes.

Installment Payment Date - has the meaning ascribed to it in Section 8.6 hereof.

Insurance Policy – means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Series 2015 Refunding Bonds when due.

Insurer – means Assured Guaranty Municipal Corp., a New York domiciled financial guaranty insurance company and a wholly owned subsidiary of Assured Guaranty Municipal Holdings Inc., or any successor thereto or assignee thereof.

Interest and Sinking Fund - means the interest and sinking fund created in Section 4.2 of this Trust Agreement.

Interest Payment Date - when used in connection with any Bond, means the dates set forth in the Approval Certificate; provided, however, that, with respect to any Bond which is a Capital Appreciation Bond, the Interest Payment Date shall be the Maturity Date of such Bond.

Issue Date - means Closing Date or Date of Closing.

Issuer - means the City of Lewisville, Texas, a home rule city organized and operating in accordance with Article XI, Section 5 of the Constitution of the State of Texas.

Mandatory Redemption Dates - means the mandatory redemption dates set forth in the Approval Certificate, if any.

Mandatory Sinking Fund Payments or Mandatory Sinking Fund Redemptions - means the mandatory sinking fund payments on the dates, and in the amounts, set forth in the Approval Certificate.

Maturity Date - means the date or dates on which principal of the Bonds is scheduled to be paid, as provided in the Approval Certificate.

MSRB - means the Municipal Securities Rulemaking Board.

Net Proceeds - means the proceeds from the sale of the Series 2015 Refunding Bonds including investment earnings on the proceeds of such issue.

Operations Office – means, with respect to the Trustee, the office maintained by the Trustee or any affiliate of the Trustee for the payment of interest on and principal of the Series 2015 Refunding Bonds.

Outstanding - As of the date of determination, and with respect to any Series 2015 Refunding Bonds, all such Series 2015 Refunding Bonds theretofore issued and delivered under this Trust Agreement, except:

(1) Series 2015 Refunding Bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(2) Series 2015 Refunding Bonds for whose purchase, payment or redemption, money in the necessary amount has been theretofore deposited in an account, other than the "Collection Fund" identified in Section 4.1 of this Trust Agreement, with the Trustee in trust for the holders of such Series 2015 Refunding Bonds;

(3) Series 2015 Refunding Bonds in exchange for or in lieu of which other Series 2015 Refunding Bonds have been registered and delivered pursuant to this Trust Agreement; and

(4) Series 2015 Refunding Bonds alleged to have been mutilated, destroyed; lost or stolen which have been paid as provided in this Trust Agreement.

Outstanding Assessment Bonds means any Outstanding Bonds of the Issuer containing a pledge of Special Assessments levied pursuant to the Assessment Ordinance.

Owner or Registered Owner - means the Person who is the registered owner of any Outstanding Series 2015 Refunding Bond.

Paying Agent/Registrar - means the entity serving as Trustee, when serving as Paying Agent or Registrar.

Person or Persons - means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, government or any agency or political subdivision thereof, or any other entity recognized by the laws of the State of Texas.

Prepayment Fund - means the fund established in Section 4.3 of this Trust Agreement.

Prepayments - means amounts received as a result of the payment, more than one year in advance of the due date, of Special Assessments or Contract Revenues for the purpose of paying the Debt Service Requirements on the Series 2015 Refunding Bonds or any installment thereof. Any Prepayments shall be designated as such by the Issuer in writing upon delivery to the Trustee.

Principal Installment - means as of any particular date of computation and with respect to the Series 2015 Refunding Bonds, an amount of money equal to the aggregate of (a) the principal amount of Outstanding Series 2015 Refunding Bonds which mature on a single future date, reduced by the aggregate principal amount of such Outstanding Series 2015 Refunding Bonds which would at or before said future date be retired by reason of the payment when due and application in accordance with this Trust Agreement of Sinking Fund Payments payable at or before said future date for the retirement of such Outstanding Series 2015 Refunding Bonds, plus (b) the amount of any Sinking Fund Payment payable on said future date for the retirement of any Outstanding Series 2015 Refunding Bonds of said series, and said future date is deemed to be the date when such Principal Installment is payable.

Principal Office - when used with respect to the Trustee, means the principal office of the Trustee situated in Dallas, Texas, at which the Trustee conducts its corporate trust business.

Public Improvement District or P.I.D. - means the Lewisville Castle Hills Public Improvement District No. 2.

Rebate Fund - means the rebate fund created in Section 9.6 of this Trust Agreement.

Record Date - means, for any Interest Payment Date, the fifteenth (15th) calendar day of the month next preceding such Interest Payment Date.

Redemption Fund - means the redemption fund established in Section 4.7 of this Trust Agreement.

Revenues – means, collectively, the Contract Payments, Special Assessments and Special Assessment Revenues.

Register - means the books of registration kept by the Registrar in which are maintained the names and addresses, of, and the principal amounts registered to, the Registered Owners.

Registrar - means the entity serving as Trustee, when serving as Registrar.

Replacement Bond - means the Series 2015 Refunding Bond authorized by the Issuer to be issued in substitution for lost, apparently destroyed, or wrongfully taken Series 2015 Refunding Bonds as provided in Section 2.13 of this Trust Agreement.

Rule - means SEC Rule 15c2-12, as amended from time to time.

SEC - means the United States Securities and Exchange Commission.

Securities Depository - means The Depository Trust Company, New York, New York, or any successor entity which serves as a securities depository pursuant to Section 2.14.

Series 2013 Refunding Bonds – means the City of Lewisville, Texas, Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2013 (Lewisville Castle Hills Public Improvement District No. 2 Project).

Sinking Fund Payment - means the annual payments in the years and amounts provided in the Approval Certificate, which are to be made into the Interest and Sinking Fund for the purpose of redeeming the Bonds prior to maturity.

Sinking Fund Payment Date - means the date on which a Sinking Fund Payment is due.

Special Assessments - means: (a) the assessments levied against properties in the P.I.D. as set forth in the Assessment/Service Plan which are payable in periodic installments as provided in the Assessment Ordinance; all as provided in the Assessment/Service Plan, the Assessment Ordinance and the Bond Ordinance. Special Assessments also include any supplemental assessments or reassessments levied in accordance with Sections 372.019 and 372.020 of the Act.

Special Assessment Revenues - means the monies collected from Special Assessments levied against properties in the P.I.D., including interest on Special Assessments during the period a Special Assessment or any installment thereof is current or delinquent, prepayments, foreclosure proceeds, proceeds from a guarantor of the Special Assessments, and penalties for non-timely payment of Special Assessments.

Standard & Poor's - means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business.

Trust Estate - means the property and assets conveyed to the Trustee pursuant to the granting clauses of this Trust Agreement.

Trustee - means Wilmington Trust, National Association, Dallas, Texas, a national banking association, and any successor trustee hereunder.

Underwriter - means Raymond James and Associates, Inc.

Section 1.2 Interpretations. All terms deemed herein and all pronouns used in this Trust Agreement shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Trust Agreement have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms and provisions hereof. This Trust Agreement and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein.

ARTICLE 2 - THE SERIES 2015 REFUNDING BONDS

Section 2.1 Authorization. The Series 2015 Refunding Bonds shall be issued in fully registered form in the total authorized aggregate principal amount of not to exceed EIGHT MILLION, SEVEN HUNDRED THIRTY THOUSAND AND NO/100 Dollars ($8,730,000.00) for the purpose of refunding the Refunded Bonds and paying costs of issuance of the Series 2015 Refunding Bonds in accordance with the Act.

Section 2.2 Designation, Date, and Interest Payment Dates. The Series 2015 Refunding Bonds shall be designated as $8,730,000 "City of Lewisville, Texas, Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project)" and shall be dated as of May 1, 2015. The Series 2015 Refunding Bonds shall bear interest from the Date of Closing, or the most recent Interest Payment Date to which interest has been paid or duly provided for, at the rates set out in the Approval Certificate, calculated on the basis of a 360-day year of twelve 30-day months, payable on the dates set forth in the Approval Certificate.

Section 2.3 Initial Bonds; Numbers and Denomination. The Bonds shall be initially issued in the form set forth in Exhibit "D" which is attached hereto, bearing the numbers, in the principal amounts, and maturing on the dates indicated in the Approval Certificate and shall bear interest as set forth in the Approval Certificate, and may be transferred and exchanged as set out in this Trust Agreement.

The Series 2015 Refunding Bonds shall be subject to prior redemption as provided in the Approval Certificate. Series 2015 Refunding Bonds delivered on transfer of or in exchange for other Series 2015 Refunding Bonds shall be numbered (with appropriate prefix) in order of their authentication by the Trustee, and shall be in the denomination of Five Thousand Dollars ($5,000.00) or integral multiples thereof. The new Series 2015 Refunding Bonds shall mature on the same date and bear interest at the same rate as the Series 2015 Refunding Bond or Series 2015 Refunding Bonds in lieu of which they are delivered.

Section 2.4 Interest Rate. The Series 2015 Refunding Bonds shall bear interest from the Date of Closing, or the most recent Interest Payment Date to which interest has been paid or duly provided for, at the rates set out in the Approval Certificate, calculated on the basis of a 360-day year of twelve 30-day months, payable on the dates set forth in the Approval Certificate.

Section 2.5 Execution of Bonds; Seal. The Series 2015 Refunding Bonds shall be signed on behalf of the Issuer by the Mayor and countersigned by the City Secretary, by their manual, lithographed or facsimile signatures, and the official seal of the Issuer shall be impressed

or placed in facsimile thereon. Such facsimile signatures on the Series 2015 Refunding Bonds shall have the same effect as if each of the Series 2015 Refunding Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Series 2015 Refunding Bonds shall have the same effect as if the official seal of the Issuer had been manually impressed upon each of the Series 2015 Refunding Bonds. If any officer of the Issuer whose manual or facsimile signature shall appear on the Series 2015 Refunding Bonds shall cease to be such officer before the authentication of such Series 2015 Refunding Bonds or before the delivery of such Series 2015 Refunding Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

Section 2.6 Approval, Registration and Delivery. It shall be the duty of the Issuer to deliver the Series 2015 Refunding Bonds to be initially issued and all pertinent records and proceedings to the Attorney General of Texas for examination and approval by the Attorney General. After the Series 2015 Refunding Bonds to be initially issued shall have been approved by the Attorney General, they shall be delivered to the Comptroller of Public Accounts of the State of Texas for registration. Upon registration of the Series 2015 Refunding Bonds to be initially issued, the Comptroller of Public Accounts (or a deputy lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate prescribed herein to be attached or affixed to the Series 2015 Refunding Bonds to be initially issued, and the seal of said Comptroller shall be impressed, or placed in facsimile thereon.

Section 2.7 Authentication. Except for the Series 2015 Refunding Bonds to be initially issued, which need not be authenticated, only such Series 2015 Refunding Bonds as shall bear thereon a certificate of authentication, substantially in the form provided in Section 7.1 of this Trust Agreement, manually executed by an authorized signatory of the Registrar, shall be entitled to the benefits of this Trust Agreement or shall be valid or obligatory for any purpose. Such duly executed certificate of authentication shall be conclusive evidence that the Series 2015 Refunding Bond so authenticated was delivered by the Trustee hereunder. The signed Certificate of Registration of the Comptroller of Public Accounts of the State of Texas shall constitute the certificate of authentication for the Initial Bonds.

Section 2.8 Payment of Principal Installment and Interest. The Trustee is hereby appointed as the Trustee for the Series 2015 Refunding Bonds in conformity with the terms and conditions of this Trust Agreement. The principal of the Series 2015 Refunding Bonds shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which on the date of payment is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they respectively become due and payable at maturity or at their earlier redemption date, at the Principal Office of the Trustee. The interest on each Series 2015 Refunding Bond shall be payable by check on the Interest Payment Date, mailed by the Trustee, first class, postage prepaid, on or before each Interest Payment Date to the Owner of record as of the Record Date, to the address of such Owner as shown on the Register. The Securities Depository or a nominee thereof shall be the Registered Owner of the Series 2015 Refunding Bonds as long as a Securities Depository is serving in that capacity under this Trust Agreement and payment will be made to the Securities Depository as provided in Section 2.14 hereof. Upon the properly documented written request of and at the expense of each

Registered Owner of not less than one million dollars ($1,000,000) aggregate principal amount of Series 2015 Refunding Bonds received by the Trustee not less than fifteen (15) days prior to the applicable Record Date, interest owed to such Owner will be paid by federal funds wire transfer to any account located within the United States of America designated in the request. Each principal payment of premium, if any, or interest on the Series 2015 Refunding Bonds, will be accompanied by a statement of the CUSIP numbers of the Series 2015 Refunding Bonds on which such payment is made and the amounts paid in respect of each CUSIP number.

If any Interest Payment Date shall not be a Business Day, then the date for such payment shall be the next succeeding day which is a Business Day, and payment on such date shall have the same force and effect as if made on the original date such payment was due.

Section 2.9 Successor Trustee. The Issuer covenants that at all times while any Series 2015 Refunding Bonds are Outstanding it will provide a legally qualified bank, trust company, financial institution or other agency to act as Trustee for the Series 2015 Refunding Bonds. Each successor Trustee hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Trust Agreement. Promptly upon the appointment of any successor Trustee, the previous Trustee shall deliver the Register or a copy thereof to the new Trustee, and the new Trustee shall notify each Owner; by United States mail, first class postage prepaid, of such change and of the address of the new Trustee.

Section 2.10 Ownership; Unclaimed Principal and Interest. The Issuer, the Trustee, and any other Person shall treat the Person in whose name any Series 2015 Refunding Bond is registered as the absolute owner of such Series 2015 Refunding Bond for the purpose of making and receiving payment of the principal thereof and premium, if any, and for the further purpose of making and receiving payment of the interest thereon, and for all other purposes, whether or not such Series 2015 Refunding Bond is overdue, and neither the Issuer nor the Trustee shall be bound by any notice or knowledge to the contrary. All payments made to the Person deemed to be the Owner of any Series 2015 Refunding Bond in accordance with this Section 2.10 shall be valid and effectual and shall discharge the liability of the Issuer and the Trustee upon such Series 2015 Refunding Bond to the extent of the sums paid.

Amounts held by the Trustee which represent principal of, premium, if any, and interest on the Series 2015 Refunding Bonds remaining unclaimed by the Owner after the expiration of three years from the date such amounts have become due and payable shall be reported and disposed of by the Trustee in accordance with the provisions of Title 6 of the Texas Property Code, as amended, to the extent that such provisions are applicable to such amounts.

Section 2.11 Registration, Transfer and Exchange. The Series 2015 Refunding Bonds shall initially be registered in the name of Cede & Co. At any time after the date of initial delivery of the Series 2015 Refunding Bonds, the Registered Owner may, in accordance with the procedures prescribed in this Section 2.11 hereof, surrender such Series 2015 Refunding Bonds to the Trustee for registration of transfer or exchange, and the Trustee shall register, authenticate and deliver Exchange Bonds in accordance with the provisions of this Trust Agreement.

So long as any Series 2015 Refunding Bonds remain Outstanding, the Trustee shall maintain the Register in Texas by providing duplicate records to the Issuer, in which, subject to such reasonable regulations as it may prescribe, the Trustee shall provide for the registration and transfer of Series 2015 Refunding Bonds in accordance with the terms of this Trust Agreement.

Each Series 2015 Refunding Bond shall be transferable only upon the presentation and surrender thereof at the Operations Office or the principal office of the Trustee, duly endorsed for transfer, or accompanied by an assignment duly executed by the Registered Owner or his authorized representative in form satisfactory to the Trustee. Upon due presentation of any Series 2015 Refunding Bond for transfer, the Trustee shall authenticate and deliver in exchange therefor, within seventy-two (72) hours after such presentation, a new Series 2015 Refunding Bond, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Series 2015 Refunding Bond so presented.

All Series 2015 Refunding Bonds shall be exchangeable upon presentation and surrender thereof at the Principal Office of the Trustee for a Series 2015 Refunding Bond of the same maturity and interest rate and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the Series 2015 Refunding Bond or Series 2015 Refunding Bonds presented for exchange. The Trustee shall be and is hereby authorized to authenticate and deliver Exchange Bonds in accordance with the provisions of this Section 2.11. Each Series 2015 Refunding Bond delivered in accordance with this Section 2.11 shall be entitled to the benefits and security of this Trust Agreement to the same extent as the Series 2015 Refunding Bond in lieu of which such Series 2015 Refunding Bond is delivered.

The Issuer or the Trustee may require the Owner of any Series 2015 Refunding Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Series 2015 Refunding Bond. Any fee or charge of the Trustee for such transfer or exchange shall be paid by the Issuer.

The Trustee shall not be required to register the transfer of any Series 2015 Refunding Bond during the period beginning on the Record Date next preceding a scheduled Interest Payment Date (other than final payment) and ending after such interest payment has been made. The Trustee shall not be required to transfer or exchange any Series 2015 Refunding Bond called for redemption during the period beginning 45 days prior to the date fixed for redemption and ending on the date fixed for redemption; provided, however, that this limitation shall not apply to the exchange by the Owner of the unredeemed portion of a Series 2015 Refunding Bond called for redemption in part.

Section 2.12 Cancellation of Bonds. All Series 2015 Refunding Bonds paid in accordance with this Trust Agreement, shall be cancelled and destroyed upon the making of proper records regarding such payment. The Trustee shall furnish the Issuer with appropriate certificates of destruction of such Series 2015 Refunding Bonds. All Series 2015 Refunding Bonds in lieu of which Exchange Bonds or Replacement Bonds are authenticated and delivered in accordance herewith shall be cancelled.

Section 2.13 Replacement Bonds. Upon the presentation and surrender to the Trustee of a mutilated Series 2015 Refunding Bond and satisfaction of the requirements specified below, the Trustee shall authenticate and deliver in exchange therefor a Replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. The Issuer or the Trustee may require the Owner of such Series 2015 Refunding Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Trustee.

If any Series 2015 Refunding Bond is mutilated, lost, apparently destroyed, or wrongfully taken, the Issuer, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Series 2015 Refunding Bond has been acquired by a bona fide purchaser, shall execute and the Trustee shall authenticate and deliver a Replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner thereof shall have:

a. furnished to the Issuer and the Trustee satisfactory evidence of the ownership of and the circumstances of the mutilation, loss, destruction, or theft of such Series 2015 Refunding Bond;

b. furnished such security or indemnity as may be required by the Trustee and the Issuer to save them harmless;

c. paid all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Trustee, and any tax or other governmental charge that may be imposed; and

d. met any other reasonable requirements of the Issuer and the Trustee.

If, after the delivery of such Replacement Bond, a bona fide purchaser of the original Series 2015 Refunding Bond in lieu of which such Replacement Bond was issued presents for payment such original Series 2015 Refunding Bond, the Issuer and the Trustee shall be entitled to recover such Replacement Bond from the Person to whom it was delivered or any Person taking therefrom; except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Issuer or the Trustee in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken Series 2015 Refunding Bond has become or is about to become due and payable, the Issuer in its discretion may, instead of issuing a Replacement Bond, authorize the Trustee to pay such Series 2015 Refunding Bond upon satisfaction of the applicable requirements listed in paragraphs (a) through (d) above.

Each Replacement Bond delivered in accordance with this Section 2.13 shall be entitled to the benefits and security of this Trust Agreement to the same extent as the Series 2015

Refunding Bond or Series 2015 Refunding Bonds in lieu of which such Replacement Bond is delivered.

Section 2.14 Book-Entry Registration.

a. It is intended that the Series 2015 Refunding Bonds be registered so as to participate in a book-entry only securities depository system with the Securities Depository. The Issuer and the Trustee or any agent of either of them hereunder are hereby authorized to execute, deliver, and take the actions set forth in such letters to or agreements with the Securities Depository as shall be necessary to effectuate such securities depository system. DTC is hereby appointed as "Securities Depository" hereunder. If the Securities Depository provides written notice to the Trustee that it is unwilling or unable to continue to exercise its functions as Securities Depository hereunder or is no longer registered or in good standing as a securities depository under the Securities Exchange Act of 1934 or other applicable statues or regulations, the Trustee shall notify the Issuer and the Issuer shall exercise reasonable efforts to engage and appoint a successor Securities Depository to act as such hereunder within 90 days after the Trustee first receives such written notice of such event or condition. All Series 2015 Refunding Bonds initially shall be registered in the name of Cede & Co., as nominee for the initial Securities Depository. The Securities Depository shall have sole responsibility for recording transfers of beneficial ownership of such Series 2015 Refunding Bonds among, and distributing payments of principal, redemption premium, and interest and notices in respect of such Series 2015 Refunding Bonds received by the Securities Depository to the beneficial owners thereof, until it shall have been discharged as Securities Depository hereunder. Neither the Issuer nor the Trustee nor their agents shall have any responsibility or obligation with respect to any matter having to do with such beneficial ownership including recording such transfers or distributing such payments. If the Issuer determines that the value of the Series 2015 Refunding Bonds entirely registered in the name of the Securities Depository or its nominee would be increased or it would otherwise be in the best interests of the beneficial owners thereof if such Series 2015 Refunding Bonds were not registered in the name of the Securities Depository or its nominee, then the Issuer shall discharge the Securities Depository from its obligations hereunder with respect to the Series 2015 Refunding Bonds and give written notice thereof to the Trustee. If the Issuer fails to appoint a successor Securities Depository for the Series 2015 Refunding Bonds in accordance with, and within the period specified in this Section or discharges the Securities Depository from its obligations with respect to the Series 2015 Refunding Bonds in accordance with this Section, then upon surrender by the Securities Depository of the Series 2015 Refunding Bonds to the Trustee, the Issuer shall execute and the Trustee shall authenticate, register and deliver, in the name of and to the participants and members and in the denominations specified by the Securities Depository, one or more new Series 2015 Refunding Bonds aggregating a like aggregate principal amount for the Series 2015 Refunding Bonds of each maturity. The expense of registering the Series 2015 Refunding Bonds as aforesaid shall be paid by the Trustee out of the funds held by it under this Trust Agreement. The Trustee, out of the funds held by it under this Trust Agreement, shall be required to pay the Trustee's additional fees, in an amount to be agreed upon by the Issuer and the Trustee, as paying agent and transfer agent should the Series 2015 Refunding Bonds change from book-entry form to certificated form for any reason. The Trustee shall not be and is not obligated to spend any of its own funds to perform these services.

Each Series 2015 Refunding Bond shall, while registered in the name of the Securities Depository, include the following description of restrictions on transfer:

> "Notwithstanding the foregoing, if this Bond is registered in the name of a Securities Depository, as defined in the Trust Agreement, this Bond may not be so transferred except as provided in the Trust Agreement, to an alternate nominee thereof, or to successor Securities Depository or a nominee thereof."

b. With respect to the Series 2015 Refunding Bonds registered in the name of Cede & Co., as nominee of DTC, or any successor entity thereto, the Issuer and the Trustee shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds the Series 2015 Refunding Bonds from time to time as Securities Depository (a "Depository Participant") or to any Person on behalf of whom such a Depository Participant holds an interest in the Series 2015 Refunding Bonds (an "Indirect Participant"). Without limiting the immediately preceding sentence, the Issuer and the Trustee have no responsibility or obligation with respect to (i) accuracy of records of DTC, Cede & Co., or any Depository Participant with respect to any ownership interest in the Series 2015 Refunding Bonds or (ii) the delivery to any Depository Participant or any other Person, other than an Owner of a Series 2015 Refunding Bond, of any amount with respect to any ownership interest in the Series 2015 Refunding Bonds or (iii) the delivery to any Depository Participant or any Indirect Participant or any other Person, other than an Owner of a Series 2015 Refunding Bond, of any amount with respect to principal of or interest on the Series 2015 Refunding Bonds. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Trust Agreement with respect to interest checks or drafts being mailed to the Owner, the word "Cede & Co." in this Trust Agreement shall refer to such new nominee of DTC.

Notwithstanding any other provision of this Trust Agreement to the contrary, so long as any Series 2015 Refunding Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of and interest on such Series 2015 Refunding Bond and all notices with respect to such Series 2015 Refunding Bond all shall be made and given, respectively, in the manner provided in the letter of representation to DTC with respect to the Series 2015 Refunding Bonds.

ARTICLE 3 - GENERAL PROVISIONS: ADDITIONAL BONDS

Section 3.1 Issuer Covenants and Representations. The Issuer covenants and agrees that it will:

a: promptly cause to be paid to the Trustee for payment to the Owners the principal of, premium, if any, and interest on the Series 2015 Refunding Bonds at the place, on the dates and in the manner provided herein;

b. faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in the Series 2015 Refunding Bonds and this Trust Agreement;

c. execute, acknowledge and deliver such further instruments, financing statements and other documents as may be reasonably requested by the Trustee or any Owner of at least 25% of the aggregate principal amount of the Outstanding Series 2015 Refunding Bonds to better assure, pledge and assign unto the Trustee the rights of the Issuer in and to the Trust Estate assigned and pledged pursuant hereto and assure the payment of the principal of, premium, if any, and interest on the Series 2015 Refunding Bonds; provided, however, that the Issuer shall never be required to execute a general or special consent to service of process or be obligated in any way to subject itself to a jurisdiction other than Texas; and

d. cooperate with the Trustee to assure that this Trust Agreement and any financing statements and all supplements thereto, and other instruments as may be required from time to time to be kept hereunder, will be recorded and filed in such manner and in such places as may from time to time be required by law in order fully to preserve and protect the security of Owners and the rights of the Trustee hereunder.

e. notify the Trustee of any "bankruptcy proceeding" of which issuer receives written notice from the District involving any Person or Persons who individually or collectively own taxable property representing five percent (5%) or more of the assessed valuation of the taxable property within the District according to the most recent certified assessed valuation from the Denton County Appraisal District, and thereafter, pursue any and all actions, including without limitation, execute such amendments to the Joint Utility Contracts pursuant to Section 4.03 of the Joint Utility Contracts, pursue any and all remedies available to the Issuer under law, in equity and/or pursuant to the terms of the Joint Utility Contracts or any other instrument, levy and collect such assessments as may be lawfully levied and collected, and execute any other documents or instruments as may be necessary. The term "bankruptcy proceeding" as used herein shall mean (i) the commencement (whether voluntary or involuntary) of a case or other proceeding seeking liquidation, reorganization, or other relief under any bankruptcy, insolvency, or similar law now or hereafter in effect, (ii) the appointment of a receiver, liquidator, custodian, or other similar official with respect to such Person or Persons or any substantial part of such Person's or Persons' property, or such Person or Persons shall consent to or acquiesce in such relief, or (iii) such Person or Persons shall make a general assignment for the benefit of creditors or shall fail generally to pay its debts as they become due, or shall take any action to authorize any of the foregoing.

The Issuer further represents that it is duly authorized under the Constitution and laws of the State of Texas to issue the Series 2015 Refunding Bonds authorized by the Bond Ordinance, and to pledge and assign the Trust Estate pledged and assigned in the manner and to the extent set forth in this Trust Agreement, and that all action on its part for the issuance of the Series 2015 Refunding Bonds has been duly and effectively taken and that the Series 2015 Refunding Bonds are and will be legal, valid and enforceable obligations of the Issuer in accordance with the true intent and meaning thereof.

Section 3.2 Negative Covenants. The Issuer covenants and agrees that it shall not:

a. create or assume any mortgage, lien, encumbrance; security interest, pledge, charge or other exception to title upon or against any of the properties or assets constituting the

Trust Estate, any revenues derived therefrom or any other funds held by the Trustee for the benefit of the Owners, except as expressly permitted by this Trust Agreement;

b. sell, lease, transfer, convey or otherwise dispose of all or any part of the Trust Estate or its interest therein;

c. create or incur any debt secured by the Trust Estate or the Issuer's interest therein, other than the Bonds or Additional Bonds;

d. take any other action within its control that will impair the lien of this Trust Agreement on the Trust Estate;

e. issue or permit to be issued any Additional Bonds in any manner other than in accordance with the provisions of this Trust Agreement; or

f. to the extent allowed by law, incur or permit to be incurred, any additional indebtedness payable from the Special Assessment Revenues and the Contract Revenues except as permitted in Section 3.4 below.

Section 3.3 Authorization for Trust Agreement, Trust Agreement to Constitute Contract. This Trust Agreement is entered into pursuant to the Act, and, by being incorporated by reference in the Bond Ordinance, specifies all of the terms and conditions identified by Section 372.025, Texas Local Government Code, as amended. In consideration of the purchase and acceptance of the Series 2015 Refunding Bonds by those who shall purchase and own the same from time to time, this Trust Agreement shall be a part of the contract of the Issuer with the Owners, and shall be deemed to be and shall constitute a contract between the Issuer, Trustee and Owners who from time to time own the Series 2015 Refunding Bonds, and the provisions of this Trust Agreement are covenants and agreements with such Owners which the Issuer hereby determines to be necessary and desirable for the security and payment thereof. If there is conflict between the provisions of this Trust Agreement and the Bond Ordinance, the provisions of this Trust Agreement shall control.

Section 3.4 Additional Bonds. Following the sale and delivery of the Series 2015 Refunding Bonds, the Issuer shall have the right to issue additional refunding bonds payable from Special Assessment Revenues and payable from Contract Payments pursuant to Section 1207, Texas Government Code, which may require approval by the voters within the District of a joint utility contract, including Additional Bonds payable from Special Assessment Revenues and payable from Contract Payments for the purpose of refunding the Series 2013 Refunding Bonds or Series 2015 Refunding Bonds and paying the costs of issuance related to such refunding.

ARTICLE 4 - FUNDS AND ACCOUNTS, INITIAL DEPOSITS AND APPLICATION OF MONEY

Section 4.1 Collection Fund. The Issuer hereby covenants and agrees that all Contract Revenues and Special Assessment Revenues (other than interest and investment earnings, and

revenues received as a Prepayment of a Special Assessment), shall be deposited, as collected and received, into a separate account created, established, and maintained with the Trustee known as the "City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project) Collection Fund and that the Contract Revenues and Special Assessment Revenues shall be kept separate and apart from all other funds of the Issuer. All Contract Revenues and Special Assessment Revenues deposited into the Collection Fund shall, upon receipt, be transferred to the following Funds in the following order of priority:

FIRST: To the Interest and Sinking Fund, an amount necessary, if any, to increase the balance in the Interest and Sinking Fund to an amount equal to the aggregate amount of all remaining scheduled Debt Service Requirements during the next Fiscal Year, as provided herein, or a greater amount designated by the Issuer with the prior written approval of District No. 1-D;

SECOND: To the Administrative Expense Fund, an amount necessary, if any, to increase the balance in the Administrative Expense Fund to the amount expended from the Administrative Expense Fund on average during the previous three (3) Fiscal Years of the Issuer as determined by the Issuer and provided in writing to the Trustee; and

THIRD: To the Debt Service Reserve Fund; until the Debt Service Reserve Fund has a balance equal to the Debt Service Reserve Amount.

FOURTH: To the Redemption Fund, any amounts required for optional redemptions (other than mandatory sinking fund redemptions) during the Fiscal Year in which the Contract Revenues or Special Assessment Revenues are deposited into the Collection Fund;

FIFTH: To the Issuer to be used for any lawful purpose, including the payment or redemption of Series 2015 Refunding Bonds.

Section 4.2 Interest and Sinking Fund. For purposes of providing funds to pay the Debt Service Requirements on the Series 2015 Refunding Bonds as the same become due and payable, the Issuer agrees to maintain at the Trustee, a separate and special account or fund to be created and known as the "City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2) Interest and Sinking Fund." There shall also be deposited into the Interest and Sinking Fund no later than the tenth (10th) day prior to each Interest Payment Date on the Series 2015 Refunding Bonds, from the available Contract Revenues and Special Assessment Revenues in the Collection Fund, an amount which, together with sums on deposit in the Interest and Sinking Fund, shall be equal to one hundred percent (100%) of the amount required to fully pay the principal of, premium, if any and interest on the Series 2015 Refunding Bonds payable at such Interest Payment Date, at maturity or as a Mandatory Scheduled Redemption.

Section 4.3 Prepayment Fund. There is hereby established with the Trustee a special fund to be known as the "City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project) Prepayment Fund." Upon receiving a Prepayment of Contract Revenues or Special

Assessments for the payment of the Debt Service Requirements on the Series 2015 Refunding Bonds (which Prepayments shall be identified in writing by the Issuer), the Trustee shall deposit the amount of such Prepayment into the Prepayment Fund. All Prepayments may be commingled in a single account. Promptly following the deposit of any such Prepayment into the Prepayment Fund, the Trustee shall transfer such amount representing prepaid principal of the Special Assessment and prepaid principal of the Contract Revenues as set forth in Section 4.7 directly into the Redemption Fund to be used to redeem or purchase Series 2015 Refunding Bonds and such amount representing prepaid interest as set forth in Section 4.7 hereof to the Interest and Sinking Fund.

Section 4.4 Administrative Expense Fund. There is hereby created with the Trustee a special fund, herein called the "City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project) Administrative Expense Fund," to be designated and maintained by the Trustee as a separate fund, distinct from all other funds and accounts of the Issuer with the Trustee. There is hereby created with the Trustee a special account within the Administrative Expense Fund herein called the "City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project) Cost of Issuance Account," to be designated and maintained by the Trustee as a separate account, distinct from all other funds and accounts of the Issuer with the Trustee. The Trustee has deposited into the Cost of Issuance Account from the proceeds of the Series 2015 Refunding Bonds an amount equal to fees for professional services, including attorneys, engineers, financial service professionals and costs of issuance of the above-referenced Series 2015 Refunding Bonds. The Issuer may draw monies from this Account to pay costs of issuance of the above-referenced Series 2015 Refunding Bonds by delivery to the Trustee of a Request for Disbursement in the form set out Exhibit "B", executed by the Issuer. Any surplus money remaining in the Cost of Issuance Account on December 1, 2015 shall be transferred into the Interest and Sinking Fund for payment of debt service on Series 2015 Refunding Bonds. Thereafter, the Trustee shall deposit into the Administrative Expense Fund all amounts due the Administrative Expense Fund pursuant to Section 4.1. Such amounts shall be applied by the Trustee to pay Administrative Expenses as they become due, and unexpended balances remaining after the payment of Administrative Expenses in Fiscal Years following the Fiscal Year ending September 30, 2015 shall be transferred to the Redemption Fund for redemption of Series 2015 Refunding Bonds.

Fees or charges incurred by the Issuer payable to the Trustee in satisfaction of the Issuer liability to the Trustee for the services described herein shall be paid from the Administrative Expense Fund. Other Administrative Costs shall be paid from the Administrative Expense Fund upon receipt by the Trustee of a Request for Disbursement in the form set out in Exhibit "B".

Section 4.5 Debt Service Reserve Fund. The Debt Service Reserve Fund shall be initially funded from the proceeds of the Series 2015 Refunding Bonds in an amount set forth in the Approval Certificate. The Debt Service Reserve Fund shall be used for the purpose of paying principal of and interest on the Series 2015 Refunding Bonds as they become due in the event there should be insufficient funds for said payment in the Interest and Sinking Fund. Subject to the flow of funds in Section 4.1 hereof, the Issuer shall deposit funds to the Debt Service Reserve

Fund which are designated for such purposes by the District or any other person. The Debt Service Reserve Fund shall be funded up to an amount not less than the Debt Service Reserve Amount from any lawfully available funds in the following manner:

(i) Each deposit shall be credited with earnings from the investment of the balance of the Debt Service Reserve Fund to each date of deposit.

(ii) The initial deposit is funded with proceeds from the sale of the Series 2015 Refunding Bonds. If these funds are withdrawn from the Debt Service Reserve Fund, they may be used only for the payment of debt service on the Series 2015 Refunding Bonds.

(iii) If the Debt Service Reserve Fund is utilized, the District must make payments sufficient to restore the Debt Service Reserve Fund to the Debt Service Reserve Amount (a) in 12 consecutive equal monthly installments beginning in the month following any withdrawal from the Debt Service Reserve Fund or (b) in four consecutive equal monthly installments beginning in the month following any calculation of the value of the Debt Service Reserve Fund at any amount less than the Debt Service Reserve Amount.

(iv) The Issuer shall not, under any circumstances, have an obligation to provide any funds other than Revenues for the purpose outlined in this Section 4.5 or any other provision of this Trust Agreement.

Section 4.6 Lien Forgiveness upon Payment of Bonds. When there are available monies in the Administrative Expense Fund, Collection Fund, Prepayment Fund, Interest and Sinking Fund and Redemption Fund sufficient to make all interest payments to maturity or earlier required redemption date, to pay all Principal Installment payments, and to pay the Administrative Expenses due and reasonably estimated to become due to the final Maturity Date or scheduled mandatory redemption date of all the Series 2015 Refunding Bonds, no further payments need to be made into the Administrative Expense Fund or the Collection Fund, and the balances remaining in the Collection Fund, the Prepayment Fund, the Interest and Sinking Fund and the Redemption Fund, shall be used to pay or redeem the Bonds.

After all Series 2013 Refunding Bonds and Series 2015 Refunding Bonds are paid or provision is made for their payment, the Issuer waives the payment of any further Special Assessment and the lien for the Special Assessment shall be removed from all property in the P.I.D.

Section 4.7 Redemption Fund. There is hereby created a special fund with the Trustee to be called the "City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project) Redemption Fund." The Trustee shall deposit into the Redemption Fund all amounts required to be transferred to such Fund from the Collection Fund and the Prepayment Fund pursuant to Sections 4.1 and 4.3 respectively. The Trustee shall apply all such amounts in the Redemption Fund, subject to the $100,000 limitation specified in Section 6.2 hereof, to redeem or purchase Series 2015 Refunding Bonds in accordance with Section 6.1 or 6.2 hereof.

Accrued interest on any Series 2015 Refunding Bonds redeemed shall be paid from the Interest and Sinking Fund.

Section 4.8 Deposit and Investment of Funds. Monies in the Collection Fund, the Interest and Sinking Fund, the Administrative Expense Fund, the Prepayment Fund and the Redemption Fund shall be deposited or invested in any Authorized Investments as instructed as described below by the Issuer, maturing on a date or dates on or prior to the need for such monies. Except as provided in this Section, any income or interest earned on any Fund shall accrue to and be deposited in the Fund from which said monies were deposited or invested, except to the extent otherwise provided herein. Interest and investment earnings on any fund or account which is required to be paid to the federal government, pursuant to Section 9.6, shall be deposited as directed by the Issuer into the Rebate Fund. The Trustee shall invest money only upon instructions from the Issuer as to each deposit or investment prior thereto and to have such instructions confirmed in writing within two Business Days and shall be entitled to assume that the Issuer has obtained the approval of District No. 1-D.

Section 4.9 Payment of Bonds. While any of the Series 2015 Refunding Bonds are Outstanding, the Issuer shall cause to be paid solely from funds on deposit in the Funds created hereunder amounts sufficient to fully pay and discharge promptly the Debt Service Requirements on the Series 2015 Refunding Bonds as such payments accrue or mature, whether by reason of the Maturity Date, redemption, or otherwise; such transfer of funds must be made in such manner as will cause immediately available funds to be available for payment of the Series 2015 Refunding Bonds ten (10) Business Days next preceding the date the Debt Service Requirement payment is due on the Series 2015 Refunding Bonds.

ARTICLE 5 - REMEDIES

Section 5.1 Events of Default. Each of the following events is hereby declared an "Event of Default":

a. if default occurs in the timely payment of a Principal Installment (whether mandatory prepayment amount or the principal amount due at maturity or prior redemption) of any of the Series 2015 Refunding Bonds; or

b. if default occurs in the timely payment of any installment of interest or premium, if any, on any of the Series 2015 Refunding Bonds; or

c. the Bankruptcy or Insolvency of the Issuer or the District; or

d. if the Issuer shall default in the due and punctual performance of any of the covenants, conditions, agreements and provisions contained in this Trust Agreement, other than as specified in Section 5.1(a), 5.1(b) and 5.1(c) hereof, on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written

request of the Owners of not less than ten percent (10%) in principal amount of the Series 2015 Refunding Bonds then Outstanding; or

e. if the Issuer or the District shall default in the due and prompt performance of any of the covenants, conditions, agreements and provisions contained in the Amended 2000 Joint Utility Contract on the part of the Issuer or the District, as the case may be, to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring the same to be remedied shall have been given by the Trustee, which notice shall be given by the Trustee upon Trustee's actual knowledge of such default; provided, however, that Trustee must have first received written notice that such a default has occurred and is continuing.

Section 5.2 Actions by Trustee. Upon the happening and continuance of any event of default specified in Section 5.1 of this Trust Agreement, and subject to Section 5.5 of this Trust Agreement, then and in every such case the Trustee may proceed, and upon the written request of the Owners of not less than a majority in principal amount of the Series 2015 Refunding Bonds then Outstanding hereunder shall proceed, to protect and enforce its rights and the rights of the Owners of the Series 2015 Refunding Bonds under the Act and under this Trust Agreement by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

To the extent allowed by law, in the enforcement of any remedy under this Trust Agreement the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Issuer for Principal Installments, interest or otherwise under any of the provisions of this Trust Agreement or of the Series 2015 Refunding Bonds and unpaid, with interest on overdue payments at the rate or rates of interest specified in the Series 2015 Refunding Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under such Series 2015 Refunding Bonds, without prejudice, to any other right or remedy of the Trustee or of the Owners of the Series 2015 Refunding Bonds, and to recover and enforce judgment or decree against the Issuer, but solely as provided herein and in such Series 2015 Refunding Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect (but solely from Contract Payments, Contract Revenues and Special Assessment Revenues or other monies available for such purposes specifically permitted by this Trust Agreement and any other property included in the Trust Estate) in any manner provided by law, the monies adjudged or decreed to be payable for said sources.

Section 5.3 Priority of Payment Upon Default. If at any time the monies in the Funds shall not be sufficient to pay, in a timely manner, the Principal Installments or the interest on the Series 2015 Refunding Bonds as the same become due and payable, such monies, together with any monies then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall, after payment of the costs and expenses of the proceedings resulting in the collection of such money and of the fees

of, and the expenses, liabilities, and advances incurred or made by, the Trustee (including all accrued and unpaid Trustee fees and the fees of its attorneys), be applied as follows:

FIRST: to the payment to the Persons entitled thereto of all installments of interest on the Series 2015 Refunding Bonds then due, in the order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Series 2015 Refunding Bonds; and

SECOND: to the payment of the Principal Installments of any Series 2015 Refunding Bonds which are due, and, if the amount available shall not be sufficient to pay all of such amounts, then to the payment thereof ratably, according to the amount due.

Section 5.4 Default Cured. In case any action taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, then and in every such case the Issuer, the Trustee and the Owners of the Bonds shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such action had been taken.

Section 5.5 Remedies; Exclusion. No Owner of any of the Outstanding Series 2015 Refunding Bonds shall have any right to institute any suit, action, mandamus or other proceeding in equity or at law for the execution of any trust hereunder or the protection or enforcement of any right under this Trust Agreement or any ordinance, or other action of the Issuer authorizing the issuance of Series 2015 Refunding Bonds, or any right under the Act or the laws of Texas, except only an action for the recovery of overdue and unpaid Principal Installments, interest or redemption premium, unless: (i) such Owner previously shall have given to the Trustee written notice of the event of default or breach of trust or duty on account of which such suit or action is to be taken; (ii) the Owners of not less than twenty percent (20%) in principal amount of the Series 2015 Refunding Bonds then outstanding shall have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers herein granted or granted by the Act or by the laws of Texas, or to institute such action, suit or proceeding in its or their name; (iii) there shall have been offered to the Trustee security and indemnity satisfactory to the Trustee against the costs, expenses and liabilities to be incurred therein or thereby; and (iv) the Trustee shall have refused or neglected to comply with such request within a reasonable time. Such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Trust Agreement or for any other remedy hereunder or under the Act or the laws of Texas. It is understood and intended that no one or more Owners of the Series 2015 Refunding Bonds hereby secured shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Trust Agreement, or to enforce any right hereunder or under the Act or the laws of Texas with respect to the Series 2015 Refunding Bonds or this Trust Agreement, except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all Owners of the Outstanding Series 2015 Refunding Bonds,

except as otherwise permitted herein with reference to overdue and unpaid Principal Installments, interest or redemption premium.

Section 5.6 Non-possession of Bonds. All rights of action under this Trust Agreement or under any of the Series 2015 Refunding Bonds, enforceable by the Trustee, may be enforced by it without the possession of any of the Series 2015 Refunding Bonds or the production thereof on the trial or other proceeding relative thereto, and any such suit, action or proceeding instituted by the Trustee shall be brought in its name for the benefit of all the Owners of such Series 2015 Refunding Bonds, subject to the provisions of this Trust Agreement.

Section 5.7 Other Remedies Available. No remedy herein conferred upon or reserved to the Trustee or to the Owners of the Series 2015 Refunding Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 5.8 Delay in Exercise of Rights. No delay or omission of the Trustee or any Owner of the Series 2015 Refunding Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or any acquiescence therein; and every power and remedy given by this Trust Agreement to the Trustee and the Owners of the Series 2015 Refunding Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

The Trustee may, and upon written request of the Owners of not less than a majority in principal amount of the Series 2015 Refunding Bonds then Outstanding shall, waive any default which in its opinion shall have been remedied before the completion of the enforcement of any remedy under this Trust Agreement, but no such waiver shall extend to or affect any other existing or any subsequent default or defaults or impair any rights or remedies consequent thereon.

ARTICLE 6 - REDEMPTION

Section 6.1 Optional Redemption. From and after September 1, 20__, the Bonds maturing on or after September 1, 20__ may be redeemed by the Issuer, in whole or in part prior to maturity, in principal amounts of $5,000 or any integral multiple thereof, on any Business Day at the option of the Issuer, after notice as provided herein, at a redemption price equal to 100% of the principal amount of the Bonds, together with interest accrued to the date of redemption. The optional redemption provisions may be amended by the Approval Certificate.

Section 6.2 Special Mandatory Redemptions. The Series 2015 Refunding Bonds shall be redeemed, in whole or in part, prior to maturity from and after _____, 2015 on a pro rata basis with the Remaining Outstanding Assessment Bonds at the redemption prices stated in Section 6.1 or purchased, in whole or in part at the purchase prices stated in Section 6.1 from amounts transferred to the Redemption Fund from the Collection Fund and the Prepayment Fund pursuant to Sections 4.1 and 4.3, respectively, whether from Prepayments or Contract Revenues, provided that the Issuer will not be required to make a Special Mandatory Redemption unless it

has at least One Hundred Thousand and No/100 Dollars ($100,000.00) available in the Redemption Fund with which to redeem the Bonds.

In lieu of redeeming Series 2015 Refunding Bonds with the funds described in this Section, the Issuer may purchase the Bonds in the open market of the maturity to be redeemed at the price not in excess of that provided in Section 6.1.

[Section 6.3 Mandatory Sinking Fund Redemption. Prior to their Maturity Date, the Series 2015 Refunding Bonds that are designated as Term Bonds in the Approval Certificate (the "Series 2015 Term Bonds") payable from amounts on deposit in the Interest and Sinking Fund as set forth in the Approval Certificate.

On each Mandatory Redemption Date, as set forth in the Approval Certificate, the Trustee shall make the Mandatory Sinking Fund Payment from the Interest and Sinking Fund. The Series 2015 Term Bonds shall be prepaid in principal amounts of $5,000 or integral multiples thereof. The principal amount of the Series 2015 Term Bonds required to be prepaid on each Mandatory Redemption Date shall be reduced, at the option of the Issuer, by the principal amount of any Series 2015 Refunding Bonds which, at least forty-five (45) days prior to the Mandatory Redemption Date, have been acquired by the Issuer and delivered to the Trustee for cancellation or have been redeemed (otherwise than through mandatory sinking fund redemption) and canceled by the Trustee and not theretofore credited against a scheduled mandatory redemption. Each such Series 2015 Refunding Bond so delivered or previously purchased or redeemed shall be credited by the Trustee at 100% of the principal amount thereof on the obligation of the Issuer on such Mandatory Redemption Date, and any excess shall be credited on future mandatory redemption in inverse order of maturity, and the principal amount of such Series 2015 Refunding Bonds to be redeemed by operation of mandatory prepayment shall be reduced accordingly.

Redemptions pursuant to this provision of the Trust Agreement shall be made by lot or other customary random method, rounded to the nearest $5,000, among the Owners of each date of maturity. In connection with any such redemption prior to maturity, the Trustee shall make appropriate entries in the Bond Register to reflect a portion of any Bond so redeemed and the amount of the principal remaining Outstanding. The Trustee's notation in the Bond Register shall be conclusive as to the principal amount of any Outstanding Bond at any time.]

Section 6.4 Notice of Redemption. Notice of redemption shall be given by the Trustee at least thirty (30) days prior to the redemption date by giving written notice to the Owner of each Series 2015 Refunding Bond to be redeemed in whole or in part at the address shown on the Register by first-class mail, postage prepaid. Such notice shall state the complete official name of the Series 2015 Refunding Bonds to be redeemed, CUSIP numbers, the Date of Closing and the Maturity Date of such Series 2015 Refunding Bonds, any other information appropriate to identify sufficiently the Series 2015 Refunding Bonds being redeemed, the redemption date, the principal amount of the Series 2015 Refunding Bonds to be redeemed and, if less than all of the then Outstanding Series 2015 Refunding Bonds are to be redeemed, the identification certificate numbers (and, in the case of partial redemption, the respective principal amounts) of the Series 2015 Refunding Bonds to be redeemed, the redemption agent's name and address, and the place

at which the Series 2015 Refunding Bonds are to be surrendered for payment. Any notice mailed as provided in this Section 6.4 shall be conclusively presumed to have been duly given whether or not the Owner receives such notice. By the redemption date, due provision shall be made with the Trustee for the payment of the redemption price of the Series 2015 Refunding Bonds to be redeemed, plus accrued interest thereon to the redemption date, with amounts in the Redemption Fund or other amounts available to the Issuer under this Trust Agreement. When such Series 2015 Refunding Bonds have been called for redemption, in whole or in part, as provided above and due provision has been made to redeem same, such Series 2015 Refunding Bonds, or portions thereof, shall no longer be regarded as Outstanding except for the purpose of receiving payment from the funds provided for redemption, and the right of the Owners to collect interest on such Series 2015 Refunding Bonds or portions thereof which would otherwise accrue after the redemption date shall be terminated.

The Issuer reserves the right, in the case of an optional redemption, to give notice of its election or direction to redeem Series 2015 Refunding Bonds conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the Issuer retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the Issuer delivers a certificate of the Issuer to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Series 2015 Refunding Bonds subject to conditional redemption and such redemption has been rescinded shall remain Outstanding, and the rescission of such redemption shall not constitute an Event of Default. Further, in the case of a conditional redemption, the failure of the Issuer to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default.

Section 6.5 Additional Provisions with Respect to Redemption. Series 2015 Refunding Bonds redeemed pursuant to Section 6.1 or 6.3 may be redeemed in part only in integral multiples of $5,000. If a Series 2015 Refunding Bond subject to redemption is in a denomination larger than $5,000, a portion of such Series 2015 Refunding Bond may be redeemed, but only in an integral multiple of $5,000.

If less than all of the Series 2015 Refunding Bonds are to be redeemed pursuant to an optional or mandatory redemption, the Series 2015 Refunding Bonds to be redeemed shall be selected by lot or other customary random method.

Upon surrender of any Series 2015 Refunding Bond for redemption in part, the Trustee, in accordance with the provisions of this Trust Agreement, shall authenticate and deliver in exchange therefor a Series 2015 Refunding Bond or Series 2015 Refunding Bonds of like tenor, maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Series 2015 Bond so surrendered.

Section 6.6 Application of Redemption Fund Payments.

(a) At its option, to be exercised on or before the forty-fifth (45th) day next preceding any Mandatory Redemption Date, the Issuer may (i) deliver to the Registrar for cancellation Series 2015 Refunding Bonds in any aggregate principal amount desired or (ii) receive a credit in respect of its Sinking Fund Payment obligations for any Series 2015 Term Bonds which prior to such date have been redeemed (otherwise than through Sinking Fund Payments) and cancelled by the Registrar and not theretofore applied as a credit against any Sinking Fund Payment obligations. Each Series 2015 Term Bond so delivered or previously redeemed shall be credited by the Trustee at one hundred percent (100%) of the principal amount thereof on the obligation of the Issuer on such Sinking Fund Payment Date and any excess over such amount shall be credited on future Sinking Fund. Payment obligations in inverse order of maturity, and the principal amount of Series 2015 Term Bonds to be redeemed with Sinking Fund Payments shall be accordingly reduced.

The Issuer shall, on or before the forty-fifth (45th) day next preceding each Sinking Fund Payment Date, furnish the Trustee with a certificate indicating whether and to what extent the provisions of the preceding paragraph are to be utilized with respect to such Sinking Fund Payment and confirm that cash funds for the balance of the next succeeding prescribed Sinking Fund Payment will be paid on or before the next succeeding payment date.

(b) Unless the Trustee has received notice from the Issuer as provided in this Section 6.6 whether or not and to the extent it wishes to purchase Series 2015 Refunding Bonds, it shall call for redemption on the next Sinking Fund Payment Date such principal amount of the Series 2015 Refunding Bonds as is required to exhaust such Sinking Fund Payment, or partial payment if the Issuer has availed itself of the provisions of this Section 6.6.

Section 6.7 Price for Series 2015 Refunding Bonds. The Issuer may specify certain Series 2015 Refunding Bonds, which were otherwise redeemable in the order or priority and subject to such restrictions as prescribed in this Trust Agreement, to be purchased by the Trustee. Upon receipt of written notice to this effect, the Trustee shall apply monies available for redemption to the purchase of the selected Series 2015 Refunding Bonds. The purchase price paid by the Trustee under this Section, excluding accrued interest but not including any brokerage or other charges, shall not exceed the principal amount of such Series 2015 Refunding Bonds; provided, however, that if within thirteen (13) months of the purchase under this Section, such Series 2015 Term Bonds are subject to ordinary redemption in accordance with the Trust Agreement, the purchase price shall not exceed the highest redemption price of such Series 2015 Refunding Bond applicable at its redemption date.

Section 6.8 Trustee to Redeem Series 2015 Refunding Bonds. Subject to the limitations set forth or referred to in Sections 6.1 and 6.7, the Trustee shall call for redemption on each mandatory redemption date, when said Series 2015 Term Bonds are to be redeemed in accordance with this Trust Agreement, such principal amount of said Series 2015 Term Bonds as are to be redeemed on said date with the amount of such monies then available therefor.

ARTICLE 7 - FORM OF SERIES 2015 REFUNDING BONDS AND CERTIFICATES

Section 7.1 Forms. The forms of the Series 2015 Refunding Bonds, including the forms of the Trustee's authentication certificate, the form of assignment shall be substantially in the forms attached as Exhibit "E", hereto, with such additions, deletions, and variations as may be necessary or desirable and not prohibited by this Trust Agreement, the Approval Certificate or the Bond Ordinance.

Section 7.2 Legal Opinion; CUSIP: The approving opinion of Kelly Hart & Hallman LLP, Fort Worth, Texas, and CUSIP Numbers may be printed on the Series 2015 Refunding Bonds, but errors or omissions in the printing of such opinion or such numbers shall have no effect on the validity of the Series 2015 Refunding Bonds.

ARTICLE 8 - SECURITY FOR THE SERIES 2015 REFUNDING BONDS

Section 8.1 Pledge of Contract Payments, Contract Revenues and Special Assessment Revenues. The Issuer hereby covenants and agrees that the Contract Revenues, Contract Payments and the Special Assessment Revenues are hereby irrevocably pledged to the payment and security of the Series 2015 Refunding Bonds and the payment of Administrative Expenses including the establishment and maintenance of the special funds created and established for the payment and security thereof, all as herein provided; and it is hereby provided that the pledge of the Contract Revenues, Contract Payments and the Special Assessment Revenues to the payment of the Series 2015 Refunding Bonds, the interest thereon, and the premium, if any, thereon be valid and binding without any physical delivery thereof or further act by the Issuer, and the lien upon such revenues created for the payment and security of the Series 2015 Refunding Bonds shall be, except as otherwise provided in the Act or by law, prior in right and claim as to any other indebtedness, liability, or obligation of the Issuer.

Section 8.2 Contract Payments. Pursuant to the terms of the Amended 2000 Joint Utility Contract, District No. 1-D has agreed to pay the Contract Payments from ad valorem taxes, unlimited in rate or amount, imposed on all taxable property within the boundaries of District No. 1-D, in an amount necessary to pay the principal of, redemption premium, if any, and interest on the Series 2015 Refunding Bonds, to establish and maintain any funds required by the Bond Ordinance and this Trust Agreement, to pay certain fees and expenses accrued in connection with the issuance of the Series 2015 Refunding Bonds and the refunding of the Refunded Bonds. District No. 1-D's obligation to make the Contract Payments is an unconditional obligation of District No. l-D until the payment, or provision for payment, of the entire principal of, redemption premium, if any, and interest on the Series 2015 Refunding Bonds.

The Contract Payments by District No. 1-D constitute general obligations of District No. 1-D authorized by an election held within and for District No. 1-D on November 7, 2000 pursuant to the Amended 2000 Joint Utility Contract entered into by District No. 1-A, District No. 1-D and the Issuer in accordance with Chapters 49 and 51 of the Texas Water Code, as amended. The Issuer and the Trustee have the right to demand payment of the Contract Payments from taxation by District No. 1-D. District No. 1-D has agreed to make each such Contract Payment to the Trustee for deposit into the Collection Fund created for the benefit of the Series

2015 Refunding Bonds by this Trust Agreement, in aggregate amounts sufficient to pay, and to provide for the payment of the principal of, premium, if any, and interest and redemption amounts due on the Series 2015 Refunding Bonds.

For the faithful performance of all covenants, recitals and stipulations set forth in the Amended 2000 Joint Utility Contract including especially those with reference to the proper application of tax proceeds for the payment of the principal of, premium, if any, and. interest on the Series 2015 Refunding Bonds, promptly when due, the full faith, credit and resources of District, No. 1-D has been irrevocably pledged under the Amended 2000 Joint Utility Contract with the Issuer.

The Issuer has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of any portion of the Trust Estate identified in this Trust Agreement that ranks on a parity with or prior to the lien granted hereby, except for the lien granted to secure the Series 2013 Refunding Bonds and Series 2015 Refunding Bonds. The Issuer has not described such collateral in a UCC financing statement that will remain effective when the Series 2015 Refunding Bonds are issued. The Issuer shall not hereafter make or suffer to exist any pledge or assignment of, lien on, or security interest in, such collateral that ranks prior to or on a parity with the lien granted hereby, or file any financing statement describing any such pledge, assignment, lien or security interest, except as expressly permitted by this Trust Agreement.

Section 8.3 Special Obligations. The Series 2015 Refunding Bonds are special obligations of the Issuer payable from the Contract Revenues, Contract Payments and Special Assessment Revenues, as and to the extent provided in this Trust Agreement. The Series 2015 Refunding Bonds do not give rise to a charge against the general credit or taxing powers of the Issuer and are not payable except as provided in this Trust Agreement. The Owners of the Series 2015 Refunding Bonds shall never have the right to demand payment thereof out of any funds of the Issuer other than the Contract Revenues, Contract Payments and Special Assessment Revenues. There shall be no legal or moral obligation to make the payments of the Series 2015 Refunding Bonds out of any funds of the Issuer other than the Contract Revenues, Contract Payments and Special Assessment Revenues.

Section 8.4 Assessment Roll. The Special Assessments are shown on the updated Assessment Roll, the aggregate amount of which is _____ and No/100 Dollars ($_____), representing the remaining benefit received from the authorized improvements of the PID. Reference is made to the updated Assessment Roll for a particular description of the lots or parcels of land and the amount of Special Assessment on each.

Section 8.5 Collection and Deposit of Special Assessments. The Special Assessments shown on the Assessment Roll, together with the interest thereon, shall remain and constitute a trust fund for the redemption and Principal Installment payment of the Series 2015 Refunding Bonds and for the interest and premium (if any) due thereon.

The Special Assessments assessed to pay Debt Service Requirements on the Series 2015 Refunding Bonds are payable in annual installments established by the Assessment Ordinance. A

Special Assessment has been made payable in the Assessment Ordinance in each Fiscal Year preceding the date of final maturity of the Outstanding Assessment Bonds which, if collected, will be sufficient to pay the Debt Service Requirements on the Outstanding Assessment Bonds. The Annual Installment is determined pursuant to the Assessment Ordinance and the annual installment of each Special Assessment coming due in any year, together with the annual interest thereon, is payable in the same manner and at the same time as the general ad valorem taxes on real property are payable, and become delinquent at the same times and bear the same proportionate penalties and interest after delinquency as do the general ad valorem taxes on real property, all as shown in the Assessment Ordinance.

A record of the Special Assessments on each tract or lot which have been levied or collected in each year during the term of the Series 2015 Refunding Bonds has been prepared by the Issuer and is shown on the Assessment Roll. Sums received from the collection of the Special Assessments for payment of the Debt Service Requirements on the Series 2015 Refunding Bonds (including delinquent installments, foreclosure proceeds, proceeds from a guarantor of Special Assessments to pay the Debt Service Requirements on the Series 2015 Refunding Bonds, and penalties) and of the interest and premium if any thereon shall be deposited into the Collection Fund, except that amounts received as Prepayments shall be deposited into the Prepayment Fund.

Section 8.6 Levy of Assessments. Subject to the provisions of the Amended 2000 Joint Utility Contract, the Issuer has levied an assessment on all of the property within the P.I.D. to pay the Debt Service Requirements on the Outstanding Assessment Bonds (the "Improvement Assessment" or "Special Assessment") which Assessment shall be effective on the date of, and strictly in accordance with the terms of, the Assessment Ordinance and the Amended 2000 Joint Utility Contract. Each Improvement Assessment may be paid immediately or in periodic annual installments (the "Annual Installment") over a period of time due from September 1, 2002 and ending September 1, 2028. Each Improvement Assessment shall bear interest at the rate borne by the Outstanding Assessment Bonds per annum at a rate calculated on the basis of a 360 day year of twelve 30-day months. Each Annual Installment, together with the interest in the unpaid amount of an Improvement Assessment, shall be assessed on February 1 and shall be due on March 1 of each year (the "Installment Payment Date") with each Annual Installment being due on March 1 of each year with the final Annual Installment due on the principal maturity date of the Series 2015 Refunding Bonds. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to March 2 of the year such Annual Installment is due (the "Delinquency Date"). To the extent that Contract Payments received by the Issuer are sufficient to pay debt service on the Outstanding Assessment Bonds pursuant to the Amended 2000 Joint Utility Contract, the Annual Installment of the Assessments will not be assessed. Notwithstanding any other provision of this Trust Agreement or the Assessment Ordinance to the contrary, the Issuer will comply with Section 372.014 of the Texas Local Government Code, as amended.

There will be no split payment of an Annual Installment or discount for the early payment of an Annual Installment.

Improvement Assessments ("Assessments" or "Special Assessments") together with interest, penalties, and expense of collection and reasonable attorneys fees, as permitted by the

Texas Tax Code, shall be a first and prior lien against the property assessed, superior to all other liens and claims, except liens or claims for state, county, school district, special district, municipal, or other ad valorem taxes, and shall be a personal liability of and charge against the owner of the property, regardless of whether the owners are named. The lien for Assessments and each Annual Installment thereof and penalties and interest shall begin on the effective date of the Assessment Ordinance levying the Assessments until the assessments are paid or until all Outstanding Assessment Bonds and other amounts owed under the Trust Agreement are finally paid, and shall be enforced by the Issuer in the manner provided by the Texas Tax Code for collecting ad valorem taxes on real property.

Failure to pay an Annual Installment when due shall not accelerate the payment of the remaining Annual Installments of the Improvement Assessment and such remaining Annual Installments (together with interest thereon) shall continue to be due and payable at the same time and in the same amount and manner as if such default had not occurred.

Section 8.7 Prepayments in Full. The provisions of Section 372.018 of the Texas Local Government Code are applicable to the payment of the unpaid Special Assessments and the corresponding mandatory redemption of the Outstanding Assessment Bonds. Pursuant thereto, whenever an owner elects to pay off an unpaid Special Assessment levied to pay the Debt Service Requirements on Outstanding Assessment Bonds in full and remove the lien of such Special Assessment, the Issuer and District No. 1-D shall collect from such owner the total of the following sums:

a. The unpaid, nondelinquent principal of such Special Assessment, including principal for the current Fiscal Year billed but not yet paid.

b. Unpaid interest accrued on such Special Assessment through the date of prepayment.

c. Any delinquent installments of such Special Assessment, including the interest and penalties thereon.

Section 8.8 Partial Prepayments. Whenever an owner of assessed land elects to prepay the Special Assessment levied to pay the Debt Service Requirements on the Outstanding Assessment Bonds in part, the Issuer shall collect from each owner the total of the following sums:

a. A portion of the unpaid, nondelinquent principal of such Special Assessment to be prepaid; and

b. Unpaid interest accrued on such Special Assessment through the date of Prepayment.

c. Any delinquent installments of such Special Assessment, including the interest and penalties thereon.

When a Special Assessment has been partially prepaid, the Issuer or District No. 1-D shall issue a revised record for that parcel, a copy of which shall be filed with the Trustee and the Secretary of the Issuer, showing the proportionate reduction in such Special Assessment installments.

ARTICLE 9 - PROVISIONS CONCERNING FEDERAL INCOME TAX EXCLUSION

Section 9.1 General Tax Covenant. The Issuer intends that the interest on the Series 2015 Refunding Bonds shall be excludable from gross income for purposes of federal income taxation pursuant to sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the "Code"), and applicable regulations. The Issuer covenants and agrees not to take any action, or knowingly commit to take any action within its control that, if taken or omitted, respectively, would cause the interest on the Series 2015 Refunding Bonds to be includable in gross income, as defined in section 61 of the Code, of the Owners thereof for purposes of federal income taxation. In particular, the Issuer covenants and agrees to comply with each requirement of this Article 9, provided, however, that the Issuer shall not be required to comply with any particular requirement of this Article 9 if the Issuer has received an opinion of nationally recognized bond counsel ("Counsel's Opinion") that such noncompliance will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2015 Refunding Bonds or if the Issuer has received Counsel's Opinion to the effect that compliance with some other requirement set forth in this Article 9 will satisfy the applicable requirements of the Code, in which case compliance with such other requirement specified in such Counsel's Opinion shall constitute compliance with the corresponding requirement specified in this Article 9.

Section 9.2 Use of Proceeds. The Issuer covenants and agrees that its use of the proceeds of the Series 2015 Refunding Bonds will at all times satisfy the following requirements:

a. The Issuer will use all of the Net Proceeds of the Series 2015 Refunding Bonds to (i) refund the remaining $9,285,000 City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding and Capital Improvement Bonds, Series 2005 (Lewisville Castle Hills Public Improvement District No. 2 Project), as set forth in the Approval Certificate, together with accrued interest, (ii) to fund the Interest and Sinking Fund and the Debt Service Reserve Fund, (iii) to pay the costs of the issuance of the Series 2015 Refunding Bonds through the Costs of Issuance Account, and (iv) to pay any organizational, administrative and operational costs as specified herein. The Issuer has limited and will limit the amount of original or investment proceeds of the Series 2015 Refunding Bonds to be used (other than use as a member of the general public) in the trade or business of any Person other than a governmental unit to an amount aggregating no more than ten percent of the Net Proceeds of the Series 2015 Refunding Bonds ("private-use proceeds"). For purposes of this Section, the term "Person" includes any individual, corporation, partnership, unincorporated association, or any other entity capable of carrying on a trade or business; and the term "trade or business" means, with respect to any natural Person, any activity regularly carried on for profit and; with respect to Persons other than natural Persons, any activity other than an activity carried on by a governmental unit.

b. The Issuer has not permitted and will not permit more than five percent (5%) of the Net Proceeds of the Series 2015 Refunding Bonds to be used in the trade or business of any Person other than a governmental unit if such use is unrelated to the governmental purpose of such Series 2015 Refunding Bonds. Further, the amount of private-use proceeds of the Series 2015 Refunding Bonds in excess of five percent (50%) of the Net Proceeds of the Series 2015 Refunding Bonds ("excess private-use proceeds"), did not and will not exceed the proceeds of the Series 2015 Refunding Bonds expended for the governmental purposes of the Series 2015 Refunding Bonds to which such excess private-use proceeds relate.

c. The Issuer has not permitted and will not permit an amount of proceeds of the Series 2015 Refunding Bonds exceeding five percent (5%) of the Net Proceeds of the Series 2015 Refunding Bonds to be used, directly or indirectly, to finance loans to Persons other than governmental units. For purposes of this Section 9.2c, to the extent that any obligations to pay assessments with respect to the Series 2015 Refunding Bonds are treated as "loans" the Issuer covenants that, except as provided in the preceding sentence of this Section 9.2c, each such loan shall be used exclusively to enable the borrower to finance a governmental tax or assessment of general application for a specific essential governmental function, all as provided in Section 141(c)(2)(A) of the Code.

Section 9.3 No Federal Guaranty. The Issuer covenants and agrees not to take any action, or knowingly omit to take any action within its control, that, if taken or omitted, respectively, would cause the Series 2015 Refunding Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code and applicable regulations thereunder, except as permitted by Section 149(b)(3) of the Code and such regulations.

Section 9.4 The Bonds Are Not Hedge Bonds. The Issuer represents that not more than 50 percent of the proceeds of the Series 2015 Refunding Bonds was invested, or is to be invested, in nonpurpose investments (as defined in section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four years or more within the meaning of Section 149(g)(3)(A)(ii) of the Code. Furthermore, the Issuer reasonably expects that at least 85 percent of the spendable proceeds of the Series 2015 Refunding Bonds will be used to carry out the governmental purposes of the Series 2015 Refunding Bonds within the three-year period beginning on the date hereof.

Section 9.5 No-Arbitrage Covenant. The Issuer shall certify through an authorized officer, employee or agent that based upon all facts and estimates known or reasonably expected to be in existence on the date the Series 2015 Refunding Bonds are delivered, the Issuer will reasonably expect that the proceeds of the Series 2015 Refunding Bonds will not be used in a manner that would cause the Series 2015 Refunding Bonds to be "arbitrage bonds" within the meaning of Section 148(a) of the Code and applicable regulations thereunder. Moreover, the Issuer covenants and agrees that it will make such use of the proceeds of the Series 2015 Refunding Bonds including interest or other investment income derived from Series 2015 Refunding Bond proceeds, regulate investments of proceeds of the Series 2015 Refunding Bonds, and take such other and further action as may be required so that the Series 2015 Refunding Bonds will not be "arbitrage bonds" within the meaning of Section 148(a) of the Code and applicable regulations thereunder. Notwithstanding anything herein to the contrary, the

Trustee shall not be liable or responsible for calculation or determination of amounts to be deposited to the Rebate Fund.

Section 9.6 Arbitrage Rebate. There is hereby created with the Trustee a special fund to be known as the "City of Lewisville, Texas Combination Contract Revenue and Special Assessment Series 2015 Refunding Bonds (Lewisville Castle Hills Public Improvement District No. 2 Project) Rebate Fund," into which shall be deposited as directed by the Issuer all interest and earnings from investing Contract Revenues, Special Assessment Revenues, or money in any Fund created hereunder, required to be rebated to the federal government. The Issuer will take all necessary steps to comply with the requirement that certain amounts earned by the Issuer on the investment of the "gross proceeds" of the Series 2015 Refunding Bonds (within the meaning of section 148(f)(6)(B) of the Code), be rebated to the federal government. Specifically, the Issuer will (a) maintain records regarding the investment of the gross proceeds of the Series 2015 Refunding Bonds as may be required to calculate the amount earned on the investment of the gross proceeds of the Series 2015 Refunding Bonds separately from records of amounts on deposit in the funds and accounts of the Issuer allocable to other obligations of the Issuer or monies which do not represent gross proceeds of any obligations of the issuer, (b) calculate at such times as are required by applicable regulations, the amount earned from the investment of the gross proceeds of the Bonds which is required to be rebated to the federal government, and (c) pay, not less often than every 5th anniversary date of the delivery of the Series 2015 Refunding Bonds, or on such other dates as may be permitted by applicable regulations, all amounts required to be rebated to the federal government from monies in the Rebate Fund. Further, the Issuer will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any Person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Series 2015 Refunding Bonds that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or larger loss than would have resulted if the arrangement had been at arms length and had the yield on the issue not been relevant to either parry. The Trustee will have no duty or responsibility with respect to the Rebate Fund or the moneys contained therein except to follow the specific written instructions of the Issuer.

Section 9.7 Information Reporting. The Issuer covenants and agrees to file or cause to be filed with the Secretary of the Treasury, not later than the 15th day of the second calendar month after the close of the calendar quarter in which the Series 2015 Refunding Bonds are issued, an information statement concerning the Series 2015 Refunding Bonds, all under and in accordance with Section 149(e) of the Code and applicable regulations thereunder.

ARTICLE 10 - THE TRUSTEE

Section 10.1 Acceptance of Trust. The Trustee accepts and agrees to execute the respective trusts imposed upon it by this Trust Agreement, but only upon the terms and conditions and subject to the provisions of this Trust Agreement to all of which the parties hereto and the respective Owners of the Series 2015 Refunding Bonds agree.

Section 10.2 Trustee Obligation to Bring Suit. The Trustee shall be under no obligation to institute any suit, or to take any remedial proceeding under this Trust Agreement, or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trust hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction by the Owners against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability; the Trustee may in its sole discretion begin suit, or appear in and defend suit, or do anything else permitted or required by this Trust Agreement to be done by it as such Trustee, without indemnity, and in any such case the Owners shall reimburse the Trustee, as the case may be, for all costs and expenses, outlays and counsel fees and other reasonable disbursements properly incurred in connection therewith. If the Owners shall fail to make such reimbursement, the Trustee may reimburse itself from any monies in its possession under the provisions of this Trust Agreement other than the Rebate Fund and shall be entitled to a preference therefor over any of the Series 2015 Refunding Bonds Outstanding hereunder.

Section 10.3 Trustee Not Responsible for Other Depositories. The Trustee shall not be liable or responsible because of the failure of the Issuer or the Districts or of any of their employees or agents to make any collections or deposits or to perform any act herein required of the Issuer or the Districts or their employees or agents or because of the loss of any monies arising through the insolvency or the act or default or omission of any depository, or Trustee other than itself, in which such monies have been deposited under the provisions of this Trust Agreement. The Trustee shall not be responsible for the application of any of the proceeds of the Series 2015 Refunding Bonds or any other monies deposited with it and paid out, invested, withdrawn or transferred in accordance with the provisions of this Trust Agreement. The Trustee shall not be liable for interest on any Funds which are not invested. The Trustee invests monies only as instructed in writing by the Issuer and shall not be liable for any losses thereon. The immunities and exemptions from liability of the Trustee hereunder extend to its respective directors, officers, employees and agents.

Section 10.4 Compensation of Trustee. The Issuer shall pay to the Trustee, solely from amounts on deposit in the Administrative Expense Fund or Cost of Issuance Account, reasonable compensation for all services performed by it hereunder and also all its reasonable expenses, charges and other disbursements and those of its attorneys, agents and employees incurred in and about the administration and execution of the trusts hereby created and the performance of their powers and duties hereunder. If the Issuer shall fail to make any payment required by this Section, the Trustee may make such payments from any monies in its possession under the provisions of this Trust Agreement except the Rebate Fund and shall be entitled to a preference therefor over any of the Series 2015 Refunding Bonds Outstanding hereunder.

Section 10.5 Trustee May Rely on Certificates. In case at any time it shall be necessary or desirable for the Trustee to make any investigation respecting any fact preparatory to taking or not taking any action or doing or not doing anything as such Trustee, and in any case in which this Trust Agreement provides, for permitting or taking any action, the Trustee may rely upon any certificate required or permitted to be filed with it under the provisions of this Trust Agreement, and any such certificate shall be evidence of such fact to protect it in any action that it may or may not take or in respect of anything it may or may not do, in good faith, by reason of

the supposed existence of such fact. Any request, notice or other instrument from the Issuer to the Trustee shall be deemed to have been signed by the proper party or parties if signed by an Authorized Representative of the Issuer, and the Trustee may accept a certificate signed by the City Secretary of the Issuer as to any ordinance or resolution adopted or any other action taken by the Issuer. Prior to taking any action under this Trust Agreement or the Bond Ordinance, the Trustee may require and rely upon an opinion of counsel with respect thereto.

Section 10.6 Trustee May Own Bonds. Any bank or trust company acting as Trustee under this Trust Agreement, and its directors, officers; employees or agents, may in good faith buy, sell, own, hold and deal in any of the Series 2015 Refunding Bonds issued under and secured by this Trust Agreement and may join in any action which any Owner of the Series 2015 Refunding Bonds may be entitled to take with like effect as if such bank or trust company were not the Trustee under this Trust Agreement.

Section 10.7 Representations of Issuer in Bonds. The recitals, statements and representations contained herein and in the Series 2015 Refunding Bonds (excluding the Trustee's certificate on the Series 2015 Refunding Bonds as Trustee) shall be taken and construed as made by and on the part of the Issuer and not by the Trustee, and the Trustee assumes and shall be under no responsibility for the correctness of the same.

Section 10.8 Trustee Solely Liable for Negligence. In performing its duties under the terms of this Trust Agreement, the Trustee shall be liable only for its own negligence or willful misconduct, and shall incur no liability in acting or proceeding, or in not acting or not proceeding, reasonably and in good faith, upon any resolution, order, notice, request, consent, waiver, certificate, statement, affidavit, requisition, bond or other paper or document which it in good faith believes to be genuine and to have been adopted or signed by the proper board or Person or to have been prepared and furnished pursuant to any of the provisions of this Trust Agreement, or upon the opinion of any attorney, engineer or accountant believed by the Trustee to be qualified in relation to the subject matter.

Section 10.9 Resignation of Trustee. The Trustee may resign and thereby become discharged from the trusts created by notice in writing to be given to the Issuer and mailed to the Owners of the Series 2015 Refunding Bonds not less than sixty (60) days before such resignation is to take effect, but such resignation shall take effect immediately upon the appointment of a new Trustee, if such new Trustee shall be appointed before the time limited by such notice and shall then accept the trusts hereof.

Section 10.10 Removal of Trustee. The Trustee may be removed from office under this Trust Agreement at any time by an instrument or concurrent instruments in writing, signed by the Issuer, approved in writing by District No. 1-D, and filed by the Issuer with the Trustee and a written notice of the replacement of the Trustee shall be mailed by the Issuer to the Owners of the Series 2015 Refunding Bonds.

The Trustee may be removed from office under the Trust Agreement at any time and an entity other than the Trustee may be appointed to replace the Trustee by an instrument or

concurrent instruments in writing filed with the Issuer. A copy of each such instrument shall be delivered promptly by the Issuer to the Trustee.

The Trustee may also be removed at any time for any breach of trust or violation of this Trust Agreement or if the Trustee does not meet the minimum required capital and surplus of at least $500,000,000 set forth in Section 10.11 or such other amount as may be approved by an ordinance duly passed by the Issuer.

No removal, resignation or termination of a Trustee shall take effect until a successor Trustee shall be appointed.

The Trustee shall be entitled to payment of all fees and expenses which have accrued hereunder to and including the date of such removal.

Section 10.11 Replacement of Trustee. If at any time the Trustee shall resign, or shall be removed, be dissolved or otherwise become incapable of acting, or the bank or trust company acting as Trustee shall be taken over by any governmental official, agency, department or board, the position of Trustee shall thereupon be filled by the direction of the Issuer under this Trust Agreement, with the prior written approval of District No. 1-D. The Issuer shall mail a written notice of the replacement of the Trustee to the Owners of the Series 2015 Refunding Bonds.

Any Trustee hereafter appointed shall be a bank or trust company duly organized and doing business under the laws of the United States of America or the State of Texas; authorized under such laws to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and having, at the time of its appointment; a combined capital and surplus aggregating not less than $500,000,000 and must succeed to the duties of Trustee under this Trust Agreement.

Section 10.12 Powers of Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor, and also to the Issuer, an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, shall become fully vested with all the rights, immunities, powers and trusts, and subject to all the duties and obligations, of its predecessor; but such predecessor shall, nevertheless, on the written request of its successor or of the Issuer, and upon payment of the compensation, expenses, charges and other disbursements of such predecessor which are due and payable pursuant to the provisions of this Article, execute and deliver an instrument transferring to such successor Trustee all the rights, immunities, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all property and monies held by it hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such Trustee the rights, immunities, powers and trusts hereby vested or intended to be vested in the predecessor Trustee, any such instrument in writing shall and will, on request, be executed, acknowledged and delivered by the Issuer.

Notwithstanding any of the foregoing provisions of this Article, any bank or trust company having power to perform the duties and execute the trusts of this Trust Agreement and

otherwise qualified to act as Trustee hereunder with or into which the bank or trust company acting as Trustee may be merged or consolidated, or to which the assets and business or to which all, or substantially all, of the corporate trust business, of such bank or trust company may be sold, shall automatically and without further action be deemed the successor of the Trustee.

Section 10.13 Prudent Man. In case any Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Trust Agreement, and use the same degree of care and skill in their exercise, as a reasonably prudent man would exercise or use under the circumstances in the conduct of its own affairs.

Section 10.14 Limited Duties.

a. The Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Trust Agreement and no implied covenants or obligations shall be read into this Trust Agreement against the Trustee.

b. The Trustee shall not be liable for any error of judgment made in good faith by a responsible officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

c. The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of the required percentage specified in this Trust Agreement of the aggregate principal amount of Series 2015 Refunding Bonds then Outstanding relating to the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Trust Agreement.

d. No provision of this Trust Agreement shall require the Trustee to expend or risk its funds or otherwise incur any financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that the repayment of such funds or adequate indemnity against such risk or liability or the payment of its fees and expenses is not reasonably assured to it.

Section 10.15 Certain Rights of Trustee.

a. The Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, approval, bond, debenture, or, other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties and shall not be required to verify the accuracy of any information or calculations required to be included therein or attached thereto.

b. Any request or direction of any Person mentioned therein shall be sufficiently evidenced by a request of such Person; and any resolution of the governing body of any Person may be evidenced to the Trustee by a resolution of such Person.

c. Whenever in the administration of this Trust Agreement the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering, or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon a certificate of an Authorized Representative.

d. The Trustee may consult with counsel and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and, protection in respect of any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

e. The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Trust Agreement at the request or direction of any of the Owners of Series 2015 Refunding Bonds pursuant to the provisions of this Trust Agreement, unless such Owners shall have offered to the Trustee reasonable security or indemnity satisfactory to the Trustee against the costs, expenses, and liabilities which might be incurred by the Trustee in connection with such request or direction and for the payment of the Trustee's fees in connection therewith.

f. The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice request, direction, consent, order, approval, bond, debenture, or other paper or document but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records, and premises of the Issuer, personally or by agent or attorney.

g. The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and shall not be liable for the negligence or misconduct of such Persons appointed by the Trustee with due care hereunder.

h. The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder unless the Trustee shall be specifically notified of such Event of Default in writing by the Issuer or by the Owner of an Outstanding Series 2015 Refunding Bond, and in the absence of such notice the Trustee may conclusively assume that no Event of Default exists; provided, however, that the Trustee shall be required to take and be deemed to have notice of its failure to receive the money necessary to make payment when due of debt service.

i. The Trustee may construe any provision hereof insofar as such may appear to it to be ambiguous or inconsistent with any other provision hereof, and any construction of any such provision by the Trustee shall be binding upon the Owners of the Series 2015 Refunding Bonds and the Issuer.

j. Notwithstanding the effective date of this Trust Agreement or anything to the contrary in this Trust Agreement, the Trustee shall have no liability or responsibility for any act or event relating to this Trust Agreement which occurs prior to the date the Trustee formally executes this Trust Agreement and commences acting as Trustee hereunder.

k. The Trustee has no obligation or liability to the Owners for the payment of interest or premium, if any, or principal of the Series 2015 Refunding Bonds, but rather the Trustee's sole obligations are to administer, for the benefit of the Issuer and the Owners, the funds established hereunder.

l. Except for information provided in writing by the Trustee concerning the Trustee, the Trustee shall have no responsibility with respect to any information in any Official Statement or other disclosure material distributed with respect to the Series 2015 Refunding Bonds. The Trustee shall have no responsibility for compliance with securities laws in connection with the issuance of the Series 2015 Refunding Bonds.

m. The Trustee's immunities and protections from liability and its right to payment of compensation and, to the extent permitted by law, its right to require indemnification in connection with the performance of its duties and obligations under this Trust Agreement, shall survive the Trustee's resignation or removal, or the final payment of the Series 2015 Refunding Bonds.

n. In acting or omitting to act pursuant to this Trust Agreement the Trustee shall be entitled to all of the rights, protections and immunities accorded to the Trustee under the terms of this Trust Agreement.

o. The permissive right of the Trustee to do things enumerated in this Trust Agreement shall not be construed as a duty, and the Trustee shall not be answerable with respect to any such permissive right for other than its negligence or willful misconduct.

p. The Trustee shall not be required to give any bond or surety in respect of the execution of its trust and powers hereunder or otherwise in respect of the premises hereof.

q. The Trustee may intervene on behalf of Owners of the Series 2015 Refunding Bonds in any judicial proceeding to which the Issuer or either District is a party and which, in the reasonable opinion of the Trustee and its counsel, has a substantial bearing on the interests of Owners of the Series 2015 Refunding Bonds and shall do so if requested in writing by at least twenty-five percent (25%) in aggregate principal amount of the Owners of the Series 2015 Refunding Bonds then Outstanding and the indemnity satisfactory to the Trustee required by this Trust Agreement has been provided. The rights and obligations of the Trustee under this Section are subject to the approval of a court of competent jurisdiction.

r. The Trustee shall furnish prior written notice of any name change of the Trustee or the resignation or removal of the Trustee.

Section 10.16 Not Responsible for Recitals or Issuance of Series 2015 Refunding Bonds. The recitals contained herein and in the Series 2015 Refunding Bonds (other than the certificate of authentication of such Series 2015 Refunding Bonds) shall be taken as the statements of the Issuer, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Trust Agreement or of the Series 2015 Refunding Bonds. The Trustee shall not be accountable for the use or application by the Issuer of

any of the Series 2015 Refunding Bonds or of the proceeds of such Series 2015 Refunding Bonds.

Section 10.17 Trustee May Own Bonds. The Trustee or other agent of the Trustee, in its individual capacity or any other capacity, may become the owner or pledgee of Series 2015 Refunding Bonds and may otherwise deal with the Issuer with same rights it would have if it were not Trustee or such other agent.

Section 10.18 Money to Be Held in Trust. All money received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder other than such interest as it expressly agrees to pay.

ARTICLE 11 - AMENDMENTS

Section 11.1 Amendment Without Consent of Owners of Series 2015 Refunding Bonds. This Trust Agreement may be amended, without the consent of any of the Owners, upon direction of, and by the Issuer, together with the Trustee and with the prior written consent of District No. 1-D, for any of the following purposes:

a. to add to the covenants for the benefit of the Owners or to surrender any right or power conferred upon the Issuer;

b. to cure any ambiguity, to correct or supplement any provision which may be inconsistent with any other provision, or to make any other provision, with respect to matters or questions arising with respect to the Series 2015 Refunding Bonds, which shall not be inconsistent with the provisions of this Trust Agreement and applicable law, provided that such action shall not, in the judgment of the Trustee, adversely affect the interests of the Owners of the Series 2015 Refunding Bonds; and

c. to make such additions, deletions, or modifications as may be necessary to provide for compliance with Section 148(f) of the Code relating to the required rebate to the United States or to enable the Issuer to comply with such provision by alternative means selected by the Issuer as may be provided by the Code, or otherwise as may be necessary to assure exclusion from federal income taxation of the interest on the Series 2015 Refunding Bonds.

Section 11.2 Restriction on Amendments. Neither this Trust Agreement nor the Series 2015 Refunding Bonds shall be modified or amended in any respect except as provided in, and in accordance with, and subject to the provisions of this Article. Nothing in this Article shall affect or limit the rights or obligations of the Issuer to pass, make, do, execute, acknowledge or deliver any ordinance; act or other instrument which this Trust Agreement provides to be delivered to the Trustee.

Section 11.3 Amendment of Trust Agreement with Consent of Owners of Series 2015 Refunding Bonds. Except as provided in Section 11.1 and Section 11.2, the Owners of not less

than a majority in aggregate principal amount of the Series 2015 Refunding Bonds then Outstanding shall have the right, at any time and from time to time, to consent to and approve an amendment of this Trust Agreement as shall be deemed desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding any of the terms or provisions contained in this Trust Agreement; provided, however, that nothing in this Article shall permit (a) an extension of the maturity of the Principal Installment of or the interest on any Series 2015 Refunding Bond or any mandatory redemption, or (b) a reduction in the principal amount of any Series 2015 Refunding Bond or a Sinking Fund Payment or the rate of interest on any Bond or a Sinking Fund Payment, or (c) creating a privilege or priority of any Series 2015 Refunding Bond or Bonds over any other Series 2015 Refunding Bond or Bonds, or (d) a reduction in the aggregate principal amount of the Series 2015 Refunding Bonds required for consent to such amendment.

Bonds owned or held by or for the account of or for the benefit of the Issuer shall not be deemed to be Outstanding for the purpose of amending this Trust Agreement.

Copies of any amendments or supplements to this Trust Agreement shall be sent to the rating agencies which have assigned and maintain a rating to the Bonds.

Section 11.4 Notice and Adoption of Amendment. If the Issuer desires to amend this Trust Agreement and obtains the prior written consent of the District, the Trustee shall cause notice to be sent by first class mail to the Registered Owners of the Series 2015 Refunding Bonds and to District No. 1-D. Such notice shall briefly set, forth the nature of the proposed amendment and shall state that copies thereof are on file at the office of the Trustee for inspection by all Owners of Series 2015 Refunding Bonds. Except for amendments under Section 11.1, if within ninety (90) days or such longer period as shall be prescribed by the Issuer following the mailing of such notice, the Owners of not less than a majority in aggregate principal amount of the Series 2015 Refunding Bonds Outstanding shall have consented to the amendment as herein provided, no Owner of any Series 2015 Refunding Bond shall have any right to object to any of the terms and provisions contained therein, or in any manner to question the propriety of the execution thereof, or enjoin or restrain the Issuer from taking any action pursuant to the provisions thereof, and all of the rights of the Owners of Outstanding Series 2015 Refunding Bonds shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such amendments.

Section 11.5 Revocation of Consent. Any consent given by any Owner of a Series 2015 Refunding Bond pursuant to the provisions of this Article shall be irrevocable for a period of six (6) months from the date notice of the amendment was mailed as provided in Section 11.4, and shall be conclusive and binding upon all future Owners of the same Series 2015 Refunding Bond during such period.

Such consent may be revoked at any time after six (6) months from the date the notice was mailed by the Owner who gave such consent or by a successor in title, by filing notice thereof with the Trustee, but such revocation shall not be effective if the Owners of a majority in aggregate principal amount of the Series 2015 Refunding Bonds Outstanding as in this Section defined have, prior to the attempted revocation, consented to and approved the amendment.

Section 11.6 Defeasance. In the event there has been deposited with the Trustee, by way of book-entry delivery or actual deposit, cash or Authorized Investments in an amount sufficient (together with interest earnings thereon) to provide for payment of the whole amount of the principal, premium if any and interest when due and payable upon all of the Series 2015 Refunding Bonds and there has been filed with the Trustee a certificate of an independent certified public accountant to the effect that such deposit will be sufficient to cause the said whole amount to be paid when due until all or a portion the Series 2015 Refunding Bonds have been paid, the Trustee shall assign and transfer to or, upon the order of the Issuer all property (in excess of the amounts required for the foregoing) then held by the Trustee (including all payments under the Amended 2000 Joint Utility Contract and all balances in any fund or account created under this Trust Agreement) and shall execute such documents as may be reasonably required by the Issuer in this regard. In the event of a defeasance contemplated by this section, the escrow agreement shall provide that:

a. Any substitution of securities shall require a verification by a certified public accountant.

b. The Issuer will not exercise any optional redemption of Series 2015 Refunding Bonds secured by the escrow agreement or any other redemption other than mandatory sinking fund redemptions unless (i) the right to make any such redemption has been expressly reserved in the escrow agreement and, if the escrow agreement is incident to a bond refunding, such reservation has been disclosed in the offering materials for the refunding bonds and (ii) as a condition of any such redemption there shall be provided a verification by a certified public accountant as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following such redemption.

c. The Issuer shall not amend the escrow agreement or enter into a forward purchase agreement or other agreement with respect to rights in the escrow.

ARTICLE 12 - PROVISIONS CONCERNING SALE AND APPLICATION OF PROCEEDS OF BONDS

Section 12.1 Sale of the Bonds. Sale of the Series 2015 Refunding Bonds is hereby awarded to Raymond James and Associates, Inc.. pursuant to the terms of the Approval Certificate, subject to the approving opinion as to the legality of the Bonds of the Attorney General of the State of Texas and of Kelly Hart & Hallman LLP, bond counsel.

Section 12.2 Related Matters. To satisfy in a timely manner all of the Issuer's obligations under this Trust Agreement, the Mayor and all other appropriate officers and agents of the Issuer are hereby authorized and directed to take all other actions that are reasonably necessary to provide for the issuance of the Series 2015 Refunding Bonds, including, without limitation, executing and delivering on behalf of the Issuer all certificates, consents, receipts, requests and other documents as may be reasonably necessary to satisfy the Issuer's obligations under this Trust Agreement and the Bond Ordinance and to direct the application of funds of the Issuer consistent with the provisions of such agreements and this Trust Agreement.

Section 12.3 No Personal Liability. No recourse shall be available for payment of the Principal Installment of or interest on any Series 2015 Refunding Bonds or for any claim based thereon, or on this Trust Agreement, against any official or employee of the Issuer, the Trustee, the District or any Person executing any Series 2015 Refunding Bonds.

ARTICLE 13
PROVISIONS RELATING TO BOND INSURANCE

Section 13.1 Provisions Relating to Bond Insurance. In the event of conflict with any provisions of this Agreement, the provisions of this Article 13 shall govern, notwithstanding anything to the contrary set forth in the Agreement.

(a) The prior written consent of the Insurer shall be a condition precedent to the deposit of any credit instrument provided in lieu of a cash deposit into the Debt Service Reserve Fund, if any. Notwithstanding anything to the contrary set forth in this Agreement, amounts on deposit in the Debt Service Reserve Fund shall be applied solely to the payment of debt service due on the Series 2013 Refunding Bonds and the Series 2015 Refunding Bonds and any other Outstanding Assessment Bonds in the pro rata amounts allocated to each series based upon the Outstanding Series 2013 Refunding Bonds and Series 2015 Refunding Bonds or any other Outstanding Assessment Bonds.

(b) The Insurer shall be deemed to be the sole holder of the Insured Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Series 2015 Refunding Bonds insured by it are entitled to take pursuant to this Agreement pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. Remedies granted to the Bondholders shall expressly include mandamus.

(c) The security for the Series 2015 Refunding Bonds includes a pledge under the Amended 2000 Joint Utility Contract as a source of payment for the Series 2015 Refunding Bonds and a default under the Amended 2000 Joint Utility Contract shall constitute an Event of Default under this Agreement.

(d) No grace period for a covenant default shall exceed 30 days or be extended for more than 60 days, without the prior written consent of the Insurer. No grace period shall be permitted for payment defaults.

(e) The Insurer is a third party beneficiary to this Agreement.

(f) Any amendment, supplement, modification to, or waiver of, this Agreement or any other transaction document, including the Amended 2000 Joint Utility Contract (each a "Related Document"), that requires the consent of the Owners of the Series 2015 Refunding Bonds or adversely affects the rights and interests of the Insurer shall be subject to the prior written consent of the Insurer.

(g) The rights granted to the Insurer under this Agreement or any other Related Document to request, consent to or direct any action are rights granted to the Insurer in consideration

of its issuance of the Insurance Policy. Any exercise by the Insurer of such rights is an exercise of the Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Bondholders and such action does not evidence any position of the Insurer, affirmative or negative, as to whether the consent of the Owners of the Series 2015 Refunding Bonds or any other person is required in addition to the consent of the Insurer.

(h) Only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the Insurer, pre-refunded municipal obligations rated "AAA" and "Aaa" by Standard & Poor's and Moody's, respectively, or (5) subject to the prior written consent of the Insurer, securities eligible for "AAA" defeasance under then existing criteria of Standard & Poor's or any combination thereof, shall be used to effect defeasance of the Series 2015 Refunding Bonds unless the Insurer otherwise approves.

To accomplish defeasance, the Issuer shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the Insurer ("Accountant") verifying the sufficiency of the escrow established to pay the Series 2015 Refunding Bonds in full on the maturity or redemption date ("Verification"), (ii) an Escrow Deposit Agreement (which shall be acceptable in form and substance to the Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the Series 2015 Refunding Bonds are no longer "Outstanding" under this Agreement and (iv) a certificate of discharge of the Trustee with respect to the Series 2015 Refunding Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Issuer, Trustee and Insurer. The Insurer shall be provided with final drafts of the above-referenced documentation not less than five (5) business days prior to the funding of the escrow.

Series 2015 Refunding Bonds shall be deemed "Outstanding" under this Agreement unless and until they are in fact paid and retired or the above criteria are met.

(i) Amounts paid by the Insurer under the Insurance Policy shall not be deemed paid for purposes of this Agreement and the Series 2015 Refunding Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Issuer in accordance with this Agreement. This Agreement shall not be discharged unless all amounts due or to become due to the Insurer have been paid in full or duly provided for.

(j) Each of the Issuer and Trustee covenant and agree to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Trust Estate under applicable law.

(k) Claims Upon the Insurance Policy and Payments by and to the Insurer.

If, on the third Business Day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the Trustee, after making all transfers and deposits required under this Agreement, moneys sufficient to pay the principal of and interest on the Series 2015 Refunding Bonds due on such Payment Date, the Trustee shall give notice to the Insurer and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Series 2015 Refunding Bonds due on such Payment Date, the Trustee shall make a claim under the Insurance Policy and give notice to the Insurer and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Series 2015 Refunding Bonds and the amount required to pay principal of the Series 2015 Refunding Bonds, confirmed in writing to the Insurer and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Insurance Policy.

The Trustee shall designate any portion of payment of principal on Series 2015 Refunding Bonds paid by the Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Series 2015 Refunding Bonds registered to the then current Bondholder, whether DTC or its nominee or otherwise, and shall issue a replacement Bond to the Insurer, registered in the name of Assured Guaranty Mutual Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Bond or the subrogation rights of the Insurer.

The Trustee shall keep a complete and accurate record of all funds deposited by the Insurer into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Bond. The Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Bondholders referred to herein as the "Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Insurance Policy in trust on behalf of Bondholders and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Bondholders in the same manner as principal and interest payments are to be made with respect to the Series 2015 Refunding Bonds under the sections hereof regarding payment of Series 2015 Refunding Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay

debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the Issuer agrees to pay to the Insurer a sum equal to the total of all amounts paid by the Insurer under the Insurance Policy (the "Insurer Advances"). Any amounts owed in connection with the Insurance Policy other than the Insurer Advances are subject to annual appropriation and owed to the extent permitted by law. The Issuer hereby covenants and agrees that the Insurer Advances are secured by a lien on and pledge of the Trust Estate and payable from such Trust Estate on a parity with debt service due on the Series 2015 Refunding Bonds.

Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Policy Payments Account following a Bond payment date shall promptly be remitted to the Insurer.

(l) The Insurer shall, to the extent it makes any payment of principal of or interest on the Series 2015 Refunding Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Insurance Policy. Each obligation of the Issuer to the Insurer under the Related Documents shall survive discharge or termination of such Related Documents.

(m) The Issuer shall pay or reimburse the Insurer any and all charges, fees, costs and expenses that the Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in any Related Document; (ii) the pursuit of any remedies under this Agreement or any other Related Document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Agreement or any other Related Document whether or not executed or completed, or (iv) any litigation or other dispute in connection with this Agreement or any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of the Insurer to honor its obligations under the Insurance Policy. The Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Agreement or any other Related Document. All such charges, fees, costs and expenses referenced in this paragraph are subject to annual appropriation and are payable to the extent permitted by law.

(n) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Issuer or rebate only after the payment of past due and current debt service on the Series 2015 Refunding Bonds and amounts required to restore the Debt Service Reserve Fund to the Debt Service Reserve Requirements.

(o) The Insurer shall be entitled to pay principal or interest on the Series 2015 Refunding Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Insurance Policy) in accordance with this Agreement, whether or not the Insurer has received a Notice of Nonpayment (as such terms are defined in the Insurance Policy) or a claim upon the Insurance Policy.

(p) The notice address of the Insurer is: . In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

(q) The Insurer shall be provided with the following information by the Issuer, Obligor or Trustee, as the case may be:

(i) Annual audited financial statements within 150 days after the end of the Obligor's fiscal year (together with a certification of the Obligor that it is not aware of any default or Event of Default under this Agreement or the Amended 2000 Joint Utility Contract), and the Issuer's annual budget within 30 days after the approval thereof together with such other information, data or reports as the Insurer shall reasonably request from time to time;

(ii) Notice of any draw upon the Debt Service Reserve Fund within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Debt Service Reserve Requirements and (ii) withdrawals in connection with a refunding of the Series 2015 Refunding Bonds;

(iii) Notice of any default known to the Trustee, Obligor or Issuer within five Business Days after knowledge thereof;

(iv) Prior notice of the advance refunding or redemption of any of the Series 2015 Refunding Bonds, including the principal amount, maturities and CUSIP numbers thereof;

(v) Notice of the resignation or removal of the Trustee and Bond Registrar and the appointment of, and acceptance of duties by, any successor thereto;

(vi) Notice of the commencement of any proceeding by or against the Issuer or Obligor commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Series 2015 Refunding Bonds;

(viii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Related Documents; and

(ix) All reports, notices and correspondence to be delivered to Bondholders under the terms of the Related Documents.

In addition, to the extent that the Issuer or Obligor has entered into a continuing disclosure agreement, covenant or undertaking with respect to the Series 2015 Refunding Bonds, all information furnished pursuant to such agreements shall also be provided to the Insurer, simultaneously with the furnishing of such information.

(r) The Insurer shall have the right to receive such additional information as it may reasonably request.

(s) The Obligor will permit the Insurer to discuss the affairs, finances and accounts of the Obligor or any information the Insurer may reasonably request regarding the security for the Series 2015 Refunding Bonds with appropriate officers of the Obligor and will use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the Issuer on any business day upon reasonable prior notice.

(t) The Trustee shall notify the Insurer of any failure of the Obligor to provide notices, certificates and other information under the transaction documents.

(u) Notwithstanding satisfaction of the other conditions to the issuance of Additional Bonds set forth in this Agreement, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Debt Service Reserve Fund is fully funded at the Debt Service Reserve Requirements (including the proposed issue) upon the issuance of such Additional Bonds, in either case unless otherwise permitted by the Insurer.

(v) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Agreement would adversely affect the security for the Series 2015 Refunding Bonds or the rights of the Bondholders, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Insurance Policy.

(w) No contract shall be entered into or any action taken by which the rights of the Insurer or security for or sources of payment of the Series 2015 Refunding Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the Insurer.

(x) There shall be delivered an opinion of Bond Counsel addressed to the Insurer (or a reliance letter relating thereto), or a certificate of discharge of the trustee for the Refunded Bonds, to the effect that, upon the making of the required deposit to the escrow, the legal defeasance of the Refunded Bonds shall have occurred.

ARTICLE 14 - CONTINUING DISCLOSURE UNDERTAKING

Section 14.1 Annual Reports. The Issuer shall provide annually to the MSRB through its Electronic Municipal Market Access ("EMMA") system, within six months after the end of each Fiscal Year of the District ending in or after 2015, the annual financial statement of the District and the financial information and operating data of the District of the general type

included in the final Official Statement under the headings "DISTRICT DEBT," "DISTRICT TAX DATA".

Any financial statements to be provided shall be (a) prepared in accordance with the accounting principles currently utilized by the District, as they may be revised from time to time to comply with state law or regulation and (b) audited, if the District commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the Issuer shall provide, or cause to be provided, unaudited financial statements of the District by the required time, and shall provide, or cause to be provided, audited financial statements for the applicable Fiscal Year to the MSRB through EMMA, when and if audit report on such statements become available.

If the District changes its Fiscal Year, the Issuer will notify to the MSRB through EMMA, or cause the MSRB to be notified, of the change (and of the date of the new Fiscal Year end) prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full text or may incorporate by reference certain other publicly available documents, as permitted by Rule15c2-12 of the SEC.

Section 14.2 Disclosure Event Notices. The Issuer shall notify the MSRB through EMMA, in a timely manner (but not in excess of ten (10) business days from the occurrence of the event), of any of the following events with respect to the Series 2015 Refunding Bonds, if such event is material within the meaning of the federal securities laws:

a. Non-payment related defaults;

b. Modifications to rights of Bondholders;

c. Bond calls;

d. Release, substitution, or sale of property securing repayment of the Bonds;

e. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale or all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

f. Appointment of a successor or additional trustee or the change of name of a trustee.

The Issuer shall notify the MSRB through EMMA, in a timely manner (but not in excess of ten (10) business days after the occurrence of the event) of any of the following events with

respect to the Series 2015 Refunding Bonds, without regard to whether such event is considered materialw within the meaning of the federal securities laws:

a. Principal and interest payment delinquencies;

b. Unscheduled draws on debt service reserves reflecting financial difficulties;

c. Unscheduled draws on credit enhancements reflecting financial difficulties;

d. Substitution of credit or liquidity providers, or their failure to perform;

e. Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the bonds, or other events affecting the tax-exempt status of the Bonds;

f. Tender offers;

g. Defeasances;

h. Rating changes; or

i. Bankruptcy, insolvency, receivership or similar event of an obligated person.

The Issuer shall notify the MSRB through EMMA, in a timely manner, of any failure by the Issuer to provide financial information or operating data in accordance with Section 13.1 of this Trust Agreement by the time required by such Section.

Section 14.3 Limitations, Disclaimers and Amendments. The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Series 2015 Refunding Bonds, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Issuer undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Issuer's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The Issuer does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Series 2015 Refunding Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE ISSUER BE LIABLE TO THE OWNER OR BENEFICIAL OWNER OF ANY SERIES 2015 REFUNDING BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT,

FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the Issuer in observing or performing its obligations under this Article shall constitute a breach of or default under this Trust Agreement for purposes of any other provision of this Trust Agreement.

Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the Issuer under federal, state and securities law.

The provisions of this Article may be amended by the Issuer from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Series 2015 Refunding Bonds in the primary offering of the Series 2015 Refunding Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Owners of a majority in aggregate principal amount of Series 2015 Refunding Bonds Outstanding (or any greater amount required by any other provision of this Trust Agreement that authorizes such an amendment) consent to such amendment or (b) a person that is unaffiliated with the Issuer (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Series 2015 Refunding Bonds. If the Issuer so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided, in accordance with Section 14.1 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

Section 14.4 Description of Annual Financial Information.

a. Annual Financial Statements and Operating Data.

The financial information and operating data with respect to the Issuer to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

The portions of the financial statements of the Issuer appended to the Official Statement as Appendix "A", but for the most recently concluded Fiscal Year.

b. Accounting Principles.

The accounting principles referred to in this Article are the accounting principles described in the notes to the financial statements currently utilized by the Issuer, above, as such principles may be changed from time to time to comply with state law or regulation.

Section 14.5 Agreement to Provide Certain Information. The Issuer approves that certain Agreement to Provide Certain Information, attached hereto as Exhibit "C", by which

District 1-D agrees to certain continuing disclosure obligations, and authorizes its President and Secretary to execute and deliver said instrument.

ARTICLE 15 - COLLECTION PROCEDURES AND MISCELLANEOUS PROVISIONS

Section 15.1 Issuer to Pursue Collections. During the term of the Series 2015 Refunding Bonds, the Issuer will implement the procedures for billing and collecting the Special Assessments and Contract Revenues, or engage some other person to perform these duties. In such capacity the Issuer will:

a. prepare and mail in the name of the Issuer, at the time and in the manner required by the provisions of this Trust Agreement, the Assessment Ordinance, and the Act, statements for the collection of all Contract Revenues due under the Amended 2000 Joint Utility Contract and Special Assessments due pursuant to the Assessment Ordinance and any ordinances supplemental hereto levying supplemental assessments or reassessments (collectively, the "Assessment Instruments");

b. prepare and mail statements of delinquent Special Assessments at the time and manner required by the Assessment Instruments referenced in Section 15.1(a) above, the Act, or as may be deemed advisable by the Issuer;

c. receive and collect Special Assessments and the penalties and interest thereon or any proceeds from a judicial sale of assessed property and deposit the same as required by the Assessment Instruments, the Amended 2000 Joint Utility Contract, this Trust Agreement and the Act;

d. engage such attorneys and other consultants as the Issuer deems appropriate to act on its behalf upon such terms and conditions and at the rate the Issuer deems appropriate and to pay for same from monies in the Administrative Expense Fund;

e. bring legal actions in the name of the Issuer to collect delinquent Special Assessments and to proceed to sell any assessed property in a judicial foreclosure proceeding, if applicable;

f. do any and all further acts as the Issuer deems desirable to protect the interest of the Owners of the Series 2015 Refunding Bonds and/or collect the Special Assessments.

Section 15.2 Foreclosure Covenant. The Issuer hereby covenants with and for the benefit of the Owners that it will determine or cause to be determined, no later than June 1 of each year, whether or not any installment or installments of Special Assessments due and billed are delinquent and, if such delinquencies exist, the Issuer will order and cause to be commenced, on or before June 1 or immediately thereafter, and thereafter diligently prosecute an action in district court to foreclose the lien for the amount of any delinquent installment or installments of Special Assessments; provided, however, that the Issuer shall not be required to order the commencement of foreclosure proceedings if the total of such delinquencies for such Fiscal Year is less than five percent (5%) of the total of the Special Assessment installments posted to the

Assessment Roll for such Fiscal Year. Notwithstanding the foregoing, if the Issuer determines that there is a delinquent Special Assessment installment on any single property in excess of one hundred thousand dollars ($100,000), then it will diligently institute, prosecute and pursue foreclosure proceedings against such property.

To the extent it may legally do so, and taking into account the prior liens on assessed land for ad valorem taxes, the Issuer covenants that property will not be sold in a judicial foreclosure for less than the amount of a delinquent Special Assessment installment due on the property, including delinquent penalties, interest, and attorney fees, without the consent of the Owners of a majority in principal amount of the Series 2015 Refunding Bonds Outstanding. Any sale of property for nonpayment of an installment or installments of a Special Assessment shall be subject to the lien established for the remaining unpaid installments of the Special Assessment against such property and such property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the nondelinquent installments of Special Assessment against such property as they become due and payable pursuant to the terms of the Assessment Ordinance and this Trust Agreement.

Section 15.3 Issuer Covenants Concerning Billing and Collection of Contract Revenues and Special Assessments. The Issuer agrees to take the following action concerning collection of Contract Revenues and Special Assessments:

a. approve annual Contract Revenues and Special Assessment bills promptly;

b. approve and implement collection procedures in a timely manner;

c. promptly engage attorneys and consultants to assist in the billing and collection of Contract Revenues and Special Assessments; and

d. authorize and pursue foreclosure proceedings on property liable for delinquent Special Assessments, where applicable.

Section 15.4 Further Assurances. The Issuer will adopt, make, execute and deliver any and all such further ordinances, resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Trust Agreement, to aid in collection efforts, and for the better assuring and confirming to the Owners of the Series 2015 Refunding Bonds the rights and benefits provided by this Trust Agreement.

Section 15.5 Punctual Payment. The Issuer covenants that it will duly and punctually pay or cause to be paid the Principal Installments of and interest on every Series 2015 Refunding Bond at maturity or earlier scheduled mandatory redemption date, together with the premium thereon, if any, on the date, at the place and in the manner mentioned in the Series 2015 Refunding Bonds and in accordance with this Trust Agreement to the extent Contract Revenues and Special Assessments are available therefor, and that the payments into the various Funds created hereunder will be made, all in strict conformity with the terms of the Series 2015 Refunding Bonds and this Trust Agreement, and that it will faithfully observe and perform all of the conditions, covenants and requirements of this Trust Agreement and all ordinances

supplemental hereto and of the Series 2015 Refunding Bonds issued hereunder, and that time of such payment and performance is of the essence of the Issuer's contract with the Owners of the Series 2015 Refunding Bonds.

Section 15.6 Reassessments. If any Special Assessment heretofore or hereafter issued is void or unenforceable, for any cause, or if the Issuer made a mistake in a Special Assessment relating to the cost of an authorized improvement or a Special Assessment is deemed excessive under Section 372.020 of the Act, then a supplemental assessment or reassessment shall be made in the manner as provided by Sections 372.019 and 372.020 of the Act.

Section 15.7 Contract With Owners of Series 2015 Refunding Bonds. The provisions of this Trust Agreement, the Bond Ordinance and of any other ordinance supplementing or amending the Bond Ordinance shall constitute a contract between the Issuer and the Owners of the Series 2015 Refunding Bonds and such provisions shall be enforceable by any Owner of Series 2015 Refunding Bonds for the equal benefit and protection of all Owners of Series 2015 Refunding Bonds similarly situated by mandamus, accounting, mandatory injunction or any other suit, action or proceeding at law or in equity that is now or may hereafter be authorized under the laws of the State of Texas in any court of competent jurisdiction. Said contract is made under and is to be construed in accordance with the laws of the State of Texas.

No remedy conferred hereby upon any Owner of Series 2015 Refunding Bonds is intended to be exclusive of any other remedy, but each such remedy is cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred by law. No waiver of any default or breach of duty or contract by any Owner of Series 2015 Refunding Bonds shall affect any subsequent default or breach of duty or contract or shall impair any right or remedies on said subsequent default or breach. No delay or omission of any Owners of Series 2015 Refunding Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed as a waiver of any default or acquiescence therein. Every substantive right and every remedy conferred upon the Owners of Series 2015 Refunding Bonds may be enforced and exercised as often as may be deemed expedient and if any suit, action or proceeding to enforce any right or exercise any remedy shall be brought or taken and should said suit, action or proceeding be abandoned, or be determined adversely to the Owners of Series 2015 Refunding Bonds, then, and in every such case, the Issuer and the Owners of Series 2015 Refunding Bonds shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken. Acceleration of payments due under the terms of the Bond Ordinance or Trust Agreement is not an available remedy of either the Issuer or the Owners of the Series 2015 Refunding Bonds.

Section 15.8 No Obligation to Cure Deficiency. Notwithstanding any provision of this Trust Agreement to the contrary, or which may be read to obligate the Issuer or its funds outside of the funds held under this Trust Agreement, the Issuer has not obligated itself, and the Governing Body determined and declared that the Issuer will not obligate itself, to advance available funds from the treasury of the Issuer to cure any deficiency which may occur in any fund created under this Trust Agreement or to pay any other cost associated with the Series 2015 Refunding Bonds not covered by amounts on deposit in the Funds established by the Bond Ordinance and this Trust Agreement.

Section 15.9 Severability. If any Section, paragraph, clause or provision of this Trust Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Trust Agreement.

Section 15.10 Notification to Standard & Poor's. The Trustee shall provide written notice to Standard & Poor's within five (5) business days of receipt of actual or written notice of any of the following events:

a. Redemption or remarketing of the Series 2015 Refunding Bonds; or
b. Changes, revisions or amendments to this Trust Agreement or any exhibits hereto.

Notice shall be transmitted to Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, 55 Water Street, New York, New York 10041, Attn: Public Finance Structured Group (Surveillance).

Section 15.11 Perfection of Security Interest. Chapter 1208, Texas Government Code, as amended, applies to the issuance of the Series 2015 Refunding Bonds and the pledge of the Contract Revenues and Special Assessments granted by the Issuer under Section 2 of the Bond Ordinance and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Series 2015 Refunding Bonds are outstanding and unpaid such that the pledge of the Contract Revenues and Special Assessments granted by the Issuer under Section 2 of the Bond Ordinance is subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Series 2015 Refunding Bonds the perfection of the security interest in said pledge, the Issuer agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code, and enable a filing to perfect the security interest in said pledge to occur.

ARTICLE 16 - SATISFACTION AND DISCHARGE OF TRUST AGREEMENT

Section 16.1 Satisfaction and Discharge of Trust Agreement. At the cost of District No. 1-D, the Trustee shall cancel and discharge the lien of this Trust Agreement and release, assign and deliver unto the Issuer any and all of the estate, right, title and interest in and to any and all rights assigned to the Trustee or otherwise subject to the lien of this Trust Agreement on the ninety-fifth (95th) day following the irrevocable transfer by the Issuer to the Trustee of funds in an amount sufficient to pay to the Owners the principal, premium, if any, and interest due on the Series 2015 Refunding Bonds, in each case at the times and in the manner stipulated in this Trust Agreement (hereinafter referred to as the "Final Date"); provided, however, that the Issuer shall not then be in default in any of its other covenants and promises under this Trust Agreement, and shall pay or cause to be paid to the Trustee all other sums of money due or to become due according to the provisions hereof.

Anything contained in this Trust Agreement to the contrary notwithstanding, this Trust Agreement shall not cease, terminate, or be void and shall remain in effect until the Trustee has received written certification by the Issuer that:

a. no petition for relief under the Federal Bankruptcy Code is filed by or against the Issuer within ninety-one (91) calendar days after the date of satisfaction and discharge of the Trust Agreement; or

b. such a petition is filed within such ninety-one (91) day period but thereafter (i) a final and non-appealable order is entered by a court of competent jurisdiction holding that, after taking into consideration the provisions of Section 547 and Section 549 of the Federal Bankruptcy Code, the Owners of the Series 2015 Refunding Bonds (or the Trustee on their behalf) may retain such final payment thereon, or (ii) the Trustee receives funds sufficient to reimburse the Owners for any amounts of principal, premium and interest they are forced to repay, because of the filing of such petition or (iii) all applicable statutes of limitation relating to Section 547 and Section 549 of the Federal Bankruptcy Code have expired without any suit or other proceeding to recover such payment under Section 547 and Section 549 of the Federal Bankruptcy Code having been filed.

Section 16.2 Payment of the Series 2015 Refunding Bonds.

a. Subject to the further provisions of this Article 16, any Series 2015 Refunding Bond shall be deemed to be paid or defeased for all purposes of this Trust Agreement when:

i. payment of the principal of and the applicable redemption premium, if any, on such Series 2015 Refunding Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in this Trust Agreement, or otherwise), either (1) shall have been made or caused to be made in accordance with the terms thereof, or (2) shall have been provided in the manner set forth in Article 16 hereof; and

ii. all necessary and proper fees, compensation, and expenses of the Trustee pertaining to the Series 2015 Refunding Bonds shall have been paid or the payment thereof provided for to the satisfaction of it.

b. At such time as a Series 2015 Refunding Bond shall be deemed to be paid hereunder, it shall no longer be secured by or entitled to the benefits of this Trust Agreement, except to the extent that such Series 2015 Refunding Bond shall be entitled to payment from funds or investments, which meet the requirements of Section 1207.062, Texas Government Code, irrevocably set aside by the Trustee for such payment pursuant to this Trust Agreement.

c. Notwithstanding the foregoing, no deposit pursuant to this Article 16 shall be deemed a payment of such Series 2015 Refunding Bond as aforesaid:

i. unless the Trustee shall have received an opinion of nationally recognized bond counsel to the effect that such use of such deposit will not adversely affect any exemption from federal income taxation of the interest on the then Outstanding Series 2015 Refunding Bonds; and

ii. until the earlier of (1) (a) proper notice of such redemption of such Series 2015 Refunding Bonds being given in accordance with this Trust Agreement or (b) in the event said Series 2015 Refunding Bond is not by its terms subject to redemption within the next succeeding sixty (60) calendar days, irrevocable instructions being given to the Trustee by the Issuer (in form satisfactory to the Trustee) to notify, as soon as practicable, the Owners of all Outstanding Series 2015 Refunding Bonds that the deposit pursuant to this Article 15 hereof has been made with the Trustee and that such Series 2015 Refunding Bonds are deemed to have been paid in accordance with this Article and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, on said Series 2015 Refunding Bond; or (2) the maturity of such Series 2015 Refunding Bond.

Section 16.3 Governing Law. This Trust Agreement and the Series 2015 Refunding Bonds issued pursuant thereto shall be governed by the laws of the State of Texas.

Section 16.4 Negative Pledge. The Issuer may not create any liens on any of the Trust Estate, except liens created by this Trust Agreement.

[From here to end of page intentionally left blank.]

EXECUTED as of the ___ day of _____, 2015.

CITY OF LEWISVILLE ("Issuer")

By:_____
Name: Dean Ueckert
Title: Mayor

ATTEST:

By:_____
Name:_____
Title: City Secretary

WILMINGTON TRUST,
NATIONAL ASSOCIATION
Dallas, Texas ('Trustee")

By:_____
Name:_____
Title: Vice President

EXHIBIT "A"

AMENDED 2000 JOINT UTILITY CONTRACT

EXHIBIT "B"
(FORM OF) REQUISITION REQUESTING DISBURSEMENT

In accordance with the terms of that certain Trust Agreement dated as of _____, 2015, by and among the City of Lewisville, Texas (the "Issuer"), and Wilmington Trust. National Association, Dallas, Texas (the "Trustee"), relating to the $8,730,000 City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project), the "Series 2015 Refunding Bonds" of the Issuer, the Issuer and Denton County Fresh Water Supply District No. 1-D ("District No. 1-D") hereby requests a disbursement from the Administrative Expense Fund for certain costs relating to the sale and issuance of the Series 2015 Refunding Bonds pursuant to said Trust Agreement for Authorized Expenditures. The Issuer and District No. 1-D hereby represent and warrant for all purposes that:

1. The amount to be disbursed is $_____.

2. Payments for the purposes and in the amounts set forth below, are to be made to the respective payees:

Payee	Amount	Purpose

3. The amount to be disbursed constitutes costs relating to the sale and issuance of the Series 2015 Refunding Bonds, or other administrative costs related to such issue and that said amount was necessarily incurred; and said amount is not being paid in advance of time, if any, fixed for such payment.

4. If applicable to each such disbursement, the work relating to such expenditures has been completed.

5. No amount set forth in this Requisition was included in any Requisition Requesting Disbursement previously filed with the Trustee for which payment was actually made by the Trustee.

Wire or disburse payment as set forth in the attached Closing Statement, if no wiring instructions are provided or this payment is an additional administrative expense other than closing costs, then please forward by mail or wire pursuant to the following instructions:

_____

_____

_____

Approved on the _____ day of _____, _____ .

CITY OF LEWISVILLE, TEXAS

By:_____
Brenda Martin, Finance Director

DENTON COUNTY FRESH WATER SUPPLY
DISTRICT NO. 1-D

By:_____
President or General Manager

EXHIBIT "C"

AGREEMENT TO PROVIDE CERTAIN INFORMATION

EXHIBIT “D”
INITIAL BOND

EXHIBIT "E"
FORM OF BOND

AGREEMENT TO PROVIDE CERTAIN INFORMATION

This Agreement is entered into as of the __ day of _____, 2015 by and between the City of Lewisville, Texas, a home rule city duly organized and operating under Article XI, Section 5 of the Constitution of the State of Texas (the "City" or the "Issuer") and Denton County Fresh Water Supply District No. 1-D, a political subdivision of the State of Texas (the "District").

RECITALS

WHEREAS, the City is in the process of issuing its $8,730,000 Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (the "Series 2015 Refunding Bonds"), pursuant to an Ordinance of the City authorizing the issuance of the Series 2015 Refunding Bonds and a related Approval Certificate (the "Bond Ordinance"), the proceeds of which will be used to pay the costs of refunding a portion of its Combination Contract Revenue and Special Assessment Capital Improvement and Refunding Bonds, Series 2002 (the "Refunded Bonds") and pay all costs of issuance pertaining to the Series 2015 Refunding Bonds;

WHEREAS, the District has agreed to provide certain information to the City pursuant to the terms set forth below in order to facilitate compliance by the City with Rule 15c2-12 (the "Rule") of the Securities and Exchange Commission (the "SEC");

WHEREAS, capitalized terms used herein shall, unless otherwise designated herein, have the meanings assigned to such terms in the Trust Agreement;

NOW, THEREFORE, in order to enable the City to sell the Series 2015 Refunding Bonds to fund the acquisition of the project described above, the City and the District contract, covenant and agree as follows:

AGREEMENT

Section 1. Annual Information. As required by the Trust Agreement, the Issuer has agreed to provide to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access ("EMMA") system, within six (6) months after the end of each Fiscal Year of the District ending in or after 2015, the annual financial statement of the District and the financial information and operating data of the with respect to the District of the general type included in the final Official Statement under the headings "DISTRICT DEBT" and "DISTRICT TAX DATA".

Any financial statements to be provided shall be (a) prepared in accordance with the accounting principles currently utilized by the District, as they may be revised from time to time to comply with state law or regulation and (b) audited, if the District commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the Issuer shall provide, or cause to be provided, unaudited financial statements of the District by the

required time, and shall provide, or cause to be provided, audited financial statements for the applicable Fiscal Year to the MSRB through EMMA, when and if audit reports or such statements become available.

If the District changes its Fiscal Year, the Issuer will notify the MSRB through EMMA, or cause the MSRB to be notified, of the change (and of the date of the new Fiscal Year end) prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full text or may incorporate by reference certain other publicly available documents, as permitted by Rule15c2-12 of the SEC.

Section 2. Disclosure Event Notices. The Issuer shall notify the MSRB, in a timely manner not in excess of ten Business Days after the occurrence of the event, of any of the following events with respect to the Series 2015 Refunding Bonds:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Series 2015 Refunding Bonds, or other events affecting the tax-exempt status of the Series 2015 Refunding Bonds;
7. Modifications to rights of holders of the Series 2015 Refunding Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12 Bankruptcy, insolvency, receivership or other similar event of the Issuer;
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. Appointment of a successor Paying Agent/Registrar or change in the name of the Paying Agent/Registrar, if material.

As used in clause 12 above, the phrase "bankruptcy, insolvency, receivership or similar event" means the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding

under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets of the Issuer, or if jurisdiction has been assumed by leaving the City Council and officials and officers of the Issuer in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer. The Issuer shall notify the MSRB, in a timely manner, of any failure by the Issuer to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such subsection.

Section 3. Accuracy and Completeness. The District warrants that all information provided by it to the City pursuant to this Agreement will be accurate in all material respects to the best of its knowledge and belief. The District will provide the City with such information as the City may reasonably request to confirm the accuracy and completeness of any information provided by the District pursuant to this Agreement. If the City thereafter has reasonable grounds to question the completeness or accuracy of such information, the District will afford the City and its attorneys and agents, at the expense of the City, reasonable access to any and all records, documents, contracts, and other information which is in the custody or control of the District to confirm such accuracy and completeness. The City and its attorneys and agents shall maintain the confidentiality of all such information, unless required to be provided by the City to MSRB and except as otherwise provided by law.

Section 4. Severability. The provisions of this Agreement are severable, and if any provision or part of this Agreement or the application thereof to any person or circumstance shall ever be held by any court of competent jurisdiction to be invalid or unconstitutional for any reason, the remainder of this Agreement and the application of such provision or part of this Agreement to other persons or circumstances shall not be affected thereby.

Section 5. Modification . This Agreement shall be subject to change or modification only with the mutual written consent of the City and the District.

Section 6. Assignability. This Agreement shall not be assignable by the District without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld.

Section 7. Notice. All notices shall be in writing. All notices shall be deemed to be received three (3) days after deposit in the United States mail. All notices shall be delivered to the following addresses and contact persons:

To the City: City of Lewisville
151 W. Church Street

Lewisville, Texas 75057
Attn: City Manager

To the District: Denton County Fresh Water Supply District No. 1-D
201 Main Street, Suite 2500
Fort Worth, Texas 76102
Attn: Ross Martin

Any party may designate a different address or contact person by giving the other party ten (10) days written notice in the manner described above.

Section 8. Limitations, Disclaimers and Amendments.

a) The City and the District shall be obligated to observe and perform the covenants specified in this Agreement for so long as, but only for so long as, the City and the District each remains a party to the Amended 2000 Joint Utility Contract and any of the Bonds issued under the terms of such Contract remain outstanding, provided that the City and the District in any event will give notice of any payment or deposit of funds by either of such parties that causes the Bonds to be retired or defeased.

b) The provisions of this Agreement are for the sole benefit of the Holders of the Series 2015 Refunding Bonds, and nothing in this Agreement, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City and the District undertake to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Agreement and do not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's or the District's financial results, condition, or prospects or hereby undertake any information provided in accordance with this Agreement or otherwise, except as expressly provided herein. Neither the City nor the District make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Series 2015 Refunding Bonds at any future date.

c) Under no circumstances shall the City or the District be liable to the Holder or beneficial owner of any Series 2015 Refunding Bond or any other person, in contract or tort, for damages resulting in whole or in part from any breach by the City, whether negligent or without fault on its part, of any covenant specified in this Agreement, but every right and remedy of any such person, in contract or tort, for or on account of any such breach shall be limited to an action for mandamus or specific performance.

d) No default by the City or the District in observing or performing its obligations under this Agreement shall comprise a breach of or default under the Bond Ordinance, Trust Agreement or any contract relating thereto, for purposes of any other provisions of this Agreement.

e) Nothing in this Agreement is intended or shall act to disclaim, waive, or otherwise limit the duties of the City or the District under federal and state securities laws.

f) The provisions of this Agreement may be amended by the City and the District (subject to Section 5) from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type

of operations of the City or the District, only if (1) the provisions of this Agreement, as so amended, would have permitted an underwriter to purchase or sell Series 2015 Refunding Bonds in the primary offering of the Series 2015 Refunding Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by provisions of the Bond Ordinance that authorizes such an amendment) of the outstanding Series 2015 Refunding Bonds consent to such amendment or (b) a person that is unaffiliated with the City or the District (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Series 2015 Refunding Bonds. If the provisions of this Agreement are so amended, the City shall include with any amended financial information or operating data next provided in accordance with Section 13.2 of the Trust Agreement an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

Section 9. Remedies. In the event the District fails or refuses to provide the information required by Sections 1 or 2 hereof, the City may enforce its rights hereunder by an action for mandamus or specific performance; provided, however, before enforcing such remedies, the City shall give the District notice as provided herein and a reasonable opportunity to provide the requested information.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple copies, each of equal dignity, as of the date and year set forth on the first page hereof.

CITY OF LEWISVILLE, TEXAS

By:_____
Name: Donna Barron
Title: City Manager

ATTEST:

By:_____
Name: Julie Henize
Title: City Secretary

(CITY SEAL)

APPROVED AS TO FORM AND LEGALITY:

By:_____
Name:_____
Title: _____

DENTON COUNTY FRESH WATER SUPPLY DISTRICT NO. 1-D

By:_____
Name:_____
Title:_____

ATTEST:

By: _____
Name:_____
Title:_____

(DISTRICT SEAL)

United States of America
State of Texas

NUMBER I-1 DATE OF BONDS:
DENOMINATION: $8,730,000 _____, 2015

CITY OF LEWISVILLE, TEXAS
COMBINATION CONTRACT REVENUE
AND SPECIAL ASSESSMENT REFUNDING BONDS
SERIES 2015
(LEWISVILLE CASTLE HILLS PUBLIC IMPROVEMENT DISTRICT NO. 2 PROJECT)

MATURITY DATES	PRINCIPAL AMOUNT	INTEREST RATE	MATURITY DATES	PRINCIPAL AMOUNT	INTEREST RATE
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]

REGISTERED OWNER: CEDE & CO.
PRINCIPAL AMOUNT: EIGHT MILLION, SEVEN HUNDRED THIRTY THOUSAND AND NO/100 DOLLARS ($8,730,000)

THE CITY OF LEWISVILLE, TEXAS (the "Issuer") for value received, promises to pay, but solely from sources hereinafter described, to the registered owner identified above or registered assigns, on the dates specified above, unless redeemed prior thereto as hereinafter provided, upon presentation and surrender of this Series 2015 Refunding Bond to Wilmington Trust, National Association, Dallas, Texas (the "Trustee" under that certain Trust Agreement dated as of _____, 2015, at its principal corporate trust office in Dallas, Texas, the principal installments identified above, in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due the United States of America, and to pay interest thereon at the rates shown above, calculated on the basis of a 360-day year of twelve 30-day months, from the later of the Date of Closing (as defined in the Trust Agreement), or the most recent interest payment date to which interest has been paid or duly provided for. Interest on this Series 2015 Refunding Bond is payable by check on September 1, 2015 and each March 1 and September 1 (each an "Interest Payment Date") thereafter until maturity, mailed to the registered owner of record as shown on the books of registration kept by the Trustee as of the 15th calendar day of the month next preceding each Interest Payment Date.

THE PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, AND INTEREST ON THIS SERIES 2015 REFUNDING BOND IS PAYABLE FROM AND SECURED BY A LIEN

ON AND PLEDGE OF THE SPECIAL ASSESSMENT REVENUES, AS DEFINED IN THAT CERTAIN TRUST AGREEMENT (THE "2015 TRUST AGREEMENT") BY AND BETWEEN THE ISSUER AND WILMINGTON TRUST, NATIONAL ASSOCIATION, DALLAS, TEXAS DATED AS OF _____, 2015 AND THE CONTRACT REVENUES (AS DEFINED IN THE 2015 TRUST AGREEMENT) AND CAPITALIZED TERMS NOT OTHERWISE DEFINED HEREIN HAVE THE SAME MEANING AS IN THE 2015 TRUST AGREEMENT,. THE ISSUER HAS ADOPTED AN ORDINANCE LEVYING ANNUAL SPECIAL ASSESSMENTS AGAINST EACH ELIGIBLE PARCEL OF LAND WITHIN THE BOUNDARIES OF THE LEWISVILLE CASTLE HILLS PUBLIC IMPROVEMENT DISTRICT NO. 2, AND PROVIDING THAT SUCH SPECIAL ASSESSMENTS, TOGETHER WITH THE CONTRACT REVENUES RECEIVED UNDER THE AMENDED 2000 JOINT UTILITY CONTRACT BE PAID IN PERIODIC INSTALLMENTS IN AMOUNTS SUFFICIENT TO PAY THE DEBT SERVICE REQUIREMENTS ON THE SERIES 2015 REFUNDING BONDS. THE SPECIAL ASSESSMENTS, TOGETHER WITH INTEREST, PENALTIES AND EXPENSE OF COLLECTION AND REASONABLE ATTORNEYS FEES, ARE A FIRST AND PRIOR LIEN AGAINST THE PROPERTY ASSESSED, SUPERIOR TO ALL OTHER LIENS AND CLAIMS, EXCEPT LIENS OR CLAIMS FOR AD VALOREM TAXES. REFERENCE IS MADE TO THE 2015 TRUST AGREEMENT AND 2000 AMENDED JOINT UTILITY CONTRACT FOR A MORE COMPLETE DESCRIPTION OF THE FUNDS CHARGED WITH AND PLEDGED TO THE PAYMENT OF THIS SERIES 2015 REFUNDING BOND, AND THE SERIES OF WHICH IT IS A PART.

UNDER THE 2000 AMENDED JOINT UTILITY CONTRACT, the Issuer agreed to finance the acquisition, construction and utilization of Authorized Improvements for the benefit of the Issuer in that portion of the territory and extra-territorial jurisdiction of the Issuer located within the boundaries of Denton County Fresh Water Supply District No. 1-A ("District No. 1-A") and Denton County Fresh Water Supply District No. 1-D ("District No. 1-D") and District No. 1-D agreed to levy, assess and collect an ad valorem tax unlimited as to rate or amount, on all taxable property within the boundaries of District No. 1-D in an amount necessary to pay the principal of, redemption premium, if any, and interest on the Series 2015 Refunding Bonds, to establish and maintain any funds required by the 2015 Trust Agreement and to pay certain fees and expenses incurred in connection with the issuance of the Series 2015 Refunding Bonds. District No. 1-D's obligation to make the Contract Payments is an unconditional obligation of District No. 1-D until the payment or provision for payment of the entire principal of, redemption premium, if any, and interest on the Series 2015 Refunding Bonds.

THE OBLIGATION TO MAKE CONTRACT PAYMENTS is a general obligation of District No. 1-D, authorized by an election held within and for District No. 1-E on August 12, 2000, pursuant to the 2000 Amended Joint Utility Contract and in accordance with the provisions of Chapters 49 and 51, of the Texas Water Code, as amended. The Issuer and the Trustee have the right to demand payment of the Contract Payments from taxation by District No. 1-D. District No. 1-D has agreed to make each such Contract Payments to the Trustee for deposit into the Interest and Sinking Account created for the benefit of the Series 2015 Refunding Bonds, in aggregate amounts sufficient to pay and redeem, and provide for the payment and redemption of the principal of, premium, if any, and interest on this Series 2015 Refunding Bond, and the other Series 2015 Refunding Bonds of the Series of which it is a part,

and to pay all other amounts required by the 2000 Amended Joint Utility Contract and the 2015 Trust Agreement when due, subject to and as required by the provisions of the 2000 Amended Joint Utility Contract and the 2015 Trust Agreement.

FOR THE FAITHFUL PERFORMANCE of all covenants, recitals and stipulations set forth in the 2000 Amended Joint Utility Contract, including especially those with reference to the proper application of tax proceeds for the payment of the principal of, premium, if any, and interest on the Series 2015 Refunding Bonds, promptly when due, the full faith, credit and resources of District No. 1-D have been irrevocably pledged.

All of the bonds referred in the above-referenced paragraph may be payable from Special Assessment Revenues and payable from Contract Payments in accordance with the 2000 Amended Joint Utility Contract. The Issuer also reserves the right to issue certain revenue bonds payable solely from the revenue derived from contracts with other entities.

THIS SERIES 2015 REFUNDING BOND IS NOT A GENERAL OBLIGATION OF THE ISSUER, DOES NOT GIVE RISE TO A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE ISSUER, AND IS NOT PAYABLE FROM ANY SOURCE EXCEPT SPECIAL ASSESSMENT REVENUES AND CONTRACT REVENUES AS PROVIDED HEREUNDER AND IN ACCORDANCE WITH THE 2000 AMENDED JOINT UTILITY CONTRACT AND CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED, (THE "ACT"). THE OWNER OF THIS SERIES 2015 REFUNDING BOND SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT OF THIS OBLIGATION OUT OF ANY FUNDS OF THE ISSUER OTHER THAN THE CONTRACT REVENUES AND THE SPECIAL ASSESSMENT REVENUES AND THE ISSUER SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO PAY THIS OBLIGATION FROM ANY MUNICIPAL FUNDS OTHER THAN CONTRACT REVENUES AND SPECIAL ASSESSMENT REVENUES.

THIS SERIES 2015 REFUNDING BOND IS ONE OF A DULY AUTHORIZED ISSUE OF BONDS dated _____, 2015 aggregating $8,730,000 Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project), issued pursuant to an ordinance (the "Bond Ordinance") adopted by the governing body of the Issuer and related Approval Certificate, to pay the costs of refunding a portion of the $10,350,000 City of Lewisville, Texas, Combination Contract Revenue and Special Assessment Capital Improvement Bonds, Series 2005 (Lewisville Castle Hills Public Improvement District No. 3 Project) and to pay costs related to the issuance of the Series 2015 Refunding Bonds as authorized by the laws of the State of Texas, including, but not limited to, the Act and Chapters 49 and 51 of the Texas Water Code, as amended.

THIS SERIES 2015 REFUNDING BOND AND THE SERIES OF WHICH IT IS A PART are special obligations of the Issuer and are payable as to both principal and interest solely from and equally secured by a lien on and pledge of the sources described above. Reference is hereby made to the 2015 Trust Agreement for a more complete statement of the covenants and provisions securing the payment of this Series 2015 Refunding Bond and the

series of which it is a part.

THIS SERIES 2015 REFUNDING BOND is transferable only upon presentation and surrender at the principal corporate trust office of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, subject to the terms and conditions of the Bond Ordinance and 2004 Trust Agreement.

NOTWITHSTANDING THE FOREGOING, if this Series 2015 Refunding Bond is registered in the name of a Securities Depository, as defined in the 2015 Trust Agreement, this Series 2015 Refunding Bond may not be so transferred, except as provided in the 2015 Trust Agreement to an alternate nominee thereof, or to a successor Securities Depository or a nominee thereof.

FROM AND AFTER SEPTEMBER 1, 2020, THE SERIES 2015 REFUNDING BONDS maturing on or after September 1, 2021 are subject to redemption in whole or in part prior to maturity at the option of the Issuer on any Interest Payment Date at a redemption price equal to the 100% of the principal amount of the Series 2015 Refunding Bonds, together with interest accrued to the date of the redemption.

THE SERIES 2015 REFUNDING BONDS are to be redeemed, in whole or in part, prior to maturity from and after September 1, 2020, on a pro rata basis with the Remaining Outstanding Assessment Bonds (as defined in the 2015 Trust Agreement) from prepayments of Contract Payments or Special Assessments, as provided in the 2015 Trust Agreement at the redemption prices set forth above plus accrued interest to the date of redemption.

[THE SERIES 2015 REFUNDING BONDS are also subject to mandatory redemption by lot prior to their maturity as provided in the 2015 Trust Agreement at a redemption price equal to the principal amount of the Series 2015 Refunding Bonds to be redeemed, together with unpaid accrued interest on the Series 2015 Refunding Bonds called for redemption to the date fixed for redemption in the hereinabove indicated principal amounts and on the dates indicated in Section 6.2 of the Series 2015 Trust Agreement.

Each year in which there are mandatory sinking fund redemption requirements on Series 2015 Refunding Bonds the Trustee shall determine the principal amount of Series 2015 Refunding Bonds that must be mandatorily redeemed and the date on which such Series 2015 Refunding Bonds are to be redeemed ("Mandatory Redemption Date"). Notice of such redemption will be given as provided below. The principal amount of Bonds to be mandatorily redeemed on each Mandatory Redemption Date shall be reduced by the principal amount of such Series 2015 Refunding Bonds which has been purchased and delivered or tendered for cancellation by or on behalf of the Issuer to the Trustee forty-five (45) days prior to such Mandatory Redemption Date and which has not previously been made the basis for a reduction. In addition, if the Issuer has redeemed (other than mandatory sinking fund redemptions) part but not all of the Series 2015 Refunding Bonds, the principal amount to be mandatorily redeemed on the next scheduled Mandatory Redemption Date shall be reduced by the principal amount of

Series 2015 Refunding Bonds redeemed (other than by mandatory sinking fund redemptions) and-which has not previously been made the basis for a reduction under this sentence.

Redemptions pursuant to this paragraph shall be made pro rata, rounded to the nearest $5,000, among the Owners of each date of maturity by redeeming from each such Owner that principal amount which bears the same proportion to the principal amount of such stated maturity registered in the name of such Owner as the total principal amount of such stated maturity to be redeemed on any sinking fund payment date bears to the aggregate principal amount of such stated maturity Outstanding prior to redemption. If the Trustee cannot make a strict pro rata redemption among the Owners of a stated maturity, the Trustee shall redeem more or less than a pro rata portion from one or more Owners of such stated maturity in such manner as the Trustee deems fair and reasonable. In connection with any such redemption prior to maturity, the Trustee shall make appropriate entries in the Bond Register to reflect a portion of any Bond so redeemed and the amount of the principal remaining outstanding. The Trustee's notation in the Bond Register shall be conclusive as to the principal amount of any Outstanding Bond at any time.]

SERIES 2015 REFUNDING BONDS MAY BE REDEEMED IN PART only in integral multiples of $5,000. If a Series 2015 Refunding Bond subject to redemption is in a denomination larger than $5,000, a portion of such Series 2015 Refunding Bond may be redeemed, but only in integral multiples of $5,000. In selecting portions of Series 2015 Refunding Bonds for redemption, each Series 2015 Refunding Bond shall be treated as representing that number of Series 2015 Refunding Bonds of $5,000 denomination which is obtained by dividing the principal amount of such Series 2015 Refunding Bond by $5,000. Upon surrender of any Series 2015 Refunding Bond for redemption in part, the Trustee, in accordance with the provisions of the 2015 Trust Agreement, shall authenticate and deliver in exchange therefor a Series 2015 Refunding Bond or Series 2015 Refunding Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Series 2015 Refunding Bond so surrendered.

NOTICE OF EACH EXERCISE OF A RESERVED RIGHT OF REDEMPTION shall be given by the Trustee at least (30) days prior to the redemption date by written notice to the registered owner of each Series 2015 Refunding Bond to be redeemed in whole or in part at the address shown on the Register by first-class mail, postage prepaid. Such notice shall state the complete official name of the Series 2015 Refunding Bonds to be redeemed, CUSIP numbers, the issue date and the maturity date of such Series 2015 Refunding Bonds, any other information appropriate to identify sufficiently the Series 2015 Refunding Bonds being redeemed, the redemption date, the principal amount of the Series 2015 Refunding Bonds to be redeemed and, if less than all of the then outstanding Series 2015 Refunding Bonds are to be redeemed, the identification numbers (and, in the case of partial redemption, the respective principal amounts) of the Series 2015 Refunding Bonds to be redeemed, the redemption agent's name and address, and the place at which the Series 2015 Refunding Bonds are to be surrendered for payment. Any notice mailed as provided in Section 6.4 of the 2015 Trust Agreement shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice. By the redemption date, due provision shall be made with

the Trustee for the payment of the redemption price of the Series 2015 Refunding Bonds to be redeemed, plus accrued interest thereon to the redemption date. When such Series 2015 Refunding Bonds have been called for redemption, in whole or in part, as provided above and due provision has been made to redeem same, such Series 2015 Refunding Bonds, or portions thereof, shall no longer be regarded as outstanding except for the purpose of receiving payment from the funds provided for redemption, and the right of the registered owners to collect interest on such Series 2015 Refunding Bonds or portions thereof which would otherwise accrue after the redemption date shall be terminated.

THE SERIES 2015 REFUNDING BONDS are exchangeable at the principal corporate trust office of the Trustee for Bonds in the principal amount of $100,000 or a greater amount evenly divisible by $5,000; provided, however, that in the event of a redemption of a portion of the Series 2015 Refunding Bonds then outstanding, the Trustee may authenticate and deliver an exchange bond in a denomination of $5,000 or any integral multiple thereof if the amount of any Bond remaining after such redemption is less than $100,000, subject to the terms and conditions of the 2015 Trust Agreement.

EXCEPT FOR SERIES 2015 REFUNDING BONDS INITIALLY DELIVERED, THIS SERIES 2015 REFUNDING BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Bond Ordinance, the 2015 Trust Agreement unless this Series 2015 Refunding Bond is authenticated by the Trustee by due execution of the authentication certificate endorsed hereon.

THE ISSUER HAS APPOINTED the Trustee to act as Trustee for the Bondholders as provided in the 2015 Trust Agreement. Reference is made to the 2015 Trust Agreement for a complete description of the powers and duties of the Trustees. The Owner of this Series 2015 Refunding Bond shall have no right to enforce the provisions of the 2015 Trust Agreement or to institute action or to take any action with respect to any event of default under the 2015 Trust Agreement or to institute, appear in or defend any suit or other proceedings with respect thereto except as provided in the 2015 Trust Agreement. The Series 2015 Bond Insurer shall direct the enforcement of remedies under the 2015 Trust Agreement. Modifications or alterations of the 2015 Trust Agreement, or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the 2015 Trust Agreement and may be made only with the prior written consent of the Series 2015 Bond Insurer.

THE REGISTERED OWNER of this Series 2015 Refunding Bond, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the 2015 Trust Agreement.

THE ISSUER has covenanted in the 2015 Trust Agreement that it will at all times provide a legally qualified entity to maintain a register of the Owners of the Series 2015 Refunding Bonds and will cause notice of any change of registrar to be mailed to each registered owner.

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on this Bond to Wilmington Trust, National Association, Dallas, Texas, or its successor, as paying agent for the Bonds (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be obtained from AGM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Bond acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.

IT IS HEREBY CERTIFIED, RECITED, AND REPRESENTED that this Series 2015 Refunding Bond has been duly and validly issued and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the issuance and delivery of this Series 2015 Refunding Bond have been performed, exist, and been done in accordance with law; that the Series 2015 Refunding Bonds do not exceed any statutory limitation; and that provision has been made for the principal installment payment of and interest on this Series 2015 Refunding Bond and all of the Series 2015 Refunding Bonds by the creation of the aforesaid lien on and pledge of the Contract Revenues and Special Assessment Revenues.

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IN WITNESS HEREOF, this Series 2015 Refunding Bond has been signed with the manual or facsimile signature of the Mayor of the Issuer and countersigned with the manual or facsimile signature of the City Secretary, and the official seal of the City has been duly impressed, or placed in facsimile, on this Series 2015 Refunding Bond.

(SEAL) CITY OF LEWISVILLE, TEXAS

_____

Dean Ueckert, Mayor

COUNTERSIGNED:

_____

City Secretary

COMPTROLLER'S REGISTRATION CERTIFICATE:
REGISTER NO.

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas and that this Series 2015 Refunding Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this _____.

_____
Comptroller of Public Accounts
of the State of Texas

(COMPTROLLER'S SEAL)

Unless this Series 2015 Refunding Bond is presented by an authorized representative of DTC to the Issuer or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC) any transfer, pledge, or other use hereof for value or otherwise by or to any person is wrongful in as much as the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA
STATE OF TEXAS
CITY OF LEWISVILLE, TEXAS
COMBINATION CONTRACT REVENUE
AND SPECIAL ASSESSMENT REFUNDING BONDS
SERIES 2015
(LEWISVILLE CASTLE HILLS PUBLIC IMPROVEMENT DISTRICT NO. 2 PROJECT)

NUMBER: R-__
DENOMINATION: $_____

INTEREST RATE	DATE OF BONDS	MATURITY DATE	CUSIP NO.
	_____, 2015	September 1, 20__	

REGISTERED OWNER: CEDE & CO.
PRINCIPAL AMOUNT: _____

THE CITY OF LEWISVILLE, TEXAS (the "Issuer") for value received, promises to pay, but solely from sources hereinafter described, to the registered owner identified above or registered assigns, on the dates specified above, unless redeemed prior thereto as hereinafter provided, upon presentation and surrender of this Series 2015 Refunding Bond to Wilmington Trust, National Association, Dallas, Texas (the "Trustee" under that certain Trust Agreement dated as of _____, 2015, at its principal corporate trust office in Dallas, Texas, the principal installments identified above, in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due the United States of America, and to pay interest thereon at the rates shown above, calculated on the basis of a 360-day year of twelve 30-day months, from the later of the Date of Closing (as defined in the Trust Agreement), or the most recent interest payment date to which interest has been paid or duly provided for. Interest on this Series 2015 Refunding Bond is payable by check on September 1, 2015 and each March 1 and September 1 (each an "Interest Payment Date") thereafter until maturity, mailed to the registered owner of record as shown on the books of registration kept by the Trustee as of the 15th calendar day of the month next preceding each Interest Payment Date.

THE PRINCIPAL OF, REDEMPTION PREMIUM, IF ANY, AND INTEREST ON THIS SERIES 2015 REFUNDING BOND IS PAYABLE FROM AND SECURED BY A LIEN ON AND

PLEDGE OF THE SPECIAL ASSESSMENT REVENUES, AS DEFINED IN THAT CERTAIN TRUST AGREEMENT (THE "2015 TRUST AGREEMENT") BY AND BETWEEN THE ISSUER AND WILMINGTON TRUST, NATIONAL ASSOCIATION, DALLAS, TEXAS DATED AS OF _____, 2015 AND THE CONTRACT REVENUES (AS DEFINED IN THE 2015 TRUST AGREEMENT) AND CAPITALIZED TERMS NOT OTHERWISE DEFINED HEREIN HAVE THE SAME MEANING AS IN THE 2015 TRUST AGREEMENT,. THE ISSUER HAS ADOPTED AN ORDINANCE LEVYING ANNUAL SPECIAL ASSESSMENTS AGAINST EACH ELIGIBLE PARCEL OF LAND WITHIN THE BOUNDARIES OF THE LEWISVILLE CASTLE HILLS PUBLIC IMPROVEMENT DISTRICT NO. 2, AND PROVIDING THAT SUCH SPECIAL ASSESSMENTS, TOGETHER WITH THE CONTRACT REVENUES RECEIVED UNDER THE AMENDED 2000 JOINT UTILITY CONTRACT BE PAID IN PERIODIC INSTALLMENTS IN AMOUNTS SUFFICIENT TO PAY THE DEBT SERVICE REQUIREMENTS ON THE SERIES 2015 REFUNDING BONDS. THE SPECIAL ASSESSMENTS, TOGETHER WITH INTEREST, PENALTIES AND EXPENSE OF COLLECTION AND REASONABLE ATTORNEYS FEES, ARE A FIRST AND PRIOR LIEN AGAINST THE PROPERTY ASSESSED, SUPERIOR TO ALL OTHER LIENS AND CLAIMS, EXCEPT LIENS OR CLAIMS FOR AD VALOREM TAXES. REFERENCE IS MADE TO THE 2015 TRUST AGREEMENT AND 2000 AMENDED JOINT UTILITY CONTRACT FOR A MORE COMPLETE DESCRIPTION OF THE FUNDS CHARGED WITH AND PLEDGED TO THE PAYMENT OF THIS SERIES 2015 REFUNDING BOND, AND THE SERIES OF WHICH IT IS A PART.

UNDER THE 2000 AMENDED JOINT UTILITY CONTRACT, the Issuer agreed to finance the acquisition, construction and utilization of Authorized Improvements for the benefit of the Issuer in that portion of the territory and extra-territorial jurisdiction of the Issuer located within the boundaries of Denton County Fresh Water Supply District No. 1-A ("District No. 1-A") and Denton County Fresh Water Supply District No. 1-D ("District No. 1-D") and District No. 1-D agreed to levy, assess and collect an ad valorem tax unlimited as to rate or amount, on all taxable property within the boundaries of District No. 1-D in an amount necessary to pay the principal of, redemption premium, if any, and interest on the Series 2015 Refunding Bonds, to establish and maintain any funds required by the 2015 Trust Agreement and to pay certain fees and expenses incurred in connection with the issuance of the Series 2015 Refunding Bonds. District No. 1-D's obligation to make the Contract Payments is an unconditional obligation of District No. 1-D until the payment or provision for payment of the entire principal of, redemption premium, if any, and interest on the Series 2015 Refunding Bonds.

THE OBLIGATION TO MAKE CONTRACT PAYMENTS is a general obligation of District No. 1-D, authorized by an election held within and for District No. 1-E on August 12, 2000, pursuant to the 2000 Amended Joint Utility Contract and in accordance with the provisions of Chapters 49 and 51, of the Texas Water Code, as amended. The Issuer and the Trustee have the right to demand payment of the Contract Payments from taxation by District No. 1-D. District No. 1-D has agreed to make each such Contract Payments to the Trustee for deposit into the Interest and Sinking Account created for the benefit of the Series 2015 Refunding Bonds, in aggregate amounts sufficient to pay and redeem, and provide for the payment and redemption of the principal of, premium, if any, and interest on this Series 2015 Refunding Bond, and the other Series 2015 Refunding Bonds of the Series of which it is a part, and to pay all other amounts required by the 2000 Amended Joint Utility Contract and the 2015 Trust Agreement when due, subject to and as required by the provisions of the 2000 Amended Joint Utility Contract and the 2015 Trust Agreement.

FOR THE FAITHFUL PERFORMANCE of all covenants, recitals and stipulations set forth in the 2000 Amended Joint Utility Contract, including especially those with reference to the proper application of tax proceeds for the payment of the principal of, premium, if any, and interest on the Series 2015 Refunding Bonds, promptly when due, the full faith, credit and resources of District No. 1-D have been irrevocably pledged.

All of the bonds referred in the above-referenced paragraph may be payable from Special Assessment Revenues and payable from Contract Payments in accordance with the 2000 Amended Joint Utility Contract. The Issuer also reserves the right to issue certain revenue bonds payable solely from the revenue derived from contracts with other entities.

THIS SERIES 2015 REFUNDING BOND IS NOT A GENERAL OBLIGATION OF THE ISSUER, DOES NOT GIVE RISE TO A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWERS OF THE ISSUER, AND IS NOT PAYABLE FROM ANY SOURCE EXCEPT SPECIAL ASSESSMENT REVENUES AND CONTRACT REVENUES AS PROVIDED HEREUNDER AND IN ACCORDANCE WITH THE 2000 AMENDED JOINT UTILITY CONTRACT AND CHAPTER 372, TEXAS LOCAL GOVERNMENT CODE, AS AMENDED, (THE "ACT"). THE OWNER OF THIS SERIES 2015 REFUNDING BOND SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT OF THIS OBLIGATION OUT OF ANY FUNDS OF THE ISSUER OTHER THAN THE CONTRACT REVENUES AND THE SPECIAL ASSESSMENT REVENUES AND THE ISSUER SHALL HAVE NO LEGAL OR MORAL OBLIGATION TO PAY THIS OBLIGATION FROM ANY MUNICIPAL FUNDS OTHER THAN CONTRACT REVENUES AND SPECIAL ASSESSMENT REVENUES.

THIS SERIES 2015 REFUNDING BOND IS ONE OF A DULY AUTHORIZED ISSUE OF BONDS dated _____, 2015 aggregating $8,730,000 Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project), issued pursuant to an ordinance (the "Bond Ordinance") adopted by the governing body of the Issuer and related Approval Certificate, to pay the costs of refunding a portion of the $10,350,000 City of Lewisville, Texas, Combination Contract Revenue and Special Assessment Capital Improvement Bonds, Series 2005 (Lewisville Castle Hills Public Improvement District No. 3 Project) and to pay costs related to the issuance of the Series 2015 Refunding Bonds as authorized by the laws of the State of Texas, including, but not limited to, the Act and Chapters 49 and 51 of the Texas Water Code, as amended.

THIS SERIES 2015 REFUNDING BOND AND THE SERIES OF WHICH IT IS A PART are special obligations of the Issuer and are payable as to both principal and interest solely from and equally secured by a lien on and pledge of the sources described above. Reference is hereby made to the 2015 Trust Agreement for a more complete statement of the covenants and provisions securing the payment of this Series 2015 Refunding Bond and the series of which it is a part.

THIS SERIES 2015 REFUNDING BOND is transferable only upon presentation and surrender at the principal corporate trust office of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, subject to the terms and conditions of the Bond Ordinance and 2004 Trust Agreement.

NOTWITHSTANDING THE FOREGOING, if this Series 2015 Refunding Bond is

registered in the name of a Securities Depository, as defined in the 2015 Trust Agreement, this Series 2015 Refunding Bond may not be so transferred, except as provided in the 2015 Trust Agreement to an alternate nominee thereof, or to a successor Securities Depository or a nominee thereof.

FROM AND AFTER SEPTEMBER 1, 2020, THE SERIES 2015 REFUNDING BONDS maturing on or after September 1, 2021 are subject to redemption in whole or in part prior to maturity at the option of the Issuer on any Interest Payment Date at a redemption price equal to the 100% of the principal amount of the Series 2015 Refunding Bonds, together with interest accrued to the date of the redemption.

THE SERIES 2015 REFUNDING BONDS are to be redeemed, in whole or in part, prior to maturity from and after September 1, 2020, on a pro rata basis with the Remaining Outstanding Assessment Bonds (as defined in the 2015 Trust Agreement) from prepayments of Contract Payments or Special Assessments, as provided in the 2015 Trust Agreement at the redemption prices set forth above plus accrued interest to the date of redemption.

[THE SERIES 2015 REFUNDING BONDS are also subject to mandatory redemption by lot prior to their maturity as provided in the 2015 Trust Agreement at a redemption price equal to the principal amount of the Series 2015 Refunding Bonds to be redeemed, together with unpaid accrued interest on the Series 2015 Refunding Bonds called for redemption to the date fixed for redemption in the hereinabove indicated principal amounts and on the dates indicated in Section 6.2 of the Series 2015 Trust Agreement.

Each year in which there are mandatory sinking fund redemption requirements on Series 2015 Refunding Bonds the Trustee shall determine the principal amount of Series 2015 Refunding Bonds that must be mandatorily redeemed and the date on which such Series 2015 Refunding Bonds are to be redeemed ("Mandatory Redemption Date"). Notice of such redemption will be given as provided below. The principal amount of Bonds to be mandatorily redeemed on each Mandatory Redemption Date shall be reduced by the principal amount of such Series 2015 Refunding Bonds which has been purchased and delivered or tendered for cancellation by or on behalf of the Issuer to the Trustee forty-five (45) days prior to such Mandatory Redemption Date and which has not previously been made the basis for a reduction. In addition, if the Issuer has redeemed (other than mandatory sinking fund redemptions) part but not all of the Series 2015 Refunding Bonds, the principal amount to be mandatorily redeemed on the next scheduled Mandatory Redemption Date shall be reduced by the principal amount of Series 2015 Refunding Bonds redeemed (other than by mandatory sinking fund redemptions) and-which has not previously been made the basis for a reduction under this sentence.

Redemptions pursuant to this paragraph shall be made pro rata, rounded to the nearest $5,000, among the Owners of each date of maturity by redeeming from each such Owner that principal amount which bears the same proportion to the principal amount of such stated maturity registered in the name of such Owner as the total principal amount of such stated maturity to be redeemed on any sinking fund payment date bears to the aggregate principal amount of such stated maturity Outstanding prior to redemption. If the Trustee cannot make a strict pro rata redemption among the Owners of a stated maturity, the Trustee shall redeem more or less than a pro rata portion

from one or more Owners of such stated maturity in such manner as the Trustee deems fair and reasonable. In connection with any such redemption prior to maturity, the Trustee shall make appropriate entries in the Bond Register to reflect a portion of any Bond so redeemed and the amount of the principal remaining outstanding. The Trustee's notation in the Bond Register shall be conclusive as to the principal amount of any Outstanding Bond at any time.]

SERIES 2015 REFUNDING BONDS MAY BE REDEEMED IN PART only in integral multiples of $5,000. If a Series 2015 Refunding Bond subject to redemption is in a denomination larger than $5,000, a portion of such Series 2015 Refunding Bond may be redeemed, but only in integral multiples of $5,000. In selecting portions of Series 2015 Refunding Bonds for redemption, each Series 2015 Refunding Bond shall be treated as representing that number of Series 2015 Refunding Bonds of $5,000 denomination which is obtained by dividing the principal amount of such Series 2015 Refunding Bond by $5,000. Upon surrender of any Series 2015 Refunding Bond for redemption in part, the Trustee, in accordance with the provisions of the 2015 Trust Agreement, shall authenticate and deliver in exchange therefor a Series 2015 Refunding Bond or Series 2015 Refunding Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Series 2015 Refunding Bond so surrendered.

NOTICE OF EACH EXERCISE OF A RESERVED RIGHT OF REDEMPTION shall be given by the Trustee at least (30) days prior to the redemption date by written notice to the registered owner of each Series 2015 Refunding Bond to be redeemed in whole or in part at the address shown on the Register by first-class mail, postage prepaid. Such notice shall state the complete official name of the Series 2015 Refunding Bonds to be redeemed, CUSIP numbers, the issue date and the maturity date of such Series 2015 Refunding Bonds, any other information appropriate to identify sufficiently the Series 2015 Refunding Bonds being redeemed, the redemption date, the principal amount of the Series 2015 Refunding Bonds to be redeemed and, if less than all of the then outstanding Series 2015 Refunding Bonds are to be redeemed, the identification numbers (and, in the case of partial redemption, the respective principal amounts) of the Series 2015 Refunding Bonds to be redeemed, the redemption agent's name and address, and the place at which the Series 2015 Refunding Bonds are to be surrendered for payment. Any notice mailed as provided in Section 6.4 of the 2015 Trust Agreement shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice. By the redemption date, due provision shall be made with the Trustee for the payment of the redemption price of the Series 2015 Refunding Bonds to be redeemed, plus accrued interest thereon to the redemption date. When such Series 2015 Refunding Bonds have been called for redemption, in whole or in part, as provided above and due provision has been made to redeem same, such Series 2015 Refunding Bonds, or portions thereof, shall no longer be regarded as outstanding except for the purpose of receiving payment from the funds provided for redemption, and the right of the registered owners to collect interest on such Series 2015 Refunding Bonds or portions thereof which would otherwise accrue after the redemption date shall be terminated.

THE SERIES 2015 REFUNDING BONDS are exchangeable at the principal corporate trust office of the Trustee for Bonds in the principal amount of $100,000 or a greater amount evenly divisible by $5,000; provided, however, that in the event of a redemption of a portion of the Series 2015 Refunding Bonds then outstanding, the Trustee may authenticate and deliver an exchange bond in a denomination of $5,000 or any integral multiple thereof if the amount of any Bond remaining after such redemption is less than $100,000, subject to the terms and conditions of the 2015 Trust

Agreement.

EXCEPT FOR SERIES 2015 REFUNDING BONDS INITIALLY DELIVERED, THIS SERIES 2015 REFUNDING BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Bond Ordinance, the 2015 Trust Agreement unless this Series 2015 Refunding Bond is authenticated by the Trustee by due execution of the authentication certificate endorsed hereon.

THE ISSUER HAS APPOINTED the Trustee to act as Trustee for the Bondholders as provided in the 2015 Trust Agreement. Reference is made to the 2015 Trust Agreement for a complete description of the powers and duties of the Trustees. The Owner of this Series 2015 Refunding Bond shall have no right to enforce the provisions of the 2015 Trust Agreement or to institute action or to take any action with respect to any event of default under the 2015 Trust Agreement or to institute, appear in or defend any suit or other proceedings with respect thereto except as provided in the 2015 Trust Agreement. The Series 2015 Bond Insurer shall direct the enforcement of remedies under the 2015 Trust Agreement. Modifications or alterations of the 2015 Trust Agreement, or of any supplements thereto, may be made only to the extent and in the circumstances permitted by the 2015 Trust Agreement and may be made only with the prior written consent of the Series 2015 Bond Insurer.

THE REGISTERED OWNER of this Series 2015 Refunding Bond, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the 2015 Trust Agreement.

THE ISSUER has covenanted in the 2015 Trust Agreement that it will at all times provide a legally qualified entity to maintain a register of the Owners of the Series 2015 Refunding Bonds and will cause notice of any change of registrar to be mailed to each registered owner.

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on this Bond to Wilmington Trust, National Association, Dallas, Texas, or its successor, as paying agent for the Bonds (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be obtained from AGM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Bond acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.

IT IS HEREBY CERTIFIED, RECITED, AND REPRESENTED that this Series 2015 Refunding Bond has been duly and validly issued and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the issuance and delivery of this Series 2015 Refunding Bond have been performed, exist, and been done in accordance with law; that the Series 2015 Refunding Bonds do not exceed any statutory limitation; and that provision has been made for the principal installment payment of and interest on this Series 2015 Refunding Bond and all of the Series 2015 Refunding Bonds by the creation of the aforesaid lien on and pledge of the Contract Revenues and Special Assessment Revenues.

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IN WITNESS HEREOF, this Series 2015 Refunding Bond has been signed with the manual or facsimile signature of the Mayor of the Issuer and countersigned with the manual or facsimile signature of the City Secretary, and the official seal of the City has been duly impressed, or placed in facsimile, on this Series 2015 Refunding Bond.

(SEAL) CITY OF LEWISVILLE, TEXAS

_____

Dean Ueckert, Mayor

COUNTERSIGNED:

_____

City Secretary

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Bond is not accompanied by an executed Registration Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Bond Order described in the text of this Bond and that this Bond has been issued in conversion or replacement of, or in exchange for, a Bond, Bonds, or a portion of a Bond or Bonds of a series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated:

Wilmington Trust, National Association
Dallas, Texas
Trustee

By: _____
Authorized Representative

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

_____

_____
(Please insert Social Security or Taxpayer
Identification Number of Transferee)

_____

_____
(Please print or typewrite name and address, including zip code of Transferee)

_____
the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____, attorney, to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed: _____

_____

NOTICE: Signature(s) must be guaranteed. by a member firm of the New York Stock Exchange or commercial bank or trust company.

NOTICE: The signature above must correspond with the name of the registered owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

The following abbreviations, when used in the assignment above or on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common
UNIF GIFT MIN ACT - _____ (Minor) Custodian _____ (Cust) under Uniform Gifts to Minors Act _____ (State)

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this "Agreement") is entered into as of the ___ day of _____, 2015 by and between the City of Lewisville, Texas (the "Issuer"), a home rule city organized, created and established pursuant to Article XI, Section 5 of the Constitution of the State of Texas, and Wilmington Trust, National Association, (the "Bank", or the "Escrow Agent"), a national banking association organized and existing under the laws of the United States of America.

WITNESSETH:

WHEREAS, the Issuer has heretofore issued, sold and delivered the Issuer's $10,350,000 City of Lewisville, Texas Combination Contract Revenue and Special Assessment Capital Improvement Bonds, Series 2005 (Lewisville Castle Hills Public Improvement District No. 2 Project) (the "Series 2005 Bonds");

WHEREAS, the Issuer intends to issue $8,730,000 City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project) (the "Series 2015 Refunding Bonds") to refund a portion of the Outstanding Series 2005 Bonds (the "Refunded Bonds") and pay costs of issuance of the Series 2015 Refunding Bonds;

WHEREAS, in accordance with the provisions of Chapter 1207, Texas Government Code, as amended and Section 372.027, Texas Local Government Code, as amended, the Issuer is authorized to sell refunding bonds in an amount sufficient to provide for the payment of obligations to be refunded, deposit the proceeds of such refunding bonds (and other available funds) directly with an escrow agent under an escrow or similar agreement with such escrow agent for the safekeeping, investment, reinvestment, administration and disposition of such deposit, upon such terms and conditions as the parties may agree, provided such deposits may be invested only in direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, and which may be in book entry form and which shall mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment of the obligations to be refunded;

WHEREAS, the Bank is prepared to serve as Escrow Agent in accordance with the terms and conditions of this Agreement;

WHEREAS, the Refunded Bonds are scheduled to mature or be redeemed, and interest thereon is payable, on the dates and in the manner set forth in Exhibit "A" attached hereto and incorporated herein by reference as a part of this Agreement for all purposes;

WHEREAS, the Issuer on the ___ day of _____, 2015, pursuant to an ordinance (the "Bond Ordinance") duly passed and adopted by its City Council (the "City Council"), authorized the issuance of the Series 2015 Refunding Bonds, and such Series 2015 Refunding Bonds are

being issued to refund, discharge and make final payment of the principal of and interest on the Refunded Bonds and to pay related costs of issuance;

WHEREAS, upon the delivery of the Series 2015 Refunding Bonds, the Refunded Bond proceeds of sale are to be deposited into the "Escrow Fund" to be held by the Bank in accordance with this Agreement;

WHEREAS, the deposit is sufficient to pay the principal amount of the Refunded Bonds and the accrued interest thereon as the same shall become due as set forth in Exhibit "A";

WHEREAS, the deposit to the account of the Escrow Fund is set forth in Exhibit "B" attached hereto and incorporated herein by reference and made a part of this Agreement for all purposes;

WHEREAS, the Bank is a banking association organized and existing under the laws of the United States of America, possessing trust powers and is fully qualified and empowered to enter into this Agreement;

WHEREAS, in Section 4 of the Bond Ordinance, the City Council duly approved and authorized the execution of this Agreement; and

WHEREAS, the Issuer and the Bank (at the direction of the Issuer), as the case may be, shall take all action necessary to call, pay, redeem and retire said Refunded Bonds in accordance with the provisions thereof, including, without limitation, all actions required by the Act, the Bond Ordinance and this Agreement.

NOW THEREFORE, for and in consideration of the mutual agreements herein contained, and to secure the payment of the principal of and the interest on the Refunded Bonds as the same shall become due, the Issuer and the Bank hereby mutually undertake, promise and agree as follows:

Section 1. Appointment of Escrow Agent. The Issuer hereby appoints the Bank to serve as Escrow Agent for the Refunded Bonds, and the Bank hereby accepts such appointment as Escrow Agent.

Section 2. Receipt of Bond Ordinance. Receipt of a true and correct copy of the Bond Ordinance is hereby acknowledged by the Bank. Reference herein to or citation herein of any provision of said document shall be deemed an incorporation of such provision as a part hereof in the same manner and with the same effect as if it were fully set forth herein.

Section 3. Escrow Fund Creation/Funding. There is hereby created by the Issuer with the Bank a special segregated and irrevocable trust fund designated "CITY OF LEWISVILLE, TEXAS COMBINATION CONTRACT REVENUE AND SPECIAL ASSESSMENT REFUNDING BONDS, SERIES 2015 SPECIAL ESCROW FUND" (hereinafter called the "Escrow Fund") for the benefit of the holders of the Refunded Bonds, and

immediately following the delivery of the Series 2015 Refunding Bonds, the Issuer agrees and covenants to cause to be deposited with the Bank the following:

- $_____ in cash to be held for the account of the Escrow Fund; and

The Bank hereby accepts the Escrow Fund and further agrees to receive said money, apply the same as set forth herein, and hold the cash deposited and credited to the Escrow Fund for application and disbursement for the purposes and in the manner provided in this Agreement.

Section 4. Escrow Fund Sufficiency Warranty. The Issuer hereby represents that the cash, together with the interest to be earned thereon, deposited to the credit of the Escrow Fund will be sufficient to pay the principal of, interest on, and premium, if any, on the Refunded Bonds as the same shall become due and payable, and such Refunded Bonds, and the interest thereon, are to mature or be redeemed and shall be paid at the times and in the amounts set forth and identified in Exhibit "A".

Section 5. Pledge of Escrow. The Bank agrees that all cash, together with any income or interest earned thereon, held in the Escrow Fund shall be and is hereby irrevocably pledged to the payment of the principal of and interest on the Refunded Bonds which will mature and become due on and after the date of this Agreement, and such funds initially deposited in the Escrow Fund shall be applied solely in accordance with the provisions of this Agreement.

Section 6. Escrow Insufficiency; Issuer Warranty to Cure. If, for any reason, the funds on hand in the Escrow Fund shall be insufficient to make the payments set forth in Exhibit "A" as the same become due and payable, the Issuer shall make timely deposits to the Escrow Fund, from lawfully available funds, of additional funds in the amounts required to make such payments. Notice of any such insufficiency shall be immediately given by the Bank to the Issuer in writing, but the Bank shall in no manner be responsible for the Issuer's failure to make such deposits.

Section 7. Escrow Fund Securities/Segregation. The Bank shall hold said money in the Escrow Fund at all times as a special and separate trust fund for the benefit of the holders of the Refunded Bonds, wholly segregated from other money and securities on deposit with the Bank, shall never commingle said money with other money of the Bank, and shall hold and dispose of the assets therein only as set forth herein. Nothing herein contained shall be construed as requiring the Bank to keep the identical money, or any part thereof, in said Escrow Fund, if it is impractical, but money of an equal amount shall always be maintained on deposit in the Escrow Fund by the Bank, as trustee, and a special account evidencing such facts shall at all times be maintained on the books of the Bank.

Section 8. Escrow Fund Collections/Payments. On or before each principal or interest payment date or redemption date, as the case may be, for the Refunded Bonds shown in Exhibit "A" attached hereto, the Bank, without further direction from anyone, including the Issuer, shall cause to be withdrawn from the Escrow Fund the amount required to pay the accrued interest on the Refunded Bonds due and payable on said payment date and the principal of the Refunded Bonds due and payable on said payment date or redemption date, as the case

may be, and the amount withdrawn from the Escrow Fund shall be immediately transmitted and deposited with Wells Fargo Bank, N.A. as paying agent for the Refunded Bonds.

If the Refunded Bond shall not be presented for payment when the principal thereof shall have become due and if cash shall at such times be held by the Bank in trust for that purpose sufficient and available to pay the principal of such Refunded Bond and interest thereon, it shall be the duty of the Bank to hold said cash without liability to the holder of such Refunded Bond for interest thereon after such maturity or redemption date, in trust for the benefit of the holder of such Refunded Bond, who shall thereafter be restricted exclusively to said cash for any claim of whatever nature on his part on or with respect to said Refunded Bond, including for any claim for the payment thereof and interest thereon. All cash required by the provisions hereof to be set aside or held in trust for the payment of the Refunded Bonds, including interest thereon, shall be applied to and used solely for the payment of the Refunded Bonds and interest thereon with respect to which such cash has been so set aside in trust.

Subject to the provisions of Section 12 and the last sentence of Section 25 hereof, cash held by the Bank in trust for the payment and discharge of any of the Refunded Bonds and interest thereon which remains unclaimed for a period of four (4) years after the stated maturity date or redemption date of such Refunded Bonds shall be returned to the Issuer. Notwithstanding the above and foregoing, any remittance of funds from the Bank to the Issuer shall be subject to any applicable unclaimed property laws of the State of Texas.

Section 9. Disposal of Refunded Bonds. All Refunded Bonds canceled on account of payment by the Bank shall be cremated or otherwise destroyed by the Bank, and an appropriate certificate of destruction furnished to the Issuer.

Section 10. Escrow Fund Encumbrance. The escrow created hereby shall be irrevocable and the holders of the Refunded Bonds shall have an express lien on all money in the Escrow Fund until paid out, used and applied in accordance with this Agreement.

Unless disbursed in payment of the Refunded Bonds or as provided in Sections 14 and 27 hereof, all funds received by the Bank for the account of the Issuer hereunder shall be and remain the property of the Escrow Fund, and the Issuer and the owners of the Refunded Bonds shall be entitled to a preferred claim and shall have a first lien upon such funds enjoyed by a trust beneficiary. The funds received by the Bank under this Agreement shall not be considered as a banking deposit by the Issuer, and the Bank and the Issuer shall have no right or title with respect thereto, except as otherwise provided herein. Such funds shall not be subject to checks or drafts drawn by the Issuer.

Section 11. Absence of Bank Claim/Lien on Escrow Fund. The Bank shall have no lien whatsoever upon any of the money in the Escrow Fund for payment of services rendered hereunder or for any costs or expenses incurred hereunder and reimbursable from the Issuer.

Section 12. Restriction on Escrow Fund Investments/Reinvestment. Neither the Issuer nor the Bank shall invest or reinvest any moneys deposited in the Escrow Fund except as specifically provided by this Agreement.

Section 13. Excess Funds. If at any time through redemption or cancellation of the Refunded Bonds there exists or will exist excesses of interest on the deposit in excess of the amounts necessary hereunder for the Refunded Bonds, the Bank may transfer such excess amounts to or on the order of the Issuer, provided that the Issuer delivers to the Bank the following:

(a) an opinion by an independent certified public accountant that, after the transfer of such excess, the principal amount of securities in the Escrow Fund, together with the interest thereon and other available moneys then held in the Escrow Fund, will be sufficient to pay, as the same become due in accordance with Exhibit "A", the principal of and interest on the Refunded Bonds which have not previously been paid, and

(b) an unqualified opinion of nationally recognized municipal bond counsel to the effect that (i) such transfer will not cause interest on the Series 2015 Refunding Bonds or the Refunded Bonds to be included in gross income for federal income tax purposes, under the Code and related regulations in effect on the date of such transfer, or otherwise make the interest on the Series 2015 Refunding Bonds or the Refunded Bonds subject to Federal income taxation, and (ii) such transfer complies with the Constitution and laws of the State of Texas and with all relevant documents relating to the issuance of the Refunded Bonds and the Series 2015 Refunding Bonds.

(c) the prior written consent of the ACA Financial Guaranty, the bond insurer for the Series 2005 Bonds (the "Series 2005 Bond Insurer") to any transfer of excess funds or early redemption from the escrow.

Section 14. Collateralization. The Bank shall continuously secure the moneys in the Escrow Fund by a pledge of direct obligations of the United States of America, in the par or face amount at least equal to the principal amount of said uninvested moneys to the extent such money is not insured by the Federal Deposit Insurance Corporation.

Section 15. Bank's Compensation; Escrow Administration and Settlement of Paving Agent/Registrar Charges. Coincident with the establishment of the Escrow Fund, the Issuer has paid the Escrow Agent, a fee of $1,000.00 for performing the services hereunder in the administration of this Agreement. All fees and expenses incurred by Escrow Agent pursuant to this Agreement will be reimbursed by the Issuer. If the Escrow Agent is requested to perform any extraordinary services hereunder, the Issuer hereby agrees to pay reasonable fees to the Escrow Agent for such extraordinary services and to reimburse the Escrow Agent for all expenses incurred by the Escrow Agent in performing such extraordinary services. It is expressly provided that the Escrow Agent shall look only to the Issuer for the payment of such additional fees and reimbursement of such additional expenses. The Escrow Agent hereby agrees that in no event shall it ever assert any claim or lien against the Escrow Fund for any fees for its services,

whether regular, additional or extraordinary, as Escrow Agent, or in any other capacity, or for reimbursement for any of its expenses.

Section 16. Bank's Duties/Responsibilities/Liability. The Bank shall not be responsible for any recital herein, except with respect to its organization and its powers and authority. As to the existence or nonexistence of any fact relating to the Issuer or as to the sufficiency or validity of any instrument, paper or proceedings relating to the Issuer, the Bank shall be entitled to rely upon a certificate signed on behalf of the Issuer by an officer of the Issuer as sufficient evidence of the facts therein obtained. The Bank may accept a certificate of the City Secretary under the Issuer's seal, to the effect that an ordinance or other instrument in the form therein set forth has been adopted by the City Council, as conclusive evidence that such ordinance or other instrument has been duly adopted and is in full force and effect.

The duties and obligations of the Bank shall be determined solely by the express provisions of this Agreement, and the Bank shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Agreement, and no implied covenants or obligations shall be read into this Agreement against the Bank.

In the absence of bad faith on the part of the Bank, the Bank may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to the Bank conforming to the requirements of this Agreement; however, in the case of any such certificate or opinion or any evidence which by any provision hereof is specifically required to be furnished to the Bank, the Bank shall be under a duty to examine the same to determine whether it conforms to the requirements of this Agreement.

The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer or Officers of the Bank unless it shall be proved that the Bank was negligent in ascertaining or acting upon the pertinent facts.

The Bank shall not be liable with respect to any action taken or omitted to be taken by it in good faith, in accordance with the direction of the holders of not less than a majority in aggregate principal amount of all Refunded Bonds at the time outstanding, relating to the time, method and place of conducting any proceeding for any remedy available to the Bank not in conflict with the intent and purpose of this Agreement. For the purposes of determining whether the holders of the required principal amount of Refunded Bonds have concurred in any such direction, Refunded Bonds owned by any obligor upon the Refunded Bonds, or by any person directly or indirectly controlling or controlled by or under direct or indirect common control with such obligor, shall be disregarded, except that for the purposes of determining whether the Bank shall be protected in relying on any such direction only Refunded Bonds which the Bank knows are so owned shall be so disregarded.

The term “Responsible Officers” of the Bank, as used in this Agreement, shall mean and include the Chairman of the Board of Directors, the President, any Vice President and any First Vice President, the Secretary and any Assistant Secretary, the Treasurer and any Assistant Treasurer, and every other officer and assistant officer of the Bank customarily performing functions similar to those performed by the persons who at the time shall be officers,

respectively, or to whom any corporate trust matter is referred because of his knowledge of and familiarity with a particular subject; the term "Responsible Officer" of the Bank, as used in this Agreement, shall mean and include any of said officers or persons.

Section 17. Limitation on Bank's Duties/Responsibilities/Liabilities to Third Parties. The Bank shall not be responsible or liable to any person in any manner whatever for the sufficiency, correctness, genuineness, effectiveness, or validity of this Agreement with respect to the Issuer, or for the identity or authority of any person making or executing this Agreement for and on behalf of the Issuer. The Bank is authorized by the Issuer to rely upon the representations of the Issuer with respect to this Agreement and the deposits made pursuant hereto and as to the Issuer's right and power to execute and deliver this Agreement, and the Bank shall not be liable in any manner as a result of such reliance. The duty of the Bank hereunder shall only be to the Issuer and the holders of the Refunded Bonds. Neither the Issuer nor the Bank shall assign or attempt to assign or transfer any interest hereunder or any portion of any such interest. Any such assignment or attempted assignment shall be in direct conflict with this Agreement and be without effect.

Section 18. Interpleader. In the event of any disagreement or controversy hereunder or if conflicting demands or notices are made upon Bank growing out of or relating to this Agreement or in the event that the Bank in good faith is in doubt as to what action should be taken hereunder, the Issuer expressly agrees and consents that the Bank shall have the absolute right at its election to:

(a) Withhold and stop all further proceedings in, and performance of, this Agreement with respect to the issue in question and of all instructions received hereunder in regard to such issue; and

(b) File a suit in interpleader and obtain an order from a court of appropriate jurisdiction in the State of Texas requiring all persons involved to interplead and litigate in such court their several claims and rights among themselves.

IN THE EVENT THE BANK BECOMES INVOLVED IN LITIGATION IN CONNECTION WITH THIS SECTION 18, THE ISSUER AGREES, TO THE EXTENT PERMITTED BY LAW, TO INDEMNIFY AND SAVE THE BANK HARMLESS FROM LOSSES, COSTS, DAMAGES, EXPENSES AND ATTORNEY FEES SUFFERED OR INCURRED BY THE BANK, ONLY WITH RESPECT TO SUCH LOSSES AND DAMAGES NOT RESULTING FROM THE BANK'S NEGLIGENCE, AS A RESULT THEREOF. THE OBLIGATIONS OF THE BANK UNDER THIS AGREEMENT SHALL BE PERFORMABLE AT THE PRINCIPAL OFFICES OF THE BANK IN THE CITY OF DALLAS, TEXAS.

The Bank may consult legal counsel in the event of any dispute or question as to the construction of any of the provisions hereof or its duties hereunder, and it shall incur no liability and shall be fully protected in acting in good faith in accordance with the opinion and instructions of such counsel.

Section 19. Accounting; Annual Report. Promptly after September 30 of each year, commencing with the year 2015, so long as the Escrow Fund is maintained under this Agreement, the Bank shall forward by letter to the Issuer, to the attention of the Mayor, City Manager or Finance Director, a statement in detail of the moneys held, and the current income and maturities thereof, and the withdrawals of money from the Escrow Fund for the preceding 12 month period ending September 30 of each year.

Section 20. Notices. Any notice, authorization, request or demand required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid addressed as follows:

CITY OF LEWISVILLE, TEXAS
151 W. Church St.
Lewisville, Texas 75057
Attention: City Manager

and additionally to:

DENTON COUNTY FRESH WATER SUPPLY DISTRICT NO. 1-D
c/o Kelly Hart & Hallman LLP
201 Main Street, Suite 2500
Fort Worth, Texas 76102
Attention: Ross Martin

WILMINGTON TRUST, N.A.
15950 North Dallas Parkway, Suite 550
Dallas, Texas 75248
Attention: Cam Lindsey

The United States Post Office registered or certified mail receipt showing delivery of the aforesaid shall be conclusive evidence of the date and fact of delivery.

Any party hereto may change the address to which notices are to be delivered by giving to the other parties not less than ten (10) days prior notice thereof.

Section 21. Performance Date. Whenever under the terms of this Agreement the performance date of any provision hereof, including the date of maturity of interest on or principal of the Refunded Bonds, shall be a Sunday or a legal holiday or a day on which the Bank is authorized by law to close, then the performance thereof, including the payment of principal of and interest on the Refunded Bonds, need not be made on such date but may be performed or paid, as the case may be, on the next succeeding business day of the Bank with the same force and effect as if made on the date of performance or payment, and, with respect to a payment, no interest shall accrue for the period after such date.

Section 22. Warranty of Parties' Power to Execute and Deliver Escrow Agreement. The Issuer covenants that it will faithfully perform at all times any and all covenants,

undertakings, stipulations and provisions contained in this Agreement, in any and every said Refunded Bond as executed, authenticated and delivered, and in all proceedings pertaining thereto as said Refunded Bonds shall have been modified as provided in this Agreement. The Issuer covenants that it is duly authorized under the Constitution and laws of the State of Texas to execute and deliver this Agreement, that all actions on its part for the payment of said Refunded Bonds as provided herein and the execution and delivery of this Agreement have been duly and effectively taken, and that said Refunded Bonds in the hands of the bidders and owners thereof are and will be valid and enforceable obligations of the Issuer according to the import thereof as provided in this Agreement.

Section 23. Arbitrage. The Issuer hereby covenants and agrees that it shall never request the Bank to exercise any power hereunder or permit any part of the money in the Escrow Fund to be used directly or indirectly to acquire any securities or obligations if the exercise of such power or the acquisition of such securities or obligations could cause any of the Bonds or the Refunded Bonds to be an "arbitrage bond" within the meaning of the Code.

Section 24. Severability. If any one or more of the covenants or agreements provided in this Agreement on the part of the parties to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant or agreement shall be deemed and construed to be severable from the remaining covenants and agreements herein contained and shall in no way affect the validity of the remaining provisions of this Agreement.

Section 25. Termination. This Agreement shall terminate when the Refunded Bonds, including interest due thereon, have been paid and discharged in accordance with the provisions of this Agreement. If any Refunded Bonds are not presented for payment when due and payable, the nonpayment thereof shall not prevent the termination of this Agreement. Funds for the payment of any nonpresented Refunded Bonds and accrued interest thereon shall upon termination of this Agreement be held by the Bank for such purpose in accordance with Section 8 hereof. Any money held in the Escrow Fund at termination and not needed for the payment of the principal of or interest on any of the Refunded Bonds shall be paid or transferred to the Issuer. Securities held in the Escrow Fund at termination and not needed for the payment of the principal of or interest on any of the Refunded Bonds shall be paid or transferred to the Issuer.

Section 26. Time of the Essence. Time shall be of the essence in the performance of obligations from time to time imposed upon the Bank by this Agreement.

Section 27. Amendment/Modification. This Agreement shall be binding upon the Issuer and the Bank and their respective successors and legal representatives and shall inure solely to the benefit of the holders of the Refunded Bonds, the Issuer, the Bank and their respective successors and legal representatives. Furthermore, no alteration, amendment or modification of any provision of this Agreement shall be effective unless (i) prior written consent of such alteration, amendment or modification shall have been obtained from the Series 2005 Bond Insurer and the holders of all Refunded Bonds outstanding at the time of such alteration, amendment or modification and (ii) such alteration, amendment or modification is in writing and signed by the parties hereto; however, the Issuer and the Bank may, without the consent of the holders of the Refunded Bonds, amend or modify the terms and provisions of this Agreement to

cure in a manner not adverse to the holders of the Refunded Bonds any ambiguity, formal defect or omission in this Agreement. No forward purchase agreement or other agreement with respect to the rights in the escrow may be entered into by the Issuer or Bank without the prior written consent of the Series 2005 Bond Insurer.

Section 28. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

Section 29. Executed Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument This Agreement shall be governed by the laws of the State of Texas and shall be effective as of the date of the delivery of the Bonds.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be executed by their duly authorized officers and their corporate seals to be hereunto affixed and attested as of the date first above written.

CITY OF LEWISVILLE ("Issuer")

By: _____
Name: _____
Title: Mayor

ATTEST:

By: _____
Name: _____
Title: City Secretary

WILMINGTON TRUST, N.A.
as Escrow Agent ("Bank")

By: _____
Name: _____
Title: _____

EXHIBIT "A"
REFUNDED BONDS

Series 2005 Bonds

Principal Amount	Maturity Date (October 1)
$ 250,000[a]	2015
265,000[b]	2016
285,000[b]	2017
300,000[b]	2018
320,000[b]	2019
340,000[b]	2020
360,000[b]	2021
380,000[b]	2022
400,000[b]	2023
425,000[b]	2024
450,000[b]	2025
480,000[c]	2026
510,000[c]	2027
540,000[c]	2028
570,000[c]	2029
605,000[c]	2030
640,000[c]	2031
680,000[c]	2032
720,000[c]	2033
765,000[c]	2034

(a) Represents mandatory sinking fund payments due on such dates on term bonds due on October 1, 2015.
(b) Represents mandatory sinking fund payments due on such dates on term bonds due on October 1, 2025.
(c) Represents mandatory sinking fund payments due on such dates on term bonds due on October 1, 2034.

Aggregate Principal Amount of Refunded Bonds $9,285,000

EXHIBIT "B"

$_____ in cash to be held for the account of the Escrow Fund

$_____
CITY OF LEWISVILLE, TEXAS
COMBINATION CONTRACT REVENUE AND
SPECIAL ASSESSMENT REFUNDING BONDS, SERIES 2015
(LEWISVILLE CASTLE HILLS PUBLIC IMPROVEMENT DISTRICT NO. 2 PROJECT)

BOND PURCHASE AGREEMENT

_____, 2015

Honorable Mayor and City Council
City of Lewisville, Texas
c/o Kelly Hart & Hallman LLP
201 Main Street, Suite 2500
Fort Worth, Texas 76102

Dear Mayor and City Council Members:

The undersigned (the "Underwriter") offers to enter into this Bond Purchase Agreement with the City of Lewisville, Texas (the "Issuer") and Denton County Fresh Water Supply District No. 1-D (the "District"). This offer is made subject to the Issuer's acceptance of this Bond Purchase Agreement on or before 10:00 p.m., Dallas Time on the date hereof.

1. **Purchase and Sale of the Bonds**. Upon the terms and conditions and upon the basis of the representations set forth herein, the Underwriter hereby agrees to purchase from the Issuer, and the Issuer agrees to sell and deliver to the Underwriter, an aggregate of $_____ City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project) (the "Bonds"). Inasmuch as this purchase and sale represents a negotiated transaction, the Issuer understands, and hereby confirms that the Underwriter is not acting as a fiduciary of the Issuer, but rather is acting solely in its capacity as Underwriter for its own account. The Issuer acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm's-length commercial transaction between the Issuer and the Underwriter, (ii) in connection therewith and with the discussions, undertakings, and procedures leading up to the consummation of this transaction, the Underwriter is and has been acting solely as principal and is not acting as the agent or fiduciary of the Issuer, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Issuer with respect to the offering contemplated hereby or the discussions, undertakings, and procedures leading thereto (regardless of whether the Underwriter has provided other services or is currently providing other services to the Issuer on other matters) and the Underwriter has no obligation to the Issuer with respect to the offering contemplated hereby except the obligations expressly set forth in this Bond Purchase Agreement, (iv) the Underwriter has financial and other interests that differ from those of the Issuer, (v) the Issuer has consulted its own legal, financial, and other advisors to the extent it has deemed appropriate, (vi) the Underwriter has provided to the Issuer prior disclosure under Rule G-17 of the Municipal Securities Rulemaking Board ("MSRB"), which have been received by the District, and (vii) the Issuer has engaged a municipal advisor to advise it on this transaction.

The Bonds shall have the dated date and maturities as shown on the cover and inside cover pages of the Official Statement (hereinafter defined) attached hereto as Exhibit A. The Bonds shall bear interest from the date of initial delivery thereof, at the rate or rates per annum as shown on the inside cover page of the Official Statement, such interest being payable as shown on the cover page of the Official Statement. The purchase price for the Bonds shall be $_____ (representing the principal amount of the Bonds of $_____, plus a net premium of $_____, less an Underwriter's discount of $_____).

2. **Bond Ordinance**. The Bonds shall be as described in and shall be issued and secured under the provisions of an ordinance adopted by the Issuer on April 20, 2015, and the Approval Certificate of even date herewith (collectively, the "Bond Ordinance"). The Bonds shall be secured and payable as provided in the Bond Ordinance, the Trust Agreement, dated as of May 1, 2015, (the "Trust Agreement") among the Issuer and Wilmington Trust, National Association (the "Trustee") and an Amended Joint Utility Contract, dated August 12, 2000 (the "Contract"), among the Issuer, Denton County Fresh Water Supply District No. 1-A ("District No. 1-A"), and the District.

3. **Public Offering**. It shall be a condition of the obligations of the Issuer to sell and deliver the Bonds to the Underwriter, and of the obligations of the Underwriter to purchase and accept delivery of the Bonds, that the entire principal amount of the Bonds authorized by the Bond Ordinance shall be sold and delivered to the Issuer and accepted and paid for by the Underwriter at the Closing. The Underwriter agrees to make a bona fide public offering of all of the Bonds, at prices not in excess of the initial public offering prices, as set forth on the cover page of the Official Statement (hereinafter defined), plus interest accrued on the Bonds. The Underwriter agrees to execute and deliver to the Issuer, at or before Closing, a written certification in such form as may be acceptable to the Issuer, to enable the Issuer to determine the "issue price" of the Bonds.

4. **Official Statement**. The Official Statement of the Issuer, dated the date hereof including the cover and inside cover pages and Appendices thereto, as further amended or supplemented only in the manner hereinafter provided, is hereinafter called the "Official Statement." The Preliminary Official Statement, dated April 20, 2015 (as amended or supplemented through the date hereof, the "Preliminary Official Statement") has been prepared by the Issuer for the use by the Underwriter in connection with the public offering, sale and distribution of the Bonds. The Issuer confirms its consent to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement. The Issuer hereby represents and warrants that the Preliminary Official Statement was deemed final by the Issuer as of its date, except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of Rule 15c2-12 of the United States Securities and Exchange Commission (the "SEC") under the Securities Exchange Act of 1934 ("Rule 15c2-12"). The Issuer hereby authorizes the Official Statement and the information therein contained to be used by the Underwriter in connection with the public offering and sale of the Bonds. The Issuer agrees to cooperate with the Underwriter to provide a supply of final Official Statements within seven business days of the date hereof in sufficient quantities (not to exceed 250), and in such printed or electronic form as is sufficient, to comply, and the Underwriter agrees to comply, with the Underwriter's obligations under applicable Rules of the MSRB and Rule 15c2-12. The Issuer further specifically agrees to cooperate with the Underwriter to provide such information as is necessary for the Underwriter to comply with the filing requirements of MSRB Rule G-32. Unless otherwise notified in writing by

the Underwriter, the Issuer can assume that the "end of the underwriting period" for the purposes of Rule 15c2-12 is the date of Closing.

5. **Representations, Warranties and Agreements of the Issuer**. On the date hereof, the Issuer represents, warrants and agrees as follows:

(a) The Issuer is a home rule city created pursuant to the Constitution and laws of the State of Texas and has full legal right, power and authority (i) to issue the Bonds and to enter into the escrow agreement (the "Escrow Agreement") described in the Bond Ordinance, (ii) to authorize and approve the Preliminary Official Statement and the Official Statement and to authorize and approve their distribution by the Underwriter, (iii) to adopt the Bond Ordinance and to carry out and consummate the actions contemplated thereby, and (iv) to carry out and consummate all other transactions contemplated by each of the aforesaid documents;

(b) The Issuer has duly created and established the Lewisville Castle Hills Public Improvement District No. 2 (the "Improvement District") pursuant to Chapter 372, Texas Local Government Code and the Issuer has full legal right, power, and authority to levy, assess, and collect the special assessments in accordance with City of Lewisville Ordinance adopted on April 16, 2001 (the "Assessment Ordinance").

(c) The Issuer has complied, and will be at the date of Closing in compliance, in all material respects, with the Constitution and laws of the State of Texas in connection with the authorization, issuance and sale of the Bonds;

(d) By official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly adopted the Bond Ordinance, has duly authorized and approved the execution and delivery of the Bonds, the Trust Agreement, the Contract, the Escrow Agreement, and this Bond Purchase Agreement, and has duly authorized and approved the performance of its obligations contained in the Bond Ordinance, the Trust Agreement, the Contract, Escrow Agreement, and this Bond Purchase Agreement;

(e) To the knowledge of the Issuer, the Issuer is not in breach of or default in any material respect under any applicable law or administrative regulation of the State of Texas or the United States or any applicable judgment or decree or any loan agreement, note, resolution, agreement or other instrument, except as may be disclosed in the Official Statement, to which the Issuer is a party or is otherwise subject, which would have a material and adverse effect upon the Bonds; and the execution and delivery of the Contract, the Trust Agreement, Escrow Agreement, and this Bond Purchase Agreement by the Issuer and the execution and delivery of the Bonds and the adoption of the Bond Ordinance by the Issuer and compliance with the provisions of each thereof will not violate or constitute a material breach of or default under any existing law, administrative regulation, judgment, decree or any agreement or other instrument to which the Issuer is a party or, to the knowledge of the Issuer, is otherwise subject;

(f) All approvals, consents and orders of any governmental authority or agency having jurisdiction which approval, consent or order would constitute a condition precedent to

the performance by the Issuer of its obligation to issue the Bonds hereunder will have been obtained prior to the Closing;

(g) The Preliminary Official Statement did not, and at the time of the Issuer's acceptance hereof, insofar as the Issuer and its affairs, including its financial affairs, are concerned, the Official Statement does not, and at the time of the Closing, the Official Statement will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(h) Between the date of this Bond Purchase Agreement and Closing, the Issuer will not, without the prior written consent of the Underwriter, issue any additional bonds, notes or other obligations for borrowed money payable in whole or in part from payments under the Contract or special assessments on the property located within the District;

(i) No litigation is pending or, to the knowledge of the Issuer, threatened in any court affecting the existence of the Issuer, the title of its officers to their respective offices, or seeking to restrain or enjoin the issuance or delivery of the Bonds, the levy or the collection of the special assessments pledged or to be pledged to make payments on the Bonds, or in any way contesting or affecting the issuance, execution, delivery, payment, security or validity of the Bonds, or in any way contesting or affecting the validity or enforceability of the Bond Ordinance, the Trust Agreement, the Contract, the Escrow Agreement, or this Bond Purchase Agreement, or contesting the powers of the Issuer, or any authority for the Bonds, the Bond Ordinance, the Trust Agreement, the Contract, the Escrow Agreement, or this Bond Purchase Agreement or contesting in any way the completeness, accuracy or fairness of the Official Statement;

(j) Although the Issuer assumes no responsibility for the registration or qualification of the Bonds under the securities law of any jurisdiction, the Issuer will cooperate with the Underwriter, at the Underwriter's request and expense, in arranging for the qualification of the Bonds for sale and the determination of their eligibility for investment under the securities laws of such jurisdictions as the Underwriter designates, and will, at the Underwriter's request and expense, use its best efforts to continue such qualifications in effect so long as required for the initial distribution of the Bonds; provided, however, that the Issuer will not be required to execute a general consent to service of process or to qualify to do business in connection with any such qualification in any jurisdiction;

(k) The descriptions contained in the Official Statement of the Issuer and the Improvement District are true and correct in all material respects; and

(l) If after the date of this Bond Purchase Agreement to and including the date the Underwriter is no longer required to provide an Official Statement to customers who request the same pursuant to Rule 15c2-12, an event occurs of which the Issuer has knowledge and which would cause the Official Statement to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein,

in light of the circumstances under which they were made, not misleading, the Issuer shall notify the Underwriter, and if in the opinion of the Issuer or the Underwriter such event requires a supplement or amendment to the Official Statement, or if it is necessary to amend or supplement the Official Statement to comply with laws, the Issuer will supplement or amend the Official Statement in a form and in a manner jointly approved by the Issuer and the Underwriter, such that the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which made, not misleading. If such supplement or amendment shall be subsequent to the Closing, the Issuer shall furnish such certificates, instruments and other documents as the Underwriter may deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement.

6. **Representations, Warranties and Agreements of the District**. On the date hereof, the District represents, warrants and agrees as follows:

(a) The District was created by an election held on May 1, 1999, and operates as a water control and improvement district pursuant to Article XVI, Section 59 of the Texas Constitution and Chapters 49 and 51, Texas Water Code, as amended, with certain reserved powers under Chapter 53, Texas Water Code, as amended, and has full legal right, power and authority (i) to enter into the Contract and this Bond Purchase Agreement, (ii) to authorize and approve the Preliminary Official Statement and the Official Statement and to authorize and approve its distribution by the Underwriter, (iii) to approve the form of the Bond Ordinance, (iv) to enter into this Bond Purchase Agreement, and (v) to carry out and consummate all other transactions contemplated by each of the aforesaid documents;

(b) The District has complied, and will be at the date of Closing in compliance, in all material respects, with the Constitution and laws of the State of Texas in connection with the Contract and the performance of its obligations thereunder;

(c) By official action of the District prior to or concurrently with the acceptance hereof, the District has duly authorized and approved the execution and delivery of the Contract and this Bond Purchase Agreement, and has duly authorized and approved the performance by the District of its obligations contained in the Contract and this Bond Purchase Agreement;

(d) To the knowledge of the District, the District is not in breach of or default under any applicable law or administrative regulation of the State of Texas or the United States or any applicable judgment or decree or any loan agreement, note, resolution, agreement or other instrument, except as may be disclosed in the Official Statement, to which the District is a party or is otherwise subject, which would have a material and adverse effect upon the business or financial condition of the District; and the execution and delivery of the Contract and this Bond Purchase Agreement by the District and compliance with the provisions of each thereof will not violate or constitute a material breach of or default under any existing law, administrative regulation, judgment, decree or any agreement or other instrument to which the District is a party or, to the knowledge of the District, is otherwise subject;

(e) The Preliminary Official Statement did not and, at the time of the District's acceptance hereof, the Official Statement does not, and at the time of the Closing, the Official Statement will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading insofar as information within the knowledge of the District is concerned;

(f) The audited financial statements of the District as of September 30, 2014, contained in the Official Statement present fairly the financial position as of such date, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles, and there has been no material adverse change in the financial condition of the District since September 30, 2014;

(g) Between the date of this Bond Purchase Agreement and Closing, the District will not, without the prior written consent of the Underwriter, issue any additional bonds, notes or other obligations for borrowed money payable in whole or in part from ad valorem taxes;

(h) No litigation is pending or, to the knowledge of the District, threatened in any court affecting the existence of the District, the title of its officers to their respective offices, or seeking to restrain or enjoin the issuance or delivery of the Bonds, the levy or the collection of taxes pledged or to be pledged to make payments under the Contract, the levy or collection of special assessments to make payments under the Bonds or in any way contesting or affecting the issuance, execution, delivery, payment, security or validity of the Bonds, or in any way contesting or affecting the validity or enforceability of the Bond Ordinance, the Trust Agreement, the Contract, this Bond Purchase Agreement, or contesting the powers of the District, or any authority for the Bonds, the Bond Ordinance, the Trust Agreement, the Contract, or this Bond Purchase Agreement or contesting in any way the completeness, accuracy or fairness of the Official Statement;

(i) The descriptions contained in the Official Statement of the District are true and correct in all material respects, and the descriptions of the Bonds, the Trust Agreement, the Contract, and the Bond Ordinance, accurately reflect the provisions of such instruments; and

(j) If after the date of this Bond Purchase Agreement to and including the date the Underwriter is no longer required to provide an Official Statement to customers who request the same pursuant to Rule 15c2-12, an event occurs of which the District has knowledge and which would cause the Official Statement to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the District shall notify the Underwriter, and if in the opinion of the District or the Underwriter such event requires a supplement or amendment to the Official Statement, or if it is necessary to amend or supplement the Official Statement to comply with laws, the District will request the Issuer to supplement or amend the Official Statement in a form and in a manner jointly approved by the Issuer, the District and the Underwriter, such that the Official Statement as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the

circumstances under which made, not misleading. If such supplement or amendment shall be subsequent to the Closing, the District shall furnish such certificates, instruments and other documents as the Underwriter may deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement.

7. **Closing**. At 10:00 A.M., Dallas Time, on _____, 2015 (the "Closing"), or such other date as agreed to by the Issuer and the Underwriter, the Issuer will deliver the initial Bonds and other documents hereinafter mentioned to or under the direction of the Underwriter and the Underwriter will accept delivery and pay the purchase price of the Bonds as set forth in Paragraph 1 hereof. The purchase price shall be paid in immediately available funds. Delivery and payment as aforesaid shall be made at the offices of Kelly Hart & Hallman LLP, 201 Main Street, Suite 2500, Fort Worth, Texas 76102, or such other place as shall have been mutually agreed upon by the Issuer and the Underwriter. The Bonds shall be delivered in fully registered form, bearing CUSIP numbers without coupons, with one Bond for each maturity of the Bonds, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, all as provided in the Bond Ordinance, and shall be made available to the Underwriter or its designee at least one business day before the Closing for purposes of inspection in Fort Worth, Texas, or such other place as shall be mutually satisfactory to the Issuer and the Underwriter.

8. **Conditions**. The Underwriter has entered into this Bond Purchase Agreement in reliance upon the representations and warranties of the Issuer and the District contained herein and to be contained in the documents and instruments to be delivered at the Closing, and upon the performance by the Issuer and the District, of their respective obligations hereunder, both as of the date hereof and as of the date of Closing. Accordingly, the Underwriter's obligations under this Bond Purchase Agreement to purchase the Bonds shall be subject to the performance by the Issuer and the District of their respective obligations to be performed hereunder and under such documents and instruments executed at or prior to the Closing, and shall also be subject to the following conditions:

(a) The representations and warranties of Issuer and the District contained herein shall be true, complete and correct in all material respects on the date hereof and on and as of the date of Closing, as if made on the date of Closing;

(b) At the time of the Closing, the Bond Ordinance, the Trust Agreement, the Escrow Agreement, and the Contract shall be in full force and effect, and the Bond Ordinance, the Trust Agreement, the Escrow Agreement, and the Contract shall not have been amended, modified or supplemented and the Official Statement shall not have been amended, modified or supplemented, except as may have been agreed to by the Underwriter;

(c) At the time of the Closing, all official actions of the Issuer and the District related to the Contract, the Bond Ordinance, the Trust Agreement, the Escrow Agreement, this Bond Purchase Agreement and the Official Statement shall be in full force and effect and shall not have been amended, modified or supplemented;

(d) Neither the Issuer nor the District shall have failed to pay principal or interest when due on any of its outstanding obligations for borrowed money;

(e) At or prior to the Closing, either (i) the Underwriters shall have purchased or subscribed for the purchase of the open market Treasury Obligations, if any, described in the Verification Report (hereinafter defined) at prices not exceeding the market prices thereof or (ii) the District shall have subscribed to the United States Treasury for the purchase of State and Local Government Treasury Obligations, if any, required to be deposited with the Escrow Agent pursuant to and as defined in the Escrow Agreement; and

(f) At or prior to the Closing, the Underwriter shall have received each of the following documents:

(1) The Official Statement executed on behalf of the Issuer by the Mayor and City Secretary of the Issuer and by the President and Secretary of the Board of Directors of the District;

(2) The Bond Ordinance certified by the City Secretary of the Issuer under its seal as having been duly adopted by the Issuer and as being in effect, with such changes or amendments as may have been agreed to by the Underwriter and evidence of official action of the District approving form of the Bond Ordinance;

(3) The Trust Agreement executed on behalf of the Issuer by the Mayor and City Secretary of the Issuer and by authorized officers of the Trustee;

(4) The opinion or opinions, dated the date of Closing, of Kelly Hart & Hallman LLP, Bond Counsel, in form and substance acceptable to the Underwriter concerning the validity of the Bonds under Texas law, the excludability from gross income, for purposes of federal income taxes, of interest on the Bonds, and the defeasance of the obligations refunded by the Bonds;

(5) The opinion, dated on or prior to the date of Closing, of the Attorney General of Texas, approving the Bonds and evidence of the registration of the Bonds by the Comptroller of Public Accounts of the State of Texas, all as required by law;

(6) The supplemental opinion, dated the date of Closing, of Kelly Hart & Hallman LLP, addressed to the Issuer, the Trustee, and the Underwriter (i) with respect to the enforceability of the Trust Agreement and the Contract, and (ii) to the effect that, in its capacity as Bond Counsel, such firm has reviewed the information contained under the captions "PLAN OF FINANCING," "THE BONDS (except for information under the sub-caption "Book-Entry-Only System)," "TAX PROCEDURES," "ASSESSMENT PROCEDURES," "THE ISSUER," "THE DISTRICT," "THE IMPROVEMENT DISTRICT," "LEGAL MATTERS," "TAX MATTERS," "CONTINUING DISCLOSURE OF INFORMATION," "APPENDIX B - DEFINITIONS," "APPENDIX C - SUMMARY OF TRUST AGREEMENT," "APPENDIX D - SUMMARY OF THE CONTRACT," and "APPENDIX E - FORM OF BOND COUNSEL OPINION" contained in the Official Statement, and such firm is of the opinion that such information, fairly summarizes the procedures, law and documents referred to therein. The opinion of such firm shall also state that, based upon its participation in the

preparation of the Official Statement, Bond Counsel has no reason to believe that the Official Statement (except for the financial statements and other financial and statistical data contained therein, as to which no view need be expressed), as of the date thereof, contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(7) An opinion from Kelly Hart & Hallman LLP, Bond Counsel, dated the date of the Closing, addressed to the Issuer and the Underwriter to the effect that the Bonds are exempted securities as described in Section 3(a)(2) of the Securities Act of 1933, as amended, and Section 304(a)(4) of the Trust Indenture Act of 1939, as amended, to the extent provided in such Acts, and it is not necessary in connection with the sale of the Bonds to the public to register the Bonds under the Securities Act of 1933, as amended, or to qualify the Bond Ordinance and the Trust Agreement under the Trust Indenture Act of 1939, as amended;

(8) An opinion of McCall, Parkhurst & Horton L.L.P., Underwriter's Counsel, dated the date of Closing, in form and substance satisfactory to the Underwriter.

(9) An opinion of Norton Rose Fulbright US LLP, counsel to the Trustee, addressed to the Issuer and the Underwriter, concerning the validity of the Trust Agreement;

(10) A certificate, dated the date of Closing, signed by the Mayor of the Issuer, to the knowledge of the Issuer, in his official capacity, to the effect that to the best of his knowledge or belief (i) the representations and warranties of the Issuer contained herein are true and correct in all material respects on and as of the date of Closing, as if made on the date of Closing; (ii) no litigation is pending or, to the knowledge of the Issuer, threatened in any court to restrain or enjoin the issuance or delivery of the Bonds, the payments under the Contract, or the levy or collection of special assessments to pay the Special Assessment Revenues, respectively, or the pledge thereof, or in any way contesting or affecting the validity of the Bonds, the Bond Ordinance, the Trust Agreement, the Contract, the Escrow Agreement, or this Bond Purchase Agreement, or contesting the powers of the Issuer or contesting the authorization of the Bonds, the Contract, the Bond Ordinance, the Escrow Agreement, or the Trust Agreement, or contesting in any way the accuracy, completeness or fairness of the Preliminary Official Statement or the Official Statement (but in lieu of or in conjunction with such certificate, the Underwriter may, in its sole discretion, accept certificates or opinions of counsel of the Issuer that, in his or her opinion, the issues raised in any such pending or threatened litigation are without substance or that the contentions of all plaintiffs therein are without merit); (iii) the information, descriptions and statements of or pertaining to the Issuer contained in the Official Statement, on the date thereof and on the date of delivery were and are true and correct in all material respects; (iv) insofar as the Issuer and its affairs, including its financial affairs, are concerned, the Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated herein or necessary to make the statements herein, in the light of the

circumstances under which they were made, not misleading; (v) insofar as the descriptions and statements, including financial data contained in the Official Statement, of or pertaining to entities other than the Issuer and their activities are concerned, such statements and data have been obtained from sources which the Issuer believes to be reliable and that the Issuer has no reason to believe are untrue in any material respect or omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading; however, the Issuer has made no independent investigation as to the accuracy or completeness of the information derived from sources other than the Issuer; and (vi) no event affecting the Issuer has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any respect;

(11) A certificate, dated the date of Closing, signed by the President or Vice President of the Board of Directors of the District, in their official capacities, to the effect that to the best of their knowledge or belief (i) the representations and warranties of the District contained herein are true and correct in all material respects on and as of the date of Closing, as if made on the date of Closing; (ii) no litigation is pending or, to the knowledge of the District, threatened in any court to restrain or enjoin the issuance or delivery of the Bonds, or the levy or collection of the taxes pledged or to be pledged pursuant to the Contract to pay Contract Revenues and on the levy or collection of special assessments to pay the Special Assessment Revenues, respectively, or the pledge thereof, or in any way contesting or affecting the validity of the Bonds, the Bond Ordinance, the Trust Agreement, the Contract, the Escrow Agreement, or this Bond Purchase Agreement, or contesting the powers of the District or contesting the authorization of the Bonds, the Contract, the Bond Ordinance, the Escrow Agreement, or the Trust Agreement, or contesting in any way the accuracy, completeness or fairness of the Preliminary Official Statement or the Official Statement (but in lieu of or in conjunction with such certificate, the Underwriter may, in its sole discretion, accept certificates or opinions of counsel of the District that, in their opinion, the issues raised in any such pending or threatened litigation are without substance or that the contentions of all plaintiffs therein are without merit); (iii) the information, descriptions and statements of or pertaining to the District contained in the Official Statement, on the date thereof and on the date of delivery were and are true and correct in all material respects; (iv) insofar as the District and its affairs, including its financial affairs, are concerned, the Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated herein or necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading; (v) insofar as the descriptions and statements, including financial data contained in the Official Statement, of or pertaining to entities other than the District and their activities are concerned, such statements and data have been obtained from sources which the District believes to be reliable and that the District has no reason to believe are untrue in any material respect or omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading; however, the District has made no independent investigation as to the

accuracy or completeness of the information derived from sources other than the District; (vii) to the best of their knowledge, no event affecting the District has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein not misleading in any respect, and (viii) there has not been any material and adverse change in the financial condition of the District since September 30, 2014, the latest date as to which audited financial information is available.

(12) A certificate, dated the date of Closing, of an appropriate official of the Issuer to the effect that, on the basis of the facts, estimates and circumstances in effect on the date of delivery of the Bonds, it is not expected that the proceeds of the Bonds will be used in a manner that would cause the Bonds to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code");

(13) A copy of a special report (the "Verification Report") prepared by the independent Certified Public Accountants named in the Official Statement, addressed to the District, Bond Counsel, Special Tax Counsel, the Underwriters and Underwriters' Counsel (i) verifying the arithmetical computations of the adequacy of the cash and the maturing principal amounts of and interest on the State and Local Government Treasury Obligations or open market Treasury Obligations, if any, to be held by the Escrow Agent to pay, when due, the principal or redemption price of, and interest on the Refunded Bonds and (ii) verifying the mathematical computations supporting the conclusion of Special Tax Counsel that the Bonds are not "arbitrage bonds" under the Code;

(14) Evidence satisfactory to the Underwriter that the Bonds have received a rating of not less than "AA" (stable outlook) from Standard & Poor’s Ratings Services, a Standard & Poor's Financial Services LLC business;

(15) Evidence of the municipal bond insurance policy for the Bonds issued by Assured Guaranty Municipal Corp. (the "Insurer") delivered in a form acceptable to the Underwriter; and

(16) Such additional legal opinions, certificates, instruments and other documents as Bond Counsel or Underwriter's Counsel may reasonably request to evidence the truth, accuracy and completeness, as of the date hereof and as of the date of Closing, of the Issuer's and District's representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance and satisfaction by the Issuer and the District at or prior to the date of Closing of all agreements then to be performed and all conditions then to be satisfied by the Issuer and the District.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Bond Purchase Agreement shall be in form and substance satisfactory to Bond Counsel and Counsel to the Underwriter.

9. **Termination**. The Underwriter may terminate its obligation to purchase the Bonds at any time before Closing between the date of this Agreement and the Closing, the market price or marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale of the Bonds shall be materially adversely affected, in the sole judgment of the Underwriter, reasonably exercised, by the occurrence of any of the following:

(a) (i) Legislation shall have been enacted by the Congress of the United States, or recommended to the Congress for passage by the President of the United States, or favorably reported for passage to either House of the Congress by any Committee of such House, or (ii) a decision shall have been rendered by a court established under Article III of the Constitution of the United States or by the United States Tax Court, or (iii) an order, ruling or regulation shall have been issued or proposed by or on behalf of the Treasury Department of the United States or the Internal Revenue Service or any other agency of the United States, or (iv) a release or official statement shall have been issued by the President of the United States or by the Treasury Department of the United States or by the Internal Revenue Service, the effect of which, in any such case described in clause (i), (ii), (iii), or (iv), would be to impose, directly or indirectly, federal income taxation upon interest received on obligations of the general character of the Bonds or upon income of the general character to be derived by the Issuer, other than any imposition of federal income taxes upon interest received on obligations of the general character as the Bonds on the date hereof.

(b) Any action shall have been taken by the SEC or by a court of competent jurisdiction which would require registration of any security under the Securities Act of 1933, as amended, or qualification of any indenture under the Trust Indenture Act of 1939, as amended, in connection with the public offering of the Bonds, or any action shall have been taken by any court or by any governmental authority of competent jurisdiction suspending the use of the Preliminary Official Statement or the Official Statement or any amendment or supplement thereto, or any proceeding for that purpose shall have been initiated or threatened in any such court or by any such authority.

(c) (i) The Constitution of the State of Texas shall be amended or an amendment shall be proposed, or (ii) legislation shall be enacted, or (iii) a decision shall have been rendered as to matters of Texas law, or (iv) any order, ruling or regulation shall have been issued or proposed by or on behalf of the State of Texas by an official, agency or department thereof, affecting the tax status of the Issuer, the District, their respective property or income, its bonds (including the Bonds) or the interest thereon.

(d) (i) A general suspension of trading in securities on the New York Stock Exchange, (ii) a national securities exchange or any governmental authority shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriters, or (iii) a general banking moratorium declared by federal, State of New York, or State officials authorized to do so or a material disruption in securities settlement, payment or clearance services in the United States shall have occurred.

(e) There shall have occurred any disruptive events, occurrences, or conditions in the securities or debt markets;

(f) There shall have occurred (whether or not foreseeable) any (a) new material outbreak of hostilities (including, without limitation, an act of terrorism) or (b) new material other national or international calamity or crisis including, but not limited to, an escalation of hostilities that existed prior to the date hereof, or (c) material financial crisis or adverse change in the financial or economic conditions affecting the United States government or the securities markets in the United States;

(g) An event described in Paragraph 6(j) hereof occurs which requires a supplement or amendment to the Official Statement.

(h) The debt ceiling of the United States is such that the State and Local Government Treasury Obligations, if any, required to be deposited with the Escrow Agent pursuant to the Escrow Agreement, are not available for delivery on the date of the Closing and the District is otherwise unable on the date of Closing to fund the Escrow Fund created pursuant to the terms of the Escrow Agreement.

(i) There shall have been a failure to provide within seven business days of the date hereof, an Official Statement in form and substance satisfactory to the Underwriters

(j) There shall have occurred any materially adverse change in the financial condition of the Issuer or the District, except for changes which the Official Statement discloses are expected to occur.

(k) There shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to any of the Issuer's or the District's obligations or any rating of the Insurer.

10. **Expenses**. The Underwriter shall be under no obligation to pay and the Issuer shall pay any expenses incident to the performance of the Issuer's obligations hereunder, including but not limited to: (i) the cost of the preparation, printing and distribution of the Preliminary Official Statement and the Official Statement (including amendments or supplements thereto); (ii) the cost of the preparation and printing of the Bonds; (iii) the fees and expenses of Bond Counsel; (iv) the fees and disbursements of the Attorney General of Texas and the Issuer’s and the District's accountants, advisors, and any other experts or consultants retained by the Issuer or the District, including the fee of the independent certified accountants named in the Official Statement for the preparation of the Verification Report; (v) issuance costs associated with CUSIP and DTC filing; (vi) the fees and expenses of the Trustee and Trustee’s counsel; (vii) the fees and expenses of Underwriter’s Counsel; (viii) rating agency fees; and (ix) bond insurance premiums, if any.

11. **Notices**. Any notice or other communication to be given to the Issuer under this Bond Purchase Agreement may be given by delivering the same in writing at the address for the Issuer set forth above, and any notice or other communication to be given to the Underwriter under this Bond

Purchase Agreement may be given by delivering the same in writing to Raymond James & Associates, Inc., 5956 Sherry Lane, Suite 1900, Dallas, Texas 75225, Attention: Lori Sullivan. The approval of the Underwriter when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing, signed by the Underwriter and delivered to the Issuer.

12. **Parties in Interest**. This Bond Purchase Agreement is made solely for the benefit of the Issuer, the District and the Underwriter (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. The representations, warranties and agreements contained in this Bond Purchase Agreement shall remain operative and in full force and effect, regardless of (i) any investigations made by or on behalf of the Underwriter and (ii) delivery of any payment for the Bonds hereunder; and the Issuer's representations and warranties contained in Section 4 hereof and the District's representations and warranties contained in Section 5 hereof shall remain operative and in full force and effect regardless of any termination of the Bond Purchase Agreement.

13. **Source of Payment**. All obligations of the Issuer hereunder shall be payable solely from the proceeds of the Bonds or the Contract Revenues and Special Assessments identified in the Trust Agreement.

14. **Choice of Law**. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

15. **Severability**. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provision or provisions of any Constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

16. **Business Day**. For purposes of this Agreement, "business day" means any day on which the New York Stock Exchange is open for trading.

17. **Counterparts**. This Agreement may be executed in several counterparts each of which shall be regarded as an original (with the same effect as if the signatures thereto and hereto were upon the same document) and all of which shall constitute one and the same document.

18. **No Personal Liability**. None of the members of the City Council, nor any officer, agent, or employee of the Issuer, shall be charged personally by the Underwriter with any liability, or be held liable to the Underwriter under any term or provision of this Agreement, or because of execution or attempted executing, or because of any breach or attempted or alleged breach, of the Agreement.

19. **Effective Date**. Upon the execution of the acceptance hereof by the Issuer and the District the Bond Purchase Agreement shall be effective as of the date set forth on the first page hereof, and shall be valid and enforceable as of the time of such effectiveness.

Very truly yours,

RAYMOND JAMES & ASSOCIATES, INC.

By: _____
Title: _____

Accepted at ____ a.m./p.m. CST this ____ day of _____, 2015.

CITY OF LEWISVILLE, TEXAS

By: _____
Title: _____

DENTON COUNTY FRESH WATER SUPPLY DISTRICT NO. 1-D

By: _____
Title: _____

EXHIBIT A

PRELIMINARY OFFICIAL STATEMENT DATED AS OF APRIL 20, 2015

IN THE OPINION OF BOND COUNSEL, INTEREST ON THE BONDS IS EXCLUDABLE FROM GROSS INCOME FOR PURPOSES OF FEDERAL INCOME TAXATION UNDER EXISTING STATUTES, REGULATIONS, PUBLISHED RULINGS AND COURT DECISIONS AS DESCRIBED UNDER "TAX EXEMPTION" HEREIN. SEE "LEGAL MATTERS" AND "TAX EXEMPTION" HEREIN FOR A DISCUSSION OF BOND COUNSEL'S OPINION, INCLUDING A DESCRIPTION OF CERTAIN ALTERNATIVE MINIMUM TAX CONSEQUENCES FOR CORPORATIONS.

NEW ISSUE

RATINGS: Standard & Poor's Ratings Services (AGM Insured) "AA" (stable outlook)
Standard & Poor's Ratings Services (Underlying) "BBB+" (stable outlook)
See "BOND INSURANCE" and "MUNICIPAL BOND RATINGS"

$8,730,000*
CITY OF LEWISVILLE, TEXAS
COMBINATION CONTRACT REVENUE AND SPECIAL ASSESSMENT REFUNDING BONDS, SERIES 2015
(LEWISVILLE CASTLE HILLS PUBLIC IMPROVEMENT DISTRICT NO. 2 PROJECT)

Dated: May 1, 2015
Interest Accrues: Date of Initial Delivery

Due: September 1
(as shown on inside front cover)

The $8,730,000* City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project) (the "Bonds") will be issued by the City of Lewisville, Texas (the "Issuer") in fully registered form and will be registered only in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. The Bonds will be in authorized denominations of $5,000 and integral multiples thereof. Individual purchases in authorized denominations will be made only through the book-entry system maintained by DTC through brokers and dealers who are, or act through, DTC participants. The purchasers of the Bonds will not receive certificates representing their interest in the Bonds. Ownership interest in the Bonds will be shown on, and transfer of the Bonds will be effected only through, records maintained by DTC and its participants. Payments of the principal of and interest on the Bonds are required to be made to owners by DTC through its participants.

The Trustee and Paying Agent/Registrar for the Bonds is Wilmington Trust, National Association, in Dallas, Texas.

Interest on the Bonds accrues from the date of initial delivery thereof, is calculated on the basis of a 360-day year comprised of twelve 30-day months, and is payable on September 1, 2015, and on each March 1 and September 1 thereafter until maturity or prior redemption. The Bonds maturing on and after September 1, 2021, are subject to redemption prior to their scheduled maturity, in whole or in part, on September 1, 2020, or on any date thereafter, at the option of the Issuer. [The Bonds maturing on September 1, ____, and September 1, ____, are also subject to mandatory sinking fund redemption as described herein.] The Bonds are also subject to special mandatory redemption on and after September 1, 2020, with prepayments, if any, of Contract Revenues (as defined herein) and Special Assessment Revenues (as defined herein) as described herein. Upon redemption, the Bonds will be payable at a price equal to the principal amount of the Bonds or portions thereof so called for redemption, plus accrued interest to the date of redemption. If fewer than all the Bonds subject to optional redemption are optionally redeemed at any time, the maturities and amounts to be redeemed shall be designated by the Issuer and, if fewer than all Bonds of a maturity are to be redeemed, the particular Bonds to be redeemed shall be selected by the Trustee by lot or other customary method of random selection (or by DTC in accordance with its procedures while the Bonds are in book-entry only form). See "THE BONDS - Redemption Provisions."

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by Assured Guaranty Municipal Corp. ("AGM").

ASSURED GUARANTY® MUNICIPAL

The proceeds of the Bonds, together with available funds of the District (hereinafter defined), will be applied to refund certain outstanding bonds of the Issuer issued pursuant to the Contract (as defined herein), and to pay certain costs incurred in connection with the issuance of the Bonds. See "PLAN OF FINANCING."

The Bonds, when issued, constitute valid and legally binding special obligations of the Issuer, payable from certain Contract Revenues (as defined herein) paid by Denton County Fresh Water Supply District No. 1-D (the "District"), which Contract Revenues are payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property located within the District. The Bonds are further payable and secured by a pledge of and lien on certain Special Assessment Revenues (as defined herein) levied against benefitted property within the Lewisville Castle Hills Public Improvement District No. 2 (the "Improvement District"), a public improvement district of the Issuer, all of which is located within the Issuer's extraterritorial jurisdiction and the boundaries of which are coterminous with the boundaries of the District, all to the extent and upon the conditions described herein. Because Special Assessment Revenues are collected only to the extent that, in any given calendar year, Contract Revenues are insufficient to make payments on the Bonds, Special Assessment Revenues have not made, and are not expected to make, significant contributions, if any, to future debt service payments. See "THE BONDS - Sources of Payment."

THE BONDS ARE SPECIAL REVENUE OBLIGATIONS OF THE ISSUER AND ARE NOT OBLIGATIONS OF DENTON COUNTY, THE STATE OF TEXAS, OR ANY POLITICAL SUBDIVISION OTHER THAN THE ISSUER OR THE DISTRICT. THE BONDS ARE NOT PAYABLE FROM ANY FUNDS RAISED OR TO BE RAISED BY TAXATION BY THE ISSUER OR FROM ANY OTHER SOURCE OF FUNDS OF THE ISSUER OTHER THAN CONTRACT REVENUES AND SPECIAL ASSESSMENT REVENUES.

THE BONDS ARE SUBJECT TO SPECIAL RISK FACTORS DESCRIBED HEREIN. See "RISK FACTORS" herein.

The Bonds will be delivered when, as and if issued, subject to the approval of the Attorney General of Texas and Kelly Hart & Hallman LLP, Fort Worth, Texas, Bond Counsel. Certain legal matters will be passed upon for Raymond James & Associates, Inc., as underwriter (the "Underwriter") by its counsel McCall, Parkhurst & Horton L.L.P., Dallas, Texas. The Bonds in definitive form are expected to be available for delivery in Fort Worth, Texas, on or about _____, 2015.

RAYMOND JAMES

_____, 2015

*Preliminary; subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRINCIPAL AMOUNTS, MATURITIES, INTEREST RATES AND PRICES

SERIAL BONDS

Principal Amount	Maturity September 1	Interest Rate	Initial Reoffering Yield(c)	CUSIP(d)

TERM BONDS

$_____* ____% Term Bonds Due September 1, ___(a)(b) Yield _____%(c) CUSIP _____ (d)

$_____* ____% Term Bonds Due September 1, ___(a)(b) Yield _____%(c) CUSIP _____ (d)

(a) Subject to optional redemption as described above.

(b) Subject to mandatory sinking fund redemption on September 1 in each of the years and in the amounts set forth herein under the caption "THE BONDS - Redemption Provisions -- Mandatory Redemption."

(c) The initial reoffering yield has been provided by the Underwriter (defined herein) and is based upon the initial offering price of a substantial amount of the Bonds.

(d) CUSIP Numbers have been assigned to the Bonds by CUSIP Global Services, managed by Standard & Poor's Financial Services LLP on behalf of the America Bankers Association and are included solely for the convenience of purchasers of the Bonds. Neither the Issuer nor the Underwriter shall be responsible for the selection or correctness of the CUSIP Numbers set forth herein.

*Preliminary; subject to change.

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USE OF INFORMATION IN OFFICIAL STATEMENT

General

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, this document constitutes an "official statement" of the Issuer with respect to the Bonds that has been deemed "final" by the Issuer as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

None of the Issuer, its Financial Advisor, or the Underwriter (as defined herein) makes any representation regarding the information contained in this Official Statement regarding The Depository Trust Company, or its book-entry-only system, as such information has been furnished by The Depository Trust Company.

The cover page contains certain information for general reference only and is not intended as a summary of this offering. Investors should read the entire Official Statement, including all schedules and appendices attached hereto, to obtain information essential to making an informed investment decision.

THIS OFFICIAL STATEMENT CONTAINS "FORWARD-LOOKING" STATEMENTS WITHIN THE MEANING OF SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. SUCH STATEMENTS MAY INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE THE ACTUAL RESULTS, PERFORMANCE AND ACHIEVEMENTS TO BE DIFFERENT FROM THE FUTURE RESULTS, PERFORMANCE AND ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INVESTORS ARE CAUTIONED THAT THE ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE SET FORTH IN THE FORWARD-LOOKING STATEMENTS.

No dealer, broker, salesman or other person has been authorized by the Issuer or the Underwriter to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the Issuer or the Underwriter.

This Official Statement does not constitute, and is not authorized by the Issuer for use in connection with, an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

All of the summaries of the statutes, resolutions, orders, contracts, audits, engineering and other related reports set forth in this Official Statement are made subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents, copies of which are available from the Issuer.

This Official Statement contains, in part, estimates, assumptions and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates, assumptions or matters of opinion, or as to the likelihood that they will be realized. Any information and expressions of opinion herein contained are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the condition of the Issuer or other matters described herein since the date hereof. However, the Issuer has agreed to keep this Official Statement current by amendment or sticker to reflect material changes in the affairs of the Issuer, and to the extent that information actually comes to its attention,

the other matters described in this Official Statement, until delivery of the Bonds to the initial purchasers thereof and, thereafter, only as described under "CONTINUING DISCLOSURE OF INFORMATION."

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

THE TRUSTEE ASSUMES NO RESPONSIBILITY FOR THIS OFFICIAL STATEMENT AND HAS NOT REVIEWED OR UNDERTAKEN TO VERIFY ANY INFORMATION CONTAINED HEREIN.

Assured Guaranty Municipal Corp. ("AGM") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "BOND INSURANCE" and "APPENDIX G - Specimen Municipal Bond Insurance Policy".

Securities Laws

No registration statement relating to the Bonds has been filed with the United States Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein, nor have the Bonds been registered or qualified under the securities laws of any other jurisdiction. The Issuer assumes no responsibility for registration or qualification of the Bonds under the securities laws of any other jurisdiction in which the Bonds may be offered, sold or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions in such other jurisdictions.

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Assured Guaranty Municipal Corp. ("AGM" or the "Insurer") will issue its Municipal Bond Insurance Policy for the Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as "APPENDIX G" to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Assured Guaranty Municipal Corp.

AGM is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO". AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and global public finance, infrastructure and structured finance markets. Neither AGL nor any of its shareholders or affiliates, other than AGM, is obligated to pay any debts of AGM or any claims under any insurance policy issued by AGM.

AGM's financial strength is rated "AA" (stable outlook) by Standard and Poor's Ratings Services, a Standard & Poor's Financial Services LLC business ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA"), and "A2" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of AGM should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On November 13, 2014, KBRA assigned an insurance financial strength rating of "AA+" (stable outlook) to AGM. AGM can give no assurance as to any further ratings action that KBRA may take.

On July 2, 2014, S&P issued a credit rating report in which it affirmed AGM's financial strength rating of "AA" (stable outlook). AGM can give no assurance as to any further ratings action that S&P may take.

On July 2, 2014, Moody's issued a rating action report stating that it had affirmed AGM's insurance financial strength rating of "A2" (stable outlook). In February 2015, Moody's published a credit opinion under its new financial guarantor ratings methodology maintaining its existing rate and outlook on AGM. AGM can give no assurance as to any further ratings action that Moody's may take.

For more information regarding AGM's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2014.

Capitalization of AGM

At December 31, 2014, AGM's policyholders' surplus and contingency reserves were approximately $3,763 million and its net unearned premium reserve was approximately $1,769 million. Such amounts represent the combined surplus, contingency reserve and net unearned premium reserve of AGM, of AGM's wholly owned subsidiary Assured Guaranty (Europe) Ltd., and 60.7% of AGM's indirect subsidiary Municipal Assurance Corp.; each amount of surplus, contingency reserve and net unearned premium reserve for each company was determined in accordance with statutory accounting principles.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

- the Annual Report on Form 10-K for the fiscal year ended December 31, 2014 (filed by AGL with the SEC on February 26, 2015);

All consolidated financial statements of AGM and all other information relating to AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at http://www.sec.gov, at AGL's website at http://www.assuredguaranty.com, or will be provided upon request to Assured Guaranty Municipal Corp.: 31 West 52nd Street, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AGM included herein under the caption "BOND INSURANCE - Assured Guaranty Municipal Corp." or included in a document incorporated by reference herein (collectively, the "AGM Information") shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AGM or one of its affiliates may purchase a portion of the Bonds or any uninsured bonds offered under this Official Statement and such purchases may constitute a significant proportion of the bonds offered. AGM or such affiliate may hold such Bonds or uninsured bonds for investment or may sell or otherwise dispose of such Bonds or uninsured bonds at any time or from time to time.

AGM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under the heading "BOND INSURANCE."

BOND INSURANCE RISK FACTORS

In the event of default of the payment of principal or interest with respect to the Bonds when all or some becomes due, any owner of the Bonds shall have a claim under the Policy for such payments.

In the event the Insurer is unable to make payment of principal and interest as such payments become due under the Policy, the Bonds are payable solely from the moneys received pursuant to the applicable bond documents. In the event the Insurer becomes obligated to make payments with respect to the Bonds, no assurance is given that such event will not adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds.

The long-term ratings on the Bonds are dependent in part on the financial strength of the Insurer and its claim paying ability. The Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Insurer and of the ratings on the Bonds insured by the Insurer will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See "BOND INSURANCE" and "RATINGS" herein.

The obligations of the Insurer are contractual obligations and in an event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the District nor the Underwriter has made independent investigation into the claims paying ability of the Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Bonds and the claims paying ability of the Insurer, particularly over the life of the investment. See "BOND INSURANCE" herein for further information provided by the Insurer and the Policy, which includes further instructions for obtaining current financial information concerning the Insurer.

RATINGS

Standard & Poor's Ratings Services ("Standard & Poor's") is a Standard & Poor's Financial Services LLC business. Standard & Poor's is located at 55 Water Street, New York, New York 10041, telephone number (212) 208-8000 and has engaged in providing ratings for corporate bonds since 1923 and municipal bonds since 1940. Long-term debt ratings assigned by Standard & Poor's reflect its analysis of the overall level of credit risk involved in financings. At present Standard & Poor's assigns long-term debt ratings with symbols "AAA" (the highest rating) through "D" (the lowest ratings).

The Bonds are expected to receive an initial rating of "AA" (stable outlook) from Standard & Poor's based upon the issuance of the municipal bond insurance policy by the Insurer at the time of delivery of the Bonds. The underlying credit rating of the Bonds assigned by Standard & Poor's is "BBB" (stable outlook).

An explanation of the significance of the foregoing ratings may only be obtained from Standard & Poor's. The foregoing ratings express only the view of Standard & Poor's at the time the ratings are given. Furthermore, a security rating is not a recommendation to buy, sell or hold securities. There is no assurance that the ratings will continue for any given period of time or that they will not be revised downward or withdrawn entirely by Standard & Poor's, if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of such ratings may have an adverse effect on the market price of the Bonds.

The District is not aware of any ratings assigned the Bonds other than the ratings of Standard & Poor's. See "BOND INSURANCE" and "BOND INSURANCE RISK FACTORS."

OFFICIAL STATEMENT SUMMARY

The following summary of certain formation contained herein is qualified in its entirety by the detailed information appearing elsewhere in this Official Statement. The reader should refer particularly to sections that are indicated for more detailed information.

THE BONDS

The Issuer	City of Lewisville, Denton County, Texas (the "Issuer" or the "City"), a home rule city existing under the Constitution and laws of the State of Texas. See "THE ISSUER."
The District	Denton County Fresh Water Supply District No. 1-D (the "District"), a political subdivision of the State of Texas located wholly within the extraterritorial jurisdiction of the Issuer, operating under Chapters 49 and 51, Texas Water Code, as amended, with certain rights, powers, privileges, authority, and functions derived from Chapter 53, Texas Water Code, as amended. See "THE DISTRICT."
The Improvement District	Lewisville Castle Hills Public Improvement District No. 2 (the "Improvement District"), a public improvement district under Chapter 372, Texas Local Government Code, located wholly within the extraterritorial jurisdiction of the Issuer and the boundaries of which are coterminous with the boundaries of the District. See "THE IMPROVEMENT DISTRICT."
Description	City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project) (the "Bonds") in the aggregate principal amount of $8,730,000*, are dated May 1, 2015, and mature on September 1 of each of the years and in the principal amounts shown on the inside cover hereof. Interest on the Bonds accrues at the respective rates shown on the inside cover hereof from the date of initial delivery to the Underwriter (as defined herein) and is payable on September 1, 2015, and on each March 1 and September 1 thereafter until maturity or prior redemption. The Bonds are issued pursuant to an ordinance adopted by the City Council of the Issuer on April 20, 2015, and an Approval Certificate executed pursuant thereto (collectively, the "Bond Ordinance") and a Trust Agreement, dated as of May 1, 2015 (the "Trust Agreement"), between the Issuer and Wilmington Trust, National Association, in Dallas, Texas (the "Trustee").

*Preliminary; subject to change.

Optional Redemption	The Bonds maturing on and after September 1, 2021, are subject to early redemption, in whole or in part from time to time, on September 1, 2020, or on any date thereafter at the option of the District. In addition, the Issuer is required to exercise its option to redeem Bonds and Remaining Outstanding Bonds (as defined herein), on a pro rata basis, in the event and to the extent there are sufficient prepayments of Contract Revenues or Special Assessment Revenues. See "THE BONDS - Redemption Provisions." Upon redemption, the Bonds will be payable at a price equal to the principal amount of the Bonds, or portions thereof, so called for redemption plus accrued interest to the date fixed for redemption. If fewer than all the Bonds subject to optional redemption are optionally redeemed at any time, the maturities and amounts to be redeemed shall be designated by the Issuer and, if fewer than all Bonds of a maturity are to be redeemed, the particular Bonds shall be selected by the Trustee by lot or other customary method of random selection (or by DTC in accordance with its procedures while the Bonds are in book-entry only form). See "THE BONDS -- Redemption Provisions -- Optional Redemption."
[Mandatory Sinking Fund Redemption	The Bonds maturing on September 1 in each of the years ____, ____. and ____ are also subject to mandatory sinking fund redemption at a price equal to the principal amount thereof plus accrued interest to the date of redemption as described herein under "THE BONDS - Redemption Provisions - Mandatory Sinking Fund Redemption."]
Special Mandatory Redemption	The Bonds are subject to special mandatory redemption, on a pro rata basis with the Remaining Outstanding Bonds (hereinafter defined) at a price equal to the principal amount thereof plus accrued interest to the redemption date on September 1, 2020, or on any date thereafter, in the event and to the extent there are sufficient prepayments of contract Revenues or Special Assessment Revenues. See "THE BONDS - Redemption Provisions - Special Mandatory Redemption."
Source of Payment	Principal of and interest on the Bonds are payable from certain Contract Revenues (as defined herein) paid by the District pursuant to an Amended Joint Utility Contract, dated as of August 12, 2000 (the "Contract"), among the Issuer, the District and Denton County Fresh Water Supply District No. 1-A ("District No. 1-A") and Special Assessment Revenues (as defined herein) collected by the Issuer from within the Improvement District. Contract Revenues are payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount,

levied by the District upon all taxable property located within the District. Special Assessment Revenues are payable from Special Assessments (as defined in the Trust Agreement) levied by the Issuer against benefitted property within the Improvement District, to the extent and upon the conditions described herein. Because Special Assessment Revenues are collected only to the extent that, in any given calendar year, Contract Revenues are insufficient to make payments on the Bonds. Special Assessment Revenues have not made and are not expected to make, significant contributions, if any, to future debt service payments. **The Bonds are special revenue obligations of the Issuer and are not obligations of Denton County, Texas, the State of Texas or any political subdivision other than the Issuer and the District. The Bonds are not payable from any funds raised or to be raised by taxation by the Issuer or from any source of funds of the Issuer other than Contract Revenues and Special Assessment Revenues.** See "THE BONDS - Source of Payment," "TAX DATA - Tax Rate Calculations," and "RISK FACTORS - Maximum Impact on District Tax Rates."

Other Characteristics . . . . . The Bonds will be issued in fully registered form in the denomination of $5,000 and in integral multiples thereof, and will be in book-entry-only form. See 'THE BONDS - Book-Entry-Only System.".

Use of Proceeds . . . . . Proceeds of the sale of the Bonds, together with available funds of the District, will be used to (i) refund and defease $9,285,000* (the "Refunded Bonds") of the Issuer's outstanding Combination Contract Revenue and Special Assessment Capital Improvement Bonds, Series 2005 (Lewisville Castle Hills Public Improvement District No. 2 Project) in the original aggregate principal amount of $10,350,000 (the "Series 2005 Bonds"), and (ii) pay the costs of issuance of the Bonds. See "PLAN OF FINANCING - Sources and Uses of Funds."

Outstanding Bonds and Payment Record . . . . . The Bonds constitute the fifth series of bonds, and the third series of bonds which has included refunding purposes, issued by the Issuer pursuant to the Contract. In addition to the Series 2005 Bonds, the Issuer has previously issued its Combination Contract Revenue and Special Assessment Bonds, Series 1999 (Lewisville Castle Hills Public Improvement District No. 2 Project) in the original aggregate principal amount of $14,000,000 (the "Series 1999 Bonds"), its Combination Contract Revenue and Special Assessment Refunding and Capital Improvement Bonds, Series 2002 (Lewisville Castle Hills Public Improvement District No. 2 Project) in the original aggregate principal amount of $18,150,000 (the "Series

*Preliminary; subject to change.

	2002 Bonds") and its Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2013 (Lewisville Castle Hills Public Improvement District No. 2 Project) (the "Series 2013 Bonds") in the original principal amount of $14,300,000. A portion of the proceeds of the Series 2002 Bonds were used to refund and defease all of the Series 1999 Bonds and proceeds of the Series 2013 Bonds were used to refund and defease a portion of the Series 2002 Bonds. The Series 1999 Bonds, Series 2002 Bonds, Series 2005, and Series 2013 Bonds are referred to herein as the "Prior Bonds" and the Prior Bonds which are currently outstanding are referred to as the "Outstanding Bonds." After issuance of the Bonds, there will remain $15,245,000* in principal amount of the Outstanding Bonds (the "Remaining Outstanding Bonds") and the Issuer's total contract revenue obligations payable by the District under the Contract will be $23,975,000*.
Authorized but Unissued Bonds	The Issuer has the right in the Bond Ordinance and Trust Agreement to issue bonds up to the maximum amount of $28,500,000 (not including refunding bonds) for the purposes set forth in the Contract. See "THE BONDS - Legal Ability of the Issuer to Issue Additional Debt." Inasmuch as the Issuer has issued such maximum amount, except for additional refunding bonds, the Issuer will not be entitled to issue any additional bonds under the Contract. See "THE BONDS - Legal Ability of the Issuer to Issue Additional Debt."
Municipal Bond Insurance	Assured Guaranty Municipal Corp. ("AGM"). See "BOND INSURANCE" and APPENDIX G - SPECIMEN MUNICIPAL BOND INSURANCE POLICY.
Municipal Bond Ratings	Standard & Poor's Ratings Services ("S&P"), a Standard & Poor's Financial Services LLC business, is expected to assign its municipal bond rating of "AA" (stable outlook) to the Bonds with the understanding that upon delivery of the Bonds, an insurance policy insuring the timely payment of the principal of and interest on the Bonds will be issued by Assured Guaranty Municipal Corp ("AGM"). The Bonds have an underlying rating of "BBB+" (stable outlook) by S&P. An explanation of the rating may be obtained from S&P, 55 Water Street, New York, New York 10041. See "BOND INSURANCE" and "RATINGS."
Legal Opinion	Kelly Hart & Hallman LLP, Fort Worth, Texas

* Preliminary; subject to change.

THE ISSUER

Description . . . . . The City of Lewisville, Texas (the "Issuer") is a home rule city under the Constitution and laws of the State of Texas. The Issuer, incorporated in 1925, is located in the southeastern portion of Denton County on Interstate Highway 35-E, 20 miles north of Dallas, 34 miles northeast of Fort Worth, 15 miles southeast of Denton and 8 miles north of Dallas-Fort Worth International Airport. See "THE ISSUER - Description" and "APPENDIX A - AERIAL PHOTOGRAPH."

Authority . . . . . The rights, powers, privileges, authority and functions of the Issuer are established by the Constitution and laws of the State of Texas pertaining to home rule municipal corporations.

THE DISTRICT

Description . . . . . Denton County Fresh Water Supply District No. 1-D (the "District") is a political subdivision of the State of Texas and a conservation and reclamation district under Article 16, Section 59 of the Texas Constitution, containing approximately 516.6653 acres, and located entirely within the extraterritorial jurisdiction of the Issuer.

Authority . . . . . The rights, powers, privileges, authority and functions of the District are established by the general laws of the State of Texas pertaining to water control and improvement districts, particularly, Chapters 49 and 51, Texas Water Code, as amended. In addition, certain rights, powers, privileges, authority and functions of the District are derived from Chapter 53, Texas Water Code. as amended.

Development of the District . . . . . Land within the District is being developed for both commercial and single-family residential usage. Proceeds of the Prior Bonds were used by the Issuer to pay the cost of acquiring and constructing certain water supply and distribution, wastewater collection and treatment and storm drainage and erosion control system, and certain streets and roads to serve approximately 410 acres within the District developed as 871 single family lots, 19.962 acres developed for commercial purposes, including Castle Hills Village Shops and Plaza Center, together with the District's share of certain water, sewer, and drainage facilities, and streets and roads, and contract rights, to serve the Castle Hills Project (hereinafter defined). See "THE SYSTEM - Description." As of February 1, 2015, 756 homes were built and sold, 12 homes were under construction and 103 lots were available. Included in such available lots are approximately 58 available lots in the gated Enchanted Hill subdivision and approximately 45 available lots in the Castle Hills Southeast subdivision. In addition to the commercial property already developed, there are currently

approximately 12 undeveloped acres within the District owned by the Developer (hereinafter defined). The Developer has not reported any development plans for such acreage. There is also no obligation on the part of the Developer or any other person to develop the undeveloped land within the District. Approximately 75 acres located within the District have been or are expected to be dedicated as easements for public purposes, are contained in street rights-of-way, parks, lake improvements, various pipeline easements, or are otherwise not available or expected to be available for development.

Builders . . . . . The Developer has entered into lot sales contracts with two builders, American Legend Homes and Highland Homes, each of which contract covers 40 lots in the Castle Hills Southeast subdivision. America Legend Homes is an affiliate of the Developer. Homes being constructed by such builders currently range in price from $400,000 to $700,000. Homes being constructed in the Enchanted Hills subdivision are being build by various custom builders and range in price from $1,500,000 to $4,000,000.

THE IMPROVEMENT DISTRICT

Description . . . . . Lewisville Castle Hills Public Improvement District No. 2 (the "Improvement District") is a public improvement district under Chapter 372, Texas Local Government Code, containing approximately 516.6653 acres. The Improvement District is located wholly within the extraterritorial jurisdiction of the Issuer and is also located within the boundaries of the District.

Authority . . . . . The Improvement District is a public improvement district of the Issuer under the provisions of Chapter 372, Texas Local Government Code.

THE CASTLE HILLS PROJECT

Description . . . . . The District is part of the master planned community known as Castle Hills (the "Castle Hills Project"). The Castle Hills Project is a development of Bright Realty, LLC (together with certain predecessors and subsidiaries, collectively, "Bright Realty"). See "THE DEVELOPER" below. The Castle Hills Project consists of approximately 2,400 acres of land, approximately 516.6653 acres of which are located within the District. Approximately 1,925.76 acres are located in Denton County Fresh Water Supply Districts Nos. 1-A, 1-B, 1-C, 1-E, 1-F, 1-G, and 1-H. NONE OF THE LAND IN SUCH OTHER DISTRICTS IS SUBJECT TO TAXATION BY THE DISTRICT OR ASSESSMENT BY THE ISSUER, THROUGH THE IMPROVEMENT DISTRICT, FOR THE PURPOSE OF PAYING THE BONDS. According

to the Developer, the ultimate land use within the Castle Hills Project is currently projected as follows: approximately 1,314 acres will be subdivided into approximately 3,600 single family lots, approximately 486 acres will be used for the development of commercial mixed-use projects, approximately 300 acres will be developed as multi-family communities, and approximately 212 acres have been developed as an 18 hole golf course and country club known as The Lakes at Castle Hills. Swimming and tennis facilities, drainage, easements, streets rights-of-way, utility easements, open space, lakes, parks and greenbelts are included in the single-family acreage.

Status of Development . . . . . As of February 1, 2015, a total of 3,653 lots on approximately 1,300 acres had been developed within the Castle Hills Project. 3,194 homes were completed and occupied, and 39 homes were under construction or permitted for construction, leaving 459 available lots. Also completed are 186 acres of commercial development, 212 acres for the 18 hole golf course and country club (The Lakes at Castle Hills) with swimming and tennis facilities, and 67 acres of multi-family residential. Approximately 300 acres are currently available for commercial development and 233 acres are available for multi-family development. All of the current development within the Castle Hills Project has occurred within District No. 1-B, District No. 1-C, District No. 1-E, District No. 1-F, District No. 1-G, and the District, with 20 acres currently under development in District No. 1-H.

THE DEVELOPER

General . . . . . The developer of land within the District has been Bright Realty, which is owned by certain members of the family of the late H.R. ("Bum") Bright and trusts for the benefit of such family members. Bright Realty is acquiring land in the District from a related company, BRECO Lands CH, LLC ("BRECO Lands"), as dictated by development needs. Bright Realty and BRECO Lands are collectively referred to herein as the "Developer." See "THE DEVELOPER."

RISK FACTORS

THE BONDS ARE SUBJECT TO SPECIAL RISK FACTORS AS SET FORTH IN THIS OFFICIAL STATEMENT. PROSPECTIVE PURCHASERS SHOULD CAREFULLY EXAMINE THE ENTIRE OFFICIAL STATEMENT BEFORE MAKING THEIR INVESTMENT DECISIONS, ESPECIALLY THE PORTION OF THE OFFICIAL STATEMENT ENTITLED "RISK FACTORS."

* Preliminary; subject to change.

SELECTED FINANCIAL INFORMATION*
(Unaudited)

2014 Taxable Valuation	$411,353,614	(a)
2015 Preliminary Taxable Valuation	$456,869,715	(b)
Gross Debt: The Remaining Outstanding Bonds	15,245,000	(c)
The Bonds	8,730,000	
Total	$23,975,000	
Estimated Overlapping Debt	$23,371,298	(d)
Direct and Estimated Overlapping Debt	$47,346,298	(e)
Ratio of Direct Debt to: 2014 Taxable Valuation	5.83 %	
2015 Preliminary Taxable Valuation	5.25 %	
Ratio of Direct and Estimated Overlapping Debt to: 2014 Taxable Valuation	11.51 %	
2015 Preliminary Taxable Valuation	10.36 %	
Interest and Sinking Fund Balance	$ 2,963,931	(f)
Series 2002 Debt Service Reserve Fund Balance	$ 275,536	(g)
Series 2005 Debt Service Reserve Fund Balance	$ 811,900	(g)
Series 2013 Debt Service Reserve Fund Balance	$1,366,165	(g)
2014 Tax Rate per $100 of Assessed Valuation	$ 0.8600	
Contract Tax $0.6127		
Maintenance Tax 0.2473		
Average Annual Debt Service Requirements of the Remaining Outstanding Bonds and the Bonds (2015-2034)	$1,565,992	
Maximum Annual Debt Service Requirements of the Remaining Outstanding Bonds and the Bonds (2020)	$1,994,375	
Tax Rate per $100 of Assessed Valuation within the District required to pay Average Annual Debt Service Requirements at 95% Tax Collections based upon: 2014 Taxable Valuation	$0.401	
2015 Preliminary Taxable Valuation	$0.361	
Tax Rate per $100 of Assessed Valuation within the District required to pay Maximum Annual Debt Service Requirements at 95% Tax Collections based upon: 2014 Taxable Valuation	$0.511	
2015 Preliminary Taxable Valuation	$0.460	
Estimated Population	2,541	(h)

(a) Provided by the Denton County Appraisal District (the "Appraisal District"), this amount is the final certified value of all taxable property located within the District as of January 1, 2014 and constitutes the District's 2014 tax roll. See "TAXING PROCEDURES" and "RISK FACTORS - Factors Affecting Taxable Values and Payments."

(b) Provided by the Appraisal District as a preliminary indication of the 2015 taxable assessed valuation. No taxes will be levied on such amount and such amount is subject to review and downward adjustment prior to certification.

(c) Excludes the Refunded Bonds.

(d) See "DISTRICT DEBT - Estimated Direct and Overlapping Debt Statement of the District."

* Preliminary; subject to change.

(e) As is described in this Official Statement under the caption "TAX DATA - Estimated Overlapping Taxes," the aggregate of the tax levies of all units of government which levy taxes against the property located within the District in 2014, was $2.6092 per $100 of Assessed Valuation. See "RISK FACTORS - Factors Affecting Taxable Values and Tax Payments."

(f) As of March 15, 2015. Balance includes amounts in the Collection Fund to be transferred to the Interest and Sinking Fund. Balance gives effect to payment of debt service due on certain of the Outstanding Bonds on March 1, 2015. $278,500 will be paid out of such balance on April 1, 2015, for interest on certain other Outstanding Bonds, and approximately $1,300,000 of such balance will be contributed to the refunding to be accomplished with the Bonds. Neither the Bond Ordinance, the Trust Agreement, nor Texas law requires that any particular amount be maintained in the Interest and Sinking Fund at any time.

(g) As of March 15, 2015. See "THE BONDS - Sources of Payment - Debt Service Reserve Fund.

(h) Based upon 3.5 persons per connection.

OFFICIAL STATEMENT

$8,730,000*
CITY OF LEWISVILLE, TEXAS
COMBINATION CONTRACT REVENUE AND
SPECIAL ASSESSMENT REFUNDING BONDS, SERIES 2015
(LEWISVILLE CASTLE HILLS PUBLIC IMPROVEMENT DISTRICT NO. 2 PROJECT)

INTRODUCTION

This Official Statement provides certain information with respect to the issuance by the City of Lewisville, Texas (the "Issuer"), of its Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District No. 2 Project) (the " Bonds").

There follows in this Official Statement descriptions of the Bonds and certain information about the Issuer, Lewisville Castle Hills Public Improvement District No. 2 (the "Improvement District") and Denton County Fresh Water Supply District No. 1-D (the "District"). All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from Kelly Hart & Hallman LLP, 201 Main Street, Suite 2500, Fort Worth, Texas 76102, upon request and payment of the costs of duplication therefor. Certain capitalized terms used in this Official Statement have the same meanings assigned to such terms in the Bond Ordinance (hereinafter defined) and the Trust Agreement (hereinafter defined), except as otherwise indicated herein.

PLAN OF FINANCING

Use of Bond Proceeds for Refunding Purposes

Proceeds of the sale of the Bonds, together with certain available funds of the Issuer, will be applied to refund $9,285,000* (the "Refunded Bonds") of the Issuer's Combination Contract Revenue and Special Assessment Capital Improvement Bonds (Lewisville Castle Hills Improvement District No. 2 Project) Series 2005, issued in the original aggregate principal amount of $10,350,000 (the "Series 2005 Bonds") in order to reduce the Issuer's debt service expense and result in net present value savings. Such funds will also be used to pay the costs of issuance of the Bonds. See "Sources and Uses of Funds" in this section. In addition to the Series 2005 Bonds, the District has previously issued its Combination Contract Revenue and Special Assessment Bonds, Series 1999 (Lewisville Castle Hills Public Improvement District No. 2 Project), in the original principal amount of $14,000,000 (the "Series 1999 Bonds"), its Combination Contract Revenue and Special Assessment Refunding and Capital Improvement Bonds, Series 2002 (Lewisville Castle Hills Public Improvement District No. 2 Project), in the original principal amount of $18,150,000 (the "Series 2002 Bonds"), and its Combination Contract Revenue and Special Assessment Refunding and Utility System Bonds, Series 2013 (Lewisville Castle Hills Public Improvement District No. 2 Project), in the original principal amount of $14,300,000 (the "Series 2013 Bonds"). The Series 1999 Bonds, the Series 2002 Bonds, the Series 2005 Bonds, and the Series 2013 Bonds are referred to herein as the "Prior Bonds" and the Prior Bonds which are currently outstanding are referred to as the "Outstanding Bonds." A total of $15,245,000* in principal amount of the Outstanding Bonds will remain outstanding after the issuance of the Bonds (the "Remaining Outstanding Bonds").

Outstanding Bonds and Remaining Outstanding Bonds

The following table lists the original principal amount of Prior Bonds, and the current principal balances of the Outstanding Bonds, the Refunded Bonds and the Remaining Outstanding Bonds.

*Preliminary; subject to change.

Prior Bonds Series	Original Principal Amount	Principal Currently Outstanding	Refunded* Bonds	Remaining* Outstanding Bonds
1999	$14,000,000	$ 0	$ 0	$ 0
2002	18,150,000	0	0	1,450,000
2005	10,350,000	9,285,000	9,285,000	0
2013	14,300,000	13,795,000	0	13,795,000
Total				$15,245,000
The Bonds				$8,730,000
The Bonds and Remaining Outstanding Bonds				$23,975,000

Refunded Bonds

The principal amount and maturity dates, or mandatory sinking fund dates, as applicable of the Refunded Bonds are set forth below:

Series 2005 Bonds

Principal Amount	Maturity Date (October 1)
$ 250,000[a]	2015
265,000[b]	2016
285,000[b]	2017
300,000[b]	2018
320,000[b]	2019
340,000[b]	2020
360,000[b]	2021
380,000[b]	2022
400,000[b]	2023
425,000[b]	2024
450,000[b]	2025
480,000[c]	2026
510,000[c]	2027
540,000[c]	2028
570,000[c]	2029
605,000[c]	2030
640,000[c]	2031
680,000[c]	2032
720,000[c]	2033
765,000[c]	2034

(a) Represents mandatory sinking fund payments due on such dates on term bonds due on October 1, 2015.
(b) Represents mandatory sinking fund payments due on such dates on term bonds due on October 1, 2025.
(c) Represents mandatory sinking fund payments due on such dates on term bonds due on October 1, 2034.

Aggregate Principal Amount of Refunded Bonds $9,285,000
Redemption Date: October 1, 2015

*Preliminary; subject to change.

Escrow Agreement

The Issuer will enter into an escrow agreement (the "Escrow Agreement") with Wilmington Trust, National Association (the "Escrow Agent"), pursuant to which the proceeds of the Bonds will be invested in certain securities of the type described under "THE BONDS - Defeasance" (the "Escrowed Obligations"), deposited in an escrow fund (the "Escrow Fund"), and applied to provide for scheduled payment of principal of and interest on the Refunded Bonds until their redemption dates, and to provide for payment of the redemption price of the Refunded Bonds on their redemption date. Grant Thornton, LLP, Certified Public Accountants, will verify at the time of delivery of the Bonds to the Issuer, the District, the Escrow Agent and the Underwriter that the Escrowed Obligations will mature at such times and yield interest in amounts that, together with uninvested funds, if any, in the Escrow Fund will be sufficient to pay, when due, the principal of and interest on the Refunded Bonds. Pursuant to the Escrow Agreement, the Escrow Fund is irrevocably pledged for the payment of principal of and interest on the Refunded Bonds. Such maturing principal of and interest on the Escrowed Obligations will not be available to pay principal of or interest on the Bonds.

By the deposit of the Escrowed Obligations and cash with the Escrow Agent pursuant to the Escrow Agreement, the Issuer will have effected the defeasance of the Refunded Bonds pursuant to the terms of the ordinance authorizing the issuance of the Refunded Bonds. In the opinion of Bond Counsel, as a result of such deposit, firm banking and financial arrangements will have been made for the discharge and final payment of the Refunded Bonds pursuant to the Escrow Agreement, and such Refunded Bonds will be deemed to be fully paid and no longer outstanding except for the purpose of being paid from the funds provided therefor in such Escrow Agreement.

Sources and Uses of Funds

The proceeds from the sale of the Bonds will be applied as follows:

Sources of Funds

Principal Amount of Bonds
Original Issue Premium
Issuer Contribution
Total Sources of Funds

Uses of Funds

Deposit to Redemption Fund for Refunded Bonds
Underwriting Fee
Issuance Costs
Bond Insurance
Total Uses of Funds

THE BONDS

General

The following is a description of certain terms and conditions of the Bonds, which description is qualified in its entirety by reference to an ordinance of the City Council (the "Governing Body") of the Issuer, authorizing the issuance of the Bonds and Approval Certificate to be executed pursuant thereto by certain authorized officers of the Issuer (collectively, the "Bond Ordinance") and the Trust Agreement, dated as of

May 1, 2015 (the "Trust Agreement"), between the Issuer and Wilmington Trust, National Association, in Dallas, Texas (the "Trustee"), and the Trust Agreement authorize the issuance and sale of the Bonds and prescribe the terms, conditions and provisions for the payment of the principal of and interest on the Bonds by the Issuer from payments received from the District pursuant to the Contract (hereinafter defined). The Bond Ordinance also approves and authorizes execution of the Escrow Agreement with the Escrow Agent. Copies of the Bond Ordinance, the Trust Agreement and the Escrow Agreement may be obtained from the Issuer upon request.

The Bonds are dated May 1, 2015, and will mature on the dates and in the amount shown on the inside cover hereof. The Bonds will be issued as fully registered bonds in the denomination of $5,000 and integral multiples thereof. Except as provided herein under "Book-Entry Only", principal of the Bonds will be payable to the Registered Owners at maturity or earlier redemption upon presentation of Bonds at the corporate trust office of the Trustee in Dallas, Texas as paying agent/registrar (the "Paying Agent", "Registrar," or "Paying Agent/Registrar"). The Bonds are subject to optional and mandatory sinking fund redemption as described below under "Redemption Provisions."

The Bonds constitute the fifth series of bonds issued by the Issuer pursuant to the Contract and the third series of such bonds which have included refunding purposes. Proceeds of the Bonds, together with other available funds of the District, will be used to (i) refund the Refunded Bonds and (ii) to pay the costs of issuance of the Bonds.

The Bonds will be issued in fully registered form and will be registered only in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Individual purchases in authorized denominations will be made only through the book-entry system maintained by DTC through brokers and dealers who are, or act through, DTC participants. The purchasers of the Bonds will not receive certificates representing their interest in the Bonds. Ownership interest in the Bonds will be shown on, and transfer of the Bonds will be effected only through, records maintained by DTC and its participants. Payments of the principal of and interest on the Bonds are required to be made to owners by DTC through its participants. See "Book-Entry Only."

For so long as DTC is the securities depository for the Bonds, then "Owner" or "Registered Owner" shall refer solely to DTC. In the event that DTC is no longer the securities depository for the Bonds, the term "Owner" or "Registered Owner" shall refer to a successor securities depository or the Owners of the Bonds which are shown as Registered Owners on the registration books of the Paying Agent/Registrar.

Interest

Interest on the Bonds will accrue from the date of delivery to the Underwriter (as defined herein) at the respective per annum interest rates set forth on the inside cover page hereof. Interest on the Bonds is payable on September 1, 2015, and on each March 1 and September 1 thereafter until maturity or prior redemption.

Interest is calculated on the basis of a 360-day year comprised of twelve 30-day months. Interest on each Bond shall be payable by check payable on the interest payment date, mailed by the Paying Agent/Registrar on or before each interest payment date to the Registered Owner of record as of the Record Date to the address of such Registered Owner as shown on the records of the Paying Agent/Registrar, or by other such customary banking arrangements as may be acceptable to the Paying Agent/Registrar and the Registered Owner at the expense and risk of the Registered Owner.

If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which the Paying Agent/Registrar is authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal

holiday, or day on which banking institutions in Dallas, Texas are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

Redemption Provisions

Optional Redemption

The Bonds maturing on and after September 1, 2021, are subject to redemption and payment prior to their scheduled maturities at the option of the Issuer, in whole or in part, on September 1, 2020, or on any date thereafter, at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption.

If fewer than all of the Bonds subject to optional redemption are optionally redeemed at any time, the maturities and amounts of Bonds to be redeemed shall be designated by the Issuer and, if fewer than all the Bonds of a maturity are to be redeemed, the particular Bonds shall be selected by the Trustee by lot or other customary method of random selection. However, if during any period in which ownership of the Bonds is determined only by a book entry at a securities depository, if fewer than all of the Bonds are to be redeemed, the particular Bonds shall be selected in accordance with arrangements between the District and the securities depository. See "THE BONDS - Book-Entry Only System."

[Mandatory Sinking Fund Redemption

The Bonds maturing on September 1, ____, and September 1, ____ (the "Term Bonds") are subject to mandatory sinking fund redemption by the District prior to their scheduled maturities on the dates and in the amounts set forth below at a redemption price equal to the principal amount to be redeemed plus accrued interest to the redemption date:

TERM BONDS MATURING ON SEPTEMBER 1, ____

Redemption Dates	Principal Amounts
_____	$_____
_____ (maturity)	_____

TERM BONDS MATURING ON SEPTEMBER 1, ____

Redemption Dates	Principal Amounts
_____	$_____
_____ (maturity)	_____

The particular Term Bonds to be so redeemed shall be selected by the Trustee by lot or other customary method of random selection. However, if during any period in which ownership of the Bonds is determined only by a book-entry-only system at a securities depository, if fewer than all of the Term Bonds of the same maturity are to be redeemed, the particular Term Bonds shall be selected by lot or other customary method of random selection or in accordance with arrangements between the Issuer and the securities depository. See "THE BONDS - Book-Entry Only System." The principal amounts shown above are subject to reduction, at the direction of the Issuer, by the amount of (i) any prior optional redemption of Term Bonds of a maturity at a redemption price of par plus accrued interest to the date fixed for redemption or (ii) any Term Bonds of such maturity acquired by the Issuer prior to their maturity and delivered to the Trustee for cancellation and application.]

Special Mandatory Redemption

The Bonds are subject to special mandatory redemption, on a pro rata basis with the outstanding Remaining Outstanding Bonds, on September 1, 2020 or on any date thereafter, at a redemption price equal to the principal amount thereof, plus accrued interest to the date of redemption in amounts corresponding to any prepayments, if any, of Contract Revenues or Special Assessment Revenues; provided such amounts equal or exceed $100,000. If fewer than all the Bonds are to be so redeemed, the particular Bonds to be redeemed shall be selected by the Trustee by lot or other customary method of random selection (or by the securities depository in accordance with its procedures while the Bonds are in book-entry-only form). In lieu of redeeming Bonds with such funds, the Issuer may purchase in the open market Bonds of the maturity to be redeemed at a price not in excess of the corresponding optional redemption price.

Because the Bonds are expected to be paid from Contract Revenues, which will be paid in amounts approximating debt service payments on the Bonds, rather than being paid from Special Assessment Revenues, it is not expected that there will be significant prepayments of Contract Revenues or Special Assessment Revenues, and therefore, it is not expected that the Bonds will be redeemed pursuant to the Special Mandatory Redemption provisions. See "THE BONDS - Sources of Payment."

Notice of Redemption

Notice of any redemption shall be given at least thirty (30) days and no more than sixty (60) days prior to the date fixed for redemption by first-class mail, postage prepaid, to the Registered Owners of the Bonds to be redeemed in whole or in part at the address shown on the bond register.

Any notice mailed as provided in the Trust Agreement shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice. By the redemption date, due provision shall be made with the Trustee for the payment of the redemption price of the Bonds to be redeemed, plus accrued interest thereon to the redemption date. When such Bonds have been called for redemption, in whole or in part, as provided above, and due provision has been made to redeem same, such Bonds, or portions thereof, shall no longer be regarded as outstanding except for the purpose of receiving payment from the funds provided for redemption, and the right of the owners to collect interest on such Bonds or portions thereof which would otherwise accrue after the redemption date shall be terminated.

The Issuer reserves the right, in the case of an optional redemption, to give notice of its election or direction to redeem Bonds conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the Issuer retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the Issuer delivers a certificate of the Issuer to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Bonds subject to conditional redemption and such redemption has been rescinded shall remain Outstanding, and the rescission of such redemption shall not constitute an Event of Default. Further, in the case of a conditional redemption, the failure of the Issuer to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an Event of Default.

Partial Redemption

If a portion of a Bond is to be redeemed, such portion may be redeemed, but only in integral multiples of $5,000. Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount of the unredeemed portion of the Bond so surrendered.

Registration and Exchange

The Trust Agreement provides that, so long as any Bonds remain outstanding, the Paying Agent/Registrar shall keep the Register at its corporate trust office and, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with the terms of the Trust Agreement.

Each Bond shall be transferable only upon the presentation and surrender thereof at the corporate trust office of the Paying Agent/Registrar in Dallas, Texas, duly endorsed for transfer, or accompanied by an assignment duly executed by the Registered Owner or his authorized representative in form satisfactory to the Paying Agent/Registrar. Upon due presentation of any Bond in proper form for transfer, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor, within three (3) business days after such presentation, a new Bond or Bonds, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Bond or Bonds so presented.

All Bonds are exchangeable upon presentation and surrender thereof at the corporate trust office of the Paying Agent/Registrar in Dallas, Texas, for a Bond or Bonds of like maturity and interest rate and in any authorized denomination, in an aggregate amount equal to the unpaid principal amount of the Bond or Bonds presented for exchange. Neither the Issuer nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond during the fifteen (15) day period next preceding any interest payment date. The Issuer or the Paying Agent/Registrar may require the Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Bond. Any fee or charge of the Paying Agent/Registrar for such transfer or exchange shall be paid by the Issuer.

See "Book-Entry Only System" herein for a description of the system to be utilized initially in regard to ownership and transferability of the Bonds.

Book-Entry Only System

This section describes how ownership of the Bonds is to be transferred and how the principal of and interest on the Bonds are to be paid to and credited by The Depository Trust Company, New York, New York, ("DTC") while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The Issuer, the Underwriter, and the Financial Advisor believe the source of such information to be reliable, but none of the Issuer, the Underwriter, the District or the Financial Advisor takes any responsibility for the accuracy or completeness thereof.

The Issuer cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for the Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing companies, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders,

defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Paying Agent/Registrar, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Issuer or Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

Sources of Payment

The Bonds, when issued and delivered, are valid and legally binding special revenue obligations of the Issuer, payable, together with the Remaining Outstanding Bonds, from certain Contract Revenues to be paid by the District pursuant to an Amended Joint Utility Contract, dated as of August 12, 2000 (the "Contract"), among the Issuer, the District and District No. 1-A and will be further payable from and secured by a pledge of and lien on certain Special Assessment Revenues, if any. See "APPENDIX D - SUMMARY OF THE CONTRACT."

- Contract Revenues -

Contract Revenues are payable from the levy by the District of ad valorem taxes, without legal limitation as to rate or amount on all taxable property within the District, to pay the principal and the interest on the Bonds and such additional bonds of the Issuer as may hereafter be issued pursuant to the terms of the Contract. The Trust Agreement confirms an Interest and Sinking Fund and creates a Series 2015 Bonds Interest and Sinking Fund Account therein, and the proceeds from all taxes levied, assessed and collected for and on account of the Contract Revenues shall be deposited in such Fund to pay debt service on the Bonds and the Remaining Outstanding Bonds. While the Bonds or any part of the principal thereof or interest thereon remain outstanding and unpaid, the District covenants to levy and annually assess and collect in due time, form and manner, and at the same time as other District taxes are assessed, levied and collected, in each year, an annual ad valorem tax, without legal limit as to rate or amount, upon all taxable property in the District, sufficient to pay the debt service on the Bonds when due.

The Contract provides that, without in any manner diluting the obligations of the District to pay to the Issuer an annual amount equal to debt service on the Bonds, the District shall, prior to setting its tax rate each year, calculate the total amount of the payments to be made by the Issuer pursuant to the Bonds, after the application of the available reserves established with the proceeds of such Bonds, and shall establish a tax rate on all taxable property within its boundaries which, if 95% of such taxes are collected in a timely fashion, would be sufficient to make the entire annual payment to the Issuer. See "APPENDIX D - SUMMARY OF THE CONTRACT."

- Special Assessment Revenues -

Special Assessment Revenues are to be derived from Special Assessments levied by the Issuer against benefitted property within the Improvement District pursuant to an Assessment/Service Plan adopted by the Issuer pursuant to Section 372, Texas Local Government Code, including updates thereto approved by the Issuer. See "ASSESSMENT PROCEDURES." Such Special Assessments are payable in installments pursuant to the assessment ordinance (the "Assessment Ordinance") adopted by the Issuer for the Improvement District. Because Special Assessment Revenues are to be collected only to the extent that, in any given calendar year, Contract Revenues are insufficient to make payments on the Bonds, Special Assessment Revenues have not made, and are not expected to make, significant contribution, if any, to debt service payments on the Bonds.

- Debt Service Reserve Fund -

The Trust Agreement requires that the Issuer establish and maintain a Debt Service Reserve Fund for the Remaining Outstanding Bonds and the Bonds, such Debt Service Reserve Fund to be in an amount (the "Debt Service Reserve Amount"), equal to the lesser of (i) 10% of the principal amount of the Remaining Outstanding Bonds and the Bonds, (ii) the maximum annual debt service on the Remaining Outstanding Bonds and the Bonds, or (iii) 125% of the average annual debt service on the Remaining Outstanding Bonds and the Bonds.

The Debt Service Reserve Fund is to be used solely to pay principal of and interest on the Remaining Outstanding Bonds and the Bonds in the event and to the extent that funds on deposit in the Interest and Sinking Fund are insufficient for such purpose. The District is required to replenish any deficiencies in the Debt Service Reserve Fund resulting from a withdrawal therefrom in twelve consecutive equal monthly installments. Any deficiency in the Debt Service Reserve Fund resulting from a determination that the value of the Authorized Investments credited to the Debt Service Reserve Fund is less than the Debt Service Reserve Amount, must also be replenished in twelve consecutive equal monthly installments.

Defeasance

The Issuer may defease the provisions of the Bond Ordinance and the Trust Agreement and discharge its obligations to the Registered Owners of any or all of the Bonds to pay principal and interest thereon in the manner provided by Section 1207.062, Texas Government Code, as amended. Under Section 1207.062, such discharge may be accomplished either (i) by depositing with the Comptroller of Public Accounts of the State of Texas a sum of money equal to the principal of, premium, if any, and all interest to accrue on the Bonds to maturity or redemption or (ii) by depositing with any place of payment (paying agent) for obligations of the Issuer payable from the Contract, or with a commercial bank or trust company designated in the proceedings authorizing such discharge, amounts sufficient to provide for the payment and/or redemption of the Bonds; provided that such deposits may be invested and reinvested only in (a) direct noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally

guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the Issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the Issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent. The foregoing obligations may be in book entry form, and shall mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment and/or redemption of the Bonds. If any of such Bonds are to be redeemed prior to their respective dates of maturity, provision must have been made for giving notice of redemption as provided in the Bond Ordinance and Trust Agreement.

Upon such deposit as described above, such Bonds shall no longer be regarded to be outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment or redemption of the Bonds have been made as described above, all rights of the Issuer to initiate proceedings to call the Bonds for redemption or take any other action amending the terms of the Bonds are extinguished; provided, however, that the right to call the Bonds for redemption is not extinguished if the Issuer: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

There is no assurance that the current law will not be changed in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Bonds. Because neither the Bond Ordinance nor the Trust Agreement contractually limits such investments, owners of the Bonds may be deemed to have consented to defeasance with such other investments, notwithstanding the fact that such investments may not be of the same investment quality as those currently permitted under Texas law.

Annexation

Under existing Texas law, since the District lies wholly within the extraterritorial jurisdiction of the Issuer, the District may be annexed by the Issuer without the District's consent, subject to compliance by the Issuer with various requirements of Chapter 43 of the Texas Local Government Code, as amended. If the District is annexed, the Issuer must assume the District's assets and obligations (including the Contract) and abolish the District within 90 days of the date of annexation except as provided under "Strategic Partnership Agreement" below. Annexation of territory by the Issuer is a policy-making matter within the discretion of the Mayor and City Council of the Issuer, and therefore, the District and the Issuer make no representation that the Issuer will ever annex the District and assume its debt. Moreover, no representation is made concerning the ability of the Issuer to make Contract Payments to pay debt service on the Bonds should annexation occur. Under the terms of the SPA (as herein defined) between the District and the Issuer, however, the Issuer has agreed not to annex the District for full purposes (a traditional municipal annexation) prior to June, 2019. See "Strategic Partnership Agreement" below.

Strategic Partnership Agreement

In June, 2009, the District, together with District No. 1-A, District No. 1-B, District No. 1-C, District No. 1-E, District No. 1-F, District No. 1-G, and District No. 1-H, entered into a Strategic Partnership Agreement with the City as authorized by Texas Local Government Code, Chapter 43 (the "SPA"). The SPA provides for a "limited purpose annexation" of that portion of the District developed for retail and commercial purposes for purposes of applying the City sales tax. The portion of the District consisting of residential development is not subject to the SPA. The SPA also provides that the City will not annex the District for "full purposes" (a traditional municipal annexation) for the ten (10)-year term of the SPA.

As a result of the SPA, the City is authorized to impose a one percent (1%) retail City sales tax within the portion of the District included in the limited purpose annexation. Pursuant to the SPA, the City pays to the District through District No. 1-A, an amount, if any, over and above an amount retained by the City for its cost to provide public safety services to the District, equal to one-half of all retail sales tax revenues within such area of the District and received by the City from the Texas Comptroller of Public Accounts (herein defined as the "Sales Tax Revenue"). The SPA requires that amounts received by the District under the SPA be used first to reimburse any developer for any outstanding maintenance and operating advances. Thereafter, the District is authorized to use the Sales Tax Revenue generated pursuant to the SPA for any lawful purpose.

None of the Sales Tax Revenue is pledged toward the payment of principal and interest on the Bonds and none is expected to be used for such purpose.

Consolidation

The District has the legal authority to consolidate with other districts and, in connection therewith, to provide for the consolidation of its assets (such as cash and the utility system) and liabilities (such as the Contract), with the assets and liabilities of districts with which it is consolidating. Although no consolidation is presently contemplated by the District, no representation is made concerning the likelihood of consolidation in the future.

Authorization of the Bonds

The Bonds are issued pursuant to the authority of the Bond Ordinance, the Trust Agreement, Chapter 372 of the Texas Local Government Code, as amended, and Chapters 1207 and 1371 of the Government Code, as amended. The Contract has been entered into in accordance with Chapters 49 and 51, Texas Water Code, as amended. The Contract was approved at an election held within the District on November 7, 2001, by a vote of 1 "For" to 0 "Against." See "Legal Ability of the Issuer to Issue Additional Debt" and "Legal Ability of the District to Issue Additional Debt."

Legal Ability of the Issuer to Issue Additional Debt

The Issuer has the right in the Bond Ordinance and the Trust Agreement to issue bonds pursuant to the Contract, up to the maximum aggregate outstanding amount of $28,500,000 (not including refunding bonds) for the purposes set forth in the Contract. Inasmuch as the Issuer has issued such maximum amount, except for Additional Bonds for refunding purposes, no Additional Bonds are permitted to be issued under the Contract. In addition, Additional Bonds for refunding purposes may be issued in such amounts as are necessary to accomplish such purposes. Such Additional Bonds for refunding purposes may be issued with the approval of the governing bodies of the District, but without the necessity of authorization by the voters within the Issuer or further authorization by voters within the District.

Notwithstanding the foregoing, additional obligations may be issued by the Issuer pursuant to the Contract under the following conditions:

(a) Obligations in a principal amount not to exceed $1,500,000 may be issued by the Issuer which are secured by the "net revenues" of the water and sewer system serving the customers of the District if:

(i) No Event of Default exists under the Trust Agreement;

(ii) Sufficient money exists in the Collection Fund to pay the principal of and interest on the Bonds which are payable at the next Interest Payment Date; and

(iii) The "net revenues" of such water and sewer system, verified by an independent consultant, is projected to be not less than 120% of the maximum annual debt service of the obligations to be issued; and

(b) Revenue obligations payable solely from revenue derived from contracts from other entities, which are issued particularly to acquire facilities needed to perform such contracts, may be issued without any limitations.

The Issuer also has the right to issue such bonds, notes or other obligations as are authorized to be issued by municipal corporations by and subject to the requirements of, the provisions of the constitution and laws of the State of Texas applicable to municipal corporations. Any such obligations issued by the Issuer other than pursuant to the Contract will be payable from sources other than the Contract Revenues.

Legal Ability of the District to Issue Additional Debt

In addition to the Bonds and any Additional Bonds issued pursuant to the Contract, the District has the right to issue such unlimited tax bonds as may be hereafter approved by the voters of the District. The District also has the right to issue revenue bonds, revenue notes, bond anticipation notes and tax anticipation notes without voter approval. In addition, the District has the right to enter into other contracts similar to the Contract and to pledge its taxing power to secure any payments the District is required to make under such a contract, provided the provisions of the contract are approved by the voters of the District. The District further has the right to issue refunding bonds, without voter approval.

The District is also authorized by law to engage in fire-fighting activities and is authorized to issue bonds payable from District ad valorem taxes for such purpose. Before the District may issue bonds for fire-fighting activities payable from District ad valorem taxes, the following actions would be required: (1) authorization of a detailed master plan and bonds for such purpose by the qualified voters in the District; (2) approval of the master plan and bonds by the Texas Commission on Environmental Quality (the "TCEQ" or "Commission"); and (3) approval of bonds by the Attorney General of Texas. The Board of Directors of the District has not considered calling an election at this time for such purposes.

If additional debt obligations are issued in the future by the District, such issuance may increase gross debt/property valuation ratios and might adversely affect the investment security of the Bonds. See "RISK FACTORS - Future Debt."

Events of Default

The Trust Agreement defines each of the following to be an "Event of Default":

(a) if default occurs in the timely payment of a Principal Installment (whether mandatory prepayment amount or the principal amount due at maturity) of any of the Bonds; or

(b) if default occurs in the timely payment of any installment of interest or premium, if any, on any of the Bonds; or

(c) the Bankruptcy or Insolvency of the Issuer or the District; or

(d) if the Issuer shall default in the due and punctual performance of any of the covenants, conditions, agreements and provisions contained in the Bonds or in the Bond Ordinance or Trust Agreement, other than as specified in (a) or (b) above, on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the

written request of the Owners of not less than ten percent (10%) in principal amount of the Bonds then outstanding; or

(e) if the Issuer or the District shall default in the due and prompt performance of any of the covenants, conditions, agreements and provisions contained in the Contract on the part of the Issuer or the District, as the case may be, to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring the same to be remedied shall have been given by the Trustee, which notice the Trustee may give in its discretion.

Remedies in Event of Default

Upon the happening and continuance of any Event of Default, the Trustee may proceed, and upon the written request of the Registered Owners of not less than fifty-one percent (51%) in principal amount of the Bonds then Outstanding shall proceed to protect and enforce its rights and the rights of the Owners of the Bonds under the Act and under the Trust Agreement by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained in the Trust Agreement or in aid or execution of any power granted in the Trust Agreement or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy under the Trust Agreement the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the Issuer for Principal Installments, interest or otherwise under any of the provisions of the Trust Agreement or of the Bonds and unpaid, with interest on overdue payments at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings therewith and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the Owners of the Bonds, and to recover and enforce judgment or decree against the Issuer, but solely as provided in the Trust Agreement and in such Bonds, for any portion of such amounts remaining unpaid, with interest, costs and expenses, and to collect (but solely from Contract Payments and Special Assessment Revenues or other moneys available for such purposes) specifically permitted by the Trust Agreement) in any manner provided by law, the moneys adjudged or decreed to be payable from said sources.

The Registered Owners of not less than a majority in principal amount of the Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial actions to be taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of the Trust Agreement and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Registered Owners of the Bonds not parties to such direction.

No Registered owners of any of the Bonds then Outstanding shall have any right to institute any suit, action, mandamus or other proceeding in equity or at law for the execution of any trust hereunder or the protection or enforcement of any right under the Trust Agreement or the Bond Ordinance, or any right under the act or the laws of Texas, excepting only an action for the recovery of overdue and unpaid principal installments or interest, unless such Registered Owner previously shall have given to the Trustee written notice of the event of default or breach of trust or duty on account of which such suit or action is to be taken, and unless the Registered Owners of not less than twenty percent (20%) in principal amount of the Bonds then outstanding shall have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers herein granted or granted by the Act or by the laws of Texas, or to institute such action, suit or proceeding in its or their name, and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time.

Any delay or omission to exercise any right or power occurring upon any default shall not impair any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

There is no acceleration of maturity of the Bonds in the event of default. Consequently, the remedy of specific performance is a remedy which may have to be relied upon from year to year by the Registered Owners. Based on recent Texas court decisions it is unclear whether certain legislation effectively waives governmental immunity of governmental entities for suits for money damages. Even if the Registered Owners could obtain a judgment against the Issuer, such judgment could not be enforced by levy and execution against the Issuer's property or the District' property or the property subject to assessment. Further, the Registered Owners cannot themselves foreclose on property within the District or sell property within the District or the Improvement District, as the case may be, in order to pay the principal of and interest on the Bonds. Certain traditional legal remedies also may be unavailable.

The enforceability of the rights and remedies of the Registered Owners may be further limited by federal bankruptcy laws related to bankruptcy, reorganization, or other similar laws of general application affecting the rights of creditors of political subdivisions such as the Issuer and the District. Specifically, the Issuer or the District may voluntarily file a petition for protection from creditors under the federal bankruptcy laws. During the pendency of the bankruptcy proceedings the remedy for mandamus would not be available to the Registered Owners unless authorized by a federal bankruptcy judge. Additionally, the right of the District to seek judicial foreclosure of any tax lien or special assessment lien upon property within such District may be stayed. See "RISK FACTORS - Bankruptcy Limitation to Registered Owners' Rights."

Legal Investment and Eligibility to Secure Public Funds in Texas

Chapter 372, Texas Local Government Code, as amended, pursuant to which the Bonds are issued, provides as follows:

(a) Bonds issued under this subchapter are legal and authorized investments for:

(1) banks, trust companies, and savings and loan association;
(2) all insurance companies;
(3) fiduciaries, trustees, and guardians; and
(4) interest funds, sinking funds, and other public funds of the state or of an agency, subdivision, or instrumentality of the state, including a county, municipality, school district, or other district, public agency or body politic.

(b) Bonds issued under this subchapter may be security for deposits of public funds of the state or of an agency, subdivision, or instrumentality of the state, including a county, municipality, school district, or other district, public agency or body politic, to the extent of the market value of the Bonds, if accompanied by any appurtenant unmatured interest coupons.

The Issuer makes no representation that the Bonds will be acceptable to banks, savings and loan associations or public entities for investment purposes or to secure deposits of public funds. The Issuer has made no investigation of other laws, regulations or investment criteria which might apply to or otherwise limit the availability of the Bonds for investment or collateral purposes. Prospective purchasers are urged to carefully evaluate the investment quality of the Bonds as to the acceptability of the Bonds for investment or collateral purposes.

RISK FACTORS

General

The Bonds, which are special revenue obligations of the Issuer and not of the State of Texas or Denton County, will be secured by Contract Revenues, if any, to be paid by the District pursuant to the Contract, and by Special Assessment Revenues, if any. Contract Revenues are payable from an annual ad valorem tax, without legal limitation as to rate or amount, levied by the District on all taxable property within the District. Special Assessment Revenues are payable from Special Assessments levied by the Improvement District against benefitted property within the Improvement District and are to be collected only to the extent that, in any calendar year, Contract Revenues are insufficient to pay debt service on the Bonds. The ultimate security for payment of the principal of and interest on the Bonds depends (i) upon the ability of the District to pay Contract Revenues from the collection from the property owners within the District of taxes levied against all taxable property located within the District, or, in the event taxes are not collected and foreclosure proceedings are instituted by the District, upon the value of the taxable property with respect to taxes levied by the District and by other taxing authorities, and (ii), to the extent that Contract Revenues are insufficient to pay the Bonds, the ability of the Issuer to collect Special Assessment Revenues within the Improvement District or, in the event Special Assessments are not collected and foreclosure proceedings are instituted on behalf of the Issuer, upon the value of the property which is subject to such Special Assessments. Neither the Issuer nor the District makes any representations that over the life of the Bonds the property within the District will maintain values sufficient to justify continued payment of taxes or Special Assessments by the property owners. The potential increase in taxable valuation of property within the District is directly related to the economics of the residential housing industry, not only due to general economic conditions, but also due to the particular factors discussed below.

Economic Factors Affecting Taxable Values and Tax Payments

Local Economic Factors: The taxable value of the District results from the current market value of single-family residences. The market value of such residences is related to economic conditions in the Dallas-Fort Worth area, the State of Texas and the nation and those conditions can affect the demand for such properties. Demand for such residential properties can be significantly affected by factors such as interest rates, credit availability, and the prosperity and demographic characteristics of the surrounding urban centers. Because a significant number of the homes constructed within the District are considered to be in the higher end market, a slowdown or worsening of the market for such higher end homes could adversely effect taxable values within the District.

National Economic Factors: Nationally, in recent years, there has been a significant downturn in new housing construction, resulting in a decline in housing market values. In the past, the Dallas-Fort Worth area, which includes the District, has experienced reduced levels of home construction and new and existing homes sales. The District cannot predict what impact, if any, a downturn in the local and national housing and financial markets may have on the Dallas-Fort Worth area and specifically, upon market values of existing homes within the District.

Maximum Impact on District Tax Rates: The value of the land and improvements currently within the District will be the major determinant of the ability or willingness of District property owners to pay their taxes. The District's 2014 Taxable Valuation is $411,353,615 and the 2015 Preliminary Taxable Valuation is $456,869,715 (see "TAX DATA"). The average annual debt service requirement on the Remaining Outstanding Bonds and the Bonds is $1,565,992* and the maximum annual debt service requirement on the Remaining Outstanding Bonds and the Bonds is $1,994,375*. Assuming no increase to or decrease from the 2014 Taxable Valuation, and no use of other District funds, tax rates of $0.401 and $0.511 per $100 of the 2014 Taxable Valuation at 95% tax collection rate and tax rates of $0.361 and $0.460 per $100 of the 2015 Preliminary Taxable Valuation at a 95% tax collection rate, would be necessary to pay the average annual debt service requirement and the maximum annual debt service requirements, respectively, and the District's current contract tax rate of $0.6127per $100 of

*Preliminary; subject to change.

Assessed Valuation will be sufficient to pay both the average annual and maximum annual debt service on the Remaining Outstanding Bonds and the Bonds.

Increases in the District's total tax rate to higher levels than the $0.8600 per $100 of Assessed Valuation rate may have an adverse impact upon future development of the District, the sale and construction of homes within the District and the ability of the District to collect, and the willingness of owners of property located within the District to pay, ad valorem taxes levied by the District. In addition, the collection by the District of delinquent taxes owed to it and the enforcement by a Registered Owner of the District's obligations to collect sufficient taxes may be a costly and lengthy process.

The combination of the District's 2014 levy of $0.8600 per $100 of Assessed Valuation, plus the aggregate of the 2014 tax levies of all other units of government which levy taxes against the property located within the District, was $2.6092 per $100 of Assessed Valuation. See "TAX DATA - Estimated Overlapping Taxes."

Tax Collection Limitations

The District's ability to make payments of Contract Revenues may be adversely affected by its inability to collect ad valorem taxes. Under Texas law, the levy of ad valorem taxes by the District constitutes a lien in favor of the District on a parity with the liens of all other state and local taxing authorities on the property against which taxes are levied, and such lien may be enforced by foreclosure. The District's ability to collect ad valorem taxes through such foreclosure may be impaired by (a) cumbersome, time-consuming and expensive collection procedures, (b) a bankruptcy court's stay of tax collection procedures against a taxpayer, (c) market conditions affecting the marketability of taxable property within the District and limitation of the proceeds from a foreclosure sale of such property, (d) adverse effects on the proceeds of a foreclosure sale resulting from a taxpayer’s limited right to redeem its foreclosed property as set forth below, or (e) insufficient foreclosure bids to satisfy the tax liens of all state and local taxing authorities which have parity liens on the property. While the District has a lien on taxable property within the District for taxes levied against such property, such lien can be foreclosed only in a judicial proceeding. Moreover, the value of the property to be sold for delinquent taxes and thereby the potential sales proceeds available to pay debt service on the Bonds, may be limited by among other factors, the existence of other tax liens on the property, by the current aggregate tax rate being levied against the property, or by the taxpayers’ right to redeem residential or agricultural use property within two (2) years of foreclosure and all other property within six (6) months of foreclosure. See "TAX PROCEDURES."

Special Assessment Limitations

In the event and to the extent that, in any calendar year, Contract Revenues are insufficient to pay debt service due on the Bonds, Special Assessments will be billed to properties against which there are unpaid assessments. Such Special Assessments are due and payable, and bear the same penalties and interest for non-payment as do regular property tax installments. Additionally, Special Assessments are payable in annual installments established by the Assessment Ordinance. See "ASSESSMENT PROCEDURES -- Priority of Lien" herein. It should be noted that the unwillingness or inability of a property owner to pay regular property tax bills as evidenced by property tax delinquencies may also indicate an unwillingness or inability to make regular property tax payments and assessment installment payments in the future.

Although Special Assessments are secured by a lien on the parcels within the Improvement District and the Issuer has covenanted to institute foreclosure proceedings to sell parcels with delinquent assessment installments for amounts sufficient to cover such delinquent installments in order to obtain funds to pay debt service on the Bonds, there can be no assurance that foreclosure proceedings will occur in a timely manner so as to avoid delay in payments of debt service on the Bonds. Upon an ad valorem tax lien foreclosure event of a property within the District, an installment of Special Assessments that is also delinquent will be foreclosed in the same manner as the ad valorem tax lien (assuming all conditions and procedures for foreclosure are duly satisfied). The foreclosure of accrued installments of Special Assessments does not eliminate the outstanding principal balance

of the Special Assessment and any purchaser of the property in foreclosure takes the property subject to the Special Assessment lien and any associated obligations.

Failure by owners of the parcels to pay installments of Special Assessments when due, delay in foreclosure proceedings, or the inability of the Issuer to sell parcels which have been subject to foreclosure for amounts sufficient to cover the delinquent installments of Special Assessments levied against such parcels may result in the inability of the Issuer to make full or punctual payments of debt service on the Bonds.

Registered Owners' Remedies and Bankruptcy

In the event of default in the payment of principal of or interest on the Bonds, the Trustee may proceed, and upon the written request of the Registered Owners of not less than fifty-one percent (51%) in principal amount of the Bonds then Outstanding shall proceed to protect and enforce its rights and the rights of the Owners of the Bonds under the Bond Ordinance and the Trust Agreement by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained therein or in aid or execution of any power granted or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of specific performance have to be relied upon from year to year. Based on recent Texas court decisions it is unclear whether certain legislation effectively waives governmental immunity of governmental entities for suits for money damages. Even if the Registered Owners could obtain a judgment against the Issuer, such a judgment could not be enforced by a direct levy and execution against the Issuer's or the District's property. Further, the Registered Owners cannot themselves foreclose on property within the Issuer or sell property within the Issuer in order to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the Registered Owners further may be limited laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the Issuer. In this regard, should the Issuer or the District file a petition for protection from creditors under federal bankruptcy laws, the remedy of mandamus or the right of the Issuer to seek judicial foreclosure of its tax lien would be automatically stayed and could not be pursued unless authorized a federal bankruptcy judge. See "Bankruptcy Limitation to Registered Owners' Rights."

Bankruptcy Limitation to Registered Owners' Rights

The enforceability of the rights and remedies of the Registered Owners may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the Issuer and the District. Subject to the requirements of Texas law, the Issuer or the District may voluntarily proceed under Chapter 9 of the Federal Bankruptcy Code, 11 U.S.C. 901-946, if the Issuer or the District (1) is generally authorized to file for federal bankruptcy protection by State law, (2) is insolvent or unable to meet its debts as they mature, (3) desires to effect a plan to adjust such debts, and (4) has either obtained the agreement of or negotiated in good faith with its creditors or is unable to negotiate with its creditors because negotiation is impracticable. Under Texas law, a water control and improvement district, such as the District, must also obtain the approval of the TCEQ prior to filing for bankruptcy. Such legislation requires that the TCEQ investigate the financial condition of such district and authorize the district to proceed only if the district has fully exercised its rights and powers under Texas law and remains unable to meet its debts and other obligations as they mature.

If the Issuer or the District, as the case may be, decides in the future to proceed voluntarily under the Federal Bankruptcy Code, the Issuer or the District, as the case may be, would develop and file a plan for the adjustment of its debts, and the Bankruptcy Court would confirm the plan if (1) the plan complies with the applicable provisions of the Federal Bankruptcy Code, (2) all payments to be made in connection with the plan are fully disclosed and reasonable, (3) the Issuer or the District, as the case may be, is not prohibited by law from taking any action necessary to carry out the plan, (4) administrative expenses are paid in full, and (5) the plan is in the

best interests of creditors and is feasible. The rights and remedies of the Registered Owners would be adjusted in accordance with the confirmed plan of adjustment of the Issuer's or the District's, as the case may be, debt.

Neither the Issuer nor the District may be placed into bankruptcy involuntarily.

Future Debt

The Issuer has the right in the Bond Ordinance and the Trust Agreement to issue bonds pursuant to the Contract, up to the maximum aggregate outstanding amount of $28,500,000 (not including refunding bonds) for the purposes set forth in the Contract. Inasmuch as the Issuer has issued such maximum amount, except for Additional Bonds for refunding purposes, no Additional Bonds are permitted to be issued under the Contract. In addition, Additional Bonds for refunding purposes may be issued in such amounts as are necessary to accomplish such purposes. Such Additional Bonds for refunding purposes may be issued with the approval of the governing bodies of the District, but without the necessity of authorization by the voters within the Issuer or further authorization by voters within the District. See "THE BONDS - Legal Ability of the Issuer to Issue Additional Debt" and "Legal Ability of the District to Issue Additional Debt."

If Additional Bonds are issued by the Issuer pursuant to the Contract or by the District secured by taxes in the future and property values have not increased proportionately, such issuance may increase gross debt/property valuation ratios and thereby adversely affect the investment quality or security of the Bonds.

Absence of Market for the Bonds

There can be no assurance that there will ever be a secondary market for purchase or sale of the Bonds, and from time to time there may be no market for them, depending upon prevailing market conditions, the financial condition or market position of firms who may make the secondary market.

Continuing Compliance with Certain Covenants

The Bond Ordinance and the Trust Agreement contain covenants by the Issuer intended to preserve the exclusion from gross income of interest on the Bonds. Failure by the Issuer to comply with such covenants on a continuous basis prior to maturity of the Bonds could result in interest on the Bonds become taxable retroactively to the date of original issuance. See "TAX EXEMPTION."

Future and Proposed Legislation

Tax legislation, administrative actions taken by tax authorities, or court decisions, whether at the Federal or state level, may adversely affect the tax-exempt status of interest on the Bonds under Federal or state law and could affect the market price or marketability of the Bonds. Any such proposal could limit the value of certain deductions and exclusions, including the exclusion for tax-exempt interest. The likelihood of any such proposal being enacted cannot be predicted. Prospective purchasers of the Bonds should consult their own tax advisors regarding the foregoing matters.

2015 Legislative Session

On January 3, 2015, the Texas Legislature convened in it is 84th regular session until June 1, 2015. During this time, the Legislature will likely consider legislation which affects ad valorem tax and other matters which could adversely affect the marketability or market value of the Bonds. The District cannot predict actions of the Legislature.

DISTRICT DEBT

General

The following tables and calculations relate to the Bonds. The District is empowered to incur debt to be paid from revenues raised by taxation against all taxable property located within the District, and various other political subdivisions of government which overlap all or a portion of the District are empowered to incur debt to be paid from revenues raised or to be raised by taxation against all or a portion of the property within the District.

Bonded Indebtedness*

2014 Taxable Valuation	$411,353,614	(a)
2015 Preliminary Taxable Valuation	$456,869,715	(b)
Gross Debt: The Remaining Outstanding Bonds	15,245,000	(c)
The Bonds	8,730,000	
Total	$23,975,000	
Estimated Overlapping Debt	$23,371,298	(d)
Direct and Estimated Overlapping Debt	$47,346,298	(e)
Ratio of Direct Debt to: 2014 Taxable Valuation	5.83 %	
2015 Preliminary Taxable Valuation	5.25 %	
Ratio of Direct and Estimated Overlapping Debt to: 2014 Taxable Valuation	11.51 %	
2015 Preliminary Taxable Valuation	10.36 %	
Interest and Sinking Fund Balance	$ 2,963,931	(f)
Series 2002 Debt Service Reserve Fund Balance	$ 275,536	(g)
Series 2005 Debt Service Reserve Fund Balance	$ 811,900	(g)
Series 2013 Debt Service Reserve Fund Balance	$1,366,165	(g)
2014 Tax Rate per $100 of Assessed Valuation	$ 0.8600	
Contract Tax $0.6127		
Maintenance Tax 0.2473		
Average Annual Debt Service Requirements of the Remaining Outstanding Bonds and the Bonds (2015-2034)	$1,565,992	
Maximum Annual Debt Service Requirements of the Remaining Outstanding Bonds and the Bonds (2020)	$1,994,375	
Tax Rate per $100 of Assessed Valuation within the District required to pay Average Annual Debt Service Requirements at 95% Tax Collections based upon: 2014 Taxable Valuation	$0.401	
2015 Preliminary Taxable Valuation	$0.361	
Tax Rate per $100 of Assessed Valuation within the District required to pay Maximum Annual Debt Service Requirements at 95% Tax Collections based upon: 2014 Taxable Valuation	$0.511	
2015 Preliminary Taxable Valuation	$0.460	
Estimated Population	2,541	(h)

*Preliminary; subject to change.

(a) Provided by the Denton County Appraisal District (the "Appraisal District"), this amount is the final certified value of all taxable property located within the District as of January 1, 2014 and constitutes the District's 2014 tax roll. See "TAXING PROCEDURES" and "RISK FACTORS - Factors Affecting Taxable Values and Payments."

(b) Provided by the Appraisal District as a preliminary indication of the 2015 taxable assessed valuation. No taxes will be levied on such amount and such amount is subject to review and downward adjustment prior to certification.

(c) Excludes the Refunded Bonds.

(d) See "DISTRICT DEBT - Estimated Direct and Overlapping Debt Statement of the District."

(e) As is described in this Official Statement under the caption "TAX DATA - Estimated Overlapping Taxes," the aggregate of the tax levies of all units of government which levy taxes against the property located within the District in 2014, was $2.6092 per $100 of Assessed Valuation. See "RISK FACTORS - Factors Affecting Taxable Values and Tax Payments."

(f) As of March 15, 2015. Balance includes amounts in the Collection Fund to be transferred to the Interest and Sinking Fund. Balance gives effect to payment of debt service due on certain of the Outstanding Bonds on March 1, 2015. $278,500 will be paid out of such balance on April 1, 2015, for interest on certain other Outstanding Bonds, and approximately $1,300,000 of such balance will be contributed to the refunding to be accomplished with the Bonds. Neither the Bond Ordinance, the Trust Agreement, nor Texas law requires that any particular amount be maintained in the Interest and Sinking Fund at any time.

(g) As of March 15, 2015. See "THE BONDS - Sources of Payment - Debt Service Reserve Fund.

(h) Based upon 3.5 persons per connection.

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*Preliminary; subject to change.

Estimated Direct and Overlapping Debt Statement for the District

The following statement indicates the direct and estimated overlapping debt of the District. The table includes the estimated amount of indebtedness of governmental entities overlapping the District, defined as outstanding bonds payable from ad valorem taxes, and the estimated percentages and amounts of such indebtedness attributable to the property located within the District. This information is based upon data secured from the individual jurisdictions and/or the Texas Municipal Reports published by the Municipal Advisory Council of Texas. The calculations by which the statement was derived were made in part by comparing the reported assessed valuation of the property in the overlapping taxing jurisdictions with the Assessed Valuation of property within the District. No effect has been given to the tax burden levied by any applicable taxing jurisdiction for maintenance and operation or other purposes.

Taxing Jurisdiction	Net Outstanding Debt	As of	Percent	Amount
Denton County	$ 611,672,865	9/30/14	0.647%	$ 3,957,523
Lewisville ISD	1,196,166,040	8/31/14	1.623	19,413,775
Total Estimated Overlapping Debt				$23,371,298
Total Direct Debt (The Remaining Outstanding Bonds and the Bonds)				$23,975,000*
Total Direct Debt and Overlapping Debt				$47,346,298
Ratio of Total Direct and Estimated Overlapping Debt to:				
2014 Assessed Valuation ($411,353,614)				11.51%
2015 Preliminary Assessed Valuation ($456,869,715)				10.36%

Under Texas law ad valorem taxes levied by each taxing authority other than the District create a lien which is on a parity with the lien in favor of the District on all taxable property within the District. In addition to the ad valorem taxes required to retire the foregoing direct and overlapping debt, the various taxing authorities mentioned above are also authorized by Texas law to assess, levy and collect ad valorem taxes for operation, maintenance, administration and/or general revenue purposes. Certain of the jurisdictions have in the past levied such taxes. The District has the power to assess, levy and collect ad valorem taxes for operation and maintenance purposes if authorized by the District's voters at an election held for such purpose. Voters within the District have authorized a maintenance tax without legal limit as to rate or amount and such maintenance tax has been levied on properties within the District. See "DISTRICT TAX DATA - Maintenance Tax."

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*Preliminary; subject to change.

Debt Service Requirements*

The following schedule sets forth the principal and interest requirements on the Bonds (estimated at various rates).

Year	Outstanding Bonds Debt Service	Refunded Debt Service	The Bonds Principal	The Bonds Interest	Total Resulting Debt Service
2015	$2,168,913	$(528,550)		$73,666	$1,714,028
2016	2,171,156	(807,100)	$355,000	267,875	1,986,931
2017	2,175,150	(811,200)	365,000	260,775	1,989,725
2018	2,174,550	(809,100)	370,000	253,475	1,988,925
2019	2,172,150	(811,100)	380,000	246,075	1,987,125
2020	2,177,800	(811,900)	390,000	238,475	1,994,375
2021	2,176,200	(811,500)	400,000	226,775	1,991,475
2022	2,172,500	(809,900)	410,000	215,775	1,987,375
2023	2,166,700	(807,100)	420,000	202,475	1,982,075
2024	2,168,800	(808,100)	435,000	189,875	1,985,575
2025	2,168,350	(807,600)	445,000	176,825	1,982,575
2026	2,173,850	(810,600)	465,000	163,475	1,991,725
2027	2,176,300	(811,800)	480,000	149,525	1,994,025
2028	2,174,100	(811,200)	495,000	134,525	1,992,425
2029	808,800	(808,800)	505,000	118,438	623,438
2030	809,500	(809,500)	525,000	100,763	625,763
2031	808,300	(808,300)	540,000	82,388	622,388
2032	809,900	(809,900)	565,000	63,488	628,488
2033	809,100	(809,100)	580,000	43,713	623,713
2034	810,900	(810,900)	605,000	22,688	627,688
Totals	$35,273,119	$(15,913,350)	$8,730,000	3,230,066	$31,319,834

Average Annual Requirements (2015-2034) $1,565,992
Maximum Annual Requirements (2020) $1,994,375

*Preliminary; subject to change.

TAX PROCEDURES

Property Tax Code and County-Wide Appraisal District

The Texas Property Tax Code (the "Property Tax Code") specifies the taxing procedures of all political subdivisions of the State of Texas, including the District. Provisions of the Property Tax Code are complex and are not fully summarized here. The Property Tax Code establishes an Appraisal District and an appraisal review board in each county of the State of Texas. The Appraisal District is governed by a board of directors elected by the governing bodies of cities, towns and schools that participate in the Appraisal District and of the county. Conservation and reclamation districts such as the District may participate, to a limited extent, in such election. The board of directors selects a chief appraiser to manage the appraisal office of the Appraisal District. All taxing units within Denton County, including the District, are included in the Appraisal District. The Appraisal District is responsible for appraising property within the District, subject to review by the county appraisal review board. The appraisal roll as approved by the county appraisal review board must be used by the District in establishing their tax rolls and tax rate. The valuation and assessment of taxable property within the District is governed by the Property Tax Code.

Under current Texas law, the District is responsible for the levy and collection of its taxes and will continue to be so responsible unless the Board, or the qualified voters of the District or of Denton County, at an election held for such purpose determines to transfer such functions to the Appraisal District or another taxing unit.

Exempt Property

Except for certain exemptions provided by Texas law, all real property and tangible personal property and certain categories of intangible personal property with a tax situs in the District are subject to taxation by the District; however, no effort is expected to be made by the Appraisal District described below to assess taxes against tangible or intangible personal property not devoted to commercial or industrial use. Principal categories of exempt real property include: property owned by the State of Texas or its political subdivisions, if the property is used for public purposes; property exempt from ad valorem taxation by federal law; nonprofit cemeteries; and certain property owned by qualified charitable, religious, veterans, fraternal, or education organizations. Partially exempt to the maximum extent of $5,000 to $12,000 of assessed value, depending upon the disability rating of the veteran, is property owned by a disabled veteran or by the spouse or certain children of a deceased disabled veteran or a veteran who died while on active duty. A veteran who receives a disability rating of 100% is entitled to the exemption for the full amount of the veteran's residential homestead. Additionally, subject to certain conditions, the surviving spouse of a disabled veteran who is entitled to an exemption for the full value of the veteran's residence homestead is also entitled to an exemption from taxation of the total appraised value of the same property to which the disabled veteran's exemption applied. A partially disabled veteran or certain surviving spouses of partially disabled veterans are entitled to an exemption from taxation of a percentage of the appraised value of their residence homestead in an amount equal to the partially disabled veteran's disability rating if the residence homestead was donated by a charitable organization. Also, the surviving spouse of a member of the armed forces who was killed in action is, subject to certain conditions, entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse. Also partially exempt, if approved by the Board or at an election called by the Board upon petition of a least 20% of the number of the qualified voters who voted in such District's preceding election, are residence homesteads of certain persons who are disabled or at least 65 years old to the extent of $3,000 of assessed alue or such higher amount as the Board or the District's voters may approve. Each District's tax assessor is authorized by statute to disregard exemptions for the disabled and elderly if granting the exemption would impair such District's obligation to pay tax-supported debt incurred prior to adoption of the exemption by such District.

Residential Homestead Exemptions: The Property Tax Code authorizes the governing body of each political subdivision in the State to exempt up to twenty percent (20%) of the appraised market value of residential homesteads from ad valorem taxation. Where ad valorem taxes have previously been pledged

for the payment of debt, the governing body of a political subdivision may continue to levy and collect taxes against the exempt value of the homesteads until the debt is discharged, if the cessation of the levy would impair the obligations of the contract by which the debt was created. The adoption of a homestead exemption may be considered each year, but must be adopted by June 30.

Freeport Goods Exemption: Freeport goods are goods, wares, merchandise, other tangible personal property and ores, other than oil, natural gas and other petroleum products, which have been acquired or brought into the state for assembling, storing, manufacturing, repair, maintenance, processing or fabricating or used to repair or maintain aircraft of a certified air carrier and shipped out the state within 175 days. Freeport goods are exempted from taxation by the District.

Goods-In-Transit: Article VIII, Section 1-n of the Texas Constitution provides for the exemption from taxation of "goods-in-transit." "Goods-in-transit" is defined by a provision of the Property Tax Code, which is effective for tax years 2008 and thereafter, as personal property acquired or imported into Texas and transported to another location in the State or outside the State within 175 days of the date the property was acquired or imported into Texas. The exemptions excludes oil, natural gas, petroleum products, aircraft and special inventory, including motor vehicle, vessel and out-board motor, heavy equipment and manufactured housing inventory. For tax year 2012 and subsequent years, such Goods-in-Transit Exemption is tangible personal property acquired in or imported into Texas for storage purposes and which is stored under a contract of bailment by a public warehouse operator at one or more public warehouse facilities in Texas that are not in any way owned or controlled by the owner of such property for the account of the person who acquired or imported such property. The Property Tax Code provision permits local governmental entities, on a local option basis, to take official action by January 1 of the year preceding a tax year, after holding a public hearing, to tax goods-in-transit during the following tax year. A taxpayer may receive only one of the freeport exemptions or the goods-in-transit exemptions for items of personal property.

Tax Abatement

The Issuer and Denton County may designate all or part of the area within the District as a reinvestment zone, and Denton County, the Issuer, and the District may thereafter enter into tax abatement agreements with owners of real property within the zone with each taxing jurisdictions' agreement affecting its own tax roll. The tax abatement agreements exempt from ad valorem taxation by the applicable taxing jurisdiction for a period of up to 10 years, all or any part of any increase in the assessed valuation of property covered by the agreement over its assessed valuation in the year in which the agreement is executed, on the condition that the property owner make specified improvements or repairs to the property in conformity with a comprehensive plan. In certain instances, personal property also may be eligible for tax abatement. Currently, none of the area within the District has been designated for tax abatement.

Assessment and Levy

Generally, all taxable property in the District (other than any qualifying agricultural and timber land) must be appraised at 100% of market value as of January 1 of each tax year, subject to review and approval by the appraisal district appraisal review board. State law requires the appraised value of a residence homestead to be based solely on the property's value as a residence homestead, regardless of whether residential use is considered to be the highest and best use of the property. State law further limits the appraised value of a residence homestead for a tax year to an amount not to exceed the lesser of (1) the property's market value in the most recent tax year in which the market value was determined by the Appraisal District or (2) the sum of (a) 10% of the property's appraised value for the preceding tax year, (b) the appraised value of the property for the preceding tax year; and (c) the market value of all new improvements to the property. However, houses held for sale by a developer or builder which remain unoccupied, are not leased or rented and produce no income, are required to be assessed at the price for which they would sell as a unit to a purchaser who would continue the owner's business. The Property Tax Code requires each appraisal district to implement a plan providing for reappraisal of all real property in the

appraisal district at least once every three years. It is not known what frequency of reappraisal will be utilized by the Appraisal District or whether reappraisals will be conducted on a zone or county-wide basis.

The chief appraiser must give written notice before the appraisal review board meeting to each owner whose property value is recommended for an increase or if the recommended value is greater than the value rendered by the property owner. The appraisal review board has the ultimate responsibility for determining the value of all taxable property within the District; however, any owner who has timely filed notice to the appraisal review board may appeal the final determination by the appraisal review board of the owner's protest by filing suit in Texas district court. Prior to such appeal, however, the owner must pay the tax due on the amount of value of the property involved that is not in dispute or the amount of tax paid in the prior year, whichever is greater, but not to exceed the amount of tax due under the order from which the appeal is taken. In the event of such suit, the value of the property is determined by the court, or a jury if requested by any party. Additionally, the District is entitled to challenge certain matters before the appraisal review board, including the level of appraisals of a certain category of property, the exclusion of property from the appraisal records, or the grant in whole or in part of a partial exemption. The District may not, however, protest a valuation of individual property.

By September 1 of each year, or as soon thereafter as possible, the rate of taxation within each District is set by the respective Board based upon the valuation of property within such District as of January 1 and the amount required to be raised for debt service, maintenance purposes and authorized contractual obligations. Under certain circumstances the Board may be required to advertise and hold a public hearing within such District on a proposed tax rate before the Board can hold a public meeting to vote on the tax rate. If the tax rate adopted exceeds by more than 8% the rate needed to pay debt service and certain contractual obligations and to produce, when applied to the property which was on the prior year's roll, the prior year's total taxes levied for purposes other than debt service and such contractual obligations, such portion of the levy in excess of 3% more than the above-described rate may be repealed at an election within such District held upon petition of 10% of the District's qualified voters.

Agricultural, Open Space, or Timberland Deferment

The Property Tax Code permits land designated for agricultural use or timberland to be appraised at its value based on the land's capacity to produce agricultural or timber products rather than at its fair market value. Provisions of the Property Tax Code are complex and are not fully summarized here. Landowners wishing to avail themselves of the agricultural use designation must apply for the designation, and the appraiser is required by the Property Tax Code to act on each claimant's right to the designation individually. If a claimant receives the designation and later loses it by changing the use of the property or selling it to an unqualified owner, the District can collect "rollback" taxes based on the new use, in some cases, up to five years. A property owner may receive these special exemptions but waive such in particular taxing jurisdictions of the property owner's choice. Hence, a large landowner in a district could enjoy the benefit of the special exemptions with respect to county and school taxes without reducing his obligation to pay district property taxes. The waiver is effective for twenty-five (25) consecutive years, runs with the land and is binding on the owner who executed the waiver and any successor in interest. A governing body can revoke a waiver upon request by the property owner only upon finding that such revocation would not materially impair an obligation payable from property taxes. As of January 1, 2014, none of the land within the District had been designated for agricultural use, open space or timberland.

District and Taxpayer Remedies

Under certain circumstances, taxpayers and taxing units, including the District, may appeal orders of the Appraisal Review Board by filing a petition for review in district court within forty-five (45) days after notice is received that a final order has been entered. In such event, the property value in question may be determined by the court, or by a jury, if requested by any party. Additionally, taxing units may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

The Property Tax Code establishes a procedure for notice to property owners of reappraisals reflecting increased property values, appraisals that are higher than renditions and appraisals of property not previously on an appraisal roll.

Rollback of Operation and Maintenance Tax Rate

The qualified voters of the District have the right to petition for a rollback of the District's operation and maintenance tax rate only if the total tax bill on the average residence homestead increases by more than eight percent (8%). If a rollback election is called and passes, the rollback tax rate is the current year's debt service and contract tax rates plus 1.08 times the previous year's operation and maintenance tax rate. However, debt service and contract tax rates cannot be changed by a rollback election.

Collection

The District is responsible for the collection of its taxes, unless it elects to transfer such functions to another governmental entity. By September 1 of each year, or as soon thereafter as practicable, the rate of taxation is set by the Board of Directors of the respective District based upon the valuation of property within such District as of the preceding January 1. Taxes are due on October 1, or when billed, whichever comes later, and become delinquent after January 31 of the following year. However, a person who is 65 years of age or older or disabled is entitled by law to pay current taxes on his residential homestead in installments or to receive a deferred or abatement of delinquent taxes without penalty during the time he owns or occupies his property as his residential homestead. The date of the delinquency may be postponed by the District if the tax bills are mailed after September 30 (if the Board has authorized discounts for early payment) or otherwise after January 10. The Board may approve a discount for early payment of taxes. Delinquent taxes are subject to 6% penalty for the first month of delinquency, 1% for each month thereafter to August 1 and 12% total if any taxes are unpaid on August 1. Delinquent taxes also accrue interest at the rate of 1% per month during the period they remain outstanding. In addition, in the instance in which a district must engage an attorney for collection of delinquent taxes, the Board may impose a further penalty not to exceed 15% on all taxes unpaid on August 1.

District's Rights in the Event of Tax Delinquencies

Taxes levied by the District are a personal obligation of the person who owns the property on January 1 of the year for which the tax is imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed for the year upon the property. The District's tax lien is on a parity with the tax liens of the other state and local jurisdictions levying taxes on property within the District. Whether a lien of the United States is on a parity with or takes priority over a tax lien of the District is determined by applicable federal law. In the absence of such federal law, a District's tax lien takes priority over a lien of the United States. In the event a taxpayer fails to make timely payment of taxes due a District, the District may file suit at any time after taxes become delinquent to foreclose its lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property. Property owners over 65 years of age may defer the payment of property taxes, or abate a suit for their collection, levied against their homesteads. The exercise of such deferrals or abatements could significantly delay the collection of property taxes by the District. See "RISK FACTORS - Factors Affecting Taxable Values and Tax Payments." Collection of delinquent taxes may also be adversely affected by the amount of taxes owed to other federal, state and local taxing jurisdictions, by the effects of market conditions on the foreclosure sales price, by the taxpayer's right to redeem the property within two years of foreclosure, or by bankruptcy proceedings which may delay the collection of a taxpayer's debts.

ASSESSMENT PROCEDURES

THE FOLLOWING IS A SUMMARY OF CERTAIN PROCEDURES APPLICABLE TO THE SPECIAL ASSESSMENTS. HOWEVER, UNDER THE TERMS OF THE CONTRACT, SPECIAL ASSESSMENTS ARE DUE AND PAYABLE ONLY IN THE EVENT THAT, IN ANY GIVEN CALENDAR YEAR, CONTRACT REVENUES ARE INSUFFICIENT TO MAKE PAYMENTS ON THE BONDS. THEREFORE, SPECIAL ASSESSMENT REVENUES HAVE NOT MADE, AND ARE NOT EXPECTED TO MAKE, SIGNIFICANT CONTRIBUTIONS, IF ANY, TO DEBT SERVICE PAYMENTS ON THE BONDS.

Levy of Special Assessments

By ordinance duly adopted (the "Assessment Ordinance"), the Issuer has levied special assessments against all property located within the boundaries of the Improvement District (the "Special Assessments"). Pursuant to the Assessment Ordinance, the Issuer has levied the Special Assessments on the basis of the proportion of the value borne by each tract of land within the Improvement District to the total value of property within the Improvement District, to be payable in full, at any time, to be partially prepaid, or to be payable in annual installments as set forth in the Service/Assessment Plan and the Assessment Roll. The aggregate amount of Special Assessments assessed are payable in annual installments as set forth in the Assessment Ordinance and the Assessment Plan. Installments are due on February 1 and become delinquent on March 1. The owner of any property may voluntarily prepay all or part of any Special Assessments levied against such property, together with accrued interest to the date of payment, at any time.

Priority of Lien

The assessment or any reassessment, the expense of collection, and reasonable attorney's fees, if incurred, constitute a first and prior lien against the property assessed, superior to all other liens and claims except liens or claims for state, county, city, school districts, or other political subdivision (such as the District), ad valorem taxes, and are a personal liability of and charge against the owners of the property regardless of whether the owners are named. The lien is effective from the date of the Assessment Ordinance until the Special Assessment is paid, and may be enforced by the Issuer in the same manner as an ad valorem tax levied against real property may be enforced by the Issuer. The owner of any property assessed may pay the entire Special Assessment levied against any lot or parcel, together with accrued interest to the date of payment, at any time. The lien of the Special Assessment runs with the land and any installments of Special Assessments that have not yet come due are not eliminated by foreclosure of an ad valorem tax lien.

Covenant to Commence Foreclosure Proceedings

In the event of delinquency in the payment of any installment of an unpaid Special Assessment, the Issuer is empowered to order institution of an action in state district court to foreclose the lien of such delinquent Special Assessment. In such action the real property subject to the delinquent unpaid Special Assessment may be sold at judicial foreclosure sale for the amount of such delinquent installments, plus penalties and interest.

Pursuant to the provisions of the Trust Agreement, the Issuer has covenanted to determine or cause to be determined, no later than March 1 of each year, whether or not any installment or installments of Special Assessments are delinquent and, if such delinquencies exist, the Issuer has covenanted to order and cause to be commenced, or cause the Trustee to do so on behalf of the Issuer, on or before September 1, or immediately thereafter, and thereafter diligently prosecute an action in district court to foreclose the currently delinquent lien for the amount of any delinquent installment or installments of Special Assessments, provided, however, that the Issuer shall not be required to order the commencement of foreclosure proceedings if the total of such delinquencies for such Fiscal Year is less than five percent (5%) of the total of the Special Assessment installments posted to the Assessment Roll for such Fiscal Year. Notwithstanding the foregoing, if the Issuer determines that there is a delinquent Special Assessment installment on any single property in excess of one hundred thousand dollars ($100,000), then it will diligently institute, prosecute and pursue foreclosure proceedings against such property or cause the Trustee to do so on its behalf. See "APPENDIX C - SUMMARY OF THE TRUST AGREEMENT."

To the extent it may legally do so, and taking into account the prior liens on assessed land for ad valorem taxes, the Issuer covenants that property will not be sold in a judicial foreclosure for less than the amount of a currently delinquent Special Assessment installment due on the property, including delinquent penalties, interest, and attorney fees, without the consent of the owners of a majority in principal amount of the Remaining Outstanding Bonds and the Bonds. Any sale of property for nonpayment of an installment or installments of a Special Assessment shall be subject to the lien established for remaining unpaid installments of the Special Assessment against such property and such property may again be sold at a judicial foreclosure sale if the purchaser thereof

fails to make timely payment of the nondelinquent installments of Special Assessments against such property as they become due and payable pursuant to the terms of the Assessment Ordinance and the Bond Ordinance.

Judicial foreclosure proceedings are not mandatory; however, the Issuer has covenanted to order and cause such actions to be commenced. In the event a foreclosure is necessary, there could be a delay in payments to owners of the Bonds pending prosecution of the foreclosure proceedings and receipt by the Issuer of the proceeds of the foreclosure sale. It is possible that no bid would received at the foreclosure sale, and in such event there could be an additional delay in payment of the principal of and interest on Bonds or such payment may not be made in full.

DISTRICT TAX DATA

Contract Tax

The Board of Directors of the District is authorized to levy an annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District in sufficient amount to pay amounts due under the Contract, including principal of and interest on the Bonds and any additional bonds payable from taxes which the Issuer may hereafter issue under the Contract. The District agrees in the Contract to levy such a tax from year to year as described more fully above under the caption "THE BONDS - Source of Payment." For the year 2014, the District has levied such a tax to make Contract payments at the rate of $0.6127 per $100 assessed valuation.

Maintenance Tax

The Board of Directors of the District has the statutory authority to levy and collect an annual ad valorem tax for maintenance of the District's improvements and operation of the District, if such maintenance tax is authorized by a vote of the District's electorate. Pursuant to an election held in the District on November 7, 2000, voters within the District authorized the Board to levy a maintenance tax, without legal limitation as to rate or amount, and the District has levied such tax for 2014 at the rate of $0.2473 per $100 assessed valuation. Such tax is in addition to taxes which the District is authorized to levy for making payments under the Contract.

Historical Values and Tax Collection History

The following statement of tax collections sets forth in condensed form the historical assessed valuation and tax collections of the District. Such summary has been prepared for inclusion herein based upon information obtained from District records. Reference is made to such records, including the District's annual audited financial statements, for more complete information. See "APPENDIX G - DISTRICT'S AUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013."

				% Collections	
Tax Year	Assessed Valuation	Tax Rate(a)	Adjusted Levy	Current & Prior Years(b)	Year Ending 9/30
2007	$241,387,702	0.90	$2,172,978	100.00%	2008
2008	299,500,116	0.90	2,695,506	99.99	2009
2009	353,420,054	0.90	3,170,081	99.68	2010
2010	356,311,970	0.90	3,206,807	99.99	2011
2011	370,622,292	0.90	3,338,335	99.82	2012
2012	376,659,570	0.90	3,398,918	99.98	2013
2013	379,749,000	0.90	3,417,741	100.00	2014
2014	411,353,614	0.86	3,560,514	(c)	2015

(a) Per $100 of Assessed Valuation.
(b) Such percentages reflect cumulative total collections for each year from the time each respective annual tax was levied through August 31, 2014. The amount of tax collected for each levy on a current basis (by September 30 of the year following each respective levy) is not reflected in this statement.
(c) In process of collection.

Tax Rate Distribution

	2014	2013	2012	2011	2010
Contract Tax	$0.6127	$0.6026	$0.6590	$0.6683	$0.7083
Maintenance Tax	0.2473	0.2974	0.2410	0.2317	0.1917
Total	$0.8600	$0.9000	$0.9000	$0.9000	$0.9000

Analysis of Tax Base

The following table illustrates the composition of property located within the District during the past five years.

Type of Property	2014 Taxable Valuation	2013 Taxable Valuation	2012 Taxable Valuation	2011 Taxable Valuation	2010 Taxable Valuation
Land	$141,282,193	$126,544,460	$118,133,136	$ 116,713,334	$ 119,721,875
Improvements	299,292,481	276,934,225	263,426,235	258,951,439	241,661,677
Personal Property	2,398,131	2,236,514	2,131,878	1,496,575	1,366,631
Exemptions and Cap	(31,619,191)	(25,966,199)	(7,031,679)	(6,539,056)	(6,438,213)
Total	$411,353,614	$379,749,000	$376,659,570	$370,622,292	$356,311,970

Exemptions

To date the Board has granted a residence homestead exemption in an amount equal to eight percent (8%) of the assessed value of the homestead, with a minimum exemption of $5,000. The Board has also granted an additional exemption for homesteads of disabled individuals or individuals at least 65 years of age in the amount of $10,000 of assessed value. It cannot be predicted what actions future boards may take regarding exemptions.

Principal Taxpayers

Based upon information supplied by the Appraisal District, the following table lists principal taxpayers within the District, type of property owned by such taxpayers, and the Assessed Valuation of such property as of January 1, 2014. The information reflects the composition of the Appraisal District's record of property ownership as of January 1, 2014.

Taxpayer	Type of Property	2014 Taxable Value	% of 2014 Taxable Value
Castle Hills Village Shops LLC	Mall	23,210,141	5.642%
CH PH 3C LLC	Land/Improvements	17,262,513	4.197
Homeowner	Residence	1,935,148	0.470
Homeowner	Residence	1,740,000	0.423
Homeowner	Residence	1,541,417	0.374
Homeowner	Residence	1,501,628	0.365
Homeowner	Residence	1,479,318	0.362
Homeowner	Residence	1,475,770	0.360
Homeowner	Residence	1,460,000	0.355
Homeowner	Residence	1,387,906	0.337
Total		$52,993,841	12.893%

Tax Rate Calculations

The tax rate calculations set forth below are presented to indicate the tax rates per $100 of Assessed Valuation which would be required to meet certain debt service requirements on the Bonds and the Outstanding Bonds if no growth in the District occurs beyond the 2014 Assessed Valuation. The calculations also assume collection of 95% of taxes levied, the sale of no additional bonds by the Issuer other than the Bonds, and no use of funds on hand.

Average Annual Debt Service Requirements $1,565,992
Tax Rate of $0.401 on the 2014 Taxable Valuation produces $1,567,052
Tax Rate of $0.361 on the 2015 Preliminary Taxable Valuation produces $1,566,835

Maximum Annual Debt Service Requirements $1,994,375
Tax Rate of $0.511 on the 2014 Taxable Valuation produces $1,996,916
Tax Rate of $0.460 on the 2015 Preliminary Taxable Valuation produces $1,996,521

Estimated Overlapping Taxes

Property located within the District is subject to taxation by several taxing authorities in addition to the District. Set forth below is a compilation of all 2014 taxes levied upon property located within the District. Under Texas law, ad valorem taxes levied by each taxing authority other than the District entitled to levy taxes against property located within the District create a lien which is on a parity with the tax lien of the District. In addition to the ad valorem taxes required to make the debt service payments on bonded debt of the District and of such other jurisdictions (see "DISTRICT DEBT - Estimated Direct and Overlapping Debt Statement"), certain taxing jurisdictions are authorized by Texas law to assess, levy and collect ad valorem taxes for operation, maintenance, administrative and/or general revenue purposes.

Taxing Jurisdictions	2014 Tax Rate Per $100 of Assessed Valuation
Lewisville Independent School District	$1.4770
Denton County	0.2722
The District	0.8600
Estimated Total Tax Rate	$2.6092

THE ISSUER

The City of Lewisville, Texas (the "Issuer") is a home rule city under the Constitution and laws of the State of Texas. The City, incorporated in 1925, is located in the southeastern portion of Denton County on Interstate Highway 35-E, 20 miles north of Dallas, 34 miles northeast of Fort Worth, 15 miles southeast of Denton and 8 miles north of Dallas-Fort Worth International Airport.

The individuals involved in the administration of the City as are follows:

Elected Officials

City Council	Length of Service	Term Expires	Occupation
Dean Ueckert, Mayor	16 years	May, 2015	Owner, Ueckert and Associates
T.J. Gilmore, Mayor Pro-Tem	3 years	May, 2017	Regional Sales Account Executive, ICON Voice Networks
Neil Ferguson, Deputy Mayor Pro-Tem	3 years	May, 2015	Independent Construction and Real Estate
Rudy Durham, Councilman	20 years	May, 2016	Chief Appraiser, DCAD
Greg Tierney, Councilman	11 years	May, 2016	Owner, Tierney's Café and Tavern
Leroy Vaughn, Councilman	3 years	May, 2017	Owner, Vonamillion Home Solutions Technology Consultant

Appointed Officials

Name	Position	Length of Service with the City
Donna Barron	City Manager	24 years
Brenda Martin	Director of Finance	8 years
Julie Heinze	City Secretary	14 years
Lizbeth Plaster	City Attorney	9 years

THE DISTRICT

Authority

The District was originally part of a district (the "Original District") created as a fresh water supply district by the Commissioners Court of Denton County pursuant to Chapter 53, Texas Water Code and Article XVI, Section 59 of the Texas Constitution. The creation of the Original District was confirmed at an election held within the District on January 13, 1983, by a vote of 10 "For" to 0 "Against." On December 21, 1993, the Original District was converted to a water control and improvement district by actions of its Board of Directors, retaining certain powers under Chapter 53 of the Texas Water Code and operating under the provisions of Chapters 49 and 51, Texas Water Code. On May 7, 1995, pursuant to an election held within the Original District, the Original District was subdivided into District No. 1-A and District No. 1-B by a vote of 5 "For" to 0 "Against". Thereafter, on August 9, 1997, the voters within District No. 1-A approved the subdivision of District No. 1-A into District No. 1-A and District No. 1-C and on May 1, 1999, the voters within District No. 1-C approved the division of District No. 1-C into District No. 1-C and the District. In addition, on May 1, 1999, voters within District No. 1-A approved the further division of District No. 1-A into District No. 1-A and District No. 1-E. Thereafter, on November 5, 2002, voters within District No. 1-A approved the further division of District No. 1-A into District No. 1-A and District No. 1-F. In addition, on May 3, 2003, voters within District No. 1-A approved the further division of District No. 1-A into District No. 1-A and District No. 1-G and on May 10, 2008, voters within District No. 1-A approved the further division of District No. 1-A into District No. 1-A and District No. 1-H. The rights, powers, privileges, authority, and functions of the District are established by the general laws of the State of Texas pertaining to water control and improvement districts, particularly Chapters 49 and 51, Texas Water Code, as amended. Pursuant to an election passed by a vote of 7 "For" and 0 "Against" on August 8, 1987, the Original District was authorized to exercise sanitary sewer powers and to assume the privileges and functions of a road district under Article III, Section 52 of the Texas Constitution. The principal functions of the District are to finance, construct, own, and operate waterworks, wastewater, drainage facilities, streets and roads and to provide such facilities and services to the customers of the District. If approved by the voters within the District, the TCEQ, and other governmental entities having jurisdiction, the District may establish, operate, and maintain a fire

department, independently or with one or more other conservation and reclamation districts, and provide such facilities and services to the customers of the District. The District is subject to the continuing supervision of the TCEQ in certain matters.

Description

As a consequence of the subdivision of the Original District and subsequent additions and exclusions of land, District No. 1-A now contains approximately 1.659 acres and the District contains approximately 516.6653 acres. The remainder of the land comprising the Castle Hills Project lies within District No. 1-B, District No. 1-C, District No. 1-E, District 1-F, District No. 1-G and District No. 1-H. The District is located approximately 25 miles from the central business district of Dallas, Texas in the southeastern portion of Denton County, Texas. The District lies entirely within the extraterritorial jurisdiction of the City of Lewisville. The District is located approximately 11 miles northeast of Dallas/Fort Worth International Airport. Highway 544 is located less than 1/4 mile to the north of the District, Josey Lane, is located approximately 1/4 mile to the east of the District, and Hebron Parkway is located approximately 1/4 mile to the south of the District. The District is approximately 5 miles from Lake Lewisville, a 23,280 acre recreational lake adjacent to a 720 acre state park. In addition, the District is approximately two miles from the border of Legacy Business Park, which includes the corporate headquarters of J.C. Penney, Frito-Lay, EDS, Dr. Pepper, Beal Bank and other large corporate office complexes. The District lies within the Lewisville Independent School District. See "APPENDIX A - AERIAL PHOTOGRAPH OF THE DISTRICT."

Management of the District

The District is governed by the Board, consisting of five directors. The Board has control over and management supervision of all affairs of the respective District. Directors serve four-year staggered terms, and elections are held within the respective District on the first Saturday in May in even-numbered years. The current members and officers of the Board, along with their respective terms of office, are listed below. All of the Directors reside within the District and own property located in the District.

Name	Title	Term Expires
John A. Ehinger, Jr.	President	May, 2018
William M. Lux	Vice President	May, 2016
Dave Hessie	Secretary	May, 2018
Kim Ortiz	Assistant Secretary	May, 2016
Bruce E. Johnson	Treasurer	May, 2018

The District does not have any employees, but has contracted for services as follows:

Tax Assessor/Collector - Land and improvements within the District are appraised for ad valorem taxation purposes by the Denton County Appraisal District. The District contracts with the Denton County Tax Assessor-Collector to perform tax collection services for the District.

Bookkeeper - The District has contracted with District No. 1-A for bookkeeping services. District No. 1-A also provides such services for District No. 1-B, District No. 1-C, District No. 1-E, District No. 1-F, District No. 1-G, and District No. 1-H.

Auditor - The District's financial statements for the fiscal year ended September 30, 2011, were audited by Weaver and Tidwell, L.L.P., Certified Public Accountants. See APPENDIX F for a copy of the District's September 30, 2011 audited financial statements. A copy of the Management Letter from the District's auditor to the District's Board of Directors relating to the District's financing reporting under Statement of Auditing Standards No. 115, including the District's response thereto, is included in APPENDIX F.

Operations Manager - The District has contracted with District No. 1-A to manage and operate its facilities and bill and collect for the District's services. District No. 1-A currently employs approximately 28 persons, including 11 licensed operators, to carry out its functions.

Consulting Engineers - The District has employed the firm of Land Design, Inc., Dallas, Texas as Consulting Engineer in connection with the design of the System.

Legal Counsel - The District has engaged Kelly Hart & Hallman LLP, Fort Worth, Texas, as general counsel and as Bond Counsel in connection with the issuance of the Bonds. Such firm also acts as general counsel and Bond Counsel for District No. 1-A, District No. 1-C, District No. 1-E, District No. 1-F, District No. 1-G, and District No. 1-H. Payment to Bond Counsel by the Issuer of legal fees for services rendered in connection with the issuance of the Bonds is based upon a percentage of the Bonds actually issued and sold and therefore such fees are contingent on the issuance, sale and delivery of the Bonds. See "LEGAL MATTERS."

A pension plan has not been established by the District. The District has funded payroll costs to District No. 1-A. District No. 1-A handles pension provisions for its employees.

THE IMPROVEMENT DISTRICT

The Issuer has created and authorized the Improvement District in accordance with the provisions of Chapter 372 of the Texas Local Government Code (the "Improvement District Act"). This statute authorizes municipalities to create public improvement districts within the boundaries or the extraterritorial jurisdiction of the municipality, and to levy assessments within the public improvement district to pay for certain improvements.

On February 22, 2001, the Issuer received a petition signed by the requisite number of landowners, requesting the creation of a public improvement district. The Issuer published a notice as required by Chapter 372 of the Local Government Code and on April 2, 2001, after a public hearing, adopted a resolution creating the Improvement District. On April 16, 2001, after published notice and a public hearing, the Issuer also adopted an ordinance approving the Improvement District Assessment Service Plan.

The Improvement District contains approximately 516.6653 acres. The Improvement District is located wholly within the extraterritorial jurisdiction of the Issuer and is also located within the boundaries of the District. The Improvement District is not a political subdivision of the State of Texas and is governed by the governing body of the Issuer.

Authorized Public Improvements

The Issuer may undertake improvement projects and/or services that confer a special benefit on property located within the Improvement District as provided by the Improvement District Act. The Issuer may levy and collect Special Assessments on property in the Improvement District, payable in periodic installments based on the benefit conferred by the improvement project and/or services to pay all or part of the cost of the Improvement Project.

A public improvement project may include:

(1) landscaping; the erection of fountains, distinctive lighting and signs; the acquiring, constructing, improving, widening, narrowing, closing or rerouting of sidewalks or of streets, any other roadways or their rights-of-way; acquisition, construction or improvement of water, wastewater or drainage facilities or improvements; acquisition, construction or improvement of libraries; the construction or improvement of pedestrian malls, the establishment or improvement of parks; the acquisition and installation of articles of art; the acquisition, construction or improvement of off-street parking facilities; and the acquisition, construction improvement or rerouting of mass transportation facilities.

(2) other improvements similar to those described in (1) above;

(3) the acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;

(4) special supplemental services for improvement and promotion of the Improvement District, including advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation and cultural enhancements;

(5) payment of expenses incurred in the establishment, administration and operation of the District; and

(6) development, rehabilitation, or expansion of affordable housing.

Assessment/Service Plan

Pursuant to the Improvement District Act, an ongoing assessment and service plan (the "Assessment/Service Plan") was approved by the Issuer on April 16, 2001, setting forth a 20-year plan for services and activities to be provided in the District, and setting forth the plan for apportioning the cost of the improvements to be assessed against properties in the Improvement District and for payment of the assessments against exempt municipal property in the Improvement District. The improvements contemplated by the Assessment/Service Plan include:

1. Acquisition or construction of a water distribution system which benefits the property within the Improvement District, connecting to the Upper Trinity Regional Water District's water supply system.

2. Acquisition or construction of a wastewater collection system which benefits the property within the Improvement District, connecting to the Issuer's sanitary sewer collection and treatment system.

3. Acquisition or construction of a stormwater drainage system which benefits the property within the Improvement District.

4. Acquisition or construction of streets or roadways and improvements thereto to provide access to and through all property within the Improvement District.

5. Acquisition or construction of electric service lines and street lights along all streets and roadways, which benefits the property within the Improvement District.

Under the Improvement District Act, the cost of the improvements may be assessed equally per square foot against all property within the Improvement District, or it may be assessed against property according to the value of the property as determined by the Issuer, with or without regard to structures or other improvements on the property, or it may be assessed on the basis of any other reasonable assessment plan that results in imposing equal shares of the cost on property similarly benefitted. The Issuer has elected to levy an assessment rate based on the valuation method, the proportion of value borne by each tract of land (without regard to any improvements thereon) within the Improvement District to the total value of property in the Improvement District.

Preparing Assessment Roll and Notices

The Issuer has caused the Special Assessments against each parcel of land (except road rights-of-way) within the Improvement District to be determined in accordance with the provisions of the Assessment/Service Plan. The Issuer has also adopted an Assessment Roll. The Issuer has prepared an updated Assessment Roll in connection

with the issuance of the Bonds. The update projects the annual indebtedness of the Improvement District and the current lien on property within the Improvement District. The Assessment Roll and all subsequent updates to the Assessment Roll have been filed with the City Secretary and are available for public inspection.

Assessments, Hearing, Levy and Payment

After published notice and public hearing, on April 16, 2001, the Issuer adopted an ordinance (the "Assessment Ordinance") levying the assessments as Special Assessments on the property and specifying the method of payment of the Special Assessments and providing that they be payable in periodic installments which shall meet annual costs for special supplemental services and improvements as set forth in Section 372.023 of the Texas Local Government Code, and shall continue for the number of years required to retire indebtedness or until the Special Assessments are prepaid, whichever occurs first. However, pursuant to the Assessment Ordinance, Special Assessments will only be collected to the extent Contract Revenues are insufficient to pay debt service on the Remaining Outstanding Bonds and the Bonds.

Supplemental Assessments

After notice and hearing in the manner required for original assessments, the Issuer may make supplemental assessments to correct omissions or mistakes in the assessment relating to the total cost of the Authorized Improvements and/or services.

Ownership of Authorized Improvements

In accordance with the Improvement District Act, the Issuer has acquired and constructed, and will acquire, the Authorized Improvements. All such Authorized Improvements, including the land and the facilities and infrastructure thereon, have been acquired and constructed and shall be acquired pursuant to the provisions of the Contract. The Authorized Improvements will become facilities owned by the Issuer and will constitute a portion of the Issuer's infrastructure improvements.

Maintenance of Authorized Improvements

The Issuer will provide for the ongoing maintenance and repair of the Authorized Improvements constructed and conveyed, as outlined in the Assessment/Service Plan, from the date of receipt and acceptance of title to the Authorized Improvements. The cost of such maintenance and repair is required to be paid by the District pursuant to the Contract.

DEVELOPMENT OF THE DISTRICT

Status of Development

Land within the District is anticipated to be developed primarily for both commercial and single-family residential usage. The Issuer has financed the cost of acquiring and constructing the water supply and distribution, wastewater collection and treatment, and storm drainage and erosion control facilities and certain streets and roads (collectively the "System") to serve approximately 410 acres platted into approximately 871 lots and an approximate 19.92 acres of commercial development, including Castle Hills Village Shops and Plaza Center, together with the District's share of certain water, sewer, and drainage facilities and streets and roads, and contract rights, to serve the Castle Hills Project with proceeds of the sale of the Prior Bonds. As of February 1, 2015, 756 homes were built and sold, 45 homes were under construction and 103 lots were available. Included in such available lots are approximately 58 available lots in the gated Enchanted Hills subdivision and approximately 45 available lots in the Castle Hills Southeast subdivision. Construction of Castle Hills Village Shops Phases 1, 2, 3, and 4 are complete with approximately 24,200 square feet of retail in Phase 1, 22,900 square feet of retail in Phase 2, and 17,900 square feet of retail and approximately 29,500 square feet of office space in Phase 3, and an 8,500 square foot daycare center in Phase 4. In addition to the commercial property already developed, there are

approximately 12 undeveloped but undevelopable acres owned by the Developer. The Developer has not reported any development plans for such acreage. There is also no obligation on the part of the Developer or any other person to develop the undeveloped land within this District. There are approximately 75 acres are expected to be dedicated as easements for public purposes, are contained in street rights-of-way, parks, lake improvements, various pipeline easements, or are otherwise not available or expected to be available for development.

The Developer has entered into lot sales contracts with American Legend Homes, an entity related to the Developer, and Highland Homes. Such contracts cover 40 lots each located in the Castle Hills Southeast subdivision within the District. Home prices in the Castle Hills Southeast subdivision are expected to range generally from $400,000 to $700,000. The lot sales contracts with such builders are typical production builder contracts, which do not provide for specific performance as a remedy in the event of a default by the builders but limits the Developer's remedies to retaining the earnest money paid by the builders.

Homes being constructed in the Enchanted Hill subdivision are being built by various custom builders and range in price from $1,500,000 to $4,000,000.

Community Facilities

Community facilities available in the District and its general geographic area are set forth below:

Churches: There are no churches in the District, however, churches of most denominations are located in the immediate vicinity of the District.

Fire and Police Protection and Emergency Medical Services: Fire and police protection and emergency medical services are provided by the City of Lewisville, Texas and a City of Lewisville fire station is located within the Castle Hills Project.

Medical Facilities: Baylor Medical Center is located contiguous to the District in the City of Carrollton.

Other Utilities: Electric and gas service are being provided by COSERV and its subsidiaries and telephone and cable service are provided by Grande Communications and Verizon.

Schools: Residents of the District attend Lewisville Independent School District which currently has three elementary schools located near the District. A middle school is located approximately ½ mile west of the District and Hebron High School is approximately 1 1/2 miles northeast of the District.

Shopping Facilities: Five grocery stores and several convenience centers are located within a one mile radius of the District. Vista Ridge Mall, a regional shopping mall, is located approximately 4 miles west of the District. In addition, The Shops at Willow Bend, a regional mall, is located approximately 4 miles east of the District. Stonebriar Mall, a large regional mall, is located approximately 5 1/2 miles northeast of the District. A 24,500 square foot village center is located in the District and was completed in November, 2004. Located in the District, Castle Hills Village Shops and Plaza Center consists of 65,000 sq. ft. of retail space (100% leased) and approximately 63,900 sq. ft. of office space (100% leased).

THE CASTLE HILLS PROJECT

Description

The Districts are part of the master planned community known as Castle Hills (the "Castle Hills Project"). Castle Hills Project is a development of Bright Realty LLC. Bright Realty LLC and certain predecessors and related entities are referred to herein as the "Developer." Castle Hills Project consists of approximately 2,400 acres of land, approximately 490.6942 acres of which are located within the District, approximately 1.659 acres which are located within the boundaries of District No. 1-A, approximately 309.2 acres of which are located within the

boundaries of District No. 1-B, 261.4 acres of which are located within District No. 1-C, approximately 259.41 acres of which are located within District No. 1-E, 368.942 of which are located within District No. 1-F, 307.074 acres of which are located within District No. 1-G, and 386.44 acres of which are located in District No. 1-H. According to the Developer, the ultimate land use within the Castle Hills Project is currently projected as follows: approximately 1,314 acres will be subdivided into approximately 3,600 single family lots, approximately 486 acres will be used for the development of commercial mixed-use projects, approximately 300 acres will be developed as multi-family communities, and approximately 212 acres have been developed as an 18 hole golf course and country club known as The Lakes at Castle Hills. Swimming and tennis facilities, drainage, easements, streets rights-of-way, utility easements, open space, lakes, parks and greenbelts are included in the single-family acreage.

Status of Development

As of December 31, 2014, a total of 3,653 lots on approximately 1,300 acres had been developed within the Castle Hills Project. 3,194 homes were occupied, and 39 homes were under construction or permitted for construction, leaving 459 available lots. Also completed are 186 acres of commercial development, 212 acres for the 18-hole golf course and country club (The Lakes at Castle Hills), with swimming and tennis facilities, and approximately 67 acres of multi-family residential. Approximately 300 acres are available for commercial development and 233 acres are available for multi-family development. All of the current development within the Castle Hills Project has occurred within District No. 1-B, District No. 1-C, District No. 1-E, District No. 1-F, District No. 1-G, and the District, with 212 acres currently under development in District No. 1-H.

Funding for the improvements located within the District will be through the issuance of bonds by Lewisville Castle Hills Public Improvement District No. 2, funding for the improvements located within District No. 1-B has been through the issuance of bonds by Castle Hills Public Improvement District, funding for the improvements located within District No. 1-C have been funded through the issuance of bonds by Lewisville Castle Hills Public Improvement District No. 7, funding for the improvements with District No. 1-E has been through the issuance of bonds by Lewisville Castle Hills Public Improvement District No. 3, funding for the improvements within District No. 1-F have been be through the issuance of bonds by Lewisville Castle Hills Public Improvement District No. 5, and funding for the improvements with District No.1-H is expected to be through the issuance of bonds by Lewisville Castle Hills Public Improvement District No. 6.

The Lakes at Castle Hills now operates as a private club facility which consists of an 18 hole championship golf course designed by Jay Morrish, along with an approximately 42,000 square foot clubhouse undergoing renovation, a resort style pool, tennis facilities with a tennis pro shop, among other amenities. Although it is a private club, ownership of The Lakes at Castle Hills is retained in an entity related to the Developer.

Major roadways in or adjacent to the Castle Hills Project which have been completed are: (i) S.H. 121 Sam Rayburn Toll Road; (ii) FM 2281 (Old Denton Road); and (iii) extension of FM 423 (Josey Lane).

The District's tax is levied only on property located within the District, therefore, the investment, security and quality of the Bonds is dependent on the successful development of property within the District, and the payment and collection of taxes levied thereon. Neither the faith and credit nor the taxing power of any of the balance of the Castle Hills Project is pledged to the payment of any obligations of the District or the Issuer, including the Bonds. See "RISK FACTORS."

THE DEVELOPER

Role of the Developer

In general, the activities of a developer in a development such as the District include purchasing the land within the Districts, designing the subdivision, designing the utilities and streets to be emplaced in the subdivision, designing any community facilities to be built, defining a marketing program and building schedule, securing necessary governmental approvals and permits for development, arranging for the construction of roads and the installation of utilities (including, in some cases, water, sewer, and drainage facilities, as well as gas, telephone, and electric service) and selling improved lots and commercial reserves to builders, developers, or other third parties. The relative success or failure of a developer to perform such activities in development of the property within a development may have a profound effect on the security of the combination unlimited tax and revenue bonds issued by a development. A developer is generally under no obligation to a district to develop the property which its owns in a development. Furthermore, there is no restriction on the developer's right to sell any or all of the land which the developer owns within a development. In addition, a developer is ordinarily the major taxpayer within a development during the development phase of the property.

The Developer in the District

The developers of land within the Castle Hills Project and within the District is Bright Realty, LLC (together with certain predecessors and subsidiaries, collectively, "Bright Realty"), which is owned by certain members of the family of the late H.R. ("Bum") Bright and trusts for the benefit of such family members. Bright Realty is acquiring land in the District from a related company, BRECO Lands CH, LLC ("BRECO Lands") as dictated by development needs. Bright Realty and BRECO Lands are collectively referred to as the "Developer."

In addition to being former owners of the Dallas Cowboys football team, the Bright family has been active in real estate, oil & gas, banking, trucking and other areas of business both as an investor and a principal acting as owner/manager of operations.

Beginning in the early 1960's, entities owned by the Bright family built and acquired apartments, developed numerous mixed use subdivisions and built and operated a nursing home. Bright Realty and its predecessors substantially expanded its activities into office buildings and land development projects. A major component of its activities became fee management of distressed properties. Managing its own apartment properties was expanded into managing problems properties for various lending institutions, through Bright Realty's wholly owned subsidiary, Bright Management. At its height, Bright Management was managing real estate properties valued at over $500 million. The types of properties managed ranged from small retail pad sites to apartment complexes, twenty-five office buildings, numerous retail, warehouse and miscellaneous commercial buildings.

Prior to the commencement of the Castle Hills Project, the Developer had no prior experience in the development of single-family subdivisions. The Issuer cautions that the prior development experience described above was, in some instances, undertaken during market conditions which existed in the past and in different geographical locations than the Issuer. Consequently, the prior land development experience of the Developer is no assurance that the development program in the District will be successful.

THE SYSTEM

Regulation

The water supply and distribution, wastewater collection, and storm drainage facilities (collectively, the "System") to serve the Castle Hills Project, including the District, have been designed in accordance with accepted engineering practices and the current requirements of various agencies having regulatory or supervisory jurisdiction over the construction and operation of such facilities. The construction of the System has been accomplished in accordance with the standards and specifications of such entities and are subject to inspection by each such entity. Operation of the System must be accomplished in accordance with the standards and

requirements of such entities. TCEQ exercises continuing supervisory authority over the District. Collection and transmission of the sewage to the City of Lewisville, Texas (the "City") plant and subsequent treatment and discharge is all subject to the regulatory authority of TCEQ and the U.S. Environmental Protection Agency. Construction of drainage facilities is subject to regulation by Denton County and, in some instances, the TCEQ, Denton County, and the City also exercise certain regulatory jurisdiction over the System. The regulations and requirements of entities exercising regulatory jurisdiction over the System are subject to further development and revision which, in turn, could require additional expenditures in order to achieve compliance. In particular, additional or revised requirements in connection with any permit wastewater collection and transmission system beyond the criteria existing at the time of construction of the system could result in the need to construct additional facilities in the future. The following descriptions are based upon information supplied by District No. 1-A.

Water and Sanitary Sewer System

Water Supply Facilities: There are multiple sources of water to serve the District. It is served by the Upper Trinity Regional Water District which delivers to a site immediately south of FM 544, in the vicinity of the Texas Utility transmission lines, treated water at an average daily rate in excess of 14,000,000 gallons per day upon build out and a presently contracted amount of 2,700,000 gallons per day. In addition, the City of Lewisville provides water to serve the District, at an average daily rate of 4,500,000 gallons per day upon build out and a presently contracted amount of 300,000 gallons per day. The System currently has pumping capacity of 8,000 gallons per minute, with current ground storage of 500,000 gallons, and with elevated storage of 1,500,000 gallons. This system will be adequate for the current and future service to approximately 3,500 single family equivalent connections. In addition to the foregoing, District No. 1-A has an emergency water interconnect with the City of Lewisville and Dallas Water Utilities.

Wastewater Treatment Facilities: Wastewater treatment is provided by the City. A wastewater treatment agreement has been reached among District No. 1-A, District No. 1-B, the Developer and the City by which the City agrees to provide sewage treatment capacity to District No. 1-B and District No. 1-A up to a maximum average of 10,500,000 g.p.d., or approximately 52,500 single-family equivalent connections. In turn, District No. 1-A and District No. 1-B make sewage treatment capacity available to the District out of such capacity.

Drainage Facilities

Drainage facilities to serve the developed areas within the District and a portion of the remaining developable acreage have been designed to outfall into Indian Creek, which traverses the Castle Hills Project and outfalls into the Elm Fork of the Trinity River approximately two miles from the District.

100-Year Flood Plain

According to the Engineer, the Federal Emergency Management Agency Flood Insurance Rate Map effective April 2, 1997, which covers land located within the District, indicates that no land in the District is within the 100-year floodplain designation.

Status of Construction of Facilities to Serve District

Water, sewer, and drainage facilities and streets and roads to serve the entirety of the developed land within the District are complete.

UNDERWRITING

Raymond James & Associates, Inc. (the "Underwriter") is purchasing the Bonds pursuant to a Bond Purchase Agreement (the "Bond Purchase Agreement") with the Issuer at a price of $_____ (representing the principal amount of the Bonds, plus an original issue premium of $_____, less an underwriter's discount of $_____). The Underwriter's obligation is to purchase all of the Bonds, if any are purchased. See "PLAN OF FINANCING – Sources and Uses of Funds." The Bond Purchase Agreement provides, among other things, that the Underwriter's obligation to make such purchase is subject to the terms and conditions of the Bond Purchase Agreement, including approval of certain legal matters by counsel to the Underwriter.

The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into unit investment trusts) and others at yields lower than the public offering yield stated on the cover page hereof. The initial offering yield may be changed at any time by the Underwriter. In connection with the offering of the Bonds, the Underwriter may over-allot or effect transactions which stabilize or maintain the market prices of the Bonds at levels above those which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

LEGAL MATTERS

Legal Opinions

The Issuer will furnish the Underwriter a transcript of certain certified proceedings incident to the authorization and issuance of the Bonds. Such transcript will include a certified copy of the approving opinions of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, to the effect that the Bonds are valid and binding obligations of the Issuer. The Issuer will also furnish the approving legal opinion of Kelly Hart & Hallman LLP, Fort Worth, Texas, Bond Counsel, to the effect that, based upon an examination of such transcript, the Bonds are valid and binding obligations of the Issuer under the Constitution and laws of the State of Texas. The legal opinion of Bond Counsel will further state that the Bonds, including principal of and interest thereon, are payable from Contract Revenues to be paid by the District pursuant to the Contract from the levy of ad valorem taxes, without legal limitation as to rate or amount, upon all taxable property located within the District, and are further payable from and secured by a pledge of and lien on the Special Assessment Revenues, if any. Bond Counsel's opinion will also address the matters described below under the caption "TAX EXEMPTION." A copy of the opinion of Bond Counsel is attached hereto as "APPENDIX E." Bond Counsel's fees for services rendered with respect to the sale of the Bonds are contingent upon the issuance and delivery of the Bonds. Bond Counsel acts as counsel for the District on matters other than the issuance of Bonds. Certain legal matters will be passed upon for the Underwriter by its counsel, McCall, Parkhurst & Horton L.L.P., Dallas, Texas.

In its capacity as Bond Counsel, Kelly Hart & Hallman LLP, has reviewed the information appearing in this Official Statement under the captions "PLAN OF FINANCING," "THE BONDS (except for the information under the sub-caption "Book-Entry Only System")," "TAX PROCEDURES," "ASSESSMENT PROCEDURES," "THE ISSUER," "THE DISTRICT," "THE IMPROVEMENT DISTRICT," "LEGAL MATTERS," "TAX MATTERS," "CONTINUING DISCLOSURE OF INFORMATION," "APPENDIX B - DEFINITIONS," "APPENDIX C - SUMMARY OF TRUST AGREEMENT," "APPENDIX D - SUMMARY OF THE CONTRACT," and "APPENDIX E - FORM OF BOND COUNSEL OPINION" solely to determine whether such information fairly summarizes the procedures, law and documents referred to therein. Bond Counsel has not, however, independently verified any of the other factual information contained in this Official Statement, nor has Bond Counsel conducted an investigation of the affairs of the Issuer or the District for he purpose of passing upon

the accuracy or completeness of the information contained in this Official Statement. No person is entitled to rely upon Bond Counsel's limited participation as an assumption of responsibility for, or an expression of opinions of any kind with regard to, the accuracy or completeness of any of the other factual information contained herein.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

No Arbitrage

The Issuer will certify on the date the Bonds are delivered and paid for that based upon all facts and estimates now known or reasonably expected to be in existence, the Issuer reasonably expects that the proceeds of the Bonds will not be used in a manner that would cause the Bonds, or any portion of the Bonds, to be "arbitrage bonds" under Section 148 of the Internal Revenue Code of 1986 (the "Code") and the regulations prescribed from time to time thereunder. Furthermore, all officers, employees and agents of the Issuer have been authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the Issuer as of the date the Bonds are delivered and paid for. In particular, all or any officers of the Issuer have been authorized to certify to the facts, circumstances and reasonable expectations of the Issuer on the date the Bonds are delivered and paid for regarding the amount and use of the proceeds of the Bonds. Moreover, the Issuer will covenant in the Trust Agreement that it will make such use of the proceeds of the Bonds, regulate investments of proceeds of the Bonds and take such other and further actions and follow such procedures, including without limitation, calculation of the yield on the Bonds, as may be required so that the Bonds will not become "arbitrage bonds" under the Code and the regulations prescribed from time to time thereunder.

No-Litigation Certificate

The Issuer and the District will furnish to the Underwriter a certificate, dated as of the date of delivery of the Bonds, executed by both their authorized officers, to the effect that no litigation of any nature has been filed or is then pending or threatened, of which either has notice, either in state or federal courts, contesting or attacking the Bonds; to restrain or enjoin the issuance, execution or delivery of the Bonds; which would affect the provisions made for the payment of or security for the Bonds; which would in any manner question the authority or proceedings for the issuance, execution, or delivery of the Bonds; or which would affect the validity of the Bonds.

No Material Adverse Change

The obligations of the initial purchaser to take and pay for the Bonds, and of the Issuer to deliver the Bonds, are subject to the condition that, up to the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the financial condition of the Issuer or the District from that set forth or contemplated in the Preliminary Official Statement, as it may have been supplemented or amended, through the date of sale.

TAX MATTERS

Tax Exemption

In the opinion of Kelly Hart & Hallman LLP, Bond Counsel, under existing statutes, regulations, published rulings and court decisions, interest on the Bonds is excludable from the gross income of the owners of the Bonds for federal income tax purposes. In expressing its opinion that interest on the Bonds is excludable from gross income of the Registered Owners of the Bonds, Bond Counsel will rely on (a) the verification report prepared by Grant Thornton LLP, Certified Public Accountants and (b) the Issuer's no-arbitrage certificate, and will assume

compliance by the Issuer with certain covenants of the Issuer and the District relating to the use of the facilities financed with the proceeds of the Bonds and the use and investment of the proceeds of the Bonds and other funds of the Issuer. Failure of the Issuer or the District to comply with these covenants may cause the interest on the Bonds to become includable in gross income retroactively to the date of issuance of the Bonds.

The law upon which Bond Counsel has based its opinion is subject to change by the Congress, administrative interpretation by the Department of Treasury and to subsequent judicial interpretation. There can be no assurance that such law or the interpretation thereof will not be changed in a manner which would adversely affect the tax treatment of ownership of the Bonds.

Interest on the Bonds for federal income tax purposes (i) will be excludable from gross income, as defined in section 61 of the Internal Revenue Code of 1986, as amended to the date hereof, of the owners thereof pursuant to section 103 of such Code, existing regulations, published rulings, and court decisions thereunder, and (ii) will not be included in computing the alternative minimum taxable income of individuals or, except as hereinafter described, corporations. Interest on the Bonds owned by a corporation will be included in such corporation's adjusted current earnings for purposes of calculating the alternative minimum taxable income of such corporations, other than an S corporation, a qualified mutual fund, a real estate mortgage investment conduit, a real estate investment trust, or a financial asset securitization investment trust (FASIT). A corporation's alternative minimum taxable income is the basis on which the alternative minimum tax imposed by Section 55 of the Code will be compute.

Except as stated above with respect to the exclusion of the interest on the Bonds from gross income, Bond Counsel expresses no opinion as to any federal, state or local tax consequences of acquiring, carrying, owning or disposing of the Bonds.

Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences to financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers failing within any of these categories should consult their own tax advisors as to the applicability of these consequences.

A copy of the opinion of Bond Counsel is attached hereto as APPENDIX E.

Tax Accounting Treatment of Original Issue Discount Bonds

The initial public offering price to be paid for one or more maturities of the Bonds may be less than the principal amount thereof or one or more periods for the payment of interest on the bonds may not be equal to the accrual period or be in excess of one year (the "Original Issue Discount Bonds"). In such event, the difference between (i) the "stated redemption price at maturity" of each Original Issue Discount Bond, and (ii) the initial offering price to the public of such Original Issue Discount Bond would constitute original issue discount. The "stated redemption price at maturity" means the sum of all payments to be made on the bonds less the amount of all periodic interest payments. Periodic interest payments are payments which are made during equal accrual periods (or during any unequal period if it is the initial or final period) and which are made during accrual periods which do not exceed one year.

Under existing law, any owner who has purchased such Original Issue Discount Bond in the initial public offering is entitled to exclude from gross income (as defined in section 61 of the Code) an amount of income with respect to such Original Issue Discount Bond equal to that portion of the amount of such original issue discount allocable to the accrual period. For a discussion of certain collateral federal tax consequences, see discussion set forth below.

In the event of the redemption, sale or other taxable disposition of such Original Issue Discount Bond prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue

Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Original Issue Discount Bond was held by such initial owner) is includable in gross income.

Under existing law, the original issue discount on each Original Issue Discount Bond is accrued daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary dates of the date of the Bonds and ratably within each such six-month period) and the accrued amount is added to an initial owner's basis for such Original Issue Discount Bond for purposes of determining the amount of gain or loss recognized by such owner upon the redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period is equal to (a) the sum of the issue price and the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (b) the amounts payable as current interest during such accrual period on such Original Issue Discount Bond.

The federal income tax consequences of the purchase, ownership, redemption, sale or other disposition of Original Issue Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. All owners of Original Issue Discount Bonds should consult their own tax advisors with respect to the determination for federal, state and local income tax purposes of the treatment of interest accrued upon redemption, sale or other disposition of such Original Issue Discount Bonds and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale or other disposition of such Original Issue Discount Bonds.

VERIFICATION OF MATHEMATICAL CALCULATIONS

Grant Thornton LLP, a firm of independent public accountants, will deliver to the Issuer, on or before the settlement date of the Bonds, its verification report indicating that it has verified, in accordance with attestation standards established by the American Institute of Certified Public Accountants, the mathematical accuracy of (a) the mathematical computations of the adequacy of the cash and the maturing principal of and interest on the Escrowed Obligations, to pay, when due, the maturing principal of and interest on the Refunded Bonds and; (b) the mathematical computations of yield used by Bond Counsel to support its opinion that interest on the Bonds will be excluded from gross income or federal income tax purposes.

The verification report performed by Grant Thornton LLP will be solely based upon data, information and documents provided to Grant Thornton LLP by the Issuer and its representatives. Grant Thornton LLP has restricted its procedures to recalculating the computations provided by the Issuer and its representatives and has not evaluated or examined the assumptions or information used in the computations.

SOURCES OF INFORMATION

General

The information contained in this Official Statement has been obtained primarily from the Issuer's and the District's records, the Engineer, District No. 1-A, the Developer, the Denton County Appraisal District and other sources believed to be reliable. In accordance with its responsibilities under the federal securities law, the Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of the transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement or any sale hereunder shall create any implication that there has been no change in the financial condition or operations of the Issuer described herein since the date hereof. This Official Statement contains, in part, estimates and matters of opinion that are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions or that they will be realized. The

summaries of the statutes, resolutions and engineering and other related reports set forth herein are included subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information.

Experts

The information contained in this Official Statement relating to engineering, to the description of the System generally and, in particular, the information included in the sections captioned "THE SYSTEM" has been provided by District No. 1-A.

The information contained in this Official Statement relating to assessed valuations of property generally and, in particular, that information concerning valuations contained in the sections captioned "TAX DATA" and "DISTRICT DEBT" has been provided by the Denton County Appraisal District.

The audited financial statements of the District for the year ended September 30, 2013, included in APPENDIX F hereto, were prepared by McCall Gibson Swedlund Barfoot PLLC, Certified Public Accountants, which has consented to the publication of such financial statements in this Official Statement.

Updating of Official Statement

If, subsequent to the date of the Official Statement, to and including the date the Underwriter is no longer required to provide an Official Statement to customers who request same pursuant to Rule 15c2-12 of the United States Securities and Exchange Commission (the "SEC"), the Issuer learns, or is notified by the Underwriter, of any adverse event which causes the Official Statement to be materially misleading, and unless the Underwriter elects to terminate its obligation to purchase the Bonds, the Issuer will promptly prepare and supply to the Underwriter an appropriate amendment or supplement to the Official Statement satisfactory to the Underwriter; provided, however, that the obligation of the Issuer to so amend or supplement the Official Statement will terminate upon the earlier of (i) 90 days after the "end of the underwriting period" as defined in SEC Rule 15c2-12 or (ii) the date the Official Statement is filed with the MSRB, but in no case less than 25 days after the "end of the underwriting period."

Certification of Official Statement

At the time of payment for and delivery of the Bonds, the Issuer will furnish the Underwriter a certificate, executed by the Mayor and City Secretary, acting in their official capacities, to the effect that to their knowledge and belief (a) the information, descriptions and statements of or pertaining to the Issuer contained in this Official Statement, on the date thereof and on the date of delivery were and are true and correct in all material respects; (b) insofar as the Issuer and its affairs, including its financial affairs, are concerned, this Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated herein or necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading; and (c) insofar as the descriptions and statements, including financial data contained in this Official Statement, of or pertaining to entities other than the Issuer and their activities are concerned, such statements and data have been obtained from sources which the Issuer believes to be reliable and that the Issuer has no reason to believe are untrue in any material respect or omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading; however, the Issuer has made no independent investigation as to the accuracy or completeness of the information derived from sources other than the Issuer.

At the time of payment for and delivery of the Bonds, the District will furnish the Underwriter a certificate, executed by the President and Secretary of the Board of the District, acting in their official capacities, to the effect that the best of their knowledge and belief (a) the information, descriptions and statements of or pertaining to the District contained in this Official Statement, on the date thereof and on the date of delivery were and are true and correct in all material respects; (b) insofar as the District and its affairs, including its financial affairs, are

concerned, this Official Statement did not and does not contain an untrue statement of a material fact or omit to state a material fact required to be stated herein or necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading; and (c) insofar as the descriptions and statements, including financial data contained in this Official Statement, of or pertaining to entities other than the District and their activities are concerned, such statements and data have been obtained from sources which the District believes to be reliable and that the District has no reason to believe are untrue in any material respect or omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading; however, the District has made no independent investigation as to the accuracy or completeness of the information derived from sources other than the District.

Continuing Availability of Financial Information

Pursuant to Texas Law, the District will have its financial statements prepared in accordance with generally accepted accounting principles, and will have its financial statements audited by a certified public accountant in accordance with generally accepted auditing standards within 120 days after the close of its fiscal year. The District audit report is required to be filed with the TCEQ within 135 days after the close of its fiscal year. Copies of each audit report are also filed in the office of the District.

The District's financial records and audit reports are available for public inspection during regular business hours at the office of the District and copies will be provided on written request, to the extent permitted by law, upon payment of copying charges. Request for copies should be addressed to the District in care of Bond Counsel.

FORWARD-LOOKING STATEMENTS DISCLAIMER

The statements contained in this Official Statement, and in any other information provided by the Issuer, the District, or the Developer that are not purely historical, are forward-looking statements, including statements regarding the Issuer's, the District's or the Developer's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available on the date hereof, and none of the Issuer, the District or the Developer assumes any obligation to update any such forward-looking statements. The actual results could differ materially from those discussed in such forward-looking statements.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgements with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Issuer, the District, or the Developer, as the case may be. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.

CONTINUING DISCLOSURE OF INFORMATION

The Issuer has, in the Trust Agreement, undertaken (the "Undertaking") for the benefit of the owners and beneficial owners of the Bonds, to provide certain updated financial information and operating data annually, and timely notice of specified events, to the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access ("EMMA") system. In order to obtain from the District the information necessary for the Issuer to comply with the Undertaking, the Issuer has entered into an "Agreement to Provide Certain Information" with the District pursuant to which the District has agreed to provide such information

concerning the District. The Issuer is required to observe the Undertaking for so long as it is obligated to advance funds to pay the Bonds.

Annual Reports

The Issuer shall provide, or cause to be provided, annually to the MSRB, in an electronic format as prescribed by the MSRB, within six months after the end of each fiscal year of the District ending in or after 2015, financial information and operating data with respect to the District of the general type included in the final Official Statement under the headings "DISTRICT DEBT,""DISTRICT TAX DATA, and in Exhibit A hereto (District's Audited Financial Statements). The Issuer may provide updated information in full text or may incorporate by reference certain other publicly available documents, as permitted by SEC Rule 15c2-12. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in the Bond Ordinance or Trust Agreement, or such other accounting principles as the District may be required to employ from time to time pursuant to state law or regulation, and (2) audited, if the District commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the Issuer shall provide, or cause to be provided, unaudited financial statements of the District by the required time, and shall provide, or cause to be provided, audited financial statements of the District for the applicable fiscal year to the MSRB, when and if the audit report on such statements become available.

If the District changes its fiscal year, the Issuer will notify the MSRB, or cause the MSRB to be notified, of the change (and of the date of the new fiscal year end) prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this Section. All documents provided to the MSRB pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

Event Notices

Notice of Occurrence of Certain Events, Whether or Not Material . The District will notify the MSRB through EMMA (in an electronic format as prescribed by the MSRB) within ten business days following the occurrence of any of the following events with respect to the Bonds, without regard to whether such event is material within the meaning of the federal securities laws: (1) principal and interest payment delinquencies; (2) unscheduled draws on debt service reserves reflecting financial difficulties; (3) unscheduled draws on credit enhancements reflecting financial difficulties; (4) substitution of credit or liquidity providers, or their failure to perform; (5) adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Bonds, or other events affecting the tax-exempt status of the Bonds; (6) tender offers; (7) defeasances; (8) rating changes; and (9) bankruptcy, insolvency, receivership or similar event of an obligated person. (Neither the Bonds nor the Bond Order make any provision for credit enhancement - unless a municipal bond insurance policy is obtained - or liquidity enhancement.)

Notice of Occurrence of Certain Events, If Material. The District also will notify the MSRB through EMMA (in an electronic format as prescribed by the MSRB) within ten business days following the occurrence of any of the following events with respect to the Bonds, if such event is material within the meaning of the federal securities laws: (1) non-payment related defaults; (2) modifications to rights of holders; (3) redemption calls; (4) release, substitution, or sale of property securing repayment of the Bonds; (5) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; and (6) appointment of a successor or additional trustee or the change of name of a trustee.

Notice of Failure to Timely File. The District also will notify the MSRB through EMMA, in a timely manner, of any failure by the District to provide financial information or operating data in accordance with the provisions described above.

Availability of Information

The Issuer has agreed to provide the foregoing information only to the MSRB. The MSRB makes the information available to the public without charge through the EMMA internet portal at www.emma.msrb.org.

Limitations, Disclaimers, and Amendments

The Issuer has agreed to update information and to provide notices of material events only as described above. The Issuer has not agreed to provide, or cause to be provided, other information that may be relevant or material to a complete presentation of the financial results of operations, condition, or prospects of the District or agreed to update any information that is provided, except as described above. The Issuer makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The Issuer disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders or beneficial owners of Bonds may seek a writ of mandamus to compel the Issuer to comply with its agreement.

The Issuer may amend its continuing disclosure agreement from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer or the District, if but only if the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering made hereby in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and either the holders of a majority in aggregate principal amount of the outstanding Bonds consent to the amendment or any person unaffiliated with the Issuer (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. The Issuer may amend or repeal the agreement if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid or unenforceable, but only to the extent that its right to do so would not prevent the Underwriter from lawfully purchasing the Bonds in the initial offering. If the Issuer so amends the agreement, it has agreed to include with any financial information or operating data next provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

Compliance with Prior Undertakings

During the last five years, the Issuer has been in compliance in all material respects with its previous undertakings.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

This Official Statement is duly approved by the Governing Body of the Issuer and the Board of Directors of the District as of the date specified on the first page hereof.

CITY OF LEWISVILLE, TEXAS

/s/_____
Mayor

ATTEST:

/s/_____
City Secretary

DENTON COUNTY FRESH WATER SUPPLY DISTRICT NO. 1-E

/s/_____
President, Board of Directors

ATTEST:

/s/_____
Secretary, Board of Directors

APPENDIX A

AERIAL PHOTOGRAPH

SEE ATTACHED

APPENDIX B

DEFINITIONS

The following words and terms, whenever the same appear in the Bond Ordinance, the Trust Agreement or the Joint Utility Contract without qualifying language, and, unless otherwise defined herein, in this Placement Memorandum, are defined to have the meanings set out below, unless the context requires a different interpretation:

Act - means, collectively, Chapters 1207 and 1371, Texas Government Code, the Public Improvement District Assessment Act, as amended, Texas Local Government Code, Chapter 372.

Additional Bonds - means the Additional Bonds payable from Special Assessment Revenues and payable from Contract Payments in accordance with the Joint Utility Contract, together with other bonds in the form of revenue bonds payable solely from revenue derived from contracts with other entities, including private corporations, municipalities and political subdivisions which the Issuer reserves the right to issue in Section 3.4 of the Trust Agreement solely for the limited purpose of refunding the Remaining Outstanding Bonds or the Bonds and paying the costs of issuance related to such refunding.

Administrative Expense Fund - means the fund established in the Trust Agreement.

Administrative Expenses - means the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the P.I.D., including, but not limited to, the costs of: (a) creating and organizing the P.I.D., including conducting hearings, preparing notices and petitions, preparing for utility analyses, preparing assessment rolls and all costs incident thereto, including engineering fees, legal fees and consultant fees, (b) levying and collecting Special Assessments or the installments thereof, (c) negotiating and implementing the Joint Utility Contract and the other agreements between the P.I.D and the District, (d) maintaining the record of installments of the Special Assessments and the system registration and transfer of the bonds, (e) paying and redeeming the Bonds, (f) investing or depositing of monies, (g) complying with the Code with respect to the Bonds, and (h) the Trustee and Co-Trustee fees and expenses, including attorneys' fees.

Approval Certificate - means the approval certificated completed by an Authorized Official as described and defined in the Bond Ordinance.

Assessment Ordinance - means the Ordinance adopted by the governing body of the Issuer on April 16, 2001, and any amendment or supplement thereto that may be hereafter adopted by the governing body of the Issuer, levying annual Administrative Expense Assessments, and levying special assessments to pay the Debt Service Requirements on the Bonds against each eligible parcel of land in the P.I.D. and providing that such special assessments together with the Contract Revenues received from the Districts in accordance with the Joint Utility Contract be paid in periodic installments in amounts necessary to pay the Debt Service Requirements on the Bonds.

Assessment Roll - means the Assessment Roll which is attached to the Assessment/Service Plan as Exhibit "A" to the Assessment Ordinance as amended from time to time in accordance with the Act, which shows, among other things, the properties within the P.I.D. subject to Special Assessments, the amount assessed, and the installment payments on the Special Assessments.

Assessment/Service Plan - means the Assessment/Service Plan prepared in accordance with the Act and approved by the governing body of the Issuer, as part of the Assessment Ordinance, on October 18, 1999, setting for the plan for services and activities to be provided in the P.I.D. and setting for the plan for apportioning the cost of the improvements to be assessed against properties in the P.I.D.

Authorized Investments or Permitted Investments - means any investment authorized by the Public Funds Investment Act, Chapter 2256, Texas Government Code.

Authorized Representative - when used with respect to the Trustee, means the President and any Vice President, banking officer or Assistant Secretary of the Trustee or any other employee of the Trustee who, by virtue of his position with the Trustee, has been authorized by the Board of Directors of the Trustee to execute trust agreements similar to the Trust Agreement and related documents. The term "Authorized Representative" when used with respect to the Issuer, means the Mayor, the City Manager or any other officer or employee of the issuer who is designated in writing by the Governing Body or by resolution of the Governing Body of the Issuer as an Authorized Representative for purposes of the Trust Agreement.

Available Money - at any time held for the credit of the Interest and Sinking Fund or the Redemption Fund means amounts as to which the Trustee has received an opinion of bond counsel or other counsel with expertise in matters dealing with bankruptcy and, in either case, acceptable to the Trustee and Standard & Poor's stating that no disbursement thereof pursuant to the Trust Agreement may be recovered as a voidable preference under Section 547 of the Bankruptcy Code or be recovered under Section 550 of the Bankruptcy Code as it relates to voidable preferences or under any similar provision of applicable state law.

Bankruptcy of the Issuer - means commencement by the Issuer of any voluntary case under any applicable bankruptcy, insolvency or similar law now or hereafter in effect, or any consent by the Issuer to the appointment of or taking of possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of the Issuer or any substantial part of its property, or any general assignment by the Issuer for the benefit of creditors, or failure by the Issuer generally to pay its debts as they become due.

Boards or Boards of Directors - means and refers to the governing bodies of the Water District.

Bond Ordinance - means City of Lewisville Ordinance, adopted on April 20, 2015, authorizing the issuance of the Bonds and the Approval Certificate authorized thereby.

Bonds - means any Bonds or all Bonds of the "$8,730,000* City of Lewisville, Texas Combination Contract Revenue and Special Assessment Refunding Bonds, Series 2015 (Lewisville Castle Hills Public Improvement District PID No. 2 Project)" authorized by the Bond Ordinance and issued in accordance with the Trust Agreement.

Business Day - means any day which is not a Saturday, Sunday, or a day on which the Trustee is authorized by law or executive order to close, or a legal holiday or a day on which banking institutions located in Dallas, Texas are closed.

Cede & Co. - means the nominee of DTC in whose name the initial bonds are to be registered.

City - means the City of Lewisville, Texas, a home rule city organized and operating under Article XI, Section 5 of the Constitution of the State of Texas.

Closing Date - means the date of physical delivery of the Initial Bonds for payment in full by the Underwriter.

Code - means the Internal Revenue Code of 1986, as amended.

Collection Fund - means the fund established in the Trust Agreement.

Comptroller - means the Comptroller of Public Accounts of the State of Texas.

*Preliminary; subject to change.

Contract - means the Joint Utility Contract.

Contract Payments or District Contract Payments - means the payments required to be made by the District under the Joint Utility Contract.

Contract Revenues - means the revenue paid to the Issuer by the District in accordance with the provisions of the Joint Utility Contract.

Debt Service Requirements - means, as of any particular date of computation, with respect to any Bonds and with respect to any period, the aggregate of the amounts to be paid or set aside from the Interest and Sinking Fund by the Trustee on behalf of the Issuer as of such date or in such period for the payment of the Principal Installment, redemption premium, if any, and interest (to the extent not capitalized) on such Bonds.

Debt Service Reserve Amount - means the lesser of (i) 10% of the principal amount of the Remaining Outstanding Bonds and the Bonds, (ii) the maximum annual debt service requirement of the Remaining Outstanding Bonds and the Bonds, and (iii) 125% of the average annual debt service of the Remaining Outstanding Bonds and the Bonds.

District - means Denton County Fresh Water Supply District No. 1-D.

Districts - means Denton County Fresh Water Supply District No. 1-A and the District.

DTC - means The Depository Trust Company, New York, New York.

Electronic Means - means telecopy or facsimile transmission or other similar means of communication approved in writing by the Trustee.

EMMA - means the Electronic Municipal Market Access system, a service of the Municipal Securities Rulemaking Board.

Escrow Agent - means Wilmington Trust, National Association, Dallas, Texas, which serves as Escrow Agent under the Escrow Agreement.

Escrow Agreement - means that certain Escrow Agreement effective on the Date of Closing by and between the Issuer and the Escrow Agent.

Event of Default - means those events of default provided for in the Trust Agreement.

Exchange Bonds - means Bonds registered, authenticated, and delivered by the Trustee, as provided in the Trust Agreement.

Fiscal Year - means the twelve (12) month accounting period used by the Issuer which currently ends on September 30, the Fiscal Year may be any twelve (12) consecutive month period established by the Issuer which currently ends on September 30.

Foreclosure Proceeds - means the amounts received from the judicial sale of assessed property within the P.I.D. as a result of the nonpayment of Special Assessments.

Funds - means the Collection Fund, the Interest and Sinking Fund, the Prepayment Fund, the Administrative Expense Fund, the Debt Service Reserve Fund, and the Redemption Fund, but not including the Rebate Fund, created by the Trust Agreement and any account in such Funds.

Governing Body - means the City Council of the City.

Initial Bonds - means the Bonds authorized, issued, and initially delivered as provided in the Bond Ordinance.

Insurance Policy - means the insurance policy issued by the Insurer guaranteeing the scheduled payment of the principal of and interest on the Bonds when due.

Insurer - means Assured Guaranty Municipal Corp., a New York stock insurance company, or any successor thereto or assignee thereof.

Interest and Sinking Fund - means the interest and sinking fund created in the Trust Agreement.

Interest Payment Date - when used in connection with any Bond, means the dates set forth in the Approval Certificate.

Issue Date - means the Closing Date.

Issuer - means the City of Lewisville, Texas, a home rule city organized and operating pursuant to Article XI, Section 5 of the Constitution of the State of Texas.

Joint Utility Contract - means, collectively, that certain Amended 2000 Joint Utility Contract, by and among the District, District No. 1-A, and the Issuer, approved by the voters on August 12, 2000.

Maturity Date - means the date or dates on which principal of the Bonds is scheduled to be paid, as provided in the Approval Certificate.

MSRB - means the Municipal Securities Rulemaking Board.

Outstanding - as of the date of determination, all Bonds theretofore issued and delivered under the Ordinance, except: (i) Bonds theretofore canceled by the trustee or delivered to the Trustee for cancellation; (ii) Bonds for whose purchase, payment or redemption money in the necessary amount has been theretofore deposited in an account, other than the Collection Fund with the Trustee in trust for the holders of such Bond; (iii) Bonds in exchange for or in lieu of which other Bonds have been registered and delivered pursuant to the Bond Ordinance; and (iv) Bonds alleged to have been mutilated, destroyed, lost or stolen which have been paid as provided in the Bond Ordinance.

Owner or Registered Owner - means the Person or entity who is the registered owner of any Outstanding Bond.

Paying Agent/Registrar - means entity serving as the Trustee when serving as paying agent and registrar.

Person or Person - mean any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or any other entity recognized by the laws of the State of Texas.

Prepayment Fund - means the fund established in the Trust Agreement.

Prepayments - means amounts received as a result of the payment, more than 1 year in advance of the due date, of Special Assessments or Contract Revenues for the purpose of paying the Debt Service Requirements on the Bonds or any installment thereof. Such Prepayments shall be designated by the Issuer upon delivery to the Trustee.

Principal Installment - means as of any particular date of computation and with respect to the Bonds, an amount of money equal to the aggregate of (a) the principal amount of Outstanding Bonds of said series which mature on a single future date, reduced by the aggregate principal amount of such Outstanding Bonds, which would at or before said future date be retired by reason of the payment when due and application in accordance with the Bond Ordinance of Sinking Fund Payments payable at or before said future date for the retirement of such Outstanding Bonds, plus (b) the amount of any Sinking Fund Payment payable on said future date for the retirement of any Outstanding Bonds of said series, and said future date is deemed to be the date when such Principal Installment is payable.

Principal Office - when used with respect to the Trustee, means the principal office of the Trustee situated in Dallas, Texas, at which the Trustee conducts its corporate business.

Public Improvement District or P.I.D. - means the Lewisville Castle Hills Public Improvement District No. 2.

Rebate Fund - means the rebate fund created in the Trust Agreement.

Record Date - means, for any Interest Payment Date, the fifteenth (15th) calendar day of the month next preceding such Interest Payment Date.

Redemption Fund - means the redemption fund established in the Trust Agreement.

Register - means the books of registration kept by the Paying Agent/Registrar/Registrar in which are maintained the names and addresses of, and the principal amounts registered to, the Registered Owners.

Replacement Bond - means the Bond authorized by the Issuer to be issued in substitution of lost, apparently destroyed, or wrongfully taken Bonds as provided in the Bond Ordinance.

Rule - means SEC Rule 15c2-12, as amended from time to time.

SEC - means the United States Securities and Exchange Commission.

Securities Depository - means The Depository Trust Company, New York, New York, or any successor entity which serves as a securities depository.

Sinking Fund Payment - means the annual payments in the years and amounts provided in the Approval Certificate which are to be made into the Interest and Sinking Fund for the purpose of redeeming the Bonds prior to maturity.

Sinking Fund Payment - means the annual payments in the years and amounts provided in the Bond Ordinance which are to be made into the Interest and Sinking Fund for the purpose of redeeming the Bonds prior to maturity.

Sinking Fund Payment Date - means the date on which a Sinking Fund Payment is due.

Special Assessments - means the assessments levied against properties in the P.I.D. to pay Debt Service Requirements on the Bonds as set forth in the Assessment/Service Plan which are payable in periodic installments as provided in the Assessment Ordinance, all as provided in the Assessment/Service Plan, the Assessment Ordinance and the Bond Ordinance. Special Assessments also include any supplemental assessments or reassessments levied in accordance with the Act.

Special Assessment Revenues - means the moneys collected from Special Assessments levied against properties in the P.I.D., including interest on Special Assessments during the period a Special Assessment or any

installment thereof is current or delinquent, prepayments, foreclosure proceeds, proceeds from a guarantor of the Special Assessments, and penalties for non-timely payment of Special Assessments.

Trust Estate - means the property and assets conveyed to the Trustee pursuant to the granting clauses of the Trust Agreement.

Trustee - means Wilmington Trust, National Association, Dallas, Texas a national banking association, and any successor trustee under the Trust Agreement.

Underwriter - means Raymond James and Associates, Inc.

APPENDIX C

SUMMARY OF TRUST AGREEMENT

The following is a brief summary of certain provisions of the Trust Agreement and is not intended to be definitive. The summary does not purport to be a complete explanation of all provisions of the Trust Agreement and reference is directed to such document, which is available from the Issuer for the complete text thereof.

General.

The Trust Agreement authorizes the issuance of the Bonds, pledges the Contract Payments and Special Assessment Revenues to the repayment of the Outstanding Bonds and the Bonds, and establishes separate funds for the disbursement of the proceeds from the Bonds and the repayment (including mandatory tender for purchase and redemption) of the Outstanding Bonds and the Bonds.

Funds.

All Special Assessment Revenues from the P.I.D. (other than interest and investment earnings, those received as a Prepayment of Special Assessments, and revenues resulting from the calculation of the Administrative Expense Assessments) and all Contract Payments are to be deposited in the Collection Fund. From the Collection Fund the monies are to be transferred upon receipt, as follows:

FIRST: To the Interest and Sinking Fund to meet Debt Service Requirements on the Remaining Outstanding Bonds and the Bonds for the following year or a greater amount designated by the Issuer with the prior written approval of the District;

SECOND: To the Redemption Fund, any amounts required for redemptions (other than scheduled mandatory sinking fund redemptions) for the year; and

THIRD: To the Administrative Expense Fund, an amount if any, necessary to increase the balance in such Fund to the amount expended from the Administrative Expense Fund during the previous Fiscal Year of the Issuer; and

FOURTH: To the Debt Service Reserve Fund, an amount necessary, if any, to increase the balance in the Debt Service Reserve Fund to an amount equal to the Debt Service Reserve Amount.

FIFTH: To the Issuer to be used pursuant to the Contract.

Prior to each Interest Payment Date, an amount equal to the full amount of the interest on and principal of the Bonds then falling due shall be transferred from the Collection Fund to the Interest and Sinking Fund and utilized to make the payments to the Bondholders.

The Redemption Fund is the fund into which funds to be used to pay the principal portion of the redemption price in connection with a redemption of the Outstanding Bonds or the Bonds are to be transferred from the Collection Fund, Prepayment Fund, and Improvement Fund as provided in the Trust Agreement.

The Prepayment Fund is the Fund into which all Prepayments of Contract Revenues or Special Assessments shall be deposited. The amount of such Prepayment representing unpaid principal if a Special Assessment shall be transferred by the Trustee into the Redemption Fund to be used to redeem Outstanding Bonds and Bonds pursuant to the applicable redemption provisions.

The Administrative Expense Fund is used to pay administrative and operation costs associated with the P.I.D. The Administrative Expense Fund is to be funded with the amounts transferred from the Collection Fund.

Investment of Funds.

Money held by the Trustee in any of the accounts established pursuant to the Trust Agreement will be invested in Authorized Investments as defined in the Trust Agreement pursuant to written instructions of the Issuer with the approval of the District.

Trustee Responsibility.

The Trustee may rely and shall be protected in acting, or refraining from acting upon any written notice, instruction, or request furnished to it under the Trust Agreement and believed by it to be genuine and to have been presented by the proper party or parties. The Trustee will not be liable for any action taken by it in good faith and believed by it to be authorized within the rights or powers conferred upon it by the Trust Agreement shall be answerable only for its own negligence and willful misconduct and may consult counsel of its own choice, and shall have full and complete authorization and protection for any action taken or suffered by it under the Trust Agreement in accordance with the opinion of such counsel.

Successor Trustee.

A bank or trust company authorized to perform corporate trust services may be substituted to act as Trustee under the Trust Agreement if the Trustee resigns, or is removed, dissolved or otherwise becomes incapable of duty. The Trustee or any successor trustee may at any time resign by giving not less than 60 days prior written notice to the owners of all of the outstanding Bonds, and such resignation shall take effect at the end of such sixty (60) days or upon the earlier appointment of a successor trustee approved in writing by the Holders of a majority in aggregate principal amount of the Bonds then outstanding. The holder of any the Bonds outstanding, may apply to any court of competent jurisdiction to appoint a successor trustee. No resignation or removal of the Trustee shall be effective until acceptance of appointment by the successor trustee. Any successor Trustee shall have capital and surplus exclusive of borrowed capital aggregating at least $50,000,000 and shall be subject to examination or supervision by a federal or state banking authority.

If the Trustee consolidates with, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation or national banking association, the resulting, surviving, or transferee corporation or national banking association without further act shall be the successor Trustee wit the same effect as if it had been named as the Trustee herein.

Amendment.

The Issuer, without the consent of the Bondholders, may amend the Trust Agreement for any of the following purposes:

a) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may be lawfully be granted to or conferred upon the Bondholders or the Trustee or either of them;

b) to authorize the Trustee to perform any and all of the duties of the Trustee under the Trust Agreement;

c) To cure any ambiguity, inconsistency or formal defect or omission in the Bond Ordinance; and

d) To make such additions, deletions or modifications as may be necessary for compliance with Section 148(f) of the Code.

Exclusive of the aforementioned types of amendment, the owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding have the right, from time to time, anything contained in the Trust Agreement to the contrary notwithstanding, to consent to and approve the execution by the Trustee, the Issuer of such other amendments as shall be deemed necessary and desirable by the Trustee and the Issuer for the purpose of modifying, altering, amending, adding to, or rescinding, in any particular, any of the terms or provisions contained in the Trust Agreement or in any amendment thereto; provided, however, that no amendment shall permit or be construed as permitting: (i) without the consent of each Bondholder so affected, an extension of the maturity of the principal of or interest on any Bond or any scheduled mandatory redemption; (ii) a reduction in the principal amount of any Bond, or a reduction in the rate of interest thereon or a Sinking Fund Payment; (iii) without the consent of all the Bondholders, a privilege or priority of any Bond over any other Bond; or (iv) a reduction in the aggregate principal amount of the Bonds required for consent to such amendment. Notice of an amendment under this provision must be sent, in writing, to all Bondholders and to the District, and consent must be obtained from 51% in aggregate principal amount of the Bonds Outstanding within 90 days following such notice, or a longer period of time prescribed by the Issuer up to 6 months.

Defeasance.

Upon payment of all Outstanding Bonds and Bonds, either at or before maturity, or upon deposit of moneys, or deposit into an adequate escrow of non-callable obligations backed by the full faith and credit of the United States Government, with the Trustee sufficient (together with interest earnings on such investments) with other available funds to redeem all the Bonds at or before maturity, the Outstanding Bonds and the Bonds will be considered defeased.

APPENDIX D

SUMMARY OF THE CONTRACT

The following is a brief summary of certain provisions of the Contract and is not intended to be definitive. The summary does not purport to be a complete explanation of all provisions of the Contract, and reference is directed to the Contract, which is available from the Issuer for the complete text thereof.

General

The Contract is an agreement among the City of Lewisville (the "Issuer"), Denton County Fresh Water Supply District No. 1-A ("District 1-A") and Denton County Fresh Water Supply District No. 1-E (the "District"). The Contract contains the terms and conditions under which the Facilities will be financed, constructed and operated.

Term of Contract

The Contract is dated as of August 6, 2000, and continues for so long as any of the Bonds remain outstanding and unpaid, but in no event longer than 40 years from the date thereof.

Responsibilities of Parties

The Issuer is obligated to issue the Bonds to finance, acquire, construct, own, or operate the Facilities. The Issuer agrees to submit a draft of any resolution authorizing the issuance of the Bonds to the District and obtain its approval before issuing Bonds.

District 1-A has the primary responsibility as project manager in connection with the construction, acquisition and operation of the Facilities. This responsibility entails designing the Facilities, acquiring easements and sites for the Facilities, awarding and supervising construction contracts.

For each year while the Bonds, or any part of the principal and interest on the Bonds, remain outstanding and unpaid, the District agrees to levy, assess and collect a continuing direct annual ad valorem tax, without limit as to rate or amount on all taxable property within the boundaries of the District to make all payments under the Contract. The taxes shall be sufficient to make all payments on the Bonds, all charges and fees of the Paying Agent/Registrar or trustee, all costs incident to the Facilities or the Bonds, all payments to special funds or reserve funds established by the Bond Ordinance and Trust Agreement, and all operations and maintenance expenses of the Facilities.

Procedure for Calculating Annual Tax Rate

Under the Contract, the District shall, prior to setting its tax rate each year, calculate the amount of the payments to be made to the Issuer during the forthcoming year.

Subject to any limitation imposed by the Bond Ordinance or the Trust Agreement, the District has the right to acquire the Facilities at any time during the term of the Contract by paying to the Issuer the amount necessary to repay, redeem, refund or defease the Bonds, together with all costs incident thereto. The District is required to furnish written notice to the Issuer no less than 60 days prior to the exercise of this right.

Remedies

In addition to all remedies provided by the laws of the State of Texas, the District covenants and agrees that, if that the District defaults in the payment of any of the amounts required to be paid under the Contract or defaults in the performance of any of the obligations of the Contract, the Issuer or the Trustee shall be entitled to a writ of mandamus requiring performance of the obligation.

Approved by Voters

At an election conducted on August 12, 2000, the Contract was approved by the voters within the District.

APPENDIX E

FORM OF BOND COUNSEL'S OPINION

APPENDIX F

DISTRICT'S AUDITED FINANCIAL STATEMENTS OF THE DISTRICT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

The information contained in this Appendix includes the Audited Financial Statements of Denton County Fresh Water Supply District No. 1-D and certain supplemental information for the fiscal year ended September 30, 2014. Other supplemental information not considered relevant to this financing has been omitted; however, complete audit reports and supplemental information are available from the District upon payment of the cost of duplication.

SEE ATTACHED

APPENDIX G

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

MEMORANDUM

TO: Mayor Dean Ueckert
Mayor Pro Tem TJ Gilmore
Deputy Mayor Pro Tem R. Neil Ferguson
Councilman Leroy Vaughn
Councilman Rudy Durham
Councilman Greg Tierney

FROM: Donna Barron, City Manager

DATE: April 20, 2015

SUBJECT: **Consideration of an Ordinance Relinquishing Extraterritorial Jurisdiction Over Three Tracts of Land Which Total 1.216 Acres in Favor of the City of Carrollton, Texas; Acknowledgement of Receipt of a Petition and Approval of a Resolution for the Addition of 33.094 Acres of Land to the Boundaries of Denton County Fresh Water Supply District (DCFWSD) 1-C; and Approval of a Second Amendment to the 1996 Operating Agreement with Castle Hills Property Company to Add the 33.094 Acres of Land; and Authorization to the Mayor to Execute Said Amendment Agreement.**

BACKGROUND

Castle Hills Property Company acquired a 34.733 acre tract of land (Berndt Property) located in the Town of Hebron and adjacent to the city's ETJ. The property was disannexed by the Town of Hebron on April 6, 2015 in favor of the City of Lewisville. Castle Hills Property Company would like to extend the boundaries of DCFWSD 1-C to include this property. A water district is required to petition the city for written consent to add the acquired property to Denton County Fresh Water Supply District 1-C (DCFWSD 1-C).

ANALYSIS

The City of Lewisville has approved the extension of the boundaries of DCFWSDs in the past. The City Council approved the extension of the boundaries of DCFWSD 1-H to include additional land (23.820 acres) in 2008. DCFWSD 1-C currently contains approximately 261.4 acres of land which includes the Castle Hills Golf Club and a townhome development. Public Improvement District (PID) No. 7 matches the current boundaries of DCFWSD 1-C and has $4.8M remaining in bond authorization. There will be no change in PID No. 7 bond authorization in relation to the extension of the boundaries of DCFWSD 1-C. The land brought into the boundaries of DCFWSD

1-C, if approved by the City Council, is planned to contain 177 lots with single family homes with values that range between $350,000 and $500,000.

While Castle Hills Property Company acquired a 34.733 acre tract of land, the petition for addition of the land into DCFWSD 1-C is for 33.094 acres. Not included in the petition is a 1.078 acre tract of land for the expansion of Standridge Road from a 2 lane to a 4 lane road as required under a settlement agreement approved in 1998. Under this agreement, the developer of the Berndt Property is required to add the 2 lanes to Standridge Road between Hebron Parkway and Polser Lane. In addition, land for two turn lanes (which total .138 acres) on Hebron Parkway is not included in the petition for land to be brought into DCFWSD 1-C.

Staff recommends that the city relinquish a total of 1.216 acres to the City of Carrollton, which includes the 1.078 acres of land planned for the expansion of Standridge Road and the .138 acres of land necessary to construct two turn lanes on Hebron Parkway. Due to traffic enforcement and maintenance issues, staff prefers for the total street and ROW associated with a road be in a single city jurisdiction. Polser Elementary sits at the corner of Standridge Road and Hebron Parkway with the City of Carrollton already providing school crossing guards and school zone enforcement. Two turn lanes, one located at the intersection of Hebron Parkway and Prairie Drive (.087 acres), and the second turn lane located at the intersection of Hebron Parkway and Standridge Drive (.051 acres), must also be relinquished to City of Carrollton. Hebron Parkway lies within the City of Carrollton adjacent to the Berndt tract which leads to both intersections remaining in Carrollton for maintenance and enforcement purposes.

Finally, the 1996 Operating Agreement must be amended to take into account the additional 33.094 acres of land recommended to be brought into the DCFWSD 1-C. The 1996 agreement allowed for 2,567.3 acres to be developed. The first amendment to the 1996 agreement, approved in 2008, added 23.820 acres of land, to DCFWSD 1-H. With the approval of this second amendment, an additional 33.094 acres will be included in the definition of "lands" under the agreement thereby bringing the total acreage in the 1996 agreement to approximately 2,624.214 acres.

Additional items will be on future city council agendas to extend PID No. 7 to include this additional property, to disannex the current five foot strip along the northern boundary of the Berndt Property, and to annex, at the property owner's request, a five foot strip along the southern, western and eastern boundaries of the Berndt Property.

RECOMMENDATION

Staff recommends that the city council approve the proposed ordinance, acknowledge receipt of the petition and approve the related resolution, approve the contract amendment and authorize the Mayor to sign the amendment.

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF LEWISVILLE, TEXAS RELINQUISHING ANY AND ALL EXTRATERRITORIAL JURISDICTION OVER THREE TRACTS OF LAND WHICH TOTAL 1.216 ACRES IN FAVOR OF THE CITY OF CARROLLTON, TEXAS; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND DECLARING AN EMERGENCY

WHEREAS, on April 6, 2015, the Town of Hebron disannexed a 34.733 acre tract of land from its corporate limits and relinquished any and all extraterritorial jurisdiction in and to said tract in favor of the City of Lewisville, Texas;

WHEREAS, pursuant to section 42.021 of the Texas Local Government Code, said tract of land is currently in the extraterritorial jurisdiction of the City of Lewisville, Texas;

WHEREAS, said tract of land includes (i) a 1.078 acre tract of land on which the widening of Standridge Drive between Hebron Parkway and Polser Road is planned which will include the addition of two lanes; (ii) a .087 acre tract of land on which a turn lane is required on Hebron Parkway; and (iii) a .051 acre tract of land on which another turn lane is required on Hebron Parkway;

WHEREAS, the current configuration of Standridge Drive between Hebron Parkway and Polser Road and of Hebron Parkway where the required turn lanes will be constructed are within the corporate city limits of the City of Carrollton, Texas; and

WHEREAS, the City of Lewisville, Texas desires to relinquish any and all extraterritorial jurisdiction over the following described tracts of land in favor of the City of Carrollton, Texas: (i) 1.078 acre tract of land on which the widening of Standridge Drive between Hebron Parkway and Polser Road is planned; (ii) a .087 acre tract of land on which a turn lane on Hebron Parkway is required; and (iii) a .051 acre tract of land on which another turn lane is required on Hebron Parkway.

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

SECTION 1. The City of Lewisville, Texas hereby relinquishes any and all extraterritorial jurisdiction that it has or may have with respect to following described 1.078 acre tract of land, .087 acre tract of land and .051 acre tract of land under the provisions of Chapter 42 of the Texas Local Government Code in favor of the City of Carrollton, Texas, and, upon passage of this ordinance, the City of Lewisville, Texas shall no longer have or exercise any right, jurisdiction or control over the above-described tracts of land, said tracts of land being more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes.

SECTION 2. The City of Lewisville, Texas hereby retains all extraterritorial jurisdiction with the remaining 33.517 acre tract of land relinquished in its favor by the Town of Hebron, said tract of land being more particularly described in Exhibit "B" attached hereto and made a part hereof for all purposes.

SECTION 3. That this ordinance shall become effective immediately after its passage.

SECTION 4. Upon final passage of this ordinance, the City Council shall arrange to have a certified copy of this ordinance transmitted to the City Secretary of the City of Carrollton.

SECTION 5. If any section, subsection, sentence, phrase, or word of this ordinance be found to be illegal, invalid or unconstitutional, or if any portion of said property is incapable of being annexed by the City, for any reason whatsoever, the adjudication shall not affect any other section, sentence, phrase, word, paragraph or provision of this ordinance or the application of any other section, sentence, phrase, word, paragraph or provision of any other ordinance of the City. The City Council declares that it would have adopted the valid portions and the applications of this ordinance and would have annexed the valid property without the invalid part, and to this end the provisions of this ordinance are declared severable.

SECTION 6. The fact that the present ordinances and regulations of the City are inadequate to properly safeguard the health, safety, peace and general welfare of the inhabitants of the City, creates an emergency for the immediate preservation of the public business, property, health, safety and general welfare, and the rule requiring this ordinance be read on three separate occasions be, and the same is hereby, waived and this ordinance shall now be placed on its third and final reading for its passage, and shall be in full force and effect from and after its passage.

SECTION 6. Every ordinance or parts of ordinances found to be in conflict herewith are hereby repealed.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS, BY A VOTE OF _____ TO _____, ON THIS THE 20th DAY OF APRIL, 2015.

APPROVED:

_____
Dean Ueckert, MAYOR

ATTEST:

_____
Julie Heinze, CITY SECRETARY

APPROVED AS TO FORM:

_____

Lizbeth Plaster, CITY ATTORNEY

EXHIBIT A
LEGAL DESCRIPTION OF 1.078 ACRE TRACT OF LAND
LEGAL DESCRIPTION OF .087 ACRE TRACT OF LAND
LEGAL DESCRIPTION OF .051 ACRE TRACT OF LAND

EXHIBIT B
LEGAL DESCRIPTION OF 33.094 ACRE TRACT OF LAND
LEGAL DESCRIPTION OF .432 ACRE TRACT OF LAND

EXHIBIT A

1.078 ACRES
IN THE R. HENSWORTH SURVEY
ABSTRACT NO. 578
DENTON COUNTY, TEXAS

FIELD NOTES TO A PART OF A CALLED 36.5 ACRE TRACT OF LAND IN THE RICHARD HENSWORTH SURVEY, ABSTRACT NO. 578, DENTON COUNTY, TEXAS, DESCRIBED IN A DEED FROM WALTER EDWIN BERNDT AND ANNIE LUCINDA BERNDT TO CHB FARM, L.P., RECORDED IN VOLUME 4477, PAGE 1573, OFFICIAL PUBLIC RECORDS, DENTON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT ½-INCH CAPPED IRON ROD SET AT THE INTERSECTION OF THE EAST RIGHT-OF-WAY LINE OF STANDRIDGE DRIVE (A VARIABLE WIDTH RIGHT-OF-WAY) AND THE NORTH RIGHT-OF-WAY LINE OF HEBRON PARKWAY (A VARIABLE WIDTH RIGHT-OF-WAY);

THENCE NORTH 00°57'39" WEST WITH SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 1037.34' TO A POINT FOR CORNER;

THENCE NORTH 89°01'48" EAST DEPARTING SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 45.00' TO A POINT FOR CORNER;

THENCE SOUTH 00°57'39" EAST A DISTANCE OF 1012.22' TO A POINT FOR CORNER;

THENCE SOUTH 45°48'53" EAST A DISTANCE OF 35.45' TO A POINT FOR CORNER;

THENCE SOUTH 89°02'21" WEST A DISTANCE OF 70.00' TO THE POINT OF BEGINNING AND ENCLOSING 1.078 ACRES OF LAND, MORE OR LESS.

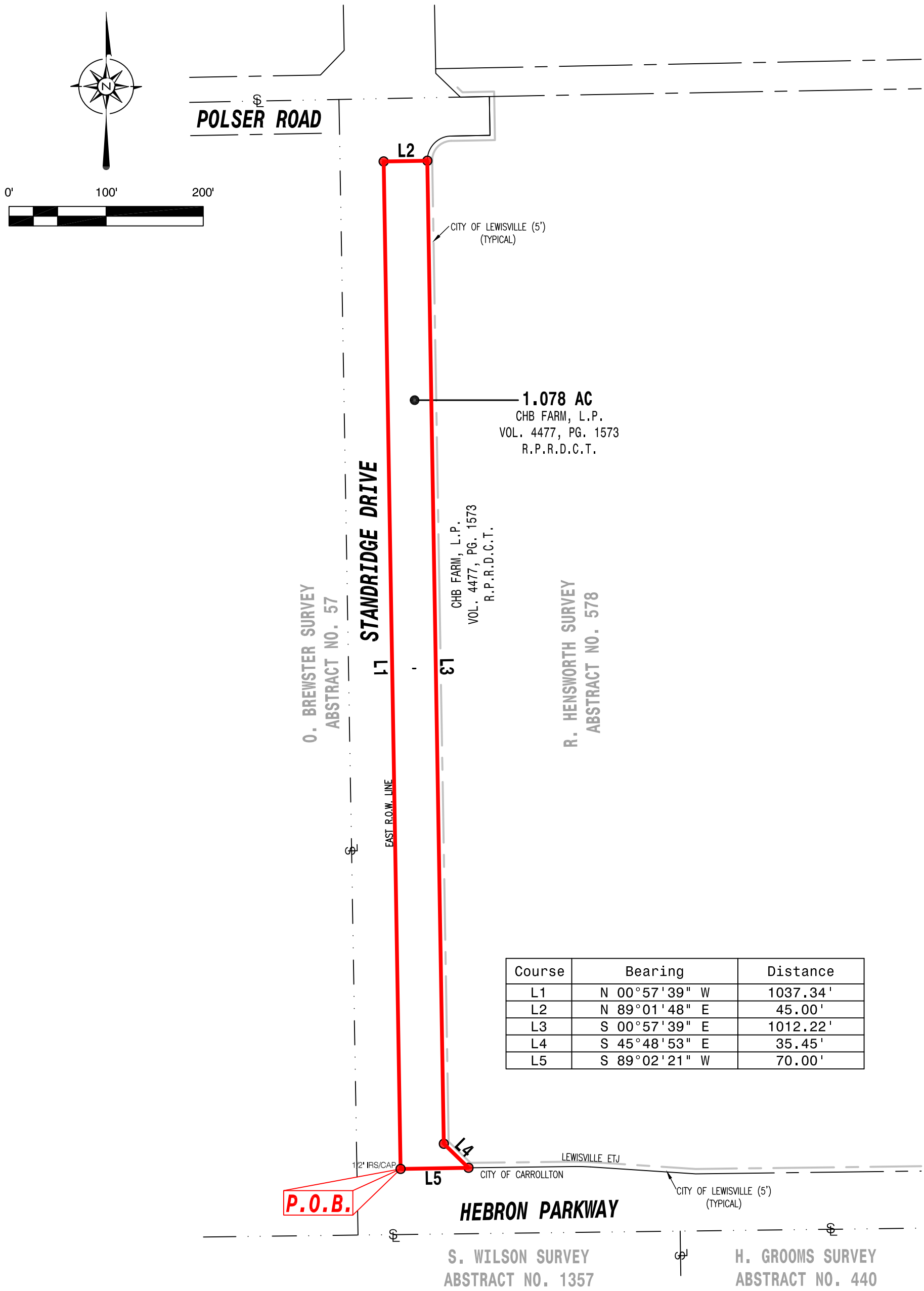
J E Thompson

DATE: 04-14-2015

J.E. THOMPSON II R.P.L.S No. 4857

STATE OF TEXAS
REGISTERED
J.E. THOMPSON
4857
PROFESSIONAL
LAND SURVEYOR

EXHIBIT A



Course	Bearing	Distance
L1	N 00°57'39" W	1037.34'
L2	N 89°01'48" E	45.00'
L3	S 00°57'39" E	1012.22'
L4	S 45°48'53" E	35.45'
L5	S 89°02'21" W	70.00'

BOUNDARY EXHIBIT

1.078 AC

IN THE R. HENSWORTH SURVEY

ABSTRACT NO. 578

DENTON COUNTY, TEXAS

ERRORS: THE CLIENT OR CLIENT'S REPRESENTATIVES WILL HAVE 45 DAYS FROM THE DATE THE SURVEY WAS ISSUED TO CHANGE ANY MISSPELLINGS OR ANY ERRORS ON THE SURVEY REPORT, AFTER THIS TIME HAS EXPIRED ALL PARTIES INVOLVED MUST ACCEPT THE SURVEY AS ISSUED.

ALL AMERICAN SURVEYING
301 W. BROADWAY ST.
GAINESVILLE, TX 76240
PH. 940-665-9105
FAX. 940-665-9106

DRAWN BY:	DATE:	JOB NO.	SCALE:	PAGE:
T.A.R.	04-06-2015	140248-6-1	1" = 100'	1 OF 2

FIELD NOTES TO A PART OF A CALLED 36.5 ACRE TRACT OF LAND IN THE RICHARD HENSWORTH SURVEY, ABSTRACT NO. 578, DENTON COUNTY, TEXAS, DESCRIBED IN A DEED FROM WALTER EDWIN BERNDT AND ANNIE LUCINDA BERNDT TO CHB FARM, L.P., RECORDED IN VOLUME 4477, PAGE 1573, OFFICIAL PUBLIC RECORDS, DENTON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT ½-INCH CAPPED IRON ROD SET AT THE INTERSECTION OF THE EAST RIGHT-OF-WAY LINE OF STANDRIDGE DRIVE (A VARIABLE WIDTH RIGHT-OF-WAY) AND THE NORTH RIGHT-OF-WAY LINE OF HEBRON PARKWAY (A VARIABLE WIDTH RIGHT-OF-WAY);

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THENCE SOUTH 89°02'21" WEST A DISTANCE OF 70.00' TO THE POINT OF BEGINNING AND ENCLOSING 1.078 ACRES OF LAND, MORE OR LESS.

Course	Bearing	Distance
L1	N 00°57'39" W	1037.34'
L2	N 89°01'48" E	45.00'
L3	S 00°57'39" E	1012.22'
L4	S 45°48'53" E	35.45'
L5	S 89°02'21" W	70.00'

CERTIFICATION:
I HEREBY CERTIFY THAT THIS SURVEY HAS BEEN PREPARED FROM AN ACCURATE ON-THE-GROUND SURVEY OF THE PREMISES DEPICTED HEREON AND DESCRIBED IN THE LEGAL DESCRIPTION ATTACHED HERETO, CONDUCTED UNDER MY DIRECTION AND SUPERVISION ON 8-20-2014 AND THAT THE FINDINGS AND RESULTS OF SAID SURVEY ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

J E Thompson

J.E. THOMPSON II R.P.L.S. No 4857

ERRORS: THE CLIENT OR CLIENT'S REPRESENTATIVES WILL HAVE 45 DAYS FROM THE DATE THE SURVEY WAS ISSUED TO CHANGE ANY MISSPELLINGS OR ANY ERRORS ON THE SURVEY REPORT, AFTER THIS TIME HAS EXPIRED ALL PARTIES INVOLVED MUST ACCEPT THE SURVEY AS ISSUED.

BOUNDARY EXHIBIT

1.078 AC
IN THE R. HENSWORTH SURVEY
ABSTRACT NO. 578
DENTON COUNTY, TEXAS

ALL AMERICAN SURVEYING
301 W. BROADWAY ST.
GAINESVILLE, TX 76240
PH. 940-665-9105
FAX. 940-665-9106

DRAWN BY:	DATE:	JOB NO.	SCALE:	PAGE:
T.A.R.	04-06-2015	140248-6-1	1" = 100'	2 OF 2

EXHIBIT A

0.087 AC
IN THE R. HENSWORTH SURVEY
ABSTRACT NO. 578
DENTON COUNTY, TEXAS

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BEGINNING AT A POINT FOR CORNER IN THE NORTH RIGHT-OF-WAY LINE OF HEBRON PARKWAY (A VARIABLE WIDTH RIGHT-OF-WAY) AND THE SOUTH LINE OF SAID 36.5 ACRE TRACT;

THENCE NORTH 44°05'38" EAST DEPARTING SAID NORTH RIGHT-OF-WAY LINE A DISTANCE OF 12.01' TO A POINT FOR CORNER;

THENCE NORTH 89°22'46" EAST A DISTANCE OF 201.48' TO A POINT FOR CORNER;

THENCE NORTH 87°07'43" EAST A DISTANCE OF 250.12' TO A POINT FOR CORNER IN SAID NORTH RIGHT-OF-WAY LINE FOR THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 1140.00’, A DELTA ANGLE OF 10°06’21”, AND A LONG CHORD WHICH BEARS SOUTH84°14'33" WEST A DISTANCE OF 200.81’;

THENCE WITH SAID CURVE TO THE RIGHT WITH SAID NORTH RIGHT-OF-WAY LINE AN ARC DISTANCE OF 201.07';

THENCE SOUTH 89°17'44" WEST WITH SAID NORTH RIGHT-OF-WAY LINE A DISTANCE OF 259.86' TO THE POINT OF BEGINNING AND ENCLOSING 0.087 ACRES OF LAND, MORE OR LESS.

J E Thompson

DATE: 04-15-2015

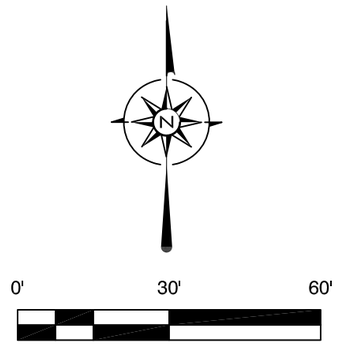
J.E. THOMPSON II R.P.L.S No. 4857

STATE OF TEXAS
REGISTERED
J.E. THOMPSON
4857
PROFESSIONAL
LAND SURVEYOR

EXHIBIT A

NOTES:

1. BEARING BASIS DERIVED FROM GPS OBSERVATIONS MADE ON THE GROUND. TEXAS NORTH CENTRAL NAD 83.



Course	Bearing	Distance
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L2	N 89°22'46" E	201.48'
L3	N 87°07'43" E	250.12'
L4	Rad: 1140.00' Tan: 100.80' Chd: S 84°14'33" W	A: 201.07' CA: 10°06'21" 200.81'
L5	S 89°17'44" W	259.86'

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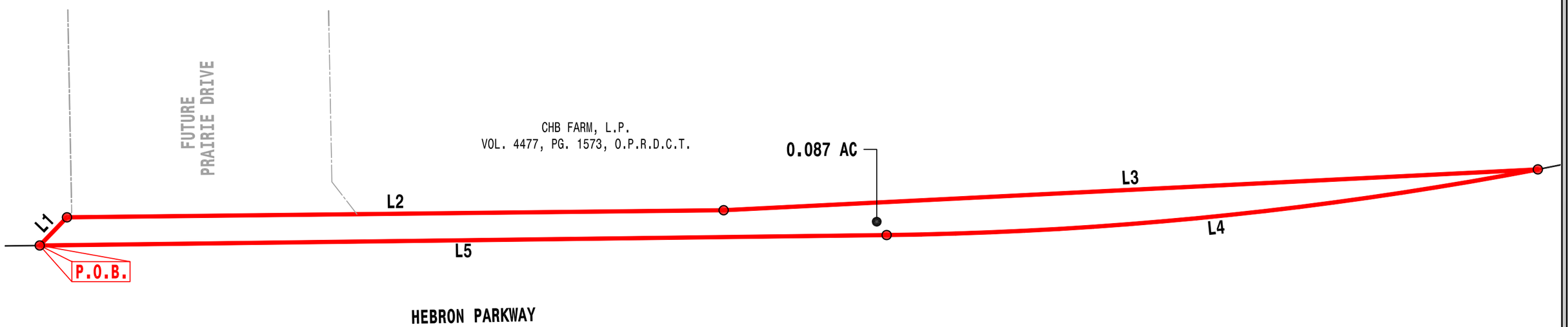

STATE OF TEXAS
REGISTERED
J.E. THOMPSON
4857
PROFESSIONAL
LAND SURVEYOR

BOUNDARY EXHIBIT

0.087 AC

IN THE R. HENSWORTH SURVEY

ABSTRACT NO. 578

DENTON COUNTY, TEXAS

CERTIFICATION:
I HEREBY CERTIFY THAT THIS SURVEY HAS BEEN PREPARED FROM AN ACCURATE ON-THE-GROUND SURVEY OF THE PREMISES DEPICTED HEREON AND DESCRIBED IN THE LEGAL DESCRIPTION ATTACHED HERETO, CONDUCTED UNDER MY DIRECTION AND SUPERVISION ON 08-20-2014 AND THAT THE FINDINGS AND RESULTS OF SAID SURVEY ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

J E Thompson

J.E. THOMPSON II R.P.L.S. No 4857

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DRAWN BY:	DATE:	JOB NO.	SCALE:	PAGE:
T.A.R.	04-15-2015	140248-6-7	1" = 30'	1 OF 1

EXHIBIT A

0.051 AC
IN THE R. HENSWORTH SURVEY
ABSTRACT NO. 578
DENTON COUNTY, TEXAS

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THENCE NORTH 00°57'39" WEST WITH SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 8.81' TO A POINT FOR CORNER;

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THENCE NORTH 89°19'53" EAST A DISTANCE OF 110.07' TO A POINT FOR CORNER FOR THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 212.00’, A DELTA ANGLE OF 04°11’06”, AND A LONG CHORD WHICH BEARS SOUTH88°34'34" EAST A DISTANCE OF 15.48’;

THENCE WITH SAID CURVE TO THE RIGHT AN ARC DISTANCE OF 15.48';

THENCE SOUTH 86°13'44" EAST A DISTANCE OF 108.66' TO A POINT FOR CORNER IN SAID NORTH RIGHT-OF-WAY LINE AND THE SOUTH LINE OF SAID 36.5 ACRE TRACT;

THENCE SOUTH 89°17'44" WEST WITH SAID NORTH RIGHT-OF-WAY LINE A DISTANCE OF 303.83' TO THE POINT OF BEGINNING AND ENCLOSING 0.051 ACRES OF LAND, MORE OR LESS.

J E Thompson

DATE: 04-15-2015

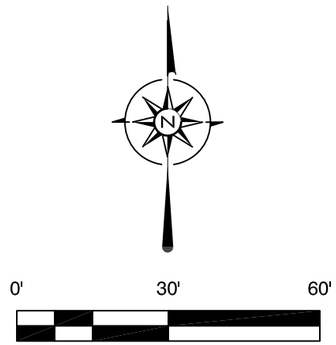
J.E. THOMPSON II R.P.L.S No. 4857

STATE OF TEXAS
REGISTERED
J.E. THOMPSON
4857
PROFESSIONAL
LAND SURVEYOR

EXHIBIT A

NOTES:

1. BEARING BASIS DERIVED FROM GPS OBSERVATIONS MADE ON THE GROUND. TEXAS NORTH CENTRAL NAD 83.



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L3	N 89°19'53" E	110.07'
L4	Rad: 212.00' Tan: 7.75' Chd: S 88°34'34" E	A: 15.48' CA: 4°11'06" 15.48'
L5	S 86°13'44" E	108.66'
L6	S 89°17'44" W	303.83'

FIELD NOTES TO A PART OF A CALLED 36.5 ACRE TRACT OF LAND IN THE RICHARD HENSWORTH SURVEY, ABSTRACT NO. 578, DENTON COUNTY, TEXAS, DESCRIBED IN A DEED FROM WALTER EDWIN BERNDT AND ANNIE LUCINDA BERNDT TO CHB FARM, L.P., RECORDED IN VOLUME 4477, PAGE 1573, OFFICIAL PUBLIC RECORDS, DENTON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

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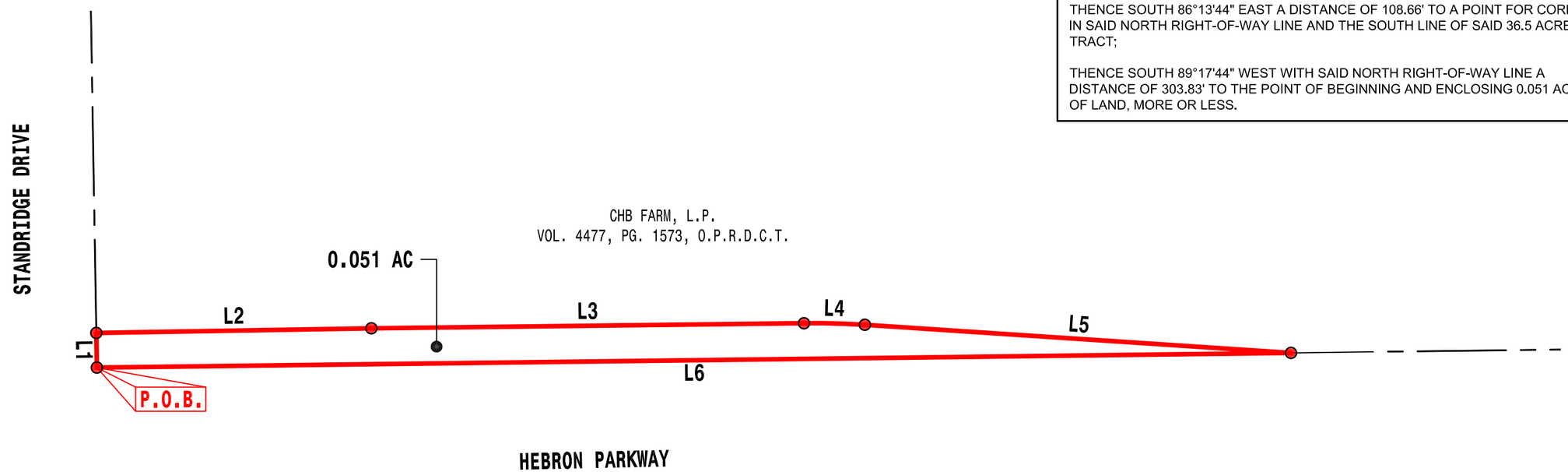

STATE OF TEXAS
REGISTERED
J.E. THOMPSON
4857
PROFESSIONAL
LAND SURVEYOR

BOUNDARY EXHIBIT

0.051 AC

IN THE R. HENSWORTH SURVEY

ABSTRACT NO. 578

DENTON COUNTY, TEXAS

CERTIFICATION:
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J E Thompson

J.E. THOMPSON II R.P.L.S. No 4857

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DRAWN BY:	DATE:	JOB NO.	SCALE:	PAGE:
T.A.R.	04-15-2015	150248-6-6	1" = 30'	1 OF 1

EXHIBIT B

0.423 ACRES
IN THE R. HENSWORTH SURVEY
ABSTRACT NO. 578
J. DOOLEY SURVEY
ABSTRACT NO. 343
DENTON COUNTY, TEXAS

FIELD NOTES TO A PART OF A CALLED 36.5 ACRE TRACT OF LAND IN THE RICHARD HENSWORTH SURVEY, ABSTRACT NO. 578, DENTON COUNTY, TEXAS, DESCRIBED IN A DEED FROM WALTER EDWIN BERNDT AND ANNIE LUCINDA BERNDT TO CHB FARM, L.P., RECORDED IN VOLUME 4477, PAGE 1573, OFFICIAL PUBLIC RECORDS, DENTON COUNTY, TEXAS, AND A PART OF A CALLED 1.451 ACRE TRACT OF LAND IN THE JAMES DOOLEY SURVEY, ABSTRACT NO. 343, DENTON COUNTY, TEXAS, DESCRIBED AS 'TRACT 03' IN A DEED FROM BRIGHT FARM PARTNERSHIP TO CASTLE HILLS DEVELOPMENT CORPORATION, RECORDED IN INSTRUMENT NUMBER 2006-153342, OFFICIAL PUBLIC RECORDS, DENTON COUNTY, TEXAS, THE TWO TRACTS TOGETHER COMPRISING A TOTAL OF 35.444 ACRES OF LAND, MORE OR LESS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

COMMENCING AT A POINT FOR CORNER AT THE INTERSECTION OF THE EAST RIGHT-OF-WAY LINE OF STANDRIDGE DRIVE (A VARIABLE WIDTH RIGHT-OF-WAY) AND THE SOUTH LINE OF CASTLE HILLS PHASE I, SECTION A, AS RECORDED IN CABINET P, PAGE 318, PLAT RECORDS, DENTON COUNTY, TEXAS;

THENCE SOUTH 01°06'28" EAST WITH SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 4.76' TO A POINT FOR CORNER;

THENCE SOUTH 46°06'28" EAST WITH SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 21.00' TO A POINT FOR CORNER FOR THE POINT OF BEGINNING;

THENCE NORTH 89°18'37" EAST DEPARTING SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 7.12' TO A POINT FOR CORNER;

THENCE SOUTH 46°06'28" EAST A DISTANCE OF 7.02' TO A POINT FOR CORNER;

THENCE NORTH 88°55'14" EAST A DISTANCE OF 32.78' TO A POINT FOR CORNER;

THENCE SOUTH 00°58'59" EAST A DISTANCE OF 50.02' TO A POINT FOR CORNER;

THENCE SOUTH 89°01'57" WEST A DISTANCE OF 41.82' TO A POINT FOR CORNER;

THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 34.66', A RADIUS OF 20.27', WITH A CHORD BEARING OF SOUTH 48°06'26" WEST A DISTANCE OF 30.59' TO A POINT FOR CORNER;

THENCE SOUTH 00°57'39" EAST A DISTANCE OF 1010.15' TO A POINT FOR CORNER;

THENCE SOUTH 45°48'53" EAST A DISTANCE OF 31.32' TO A POINT FOR CORNER;

THENCE NORTH 89°19'53" EAST A DISTANCE OF 108.00' TO A POINT FOR CORNER;

THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 15.86', WITH A RADIUS OF 217.00', WITH A CHORD BEARING OF SOUTH 88°34'29" EAST A DISTANCE OF 15.86' TO A POINT FOR CORNER;

THENCE SOUTH 86°13'44" EAST A DISTANCE OF 108.48' TO A POINT FOR CORNER;

THENCE NORTH 89°17'44" EAST A DISTANCE OF 422.14' TO A POINT FOR CORNER;

THENCE NORTH 44°05'38" EAST A DISTANCE OF 12.02' TO A POINT FOR CORNER;

THENCE NORTH 89°22'46" EAST A DISTANCE OF 203.47' TO A POINT FOR CORNER;

THENCE NORTH 87°07'43" EAST A DISTANCE OF 249.68' TO A POINT FOR CORNER;

THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 184.62', WITH A RADIUS OF 1148.82', WITH A CHORD BEARING OF NORTH 74°32'33" EAST A DISTANCE OF 184.42' TO A POINT FOR CORNER;

THENCE NORTH 70°36'13” EAST A DISTANCE OF 14.88' TO A POINT FOR CORNER;

THENCE NORTH 00°10'33" WEST A DISTANCE OF 944.43' TO A POINT FOR CORNER;

THENCE SOUTH 88°57'49" WEST A DISTANCE OF 50.01' TO A POINT FOR CORNER;

THENCE NORTH 00°10'33" WEST A DISTANCE OF 10.00' TO A POINT FOR CORNER;

THENCE SOUTH 88°57'49" WEST A DISTANCE OF 49.58' TO A POINT FOR CORNER;

THENCE NORTH 00°53'14" WEST A DISTANCE OF 105.00' TO A POINT FOR CORNER;

THENCE NORTH 88°57'49" EAST A DISTANCE OF 5.00' TO A POINT FOR CORNER;

THENCE SOUTH 00°53'14" EAST A DISTANCE OF 100.00' TO A POINT FOR CORNER;

THENCE NORTH 88°57'49" EAST A DISTANCE OF 49.64' TO A POINT FOR CORNER;

THENCE SOUTH 00°10'33" EAST A DISTANCE OF 10.00' TO A POINT FOR CORNER;

THENCE NORTH 88°57'49" EAST A DISTANCE OF 50.01' TO A POINT FOR CORNER IN THE WEST LINE OF QUAIL CREEK NORTH ADDITION, PHASE 1, AS RECORDED IN CABINET X, PAGE 199, PLAT RECORDS, DENTON COUNTY, TEXAS;

THENCE SOUTH 00°10'33" EAST WITH THE WEST LINE OF SAID QUAIL CREEK NORTH ADDITION A DISTANCE OF 953.05' TO AN “X” CUT FOUND FOR CORNER IN THE NORTH RIGHT-OF-WAY LINE OF HEBRON PARKWAY (A VARIABLE WIDTH RIGHT-OF-WAY);

THENCE SOUTH 70°36'13” WEST WITH SAID NORTH RIGHT-OF-WAY LINE A DISTANCE OF 18.43' TO AN “X” CUT FOR CORNER;

THENCE WITH A CURVE TURNING TO THE RIGHT WITH SAID NORTH RIGHT-OF-WAY LINE WITH AN ARC LENGTH OF 189.27', WITH A RADIUS OF 1160.06', WITH A CHORD BEARING OF SOUTH 74°28'43" WEST A DISTANCE OF 189.06' TO A POINT FOR CORNER;

THENCE SOUTH 87°07'43" WEST WITH SAID NORTH RIGHT-OF-WAY LINE A DISTANCE OF 250.12' TO A CAPPED IRON ROD FOUND FOR CORNER;

THENCE SOUTH 89°22'46" WEST A DISTANCE OF 201.48' TO A POINT FOR CORNER;

THENCE SOUTH 44°05'38" WEST A DISTANCE OF 12.01' TO A POINT FOR CORNER;

THENCE SOUTH 89°17'44" WEST A DISTANCE OF 424.41' TO A POINT FOR CORNER;

THENCE NORTH 86°13'44" WEST A DISTANCE OF 108.66' TO A POINT FOR CORNER;

THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 15.48', WITH A RADIUS OF 212.00', WITH A CHORD
BEARING OF NORTH 88°34'34" WEST A DISTANCE OF 15.48' TO A POINT FOR CORNER;

THENCE SOUTH 89°19'53" WEST A DISTANCE OF 110.07' TO A POINT FOR CORNER;

THENCE NORTH 45°48'53" WEST A DISTANCE OF 35.45' TO A POINT FOR CORNER;

THENCE NORTH 00°57'39" WEST A DISTANCE OF 1012.21' TO A POINT FOR CORNER;

THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 39.29', WITH A RADIUS OF 24.93', WITH A CHORD BEARING OF NORTH 43°55'58" EAST A DISTANCE OF 35.35' TO A POINT FOR CORNER;

THENCE NORTH 89°01'57" EAST A DISTANCE OF 39.99' TO A POINT FOR CORNER;

THENCE NORTH 00°58'59" WEST A DISTANCE OF 39.99' TO A POINT FOR CORNER;

THENCE SOUTH 88°40'56" WEST A DISTANCE OF 29.70' TO A POINT FOR CORNER;

THENCE NORTH 46°06'28" WEST A DISTANCE OF 14.37' TO THE POINT OF BEGINNING AND ENCLOSING 0.423 OF AN ACRE OF LAND, MORE OR LESS.

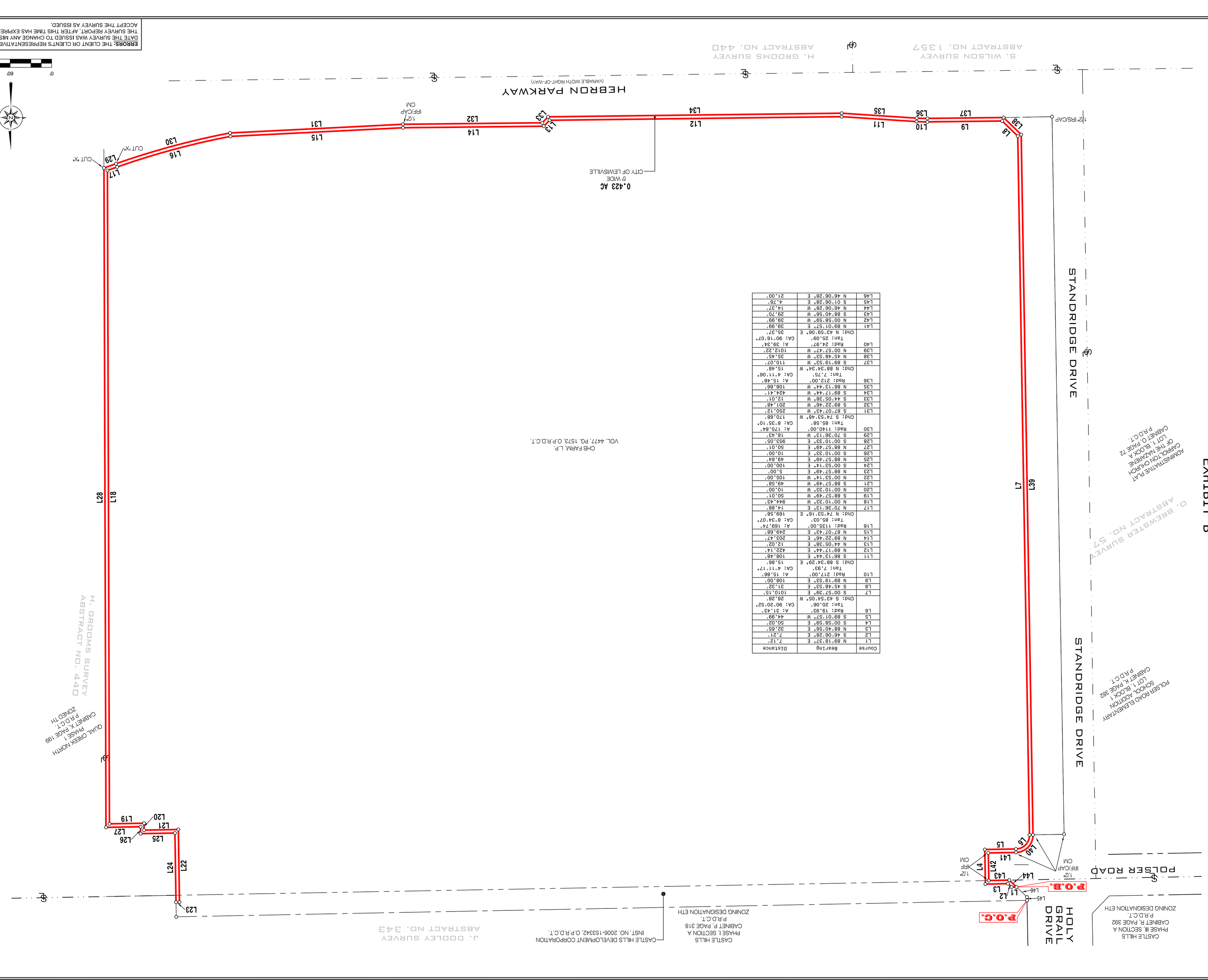
J E Thompson

DATE: 04-14-2015

J.E. THOMPSON II R.P.L.S No. 4857

STATE OF TEXAS
REGISTERED
J.E. THOMPSON
4857
PROFESSIONAL
LAND SURVEYOR

EXHIBIT B



Course	Bearing	Distance
L1	N 69°18'37" E	7.12'
L2	S 46°06'28" E	7.21'
L3	N 88°40'56" E	32.65'
L4	S 00°58'59" E	50.02'
L5	S 89°01'57" W	44.39'
L6	Rad: 19.93' Tan: 20.06' Ch: S 43°54'05" W	A: 31.43' CA: 90°20'52"
L7	S 00°57'39" E	1010.15'
L8	S 45°48'53" E	31.32'
L9	N 89°19'53" E	108.00'
L10	Rad: 217.00' Tan: 7.93' Ch: S 88°34'29" E	A: 15.86' CA: 4°11'17"
L11	S 86°13'44" E	108.48'
L12	N 89°17'44" E	422.14'
L13	N 44°05'38" E	12.02'
L14	N 89°22'46" E	203.47'
L15	N 87°07'43" E	249.68'
L16	Rad: 1135.00' Tan: 85.03' Ch: N 74°53'16" E	A: 169.74' CA: 8°34'07"
L17	N 70°36'13" E	14.88'
L18	N 00°10'33" W	10.00'
L19	S 88°57'49" W	50.01'
L20	N 00°10'33" W	10.00'
L21	S 88°57'49" W	49.58'
L22	N 00°53'14" W	105.00'
L23	S 88°57'49" E	5.00'
L24	S 00°53'14" E	100.00'
L25	N 88°57'49" E	49.64'
L26	S 00°10'33" E	10.00'
L27	N 88°57'49" E	50.01'
L28	S 00°10'33" E	953.05'
L29	N 70°36'13" W	18.43'
L30	Rad: 1140.00' Tan: 85.58' Ch: S 74°53'48" W	A: 170.84' CA: 8°35'10"
L31	S 87°07'43" W	250.12'
L32	S 89°22'46" W	201.48'
L33	S 44°05'38" W	12.01'
L34	S 89°17'44" W	424.41'
L35	N 86°13'44" W	108.66'
L36	Rad: 212.00' Tan: 7.75' Ch: N 88°34'34" W	A: 15.48' CA: 4°11'06"
L37	S 89°19'53" W	110.07'
L38	N 45°48'53" W	35.45'
L39	N 00°57'47" W	1012.22'
L40	Rad: 24.97' Tan: 25.09' Ch: N 45°59'06" E	A: 39.34' CA: 90°16'07"
L41	N 89°01'57" E	39.99'
L42	N 00°58'59" W	39.99'
L43	S 88°40'56" W	29.70'
L44	N 46°06'28" W	14.37'
L45	S 01°06'28" E	4.76'
L46	N 46°06'28" E	21.00'

FIELD NOTES FOR A PART OF A CALLED 36.5 ACRE TRACT OF LAND IN THE RICHARD HENSWORTH SURVEY, ABSTRACT NO. 578, DENTON COUNTY, TEXAS, DESCRIBED IN A DEED FROM WALTER EDWIN BERNDT AND ANNIE LUCINDA BERNDT TO CHB FARM L.P., RECORDED IN VOLUME 4477, PAGE 1573, OFFICIAL PUBLIC RECORDS, DENTON COUNTY, TEXAS, AND A PART OF A CALLED 1.651 ACRE TRACT OF LAND IN THE JAMES DOOLEY SURVEY, ABSTRACT NO. 343, DENTON COUNTY, TEXAS, DESCRIBED AS TRACT 07 IN A DEED FROM BRIGHT FARM PARTNERSHIP TO CASTLE HILLS DEVELOPMENT CORPORATION, RECORDED IN INSTRUMENT NUMBER 2006-153342 OFFICIAL PUBLIC RECORDS, DENTON COUNTY, TEXAS, THE TWO TRACTS TOGETHER COMPRISING A TOTAL OF 35.444 ACRES OF LAND, MORE OR LESS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

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THENCE SOUTH 46°06'28" EAST WITH SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 21.00' TO A POINT FOR CORNER FOR THE POINT OF BEGINNING;

THENCE NORTH 69°18'37" EAST DEPARTING SAID EAST RIGHT-OF-WAY LINE A DISTANCE OF 7.12' TO A POINT FOR CORNER;

THENCE SOUTH 46°06'28" EAST A DISTANCE OF 7.02' TO A POINT FOR CORNER;

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THENCE SOUTH 89°19'53" EAST A DISTANCE OF 108.00' TO A POINT FOR CORNER;

THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 15.86', WITH A RADIUS OF 217.00', WITH A CHORD BEARING OF SOUTH 88°34'29" EAST A DISTANCE OF 15.86' TO A POINT FOR CORNER;

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THENCE NORTH 87°07'43" EAST A DISTANCE OF 249.68' TO A POINT FOR CORNER;

THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 169.74', WITH A RADIUS OF 1135.00', WITH A CHORD BEARING OF NORTH 74°53'16" EAST A DISTANCE OF 169.58' TO A POINT FOR CORNER;

THENCE NORTH 70°36'13" EAST A DISTANCE OF 14.88' TO A POINT FOR CORNER;

THENCE SOUTH 00°10'33" EAST A DISTANCE OF 944.62' TO A POINT FOR CORNER;

THENCE NORTH 89°17'44" WEST A DISTANCE OF 50.01' TO A POINT FOR CORNER;

THENCE SOUTH 00°10'33" WEST A DISTANCE OF 100.00' TO A POINT FOR CORNER;

THENCE NORTH 89°17'44" WEST A DISTANCE OF 108.66' TO A POINT FOR CORNER;

THENCE SOUTH 00°10'33" WEST A DISTANCE OF 1010.15' TO A POINT FOR CORNER;

THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 39.34', WITH A RADIUS OF 24.97', WITH A CHORD BEARING OF SOUTH 45°59'06" EAST A DISTANCE OF 35.37' TO A POINT FOR CORNER;

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CERTIFICATION:
I HEREBY CERTIFY THAT THIS SURVEY HAS BEEN PREPARED FROM AN ACCURATE ON-THE-GROUND SURVEY OF THE PREMISES DEPICTED HEREON AND DESCRIBED IN THE LEGAL DESCRIPTION ATTACHED HERETO, CONDUCTED UNDER MY DIRECTION AND SUPERVISION ON 06-20-2014 AND THAT THE FINDINGS AND RESULTS OF SAID SURVEY ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF!

J.E. THOMPSON II R.P.L.S. No 4657

STATE OF TEXAS
REGISTERED
J.E. THOMPSON
4657
PROFESSIONAL
LAND SURVEYOR

ERRORS: THE CLIENT OR CLIENT'S REPRESENTATIVES WILL HAVE 45 DAYS FROM THE DATE THE SURVEY WAS ISSUED TO CHANGE ANY MISSPELLINGS OR ANY ERRORS ON THE SURVEY REPORT. AFTER THIS TIME HAS EXPIRED ALL PARTIES INVOLVED MUST ACCEPT THE SURVEY AS ISSUED.

ALL AMERICAN SURVEYING
301 W. BROADWAY ST.
GAINESVILLE, TX 76240
PH. 940-665-9105
FAX. 940-665-9106

DRAWN BY:	DATE:	JOB NO.	SCALE:	PAGE:
T.A.R.	04-06-2015	140248-64	1" = 60'	1 OF 1

EXHIBIT B

33.094 ACRES
IN THE R. HENSWORTH SURVEY
ABSTRACT NO. 578
DENTON COUNTY, TEXAS

FIELD NOTES TO A PART OF A CALLED 36.5 ACRE TRACT OF LAND IN THE RICHARD HENSWORTH SURVEY, ABSTRACT NO. 578, DENTON COUNTY, TEXAS, DESCRIBED IN A DEED FROM WALTER EDWIN BERNDT AND ANNIE LUCINDA BERNDT TO CHB FARM, L.P., RECORDED IN VOLUME 4477, PAGE 1573, OFFICIAL PUBLIC RECORDS, DENTON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTH LINE OF SAID 36.5 ACRE TRACT FOR THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH THE NORTHWEST CORNER OF SAID 36.5 ACRE TRACT BEARS SOUTH 88°57'79” WEST A DISTANCE OF 5.00';

THENCE NORTH 88°57'49" EAST WITH THE NORTH LINE OF SAID 36.5 ACRE TRACT A DISTANCE OF 1164.93' TO A POINT FOR CORNER;

THENCE SOUTH00°53'14" EAST A DISTANCE OF 95.00' TO A POINT FOR CORNER;

THENCE NORTH 88°57'49" EAST A DISTANCE OF 49.58' TO A POINT FOR CORNER;

THENCE SOUTH00°10'33" EAST A DISTANCE OF 10.00' TO A POINT FOR CORNER;

THENCE NORTH 88°57'49" EAST A DISTANCE OF 50.01' TO A POINT FOR CORNER;

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THENCE SOUTH70°36'13" WEST A DISTANCE OF 14.88' TO A POINT FOR CORNER FOR THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 1135.00', A DELTA ANGLE OF 08°34'07”, AND A LONG CHORD WHICH BEARS SOUTH 74°53'16" WEST A DISTANCE OF 169.58';

THENCE WITH SAID CURVE TO THE RIGHT AN ARC DISTANCE OF 169.74' TO A POINT FOR CORNER;

THENCE SOUTH87°07'43" WEST A DISTANCE OF 249.68' TO A POINT FOR CORNER;

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THENCE SOUTH44°05'38" WEST A DISTANCE OF 12.02' TO A POINT FOR CORNER;

THENCE SOUTH89°17'44" WEST A DISTANCE OF 422.14' TO A POINT FOR CORNER;

THENCE NORTH 86°13'44" WEST A DISTANCE OF 108.48' TO A POINT FOR CORNER FOR THE BEGINNING OF A CURVE TO THE LEFT WITH A RADIUS OF 217.00', A DELTA ANGLE OF 04°11'17", AND A LONG CHORD WHICH BEARS NORTH 88°34'29" WEST A DISTANCE OF 15.86';

THENCE WITH SAID CURVE TO THE LEFT AN ARC DISTANCE OF 15.86' TO A POINT FOR CORNER;

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THENCE NORTH 00°57'39" WEST A DISTANCE OF 1010.15' TO A POINT FOR CORNER FOR THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 19.93' A DELTA ANGLE OF 90°20'52", AND A LONG CHORD WHICH BEARS NORTH 43°54'05" EAST A DISTANCE OF 28.28';

THENCE WITH SAID CURVE TO THE RIGHT AN ARC DISTANCE OF 31.39' TO A POINT FOR CORNER;

THENCE NORTH 89°01'57" EAST A DISTANCE OF 44.99' TO A POINT FOR CORNER;

THENCE NORTH 00°58'59" WEST A DISTANCE OF 45.00' TO THE POINT OF BEGINNING AND ENCLOSING 33.094 ACRES OF LAND, MORE OR LESS.

J E Thompson

DATE: 04-14-2015

J.E. THOMPSON II R.P.L.S No. 4857

STATE OF TEXAS
REGISTERED
J.E. THOMPSON
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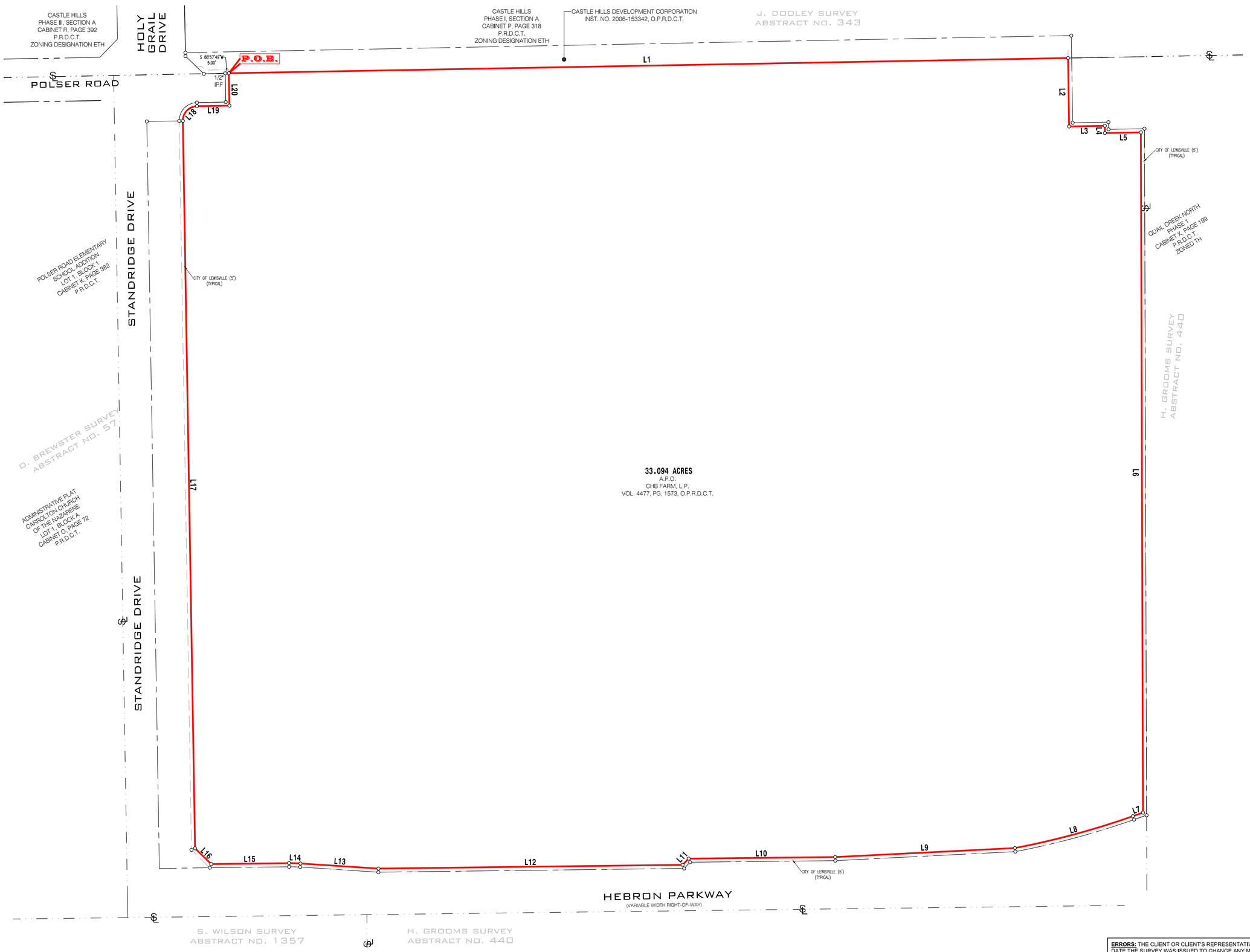
PROFESSIONAL
LAND SURVEYOR

EXHIBIT B



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THENCE NORTH 00°57'39" WEST A DISTANCE OF 1010.15' TO A POINT FOR CORNER FOR THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 19.93' A DELTA ANGLE OF 90°20'52", AND A LONG CHORD WHICH BEARS NORTH 43°54'05" EAST A DISTANCE OF 28.28';

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CERTIFICATION:
I HEREBY CERTIFY THAT THIS SURVEY HAS BEEN PREPARED FROM AN ACCURATE ON-THE-GROUND SURVEY OF THE PREMISES DEPICTED HEREON AND DESCRIBED IN THE LEGAL DESCRIPTION ATTACHED HERETO, CONDUCTED UNDER MY DIRECTION AND SUPERVISION ON 08-20-2014 AND THAT THE FINDINGS AND RESULTS OF SAID SURVEY ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

J.E. Thompson

J.E. THOMPSON II R.P.L.S. No 4857

STATE OF TEXAS
REGISTERED
J.E. THOMPSON
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PROFESSIONAL
LAND SURVEYOR

BOUNDARY EXHIBIT
33.094 ACRES
IN THE R. HENSWORTH SURVEY
ABSTRACT NO. 578
DENTON COUNTY, TEXAS

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DRAWN BY:	DATE:	JOB NO.	SCALE:	PAGE:
T.A.R.	04-14-2015	140248-6-3	1" = 60'	1 OF 2

PETITION FOR CONSENT TO THE ADDITION OF LANDS TO DENTON COUNTY FRESH WATER SUPPLY DISTRICT NO. 1-C

STATE OF TEXAS §

COUNTY OF DENTON §

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS:

The undersigned, (hereinafter referred to as the "Petitioner"), being the holder of title to a majority in value of the land hereinafter described by metes and bounds, acting pursuant to Section 42.0425 of the Texas Local Government Code and the applicable provisions of Chapter 49 of the Texas Water Code, each as amended, hereby respectfully petitions the City Council of the City of Lewisville, Texas, for its written consent to the addition of lands to Denton County Fresh Water Supply District No. 1-C (the "District") and to the inclusion of such land within the District, and would show the following:

I.

The District is created and organized under the terms and provisions of Article XVI, Section 59 and Article III, Section 52 of the Constitution of the State of Texas, and Chapter 49 and 53, of the Texas Water Code.

II.

The District contains an area of approximately 261.4 acres of land, more or less situated in Denton County, Texas. Petitioner seeks to add 33.094 acres of land to the District, as described in Exhibit "A", attached hereto and incorporated herein by reference. No part of the area within the District or proposed to be added to the District is within the limits of any incorporated city, town or village, and no part of the District is within the extraterritorial jurisdiction (as such term is defined in Chapter 42 of the Texas Local Government Code) of any city, town or village except the City of Lewisville, Texas. All of the land proposed to be added may properly be added to the District.

III.

Petitioner holds title to a majority in value of the land to be added to the District, as indicated by the tax rolls of Denton County, Texas.

IV.

Petitioner agrees and states that the addition of such land to the District is feasible and practicable, and would be a benefit to and to the advantage of the District, the herein described land and all taxable property thereon. The District's present and future water supply, canals, water and wastewater system, drainage system, roadway system and other improvements will be sufficient to provide an adequate supply to the described land without injury to the lands of the District.

V.

Petitioner shall elect, accept and assume the proportionate part of the outstanding indebtedness which may be owed, contracted or authorized by the District to be chargeable against the described lands and all taxable property thereon on a pro rata basis, including any indebtedness secured by payments from a Joint Utility Contract and Joint Road Contract by and between the City, the District and Denton County Fresh Water Supply District No. 1-A (the "Joint Utility Contract" and the "Joint Road Contract") and any amendments thereto. The proportionate part of the indebtedness is ascertained by dividing the taxable value of the described property and all taxable property thereon, as determined and fixed in the tax rolls of the District, by the taxable values of the District as shown by the same tax rolls, and multiplying this resulting percentage by the amount of the outstanding indebtedness of the District.

VI.

Petitioner shall elect, accept, assume and acknowledge the District's right, power, duty and necessity to assess, levy and collect taxes on and against the described land and all taxable property thereon for the payment of any outstanding indebtedness which may be owed, contracted or authorized by the District or any taxes levied for or in anticipation of the payment of such outstanding indebtedness which may be owed, contracted or authorized by the District, including payments and contract taxes payable pursuant to the Joint Utility Contract and Joint Road Contract and any amendments thereto.

VII.

This Petition is filed acting pursuant to Section 42.0425 of the Texas Local Government Code and the applicable provisions of Chapter 49 of the Texas Water Code, each as amended, and any and all other applicable provisions of law.

* * *

WHEREFORE, Petitioner prays that this petition be heard and the City Council of the City of Lewisville, Texas, duly pass and approve a resolution or ordinance consenting to the addition of the land described herein to the District.

RESPECTFULLY SUBMITTED this 12th day of April, 2015.

CHPH 9, LLC
a Texas limited liability company
by BRECO Development Manager, LLC
a Texas limited liability company, its Manager

By: _____
Name: Eric Stanley
Title: President & COO

THE STATE OF TEXAS §

COUNTY OF Denton §

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared Eric Stanley, President &COO of BRECO Development Manager, LLC, a Texas limited liability company, Manager of CH PH9 LLC, a Texas limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act and deed of such partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 12 day of April, 2015.

DEANA MARIE INCREMONA
Notary Public, State of Texas
My Commission Expires
October 08, 2017

Deana Marie Incremona
Notary Public in and for the State of Texas

(Notary Seal)

1799980

EXHIBIT A

33.094 ACRES
IN THE R. HENSWORTH SURVEY
ABSTRACT NO. 578
DENTON COUNTY, TEXAS

FIELD NOTES TO A PART OF A CALLED 36.5 ACRE TRACT OF LAND IN THE RICHARD HENSWORTH SURVEY, ABSTRACT NO. 578, DENTON COUNTY, TEXAS, DESCRIBED IN A DEED FROM WALTER EDWIN BERNDT AND ANNIE LUCINDA BERNDT TO CHB FARM, L.P., RECORDED IN VOLUME 4477, PAGE 1573, OFFICIAL PUBLIC RECORDS, DENTON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTH LINE OF SAID 36.5 ACRE TRACT FOR THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH THE NORTHWEST CORNER OF SAID 36.5 ACRE TRACT BEARS SOUTH 88°57'79" WEST A DISTANCE OF 5.00';

THENCE NORTH 88°57'49" EAST WITH THE NORTH LINE OF SAID 36.5 ACRE TRACT A DISTANCE OF 1164.93' TO A POINT FOR CORNER;

THENCE SOUTH00°53'14" EAST A DISTANCE OF 95.00' TO A POINT FOR CORNER;

THENCE NORTH 88°57'49" EAST A DISTANCE OF 49.58' TO A POINT FOR CORNER;

THENCE SOUTH00°10'33" EAST A DISTANCE OF 10.00' TO A POINT FOR CORNER;

THENCE NORTH 88°57'49" EAST A DISTANCE OF 50.01' TO A POINT FOR CORNER;

THENCE SOUTH00°10'33" EAST A DISTANCE OF 944.43' TO A POINT FOR CORNER;

THENCE SOUTH70°36'13" WEST A DISTANCE OF 14.88' TO A POINT FOR CORNER FOR THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 1135.00', A DELTA ANGLE OF 08°34'07", AND A LONG CHORD WHICH BEARS SOUTH 74°53'16" WEST A DISTANCE OF 169.58';

THENCE WITH SAID CURVE TO THE RIGHT AN ARC DISTANCE OF 169.74' TO A POINT FOR CORNER;

THENCE SOUTH87°07'43" WEST A DISTANCE OF 249.68' TO A POINT FOR CORNER;

THENCE SOUTH89°22'46" WEST A DISTANCE OF 203.47' TO A POINT FOR CORNER;

THENCE SOUTH44°05'38" WEST A DISTANCE OF 12.02' TO A POINT FOR CORNER;

THENCE SOUTH89°17'44" WEST A DISTANCE OF 422.14' TO A POINT FOR CORNER;

THENCE NORTH 86°13'44" WEST A DISTANCE OF 108.48' TO A POINT FOR CORNER FOR THE BEGINNING OF A CURVE TO THE LEFT WITH A RADIUS OF 217.00', A DELTA ANGLE OF 04°11'17", AND A LONG CHORD WHICH BEARS NORTH 88°34'29" WEST A DISTANCE OF 15.86';

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THENCE SOUTH89°19'53" WEST A DISTANCE OF 108.00' TO A POINT FOR CORNER;

THENCE NORTH 45°48'53" WEST A DISTANCE OF 31.32' TO A POINT FOR CORNER;

THENCE NORTH 00°57'39" WEST A DISTANCE OF 1010.15' TO A POINT FOR CORNER FOR THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 19.93' A DELTA ANGLE OF 90°20'52", AND A LONG CHORD WHICH BEARS NORTH 43°54'05" EAST A DISTANCE OF 28.28';

THENCE WITH SAID CURVE TO THE RIGHT AN ARC DISTANCE OF 31.39' TO A POINT FOR CORNER;

THENCE NORTH 89°01'57" EAST A DISTANCE OF 44.99' TO A POINT FOR CORNER;

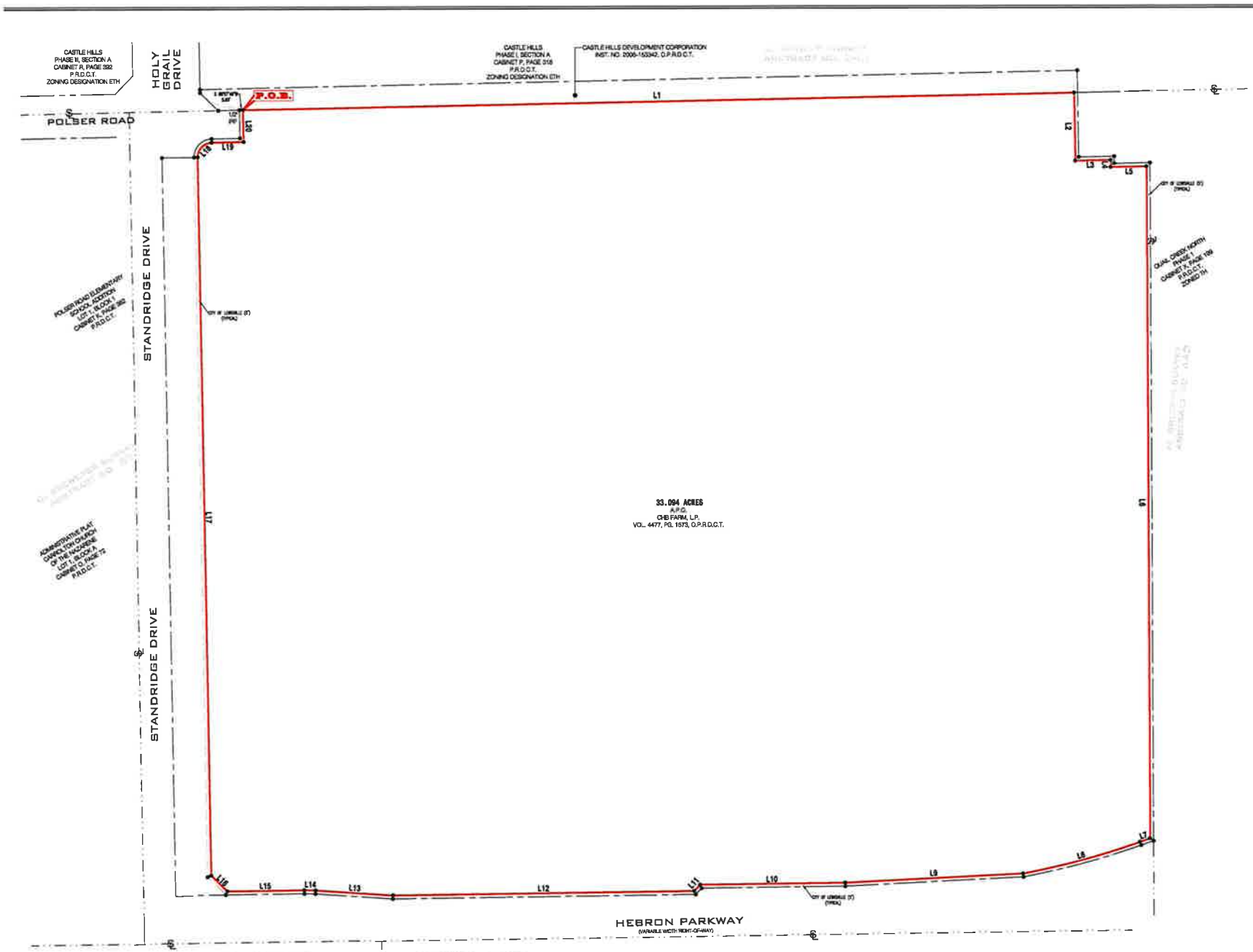
THENCE NORTH 00°58'59" WEST A DISTANCE OF 45.00' TO THE POINT OF BEGINNING AND ENCLOSING 33.094 ACRES OF LAND, MORE OR LESS.

J E Thompson

DATE: 04-14-2015

J.E. THOMPSON II R.P.L.S No. 4857

STATE OF TEXAS
REGISTERED
J.E. THOMPSON
4857
PROFESSIONAL
LAND SURVEYOR



FIELD NOTES TO A PART OF A CALLED 33.0 ACRE TRACT OF LAND IN THE RICHARD HENSWORTH SURVEY, ABSTRACT NO. 576, DENTON COUNTY, TEXAS, DESCRIBED IN A DEED FROM WALTER EDWIN BERNDT AND ANNIE LUCINDA BERNDT TO CHB FARM, L.P., RECORDED IN VOLUME 4477, PAGE 1573, OFFICIAL PUBLIC RECORDS, DENTON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METER AND BOUNDS AS FOLLOWS

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THENCE SOUTH88°52'46" WEST A DISTANCE OF 205.47' TO A POINT FOR CORNER;

THENCE SOUTH00°00'00" WEST A DISTANCE OF 13.00' TO A POINT FOR CORNER;

THENCE SOUTH87°07'42" WEST A DISTANCE OF 422.14' TO A POINT FOR CORNER;

THENCE NORTH 88°52'44" WEST A DISTANCE OF 108.49' TO A POINT FOR CORNER FOR THE BEGINNING OF A CURVE TO THE LEFT WITH A RADIUS OF 217.07', A DELTA ANGLE OF 04°11'17", AND A LONG CHORD WHICH BEARS NORTH 86°34'36" WEST A DISTANCE OF 15.00';

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THENCE NORTH 46°46'58" WEST A DISTANCE OF 31.32' TO A POINT FOR CORNER;

THENCE NORTH 88°57'38" WEST A DISTANCE OF 570.16' TO A POINT FOR CORNER FOR THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 18.82' A DELTA ANGLE OF 85°35'57", AND A LONG CHORD WHICH BEARS NORTH 45°54'52" EAST A DISTANCE OF 25.55';

THENCE WITH SAID CURVE TO THE RIGHT AN ARC DISTANCE OF 31.38' TO A POINT FOR CORNER;

THENCE NORTH 88°57'57" EAST A DISTANCE OF 44.96' TO A POINT FOR CORNER;

THENCE NORTH 00°00'00" WEST A DISTANCE OF 45.00' TO THE POINT OF BEGINNING AND ENCLOSING 33.094 ACRES OF LAND, MORE OR LESS.

CERTIFICATION:
I HEREBY CERTIFY THAT THIS SURVEY HAS BEEN PREPARED FROM AN ACCURATE ON-THE-GROUND SURVEY OF THE PREMISES DEPICTED HEREIN AND DESCRIBED IN THE LEGAL DESCRIPTION ATTACHED HERETO, CONDUCTED UNDER MY DIRECTION AND SUPERVISION ON 28-30-2014 AND THAT THE FINDINGS AND RESULTS OF SAID SURVEY ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

J.E. THOMPSON
J.E. THOMPSON R.P.L.S. No. 4857

STATE OF TEXAS
REGISTERED
J.E. THOMPSON
4857
PROFESSIONAL LAND SURVEYOR

0' 60' 120'

BOUNDARY EXHIBIT
33.094 ACRES
IN THE R. HENSWORTH SURVEY
ABSTRACT NO. 576
DENTON COUNTY, TEXAS

ERRORS: THE CLIENT OR CLIENT'S REPRESENTATIVES WILL HAVE 45 DAYS FROM THE DATE THE SURVEY WAS ISSUED TO CHANGE ANY MISSPELLINGS OR ANY ERRORS ON THE SURVEY REPORT. AFTER THIS TIME HAS EXPIRED ALL PARTIES INVOLVED MUST ACCEPT THE SURVEY AS ISSUED.

AMERICAN SURVEYS
301 W. BROADWAY ST.
GAINESVILLE, TX 76240
PH. 940-668-9400
FAX. 940-668-9408

DRAWN BY:	DATE:	JOB NO.	SCALE:	PAGE
TAA	04-14-2015	140948-B-3	1"=60'	1 OF 2

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS CONSENTING TO THE ADDITION OF 33.094 ACRES OF LAND TO THE BOUNDARIES OF THE DENTON COUNTY FRESH WATER SUPPLY DISTRICT NO. 1-C OF DENTON COUNTY; PROVIDING FOR SEVERABILITY AND DECLARING AN EFFECTIVE DATE.

WHEREAS, pursuant to Section 49.301 of the Texas Water Code, as amended, CH PH 9 LLC, a Texas limited liability company (the "Landowner") has petitioned the City for the addition of approximately 33.094 acres of land (the "Property") to the boundaries of Denton County Fresh Water Supply District No. 1-C of Denton County (the "District"); and

WHEREAS, the Property is located within the extraterritorial jurisdiction of the City of Lewisville, Texas (the "City"); and

WHEREAS, Section 42.0425 of the Texas Local Government Code requires that a political subdivision such as the District may not add land that is located in the extraterritorial jurisdiction of a municipality unless the governing body of the municipality gives its written consent by ordinance or resolution; and

WHEREAS, the District has provided the City with a copy of the Landowner's petition for the addition of the Property to the District and requested that the City provide a consent resolution evidencing the City's consent to such addition of the Property to the District;

WHEREAS, the City Council finds that it is in the public interest to grant consent to the addition of the Property to the District, taking into consideration the public health, safety and general welfare;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS:

Section 1. The City hereby consents to the addition of the Property to the District, in accordance with the Landowner's petition to the City for such addition. A copy of the Landowner's petition, including the legal description of the Property, is attached hereto and incorporated herein by reference as Exhibit "A".

Section 2. The consent of the City to the addition of the Property to the District does not in any way release the Property from the extraterritorial jurisdiction of the City.

Section 3. The terms and provisions of this Resolution shall be deemed to be severable and if the validity of any section, subsection, sentence, clause, or phrase of this

Resolution should be declared to be invalid, the same shall not affect the validity of any other section, subsection, sentence, clause or phrase of this Resolution.

Section 4. This Resolution shall take effect immediately upon its passage.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS, BY A VOTE OF _____ TO _____ ON THIS THE 20TH DAY OF APRIL, 2015.

APPROVED:

_____
DEAN UECKERT, MAYOR

ATTEST:

_____
JULIE HEINZE, CITY SECRETARY

APPROVED AS TO FORM:

_____
LIZBETH PLASTER, CITY ATTORNEY

EXHIBIT A

PETITION AND LEGAL DESCRIPTION OF THE PROPERTY

EXHIBIT A

PETITION FOR CONSENT TO THE ADDITION OF LANDS TO DENTON COUNTY FRESH WATER SUPPLY DISTRICT NO. 1-C

STATE OF TEXAS §

COUNTY OF DENTON §

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF LEWISVILLE, TEXAS:

The undersigned, (hereinafter referred to as the "Petitioner"), being the holder of title to a majority in value of the land hereinafter described by metes and bounds, acting pursuant to Section 42.0425 of the Texas Local Government Code and the applicable provisions of Chapter 49 of the Texas Water Code, each as amended, hereby respectfully petitions the City Council of the City of Lewisville, Texas, for its written consent to the addition of lands to Denton County Fresh Water Supply District No. 1-C (the "District") and to the inclusion of such land within the District, and would show the following:

I.

The District is created and organized under the terms and provisions of Article XVI, Section 59 and Article III, Section 52 of the Constitution of the State of Texas, and Chapter 49 and 53, of the Texas Water Code.

II.

The District contains an area of approximately 261.4 acres of land, more or less situated in Denton County, Texas. Petitioner seeks to add 33.094 acres of land to the District, as described in Exhibit "A", attached hereto and incorporated herein by reference. No part of the area within the District or proposed to be added to the District is within the limits of any incorporated city, town or village, and no part of the District is within the extraterritorial jurisdiction (as such term is defined in Chapter 42 of the Texas Local Government Code) of any city, town or village except the City of Lewisville, Texas. All of the land proposed to be added may properly be added to the District.

III.

Petitioner holds title to a majority in value of the land to be added to the District, as indicated by the tax rolls of Denton County, Texas.

IV.

Petitioner agrees and states that the addition of such land to the District is feasible and practicable, and would be a benefit to and to the advantage of the District, the herein described land and all taxable property thereon. The District's present and future water supply, canals, water and wastewater system, drainage system, roadway system and other improvements will be sufficient to provide an adequate supply to the described land without injury to the lands of the District.

V.

Petitioner shall elect, accept and assume the proportionate part of the outstanding indebtedness which may be owed, contracted or authorized by the District to be chargeable against the described lands and all taxable property thereon on a pro rata basis, including any indebtedness secured by payments from a Joint Utility Contract and Joint Road Contract by and between the City, the District and Denton County Fresh Water Supply District No. 1-A (the "Joint Utility Contract" and the "Joint Road Contract") and any amendments thereto. The proportionate part of the indebtedness is ascertained by dividing the taxable value of the described property and all taxable property thereon, as determined and fixed in the tax rolls of the District, by the taxable values of the District as shown by the same tax rolls, and multiplying this resulting percentage by the amount of the outstanding indebtedness of the District.

VI.

Petitioner shall elect, accept, assume and acknowledge the District's right, power, duty and necessity to assess, levy and collect taxes on and against the described land and all taxable property thereon for the payment of any outstanding indebtedness which may be owed, contracted or authorized by the District or any taxes levied for or in anticipation of the payment of such outstanding indebtedness which may be owed, contracted or authorized by the District, including payments and contract taxes payable pursuant to the Joint Utility Contract and Joint Road Contract and any amendments thereto.

VII.

This Petition is filed acting pursuant to Section 42.0425 of the Texas Local Government Code and the applicable provisions of Chapter 49 of the Texas Water Code, each as amended, and any and all other applicable provisions of law.

* * *

WHEREFORE, Petitioner prays that this petition be heard and the City Council of the City of Lewisville, Texas, duly pass and approve a resolution or ordinance consenting to the addition of the land described herein to the District.

RESPECTFULLY SUBMITTED this 12th day of April, 2015.

CHPH 9, LLC
a Texas limited liability company
by BRECO Development Manager, LLC
a Texas limited liability company, its Manager

By: _____
Name: Eric Stanley
Title: President & COO

THE STATE OF TEXAS §

COUNTY OF Denton §

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas, on this day personally appeared Eric Stanley, President &COO of BRECO Development Manager, LLC, a Texas limited liability company, Manager of CH PH9 LLC, a Texas limited liability company, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same as the act and deed of such partnership.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 12 day of April, 2015.

DEANA MARIE INCREMONA
Notary Public, State of Texas
My Commission Expires
October 08, 2017

Deana Marie Incremona
Notary Public in and for the State of Texas

(Notary Seal)

1799980

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33.094 ACRES
IN THE R. HENSWORTH SURVEY
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J E Thompson

DATE: 04-14-2015

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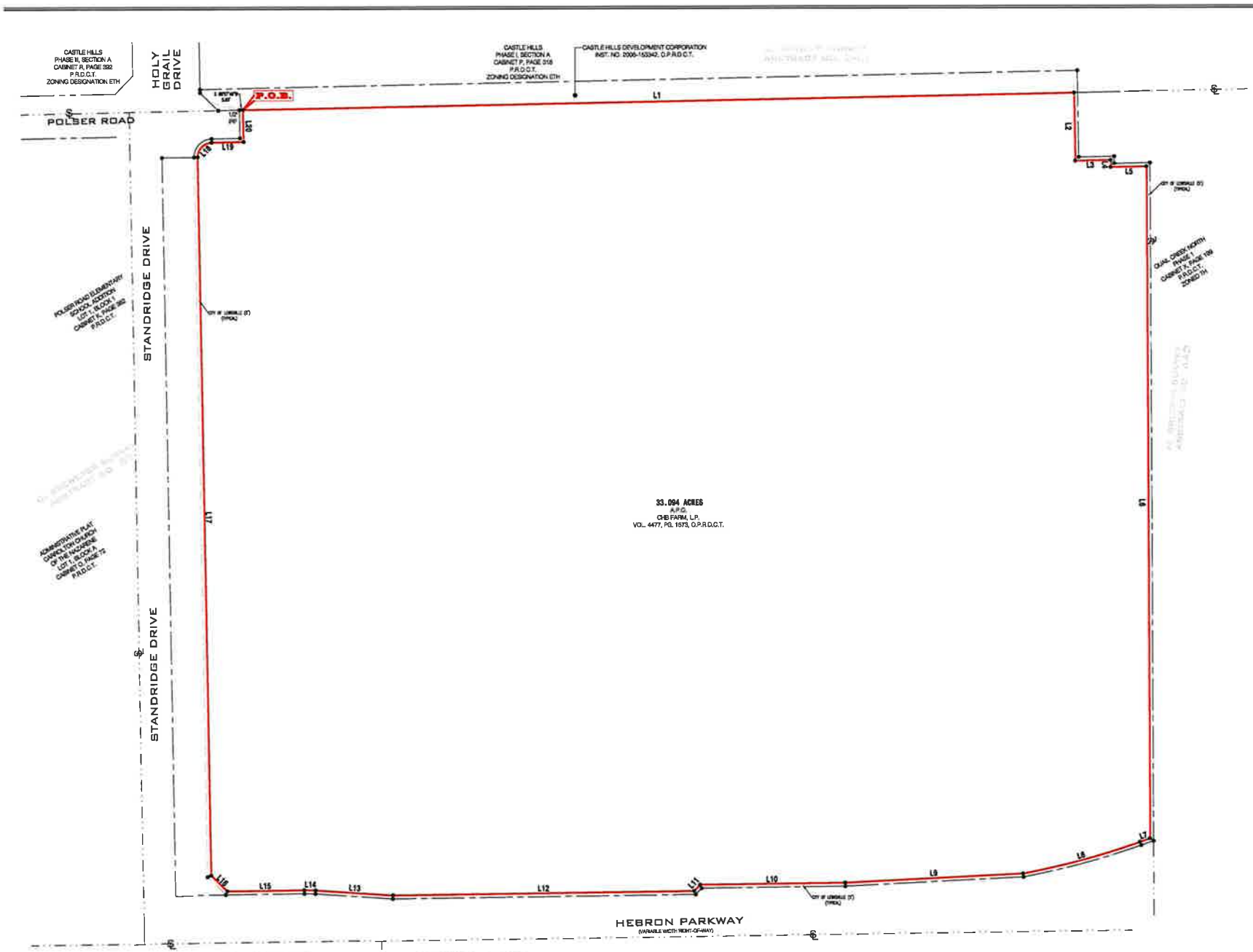
STATE OF TEXAS
REGISTERED
J.E. THOMPSON
4857
PROFESSIONAL
LAND SURVEYOR



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THENCE NORTH 46°46'58" WEST A DISTANCE OF 31.32' TO A POINT FOR CORNER;

THENCE NORTH 88°57'38" WEST A DISTANCE OF 570.16' TO A POINT FOR CORNER FOR THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 18.82' A DELTA ANGLE OF 85°35'57", AND A LONG CHORD WHICH BEARS NORTH 45°54'52" EAST A DISTANCE OF 25.55';

THENCE WITH SAID CURVE TO THE RIGHT AN ARC DISTANCE OF 31.38' TO A POINT FOR CORNER;

THENCE NORTH 88°57'57" EAST A DISTANCE OF 44.96' TO A POINT FOR CORNER;

THENCE NORTH 00°00'00" WEST A DISTANCE OF 45.00' TO THE POINT OF BEGINNING AND ENCLOSING 33.094 ACRES OF LAND, MORE OR LESS.

CERTIFICATION:
I HEREBY CERTIFY THAT THIS SURVEY HAS BEEN PREPARED FROM AN ACCURATE ON-THE-GROUND SURVEY OF THE PREMISES DEPICTED HEREIN AND DESCRIBED IN THE LEGAL DESCRIPTION ATTACHED HERETO, CONDUCTED UNDER MY DIRECTION AND SUPERVISION ON 28-30-2014 AND THAT THE FINDINGS AND RESULTS OF SAID SURVEY ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

J.E. THOMPSON
J.E. THOMPSON R.P.L.S. No. 4857

STATE OF TEXAS
REGISTERED
J.E. THOMPSON
4857
PROFESSIONAL LAND SURVEYOR

0' 60' 120'

BOUNDARY EXHIBIT
33.094 ACRES
IN THE R. HENSWORTH SURVEY
ABSTRACT NO. 576
DENTON COUNTY, TEXAS

ERRORS: THE CLIENT OR CLIENT'S REPRESENTATIVES WILL HAVE 45 DAYS FROM THE DATE THE SURVEY WAS ISSUED TO CHANGE ANY MISSPELLINGS OR ANY ERRORS ON THE SURVEY REPORT. AFTER THIS TIME HAS EXPIRED ALL PARTIES INVOLVED MUST ACCEPT THE SURVEY AS ISSUED.

AMERICAN SURVEYS
301 W. BROADWAY ST.
GAINESVILLE, TX 76240
PH. 940-668-9400
FAX. 940-668-9408

DRAWN BY:	DATE:	JOB NO.	SCALE:	PAGE
TAA	04-14-2015	140948-B-3	1"=60'	1 OF 2

SECOND AMENDMENT TO AGREEMENT DATED APRIL 1, 1996
BETWEEN CITY OF LEWISVILLE, TEXAS
AND BRIGHT FARM PARTNERSHIP

WHEREAS, on April 1, 1996, the CITY OF LEWISVILLE, TEXAS ("Lewisville"), BRIGHT FARM PARTNERSHIP and DENTON COUNTY FRESH WATER SUPPLY DISTRICTS #1-A AND 1-B ("Districts") entered into an agreement regarding the development of approximately 2,567.3 acres in the Lewisville Extraterritorial jurisdiction; and

WHEREAS, said agreement has been assigned from Bright Farm Partnership to Castle Hills Property Company ("Bright"); and

WHEREAS, on July 21, 2008, said agreement was amended to include an additional 23.82 acres of land into the property to be covered by said agreement; and

WHEREAS, the parties desire to add 33.094 acres of land into the property to be covered by said agreement;

NOW, THEREFORE, Lewisville, the Districts and Bright agree as follows:

1. The property described in the attached Exhibit A, which contains 33.094 acres, shall hereby become included in the property to which the April 1, 1996 agreement among the parties is applicable.

2. No other terms of said agreement shall be affected by this second amendment.

In witness whereof, the parties have caused this second amendment to be executed in multiple originals and this second amendment shall become effective on the date of last signature.

CITY OF LEWISVILLE, TEXAS

By: _____
Dean Ueckert, Mayor

Date Signed: _____

ATTEST:

_____
Julie Heinze, CITY SECRETARY

APPROVED AS TO FORM:

_____
Lizbeth Plaster, CITY ATTORNEY

CASTLE HILLS PROPERTY COMPANY

By: _____
C.R. Bright

Date Signed: _____

DENTON COUNTY FRESH WATER SUPPLY DISTRICT NO 1-A:

By: _____

ATTEST:

_____ Date Signed: _____

DENTON COUNTY FRESH WATER SUPPLY DISTRICT NO 1-B:

By: _____

ATTEST:

_____ Date Signed: _____

EXHIBIT A

33.094 ACRES
IN THE R. HENSWORTH SURVEY
ABSTRACT NO. 578
DENTON COUNTY, TEXAS

FIELD NOTES TO A PART OF A CALLED 36.5 ACRE TRACT OF LAND IN THE RICHARD HENSWORTH SURVEY, ABSTRACT NO. 578, DENTON COUNTY, TEXAS, DESCRIBED IN A DEED FROM WALTER EDWIN BERNDT AND ANNIE LUCINDA BERNDT TO CHB FARM, L.P., RECORDED IN VOLUME 4477, PAGE 1573, OFFICIAL PUBLIC RECORDS, DENTON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A POINT IN THE NORTH LINE OF SAID 36.5 ACRE TRACT FOR THE NORTHWEST CORNER OF THE HEREIN DESCRIBED TRACT, FROM WHICH THE NORTHWEST CORNER OF SAID 36.5 ACRE TRACT BEARS SOUTH 88°57'79” WEST A DISTANCE OF 5.00';

THENCE NORTH 88°57'49" EAST WITH THE NORTH LINE OF SAID 36.5 ACRE TRACT A DISTANCE OF 1164.93' TO A POINT FOR CORNER;

THENCE SOUTH00°53'14" EAST A DISTANCE OF 95.00' TO A POINT FOR CORNER;

THENCE NORTH 88°57'49" EAST A DISTANCE OF 49.58' TO A POINT FOR CORNER;

THENCE SOUTH00°10'33" EAST A DISTANCE OF 10.00' TO A POINT FOR CORNER;

THENCE NORTH 88°57'49" EAST A DISTANCE OF 50.01' TO A POINT FOR CORNER;

THENCE SOUTH00°10'33" EAST A DISTANCE OF 944.43' TO A POINT FOR CORNER;

THENCE SOUTH70°36'13" WEST A DISTANCE OF 14.88' TO A POINT FOR CORNER FOR THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 1135.00', A DELTA ANGLE OF 08°34'07”, AND A LONG CHORD WHICH BEARS SOUTH 74°53'16" WEST A DISTANCE OF 169.58';

THENCE WITH SAID CURVE TO THE RIGHT AN ARC DISTANCE OF 169.74' TO A POINT FOR CORNER;

THENCE SOUTH87°07'43" WEST A DISTANCE OF 249.68' TO A POINT FOR CORNER;

THENCE SOUTH89°22'46" WEST A DISTANCE OF 203.47' TO A POINT FOR CORNER;

THENCE SOUTH44°05'38" WEST A DISTANCE OF 12.02' TO A POINT FOR CORNER;

THENCE SOUTH89°17'44" WEST A DISTANCE OF 422.14' TO A POINT FOR CORNER;

THENCE NORTH 86°13'44" WEST A DISTANCE OF 108.48' TO A POINT FOR CORNER FOR THE BEGINNING OF A CURVE TO THE LEFT WITH A RADIUS OF 217.00', A DELTA ANGLE OF 04°11'17", AND A LONG CHORD WHICH BEARS NORTH 88°34'29" WEST A DISTANCE OF 15.86';

THENCE WITH SAID CURVE TO THE LEFT AN ARC DISTANCE OF 15.86' TO A POINT FOR CORNER;

THENCE SOUTH89°19'53" WEST A DISTANCE OF 108.00' TO A POINT FOR CORNER;

THENCE NORTH 45°48'53" WEST A DISTANCE OF 31.32' TO A POINT FOR CORNER;

THENCE NORTH 00°57'39" WEST A DISTANCE OF 1010.15' TO A POINT FOR CORNER FOR THE BEGINNING OF A CURVE TO THE RIGHT WITH A RADIUS OF 19.93' A DELTA ANGLE OF 90°20'52", AND A LONG CHORD WHICH BEARS NORTH 43°54'05" EAST A DISTANCE OF 28.28';

THENCE WITH SAID CURVE TO THE RIGHT AN ARC DISTANCE OF 31.39' TO A POINT FOR CORNER;

THENCE NORTH 89°01'57" EAST A DISTANCE OF 44.99' TO A POINT FOR CORNER;

THENCE NORTH 00°58'59" WEST A DISTANCE OF 45.00' TO THE POINT OF BEGINNING AND ENCLOSING 33.094 ACRES OF LAND, MORE OR LESS.

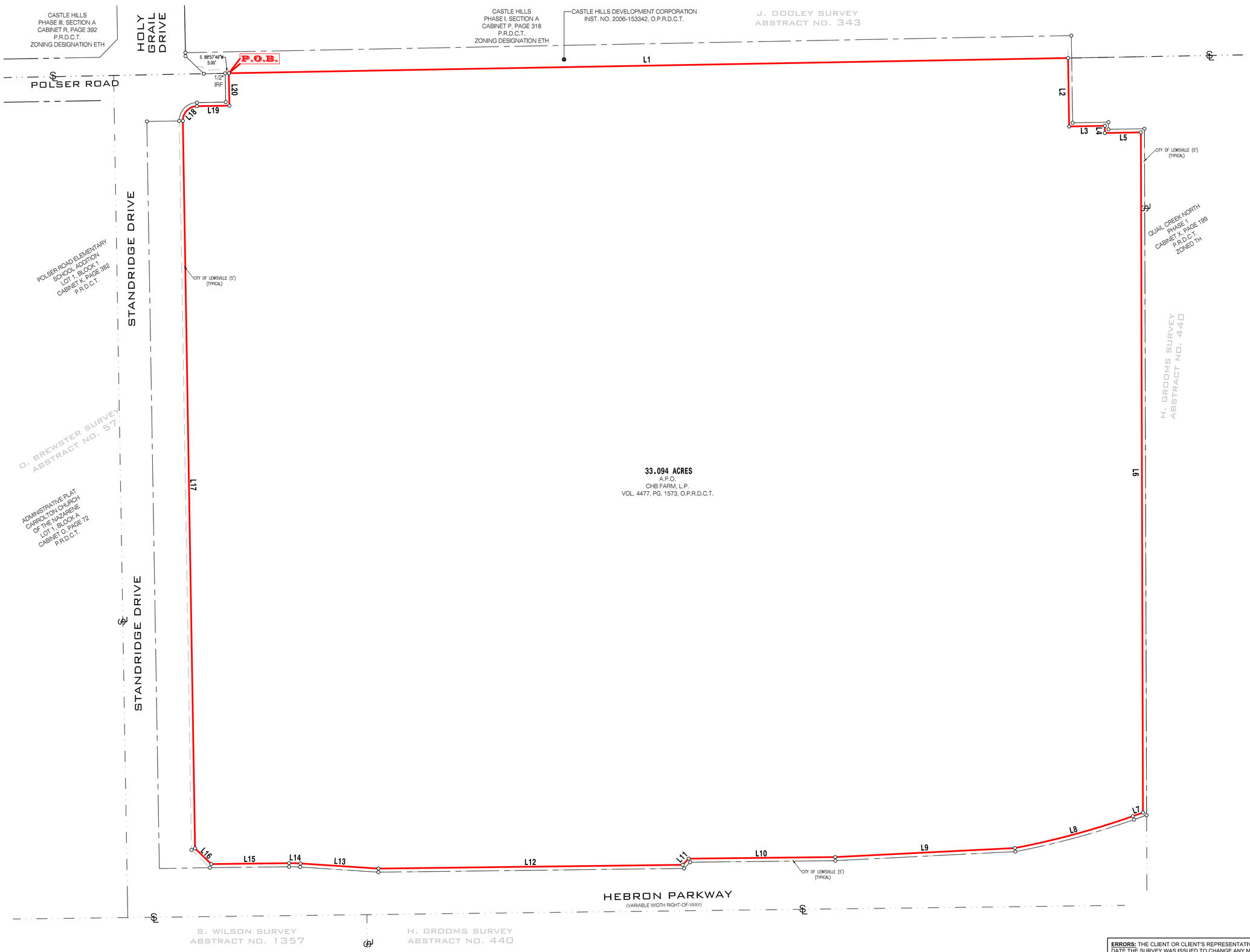
J E Thompson

DATE: 04-14-2015

J.E. THOMPSON II R.P.L.S No. 4857

STATE OF TEXAS
REGISTERED
J.E. THOMPSON
4857
PROFESSIONAL
LAND SURVEYOR

EXHIBIT A



FIELD NOTES TO A PART OF A CALLED 36.5 ACRE TRACT OF LAND IN THE RICHARD HENSWORTH SURVEY, ABSTRACT NO. 578, DENTON COUNTY, TEXAS, DESCRIBED IN A DEED FROM WALTER EDWIN BERNDT AND ANNIE LUCINDA BERNDT TO CHB FARM, L.P., RECORDED IN VOLUME 4477, PAGE 1573, OFFICIAL PUBLIC RECORDS, DENTON COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

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J.E. Thompson

J.E. THOMPSON II R.P.L.S. No 4857

STATE OF TEXAS
REGISTERED
J.E. THOMPSON
4857
PROFESSIONAL
LAND SURVEYOR

BOUNDARY EXHIBIT
33.094 ACRES
IN THE R. HENSWORTH SURVEY
ABSTRACT NO. 578
DENTON COUNTY, TEXAS

ERRORS: THE CLIENT OR CLIENT'S REPRESENTATIVES WILL HAVE 45 DAYS FROM THE DATE THE SURVEY WAS ISSUED TO CHANGE ANY MISSPELLINGS OR ANY ERRORS ON THE SURVEY REPORT, AFTER THIS TIME HAS EXPIRED ALL PARTIES INVOLVED MUST ACCEPT THE SURVEY AS ISSUED.

ALL AMERICAN SURVEYING
301 W. BROADWAY ST.
GAINESVILLE, TX 76240
PH. 940-665-9105
FAX. 940-665-9106

DRAWN BY:	DATE:	JOB NO.	SCALE:	PAGE:
T.A.R.	04-14-2015	140248-6-3	1" = 60'	1 OF 2

MEMORANDUM

TO: Mayor Dean Ueckert
Mayor Pro Tem Leroy Vaughn
Deputy Mayor Pro Tem TJ Gilmore
Councilman R Neil Ferguson
Councilman Greg Tierney
Councilman Rudy Durham

FROM: Julie Heinze, City Secretary

DATE: April 14, 2015

SUBJECT: **Consideration of a Request by Councilman Vaughn to Attend the National League of Cities Summer Leadership Meeting in Salt Lake City, Utah.**

BACKGROUND

Councilman Vaughn is requesting to attend the National League of Cities Summer Leadership Meeting in Salt Lake City, Utah. The meeting is scheduled for June 9 – 12, 2015. Pursuant to Administrative Policy 1.0, I(C)(b), any out-of-state travel needs to be approved on a case-by-case basis by the City Council prior to the trip. There is no registration cost for this meeting; however, there will be travel, hotel, and per diem expenses estimated to make the trip cost around $2,300. Councilman Vaughn currently serves as a member of the NLC Finance, Administration and Intergovernmental Relations Steering Committee.

ANALYSIS

The following is the breakdown of anticipated costs:

$1,256 - Hotel
244 - Per Diem
800 - Transportation
$2,300 –Total Estimated Expenses

RECOMMENDATION

The City staff's recommendation is that the City Council consider Councilman Vaughn's request.

LEWISVILLE

Julie Heinze <jheinze@cityoflewisville.com>

Fwd: NLC REMINDER: Plan your trip: NLC Leadership Meetings in Salt Lake City

Vaughn <lvaughn@cityoflewisville.com> Sun, Apr 12, 2015 at 7:05 PM
To: Julie Heinze <jheinze@cityoflewisville.com>

Julie I would like to attend this meeting. Will you please make the necessary arrangements.
Thank You
Leroy

Sent from my iPad

Begin forwarded message:

From: Avery Peters <Peters@nlc.org>
Date: April 9, 2015 at 11:32:04 AM CDT
To: Avery Peters <Peters@nlc.org>
Cc: Avery Peters <Peters@nlc.org>, Carolyn Berndt <Berndt@nlc.org>, "Julia Pulidindi" <pulidindi@nlc.org>, Michael Wallace <wallace@nlc.org>, "Priya Ghosh Ahola" <ghosh@nlc.org>, Yucel Ors <Ors@nlc.org>
Subject: NLC REMINDER: Plan your trip: NLC Leadership Meetings in Salt Lake City

NATIONAL LEAGUE of CITIES

Make your plans now for Salt Lake City.

Registration is open for the 2015 NLC Summer Leadership Meetings.

Your commitment to the National League of Cities makes this organization stronger each day. Continue the work with your colleagues this June in Salt Lake City for the 2015 NLC Summer Leadership Meetings!

Dates: Tuesday, June 9 through Friday, June 12 (See below to know when you need to be there.)

Location: Salt Lake City, Grand America Hotel

Hotel information: Please visit the hotel registration link to book your room in the NLC room block. Book soon as the hotels in the area are expected to fill quickly.

How to plan for your flight and hotel: when should you be in Salt Lake City?

	Arrive	Depart

Board of Directors*	Wednesday 6/10 by 1:00 pm	Friday 6/12 anytime
Policy & Advocacy Steering Committees	Wednesday 6/10 by 5:00 pm	Saturday 6/13 anytime
University Communities Council	Tuesday 6/9 by noon	Thursday 6/11 afternoon
Corporate Partners	Wednesday 6/10 by 5:00 pm	Saturday 6/13 anytime

**If you are an Executive Committee member, NLC's Executive Office will contact you directly about your arrival date and time.*

REGISTER NOW!

Click here for the draft event schedule.

Questions about this event? Please contact either Michelle Lynch lynch@nlc.org (202) 626-3105 .

June 2015 NLC Leadership Meetings

as of

Thursday, March 26, 2015

Tuesday, June 09, 2015		***Event***	***Location***
12:00 PM	5:00 PM	University Cities Council	

Wednesday, June 10, 2015		***Event***	***Location***
8:00 AM	5:00 PM	Registration	
9:00 AM	12:00 PM	University Cities Council	
12:00 PM	5:00 PM	University Cities Council Mobile Tour	
3:00 PM	5:00 PM	Board Finance Committee Meeting	
3:00 PM	5:00 PM	Board Legislative Action Committee Meeting	
3:00 PM	5:00 PM	Board Membership Committee Meeting	
5:00 PM	6:00 PM	All Groups Welcome Reception	
6:30 PM	9:00 PM	Board of Directors Dinner	

Thursday, June 11, 2015		***Event***	***Location***
8:00 AM	12:00 PM	Mobile Workshop for Steering Committees	
8:00 AM	5:00 PM	Registration	
8:30 AM	12:00 PM	Board of Directors Meeting	
12:00 PM	1:30 PM	NLC Board, Advisory Council and Policy and Advocacy Committees Luncheon	
1:30 PM	5:00 PM	Community and Economic Development Steering Committee	
1:30 PM	5:00 PM	Energy, Environment & Natural Resources Steering Committee	
1:30 PM	5:00 PM	Finance, Administration & Intergovernmental Relations Steering Committee	

Thursday, June 11, 2015

		Event	Location
1:30 PM	5:00 PM	Human Development Steering Committee	
1:30 PM	5:00 PM	Information Technology & Communications Steering Committee	
1:30 PM	5:00 PM	Mobile Workshop for Board of Directors	
1:30 PM	5:00 PM	Public Safety & Crime Prevention Steering Committee	
1:30 PM	5:00 PM	Transportation Infrastructure & Services Steering Committee	
6:00 PM	10:00 PM	Dinner on Your Own	

Friday, June 12, 2015

		Event	Location
7:30 AM	5:00 PM	Registration	
8:00 AM	9:00 AM	Joint Steering Committees Breakfast	
9:00 AM	12:00 PM	Community and Economic Development Steering Committee	
9:00 AM	12:00 PM	Energy, Environment & Natural Resources Steering Committee	
9:00 AM	12:00 PM	Finance, Administration & Intergovernmental Relations Steering Committee	
9:00 AM	12:00 PM	Human Development Steering Committee	
9:00 AM	12:00 PM	Information Technology & Communications Steering Committee	
9:00 AM	12:00 PM	Public Safety & Crime Prevention Steering Committee	
9:00 AM	12:00 PM	Transportation Infrastructure & Services Steering Committee	
12:00 PM	1:30 PM	Policy and Advocacy Steering Committees Luncheon	
1:30 PM	5:00 PM	Community and Economic Development Steering Committee	
1:30 PM	5:00 PM	Energy, Environment & Natural Resources Steering Committee	
1:30 PM	5:00 PM	Finance, Administration & Intergovernmental Relations Steering Committee	

Friday, June 12, 2015

		Event	*Location*
1:30 PM	5:00 PM	Human Development Steering Committee	
1:30 PM	5:00 PM	Information Technology & Communications Steering Committee	
2:00 PM	5:00 PM	Public Safety & Crime Prevention Steering Committee	
2:00 PM	5:00 PM	Transportation Infrastructure & Services Steering Committee	
6:00 PM	9:00 PM	Group Dinner	

Saturday, June 13, 2015

		Event	*Location*
8:00 AM	5:00 PM	Policy Committee Members Depart for Home	