TAX INCREMENT REINVESTMENT ZONE 4
MAY 18, 2026 - 6:30 PM
CITY COUNCIL CHAMBERS - 104 W COLLEGE AVE.
ALVARADO, TEXAS 76009

CALL TO ORDER

Roll Call

CITIZEN PARTICIPATION AND PUBLIC INPUT

This is an opportunity for citizens to address the convened TIRZ No. 4 Board of Directors (the “Board”) of this meeting on any matter. The presiding officer may ask for the citizen to hold his or her comment on an agenda item until that agenda item is reached. Any response from a member of the convened Board to comments related to items not on the agenda is limited to a statement of specific factual information, a recitation of existing policy, or direction to staff to place the subject on the agenda for a future meeting. Citizens may obtain a form to speak by requesting it from the City Secretary or the City Marshal prior to the start of the meeting.

NEW BUSINESS

1. Consideration and action related to Resolution No. R2026-0035; A Resolution of the Board of Directors of Reinvestment Zone Number Four, City of Alvarado, Texas, Recommending approval of the Final Project and Finance Plan for the Zone, Providing a Severability Clause; and Providing an Effective Date. (Taylor)
2. Consideration and action related to the TIRZ No. 4 Reimbursement Agreement; Authorizing execution of certain documents in connection with Reinvestment Zone Number Four, City of Alvarado, Texas, including, without limitation, that certain TIRZ No. 4 Reimbursement Agreement. (Taylor)

EXECUTIVE SESSION

EXECUTIVE SESSION: Pursuant to the Texas Open Meetings Act, Chapter 551 of the Texas Government Code, the Board may convene in executive session to deliberate regarding the following matters: 1. § 551.071. Consultation with Attorney. The Board may convene in executive session to conduct a private consultation with its attorney on any legally posted agenda item, when the Board seeks the advice of its attorney about pending or contemplated litigation, a settlement offer, or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the provisions of Chapter 551, including the following items:

- A. Any item listed on the agenda.

RECONVENE INTO OPEN SESSION AND TAKE ANY ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION

ADJOURNMENT

I, the undersigned authority, do hereby certify that the above Agenda was posted on the bulletin board in the City Hall of the City of Alvarado, Texas, a place convenient and readily accessible to the general public at all times, and said Agenda was posted on May 12, 2026, and remained so posted continuously for three (3) business days prior to the date of the meeting.

Bobbie Jo Taylor, TRMC, MMC
City Secretary

If, during the course of the meeting and discussion of any items covered by this notice, the Board determines that a Closed or Executive Session of the Board is required, then such closed meeting will be held as authorized by Texas Government Code, Chapter 551, Section 551.071 consultation with counsel on legal matters; Section 551.072 - deliberation regarding purchase, exchange, lease or value of real property; Section 551.073 - deliberation regarding a prospective gift; Section 551.074 - personnel matters regarding the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; Section 551.076 - implementation of security personnel or devices; Section 551.087 - deliberation regarding economic development negotiation; Section 551.089 - deliberation regarding security devices or security audits, and/or other matters as authorized under the Texas Government Code.

If a Closed or Executive Session is held in accordance with the Texas Government Code as set out above, the Board will reconvene in Open Session in order to take action, if necessary, on the items addressed during Executive Session.

Pursuant to Texas Government Code Sec. 551.127, on a regular, non-emergency basis, members may attend and participate in the meeting remotely by video conference. Should that occur, a quorum of the members will be physically present at the location noted above on this agenda.

ACCESSIBILITY STATEMENT
The Alvarado City Hall and Council Chamber are wheelchair accessible. The exit and parking ramps are located in the front of the building. Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, or large print, are requested to contact the City Secretary's Office at 817-790-3351, FAX: 817-783-7925, e-mail: taylorb@cityofalvarado.org Please call at least two (2) working days prior to the meeting so that appropriate arrangements can be made.

NON-DISCRIMINATION STATEMENT The City of Alvarado does not discriminate on the basis of race, color, national origin, sex, religion, or disability in the employment or the provision of services.

City Council Management Report
Meeting Date: 5/18/2026
Contact: Bobbie Jo Taylor, City Secretary

AGENDA ITEM:
Consideration and action related to Resolution R2026-0035; A Resolution of the Board of Directors of Reinvestment Zone Number Four, City of Alvarado, Texas, Recommending approval of the Final Project and Finance Plan for the Zone, Providing a Severability Clause; and Providing an Effective Date. (Taylor)

BACKGROUND & FINDINGS:
This Resolution is making a recommendation to the City Council for approval.

FINANCIAL IMPACT:

RECOMMENDATION:
Approval

MANAGEMENT REVIEW:
Paul DeBuff, City Manager

ATTACHMENTS:
1. (AVALON) TIRZ No. 4 - TIRZ Board Resolution Recommending Approval of PFP 4924-2326-3654 1
2. Chambers Creek Final Project and Finance Plan v2.0

TIRZ NO. 4 BOARD OF DIRECTORS

RESOLUTION NO. ________

A RESOLUTION OF THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER FOUR, CITY OF ALVARADO, TEXAS, RECOMMENDING APPROVAL OF THE FINAL PROJECT AND FINANCE PLAN FOR THE ZONE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, pursuant to Chapter 311 of the Texas Tax Code, as amended ("Act"), the City Council (the "City Council") of the City of Alvarado, Texas (the "City") created the tax increment reinvestment zone identified as Reinvestment Zone Number Four, City of Alvarado, Texas (the "Zone"), by Ordinance No. 2026-0005 passed and approved on April 20, 2026 (the "Creation Ordinance"); and

WHEREAS, the Creation Ordinance included the appointment of the initial Board of Directors of the Zone (the "TIRZ Board"); and

WHEREAS, as authorized by the Act and pursuant to the Creation Ordinance, the City Council approved the "Reinvestment Zone Number Four, City of Alvarado, Texas Preliminary Project and Finance Plan" for the Zone (the "Preliminary Plan"); and

WHEREAS, it is the function and responsibility of the TIRZ Board to make recommendations to the City Council concerning the administration, management, and operation of Zone; and

WHEREAS, it is the responsibility of the TIRZ Board to prepare and adopt a final project and financing plan for the Zone and submit such plan to the City Council for its approval; and

WHEREAS, the TIRZ Board has been provided a presentation on the "Reinvestment Zone Number Four, City of Alvarado, Texas Final Project and Finance Plan" for the Zone, attached hereto as ***Exhibit A*** (the "Final Plan"); and

WHEREAS, the TIRZ Board finds that the Final Plan is feasible and encourages further development within the Zone; and

WHEREAS, the TIRZ Board finds that the Final Plan includes all of the information required by Section 311.003 (b) and (c) of the Act and therefore recommends that the City Council should approve that Final Plan as the final project and financing plan for the Zone.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF REINVESTMENT ZONE NUMBER FOUR, CITY OF ALVARADO, TEXAS, THAT:

Section 1: The Final Plan attached hereto as ***Exhibit A*** is hereby approved, and the TIRZ Board therefore recommends that the City Council approve that Final Plan as the final project and financing plan for Reinvestment Zone Number Four, City of Alvarado, Texas.

Section 2: The Chair of the TIRZ Board is authorized to sign this Resolution on the TIRZ Board's behalf.

Section 3: Should any provision, section, subsection, sentence, clause, or phrase of this Resolution be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Resolution shall remain in full force and effect. The TIRZ Board hereby declares that it would have passed this Resolution, and each provision, section, subsection, sentence, clause, or phrase thereof irrespective of the fact that any one or more provisions, sections, subsections, sentences, clauses, and phrases be declared unconstitutional or invalid.

Section 4: This Resolution shall take effect immediately from and after the date of its passage.

PASSED, APPROVED, and **ADOPTED** by the Board of Directors of Reinvestment Zone Number Four, City of Alvarado, Texas, on this the ***18th day of May, 2026***.

TIRZ NO. 4 BOARD

____
Jacob Wheat, Chair

ATTEST:

____
Bobbie Jo Taylor, City Secretary

EXHIBIT A
Final Project and Finance Plan

TAX INCREMENT REINVESTMENT ZONE NO. 4

CITY OF ALVARADO, TEXAS

City of Alvarado

FINAL PROJECT AND FINANCING PLAN

MAY 18, 2026

PREPARED BY:

MUNICAP, INC.
PUBLIC FINANCE

TAX INCREMENT REINVESTMENT ZONE NO. 4

CITY OF ALVARADO, TEXAS

FINAL PROJECT AND FINANCING PLAN

TABLE OF CONTENTS

1. Introduction

1.1. Authority and Purpose

The City of Alvarado, Texas, a Texas home rule municipality (the "City"), has the authority under Chapter 311, Texas Tax Code, as amended (the "Act") to designate a contiguous or noncontiguous geographic area within or outside the corporate limits of the City as a tax increment reinvestment zone to promote development or redevelopment of the area if the governing body of the City (the "City Council") determines that development or redevelopment would not occur solely through private investment in the reasonably foreseeable future, that the zone is feasible, and that creation of the zone is in the best interest of the City and the property in the zone. The purpose of the zone is to facilitate such development or redevelopment by financing the costs of public works, public improvements, programs, and other projects benefiting the zone, plus other costs incidental to those expenditures, all of which costs are authorized by the Act.

1.2. Eligibility Requirements

Except as provided in the Act, an area may be designated as a tax increment reinvestment zone if such area is predominantly open or undeveloped and, because of obsolete platting, deterioration of structures or site improvements, or other factors, substantially impairs or arrests the sound growth of the City. The City cannot, however, designate a zone if more than thirty percent (30%) of the property in the proposed zone, excluding property that is publicly owned, is "used for Single-family purposes" (defined by the Act as follows: "... property is used for Single-family purposes if it is occupied by a house having fewer than five living units ...") or if the total appraised value of taxable real property in the proposed zone and in existing reinvestment zones exceeds fifty percent (50%) of the total appraised value of taxable real property in the City and in industrial districts created by the City.

The Zone. By City Council action on April 20, 2026, the City created a tax increment reinvestment zone to be known as "Tax Increment Reinvestment Zone No. 4, City of Alvarado, Texas" (the "Zone" or "TIRZ") that includes approximately 228 acres depicted on **Exhibit A-1** and described on **Exhibit B-1** (the "Property"). The TIRZ will be divided into two sub-areas; a residential sub-area consisting of approximately 188.62 acres (the "Single-family Sub-Area") and a second sub-area consisting of approximately 39 acres for both commercial development and a sports complex (the "Sports Complex Sub-Area"). The City will create the Chambers Creek Public Improvement District (the "PID") which is anticipated to be coterminous with the Single-family Sub-Area of the TIRZ. The Property meets the eligibility requirements of the Act. The Property is undeveloped, and due to its size, location, and physical characteristics, development will not occur solely through private investment in the foreseeable future. The Property substantially impairs and arrests the sound growth of the City because it is predominately underdeveloped due to factors such as no public infrastructure and the need for economic incentives to attract development to the Zone for the purpose of providing long-term economic benefits including, but not limited to, increased real property tax base for all taxing units in the Zone, increased sales and use tax for the City and the State of Texas, and increased job opportunities for residents of the City, Johnson County (the "County") and the region. If the public works, public improvements, programs, and other projects are financed as contemplated by the Final Plan (as hereinafter defined), the City envisions that the

Property will be developed to take full advantage of the opportunity to bring to the City and the County, and to all of the region's quality developments.

1.3. Preliminary Plan; Hearing

Before the City may adopt an ordinance designating the Zone, the City Council must prepare, or cause to be prepared a preliminary reinvestment zone financing plan in accordance with the Act and hold a public hearing on the creation of the proposed zone and its benefits to the City and to the Property, at which public hearing interested persons may speak for and against the creation of the Zone, the boundaries of the Zone, and the concept of tax increment financing, and at which hearing the owners of the Property must be given a reasonable opportunity to protest the inclusion of the Property in the Zone. The requirement of the Act for a preliminary reinvestment zone financing plan is satisfied by this preliminary plan dated April 20, 2026, (the "Preliminary Plan"), the purpose of which is to describe, in general terms, the TIRZ Projects that will be undertaken and financed by the Zone. A description of how such TIRZ Projects are to be undertaken and financed will be determined by the Final Plan (hereinafter defined), which require approval by the Board and by the City Council.

1.4. Creation of the Zone

Subsequent to the above-referenced public hearing, the City Council may adopt Ordinance No. 2026-0005 on April 20, 2026 (the "Creation Ordinance") in accordance with the Act to create the Zone after the City Council finds that development or redevelopment of the Property would not occur solely through private investment in the reasonably foreseeable future, that the Zone is feasible, and that creation of the Zone is in the best interest of the City and the Property. The Creation Ordinance for the Zone appointed a Board of Directors for the Zone initially consisting of seven (7) members (the "Board").

1.5. Board Recommendations

After creation of the Zone on April 20, 2026, the Board is anticipated to review the *Final Project and Finance Plan for Tax Increment Reinvestment Zone No. 4, City of Alvarado, Texas* (the "Final Plan") during its May 18, 2026, meeting, and it is anticipated to approve and recommend the Final Plan to the City Council pursuant to which the City will contribute a portion of the ad valorem tax increment (the "Tax Increment") attributable to new development in the Zone into a tax increment fund created by the City and segregated from all other funds of the City (the "TIRZ Fund") for payment of the costs of public works, public improvements, programs, and other projects benefiting the Zone.

1.6. Council Action

The City Council, taking into consideration the recommendations of the Board, is anticipated to consider and approve the Final Plan on May 18, 2026.

1.7. SUMMARY OF RESULTS

As real property taxes are generated on an ad valorem basis from assessed values, it is first necessary to estimate the future assessed value resulting from the Zone. This plan provides assessed value information based on the following:

- The development is completed as described in the Chambers Creek Development Agreement (the "Development Agreement") between the City, Alvarado 228 Development LLC, and Avalon Development Group, LLC (collectively the "Developer");
- The units are sold according to the development pace estimated by the Developer as summarized in subsequent sections of this report;
- Property values are projected to grow at two percent (2%) per year for the duration of the Zone;
- The real property tax rate remains static at the fiscal year 2026 level in future years;
- The Property is anticipated to include approximately 228 acres, with approximately 188.62 acres comprising the PID;
- The Property is divided into sub-areas, the Single-family Sub-Area and the Sports Complex Sub-Area as shown in **Exhibit B-2 and Exhibit B-3**;
- The City has committed to use **fifty percent (50%)** of the incremental revenues generated from the Single-family Sub-Area of the Property.
- The City has committed to use **fifty percent (50%)** of the incremental revenues generated from the Sports Complex Sub-Area of the Property.

In summary, the TIRZ financing analysis indicates that, assuming two percent (2%) annual inflation through 2062, the TIRZ is estimated to have an incremental value of $487,227,092 in the Single-family Sub-Area and $23,547,931 in the Sports Complex Sub-Area.

Table 1-A provides the projected total and incremental assessed value for the Zone in 2062. Refer to **Exhibit C-3.1, Exhibit C-3.2, and Exhibit C-3.3**, attached hereto, for more information on the projected incremental value for each year.

Table 1-A
Projected Assessed Values

Year	Projected Assessed Value	Base Value[1]	Projected Incremental Value
Single-family Sub-Area	$487,227,092	$0	$487,227,092
Sports Complex Sub-Area	$23,560,699	$12,768	$23,547,931

[1]The combined base value of $12,768 is based on the 2025 certified values provided by the Central Appraisal District of Johnson County ("JCAD") in the City limits for acreage in each sub-area as of March 9, 2026.

The projected assessed values displayed in Table 1-A are the basis for estimating incremental real property taxes. The projected incremental taxes are shown in Table 1-B. The Property is anticipated to be fully built out by December 31, 2031, and such fully built-out values are anticipated to be reflected in the 2032 property appraisal by JCAD, and the related incremental taxes will become fully available on taxes dues as of January 31, 2033. The new proposed development could not occur without the Public Improvements required to be constructed within the Zone.

Single-family Sub-Area

The total projected value of the new development at build-out as of January 1, 2031, is $263,709,700 with a projected incremental value of $263,709,700.

Sports Complex Sub-Area

The total projected value of the new development at build-out as of January 1, 2031, is $12,752,133, with a projected incremental value of $12,739,365.

Table 1-B illustrates the projected assessed value for taxes due as of January 31, 2033, assuming two percent (2%) annual inflation.

Table 1-B
Projected Incremental Tax Revenue

Jurisdiction	Total Projected Appraised Value at Buildout as of January 1, 2031	Base Value[1]	Total Projected Incremental Appraised Value at Buildout as of January 1, 2032	Projected Incremental Tax Revenue due as of January 31, 2032[2]	Projected Incremental Tax Revenue Available for Project Costs due as of January 31, 2033[2]
City of Alvarado – Single-family Sub-Area	$263,709,700	$0	$263,709,700	$2,125,527	$1,062,763
City of Alvarado – Sports Complex Sub-Area	$12,752,133	$12,768	$12,739,365	$102,681	$51,340

[1]The combined base value of $12,768 is based on the 2025 certified values provided by Johnson County Appraisal District ("JCAD") in the City limits for acreage in each sub-area as of March 9, 2026.

Refer to **<u>Exhibit C-3.1, Exhibit C-3.2, Exhibit C-4.1, Exhibit C-4.2, Exhibit C-5.1 and Exhibit C-5.2</u>** for projected tax increment revenues for each year under each scenario.

The financing plan for the Public Improvements contemplates the issuance of special assessment revenue bonds by the City and/or a reimbursement agreement executed by the City secured by special assessments on property within the PID (the "PID Assessments"). The bonds secured by the PID Assessments are referred to as the "PID Bonds" and the total estimated aggregate par amount is $35,000,000.

A portion of the total Public Improvements costs are proposed to be funded with the PID Bonds. As a result, real property tax increment revenues from the Single-family Sub-Area will be used to pay (i) a portion of the Project Costs (as hereinafter defined) by offsetting the PID Assessments imposed on the property within the PID and (ii) paying for Project Costs related to the Sports Complex. The maximum amount of Project Costs attributable to the Sports Complex to be paid from tax increment revenues generated from the Single-family Sub-Area and from the Sports

Complex Sub-Area is not to exceed $27,000,000 (the "Maximum TIRZ Sports Complex Reimbursement Amount").

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2. ASSESSMENT AND TAX COLLECTION PROCEDURES

2.1 AUTHORITY AND PURPOSE

Pursuant to Texas Tax Code, all taxable property is appraised at its market value as of January 1 of each year. Each county in Texas is served by an appraisal district, which determines the value of all that county's taxable property. Generally, local governments that collect property taxes, such as counties, cities and school districts, are members of the appraisal district.

2.2 METHODOLOGY

Each county appraisal district determines the value of all taxable property within the county boundaries. Tax Code Section 25.18 requires appraisal districts to reappraise all property in its jurisdiction at least once every three years. Tax Code Section 23.01 requires that appraisal districts comply with the Uniform Standards of Professional Appraisal Practice if mass appraisal is used and that the same appraisal methods and techniques be used in appraising the same or similar kinds of property. Individual characteristics that affect the property's market value must be evaluated in determining the property's market value.

Before appraisals begin, the appraisal district compiles a list of taxable property. The list contains a description and the name and address of the owner for each property. In a mass appraisal, the appraisal district then classifies properties according to a variety of factors, such as size, use and construction type. Using data from recent property sales, the appraisal district appraises the value of typical properties in each class. Taking into account differences such as age or location, the appraisal district uses typical property values to appraise all the properties in each class.

With few exceptions, Tax Code Section 23.01 requires taxable property to be appraised at market value as of January 1. Market value is the price at which a property would transfer for cash or its equivalent under prevailing market conditions if:

- it is exposed for sale in the open market with a reasonable time for the seller to find a purchaser;
- both the seller and the purchaser know of all the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions on its use; and
- both the seller and purchaser seek to maximize their gains and neither is in a position to take advantage of the exigencies of the other.

Source: https://comptroller.texas.gov/taxes/property-tax/valuing-property.php

2.3 APPEALS

According to the JCAD, property owners may utilize the JCAD appeal procedures if they have a concern about:

- the market or appraised value of the property;
- unequal appraisal of the property compared to other properties;
- the inclusion of the property on the appraisal roll;
- any exemptions that may apply to the property owner;
- the qualification for an agricultural or timber appraisal;
- the taxable status of the property;
- the local governments which should be taxing the property;
- the ownership of property;
- a change of use of land receiving special appraisal; and/or
- any action taken by the chief appraiser, JCAD or Appraisal Review Board ("ARB") that applies to and adversely affects the property.

If property owners cannot resolve their concern informally with the JCAD staff, they may have their cases heard by the ARB. The ARB is an independent board of citizens that review problems with appraisals or other concerns listed above. It has the power to order the JCAD to make the necessary changes to solve problems. If a property owner files a written request for an ARB hearing (called a notice of protest) on or before May 31 (or 30 days after the notice of appraised value was mailed to the property owner, whichever is later), the ARB will set the case for a hearing. The property owner will receive written notice of the time, date, and place of the hearing. After it decides the case, the ARB must send them a copy of its order by certified mail. If the property owner is not satisfied with the decision, it has the right to appeal. If it chooses to go to court, the property owner must start the process by filing a petition within 60 days of the date it receives the ARB's order. In certain cases, as an alternative to filing an appeal in district court, the property owner may file not later than the 45th day after it receives notice of the ARB order a request for binding arbitration with the JCAD. In certain cases, originating in certain counties, as an alternative to filing an appeal in district court, the property owner may appeal to the State Office of Administrative Hearings (SOAH). An appeal to SOAH is initiated by not later than the 30th day after the property owner receives notice of the ARB's order by filing with the chief appraiser of the JCAD a notice of appeal.

2.4 Taxation Procedures

The appraisal and property tax process for each tax year includes the steps shown in Table 2-A.

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Table 2-A
Property Tax Timeline

Date(s)	Event
January 1	CADs are required to appraise property on this date. A lien attaches to each taxable property to ensure property tax payment.
January 1 - April 30	CAD completes appraisals and processes applications for exemptions.
April - May	Appraisal districts send notices of appraised value.
May 1	Appraisal review board begins hearing protests from property owners.
July 1	Local taxing units may impose additional penalties for legal costs related to collecting unpaid taxes.
August - September	Local taxing units adopt tax rates.
October 1	Local taxing units (or county tax assessor-collector, acting on their behalf) begin sending tax bills to property owners.
January 1	Taxes due to local taxing units (or county tax assessor-collector, if acting on their behalf).
February 1	Local taxing units begin charging penalty and interest for unpaid tax bills.

2.5 Penalties and Interest

According to the Texas Comptroller, if taxes are not paid by January 31st, penalties and interest will accrue are shown in Table 2-B.

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Table 2-B
Penalties and Interest

If Tax Paid In:	Penalty		Interest		Total
February	6%	+	1%	=	7%
March	7%	+	2%	=	9%
April	8%	+	3%	=	11%
May	9%	+	4%	=	13%
June	10%	+	5%	=	15%
July	12%	+	6%	=	18%

Penalties reach a maximum of twelve percent (12%) and interest of one percent (1%) is added each month after the due date. All real property accounts not paid in full by June 30th of the year in which they become delinquent will be referred to the delinquent tax attorney for enforced collection and will incur an additional penalty equal to fifteen percent to twenty percent (15% - 20%) of the total taxes, penalties, and interest due.

2.6 Tax Sale

According to the Johnson County Tax Collector's website, tax sales are held once orders of sale are issued from the district courts in reference to tax judgments for delinquent taxes. Real property being sold as a result of a foreclosure to satisfy delinquent taxes is required by Texas law to be sold on the first Tuesday of the month. All counties have sales on the same day.

2.7 TAX RATES

Tax rates are set on an annual basis by the City. For fiscal year 2026, real property tax rate in the City is $0.806010 per $100 of assessed value.

The City tax rates have fluctuated in past years. It is likely that the tax rates will continue to change overtime; for purposes of this study, however, it is assumed that the tax rate will remain at its current level in future years.

Table 2-C provides historical tax rates from fiscal years 2019 to 2026.

<u>Table 2-C</u>
Historical Tax Rates 2019-2026

Fiscal Year	City Tax Rate Per $100 Assessed Value (Total)
2019	$0.732031
2020	$0.751419
2021	$0.812696
2022	$0.812696
2023	$0.811895
2024	$0.782572
2025	$0.806010

Source: City of Alvarado

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3. Project Plan

3.1. Descriptions and Maps

Existing Uses and Conditions. The Property in the Zone is contiguous and is currently located partially within the corporate limits of the City and partially in the extraterritorial jurisdiction. The Property is comprised of approximately 228 acres described on **Exhibit B-1**. The portion of the Property within the City limits is zoned as agricultural and the remaining property is also utilized for agricultural use.

The Property is undeveloped, and there is limited public infrastructure to support development. Development will require public infrastructure that: (1) the City cannot provide; and (2) will not be provided solely through private investment in the foreseeable future. A map of the Property and the Zone are shown on **Exhibit A-1, Exhibit A-2, and Exhibit A-3**.

Proposed Uses. The Property is zoned consistent with the development standards in the Development Agreement, and the uses permitted by such. A map of the proposed uses is shown on **Exhibit D** and a description of the proposed uses within the Property are shown on Table 3-A.

Table 3-A
Description of Proposes Uses

Property Type	Estimated Completion	Quantity	Measurement
Single-family			
Single Family – 50 Ft Lot	2031	336	Units
Single Family – 40 Ft Lot	2031	302	Units
Single Family – 29 Ft Lot	2031	75	Units
Sports Complex			
Commercial	2030	105,000	Sq Ft

[1]Provided by the Developer.

Metes and Bounds Description. Metes and bounds descriptions of the various tracts that comprise the Property are provided on **Exhibit B-1, Exhibit B-2, and Exhibit B-3**. The list of Parcels in the Zone is shown in **Exhibit E.**

3.2. Proposed Changes to Ordinances, Plans, Codes, Rules and Regulations

All construction will be done in conformance with existing building code regulations of the City of Alvarado. There are no proposed changes of any city development ordinances, master plans or building codes.

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3.3. ESTIMATED NON-PROJECT COSTS

Non-project costs are funds that will be spent to develop in the Zone but will not be financed by the Zone. The Non-Project Costs are estimated at approximately $12,182,006 for the total property within the Zone.

3.4. RELOCATION OF DISPLACED PERSONS

No persons will be displaced or relocated due to the creation of the Zone or implementation of the Final Plan.

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4. *FINANCING PLAN*

4.1. ESTIMATED PROJECT COSTS

The total project costs of the Zone (the "Project Costs") include the Administrative Costs defined below and the costs of the Public Improvements (as defined herein) are estimated to be approximately $47,612,770, as set forth in **Exhibit E**. The Project Costs for administration of the Zone shall be the actual, direct costs paid or incurred by or on behalf of the City to administer the Zone (the "Administrative Costs"). The Administrative Costs include the costs of professional services, including those for planning, engineering, and legal services paid by or on behalf of the City. The Administrative Costs also include organizational costs, including the costs of conducting studies, the cost of publicizing the creation of the Zone, and the cost of implementing the project plan for the Zone paid by or on behalf of the City. The Administrative Costs shall be paid each year from the TIRZ Fund (hereinafter defined) before any other Project Costs are paid.

4.2. PROPOSED PUBLIC IMPROVEMENTS

Categories of Public Improvements. The categories of public works and public improvements (the "Public Improvements") that are proposed to be financed within the Zone are as follows: water and wastewater improvements, sanitary and storm sewer improvements, road, paving, landscape and irrigation improvements, public park, other soft and miscellaneous costs and contingency. All Public Improvements shall be designed and constructed in accordance with the applicable City standards and shall be reviewed, inspected, approved, and accepted by the City, respectively. At the discretion of the City, some of the Public Improvements that are to be financed with the TIRZ Increments may be owned by the City but maintained by a homeowners' association as may be agreed by the City from time to time.

Locations of Public Improvements. The estimated locations of the proposed Public Improvements to be constructed within the Zone are shown in **Exhibit F**. These locations are provided for informational purposes only and may be revised by City Staff without amending the Final Plan.

4.3. ECONOMIC FEASIBILITY

The development is proposed to be developed on vacant land. As shown in **Exhibit G**, the current aggregate appraised value of the property is $12,768 (shown as assessed value in the JCAD records). The development is projected to be fully built out by December 31, 2031, based on the preliminary absorption estimated by the Developer.

For purposes of this Plan, economic feasibility has been evaluated over the term of the Zone based on the projected taxable value growth as shown in the projected absorption, projected incremental assessed values and projected incremental taxes shown in **Exhibit C**. This evaluation focuses only on 'direct' financial benefits (i.e., projected tax revenues from new development in the Zone) of the Public Improvements to be constructed within the Zone and does not take into consideration the potential 'multiplier effect' of this development towards new development outside the Zone and the non-property tax revenue-related benefits like job creation to the properties within and outside of the Zone. The new proposed development could not occur without the Public Improvements required to be constructed within the Zone.

Single-family Sub-Area

The total projected value of the new development at build-out as of January 1, 2032, is $263,709,700 with an incremental value of $263,709,700. The new development is projected to generate approximately $2,125,527 in annual projected incremental real property taxes at build-out and approximately $98,085,681 during the anticipated term of the Zone as shown in Table 4-A.

Sports Complex Sub-Area

The total projected value of the new development at build-out as of January 1, 2032, is $12,752,133 with an incremental value of $12,739,365. The new development is projected to generate approximately $102,681 in annual projected incremental real property taxes at build-out and approximately $4,741,122 during the anticipated term of the Zone as shown in Table 4-A.

Table 4-A
Projected Incremental Tax Revenue

Jurisdiction	Total Projected Incremental Appraised Value at Buildout as of January 1, 2031	Total Projected Annual Incremental Tax Revenue at Build-Out (Due by January 31, 2032)[1]	Total Projected Annual Incremental Tax Revenue at Build-Out Available for Project Costs (Due by January 31, 2032)[1]	Total Projected Incremental Tax Revenue during the Term of the TIRZ[1]
City of Alvarado - Single-family Sub-Area	$263,709,700	$2,125,527	$1,062,763	$98,085,681
City of Alvarado - Sports Complex Sub-Area	$12,739,365	$102,681	$51,340	$4,741,122
Total		**$2,228,207**	**$1,114,104**	**$102,826,803**

[1]Represents the projected incremental tax revenues generated from the Property.

Single-family Sub-Area

Fifty percent (50%) of the tax increment revenue realized for the City within the Single-family Sub-Area of the Zone will be retained by the City to be used for any lawful purpose. The remaining fifty percent (50%) of the tax increment revenue realized within the Single-family Sub-Area of the Zone will be dedicated to pay for Project Costs until the term of the Zone expires in 2062. Upon the expiration of the zone, fifty percent (50%) of the tax increment revenue shall be retained by the City to be used for any lawful purpose. Upon expiration or termination of the Zone, one hundred (100%) of all tax revenue generated within the Zone will be retained by the City.

These projections assume two percent (2%) annual property value inflation factor. As shown in **Exhibit C-3.1, Exhibit C-3.2, and Exhibit C-4.1** the total anticipated TIRZ contribution towards Public Improvements is projected to be $44,615,147. As a result, the TIRZ is anticipated to generate $53,470,534 (i.e., $98,085,681 - $44,615,147) in excess incremental real property taxes during the anticipated term of the Zone for payment of costs of the City, demonstrating economic feasibility of the proposed TIRZ structure.

Sports Complex Sub-Area

Fifty percent (50%) of the tax increment revenue realized for the City within the Sports Complex Sub-Area of the Zone will be retained by the City to be used for any lawful purpose. The remaining fifty percent (50%) of the tax increment revenue realized \within the Sports Complex Sub-Area of the Zone will be dedicated to pay for Project Costs until the earlier of (i) the Maximum Sports Complex Reimbursement Amount is paid, or (ii) the term of the Zone expires in 2062. Upon the occurrence of (i) or (ii), fifty percent (50%) of the tax increment revenue shall be retained by the taxing units to be used for any lawful purpose. Upon expiration or termination of the Zone, one hundred (100%) of all tax revenue generated within the Zone will be retained by the City.

These projections assume two percent (2%) annual property value inflation factor. As shown in **Exhibit C-3.3** and **Exhibit C-4.2** the total anticipated TIRZ contribution towards Public Improvements is projected to be $2,001,989. As a result, the TIRZ is anticipated to generate $2,739,133 (i.e., $4,741,122 - $2,001,989) in excess incremental real property taxes during the anticipated term of the Zone for payment of costs of the City, demonstrating economic feasibility of the proposed TIRZ structure.

Table 4-B shows the projected TIRZ Contribution by each participating jurisdiction for each sub-area.

Table 4-B
Projected TIRZ Contribution

Jurisdiction	Total Projected Incremental Tax Revenue during the Term of the TIRZ[1]	Participation Percentage	Total Projected Incremental Tax Revenue Available for payment of Project Costs[2]	Total Projected Incremental Tax Revenue Available to the City
Single-family Sub-Area				
City of Alvarado - Single-family Sub-Area	$98,085,681	20%[3]	$19,617,136	$21,388,214
City of Alvarado - Single-family Sub-Area	$98,085,681	30%[4]	$24,998,011	$32,082,320
Subtotal Single-family Sub-Area			$44,615,147	$53,470,534
City of Alvarado - Sports Complex Sub-Area	$4,741,122	50%	$2,001,989	$2,739,133
Total			**$46,617,136**	**$56,209,667**

[1] Represents the projected incremental tax revenues generated from the Property using the respective tax rate.
[2]Represents the total projected incremental tax revenue available to pay for Project Costs.
[3]The twenty percent (20%) participation from the Single-family Sub-Area is calculated as 40% x 50% = 20%.
[4]The thirty percent (30%) participation from the Single-family Sub-Area is calculated as 60% x 50% = 30%.

4.4. TIRZ Participation Level

For properties within the TIRZ fifty percent (50%) of the total City incremental real property tax revenue generated from the Single-family Sub-Area and fifty percent (50%) of the total City incremental real property tax generated from the Sports Complex Sub-Area will be dedicated to the TIRZ Fund, as shown in Table 4-C.

Table 4-C
TIRZ Participation by Entity

Jurisdiction	TIRZ Participation level as % of Tax Rate
City of Alvarado Single-family Sub-Area	50%
City of Alvarado Sports Complex Sub-Area	50%

4.5. Estimated Bonded Indebtedness

It is anticipated that TIRZ bonds will be issued in the future.

It is proposed that approximately 188.62 acres comprising the Zone will be located within the PID. It is anticipated that PID Bonds or other similar debt obligations may be incurred in the future. Currently, there is no impact from the PID Bonds on the TIRZ Fund.

4.6. Estimated Time for Costs or Obligations

The Project Costs are estimated to be incurred upon development. The Administrative Costs will be incurred annually and will continue to be collected until all Project Costs are reimbursed or the term of the Zone has expired.

4.7. Method of Financing

The City, in the future, will pay (using the TIRZ funds) the Project Costs as annual TIRZ contributions. The Final Plan shall obligate the City to pay from the TIRZ Fund annual TIRZ contributions related to the Project Costs, which shall be reviewed and approved by the City. Funds deposited into the TIRZ Fund shall always first be applied to pay the Administrative Costs. After the Administrative Costs have been paid, funds in the TIRZ Fund shall next be used to pay or reimburse the Project Costs for each sub-area as described below.

Single-family Sub-Area

Forty percent (40%) of the fifty percent (50%) of the TIRZ Funds for the Single-family Sub-Area shall be deposited in to the Chambers Creek PID Account. Sixty percent (60%) of the fifty percent (50%) of the TIRZ Funds for the Single-family Sub-Area shall be deposited to the Sports Complex Account as shown in Table 4-D. Upon the full reimbursement of the Maximum TIRZ Sports Complex Reimbursement Amount, sixty percent (60%) of the fifty percent (50%) of the TIRZ Funds for the Single-family Sub-Area shall be available to the City.

Sports Complex Sub-Area

One hundred percent (100%) of the fifty percent (50%) of the TIRZ Funds for the Sports Complex Sub-Area shall be deposited to the Sports Complex Account as shown in Table 4-D.

Table 4-D
TIRZ Contribution by TIRZ Fund Account

Jurisdiction	TIRZ Participation Percentage	Total Projected Incremental Tax Revenue Available for payment of Project Costs
Chambers Creek PID Account[1]	20%	$19,617,136
Sports Complex Account[3]		
Single-family Sub-Area	30%	$24,998,011
Sports Complex Sub-Area	50%	$2,001,989
Subtotal Sports Complex Account		*$27,000,000*
Total		**$46,617,136**

[1]See Exhibit C-3.1.

[3]See Exhibit C-5.1. Upon payment of the Maximum Sports Complex Reimbursement Amount, one hundred percent (100%) of the tax increment collected will be retained by the City.

All payments of Project Costs shall be made solely from the TIRZ Fund and from no other funds of the City unless otherwise approved by the respective governing body, and the TIRZ Fund shall only be used to pay the Project Costs. The Final Plan shall obligate the City to deposit into each sub-account of the TIRZ Fund each year for the duration of the Zone a portion of the Tax Increment calculated as a millage rate per $100 of captured appraised value in each sub-area of the Zone that equals fifty percent (**50%)** of the City tax rate for properties in each sub-area of the Zone for years one through thirty-six (1-36).

4.8. Total Appraised Value

Single-family Sub-Area

The current preliminary total appraised value of taxable real property in the Single-family Sub-Area of the Zone is $0.00, as shown in **Exhibit G**. It is estimated that upon expiration of the term of the Zone, the total appraised value of taxable real property in the Single-family Sub-Area of the Zone is estimated to be $487,227,092.

Sports Complex Sub-Area

The current preliminary total appraised value of taxable real property in the Sports Complex Sub-Area of the Zone is $12,768, as shown in **Exhibit G**. It is estimated that upon expiration of the term of the Sports Complex Sub-Area of the Zone, the total appraised value of taxable real property in the Zone is estimated to be $23,560,699.

4.9. Estimated Captured Appraised Value Taxable by the City and the County

The captured appraised value of the Property taxable by the City for a year is the total taxable value of the Property for that year less the tax increment base of the Property. The tax increment base of the Property is the total taxable value of the Property for the year in which the Zone was designated. If the Zone is created during calendar year 2026, the tax increment base of the Property in the Single-family Sub-Area will be $0.00, and the tax increment base of the Property in the Sports Complex Sub-Area will be $12,768 as shown in **Exhibit G**.

4.10. Duration of the Zone; Termination

The stated term of the Zone shall be thirty-six (36) years and the base year is January 1, 2026, and shall continue until fiscal year ending December 31, 2062 (with final year's tax to be deposited by January 31, 2063), unless otherwise terminated in accordance with this section, the Creation Ordinance, and Section 4.3 above. The City shall have the right to terminate the Zone prior to the expiration of its stated term if all of the Project Costs have been paid. If upon expiration of the stated term of the Zone, Project Costs have not been paid, the City has no obligation to pay the shortfall. The provisions of this section shall be included in the ordinance that creates the Zone. Nothing in this section is intended to prevent the City from extending the term of the Zone in accordance with the Act.

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5. ASSUMPTION AND LIMITATIONS

The valuation of property for real property tax purposes is determined by the county appraisal district (CAD). This plan attempts to estimate how the CAD may estimate the value of the subject properties in the future. The values estimated by the CAD will almost certainly differ from the estimates included in this report. Values can change significantly over time, and these changes can be significantly higher or lower than values in previous years. Determining property values for tax purposes is not as straight forward or as simple as the analysis in this report. Many factors not considered in this report may impact actual future values. Furthermore, property values are not likely to be consistent from year to year.

The CAD often relies on market data to estimate the value of property. Property values can be appealed, competition can be greater, national or local market conditions can change; in short, there are many factors that can affect the valuation of property. These factors make the projection of future values an imprecise exercise. The successful development of the subject properties is critical to the values estimated in the report.

This report has assumed property taxes are paid as due. This report does not include an analysis to determine if the owners of property within the Zone will be able or willing to pay property taxes or if the tax collector will be able to collect unpaid taxes. The actual delinquencies in the payment of real property taxes in the Zone will likely be different than assumed in this report and a significant increase in the failure to pay property taxes would materially affect the tax increment revenues available for the payment of Project Costs.

This report estimates future tax increment revenues based on current real property tax rates. Scenarios do not assume real property tax rates in the future will be different than tax rates for fiscal year 2026 as shown in Table 2-D. Real property tax rates have varied over the years and have declined over the years. Real property tax rates will likely vary significantly in future years and be different than assumed in this report and a significant decrease in real property tax rates could materially affect the tax increment revenues available for the payment of Project Costs.

This report includes projections of tax increment revenues based on two percent (2%) annual appreciation for real property. Changes in values will not be consistent from year to year. Future values are estimated based on values in 2025. Values in any future year may be less than values in 2025.

This report assumes that the subject properties will be developed as projected in this report. A delay in the development of properties or changes to the program of development would reduce tax increment revenues during the years of the delay and could result in there being inadequate tax increment revenues to pay the Project Costs. No analysis has been conducted to determine if the subject properties are likely to be developed as projected.

Numerous sources of information were relied on in the preparation of this report. These sources are believed to be reliable; however, no effort has been made to verify information obtained from other sources.

In summary, this report necessarily incorporates numerous estimates and assumptions with respect to property performance, general and local business and economic conditions, the absence of material changes in the competitive environment and other matters. Some estimates or assumptions will inevitably not materialize, and unanticipated events and circumstance will occur. As a result, actual results will vary from the estimates in this report and the variations may be material.

Other assumptions made in the preparation of this report and limiting conditions to this report are as follows:

1. There are no zoning, building, safety, environmental or other federal, state, or local laws, regulations, or codes that would prohibit or impair the development, marketing or operation of the subject properties in the manner contemplated in this report, and the subject properties will be developed, marketed and operated in compliance with all applicable laws, regulations, and codes.

2. No material changes will occur in (a) any federal, state or local law, regulation or code affecting the subject properties or (b) any federal, state or local grant, financing or other program to be utilized in connection with the subject properties.

3. The local, national and international economies will not deteriorate and there will be no significant changes in interest rates or in rates of inflation or deflation.

4. The subject properties will be served by adequate transportation, utilities and governmental facilities.

5. The subject properties will not be subjected to any war, energy crises, embargo, strike, earthquake, flood, fire or other casualty or act of God.

6. The subject properties will be developed, marketed, and operated in a highly professional manner.

7. There are no existing, impending or threatened litigation that could hinder the development, marketing, or operation of the subject properties.

8. MuniCap, Inc. does not have expertise in and has no responsibility for legal, environmental, architectural, geologic, engineering, and other matters related to the development and operation of the subject properties.

6. LIST OF EXHIBITS

Unless otherwise stated, all references to "Exhibits" contained in this Final Plan shall mean and refer to the following exhibits, all of which are attached to and made a part of this Final Plan for all purposes.

- Exhibit A — Current Map of the Property and TIRZ Zone
  - Exhibit A-1 — Current Map of the Property and TIRZ Zone
  - Exhibit A-2 — Current Map of the Single-family Sub-Area
  - Exhibit A-3 — Current Map of the Sports Complex Sub-Area
- Exhibit B — Metes and Bounds of Property in the Zone
  - Exhibit B-1 — Metes and Bounds of Property in the Zone
  - Exhibit B-2 — Metes and Bounds of the Single-family Sub-Area
  - Exhibit B-3 — Metes and Bounds of the Sports Complex Sub-Area
- Exhibit C — Projected Absorption, Incremental Assessed Values and Incremental Real Property Taxes
  - Exhibit C-1.1 — Projected Absorption – Single-family Sub-Area
  - Exhibit C-1.2 — Projected Absorption – Sports Complex Sub-Area
  - Exhibit C-2.1 — Projected Assessed Value – Single-family Sub-Area
  - Exhibit C-2.2 — Projected Assessed Value – Sports Complex Sub-Area
  - Exhibit C-3.1 — Projected Incremental Assessed Values and Incremental Real Property Taxes Available for PID Offset – Single-family Sub-Area City of Alvarado
  - Exhibit C-3.2 — Projected Incremental Assessed Values and Incremental Real Property Taxes Available for TIRZ Obligations – Single-family Sub-Area City of Alvarado
  - Exhibit C-3.3 — Projected Incremental Assessed Values and Incremental Real Property Taxes Available for TIRZ Obligations – Sports Complex Sub-Area City of Alvarado
  - Exhibit C-4.1 — Projected Incremental Assessed Values and Incremental Real Property Taxes Available to the City – Single-family Sub-Area City of Alvarado
  - Exhibit C-4.2 — Projected Incremental Assessed Values and Incremental Real Property Taxes Available to the City – Sports Complex Sub-Area City of Alvarado
  - Exhibit C-5.1 — Projected Incremental Assessed Values and Incremental Real Property Taxes Available for TIRZ Obligations Sports Complex Sub-Area – Total Summary
  - Exhibit C-5.2 — Projected Incremental Assessed Values and Incremental Real Property Taxes Available to the City – Total Summary
- Exhibit D — Map and Description of the Proposed Uses of the Property (current concept plan)
- Exhibit E — Project Costs
- Exhibit F — Map of the Public Improvements
- Exhibit G — Current Appraised Value of the Zone (Base Year)

EXHIBIT A
CURRENT MAP OF THE PROPERTY AND TIRZ ZONE

Exhibit A-1
Current Map of the Property and TIRZ Zone

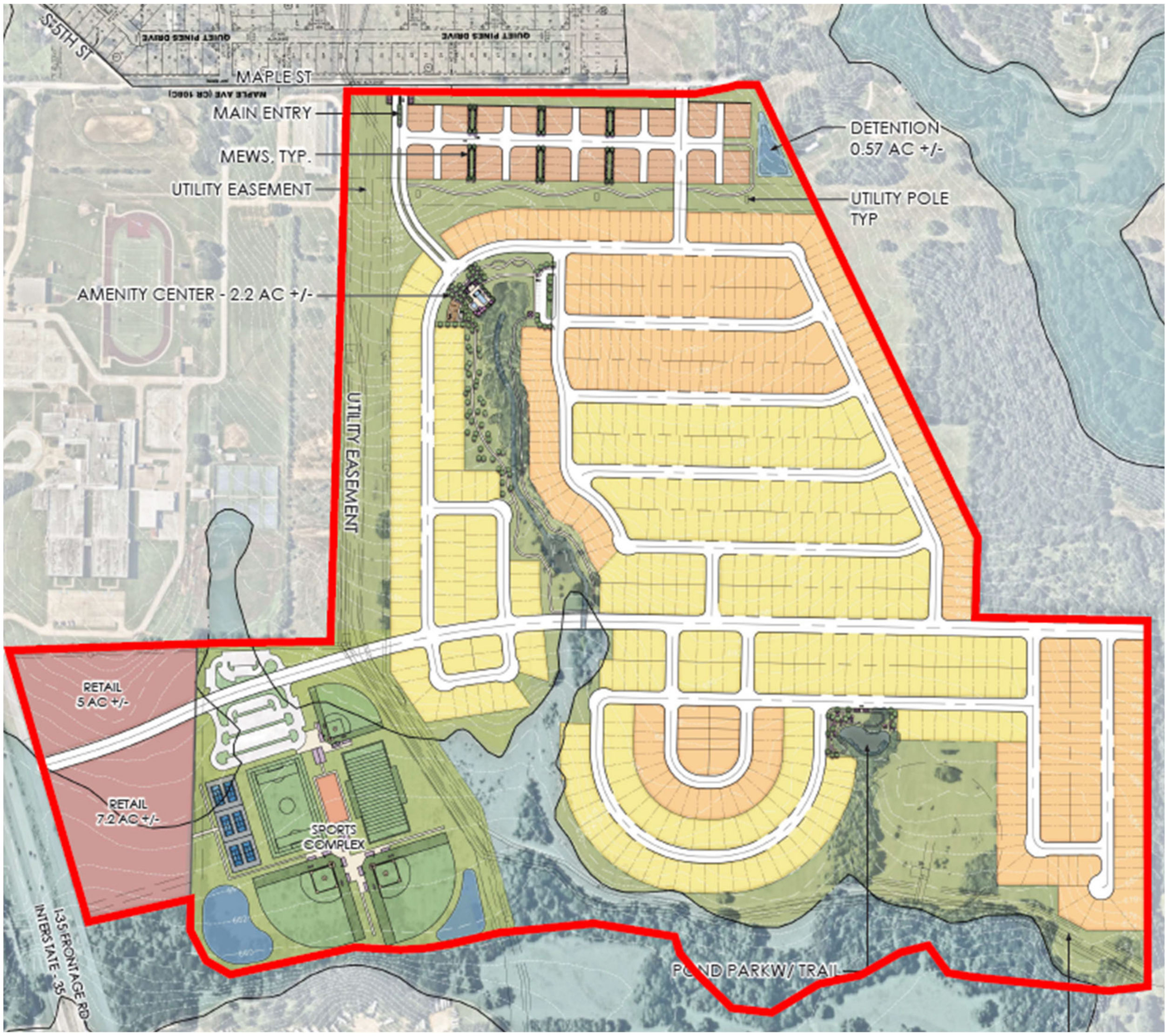

Exhibit A-2
Current Map of the Single-family Sub-Area

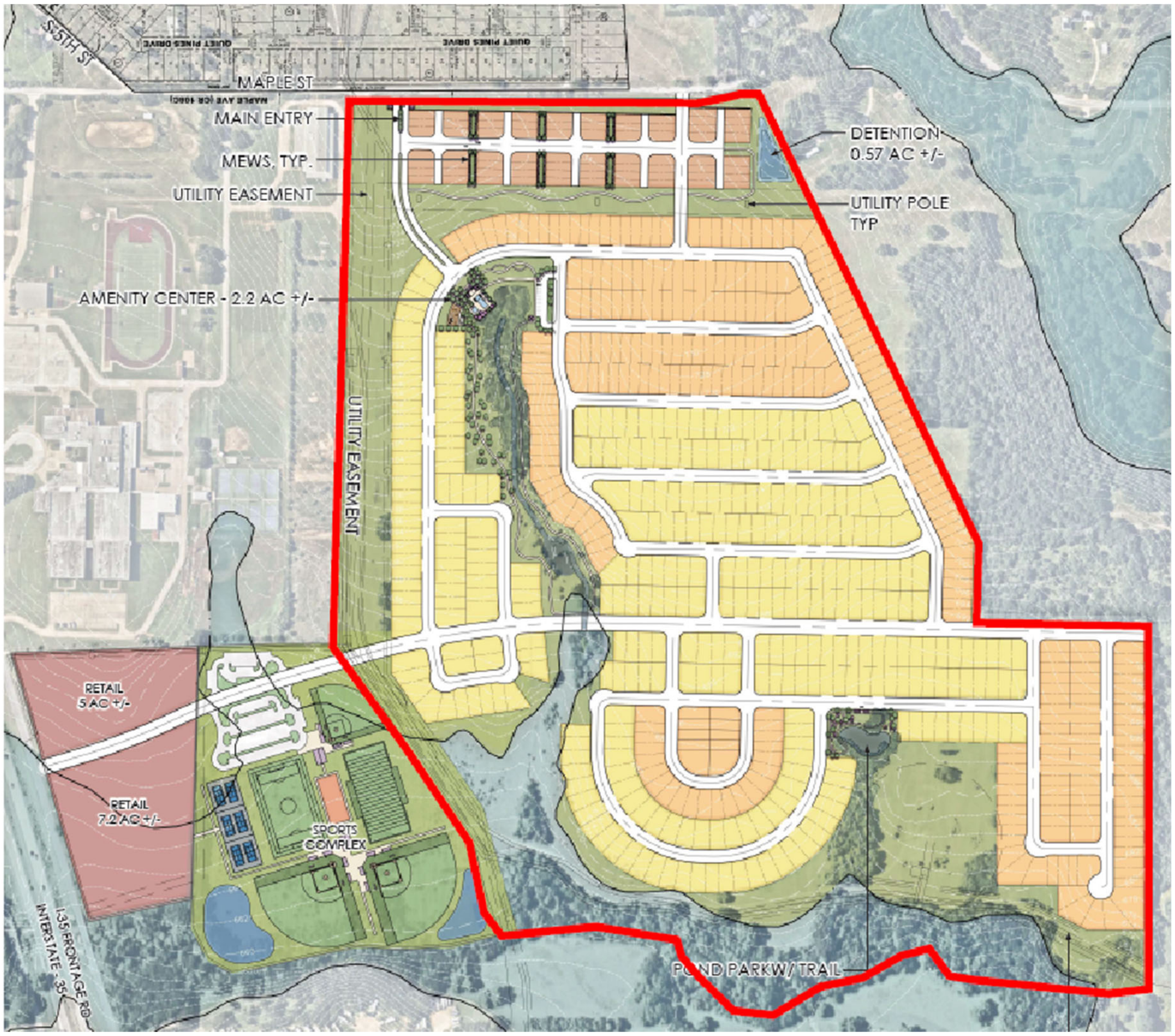

Exhibit A-3
Current Map of the Sports Complex Sub-Area

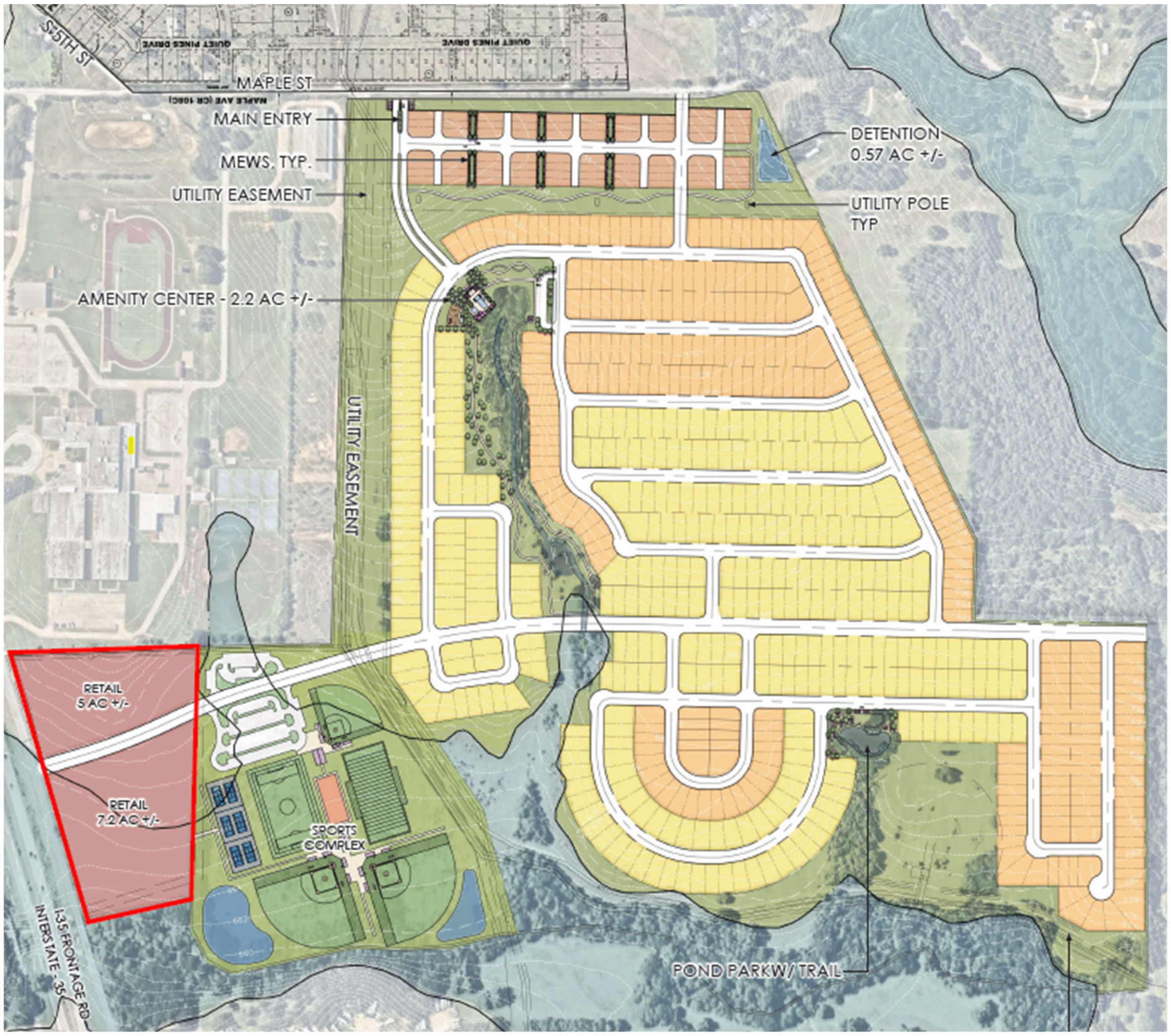

EXHIBIT B

METES AND BOUNDS OF THE PROPERTY

EXHIBIT A-1

Parcel 1 (Residential Tract) – Metes and Bounds Description

Beginning at a mag nail with washer set stamped “MANHARD CONSULTING” at the northernmost northwest corner;
THENCE North 89°45'44” East, a distance of 1,669.99 feet to a yellow capped 5/8” iron rod set stamped “MANHARD CONSULTING”;
THENCE North 62°48'30” East, continuing along said line, a distance of 147.84 feet to a mag nail with washer set stamped “MANHARD CONSULTING” at the northeast corner;
THENCE South 25°14'01” East, along the common line, a distance of 2,002.48 feet to a 1/2” iron rod found;
THENCE South 01°37'36” West, a distance of 314.22 feet to a found fence post;
THENCE South 89°01'16” East, a distance of 676.85 feet to a found 1/2" iron rod;
THENCE South 00°12'15” East, a distance of 1,428.77 feet to a 1/2" iron rod found at the southeast corner;
THENCE South 82°22'29” West, a distance of 160.00 feet to a capped 5/8" iron rod found stamped "RPLS 4838";
THENCE North 84°13'06” West, 557.60 feet;
THENCE North 78°11'06” West, 75.80 feet;
THENCE North 36°28'06” West, 127.40 feet;
THENCE South 75°02'54” West, 101.10 feet;
THENCE South 60°58'54” West, 175.40 feet;
THENCE South 77°47'51” West, 175.00 feet;
THENCE South 56°30'54” West, 172.60 feet;
THENCE North 86°37'06” West, 202.00 feet;
THENCE North 55°59'06” West, 54.80 feet;
THENCE North 45°42'06” West, 143.80 feet;
THENCE North 35°43'06” West, 100.00 feet;
THENCE North 21°54'06” West, 58.20 feet;
THENCE North 78°48'06” West, 186.90 feet;
THENCE North 80°49'06” West, 120.90 feet;
THENCE South 84°37'54” West, 367.50 feet;
THENCE North 76°51'54” East, 22.35 feet;
THENCE North 12°47'36” West, 333.88 feet;
THENCE North 33°45'46” West, 978.77 feet;
THENCE North 89°48'52” East, 1.29 feet;
THENCE North 01°00'47” East, 2,128.25 feet;
THENCE South 89°49'45” West, 199.77 feet;
THENCE North 01°10'12” East, 20.88 feet to the **POINT OF BEGINNING**.
CONTAINING ±188.50 acres of land.

Parcel 2 (Sports Complex) – Metes and Bounds Description

Commencing at a mag nail with washer set stamped "MANHARD CONSULTING" at the northernmost northwest corner;
THENCE South 01°10'12" West, 20.88 feet;
THENCE North 89°49'45" East, 199.77 feet;
THENCE South 01°00'47" West, 2128.25 feet;
THENCE South 89°48'52" West, 1.29 feet to the **POINT OF BEGINNING**;
THENCE North 33°45'46" West, 978.77 feet;
THENCE North 12°47'36" West, 333.88 feet;
THENCE South 76°51'54" West, 180.65 feet;
THENCE South 85°21'54" West, 200.10 feet;
THENCE North 86°16'06" West, 178.50 feet;
THENCE South 75°39'54" West, 300.00 feet;
THENCE South 79°27'54" West, 200.60 feet;
THENCE North 60°35'35" West, 113.10 feet;
THENCE North 26°54'15" West, 139.50 feet;
THENCE North 01°04'35" East, 113.85 feet;
THENCE North 01°15'43" West, 989.34 feet;
THENCE North 88°03'11" East, 362.87 feet;
THENCE North 89°48'52" East, 198.54 feet to the **POINT OF BEGINNING**.
CONTAINING ±26.41 acres of land.

Parcel 3 (Commercial) – Metes and Bounds Description

Commencing at a mag nail with washer set stamped “MANHARD CONSULTING” at the northernmost northwest corner;
THENCE South 01°10'12” West, 20.88 feet;
THENCE North 89°49'45” East, 199.77 feet;
THENCE South 01°00'47” West, 2128.25 feet;
THENCE South 89°48'52” West, 1.29 feet;
THENCE South 89°48'52” West, 198.54 feet;
THENCE South 88°03'11” West, 362.87 feet to the **POINT OF BEGINNING**;
THENCE North 01°15'43” West, 989.34 feet;
THENCE South 77°34'21” West, 401.58 feet;
THENCE North 16°34'19” West, 824.58 feet;
THENCE along a curve to the left, having a radius of 5,904.58 feet, a delta of 02°38'45”, an arc length of 272.67 feet, and whose long chord bears North 17°50'20” West, 272.65 feet to a capped 5/8” iron rod found stamped "RPLS 4838";
THENCE North 87°59'41” East, 733.11 feet to the **POINT OF BEGINNING**.
CONTAINING ±13.29 acres of land.

EXHIBIT A-2

Parcel 1 (Residential Tract) – Metes and Bounds Description

Beginning at a mag nail with washer set stamped “MANHARD CONSULTING” at the northernmost northwest corner;
THENCE North 89°45'44” East, a distance of 1,669.99 feet to a yellow capped 5/8” iron rod set stamped “MANHARD CONSULTING”;
THENCE North 62°48'30” East, continuing along said line, a distance of 147.84 feet to a mag nail with washer set stamped “MANHARD CONSULTING” at the northeast corner;
THENCE South 25°14'01” East, along the common line, a distance of 2,002.48 feet to a 1/2” iron rod found;
THENCE South 01°37'36” West, a distance of 314.22 feet to a found fence post;
THENCE South 89°01'16” East, a distance of 676.85 feet to a found 1/2" iron rod;
THENCE South 00°12'15” East, a distance of 1,428.77 feet to a 1/2" iron rod found at the southeast corner;
THENCE South 82°22'29” West, a distance of 160.00 feet to a capped 5/8" iron rod found stamped "RPLS 4838";
THENCE North 84°13'06” West, 557.60 feet;
THENCE North 78°11'06” West, 75.80 feet;
THENCE North 36°28'06” West, 127.40 feet;
THENCE South 75°02'54” West, 101.10 feet;
THENCE South 60°58'54” West, 175.40 feet;
THENCE South 77°47'51” West, 175.00 feet;
THENCE South 56°30'54” West, 172.60 feet;
THENCE North 86°37'06” West, 202.00 feet;
THENCE North 55°59'06” West, 54.80 feet;
THENCE North 45°42'06” West, 143.80 feet;
THENCE North 35°43'06” West, 100.00 feet;
THENCE North 21°54'06” West, 58.20 feet;
THENCE North 78°48'06” West, 186.90 feet;
THENCE North 80°49'06” West, 120.90 feet;
THENCE South 84°37'54” West, 367.50 feet;
THENCE North 76°51'54” East, 22.35 feet;
THENCE North 12°47'36” West, 333.88 feet;
THENCE North 33°45'46” West, 978.77 feet;
THENCE North 89°48'52” East, 1.29 feet;
THENCE North 01°00'47” East, 2,128.25 feet;
THENCE South 89°49'45” West, 199.77 feet;
THENCE North 01°10'12” East, 20.88 feet to the **POINT OF BEGINNING**.
CONTAINING ±188.50 acres of land.

EXHIBIT A-3

Parcel 3 (Commercial) – Metes and Bounds Description

Commencing at a mag nail with washer set stamped “MANHARD CONSULTING” at the northernmost northwest corner;
THENCE South 01°10'12” West, 20.88 feet;
THENCE North 89°49'45” East, 199.77 feet;
THENCE South 01°00'47” West, 2128.25 feet;
THENCE South 89°48'52” West, 1.29 feet;
THENCE South 89°48'52” West, 198.54 feet;
THENCE South 88°03'11” West, 362.87 feet to the **POINT OF BEGINNING**;
THENCE North 01°15'43” West, 989.34 feet;
THENCE South 77°34'21” West, 401.58 feet;
THENCE North 16°34'19” West, 824.58 feet;
THENCE along a curve to the left, having a radius of 5,904.58 feet, a delta of 02°38'45”, an arc length of 272.67 feet, and whose long chord bears North 17°50'20” West, 272.65 feet to a capped 5/8” iron rod found stamped "RPLS 4838";
THENCE North 87°59'41” East, 733.11 feet to the **POINT OF BEGINNING**.
CONTAINING ±13.29 acres of land.

EXHIBIT C

PROJECTED ABSORPTION, INCREMENTAL ASSESSED VALUES AND INCREMENTAL REAL PROPERTY TAXES

Chambers Creek TIRZ
City of Alvarado, Texas

Exhibit C-1.1: Projected Absorption - Single-family Sub-Area[1]

Development Year Ending	Assessed As Of[2]	Single Family - 50' Lot		Single Family - 40' Lot		Single Family - 29' Lot	
		Units	Cumulative	Units	Cumulative	Units	Cumulative
1-Dec-26	1-Jan-27	0	0	0	0	0	0
1-Dec-27	1-Jan-28	73	73	32	32	75	75
1-Dec-28	1-Jan-29	121	194	54	86	0	75
1-Dec-29	1-Jan-30	0	194	0	86	0	75
1-Dec-30	1-Jan-31	66	260	120	206	0	75
1-Dec-31	1-Jan-32	76	336	96	302	0	75
1-Dec-32	1-Jan-33	0	336	0	302	0	75
1-Dec-33	1-Jan-34	0	336	0	302	0	75
1-Dec-34	1-Jan-35	0	336	0	302	0	75
1-Dec-35	1-Jan-36	0	336	0	302	0	75
1-Dec-36	1-Jan-37	0	336	0	302	0	75
1-Dec-37	1-Jan-38	0	336	0	302	0	75
1-Dec-38	1-Jan-39	0	336	0	302	0	75
1-Dec-39	1-Jan-40	0	336	0	302	0	75
1-Dec-40	1-Jan-41	0	336	0	302	0	75
1-Dec-41	1-Jan-42	0	336	0	302	0	75
1-Dec-42	1-Jan-43	0	336	0	302	0	75
1-Dec-43	1-Jan-44	0	336	0	302	0	75
1-Dec-44	1-Jan-45	0	336	0	302	0	75
1-Dec-45	1-Jan-46	0	336	0	302	0	75
1-Dec-46	1-Jan-47	0	336	0	302	0	75
1-Dec-47	1-Jan-48	0	336	0	302	0	75
1-Dec-48	1-Jan-49	0	336	0	302	0	75
1-Dec-49	1-Jan-50	0	336	0	302	0	75
1-Dec-50	1-Jan-51	0	336	0	302	0	75
1-Dec-51	1-Jan-52	0	336	0	302	0	75
1-Dec-52	1-Jan-53	0	336	0	302	0	75
1-Dec-53	1-Jan-54	0	336	0	302	0	75
1-Dec-54	1-Jan-55	0	336	0	302	0	75
1-Dec-55	1-Jan-56	0	336	0	302	0	75
1-Dec-56	1-Jan-57	0	336	0	302	0	75
1-Dec-57	1-Jan-58	0	336	0	302	0	75
1-Dec-58	1-Jan-59	0	336	0	302	0	75
1-Dec-59	1-Jan-60	0	336	0	302	0	75
1-Dec-60	1-Jan-61	0	336	0	302	0	75
1-Dec-61	1-Jan-62	0	336	0	302	0	75
1-Dec-62	1-Jan-63	0	336	0	302	0	75
Total		336		302		75	

MuniCap, Inc. es/ALLSTAFF/TEXAS/texas/Alvarado/Chamber Creek/TIRZ/[Chambers Creek - TIRZ Projections v4.0.xlsx]Exhibit C-1.1
1-May-26

[1]Provided by Developer.

[2]According to the Johnson County Appraisal District property is assessed as of January 1 annually. During construction, the assessed value represents the portion of the building completed as of January 1. Assumes no assessed value during construction.

Chambers Creek TIRZ
City of Alvarado, Texas

Exhibit C-1.2: Projected Absorption - Sports Complex Sub-Area[1]

Development Year Ending	Assessed As Of[2]	Commercial Units	Commercial Cumulative
1-Dec-26	1-Jan-27	0	0
1-Dec-27	1-Jan-28	0	0
1-Dec-28	1-Jan-29	35,000	35,000
1-Dec-29	1-Jan-30	35,000	70,000
1-Dec-30	1-Jan-31	35,000	105,000
1-Dec-31	1-Jan-32	0	105,000
1-Dec-32	1-Jan-33	0	105,000
1-Dec-33	1-Jan-34	0	105,000
1-Dec-34	1-Jan-35	0	105,000
1-Dec-35	1-Jan-36	0	105,000
1-Dec-36	1-Jan-37	0	105,000
1-Dec-37	1-Jan-38	0	105,000
1-Dec-38	1-Jan-39	0	105,000
1-Dec-39	1-Jan-40	0	105,000
1-Dec-40	1-Jan-41	0	105,000
1-Dec-41	1-Jan-42	0	105,000
1-Dec-42	1-Jan-43	0	105,000
1-Dec-43	1-Jan-44	0	105,000
1-Dec-44	1-Jan-45	0	105,000
1-Dec-45	1-Jan-46	0	105,000
1-Dec-46	1-Jan-47	0	105,000
1-Dec-47	1-Jan-48	0	105,000
1-Dec-48	1-Jan-49	0	105,000
1-Dec-49	1-Jan-50	0	105,000
1-Dec-50	1-Jan-51	0	105,000
1-Dec-51	1-Jan-52	0	105,000
1-Dec-52	1-Jan-53	0	105,000
1-Dec-53	1-Jan-54	0	105,000
1-Dec-54	1-Jan-55	0	105,000
1-Dec-55	1-Jan-56	0	105,000
1-Dec-56	1-Jan-57	0	105,000
1-Dec-57	1-Jan-58	0	105,000
1-Dec-58	1-Jan-59	0	105,000
1-Dec-59	1-Jan-60	0	105,000
1-Dec-60	1-Jan-61	0	105,000
1-Dec-61	1-Jan-62	0	105,000
1-Dec-62	1-Jan-63	0	105,000
Total		105,000	

MuniCap, Inc. ϶ek/TIRZ/[Chambers Creek - TIRZ Projections v4.0.xlsx]Exhibit C-1.2
1-May-26

[1]Provided by Developer.

[2]According to the Johnson County Appraisal District property is assessed as of January 1 annually. During construction, the assessed value represents the portion of the building completed as of January 1. Assumes no assessed value during construction.

Exhibit C-2.1: Projected Assessed Value - Single-family Sub-Area

Development Year Ending	Assessed As Of[2]	2.0% Inflation Factor[2]	Single Family - 50' Lot Units[3]	Value Per Unit[4]	Projected Assessed Value	Single Family - 40' Lot Units[3]	Value Per GSF[4]	Projected Assessed Value	Single Family - 29' Lot Units[3]	Value Per GSF[4]	Projected Assessed Value	Total Projected Assessed Value
1-Dec-26	1-Jan-27	100%	0	$350,000	$0	0	$325,000	$0	0	$308,000	$0	$0
1-Dec-27	1-Jan-28	102%	73	$357,000	$26,061,000	32	$331,500	$10,608,000	75	$314,160	$23,562,000	$60,231,000
1-Dec-28	1-Jan-29	104%	194	$364,140	$70,643,160	86	$338,130	$29,079,180	75	$320,443	$24,033,240	$123,755,580
1-Dec-29	1-Jan-30	106%	194	$371,423	$72,056,023	86	$344,893	$29,660,764	75	$326,852	$24,513,905	$126,230,692
1-Dec-30	1-Jan-31	108%	260	$378,851	$98,501,327	206	$351,790	$72,468,833	75	$333,389	$25,004,183	$195,974,343
1-Dec-31	1-Jan-32	110%	336	$386,428	$129,839,902	302	$358,826	$108,365,531	75	$340,057	$25,504,267	$263,709,700
1-Dec-32	1-Jan-33	113%	336	$394,157	$132,436,701	302	$366,003	$110,532,841	75	$346,858	$26,014,352	$268,983,894
1-Dec-33	1-Jan-34	115%	336	$402,040	$135,085,435	302	$373,323	$112,743,498	75	$353,795	$26,534,639	$274,363,572
1-Dec-34	1-Jan-35	117%	336	$410,081	$137,787,143	302	$380,789	$114,998,368	75	$360,871	$27,065,332	$279,850,843
1-Dec-35	1-Jan-36	120%	336	$418,282	$140,542,886	302	$388,405	$117,298,336	75	$368,089	$27,606,638	$285,447,860
1-Dec-36	1-Jan-37	122%	336	$426,648	$143,353,744	302	$396,173	$119,644,302	75	$375,450	$28,158,771	$291,156,817
1-Dec-37	1-Jan-38	124%	336	$435,181	$146,220,819	302	$404,097	$122,037,188	75	$382,959	$28,721,947	$296,979,954
1-Dec-38	1-Jan-39	127%	336	$443,885	$149,145,235	302	$412,179	$124,477,932	75	$390,618	$29,296,385	$302,919,553
1-Dec-39	1-Jan-40	129%	336	$452,762	$152,128,140	302	$420,422	$126,967,491	75	$398,431	$29,882,313	$308,977,944
1-Dec-40	1-Jan-41	132%	336	$461,818	$155,170,703	302	$428,831	$129,506,841	75	$406,399	$30,479,959	$315,157,503
1-Dec-41	1-Jan-42	135%	336	$471,054	$158,274,117	302	$437,407	$132,096,977	75	$414,527	$31,089,559	$321,460,653
1-Dec-42	1-Jan-43	137%	336	$480,475	$161,439,599	302	$446,155	$134,738,917	75	$422,818	$31,711,350	$327,889,866
1-Dec-43	1-Jan-44	140%	336	$490,084	$164,668,391	302	$455,078	$137,433,695	75	$431,274	$32,345,577	$334,447,663
1-Dec-44	1-Jan-45	143%	336	$499,886	$167,961,759	302	$464,180	$140,182,369	75	$439,900	$32,992,488	$341,136,616
1-Dec-45	1-Jan-46	146%	336	$509,884	$171,320,994	302	$473,464	$142,986,017	75	$448,698	$33,652,338	$347,959,349
1-Dec-46	1-Jan-47	149%	336	$520,082	$174,747,414	302	$482,933	$145,845,737	75	$457,672	$34,325,385	$354,918,536
1-Dec-47	1-Jan-48	152%	336	$530,483	$178,242,362	302	$492,592	$148,762,652	75	$466,825	$35,011,893	$362,016,906
1-Dec-48	1-Jan-49	155%	336	$541,093	$181,807,209	302	$502,443	$151,737,905	75	$476,162	$35,712,130	$369,257,244
1-Dec-49	1-Jan-50	158%	336	$551,915	$185,443,353	302	$512,492	$154,772,663	75	$485,685	$36,426,373	$376,642,389
1-Dec-50	1-Jan-51	161%	336	$562,953	$189,152,221	302	$522,742	$157,868,116	75	$495,399	$37,154,900	$384,175,237
1-Dec-51	1-Jan-52	164%	336	$574,212	$192,935,265	302	$533,197	$161,025,478	75	$505,307	$37,897,998	$391,858,742
1-Dec-52	1-Jan-53	167%	336	$585,696	$196,793,970	302	$543,861	$164,245,988	75	$515,413	$38,655,958	$399,695,917
1-Dec-53	1-Jan-54	171%	336	$597,410	$200,729,850	302	$554,738	$167,530,908	75	$525,721	$39,429,078	$407,689,835
1-Dec-54	1-Jan-55	174%	336	$609,358	$204,744,447	302	$565,833	$170,881,526	75	$536,235	$40,217,659	$415,843,632
1-Dec-55	1-Jan-56	178%	336	$621,546	$208,839,336	302	$577,150	$174,299,156	75	$546,960	$41,022,012	$424,160,504
1-Dec-56	1-Jan-57	181%	336	$633,977	$213,016,122	302	$588,693	$177,785,139	75	$557,899	$41,842,453	$432,643,714
1-Dec-57	1-Jan-58	185%	336	$646,656	$217,276,445	302	$600,466	$181,340,842	75	$569,057	$42,679,302	$441,296,589
1-Dec-58	1-Jan-59	188%	336	$659,589	$221,621,974	302	$612,476	$184,967,659	75	$580,439	$43,532,888	$450,122,520
1-Dec-59	1-Jan-60	192%	336	$672,781	$226,054,413	302	$624,725	$188,667,012	75	$592,047	$44,403,545	$459,124,971
1-Dec-60	1-Jan-61	196%	336	$686,237	$230,575,501	302	$637,220	$192,440,353	75	$603,888	$45,291,616	$468,307,470
1-Dec-61	1-Jan-62	200%	336	$699,961	$235,187,011	302	$649,964	$196,289,160	75	$615,966	$46,197,449	$477,673,620
1-Dec-62	1-Jan-63	204%	336	$713,961	$239,890,752	302	$662,963	$200,214,943	75	$628,285	$47,121,398	$487,227,092

[1]According to the Johnson County Appraisal District, real property taxes are due without penalty as of January 31st in the year following the year in which property is assessed.

[2]Assumes an annual inflation factor of 2% based on a 4 year CAGR.

[3]See Exhibit C-1.1.

Chambers Creek TIRZ
City of Alvarado, Texas

Exhibit C-2.2: Projected Assessed Value - Sports Complex Sub-Area

Development Year Ending	Assessed As Of[2]	2.0% Inflation Factor[2]	Commercial Units[3]	Commercial Value Per Unit[4]	Commercial Projected Assessed Value	Total Projected Assessed Value
1-Dec-26	1-Jan-27	100%	0	$110	$0	$0
1-Dec-27	1-Jan-28	102%	0	$112	$0	$0
1-Dec-28	1-Jan-29	104%	35,000	$114	$4,005,540	$4,005,540
1-Dec-29	1-Jan-30	106%	70,000	$117	$8,171,302	$8,171,302
1-Dec-30	1-Jan-31	108%	105,000	$119	$12,502,091	$12,502,091
1-Dec-31	1-Jan-32	110%	105,000	$121	$12,752,133	$12,752,133
1-Dec-32	1-Jan-33	113%	105,000	$124	$13,007,176	$13,007,176
1-Dec-33	1-Jan-34	115%	105,000	$126	$13,267,319	$13,267,319
1-Dec-34	1-Jan-35	117%	105,000	$129	$13,532,666	$13,532,666
1-Dec-35	1-Jan-36	120%	105,000	$131	$13,803,319	$13,803,319
1-Dec-36	1-Jan-37	122%	105,000	$134	$14,079,386	$14,079,386
1-Dec-37	1-Jan-38	124%	105,000	$137	$14,360,973	$14,360,973
1-Dec-38	1-Jan-39	127%	105,000	$140	$14,648,193	$14,648,193
1-Dec-39	1-Jan-40	129%	105,000	$142	$14,941,157	$14,941,157
1-Dec-40	1-Jan-41	132%	105,000	$145	$15,239,980	$15,239,980
1-Dec-41	1-Jan-42	135%	105,000	$148	$15,544,779	$15,544,779
1-Dec-42	1-Jan-43	137%	105,000	$151	$15,855,675	$15,855,675
1-Dec-43	1-Jan-44	140%	105,000	$154	$16,172,788	$16,172,788
1-Dec-44	1-Jan-45	143%	105,000	$157	$16,496,244	$16,496,244
1-Dec-45	1-Jan-46	146%	105,000	$160	$16,826,169	$16,826,169
1-Dec-46	1-Jan-47	149%	105,000	$163	$17,162,692	$17,162,692
1-Dec-47	1-Jan-48	152%	105,000	$167	$17,505,946	$17,505,946
1-Dec-48	1-Jan-49	155%	105,000	$170	$17,856,065	$17,856,065
1-Dec-49	1-Jan-50	158%	105,000	$173	$18,213,187	$18,213,187
1-Dec-50	1-Jan-51	161%	105,000	$177	$18,577,450	$18,577,450
1-Dec-51	1-Jan-52	164%	105,000	$180	$18,948,999	$18,948,999
1-Dec-52	1-Jan-53	167%	105,000	$184	$19,327,979	$19,327,979
1-Dec-53	1-Jan-54	171%	105,000	$188	$19,714,539	$19,714,539
1-Dec-54	1-Jan-55	174%	105,000	$192	$20,108,830	$20,108,830
1-Dec-55	1-Jan-56	178%	105,000	$195	$20,511,006	$20,511,006
1-Dec-56	1-Jan-57	181%	105,000	$199	$20,921,226	$20,921,226
1-Dec-57	1-Jan-58	185%	105,000	$203	$21,339,651	$21,339,651
1-Dec-58	1-Jan-59	188%	105,000	$207	$21,766,444	$21,766,444
1-Dec-59	1-Jan-60	192%	105,000	$211	$22,201,773	$22,201,773
1-Dec-60	1-Jan-61	196%	105,000	$216	$22,645,808	$22,645,808
1-Dec-61	1-Jan-62	200%	105,000	$220	$23,098,724	$23,098,724
1-Dec-62	1-Jan-63	204%	105,000	$224	$23,560,699	$23,560,699

MuniCap, Inc.S/texas/Alvarado/Chamber Creek/TIRZ/[Chambers Creek - TIRZ Projections v4.0.xlsx]Exhibit C-2.2
1-May-26

[1]According to the Johnson County Appraisal District, real property taxes are due without penalty as of January 31st in the year following the year in which property is assessed.

[2]Assumes an annual inflation factor of 2% based on a 4 year CAGR..

[3]See Exhibit C-1.2.

Chambers Creek TIRZ
City of Alvarado, Texas

Exhibit C-3.1: Projected Incremental Real Property Taxes Available for PID Offset - Single-family Sub-Area - City of Alvarado

Development Year Ending	Assessed As Of[2]	Inflation Factor[1]	Total Projected Assessed Value[2]	Base Value	Estimated Incremental Value	City of Alvarado Property Tax Rate (Per $100 A.V.)[3]	Total Incremental Tax Revenues	Percent Available for Offset[4]	Total Available Incremental Tax Revenue[5]
1-Dec-26	1-Jan-27	100%	$0	$0	$0	$0.806010	$0	20%	$0
1-Dec-27	1-Jan-28	102%	$60,231,000	$0	$60,231,000	$0.806010	$485,468	20%	$97,094
1-Dec-28	1-Jan-29	104%	$123,755,580	$0	$123,755,580	$0.806010	$997,482	20%	$199,496
1-Dec-29	1-Jan-30	106%	$126,230,692	$0	$126,230,692	$0.806010	$1,017,432	20%	$203,486
1-Dec-30	1-Jan-31	108%	$195,974,343	$0	$195,974,343	$0.806010	$1,579,573	20%	$315,915
1-Dec-31	1-Jan-32	110%	$263,709,700	$0	$263,709,700	$0.806010	$2,125,527	20%	$425,105
1-Dec-32	1-Jan-33	113%	$268,983,894	$0	$268,983,894	$0.806010	$2,168,037	20%	$433,607
1-Dec-33	1-Jan-34	115%	$274,363,572	$0	$274,363,572	$0.806010	$2,211,398	20%	$442,280
1-Dec-34	1-Jan-35	117%	$279,850,843	$0	$279,850,843	$0.806010	$2,255,626	20%	$451,125
1-Dec-35	1-Jan-36	120%	$285,447,860	$0	$285,447,860	$0.806010	$2,300,738	20%	$460,148
1-Dec-36	1-Jan-37	122%	$291,156,817	$0	$291,156,817	$0.806010	$2,346,753	20%	$469,351
1-Dec-37	1-Jan-38	124%	$296,979,954	$0	$296,979,954	$0.806010	$2,393,688	20%	$478,738
1-Dec-38	1-Jan-39	127%	$302,919,553	$0	$302,919,553	$0.806010	$2,441,562	20%	$488,312
1-Dec-39	1-Jan-40	129%	$308,977,944	$0	$308,977,944	$0.806010	$2,490,393	20%	$498,079
1-Dec-40	1-Jan-41	132%	$315,157,503	$0	$315,157,503	$0.806010	$2,540,201	20%	$508,040
1-Dec-41	1-Jan-42	135%	$321,460,653	$0	$321,460,653	$0.806010	$2,591,005	20%	$518,201
1-Dec-42	1-Jan-43	137%	$327,889,866	$0	$327,889,866	$0.806010	$2,642,825	20%	$528,565
1-Dec-43	1-Jan-44	140%	$334,447,663	$0	$334,447,663	$0.806010	$2,695,682	20%	$539,136
1-Dec-44	1-Jan-45	143%	$341,136,616	$0	$341,136,616	$0.806010	$2,749,595	20%	$549,919
1-Dec-45	1-Jan-46	146%	$347,959,349	$0	$347,959,349	$0.806010	$2,804,587	20%	$560,917
1-Dec-46	1-Jan-47	149%	$354,918,536	$0	$354,918,536	$0.806010	$2,860,679	20%	$572,136
1-Dec-47	1-Jan-48	152%	$362,016,906	$0	$362,016,906	$0.806010	$2,917,892	20%	$583,578
1-Dec-48	1-Jan-49	155%	$369,257,244	$0	$369,257,244	$0.806010	$2,976,250	20%	$595,250
1-Dec-49	1-Jan-50	158%	$376,642,389	$0	$376,642,389	$0.806010	$3,035,775	20%	$607,155
1-Dec-50	1-Jan-51	161%	$384,175,237	$0	$384,175,237	$0.806010	$3,096,491	20%	$619,298
1-Dec-51	1-Jan-52	164%	$391,858,742	$0	$391,858,742	$0.806010	$3,158,421	20%	$631,684
1-Dec-52	1-Jan-53	167%	$399,695,917	$0	$399,695,917	$0.806010	$3,221,589	20%	$644,318
1-Dec-53	1-Jan-54	171%	$407,689,835	$0	$407,689,835	$0.806010	$3,286,021	20%	$657,204
1-Dec-54	1-Jan-55	174%	$415,843,632	$0	$415,843,632	$0.806010	$3,351,741	20%	$670,348
1-Dec-55	1-Jan-56	178%	$424,160,504	$0	$424,160,504	$0.806010	$3,418,776	20%	$683,755
1-Dec-56	1-Jan-57	181%	$432,643,714	$0	$432,643,714	$0.806010	$3,487,152	20%	$697,430
1-Dec-57	1-Jan-58	185%	$441,296,589	$0	$441,296,589	$0.806010	$3,556,895	20%	$711,379
1-Dec-58	1-Jan-59	188%	$450,122,520	$0	$450,122,520	$0.806010	$3,628,033	20%	$725,607
1-Dec-59	1-Jan-60	192%	$459,124,971	$0	$459,124,971	$0.806010	$3,700,593	20%	$740,119
1-Dec-60	1-Jan-61	196%	$468,307,470	$0	$468,307,470	$0.806010	$3,774,605	20%	$754,921
1-Dec-61	1-Jan-62	200%	$477,673,620	$0	$477,673,620	$0.806010	$3,850,097	20%	$770,019
1-Dec-62	1-Jan-63	204%	$487,227,092	$0	$487,227,092	$0.806010	$3,927,099	20%	$785,420
Total							$98,085,681		$19,617,136

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[1]Assumes an annual inflation factor of 2% based on a 4 year CAGR.
[2]See Exhibit C-2.1.
[3]Represents the City of Alvarado real property tax rate for tax year 2026. Source: Johnson County Tax Assessor-Collector.
[4]Assumes 20% of the pledged 50% incremental tax revenues are available for the offset of PID assessments.

Chambers Creek TIRZ
City of Alvarado, Texas

Exhibit C-3.2: Projected Incremental Real Property Taxes Available for TIRZ Contributions- Single-family Sub-Area - City of Alvarado

Development Year Ending	Assessed As Of[2]	Inflation Factor[1]	Total Projected Assessed Value[2]	Base Value	Estimated Incremental Value	City of Alvarado Property Tax Rate (Per $100 A.V.)[3]	Total Incremental Tax Revenues	Percent Available for Project Costs[4]	Total Available Incremental Tax Revenue[5]
1-Dec-26	1-Jan-27	100%	$0	$0	$0	$0.806010	$0	30%	$0
1-Dec-27	1-Jan-28	102%	$60,231,000	$0	$60,231,000	$0.806010	$485,468	30%	$145,640
1-Dec-28	1-Jan-29	104%	$123,755,580	$0	$123,755,580	$0.806010	$997,482	30%	$299,245
1-Dec-29	1-Jan-30	106%	$126,230,692	$0	$126,230,692	$0.806010	$1,017,432	30%	$305,230
1-Dec-30	1-Jan-31	108%	$195,974,343	$0	$195,974,343	$0.806010	$1,579,573	30%	$473,872
1-Dec-31	1-Jan-32	110%	$263,709,700	$0	$263,709,700	$0.806010	$2,125,527	30%	$637,658
1-Dec-32	1-Jan-33	113%	$268,983,894	$0	$268,983,894	$0.806010	$2,168,037	30%	$650,411
1-Dec-33	1-Jan-34	115%	$274,363,572	$0	$274,363,572	$0.806010	$2,211,398	30%	$663,419
1-Dec-34	1-Jan-35	117%	$279,850,843	$0	$279,850,843	$0.806010	$2,255,626	30%	$676,688
1-Dec-35	1-Jan-36	120%	$285,447,860	$0	$285,447,860	$0.806010	$2,300,738	30%	$690,221
1-Dec-36	1-Jan-37	122%	$291,156,817	$0	$291,156,817	$0.806010	$2,346,753	30%	$704,026
1-Dec-37	1-Jan-38	124%	$296,979,954	$0	$296,979,954	$0.806010	$2,393,688	30%	$718,106
1-Dec-38	1-Jan-39	127%	$302,919,553	$0	$302,919,553	$0.806010	$2,441,562	30%	$732,469
1-Dec-39	1-Jan-40	129%	$308,977,944	$0	$308,977,944	$0.806010	$2,490,393	30%	$747,118
1-Dec-40	1-Jan-41	132%	$315,157,503	$0	$315,157,503	$0.806010	$2,540,201	30%	$762,060
1-Dec-41	1-Jan-42	135%	$321,460,653	$0	$321,460,653	$0.806010	$2,591,005	30%	$777,302
1-Dec-42	1-Jan-43	137%	$327,889,866	$0	$327,889,866	$0.806010	$2,642,825	30%	$792,848
1-Dec-43	1-Jan-44	140%	$334,447,663	$0	$334,447,663	$0.806010	$2,695,682	30%	$808,704
1-Dec-44	1-Jan-45	143%	$341,136,616	$0	$341,136,616	$0.806010	$2,749,595	30%	$824,879
1-Dec-45	1-Jan-46	146%	$347,959,349	$0	$347,959,349	$0.806010	$2,804,587	30%	$841,376
1-Dec-46	1-Jan-47	149%	$354,918,536	$0	$354,918,536	$0.806010	$2,860,679	30%	$858,204
1-Dec-47	1-Jan-48	152%	$362,016,906	$0	$362,016,906	$0.806010	$2,917,892	30%	$875,368
1-Dec-48	1-Jan-49	155%	$369,257,244	$0	$369,257,244	$0.806010	$2,976,250	30%	$892,875
1-Dec-49	1-Jan-50	158%	$376,642,389	$0	$376,642,389	$0.806010	$3,035,775	30%	$910,733
1-Dec-50	1-Jan-51	161%	$384,175,237	$0	$384,175,237	$0.806010	$3,096,491	30%	$928,947
1-Dec-51	1-Jan-52	164%	$391,858,742	$0	$391,858,742	$0.806010	$3,158,421	30%	$947,526
1-Dec-52	1-Jan-53	167%	$399,695,917	$0	$399,695,917	$0.806010	$3,221,589	30%	$966,477
1-Dec-53	1-Jan-54	171%	$407,689,835	$0	$407,689,835	$0.806010	$3,286,021	30%	$985,806
1-Dec-54	1-Jan-55	174%	$415,843,632	$0	$415,843,632	$0.806010	$3,351,741	30%	$1,005,522
1-Dec-55	1-Jan-56	178%	$424,160,504	$0	$424,160,504	$0.806010	$3,418,776	30%	$1,025,633
1-Dec-56	1-Jan-57	181%	$432,643,714	$0	$432,643,714	$0.806010	$3,487,152	30%	$1,046,145
1-Dec-57	1-Jan-58	185%	$441,296,589	$0	$441,296,589	$0.806010	$3,556,895	30%	$1,067,068
1-Dec-58	1-Jan-59	188%	$450,122,520	$0	$450,122,520	$0.806010	$3,628,033	30%	$1,088,410
1-Dec-59	1-Jan-60	192%	$459,124,971	$0	$459,124,971	$0.806010	$3,700,593	30%	$1,110,178
1-Dec-60	1-Jan-61	196%	$468,307,470	$0	$468,307,470	$0.806010	$3,774,605	30%	$1,132,382
1-Dec-61	1-Jan-62	200%	$477,673,620	$0	$477,673,620	$0.806010	$3,850,097	30%	$1,155,029
1-Dec-62	1-Jan-63	204%	$487,227,092	$0	$487,227,092	$0.806010	$3,927,099	30%	$1,178,130
Total							$98,085,681		$29,425,704

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[1]Assumes an annual inflation factor of 2% based on a 4 year CAGR.
[2]See Exhibit C-2.1.
[3]Represents the City of Alvarado real property tax rate for tax year 2026. Source: Johnson County Tax Assessor-Collector.
[4]Assumes 30% of the pledged 50% incremental tax revenues are available for the payment of project costs of the Sports Complex Sub-Area.

Chambers Creek TIRZ
City of Alvarado, Texas

Exhbiit C-3.2: Projected Incremental Real Property Taxes Available for TIRZ Contributions - Sports Complex Sub-Area - City of Alvarado

Development Year Ending	Assessed As Of[2]	Inflation Factor[1]	Total Projected Assessed Value[2]	Base Value	Estimated Incremental Value	City of Alvarado Property Tax Rate (Per $100 A.V.)[3]	Total Incremental Tax Revenues	Percent Available for Project Costs[4]	Total Available Incremental Tax Revenues
1-Dec-26	1-Jan-27	100%	$12,768	($12,768)	$0	$0.806010	$0	50%	$0
1-Dec-27	1-Jan-28	102%	$13,023	($12,768)	$255	$0.806010	$2	50%	$1
1-Dec-28	1-Jan-29	104%	$4,005,540	($12,768)	$3,992,772	$0.806010	$32,182	50%	$16,091
1-Dec-29	1-Jan-30	106%	$8,171,302	($12,768)	$8,158,534	$0.806010	$65,759	50%	$32,879
1-Dec-30	1-Jan-31	108%	$12,502,091	($12,768)	$12,489,323	$0.806010	$100,665	50%	$50,333
1-Dec-31	1-Jan-32	110%	$12,752,133	($12,768)	$12,739,365	$0.806010	$102,681	50%	$51,340
1-Dec-32	1-Jan-33	113%	$13,007,176	($12,768)	$12,994,408	$0.806010	$104,736	50%	$52,368
1-Dec-33	1-Jan-34	115%	$13,267,319	($12,768)	$13,254,551	$0.806010	$106,833	50%	$53,417
1-Dec-34	1-Jan-35	117%	$13,532,666	($12,768)	$13,519,898	$0.806010	$108,972	50%	$54,486
1-Dec-35	1-Jan-36	120%	$13,803,319	($12,768)	$13,790,551	$0.806010	$111,153	50%	$55,577
1-Dec-36	1-Jan-37	122%	$14,079,386	($12,768)	$14,066,618	$0.806010	$113,378	50%	$56,689
1-Dec-37	1-Jan-38	124%	$14,360,973	($12,768)	$14,348,205	$0.806010	$115,648	50%	$57,824
1-Dec-38	1-Jan-39	127%	$14,648,193	($12,768)	$14,635,425	$0.806010	$117,963	50%	$58,981
1-Dec-39	1-Jan-40	129%	$14,941,157	($12,768)	$14,928,389	$0.806010	$120,324	50%	$60,162
1-Dec-40	1-Jan-41	132%	$15,239,980	($12,768)	$15,227,212	$0.806010	$122,733	50%	$61,366
1-Dec-41	1-Jan-42	135%	$15,544,779	($12,768)	$15,532,011	$0.806010	$125,190	50%	$62,595
1-Dec-42	1-Jan-43	137%	$15,855,675	($12,768)	$15,842,907	$0.806010	$127,695	50%	$63,848
1-Dec-43	1-Jan-44	140%	$16,172,788	($12,768)	$16,160,020	$0.806010	$130,251	50%	$65,126
1-Dec-44	1-Jan-45	143%	$16,496,244	($12,768)	$16,483,476	$0.806010	$132,858	50%	$66,429
1-Dec-45	1-Jan-46	146%	$16,826,169	($12,768)	$16,813,401	$0.806010	$135,518	50%	$67,759
1-Dec-46	1-Jan-47	149%	$17,162,692	($12,768)	$17,149,924	$0.806010	$138,230	50%	$69,115
1-Dec-47	1-Jan-48	152%	$17,505,946	($12,768)	$17,493,178	$0.806010	$140,997	50%	$70,498
1-Dec-48	1-Jan-49	155%	$17,856,065	($12,768)	$17,843,297	$0.806010	$143,819	50%	$71,909
1-Dec-49	1-Jan-50	158%	$18,213,187	($12,768)	$18,200,419	$0.806010	$146,697	50%	$73,349
1-Dec-50	1-Jan-51	161%	$18,577,450	($12,768)	$18,564,682	$0.806010	$149,633	50%	$74,817
1-Dec-51	1-Jan-52	164%	$18,948,999	($12,768)	$18,936,231	$0.806010	$152,628	50%	$76,314
1-Dec-52	1-Jan-53	167%	$19,327,979	($12,768)	$19,315,211	$0.806010	$155,683	50%	$77,841
1-Dec-53	1-Jan-54	171%	$19,714,539	($12,768)	$19,701,771	$0.806010	$158,798	50%	$79,399
1-Dec-54	1-Jan-55	174%	$20,108,830	($12,768)	$20,096,062	$0.806010	$161,976	50%	$80,988
1-Dec-55	1-Jan-56	178%	$20,511,006	($12,768)	$20,498,238	$0.806010	$165,218	50%	$82,609
1-Dec-56	1-Jan-57	181%	$20,921,226	($12,768)	$20,908,458	$0.806010	$168,524	50%	$84,262
1-Dec-57	1-Jan-58	185%	$21,339,651	($12,768)	$21,326,883	$0.806010	$171,897	50%	$85,948
1-Dec-58	1-Jan-59	188%	$21,766,444	($12,768)	$21,753,676	$0.806010	$175,337	50%	$87,668
1-Dec-59	1-Jan-60	192%	$22,201,773	($12,768)	$22,189,005	$0.806010	$178,846	50%	$89,423
1-Dec-60	1-Jan-61	196%	$22,645,808	($12,768)	$22,633,040	$0.806010	$182,425	50%	$91,212
1-Dec-61	1-Jan-62	200%	$23,098,724	($12,768)	$23,085,956	$0.806010	$186,075	50%	$93,038
1-Dec-62	1-Jan-63	204%	$23,560,699	($12,768)	$23,547,931	$0.806010	$189,799	50%	$94,899
Total							$4,741,122		$2,370,561

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[1] Assumes an annual inflation factor of 2% based on a 4 year CAGR of homes in the surrounding area.
[2] See Exhibit C-2.2.
[3] Represents the City of Bonham real property tax rate for tax year 2025. Source: Fannin County Tax Assessor-Collector.
[4] Assumes 50% of incremental tax revenues are available for the payment of Project Costs.

Chambers Creek TIRZ
City of Alvarado, Texas

Exhibit C-4.1: Projected Incremental Real Property Taxes Available to the City - Single-family Sub-Area - City of Alvarado

Development Year Ending	Assessed As Of[2]	Inflation Factor[1]	Total Projected Assessed Value[2]	Base Value	Estimated Incremental Value	City of Alvarado Property Tax Rate (Per $100 A.V.)[3]	Total Incremental Tax Revenues	Percent Available to City	Total Available Incremental Tax Revenues
1-Dec-26	1-Jan-27	100%	$0	$0	$0	$0.806010	$0	50%	$0
1-Dec-27	1-Jan-28	102%	$60,231,000	$0	$60,231,000	$0.806010	$485,468	50%	$242,734
1-Dec-28	1-Jan-29	104%	$123,755,580	$0	$123,755,580	$0.806010	$997,482	50%	$498,741
1-Dec-29	1-Jan-30	106%	$126,230,692	$0	$126,230,692	$0.806010	$1,017,432	50%	$508,716
1-Dec-30	1-Jan-31	108%	$195,974,343	$0	$195,974,343	$0.806010	$1,579,573	50%	$789,786
1-Dec-31	1-Jan-32	110%	$263,709,700	$0	$263,709,700	$0.806010	$2,125,527	50%	$1,062,763
1-Dec-32	1-Jan-33	113%	$268,983,894	$0	$268,983,894	$0.806010	$2,168,037	50%	$1,084,019
1-Dec-33	1-Jan-34	115%	$274,363,572	$0	$274,363,572	$0.806010	$2,211,398	50%	$1,105,699
1-Dec-34	1-Jan-35	117%	$279,850,843	$0	$279,850,843	$0.806010	$2,255,626	50%	$1,127,813
1-Dec-35	1-Jan-36	120%	$285,447,860	$0	$285,447,860	$0.806010	$2,300,738	50%	$1,150,369
1-Dec-36	1-Jan-37	122%	$291,156,817	$0	$291,156,817	$0.806010	$2,346,753	50%	$1,173,377
1-Dec-37	1-Jan-38	124%	$296,979,954	$0	$296,979,954	$0.806010	$2,393,688	50%	$1,196,844
1-Dec-38	1-Jan-39	127%	$302,919,553	$0	$302,919,553	$0.806010	$2,441,562	50%	$1,220,781
1-Dec-39	1-Jan-40	129%	$308,977,944	$0	$308,977,944	$0.806010	$2,490,393	50%	$1,245,197
1-Dec-40	1-Jan-41	132%	$315,157,503	$0	$315,157,503	$0.806010	$2,540,201	50%	$1,270,100
1-Dec-41	1-Jan-42	135%	$321,460,653	$0	$321,460,653	$0.806010	$2,591,005	50%	$1,295,503
1-Dec-42	1-Jan-43	137%	$327,889,866	$0	$327,889,866	$0.806010	$2,642,825	50%	$1,321,413
1-Dec-43	1-Jan-44	140%	$334,447,663	$0	$334,447,663	$0.806010	$2,695,682	50%	$1,347,841
1-Dec-44	1-Jan-45	143%	$341,136,616	$0	$341,136,616	$0.806010	$2,749,595	50%	$1,374,798
1-Dec-45	1-Jan-46	146%	$347,959,349	$0	$347,959,349	$0.806010	$2,804,587	50%	$1,402,294
1-Dec-46	1-Jan-47	149%	$354,918,536	$0	$354,918,536	$0.806010	$2,860,679	50%	$1,430,339
1-Dec-47	1-Jan-48	152%	$362,016,906	$0	$362,016,906	$0.806010	$2,917,892	50%	$1,458,946
1-Dec-48	1-Jan-49	155%	$369,257,244	$0	$369,257,244	$0.806010	$2,976,250	50%	$1,488,125
1-Dec-49	1-Jan-50	158%	$376,642,389	$0	$376,642,389	$0.806010	$3,035,775	50%	$1,517,888
1-Dec-50	1-Jan-51	161%	$384,175,237	$0	$384,175,237	$0.806010	$3,096,491	50%	$1,548,245
1-Dec-51	1-Jan-52	164%	$391,858,742	$0	$391,858,742	$0.806010	$3,158,421	50%	$1,579,210
1-Dec-52	1-Jan-53	167%	$399,695,917	$0	$399,695,917	$0.806010	$3,221,589	50%	$1,610,795
1-Dec-53	1-Jan-54	171%	$407,689,835	$0	$407,689,835	$0.806010	$3,286,021	50%	$1,643,010
1-Dec-54	1-Jan-55	174%	$415,843,632	$0	$415,843,632	$0.806010	$3,351,741	50%	$1,675,871
1-Dec-55	1-Jan-56	178%	$424,160,504	$0	$424,160,504	$0.806010	$3,418,776	50%	$1,709,388
1-Dec-56	1-Jan-57	181%	$432,643,714	$0	$432,643,714	$0.806010	$3,487,152	50%	$1,743,576
1-Dec-57	1-Jan-58	185%	$441,296,589	$0	$441,296,589	$0.806010	$3,556,895	50%	$1,778,447
1-Dec-58	1-Jan-59	188%	$450,122,520	$0	$450,122,520	$0.806010	$3,628,033	50%	$1,814,016
1-Dec-59	1-Jan-60	192%	$459,124,971	$0	$459,124,971	$0.806010	$3,700,593	50%	$1,850,297
1-Dec-60	1-Jan-61	196%	$468,307,470	$0	$468,307,470	$0.806010	$3,774,605	50%	$1,887,303
1-Dec-61	1-Jan-62	200%	$477,673,620	$0	$477,673,620	$0.806010	$3,850,097	50%	$1,925,049
1-Dec-62	1-Jan-63	204%	$487,227,092	$0	$487,227,092	$0.806010	$3,927,099	50%	$1,963,550
Total							$98,085,681		$49,042,840

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[1]Assumes an annual inflation factor of 2% based on a 4 year CAGR.
[2]See Exhibit C-2.1.
[3]Represents the City of Alvarado real property tax rate for tax year 2026. Source: Johnson County Tax Assessor-Collector.

Chambers Creek TIRZ
City of Alvarado, Texas

Exhibit C-4.2: Projected Incremental Real Property Taxes Available to the City - Sports Complex Sub-Area - City of Alvarado

Development Year Ending	Assessed As Of[2]	Inflation Factor[1]	Total Projected Assessed Value[2]	Base Value	Estimated Incremental Value	City of Alvarado Property Tax Rate (Per $100 A.V.)[3]	Total Incremental Tax Revenues	Percent Available to City	Total Available Incremental Tax Revenues
1-Dec-26	1-Jan-27	100%	$12,768	($12,768)	$0	$0.806010	$0	50%	$0
1-Dec-27	1-Jan-28	102%	$13,023	($12,768)	$255	$0.806010	$2	50%	$1
1-Dec-28	1-Jan-29	104%	$4,005,540	($12,768)	$3,992,772	$0.806010	$32,182	50%	$16,091
1-Dec-29	1-Jan-30	106%	$8,171,302	($12,768)	$8,158,534	$0.806010	$65,759	50%	$32,879
1-Dec-30	1-Jan-31	108%	$12,502,091	($12,768)	$12,489,323	$0.806010	$100,665	50%	$50,333
1-Dec-31	1-Jan-32	110%	$12,752,133	($12,768)	$12,739,365	$0.806010	$102,681	50%	$51,340
1-Dec-32	1-Jan-33	113%	$13,007,176	($12,768)	$12,994,408	$0.806010	$104,736	50%	$52,368
1-Dec-33	1-Jan-34	115%	$13,267,319	($12,768)	$13,254,551	$0.806010	$106,833	50%	$53,417
1-Dec-34	1-Jan-35	117%	$13,532,666	($12,768)	$13,519,898	$0.806010	$108,972	50%	$54,486
1-Dec-35	1-Jan-36	120%	$13,803,319	($12,768)	$13,790,551	$0.806010	$111,153	50%	$55,577
1-Dec-36	1-Jan-37	122%	$14,079,386	($12,768)	$14,066,618	$0.806010	$113,378	50%	$56,689
1-Dec-37	1-Jan-38	124%	$14,360,973	($12,768)	$14,348,205	$0.806010	$115,648	50%	$57,824
1-Dec-38	1-Jan-39	127%	$14,648,193	($12,768)	$14,635,425	$0.806010	$117,963	50%	$58,981
1-Dec-39	1-Jan-40	129%	$14,941,157	($12,768)	$14,928,389	$0.806010	$120,324	50%	$60,162
1-Dec-40	1-Jan-41	132%	$15,239,980	($12,768)	$15,227,212	$0.806010	$122,733	50%	$61,366
1-Dec-41	1-Jan-42	135%	$15,544,779	($12,768)	$15,532,011	$0.806010	$125,190	50%	$62,595
1-Dec-42	1-Jan-43	137%	$15,855,675	($12,768)	$15,842,907	$0.806010	$127,695	50%	$63,848
1-Dec-43	1-Jan-44	140%	$16,172,788	($12,768)	$16,160,020	$0.806010	$130,251	50%	$65,126
1-Dec-44	1-Jan-45	143%	$16,496,244	($12,768)	$16,483,476	$0.806010	$132,858	50%	$66,429
1-Dec-45	1-Jan-46	146%	$16,826,169	($12,768)	$16,813,401	$0.806010	$135,518	50%	$67,759
1-Dec-46	1-Jan-47	149%	$17,162,692	($12,768)	$17,149,924	$0.806010	$138,230	50%	$69,115
1-Dec-47	1-Jan-48	152%	$17,505,946	($12,768)	$17,493,178	$0.806010	$140,997	50%	$70,498
1-Dec-48	1-Jan-49	155%	$17,856,065	($12,768)	$17,843,297	$0.806010	$143,819	50%	$71,909
1-Dec-49	1-Jan-50	158%	$18,213,187	($12,768)	$18,200,419	$0.806010	$146,697	50%	$73,349
1-Dec-50	1-Jan-51	161%	$18,577,450	($12,768)	$18,564,682	$0.806010	$149,633	50%	$74,817
1-Dec-51	1-Jan-52	164%	$18,948,999	($12,768)	$18,936,231	$0.806010	$152,628	50%	$76,314
1-Dec-52	1-Jan-53	167%	$19,327,979	($12,768)	$19,315,211	$0.806010	$155,683	50%	$77,841
1-Dec-53	1-Jan-54	171%	$19,714,539	($12,768)	$19,701,771	$0.806010	$158,798	50%	$79,399
1-Dec-54	1-Jan-55	174%	$20,108,830	($12,768)	$20,096,062	$0.806010	$161,976	50%	$80,988
1-Dec-55	1-Jan-56	178%	$20,511,006	($12,768)	$20,498,238	$0.806010	$165,218	50%	$82,609
1-Dec-56	1-Jan-57	181%	$20,921,226	($12,768)	$20,908,458	$0.806010	$168,524	50%	$84,262
1-Dec-57	1-Jan-58	185%	$21,339,651	($12,768)	$21,326,883	$0.806010	$171,897	50%	$85,948
1-Dec-58	1-Jan-59	188%	$21,766,444	($12,768)	$21,753,676	$0.806010	$175,337	50%	$87,668
1-Dec-59	1-Jan-60	192%	$22,201,773	($12,768)	$22,189,005	$0.806010	$178,846	50%	$89,423
1-Dec-60	1-Jan-61	196%	$22,645,808	($12,768)	$22,633,040	$0.806010	$182,425	50%	$91,212
1-Dec-61	1-Jan-62	200%	$23,098,724	($12,768)	$23,085,956	$0.806010	$186,075	50%	$93,038
1-Dec-62	1-Jan-63	204%	$23,560,699	($12,768)	$23,547,931	$0.806010	$189,799	50%	$94,899
Total							$4,741,122		$2,370,561

MuniCap, Inc. *https://municap.sharepoint.com/sites/ALLSTAFF/TEXAS/texas/Alvarado/Chamber Creek/TIRZ/[Chambers Creek - TIRZ Projections v4.0.xlsx]Exhibit C-4.2-*
1-May-26

[1]Assumes an annual inflation factor of 2% based on a 4 year CAGR.

[2]See Exhibit C-2.2.

[3]Represents the City of Alvarado real property tax rate for tax year 2026. Source: Johnson County Tax Assessor-Collector.

Chambers Creek TIRZ
City of Alvarado, Texas

Exhibit C-5.1: Projected Incremental Real Property Taxes Available for TIRZ Contributions - Sports Complex Sub-Area - Combined City of Alvarado

Development Year Ending	Assessed As Of	Single Family Sub-Area Total Available Incremental Tax Revenues[1]	Sports Complex Sub-Area Total Available Incremental Tax Revenues[2]	Total Projected Assessed Value
1-Dec-26	1-Jan-27	$0	$0	$0
1-Dec-27	1-Jan-28	$145,640	$1	$145,641
1-Dec-28	1-Jan-29	$299,245	$16,091	$315,336
1-Dec-29	1-Jan-30	$305,230	$32,879	$338,109
1-Dec-30	1-Jan-31	$473,872	$50,333	$524,204
1-Dec-31	1-Jan-32	$637,658	$51,340	$688,998
1-Dec-32	1-Jan-33	$650,411	$52,368	$702,779
1-Dec-33	1-Jan-34	$663,419	$53,417	$716,836
1-Dec-34	1-Jan-35	$676,688	$54,486	$731,174
1-Dec-35	1-Jan-36	$690,221	$55,577	$745,798
1-Dec-36	1-Jan-37	$704,026	$56,689	$760,715
1-Dec-37	1-Jan-38	$718,106	$57,824	$775,930
1-Dec-38	1-Jan-39	$732,469	$58,981	$791,450
1-Dec-39	1-Jan-40	$747,118	$60,162	$807,280
1-Dec-40	1-Jan-41	$762,060	$61,366	$823,427
1-Dec-41	1-Jan-42	$777,302	$62,595	$839,896
1-Dec-42	1-Jan-43	$792,848	$63,848	$856,695
1-Dec-43	1-Jan-44	$808,704	$65,126	$873,830
1-Dec-44	1-Jan-45	$824,879	$66,429	$891,308
1-Dec-45	1-Jan-46	$841,376	$67,759	$909,135
1-Dec-46	1-Jan-47	$858,204	$69,115	$927,319
1-Dec-47	1-Jan-48	$875,368	$70,498	$945,866
1-Dec-48	1-Jan-49	$892,875	$71,909	$964,784
1-Dec-49	1-Jan-50	$910,733	$73,349	$984,081
1-Dec-50	1-Jan-51	$928,947	$74,817	$1,003,764
1-Dec-51	1-Jan-52	$947,526	$76,314	$1,023,840
1-Dec-52	1-Jan-53	$966,477	$77,841	$1,044,318
1-Dec-53	1-Jan-54	$985,806	$79,399	$1,065,205
1-Dec-54	1-Jan-55	$1,005,522	$80,988	$1,086,511
1-Dec-55	1-Jan-56	$1,025,633	$82,609	$1,108,242
1-Dec-56	1-Jan-57	$1,046,145	$84,262	$1,130,408
1-Dec-57	1-Jan-58	$1,067,068	$85,948	$1,153,017
1-Dec-58	1-Jan-59	$1,088,410	$87,668	$1,176,078
1-Dec-59	1-Jan-60	$148,025	$0	$148,025
1-Dec-60	1-Jan-61	$0	$0	$0
1-Dec-61	1-Jan-62	$0	$0	$0
1-Dec-62	1-Jan-63	$0	$0	$0
		$24,998,011	$2,001,989	$27,000,000

MuniCap, Inc.FF/TEXAS/texas/Alvarado/Chamber Creek/TIRZ/[Chambers Creek - TIRZ Projections v4.0.xlsx]Exhibit C-5.1
1-May-26

[1]See Exhibit C-3.2.
[2]See Exhibit C-3.3.

Chambers Creek TIRZ
City of Alvarado, Texas

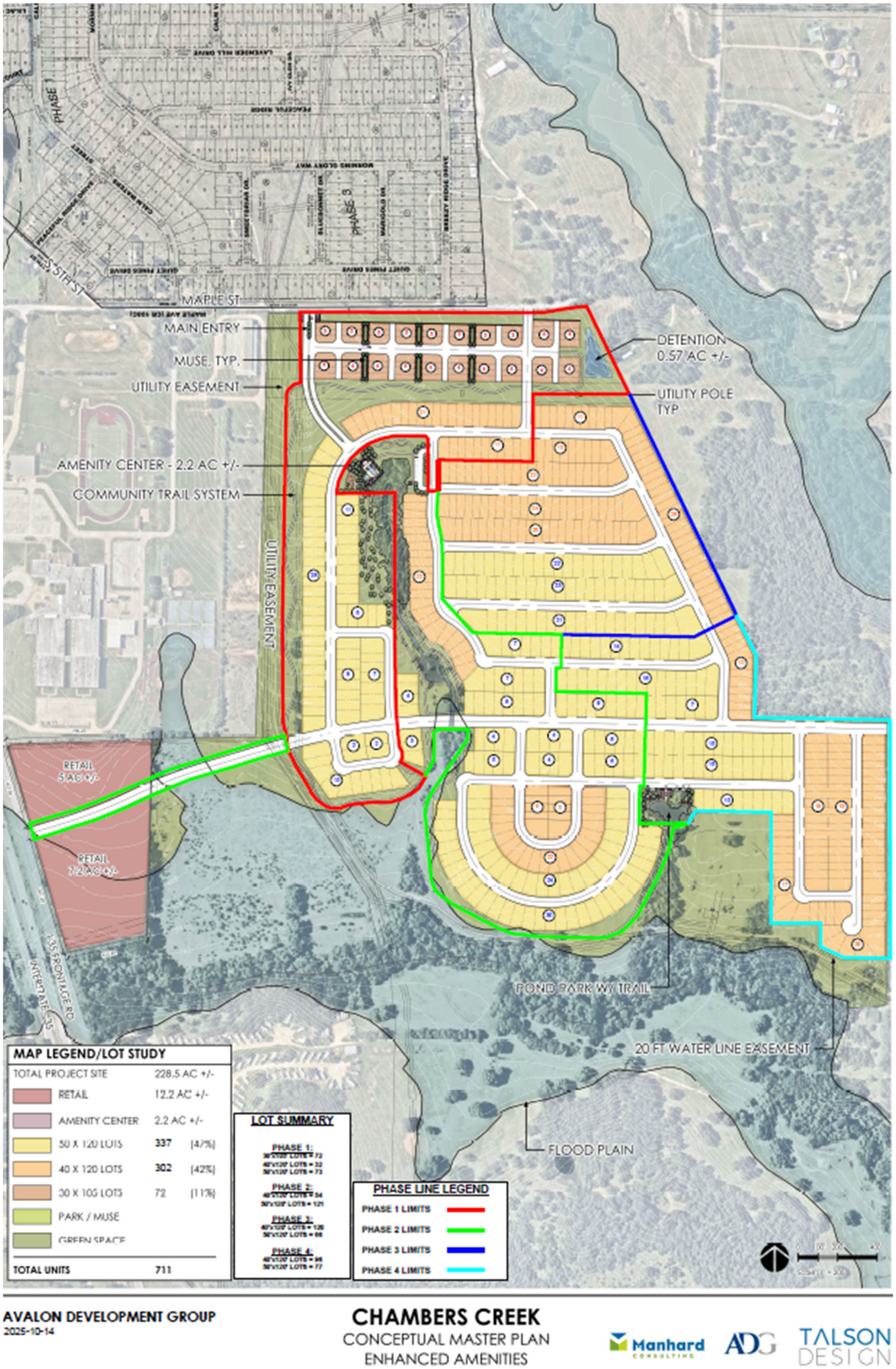
Exhibit C-5.2: Projected Incremental Real Property Taxes Available to the City - Combined City of Alvarado

Development Year Ending	Assessed As Of	Single Family Sub-Area Total Available Incremental Tax Revenues[1]	Sports Complex Sub-Area Total Available Incremental Tax Revenues[2]	Total Projected Assessed Value
1-Dec-26	1-Jan-27	$0	$0	$0
1-Dec-27	1-Jan-28	$242,734	$1	$242,735
1-Dec-28	1-Jan-29	$498,741	$16,091	$514,832
1-Dec-29	1-Jan-30	$508,716	$32,879	$541,595
1-Dec-30	1-Jan-31	$789,786	$50,333	$840,119
1-Dec-31	1-Jan-32	$1,062,763	$51,340	$1,114,104
1-Dec-32	1-Jan-33	$1,084,019	$52,368	$1,136,387
1-Dec-33	1-Jan-34	$1,105,699	$53,417	$1,159,115
1-Dec-34	1-Jan-35	$1,127,813	$54,486	$1,182,299
1-Dec-35	1-Jan-36	$1,150,369	$55,577	$1,205,946
1-Dec-36	1-Jan-37	$1,173,377	$56,689	$1,230,066
1-Dec-37	1-Jan-38	$1,196,844	$57,824	$1,254,668
1-Dec-38	1-Jan-39	$1,220,781	$58,981	$1,279,762
1-Dec-39	1-Jan-40	$1,245,197	$60,162	$1,305,359
1-Dec-40	1-Jan-41	$1,270,100	$61,366	$1,331,467
1-Dec-41	1-Jan-42	$1,295,503	$62,595	$1,358,097
1-Dec-42	1-Jan-43	$1,321,413	$63,848	$1,385,260
1-Dec-43	1-Jan-44	$1,347,841	$65,126	$1,412,966
1-Dec-44	1-Jan-45	$1,374,798	$66,429	$1,441,227
1-Dec-45	1-Jan-46	$1,402,294	$67,759	$1,470,052
1-Dec-46	1-Jan-47	$1,430,339	$69,115	$1,499,454
1-Dec-47	1-Jan-48	$1,458,946	$70,498	$1,529,445
1-Dec-48	1-Jan-49	$1,488,125	$71,909	$1,560,035
1-Dec-49	1-Jan-50	$1,517,888	$73,349	$1,591,236
1-Dec-50	1-Jan-51	$1,548,245	$74,817	$1,623,062
1-Dec-51	1-Jan-52	$1,579,210	$76,314	$1,655,524
1-Dec-52	1-Jan-53	$1,610,795	$77,841	$1,688,636
1-Dec-53	1-Jan-54	$1,643,010	$79,399	$1,722,410
1-Dec-54	1-Jan-55	$1,675,871	$80,988	$1,756,859
1-Dec-55	1-Jan-56	$1,709,388	$82,609	$1,791,997
1-Dec-56	1-Jan-57	$1,743,576	$84,262	$1,827,838
1-Dec-57	1-Jan-58	$1,778,447	$85,948	$1,864,396
1-Dec-58	1-Jan-59	$1,814,016	$87,668	$1,901,685
1-Dec-59	1-Jan-60	$2,812,450	$178,846	$2,991,295
1-Dec-60	1-Jan-61	$3,019,684	$182,425	$3,202,109
1-Dec-61	1-Jan-62	$3,080,078	$186,075	$3,266,153
1-Dec-62	1-Jan-63	$3,141,679	$189,799	$3,331,478
		$53,470,534	$2,739,133	$56,209,667

MuniCap, Inc."AFF/TEXAS/texas/Alvarado/Chamber Creek/TIRZ/[Chambers Creek - TIRZ Projections v4.0.xlsx]Exhibit C-5.2
1-May-26

[1]See Exhibit C-4.1.
[2]See Exhibit C-4.2.

EXHIBIT D
MAP AND DESCRIPTION OF THE PROPOSED USES OF THE PROPERTY



PHASE 1
PHASE 3
MAPLE ST
MAIN ENTRY
MUSE, TYP.
UTILITY EASEMENT
AMENITY CENTER - 2.2 AC +/-
COMMUNITY TRAIL SYSTEM
UTILITY EASEMENT
DETENTION
0.57 AC +/-
UTILITY POLE
TYP
RETAIL
5 AC +/-
RETAIL
7.2 AC +/-
POND PARK W/ TRAIL
20 FT WATER LINE EASEMENT
FLOOD PLAIN
MAP LEGEND/LOT STUDY
TOTAL PROJECT SITE 228.5 AC +/-
RETAIL 12.2 AC +/-
AMENITY CENTER 2.2 AC +/-
50 X 120 LOTS 337 (47%)
40 X 120 LOTS 302 (42%)
30 X 105 LOTS 72 (11%)
PARK / MUSE
GREEN SPACE
TOTAL UNITS 711
LOT SUMMARY
PHASE 1:
PHASE 2:
PHASE 3:
PHASE 4:
PHASE LINE LEGEND
PHASE 1 LIMITS
PHASE 2 LIMITS
PHASE 3 LIMITS
PHASE 4 LIMITS
AVALON DEVELOPMENT GROUP
2025-10-14
CHAMBERS CREEK
CONCEPTUAL MASTER PLAN
ENHANCED AMENITIES
Manhard
ADG
TALSON DESIGN

<u>EXHIBIT E</u>
PROJECT COSTS

Project Costs[1]

Public Improvement	Total
Major Improvement Costs	
Street Improvements	$559,735
Water System	$0
Sanitary Sewer System	$136,146
Drainage System	$676,292
Landscaping	$516,133
Other Soft and Miscellaneous Costs	$314,027
Sub-total Major Improvement Costs	*$2,202,333*
Direct Improvement Costs	
Street Improvements	$6,888,627
Water System	$1,564,131
Sanitary Sewer System	$1,961,813
Drainage System	$3,650,990
Landscaping	$170,861
Other Soft and Miscellaneous Costs	$919,559
Sub-total Direct Improvement Costs	*$15,155,981*
Zone Improvements	
Zone Improvements for IA #2 and IA #3	$2,669,456
Sub-total Zone Improvements	*$2,669,456*
Sports Complex	
Project costs, including financing and actual interest paid	$27,000,000
Sub-total Sports Complex	*$27,000,000*
Administrative Expenses	
Administrative Expense	$585,000
Sub-total Administrative Expenses	*$585,000*
Total Public Improvement Costs Financed	**$47,612,770**

[1]Provided by Developer

EXHIBIT B-1

ENGINEER'S OPINION OF PROBABLE COST
ALVARADO CHAMBERS CREEK
ALVARADO,TX
1/13/2026
PID ELIGIBLE BUDGET - EXECUTIVE SUMMARY

ITEM	DESCRIPTION					
	LOT QUANTITY	177	175	186	173	711
	LOT WIDTH (30/40/50)	(72/32/73)	(0/54/121)	(0/120/66)	(0/96/77)	(72/302/337)
	MAJOR	PHASE 1	PHASE 2	PHASE 3	PHASE 4	TOTAL
1 .	EARTHWORK & EROSION CONTROL	$ 200,764	$ 46,774	$ 20,005	$ 31,176	$ 298,719
2 .	SANITARY SEWER IMPROVEMENTS	$ 136,146	$ -	$ -	$ -	$ 136,146
3 .	WATER IMPROVEMENTS	$ -	$ -	$ -	$ -	$ -
4 .	STORM SEWER IMPROVEMENTS	$ 475,528	$ -	$ -	$ -	$ 475,528
5 .	PAVING IMPROVEMENTS	$ 487,264	$ 1,797,590	$ -	$ 518,892	$ 2,803,745
6 .	STREET LIGHTING & SIGNAGE	$ 72,471	$ 26,187	$ -	$ 38,063	$ 136,721
7 .	LANDSCAPE, SCREENING, ENTRY, & AMENITIES	$ 516,133	$ 11,406	$ -	$ 11,092	$ 538,631
SUBTOTAL (HARD COSTS)		$ 1,888,305	$ 1,881,957	$ 20,005	$ 599,222	$ 4,389,490
8 .	CIVIL ENGINEERING DESIGN & SURVEY	$ 277,525	$ 41,798	$ 9,037	$ 48,200	$ 376,560
9 .	GEOTECHNICAL & MATERIAL TESTING (1.5%; Owner)	$ 28,325	$ 28,229	$ 300	$ 8,988	$ 65,842
10 .	CONTINGENCY (15%)	$ 283,246	$ 282,294	$ 3,001	$ 89,883	$ 658,423
	TOTAL	**$ 2,477,401**	**$ 2,234,278**	**$ 32,343**	**$ 746,294**	**$ 5,490,315**
	HARD COST PER LOT	**$ 10,668**	**$ 10,754**	**$ 108**	**$ 3,464**	**$ 6,174**
	TOTAL COST PER LOT	**$ 13,997**	**$ 12,767**	**$ 174**	**$ 4,314**	**$ 7,722**

	MINOR	PHASE 1	PHASE 2	PHASE 3	PHASE 4	TOTAL
1 .	EARTHWORK & EROSION CONTROL	$ 79,629	$ 109,071	$ 99,250	$ 85,738	$ 373,688
2 .	SANITARY SEWER IMPROVEMENTS	$ 552,829	$ 594,231	$ 407,066	$ 407,690	$ 1,961,816
3 .	WATER IMPROVEMENTS	$ 598,979	$ 450,509	$ 276,086	$ 238,557	$ 1,564,132
4 .	STORM SEWER IMPROVEMENTS	$ 833,383	$ 1,155,028	$ 271,105	$ 1,017,786	$ 3,277,301
5 .	PAVING IMPROVEMENTS	$ 1,404,346	$ 1,749,612	$ 1,406,740	$ 1,211,936	$ 5,772,633
6 .	STREET LIGHTING & SIGNAGE	$ 60,291	$ 85,260	$ 64,148	$ 68,817	$ 278,516
7 .	LANDSCAPE, SCREENING, ENTRY, & AMENITIES	$ 41,020	$ 50,834	$ 42,548	$ 36,459	$ 170,861
SUBTOTAL (HARD COSTS)		$ 3,570,476	$ 4,194,544	$ 2,566,943	$ 3,066,983	$ 13,398,947
8 .	CIVIL ENGINEERING DESIGN & SURVEY	$ 194,015	$ 222,758	$ 136,530	$ 165,272	$ 718,575
9 .	GEOTECHNICAL & MATERIAL TESTING (1.5%; Owner)	$ 53,557	$ 62,918	$ 38,504	$ 46,005	$ 200,984
10 .	CONTINGENCY (15%)	$ 535,571	$ 629,182	$ 385,041	$ 460,047	$ 2,009,842
	TOTAL	**$ 4,353,620**	**$ 5,109,402**	**$ 3,127,019**	**$ 3,738,307**	**$ 16,328,348**
	HARD COST PER LOT	**$ 20,172**	**$ 23,969**	**$ 13,801**	**$ 17,728**	**$ 18,845**
	TOTAL COST PER LOT	**$ 24,597**	**$ 29,197**	**$ 16,812**	**$ 21,609**	**$ 22,965**

	PRIVATE	PHASE 1	PHASE 2	PHASE 3	PHASE 4	TOTAL
1 .	EARTHWORK & EROSION CONTROL	$ 2,208,059	$ 1,614,476	$ 1,959,173	$ 996,438	$ 6,778,146
2 .	SANITARY SEWER IMPROVEMENTS	$ 187,769	$ 182,310	$ 197,760	$ 186,430	$ 754,269
3 .	WATER IMPROVEMENTS	$ 190,344	$ 182,928	$ 192,919	$ 179,529	$ 745,720
4 .	STORM SEWER IMPROVEMENTS	$ -	$ -	$ -	$ -	$ -
5	LANDSCAPE, SCREENING, ENTRY, & AMENITIES	$ 582,414	$ 2,234,229	$ 142,167	$ 142,167	$ 3,100,977
SUBTOTAL (HARD COSTS)		$ 3,168,586	$ 4,213,943	$ 2,492,019	$ 1,504,564	$ 11,379,112
8 .	CIVIL ENGINEERING DESIGN & SURVEY	$ 304,724	$ 116,958	$ 131,500	$ 79,025	$ 632,207
9 .	GEOTECHNICAL & MATERIAL TESTING (1.5%; Owner)	$ 47,529	$ 63,209	$ 37,380	$ 22,568	$ 170,687
10 .	CONTINGENCY (15%)	$ 475,288	$ 632,091	$ 373,803	$ 225,685	$ 1,706,867
	TOTAL	**$ 3,996,126**	**$ 5,026,202**	**$ 3,034,702**	**$ 1,831,842**	**$ 13,888,872**
	HARD COST PER LOT	**$ 17,902**	**$ 24,080**	**$ 13,398**	**$ 8,697**	**$ 16,004**
	TOTAL COST PER LOT	**$ 22,577**	**$ 28,721**	**$ 16,316**	**$ 10,589**	**$ 19,534**

	DEVELOPMENT TOTAL	**$ 10,827,147**	**$ 12,369,881**	**$ 6,194,064**	**$ 6,316,444**	**$ 35,707,536**
	HARD COST PER LOT	**$ 48,742**	**$ 58,803**	**$ 27,306**	**$ 29,889**	**$ 41,023**
	TOTAL COST PER LOT	**$ 61,170**	**$ 70,685**	**$ 33,301**	**$ 36,511**	**$ 50,222**

EXHIBIT B-1

ENGINEER'S OPINION OF PROBABLE COST

ALVARADO CHAMBERS CREEK

ALVARADO,TX

1/13/2026

IMPACT FEE REIMBURSEMENT - EXECUTIVE SUMMARY

ITEM	DESCRIPTION	PHASE 1	PHASE 2	PHASE 3	PHASE 4	TOTAL
	LOT QUANTITY	177	175	186	173	711
	LOT WIDTH (30/40/50)	(72/32/73)	(0/54/121)	(0/120/66)	(0/96/77)	(72/302/337)
	MAJOR CIP IMPROVEMENTS	PHASE 1	PHASE 2	PHASE 3	PHASE 4	TOTAL
1 .	EARTHWORK & EROSION CONTROL	$ -	$ -	$ -	$ -	$ -
2 .	SANITARY SEWER IMPROVEMENTS	$ -	$ 1,141,225	$ -	$ -	$ 1,141,225
3 .	WATER IMPROVEMENTS	$ 1,055,186	$ 161,555	$ 150,402	$ 301,154	$ 1,668,297
4 .	STORM SEWER IMPROVEMENTS	$ -	$ -	$ -	$ -	$ -
5 .	PAVING IMPROVEMENTS	$ -	$ 360,280	$ -	$ -	$ 360,280
6 .	STREET LIGHTING & SIGNAGE	$ -	$ -	$ -	$ -	$ -
7 .	LANDSCAPE, SCREENING, ENTRY, & AMENITIES	$ -	$ -	$ -	$ -	$ -
SUBTOTAL (HARD COSTS)		$ 1,055,186	$ 1,663,060	$ 150,402	$ 301,154	$ 3,169,802
8 .	CIVIL ENGINEERING DESIGN & SURVEY	$ -	$ -	$ -	$ -	$ -
9 .	GEOTECHNICAL & MATERIAL TESTING (1.5%; Owner)	$ -	$ -	$ -	$ -	$ -
10 .	CONTINGENCY (15%)	$ 158,278	$ 249,459	$ 22,560	$ 45,173	$ 475,470
	TOTAL	**$ 1,213,464**	**$ 1,912,519**	**$ 172,962**	**$ 346,327**	**$ 3,645,272**

City Of Alvarado
Sports Complex Estimated Project Costs

Design & Construction Costs			
Feasibility Study		$	45,000.00
Engineering & Design		$	400,000.00
Hardscape Improvements		$	4,474,600.00
Irrigation Improvements		$	351,560.00
Landscape Improvements		$	646,990.00
Site Amenity Improvements		$	2,180,000.00
Contigency	20%	$	1,530,630.00
Total Design and Construction		**$**	**9,628,780.00**
Financing Costs			
Issuance & Reserve Funds		$	2,268,917.00
Interest Expense		$	14,602,303.00
Total Financing Costs		**$**	**16,871,220.00**
Administrative Expenses		$	500,000.00
Total Project Costs		**$**	**27,000,000.00**

EXHIBIT F
MAP OF PUBLIC IMPROVEMENTS

EXHIBIT B-2- WATER IMPROVEMENTS & CIP WATERLINE

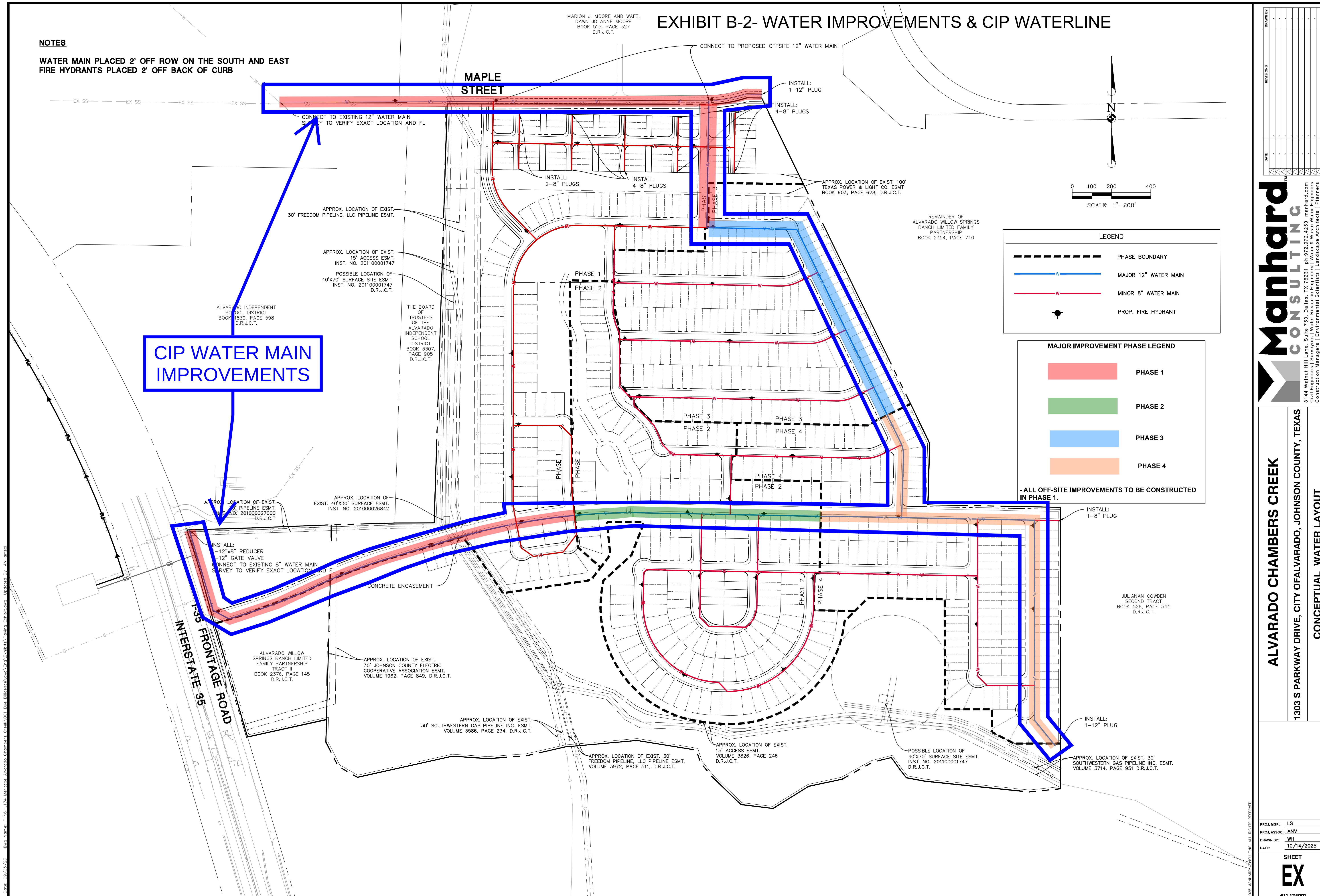
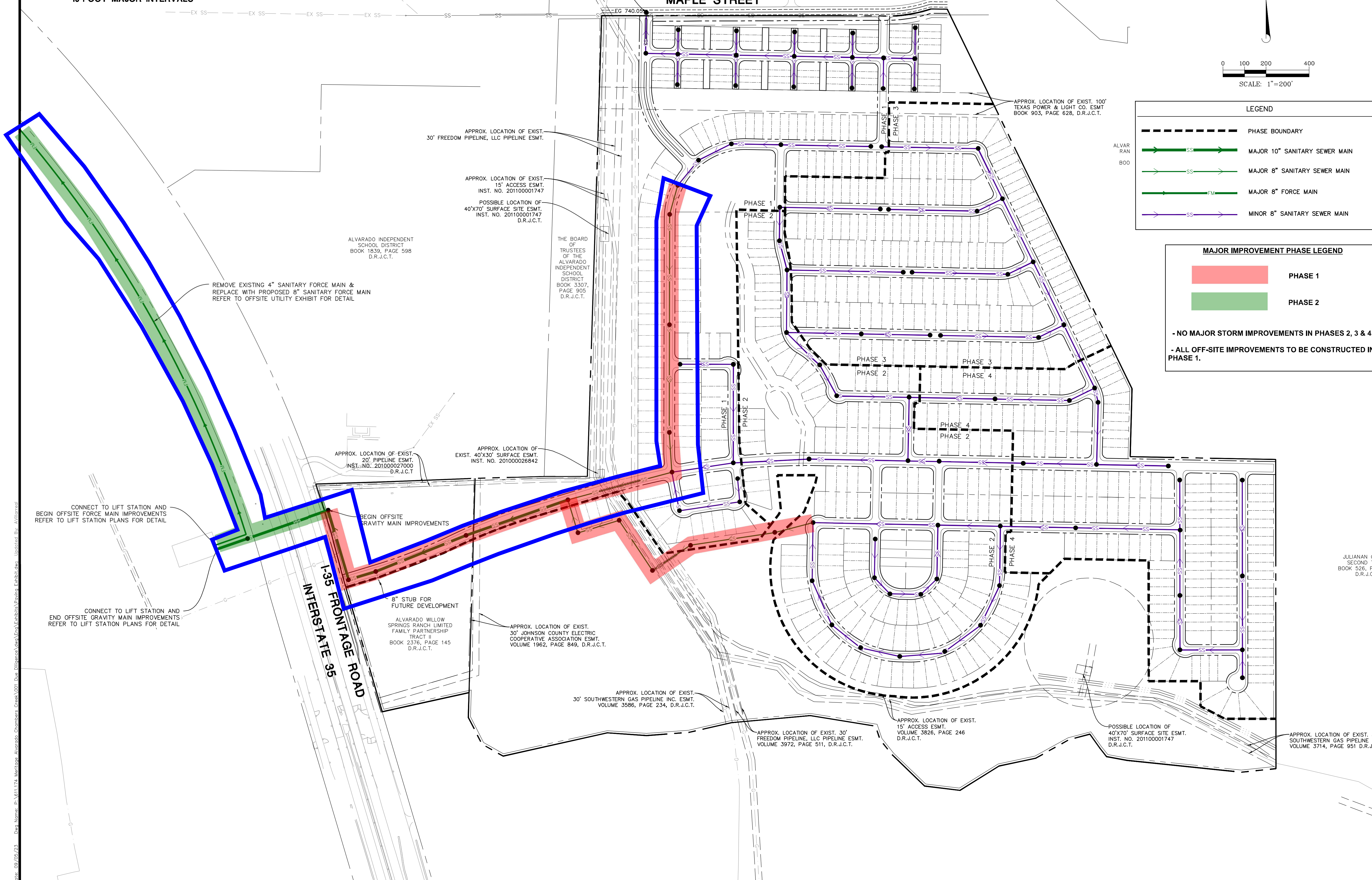


EXHIBIT B-3 -- WASTEWATER/SANITARY FACILITES & CIP SEWER LINE

NOTES

1. SANITARY SEWER PLACED ALONG STREET CENTERLINE
2. MAXIMUM MANHOLE SPACING: 500-FEET
3. EXISTING CONTOURS ARE SHOWN AT 2-FOOT MINOR AND 10-FOOT MAJOR INTERVALS



Manhard CONSULTING

8144 Walnut Hill Lane, Suite 750, Dallas, TX 75231 ph:972.972.4250 manhard.com
Civil Engineers | Surveyors | Water Resource Engineers | Water & Waste Water Engineers
Construction Managers | Environmental Scientists | Landscape Architects | Planners
Texas Board of Professional Engineers & Land Surveyors Reg. No. F-10194754 (Surv), F-21732 (Eng)

DATE	REVISIONS	DRAWN BY

ALVARADO CHAMBERS CREEK

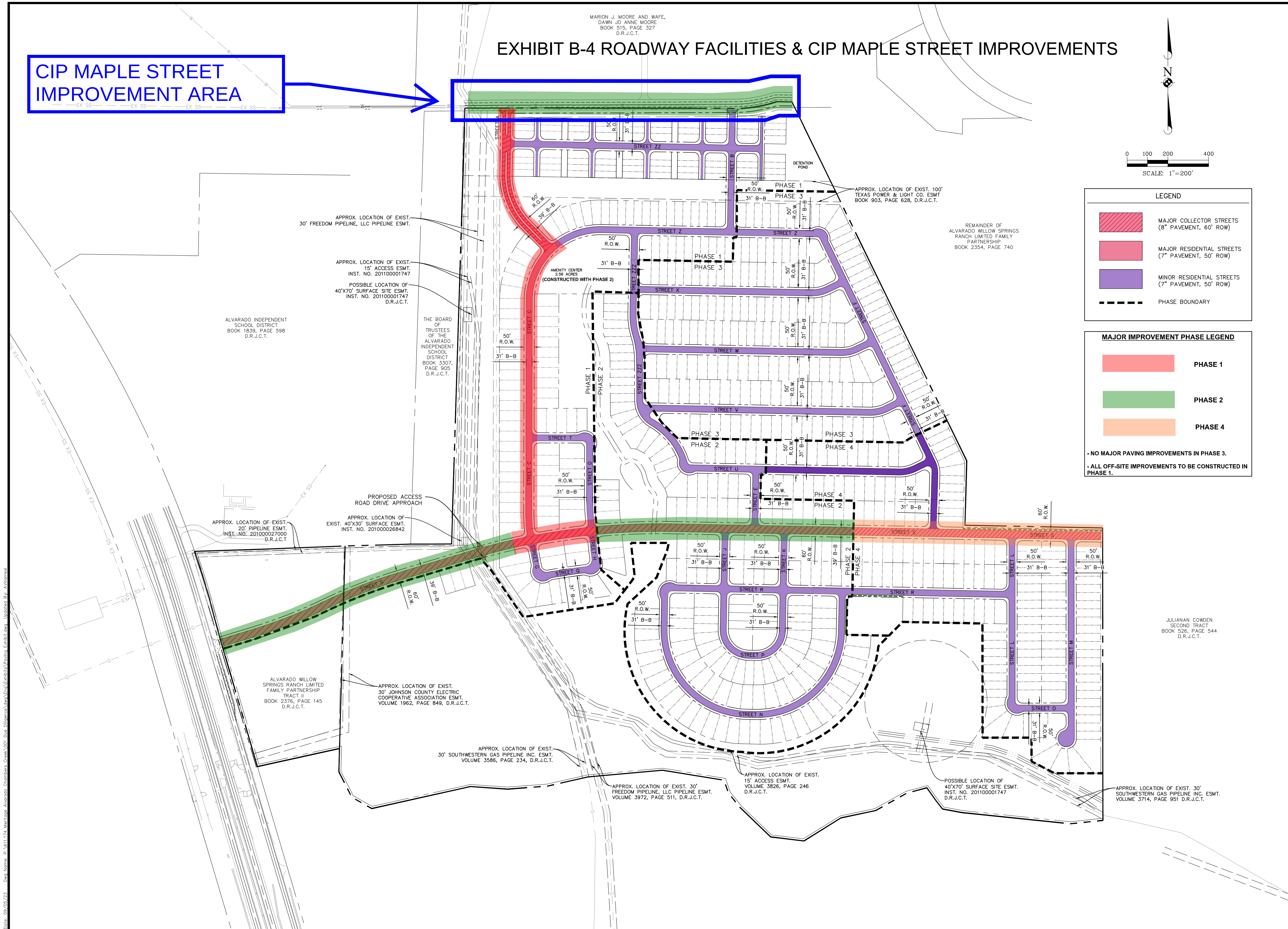
1303 S PARKWAY DRIVE, CITY OFALVARADO, JOHNSON COUNTY, TEXAS

CONCEPTUAL SEWER LAYOUT

PROJ. MGR.: LS
PROJ. ASSOC.: ANV
DRAWN BY: WH
DATE: 10/14/2025

SHEET
EX
611.174001

EXHIBIT B-4 ROADWAY FACILITIES & CIP MAPLE STREET IMPROVEMENTS



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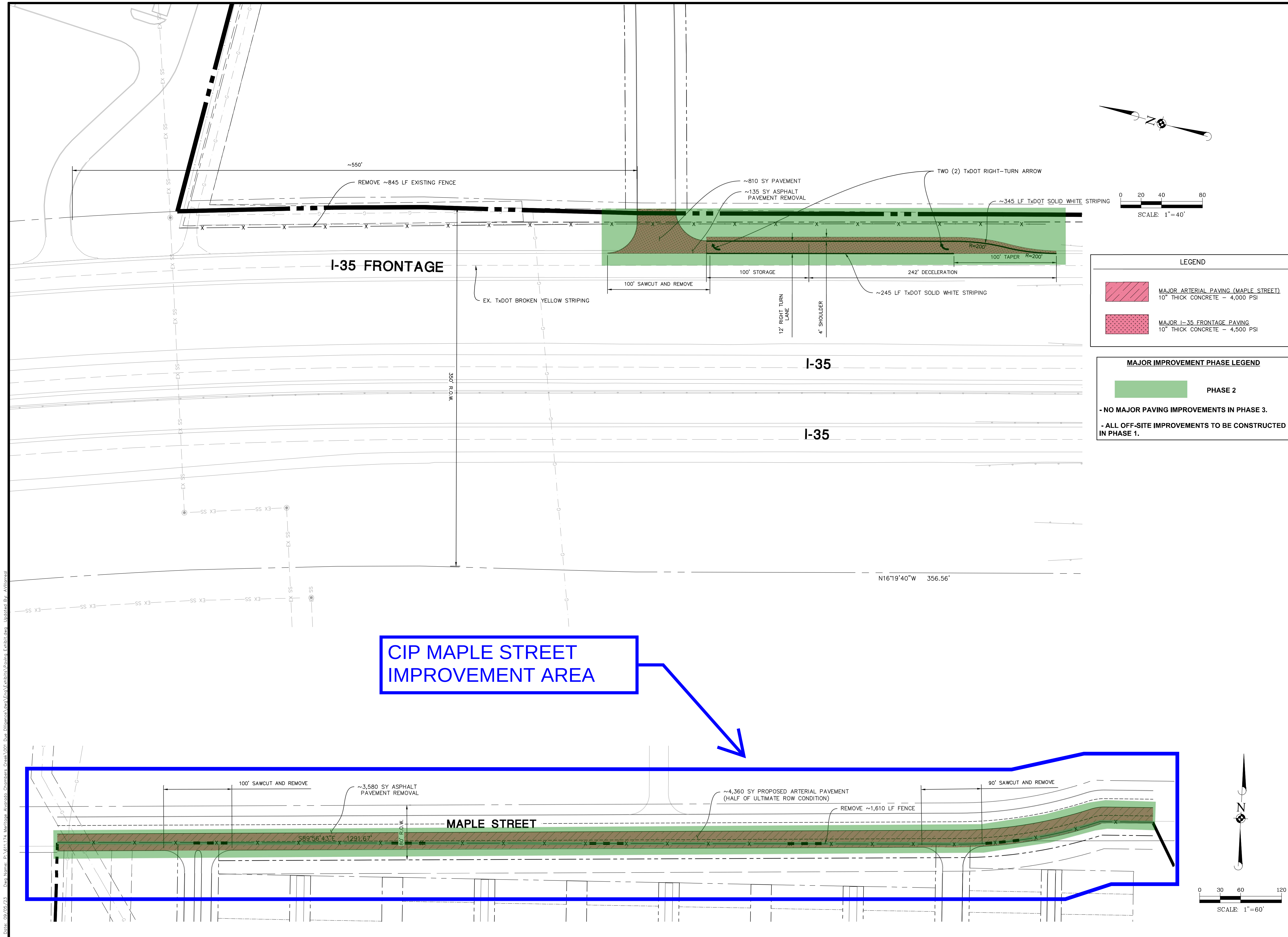
ALVARADO CHAMBERS CREEK

1303 S PARKWAY DRIVE, CITY OFALVARADO, JOHNSON COUNTY, TEXAS

CONCEPTUAL ON-SITE PAVING LAYOUT

PROJ. MGR.: LS
PROJ. ASSOC.: ANV
DRAWN BY: WH
DATE: 10/14/2025

SHEET
EX
611.174001



LEGEND

MAJOR ARTERIAL PAVING (MAPLE STREET)
10" THICK CONCRETE – 4,000 PSI

MAJOR I-35 FRONTAGE PAVING
10" THICK CONCRETE – 4,500 PSI

MAJOR IMPROVEMENT PHASE LEGEND

PHASE 2

- NO MAJOR PAVING IMPROVEMENTS IN PHASE 3.
- ALL OFF-SITE IMPROVEMENTS TO BE CONSTRUCTED IN PHASE 1.

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Texas Board of Professional Engineers & Land Surveyors Reg. No. F-10194754 (Surv), F-21732 (Eng)

ALVARADO CHAMBERS CREEK
1303 S PARKWAY DRIVE, CITY OFALVARADO, JOHNSON COUNTY, TEXAS
OFFSITE PAVING EXHIBIT

PROJ. MGR.: LS
PROJ. ASSOC.: ANV
DRAWN BY: WH
DATE: 10/14/2025

SHEET
EX
611.174001

EXHIBIT G
CURRENT APPRAISED VALUE OF THE ZONE

Tax Reinvestment Zone Number 4
Chambers Creek
Base Year Market Value vs Taxable Value
2025

Property ID[1]	Acreage	Owner	Market Value[2,3]	Taxable Value[2,4]
Single-family Sub-Area				
R000002512	165.30	Alvarado 228 Development LLC	$1,289,421	$0
R000016792	23.60	Alvarado 228 Development LLC	$283,200	$0
Total Single Family Sub-Area	**188.90**		**$1,572,621**	**$0**
Sports Complex Sub-Area				
R000012037	4.00	Alvarado 228 Development LLC	$12,000	$11,520
R000002512	26.41	Alvarado 228 Development LLC	$206,011	$0
R000012038	1.00	Alvarado 228 Development LLC	$48,000	$416
R000012039	8.00	Alvarado 228 Development LLC	$96,000	$832
Total Sports Complex Sub-Area	**39.41**		**$362,011**	**$12,768**

MuniCap, Inc. *oint.com/sites/ALLSTAFF/TEXAS/texas/Alvarado/Chamber Creek/TIRZ/[Chambers Creek - TIRZ Projections v5.0.xlsx]Exhibit H*

2-May-26

[1]The tax parcels shown above, comprising the proposed Tax Increment Reinvestment Zone.

[2]Assumes base value will be based on the certified 2025 values for properties in the City limits.

[3]According to the Johnson County Appraisal District records.

[4]According to the Johnson County Tax Assessor Collector records.

City Council Management Report
Meeting Date: 5/18/2026
Contact: Bobbie Jo Taylor, City Secretary

AGENDA ITEM:
Consideration and action related to the TIRZ No. 4 Reimbursement Agreement; Authorizing execution of certain documents in connection with Reinvestment Zone Number Four, City of Alvarado, Texas, including, without limitation, that certain TIRZ No. 4 Reimbursement Agreement. (Taylor)

BACKGROUND & FINDINGS:

FINANCIAL IMPACT:
The Board is making a recommendation to the City Council for final action.

RECOMMENDATION:
Approval

MANAGEMENT REVIEW:
Paul DeBuff, City Manager

ATTACHMENTS:
1. (AVALON) TIRZ No. 4 - Chambers Creek TIRZ Reimbursement Agreement 4926-2989-8662 3

<u>TIRZ NO. 4 REIMBURSEMENT AGREEMENT</u>

REINVESTMENT ZONE NUMBER 4, CITY OF ALVARADO, TEXAS

TIRZ NO. 4 AGREEMENT

This TIRZ No. 4 Reimbursement Agreement (this "Agreement") is executed between Avalon Development Group, LLC, a Texas limited liability company (the "Developer"), the City of Alvarado (the "City"), a home-rule municipality located in Johnson County, Texas, and the Board of Directors of Reinvestment Zone Number 4, City of Alvarado, Texas (the "Board"), to be effective ____________, 2026 (the "Effective Date"). The City, the Board, and the Developer are individually referred to as a "Party" and collectively as the "Parties." The City and the Board are collectively referred to as the "Public Parties."

ARTICLE I
RECITALS

WHEREAS, Developer intends to develop or cause to be developed an approximately 228-acre parcel of real property in Johnson County (the "County") that is generally located east of Interstate 35-W and south of Maple Street (County Road 108C), and described by metes and bounds on **Exhibit A** and depicted on **Exhibit B** (the "Property"); and

WHEREAS, the Property is currently located partially within the City's corporate limits and partially within the City's extraterritorial jurisdiction ("ETJ"); and

WHEREAS, the City and the Developer have entered into the Chambers Creek Development Agreement (the "Development Agreement") that provides for annexation of the Property not already in the city limits and the Parties agree that this Agreement shall not take effect until such annexation is completed; and

WHEREAS, capitalized terms shall have the meanings given to them in Article 2 of this Agreement, and, if not otherwise defined in Article 2, shall have the meanings given to them in the Agreement; and

WHEREAS, unless otherwise specified, all references to "Section" mean a section of this Agreement; and

WHEREAS, Tax Reinvestment Zone No. 4, City of Alvarado, Texas ("TIRZ No. 4") is a tax increment reinvestment zone created by the governing body of the City (the "City Council") by Ordinance No. 2026-0005, adopted April 20, 2026 ("Ordinance No. 2026-0005"); and

WHEREAS, in addition to creating TIRZ No. 4, in Ordinance No. 2026-0005, the City Council has appointed the Board; and

WHEREAS, on May 18, 2026, the Board (i) approved the *Final Project Plan and Final Finance Plan for Reinvestment Zone Number 4, City of Alvarado, Texas* (the "Project and Finance

Plan") for TIRZ No. 4 and (ii) recommended approval of the Project and Finance Plan to the City Council; and

WHEREAS, on May 18, 2026, the City Council adopted Ordinance No. 2026-____ approving the Project and Finance Plan; and

WHEREAS, Section 311.008 of the Act authorizes the City to enter into agreements necessary to implement the Project and Finance Plan and otherwise achieve the purposes of the Project and Finance Plan; and

WHEREAS, the Act authorizes the City to enter into agreements similar to this Agreement that the City and the Board determine to be necessary or convenient to implement the Project and Finance Plan; and

WHEREAS, the Parties intend that TIRZ No. 4 revenues will fund costs described in the Project and Finance Plan, including the TIRZ Offset and/or all of the Project Costs; and

WHEREAS, the liability of the Public Parties under this Agreement is limited to amounts required to be deposited into the TIRZ No. 4 Fund; and

WHEREAS, the reimbursements provided to the Developer under this Agreement are for the public purposes of: (i) developing and diversifying the economy of the state; (ii) eliminating unemployment and underemployment in the state; (iii) developing and expanding commerce in the state; (iv) stimulating business and commerce within the TIRZ No. 4; and (v) promoting development and redevelopment within the TIRZ No. 4; and

WHEREAS, the Public Parties have an interest in creating jobs and expanding the tax base which accomplish a public purpose and create a benefit for the public in Johnson County; and

WHEREAS, the Parties acknowledge this Agreement constitutes an "obligation" pursuant to Chapter 311, Texas Tax Code; and

WHEREAS, but for the Developer undertaking the Development, TIRZ No. 4 would not generate sufficient TIRZ No. 4 increment to provide the financial assistance to the Developer as set forth in the Project and Finance Plan; and

WHEREAS, capitalized terms used but not defined herein shall have the meanings given to them in the Project and Finance Plan.

NOW THEREFORE, for and in consideration of the mutual benefits and promises of the Parties set forth in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are acknowledged and agreed by the Parties, the Parties agree as follows:

ARTICLE II
DEFINITIONS

"Act" is defined in the Recitals.

"Administrative Costs" means the actual administrative costs, including reasonable charges for the time spent by employees of the City in connection with the creation, management, reporting, compliance, and implementation of the Project and Finance Plan.

"Agreement" is defined in the first paragraph hereof.

"Assignee" is defined in Section 4.2.

“Assessments” is defined in Section 3.2(a).

"Board" is defined in the first paragraph hereof.

“Chambers Creek PID Subaccount” is defined in Section 3.2(a).

"City" means the City of Alvarado, Texas, a home-rule municipality of the State of Texas.

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

"City Representative" means the City Manager or designee.

"City Tax Increment" is defined and regulated in Section 3.2.

“Commercial Property” means the approximately 13 acres of land in TIRZ No. 4 designated for commercial development described and depicted in Exhibits A and B.

"County" means Johnson County, Texas.

"Developer" means Avalon Development Group, LLC.

"Development Agreement" means that certain Chambers Creek Development Agreement related to the Property by and between the City, Alvarado 228 Development, LLC, and the Developer.

"District" means that certain Chambers Creek Public Improvement District created by the City, which includes the single-family residential portions of the Property.

"Effective Date" means the effective date of this Agreement, which is May 18, 2026.

"Party" is defined in the first paragraph hereof.

"Parties" is defined in the first paragraph hereof.

“PID Property” is defined in Section 3.2(a).

"Project Costs" are the Administrative Costs and the actual costs of Public Infrastructure, which include, but are not limited to, all costs that may be reimbursed to the Developer under the Project and Finance Plan.

"Project and Finance Plan" means that certain *Final Project Plan and Final Finance Plan for Reinvestment Zone Number 4, City of Alvarado*, approved by the Board on May 18, 2026, and approved by the City Council by Ordinance No. 2026-____, adopted on May 18, 2026.

"Property" is defined in Exhibits A and B.

"Public Infrastructure" has the meaning stated in Section 3.1.

"Public Parties" is defined in the first paragraph hereof.

"SAP" is defined in Section 3.2(a).

"Sports Complex" means the approximately 26 acres of land in TIRZ No. 4 designated for use as a sports complex described and depicted in Exhibits A and B.

"Sports Complex Phase I" means the first phase of the Sports Complex for which construction will commence upon the earlier of (i) completion of the sale of all homes located in the first phase if the single-family residential development within the PID Property or (ii) upon approval of a final plat for the second phase of the single-family residential development within the PID Property.

"Sports Complex Phase II" means the second phase of the Sports Complex for which construction will commence within six (6) months after the TIRZ Revenues collected in the Sports Complex Subaccount of the TIRZ No. 4 Fund in a given year totals at least six hundred thousand dollars ($600,000) for such year.

"Sports Complex Subaccount" is defined in Section 3.3(b).

"Term" means the term of this Agreement, beginning on the Effective Date and continuing for the Term of the TIRZ No. 4.

"Term of the TIRZ No. 4" shall mean the date as specified in Section 5 of the TIRZ No. 4 Ordinance.

"TIRZ No. 4" means Reinvestment Zone Number 4, City of Alvarado, Texas created in by Ordinance No. 2026-0005 adopted by the City Council on April 20, 2026.

"TIRZ No. 4 Fund" means a tax increment fund created by the City and segregated from all other funds and accounts of the City into which the City Tax Increment is deposited.

"TIRZ No. 4 Ordinance" means Ordinance No. 2026-0005 adopted by the City Council on April 20, 2026.

"TIRZ Offset" means the offset of the District assessments levied upon the single-family residential portion of the Property within the TIRZ on a parcel-by-parcel basis as shown in the District service and assessment plan.

ARTICLE III
SOURCES AND USES OF TIRZ NO. 4 REVENUE

Section 3.1 Creation. Pursuant to and in accordance with the TIRZ Act, the City has created TIRZ No. 4, which includes both the Property, all such land area being identified in the TIRZ No. 4 Ordinance. The City has adopted the Project and Finance Plan, which includes revenues and costs related to this Agreement and revenues and costs not related to this Agreement. The Parties agree that costs in the Project and Finance Plan related to this Agreement are more generally estimated and shown in concept form on the maps in **Exhibit D** ("Public Infrastructure Phasing Concepts") and preliminary cost estimates are provided in **Exhibit E** ("Current Estimate of Public Infrastructure"). **Exhibit D** and **Exhibit E** are subject to change and additional such facilities may be included. All such facilities shown in concept form in **Exhibit D**, and all final such facilities approved and accepted for public ownership by the City are collectively referred to as the "Public Infrastructure." However, any Public Infrastructure not eligible under state law for TIRZ No. 4 reimbursement shall be excluded from the term Public Infrastructure.

Section 3.2. TIRZ No. 4 Fund Accounts; Tax Increment Amounts; Priority of Payments. The City shall create multiple subaccounts within the TIRZ No. 4 Fund ("TIRZ No. 4 Subaccounts") and shall dedicate the following TIRZ No. 4 revenues generated by the Property and actually received by the City and due (the "City Tax Increment") as follows:

(a) In accordance with the TIRZ Project and Finance Plan and this Agreement, forty percent (40%) of the City Tax Increment collected from the property within the District (the "PID Property") shall be deposited into a subaccount of the TIRZ No. 4 Fund (the "Chambers Creek PID Subaccount"). After the payment of TIRZ Administrative Expenses, disbursements from the Chambers Creek PID Subaccount shall provide a TIRZ Credit to parcels within the PID Property, on a parcel-by-parcel basis, to off-set or pay a portion of any special assessments levied on the PID Property within the District ("Assessments") for the costs of Public Infrastructure for a period of thirty (30) years for each phase, as further described in the service and assessment plan for the District (the "SAP"), resulting in a maximum overlapping tax stack of $3.09 per $100 of assessed value and a maximum tax rate equivalent for Assessments for each Assessed Property (as defined in the SAP) of $1.00 per $100 assessed value at the time of the levy against such PID Property, net of the TIRZ Credit.

(b) In accordance with the TIRZ Project and Finance Plan and this Agreement, sixty percent (60%) of the City Tax Increment collected from the PID Property and one hundred percent (100%) of the City Tax Increment collected from the Commercial Property shall be deposited into a subaccount of the TIRZ No. 4 Fund (the "Sports Complex Subaccount"). After the payment of TIRZ Administrative Expenses, disbursements from the Sports Complex Subaccount shall be used to reimburse the Developer for its actual costs for the engineering, design, and construction of Sports Complex Phase I and Sports Complex Phase II, including its financing costs and actual interest paid, not to exceed $27,000,000. The TIRZ Credit and the reimbursement obligation in this subsection are not secured by a pledge of ad valorem taxes, other than the Chambers Creek PID Subaccount and the Sports Complex Subaccount, or financed by the issuance of any bonds or other obligations payable from ad valorem taxes of the City but is payable only from the Chambers Creek PID Subaccount and from the Sports Complex Subaccount, respectively, subject to this Agreement and Article III, Section 52-a of the Texas Constitution. Except as provided herein, the Developer is not entitled to reimbursement from the City for any costs incurred by Developer in excess of the funds available in the Chambers Creek PID Subaccount and the Sports Complex Subaccount.

(c) To the extent any City Tax Increment remains after the foregoing expenses have been paid, such City Tax Increment shall be used at the discretion of the City pursuant to the TIRZ Act and the TIRZ Project and Finance Plan.

(d) The TIRZ No. 4 Fund, including the Chambers Creek PID Account and the Sports Complex Account, shall be segregated in the accounting records of the City.

(e) Notwithstanding anything to the contrary, the City shall not enter into any agreements or consider any amendments to the TIRZ Project and Finance Plan or this Agreement that would cause any other third party to receive a higher priority in the distribution of the Chambers Creek PID Subaccount or the Sports Complex Subaccount without the consent of the Developer.

Section 3.3 Administrative Uses. The Parties agree that the first-priority payment of the TIRZ No. 4 Fund shall be any payment to the City for the Administrative Costs of TIRZ No. 4. The City shall expend available City Tax Increment monies on the Administrative Costs of TIRZ No. 4 prior to the use of any other funds. These Administrative Cost payments shall be limited to Administrative Costs approved by the TIRZ No. 4 Board. The City shall expend available City Tax Increment monies on the Administrative Costs of TIRZ No. 4 prior to the use of any other funds and prior to transferring any funds to any subaccount.

Section 3.4. TIRZ No. 4 Revenue. Revenue in the TIRZ No. 4 Fund may fund any cost eligible for funding identified in the Project and Finance Plan pursuant to the TIRZ Act. Revenue in the Chambers Creek PID Subaccount and the Sports Complex Subaccount, or related subaccounts, shall be used as described in Section 3.2 and Section 3.3 above.

Section 3.5. TIRZ No. 4 Fund. Commencing on the Effective Date, continuing for the Term of TIRZ No. 4, and after payment of the Administrative Costs, the City shall cause to be deposited into the TIRZ No. 4 Fund the City Tax Increment. Funds in the TIRZ No. 4 Fund are attributable to the Property. The City, by entering into this Agreement, approves such transfers to the TIRZ No. 4 Fund and such reimbursement to the Developer or District of Project Costs of Public Infrastructure that the City Engineer has accepted as complete, and agrees that no additional approvals of such payments are required from the City Council. However, no reimbursement payment to Developer shall be made by the City without an invoice from the Developer with a complete documentation of applicable Project Costs.

Section 3.6. Construction of Public Infrastructure. In conjunction with the development of the Property, the Developer will cause the Public Infrastructure necessary for full development of the Property to be constructed. Prior to construction, the Developer shall make, or cause to be made, application for any necessary permits and approvals required by the City to be issued for the construction of the Public Infrastructure. The Developer shall require the design, inspection, and supervision of the construction of the Public Infrastructure to be undertaken in accordance with City requirements.

Section 3.7. Use of TIRZ No. 4 Fund. The TIRZ No. 4 Fund shall only be used to pay amounts as set forth in this Agreement, the Project and Finance Plan, and the Act. After payment of the Administrative Costs, and notwithstanding any other provision of this Article III or the Project and Finance Plan, the initial costs to be paid from the TIRZ No. 4 Fund revenue generated from the Property will be limited to the uses set forth in Section 3.3 above. After such payments under Section 3.3 are funded, and only if there are sufficient TIRZ No. 4 Fund revenues remaining after such obligations are satisfied, will such excess TIRZ No. 4 Fund revenues be paid to satisfy other obligations in the Project and Finance Plan.

Section 3.8. Obligations Absolute. The obligation of the Public Parties to use the TIRZ No. 4 Fund or to make payments, as applicable, as set forth in this Agreement are absolute and unconditional, and the Public Parties shall not suspend or discontinue any deposits into the TIRZ No. 4 Fund or payments under Section 3.3 as provided for in this Agreement.

Section 3.9. Procedure for Payment. The Developer agrees that, each year before receiving the TIRZ No. 4 Fund payment from the Sports Complex Subaccount under Section 3.2 and Section 3.3 above, it shall provide documentation to the City demonstrating that none of the requested payment from the TIRZ No. 4 Fund or the Sports Complex Subaccount has been reimbursed to the Developer from bond proceeds. The Parties acknowledge and agree that TIRZ No. 4 Fund payments for the Sports Complex may not exceed the amount described above in Section 3.2(b), the Project and Finance Plan, and the Development Agreement. The Developer will present to the City Representative not more frequently than monthly invoices evidencing expenditures for Project Costs (including supporting documentation and engineering certifications reasonably requested by the City Representative) in the form of the TIRZ No. 4 Certificate for Payment attached hereto as **Exhibit C**. The City Representative shall review the expenditures and shall approve or deny them on behalf of the Public Parties within thirty (30) business days (which approvals shall not be unreasonably withheld). Invoices that have been approved by the City Representative or that are deemed approved shall be paid to the Developer exclusively from actual revenues of the appropriate subaccount of the TIRZ No. 4 Fund within ten (10) business days after the end of the next calendar month, provided funds are available in the relevant subaccount of the TIRZ No. 4 Fund. If no funds are available in the relevant subaccount of the TIRZ No. 4 Fund to pay approved Project Costs, such costs will accrue without interest until paid on a first-in-first-out basis in accordance with the requirements of Section 3.2 and Section 3.3. The Parties will use all reasonable efforts to resolve disputes within thirty (30) business days, after which time the Developer may pursue its remedies under this Agreement. If the dispute is not resolved within said thirty (30) business days, then Developer may request that the dispute be submitted to the City Council for resolution, The decision of the City Council shall be final.

Section 3.10. Records. Each Party shall maintain complete books and records showing its compliance with its obligations, its satisfaction of performance criteria for incentives under this Agreement, which books and records shall be deemed complete if kept in accordance with generally acceptable accounting principles. Such books and records shall be available for examination by the duly authorized officers or agents of the inspecting Party during normal business hours upon request made not less than ten (10) business days prior to the date of such examination. Each Party shall maintain such books and records throughout the term of this Agreement. Upon written request by a Party not more than once per year, the Party in receipt of the request shall give the requesting Party access to all records controlled by, or in the direct or indirect possession of, the Party (other than records subject to legitimate claims of attorney-client privilege) relating to that Party's compliance with performance criteria or obligations and permit the inspecting Party to review such records in connection with conducting a reasonable audit of such conditions. Any discrepancy in grant or reimbursement payments found in the audit shall be submitted to the audited Party for review and each Party shall make appropriate adjustment in incentive payments during the next payment period.

Section 3.11. Remaining Balance. Any balance remaining in the TIRZ No. 4 Fund upon expiration of the Term of the TIRZ No. 4 that is not otherwise legally committed to any of the payments set forth in Section 3.3 above shall be returned to the City as required by the Act.

ARTICLE IV.
MISCELLANEOUS

Section 4.1 Term. This Agreement shall expire at the end of the Term of the TIRZ No. 4. This Agreement may also terminate by mutual written agreement of the Parties or by a full reimbursement of Project Costs of City Engineer-accepted Public Infrastructure and a written statement by the Developer that no additional Public Infrastructure will be initiated.

Section 4.2 Assignment. (a) The Developer has the right, from time to time without the consent of the City, but upon written notice to the City, to assign this Agreement, in whole or in part, including any obligation, right, title, or interest of the Developer under this Agreement, to the following (an "Assignee"): (i) any person or entity that is or will become an owner of or who leases any portion of the Property; or (ii) any entity that is controlled by or under common control with the Developer. Each assignment shall be in writing executed by the Developer and the Assignee and shall obligate the Assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned. A copy of each assignment shall be provided to the City within 15 days after execution. From and after such assignment and notwithstanding anything to the contrary in this Agreement, the City agrees to look solely to the Assignee for the performance of all obligations assigned to the Assignee and agrees that the Developer shall be released from subsequently performing the assigned obligations and from any liability that results from the Assignee’s failure to perform the assigned obligations; provided, however, if a copy of the assignment is not received by the City within 15 days after execution, the Developer shall not be released until the City receives such assignment. An Assignee shall be considered the "Developer" and a "Party" for the purposes of this Agreement.

(b) The Developer has the right, from time to time without the consent of the City, but upon written notice to the City, to assign any receivables due under this Agreement, in whole or in part, to any person or entity. Each assignment of receivables shall be in writing executed by the Developer and the assignee. A copy of each assignment of receivables shall be provided to the City within 15 days after execution. From and after such assignment and notwithstanding anything to the contrary in this Agreement, the City shall pay any such receivables assigned to the assignee named in such assignment. If a copy of the assignment of receivables is not received by the City within 15 days after execution, the City may pay the Developer and the City shall not be liable to the assignee for any reason and the Developer shall be liable for the payment of all payments made by the City to the Developer of the assigned receivables until the City receives notice of such assignment. Provided, however, that notwithstanding the above, Developer shall be limited to a maximum of six (6) such assignments and any additional assignments after the sixth such assignment shall require the consent of the City.

Section 4.3 Collateral Assignment. The Developer shall have the right to collaterally assign, pledge, or encumber, in whole or in part, to any lender as security for any loan in connection with development within the Property, all rights, title, and interests of the Developer to receive payments under this Agreement. Such collateral assignments (i) shall not require the consent of the Public Parties, (ii) shall require notice to the Public Parties together with full contact information for such lenders, (iii) shall not create any liability for any lender under this Agreement by reason of such collateral assignment unless the lender agrees, in writing, to be bound by this Agreement; and (iv) may give lenders the right, but not the obligation, to cure any failure of the Developer to perform under this Agreement. No collateral assignment shall relieve the Developer from any obligations or liabilities under this Agreement.

Section 4.4. Events of Default. No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given 30 days to perform. If the default cannot reasonably be cured within such 30-day period, and the Party in default has diligently pursued such remedies as shall be reasonably necessary to cure such default, then the non-defaulting Party may, at its sole option, extend the period in which the default must be cured.

Section 4.5. Remedies. As compensation for the other party's default, an aggrieved Party is limited to seeking specific performance, or other equitable relief available at law, of the other party's obligations under this Agreement. NOTWITHSTANDING THE FOREGOING, HOWEVER, NO DEFAULT UNDER THIS AGREEMENT SHALL ENTITLE THE AGGRIEVED PARTY TO TERMINATE THIS AGREEMENT AND PREVENT THE DEVELOPER OR THE CITY FROM RECEIVING ANY REIMBURSEMENTS OR PAYMENTS DUE AND OWED TO THE DEVELOPER OR THE CITY UNDER THIS AGREEMENT, ANY ECONOMIC DEVELOPMENT AGREEMENT, ANY REIMBURSEMENT AGREEMENT, OR THE DEVELOPMENT AGREEMENT.

Section 4.6. Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below or on the day actually received if sent by courier or otherwise hand delivered:

To the City: City of Alvarado
Attn: City Manager
104 West College Street
Alvarado, Texas 76009
E-mail: debuffp@cityofalvarado.org

To the Board: Tax Increment Reinvestment Zone Number 4
Attn: Board of Directors
104 West College Street
Alvarado, Texas 76009
E-mail: taylorb@cityofalvarado.org

With copy to: City Attorney
Attn: Julie Fort
6371 Preston Road, Suite 200
Frisco, Texas 75034
E-mail: julie@txmunicipallaw.com

To the Developer: Avalon Development Group, LLC
Attn: Jonathan Murphy and Ted Murphy
P.O. Box 671201
Dallas, Texas 75367
E-mail: tmurphy@avalon-dg.com and jmurphy@avalon-dg.com

With a copy to: Winstead PC
Attn: Ross Martin
2728 N. Harwood St., Suite 500
Dallas, Texas 75201
Email: rmartin@winstead.com

Any Party may designate a different address at any time upon written notice to the other Parties.

Section 4.7. Governing Law and Venue. This Agreement shall be interpreted and the rights of the Parties hereto determined in accordance with the laws of the State of Texas without regard to the conflicts of laws or principles thereto, and venue shall be in the District Court in Johnson County, Texas.

Section 4.8. Compliance with Laws. The City and Developer shall comply in all material respects with all applicable laws in connection with the development and construction of the Property.

Section 4.9. Entire Agreement; Severability. This Agreement and the Development Agreement constitute the entire agreement between the Parties and supersede all prior agreements, whether oral or written, covering the subject matter of this Agreement. This Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

Section 4.10. Amendment. Except as expressly set forth herein, this Agreement may not be amended or terminated without the written consent of the Parties hereto.

Section 4.11. Waiver. No term or condition of this Agreement shall be deemed to have been waived, nor has there been any estoppel to enforce any provision of this Agreement, except by written instrument of the Party charged with such waiver or estoppel.

Section 4.12. Third-Party Beneficiaries. The District is a third party beneficiary of this Agreement. With the exception of the District, the Parties hereto intend that this Agreement shall not benefit or create any right or cause of action in or on behalf of any third-party beneficiary, or any individual other than the Parties hereto and their permitted assigns.

Section 4.13. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

Section 4.14. Headings. The headings of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

Section 4.15. Draftsmanship and Interpretation. This Agreement shall be deemed drafted equally by all Parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any Party shall not apply. In the event of a dispute or disagreement arising under this Agreement, this Agreement shall be interpreted in accordance with its fair meaning and shall not be interpreted for or against any party on the ground that such party drafted or caused to be drafted this Agreement.

Section 4.16. Conflicts. To the extent there is a conflict between the terms of this Agreement and the TIRZ No. 4 Ordinance, the terms of the TIRZ No. 4 Ordinance shall control.

Section 4.17. Employment of Undocumented Workers. To the extent this Agreement constitutes an incentive, during the term of this Agreement, the Developer agrees not to knowingly employ any undocumented workers and, if convicted of a violation under 8 U.S.C. Section 1324a(f), the Developer shall repay the incentives granted herein within 120 days after the date the Developer is notified by the City of such violation, plus interest at the rate of six percent (6%) compounded annually from the date of violation until paid. Pursuant to Section 2264.101(c), Texas Government Code, a business is not liable for a violation of Chapter 2264 by a subsidiary, affiliate, or franchisee of the business, or by a person with whom the business contracts.

Section 4.18. Statutory Verifications. The Developer makes the following representations and verifications pursuant to Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the "Government Code"), in entering into this Agreement. As used in such verifications, "affiliate" means an entity that controls, is controlled by, or is under common control with the Developer or the Owner within the meaning of Securities and Exchange Commission Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification during the term of this Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything in this Agreement to the contrary.

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

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

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

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

Section 4.19. Form 1295. Submitted herewith is a completed Form 1295 generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The City hereby confirms receipt of the Form 1295 from the Developer, and the City agrees to acknowledge such form with the TEC through its electronic filing application not later than the 30th day after the receipt of such form. The Parties understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Developer; and, neither the City nor its consultants have verified such information.

Exhibit A	Legal Description
Exhibit B	Map of Property
Exhibit C	Certificate of Payment
Exhibit D	Public Infrastructure Phasing Concepts
Exhibit E	Current Estimate of Public Infrastructure

[SIGNATURE PAGES FOLLOW]

EXECUTED this ______ day of ___________________, 2026.

ATTEST:

Name:______________________________

Title: City Secretary

CITY OF ALVARADO, TEXAS

By:_________________________________

Name:_______________________________

Title:_______________________________

Date:_______________________________

APPROVED AS TO FORM AND LEGALITY:

Name:______________________________

Julie Fort, City Attorney

REINVESTMENT ZONE NUMBER 4,

CITY OF ALVARADO, TEXAS

By:____________________________

____________________, Board Chairman

STATE OF TEXAS	§
	§
COUNTY OF _________________	§

This instrument was acknowledged before me on this ____ day of ____________, 2026 by __________________________, the Board Chairman of the Reinvestment Zone Number 4, City of Alvarado, Texas, on behalf of said entity.

____

Notary Public - State of Texas

DEVELOPER:

Avalon Development Group, LLC
a Texas limited liability company

By: ______________________________
Name: Theodore J. Murphy
Its: Manager

STATE OF TEXAS §
§
COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of ______________, 2026, by Theodore J. Murphy, Manager of Avalon Development Group, LLC, a Texas limited liability company, on behalf of said company.

____
Notary Public, State of Texas

[SEAL]

EXHIBIT A

PROPERTY DESCRIPTION

EXHIBIT A-1

PARCEL - 1

BEING 188.62 acres of land in the Robert Bell Survey, Abstract Number 44, J. Bell Survey, Abstract No. 46, T. Stephens Survey, Abstract No. 778, and the Ambrose Powers Survey, Abstract Number 686, Johnson County, Texas; being part of that certain tract of land described in a Warranty Deed to Alvarado 228 Development. LLC. as recorded in Book 2016 Page 2678, Deed Records, Johnson County, Texas (D.R.J.C.T.), and being more particularly described, by metes and bounds, as follows:

BEGINNING at a mag nail with washer set stamped "MANHARD CONSULTING" at the northernmost northwest corner;

THENCE North 89°45'44" East, a distance of 1,669.99 feet to a yellow capped 5/8" iron rod set stamped "MANHARD CONSULTING";

THENCE North 62°48'30" East, continuing along said line, a distance of 147.84 feet to a mag nail with washer set stamped "MANHARD CONSULTING" at the northeast corner;

THENCE South 25°14'01" East, along the common line, a distance of 2,002.48 feet to a 1/2" iron rod found;

THENCE South 01°37'36" West, a distance of 314.22 feet to a found fence post;

THENCE South 89°01'16" East, a distance of 676.85 feet to a found 1/2" iron rod;

THENCE South 00°12'15" East, a distance of 1,428.77 feet to a 1/2" iron rod found at the southeast corner;

THENCE South 82°22'29" West, a distance of 160.00 feet to a capped 5/8" iron rod found stamped "RPLS 4838";

THENCE North 84°13'06" West, 557.60 feet to a point for corner;

THENCE North 78°11'06" West, 75.80 feet to a point for corner;

THENCE North 36°28'06" West, 127.40 feet to a point for corner;

THENCE South 75°02'54" West, 101.10 feet to a point for corner;

THENCE South 60°58'54" West, 175.40 feet to a point for corner;

THENCE South 77°47'51" West, 175.00 feet to a point for corner;

THENCE South 56°30'54" West, 172.60 feet to a point for corner;

THENCE North 86°37'06" West, 202.00 feet to a point for corner;

THENCE North 55°59'06" West, 54.80 feet to a point for corner;

THENCE North 45°42'06" West, 143.80 feet to a point for corner;

THENCE North 35°43'06" West, 100.00 feet to a point for corner;

THENCE North 21°54'06" West, 58.20 feet to a point for corner;

THENCE North 78°48'06" West, 186.90 feet to a point for corner;

THENCE North 80°49'06” West, 120.90 feet to a point for corner;

THENCE South 84°37'54” West, 367.50 feet to a point for corner;

THENCE South 76°51'54” West, 22.35 feet to a point for corner;

THENCE North 12°47'36” West, 333.88 feet to a point for corner;

THENCE North 33°45'46” West, 978.77 feet to a point for corner;

THENCE North 89°48'52” East, 1.29 feet to a point for corner;

THENCE North 01°00'47” East, 2,128.25 feet to a point for corner;

THENCE South 89°49'45” West, 199.77 feet to a point for corner;

THENCE North 01°10'12” East, 20.88 feet to the POINT OF BEGINNING, containing 188.62 acres of land.

PARCEL -2

Alvarado – Sports Complex
26.41 Acres
Johnson County, Texas

BEING 26.41 acres of land in the A. Kimbell Survey, Abstract Number 479, and the J. Bell Survey, Abstract No. 46, Johnson County, Texas; being part of that called 228.322 acre tract of land described in a Warranty Deed to Alvarado 228 Development. LLC. as recorded in Book 2016, Page 2678, Deed Records, Johnson County, Texas (D.R.J.C.T.), and being more particularly described, by metes and bounds, as follows:

COMMENCING at a mag nail with washer set stamped "MANHARD CONSULTING" at the northernmost northwest corner of said 228.322 acres, and being on the centerline of Maple Street (prescriptive roadway);

THENCE South 01°10'12" West leaving said centerline, a distance of 20.88 feet to a ½-inch iron rod;

THENCE North 89°49'45" East, a distance of 199.77 feet to a capped ½-inch iron rod stamped "DANNENBAUM";

THENCE South 01°00'47" West, a distance of 2,128.25 feet to a 5/8-inch iron rod stamped "FORT WORTH SURVEYING" for the POINT OF BEGINNING;

THENCE South 33°42'00" East, a distance of 978.06 feet to a point for corner;

THENCE South 12°47'36" East, a distance of 333.88 feet to a point in Chambers Creek;

THENCE westerly with Chambers Creek as follows:

South 76°51'54" West, 180.65 feet;

South 85°21'54" West, 200.10 feet;

North 86°16'06" West, 178.50 feet;

South 75°39'54" West, 300.00 feet;

South 79°27'54" West, 200.60 feet;

North 60°35'35" West, 113.10 feet;

North 26°54'15" West, 139.50 feet;

THENCE North 01°04'35" East leaving said Creek, 113.85 feet to a fence post;

THENCE North 01°15'43" East, a distance of 989.34 feet to a ½-inch iron rod;

THENCE North 88°03'11" East, a distance of 362.87 feet to a 60d nail;

THENCE North 89°48'52" East, a distance of 199.83 feet to the POINT OF BEGINNING, containing 26.41 acres of land more or less.

PARCEL-3

BEING 13.29 acres of land in the A. Kimbell Survey, Abstract Number 479, and the J. Bell Survey, Abstract No. 46, Johnson County, Texas; being part of that called 228.322 acre tract of land described in a Warranty Deed to Alvarado 228 Development. LLC. as recorded in Book 2016, Page 2678, Deed Records, Johnson County, Texas (D.R.J.C.T.), and being more particularly described, by metes and bounds, as follows:

COMMENCING at a mag nail with washer stamped "MANHARD CONSULTING" for the northernmost northwest corner, being on the centerline of Maple Street (prescriptive roadway);

THENCE South 01°10'12" West, a distance of 20.88 feet to a ½-inch iron rod;

THENCE North 89°49'45" East, a distance of 199.77 feet to a capped ½-inch iron rod stamped "DANNENBAUM";

THENCE South 01°00'47" West, a distance of 2,128.25 feet to a ½-inch capped iron rod stamped "FORT WORTH SURVEYING";

THENCE South 89°48'52" West, a distance of199.83 feet to a 60-d nail;

THENCE South 88°03'11" West, a distance of 362.87 feet to a ½-inch iron rod for the POINT OF BEGINNING;

THENCE South 01°15'43" West, a distance of 989.34 feet to a point for corner;

THENCE South 77°34'21" West, a distance of 401.58 feet a point for corner on the easterly right of way line for Interstate 30;

THENCE northerly with said right of way line as follows:

> North 16°34'19" West, a distance of 824.58 feet a 1-inch smooth iron rod for the beginning of a curve;
>
> Along a curve to the left, having a radius of 5,904.58 feet, a delta of 02°38'45", an arc length of 272.67 feet, and whose long chord bears North 17°50'20" West, 272.65 feet to a point for corner;

THENCE North 87°59'41" East leaving said right of way line, a distance of 733.11 feet to the POINT OF BEGINNING, containing 13.29 acres of land, more or less.

EXHIBIT B

MAP OF PROPERTY

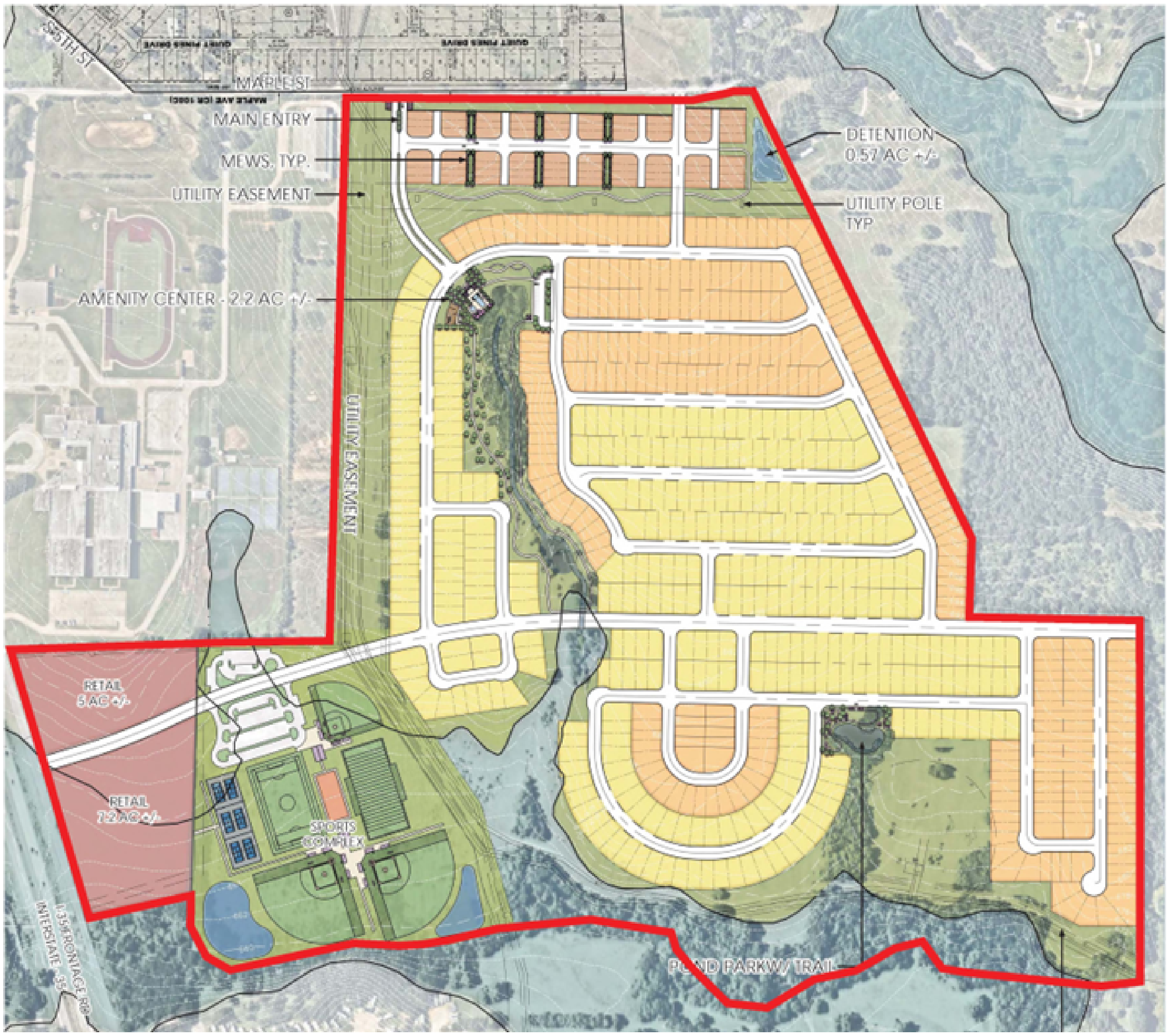

EXHIBIT C

CERTIFICATE OF PAYMENT

[See attached]

EXHIBIT D

PUBLIC INFRASTRUCTURE PHASING CONCEPTS

[See Attached]

EXHIBIT E

CURRENT ESTIMATE OF PUBLIC INFRASTRUCTURE

[See Attached]