

ORDINANCE NO. 14-0529A

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS REGARDING THE HIGHLANDS PUBLIC IMPROVEMENT DISTRICT; APPROVING A SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL FOR THE DISTRICT; LEVYING ASSESSMENTS AGAINST PROPERTY WITHIN THE DISTRICT TO PAY THE COSTS OF IMPROVEMENTS; PROVIDING FOR PAYMENT AND PREPAYMENT OF ASSESSMENTS; FIXING A CHARGE AND LIEN AGAINST PROPERTY WITHIN THE DISTRICT AND THE OWNERS THEREOF; PROVIDING FOR THE MANNER AND METHOD OF COLLECTING ASSESSMENTS; PROVIDING PENALTIES FOR DELINQUENT ASSESSMENTS; MAKING FINDINGS OF SPECIAL BENEFIT TO THE PROPERTY WITHIN THE DISTRICT AND THE OWNERS THEREOF; PROVIDING FOR SAVINGS, REPEALING AND SEVERABILITY CLAUSES; PROVIDING AN EFFECTIVE DATE; AND PROVIDING FOR RECORDATION.

RECITALS

WHEREAS, the Town of Northlake, Texas (the "Town") is authorized by Chapter 372, Texas Local Government Code, as amended (the "Act") to create a public improvement district and to levy special assessments against property within the district to pay the costs of public improvement projects (the "PID Improvements") that confer a special benefit on property within the district.

WHEREAS, on March 14, 2014, there was submitted to and filed with the Town Secretary of the Town pursuant to the Act that certain "Petition for the Creation of a Public Improvement District" (the "Petition") requesting the establishment of a public improvement district covering approximately 363.905 acres described in the Petition and to be known as "The Highlands Public Improvement District" (the "District");

WHEREAS the Town Council of the Town (the "Town Council") received the Petition and determined that it satisfied the requirements of the Act;

WHEREAS, after providing the notices required by the Act and by the Texas Open Meetings Act, Chapter 551, Texas Government Code, as amended (the "Open Meetings Act"), the Town Council conducted a public hearing on April 24, 2014, at the time and place specified in the

notice, to determine the advisability of creating and establishing the District and undertaking the PID Improvements;

WHEREAS, upon the closing of the April 24, 2014, public hearing the Town Council passed and approved Resolution No. 14-12 which authorized and approved the creation and establishment of the District which was named “The Highlands Public Improvement District”;

WHEREAS, the Town Secretary caused notice of Resolution No. 14-12 to be published in a newspaper of general circulation within the Town as required by the Act; whereupon creation of the District took effect as provided by the Act;

WHEREAS, on May 15, 2014, the Town Council adopted and approved Resolution No. \_\_\_ determining the total cost of the proposed PID Improvements; accepting for review the preliminary The Highlands Public Improvement District Service and Assessment Plan (the "Preliminary SAP"); directing that the Preliminary SAP be filed with the Town Secretary and made available for public inspection; calling a public hearing for May 29, 2014 (the "Assessment Public Hearing") to consider the levy of assessments against the property within the District (the “District Property”); and authorizing and directing the Town Secretary to mail, publish, and otherwise provide notices of the Assessment Public Hearing as required by the Act and state law;

WHEREAS, on or before May 18, 2014, the Town Secretary mailed and caused to be published notice of the Assessment Public Hearing as required by the Act, which date was before the 10th day before the date of the Assessment Public Hearing;

WHEREAS, after mailing, publishing, and otherwise providing all notices of the Assessment Public Hearing as required by the Act and state law, the Town Council conducted the Assessment Public Hearing on May 29, 2014, at the time and place and for the purposes set forth in the notices;

WHEREAS, the owner of the District Property appeared at the Assessment Public Hearing by its representative and affirmed owner's support for the levy of assessments against the District Property;

WHEREAS, no one appeared at the Assessment Public Hearing in opposition to the levy of assessments against the District Property;

WHEREAS, after all persons having an interest in the levy of assessments against the District Property were given an opportunity to be heard in support of or in opposition to the assessments, the Town Council closed the Assessment Public Hearing on May 29, 2014;

WHEREAS, after the closing of the Assessment Public Hearing, and after considering the information, materials, evidence, and testimony offered to the Town Council prior to and at the Assessment Public Hearing, and after taking into consideration the fact that owner supports the levy of assessments against the District Property and there were no objections to the levy of assessments against the District Property, the Town Council has determined that it promotes the interests of the Town to adopt and approve this Ordinance;

NOW THEREFORE BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS, THAT:

Section 1. The recitals set forth in the WHEREAS clauses of this Ordinance are true and correct, are part of this Ordinance for all purposes, and constitute findings of the Town Council acting in its discretionary, legislative capacity.

Section 2. Unless otherwise defined in this Ordinance, capitalized terms used in this Ordinance shall have the meanings given to them in the Service and Assessment Plan for the District.

Section 3. All actions of the Town in connection with the creation and establishment of the District and the approval of this Ordinance: (i) have been taken and performed in compliance with the Act and all other applicable laws, policies, and procedures; (ii) have been taken and performed in a regular, proper, and valid manner; and (iii) are approved and ratified.

Section 4. The Service and Assessment Plan for the District attached as Exhibit B to this Ordinance is approved and adopted by the Town Council as the “service plan” for the District as required by Section 372.013 of the Act, the “assessment plan” for the District as required by Section 372.014 of the Act, and the “assessment roll” for the District as required by Section 372.016 of the Act. The Service and Assessment Plan for the District has been reviewed by the

Town Council and is hereby approved and adopted. The Service and Assessment Plan for The District shall be updated annually as required by the Act.

Section 5. The costs of the PID Improvements (the “Improvement Costs”) are hereby assessed and levied against the District Property as an assessment against the Benefitted Property as set forth in the Service and Assessment Plan for the District. The Service and Assessment Plan for The District and the Assessment are effective upon the effective date of this Ordinance.

Section 6. The Assessment (or the unpaid balance thereof) may be paid in full or in part at any time; however, if not paid in full, the Assessment shall be paid in Annual Installments. The principal amount of the Assessment may be reduced by the Town Council in accordance with the Act, but cannot be increased. The Annual Installments, however, may increase or decrease from year to year depending on variations in annual Maintenance and Operation Expenses and annual Administrative Expenses. Each Assessment shall bear interest at a rate set forth in the Service and Assessment Plan for the District, including additional interest at a rate not to exceed one-half of one percent ( $\frac{1}{2}\%$ ) above the interest rate on the Obligations as authorized by Section 372.018(a) of the Act. Annual Installments for each Assessment shall be due October 1st of each year (the “Installment Payment Date”), with the final Annual Installments due on the maturity date of the Obligations. Each Annual Installment shall be delinquent if not paid prior to February 1st of the calendar year immediately following the Installment Payment Date (the “Installment Delinquent Date”). Estimates of the Annual Installments are shown on Appendices E and F to the Service and Assessment Plan for the District.

Section 7. Delinquent Annual Installments shall incur interest, penalties, and attorney’s fees in the same manner as delinquent ad valorem taxes. If an Annual Installment remains unpaid on the July 1st immediately following the Installment Delinquent Date, the delinquent Annual Installment shall incur an additional penalty to defray the costs of collection if it is necessary for the Town to contract with an attorney to collect the delinquent Annual Installment. Penalties on delinquent Annual Installments shall not exceed the penalties the Town is authorized to impose on delinquent payments of ad valorem taxes. There will be no discounts for the early payment of an Annual Installment.

Section 8. The Assessment plus accrued interest, together with the expenses of collection and reasonable attorney’s fees as permitted by the Act, shall be a first and prior lien against the property assessed, superior to all other liens and claims except liens or claims for state, county, school district, or municipal ad valorem taxes, and shall be a personal liability of and charge against the owners of the assessed property regardless of whether the owners are named in this Ordinance and regardless of any errors in describing the assessed property. The lien shall be effective on the effective date of this Ordinance and shall continue until the earlier of the date: (i) the Assessment and Annual Installments have been paid in full; or (ii) the Obligations have been paid in full. To the extent not inconsistent with the Act or this Ordinance, the provisions of the Texas Tax Code that apply to the collection of ad valorem taxes and enforcement of tax liens shall apply to the collection of Annual Installments and to the enforcement of assessment liens. The assessment lien runs with the land, and that portion of an Assessment and the Annual Installments that have not yet come due shall not be eliminated by the foreclosure of an ad valorem tax lien. The foreclosure and sale of property to pay delinquent Annual Installments does not eliminate the outstanding principal balance of the Assessment or the Annual Installments that have not come due. Any purchaser at foreclosure of any tax or assessment lien takes the property subject to the continuing lien for that portion of the Assessment and Annual Installment that have not come due. The failure to pay an Annual Installment when due shall not accelerate payment of the remaining Annual Installments. The remaining Annual Installments shall be due as if such failure had not occurred.

Section 9. Based on information, materials, evidence, and testimony available to or provided to the Town Council, the Town Council has found and determined that the Assessments: (i) have been levied in accordance with the Act based solely on the special benefits conferred on the Benefitted Property by the PID Improvements; (ii) have been levied based on the enhanced value of the Benefitted Property as a result of the PID Improvements; (iii) have taken into consideration reasonable classifications and formulas to allocate the Improvement Costs; (iv) impose equal shares of the Improvement Costs on property similarly benefited; (v) are in amounts necessary to pay the costs of the PID Improvements; and (vii) will continue for the period of time necessary to retire the indebtedness on the PID Improvements. The Town Council further finds and determines that the Benefitted Property is benefited by the PID Improvements in an amount that equals or exceeds the Assessment against the Benefitted

Property and that the Assessment is otherwise just and equitable. The findings and determinations by the Town Council represent the discretionary exercise by the Town Council of its legislative and governmental authority and power.

Section 10. If any provision of this Ordinance, or the application of any provision to any person or set of circumstances, is held by any court to be invalid for any reason, the remaining provisions of this Ordinance shall be unaffected. All provisions of this Ordinance are held to be severable for such purpose.

Section 11. The Town Secretary is directed to cause a copy of this Ordinance, including the Service and Assessment Plan for the District, to be recorded in the real property records of Denton County. The Town Secretary is further directed to similarly file each Annual Service Plan Update approved by the Town Council.

Section 12. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The Town Council hereby declares that the Town Council would have passed this Ordinance, and each section, subsection, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional or invalid.

Section 13. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict; but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

Section 14. This Ordinance shall take effect immediately upon its passage and approval by the Town Council and publication as required by law.

PASSED AND APPROVED this 29th day of May, 2014.

TOWN OF NORTHLAKE, TEXAS



ATTEST:  
T:

By:   
Mayor

  
Town Secretary

Exhibit A  
Legal Description of Property  
(Metes and Bounds Description)

Being a 363.905 acre tract of land out of the A. McDonald Survey, Abstract No. 785, Denton County, Texas and also being out of a 434 acre tract of land owned by Curtis Tally as recorded in Volume 1894, Page 254, Deed Records, Denton County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a found railroad spike located in Mulkey Road, said point also being the centerline of a 50 foot wide easement owned by Mobil Pipe Line Company, as recorded in Volume 2239, Page 909, Deed Records, Denton County, Texas;

THENCE North 01 degree 36 minutes 10 seconds West, leaving said Mulkey Rd. and following the centerline of said Mobil easement, passing at 858.23 feet, a found 1/2 inch iron rod, continuing in all a distance of 2040.28 feet to a found 1/2 inch iron rod in a fence on the South line of Farm to Market Road 407, said point also being in the North line of said 434 acre tract;

THENCE North 89 degrees 53 minutes 45 seconds East, following along the South line of F.M. 407, and the North line of said 434 acre tract, for a distance of 757.81 feet to a set 1/2 inch iron rod;

THENCE South 89 degrees 52 minutes 59 seconds East, continuing along said South line of F.M. 407 and said North line of the 434 acre tract, for a distance of 2,255.46 feet to a found fence comer;

THENCE South 01 degree 02 minutes 11 seconds East, along a fence line and the East line of said 434 acre tract, for a distance of 5898.19 feet to a found 1/2 inch iron rod, said point being located in said Mulkey Rd. and also being the Southeast comer of said 434 acre tract;

THENCE South 89 degrees 25 minutes 07 seconds West, along said Mulkey Rd. and the South line of said 434 acre tract, for a distance of 2,540.75 feet to a set 1/2 inch iron rod;

THENCE North 00 degrees 09 minutes 35 seconds West, continuing along said Mulkey Rd. and the most Southerly West line of said 434 acre tract, for a distance of 3,767.06 feet to a set 1/2 inch iron rod;

THENCE North 22 degrees 54 minutes 28 seconds West, along said Mulkey Rd. and the said West line of said 434 acre tract, 84.75 feet to a set 1/2 inch iron rod;

THENCE North 39 degrees 48 minutes 56 seconds West, continuing along said lines, for a distance of 72.51 feet to a set 1/2 inch iron rod;

THENCE South 88 degrees 08 minutes 16 seconds West, continuing along said Mulkey Rd. and the most Northerly South line of said 434 acre tract, for a distance of 432.57 feet to the POINT OF BEGINNING and containing 15,851,704.139 square feet or 363.905 acres of land, more or less.

Exhibit B  
Service and Assessment Plan

THE HIGHLANDS PUBLIC IMPROVEMENT DISTRICT  
SERVICE AND ASSESSMENT PLAN  
MAY 29, 2014

Chapter 372, Subchapter A, Texas Local Government Code, as amended, the "Public Improvement District Assessment Act" (the "Act"), authorizes a municipality to create a public improvement district within the extraterritorial jurisdiction or within the boundaries of the municipality for the purpose of undertaking improvement projects that confer a special benefit to property within the district, and further authorizes such municipality to levy special assessments to pay the costs of the improvement projects.

On April 24, 2014, the Town Council of the Town of Northlake, Texas (the "Town"), adopted Resolution No. 14-12 authorizing the creation of The Highlands Public Improvement District (the "District"), covering approximately 363.905 acres of land within the boundaries set forth in Appendix A-1 attached hereto, for the purpose of financing the costs of public improvements that confer a special benefit to certain property within the District. Attached as Appendix A-2 hereto is a map of the boundaries of the District. Attached as Appendix A-3 is a map showing the developable lots that comprise the Benefitted Property (hereinafter defined) within the District.

The Act requires the preparation and approval of a service plan, covering a period of at least five years and which must be reviewed and updated at least annually, and the preparation and approval of an assessment roll that apportions the costs of improvement projects on the basis of special benefits accruing to the property because of the improvement projects.

In compliance with requirements set forth in the Act, the Service and Assessment Plan for the District is defined herein.

#### SECTION 1. DEFINITIONS

"Additional Interest" has the meaning assigned in Section 3.10.

"Administrative Expenses" means the administrative, organization, maintenance and operation costs and expenses associated with, or incident to, the administration, organization, maintenance and operation of the District, including, but not limited to, the costs of (i) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, (ii) creating and organizing the District and preparing the assessment roll, (iii) preparing an Annual Service Plan Update, (iv) computing, levying, collecting and transmitting the Assessment or the installments thereof, (v) maintaining the record of installments, payments and reallocations and/or reductions of the Assessment, (vi) issuing, paying and redeeming the Obligations other than payment of principal and interest on the Obligations, (vii) investing or depositing the Assessment, (viii) complying with the Act with respect to the Obligations, (viii) paying the paying agent/registrar's and trustee's fees and expenses (including the fees and expenses of its legal counsel), and (ix) administering the construction of the PID Improvements.

"Administrator" means an employee or designee of the Town who shall have the responsibilities provided for herein, in the Indenture related to the Bonds, or in another agreement approved by the Town Council.

"Annual Installment" means, with respect to Benefitted Property, each annual payment of the Assessment, as shown on the Assessment Roll attached hereto as Appendix E or an Annual Service Plan Update, and calculated as provided in Section 3.5 of this Service and Assessment Plan.

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

“Assessment” means the Improvement Costs allocated to and assessed against the Benefitted Property based on the special benefit conferred on the Benefitted Property by the PID Improvements.

"Assessment Ordinance" means the ordinance adopted by the Town Council approving this Service and Assessment Plan (or such amendments to the Service and Assessment Plan) and levying the Assessment.

"Assessment Revenues" mean the revenues actually received by the Town from the Assessment. "Benefitted Property" means, for any year, property within the District other than Non-Benefitted Property.

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

"Delinquency Reserve Requirement" means an amount equal to \$196,048 which will be funded as provided in Section 3.10.

"Developer" means Realty Capital Management.

"Development Agreement" means that certain Development Agreement, dated as of May 29, 2014, between the Town and Owner.

"Improvement Costs" means the costs of the PID Improvements, including financing costs and other costs directly or indirectly relating to the acquisition, construction, and financing of the Improvements.

"Landowner Agreement" means that certain The Highlands Public Improvement District Landowner Agreement, executed between the Town, the Owner and the Developer.

"Maintenance and Operation Expenses" means the costs and expenses of maintaining, repairing and operating the PID Improvements as determined by the Town Council to be necessary and appropriate to keep the PID Improvements in good working order and appearance.

"Non-Benefitted Property" means property within the boundaries of the District that accrues no special benefit from the PID Improvements, including Public Property, Owner Association Property, gas well sites and related facilities and easements that create an exclusive use for a public utility provider. Property identified as Non-Benefitted Property at the time the Assessments are imposed is not assessed.

"Obligations" means any bonds, certificates of obligation or other debt obligations, in one or more series, secured by or payable from Assessment Revenues issued by the Town in one or more series to pay the costs of the construction, acquisition and equipment of the PID Improvements.

"Obligation Ordinance" means an ordinance or resolution of the Town Council authorizing the issuance of Obligations.

"Owner" means DKM Property Co. LTD.

"Owner Association Property" means property within the District that is owned by or irrevocably dedicated to a property owners' association, whether the ownership or dedication is in fee simple or by easement or otherwise.

"PID Improvements" means the public improvements described in Appendix B, and includes the Infrastructure Improvements, Enhancement Improvements and Off-Site Water Line as described in Appendix B.

"Prepayment Costs" mean (1) interest on an Assessment from the date of the prepayment until the first available Obligation redemption date, if applicable, plus (2) expenses paid or incurred by the Town in connection with the prepayment.

"Prepayment Reserve Requirement" means an amount equal to \$49,012 which will be funded as provided in Section 3.10.

"Public Property" means property within the District that is or will be owned by or dedicated to the federal government, the State of Texas, Denton County, the Town, a school district, or any other governmental agency or political subdivision, whether the ownership or dedication is in fee simple or by easement or otherwise. Public Property will include the property that will be dedicated or conveyed to the Town including Town parks and open space, streets, water and sewer lines and easements, drainage easements, and hike and bike trails.

"Town" means the Town of Northlake, Texas.

"Town Council" means the duly elected governing body of the Town.

## SECTION 2. SERVICE PLAN.

2.1 Annual Service Plan. The service plan must cover a period of at least five years and define the annual projected costs and indebtedness for the PID Improvements undertaken within the PID during the five year period. The five year service plan for the District is attached hereto as Appendix C.

2.2 Annual Service Plan Update. The service plan shall be reviewed and updated annually (the "Annual Service Plan Update") for the purpose of determining the annual budget for PID Improvements, Maintenance and Operation Expenses and Administrative Expenses. The annual update to this Service and Assessment Plan is herein referred as the "Annual Service Plan Update."

2.3 Sources and Uses of Funds. Appendix D summarizes the sources and uses of funds required to construct and acquire the PID Improvements, establish the PID, and issue the PID Obligations. Appendix D may be revised based on final bond pricing and final costs of issuance. The sources and uses of funds shown in Appendix D shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and actual costs.

2.4 Payment of Improvement Costs. The Improvement Costs for the Infrastructure Improvements and Enhancement Improvements will be paid upon completion and acceptance by the Town of such PID Improvements, provided that the Town may, in its sole discretion, construct or complete the construction of any PID Improvement with Obligation proceeds or other lawfully available funds of the Town. The obligations of the Town under this Service and Assessment Plan do not create a debt or other obligation payable from any other Town revenues, taxes, income, or property.

### SECTION 3. ASSESSMENT PLAN

3.1 Assessment methodology. After analyzing the assessment methods allowed by the Act, the Town has determined that costs of the PID Improvements apportioned against the Benefitted Property within the District and the real and true owner or owners thereof on a per acre basis results in imposing equal shares of the costs on property similarly benefitted and is fair and equitable and is the most reasonable means of allocating the Improvement Costs, Maintenance and Operation Expenses and Administrative Expenses. The determination by the Town Council of the assessment methodology set forth below is the result of the discretionary exercise by the Town Council of its legislative authority and governmental powers and is conclusive and binding on the Owner, the Developer and all future owners and developers of the Benefitted Property

#### 3.2 Special Benefit.

(a) The Benefitted Property will receive a direct and special benefit from the PID Improvements, and this benefit is equal to or greater than the amount of the Assessments. The PID Improvements are provided specifically for the benefit of the Benefitted Property. The PID Improvements (more particularly described in line-item format in Appendix B to this Service and Assessment Plan) and the costs of issuance of Obligations and payment of costs incurred in the establishment of the PID shown in Appendix D are authorized by the Act.

(b) The owners of the Benefitted Property have acknowledged that the PID Improvements confer a special benefit on the Benefitted Property and have consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. The owners are acting in their interest in consenting to this imposition because the special benefit conferred upon the Benefitted Property by the PID Improvements exceeds the amount of the Assessments.

(c) Pursuant to the Landowner's Agreement, the owners of the Benefitted Property have ratified, confirmed, accepted, agreed to and approved; (i) the determinations and findings as to benefits by the Town Council in this Service and Assessment Plan and the Assessment Ordinance; and (ii) this Service and Assessment Plan and the Assessment Ordinance. Use of the Benefitted Property as described in this Service and Assessment Plan and the development Agreement requires that certain public improvements be acquired, constructed, installed, and/or improved. Funding the Improvement Costs through the PID is hereby determined by the Town Council to be the most beneficial means of doing so. As a result, the Assessments result in a special benefit to the Benefitted Property, and this special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, information, and testimony provided to the Town Council.

3.3 Property Not Specially Benefitted. The Town Council has determined that the PID Improvements may confer an incidental, but not a special, benefit on Public Property or gas well sites and related facilities; accordingly, the Town Council has not apportioned or assessed any of the Improvement Costs to Public Property or gas well sites. The Town Council has further determined that Owner Association Property, which is owned by a non-profit association solely for the benefit of, and funded solely by, its members, does not benefit separately from its members. Any assessment against Owner Association Property would be paid by its members; accordingly, the Town Council has not apportioned any of the Improvement Costs to any Owner Association Property.

3.4 Assessments. The Assessments for the PID Improvements will be levied according to the Assessment Roll attached hereto as Appendix E. The Annual Installments will be collected on the dates and in the amounts shown in Appendix F, subject to any revisions made during an Annual Service Plan Update.

### 3.5 Annual Assessments.

(a) An Assessment that is not paid in full shall be paid in Annual Installments approved by the Town Council as part of each Annual Service Plan Update. Assessments for Improvement Costs may be reduced but not increased. Annual Installments, however, may be reduced or increased from year to year. Annual Installments include principal and interest amounts to pay the Obligations. Annual Installments also include amounts that will vary from year to year to pay Maintenance and Operation Expenses and Administrative Expenses. Annual Installments shall be billed and collected by the Town (or by any other person, entity, or governmental agency authorized by state law and designated by the Town Council in accordance with the Act) in the same manner and at the same time as Town ad valorem taxes are billed and collected beginning immediately after the approval of this Service and Assessment Plan. If Obligations have been issued to pay Improvement Costs, Annual Installments shall be reduced by any credits applied under the Obligation Ordinance.

(b) Each Annual Installment, in the amount set forth in Appendix F attached hereto, shall be due and payable on October 1st of each year and shall be delinquent if not paid prior to February 1st of the immediately following calendar year.

(c) The Town shall, as part of its Annual Service Plan Update, ascertain the acreage within each parcel of land that has been sold or ownership otherwise transferred and compute the total Assessment and each annual Assessment for such parcel and the remaining property within the District, and shall prepare a schedule showing the total Assessment and annual Assessment for each such parcel and the remaining property within the District.

(d) In the event of a default in payment of any of the sums assessed against the property owners and their property, collection thereof, costs and attorney fees shall be enforced by suit in any court having jurisdiction or by lien foreclosure or both, in the same manner that an ad valorem tax lien against real property may be enforced by a governing body, pursuant to Section 33.01 et seq. of the Texas Tax Code. Any sale of property for nonpayment of the delinquent Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such property and such property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent Annual Installments against such property as they become due and payable.

### 3.6 Reallocation of Assessments.

(a) In the event the subdivision of all or any part of the property within the District results in a reduction in the amount of Benefitted Property, the owner of such property shall pay to the Town, prior to recordation of the of the document subdividing such property, the Assessment on such property representing the difference between the amount of Assessment that would have been paid prior to subdivision and the amount of Assessment after subdivision, plus accrued interest thereon to the payment date.

(b) In the event there is a change in ownership or use of Non-Benefitted Property that causes such property to become Benefitted Property, the Town shall recalculate the amount of Assessment per acre taking into account the increase in the amount of Benefitted Property.

3.7 Mandatory Prepayment of Assessments. If Benefitted Property within the District is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes Benefitted Property within the District to become Non-Benefitted Property, the owner of such property shall pay to the Town the full amount of the Assessment, plus all Prepayment Costs, for such property prior to any such transfer or act.

3.8 Security for Payment of Assessments. Assessments and Annual Installments, together with reasonable attorneys' fees as permitted by the Act, constitute a lien against the Benefitted Property within the District that runs with the land and binds the current and future owners of the Benefitted Property as described in this Service and Assessment Plan and set forth in the Assessment Ordinance.

3.9 Interest on Annual Installments. Unpaid Annual Assessments shall bear interest at a rate equal to the interest rate on the Obligations, plus 0.50%.

3.10 Additional Interest. Pursuant to the Act, the interest rate on Annual Assessments may exceed the actual interest rate paid on the Obligations by no more than 0.50% ("Additional Interest"). The interest rate used to determine the Annual Assessments is 0.50% higher than the actual rate paid on the Bonds, with .10% allocated to fund the Prepayment Reserve Requirement and .40% allocated to fund the Delinquency Reserve Requirement. Any Additional Interest in excess of the amounts needed to fund the Prepayment Reserve Requirement and the Delinquency Reserve Requirement shall be used to pay Administrative Expenses or for any other purpose authorized by the Act and as set forth in each Annual Service Plan update.

3.11 Release of Lien. When an Assessment has been paid in full, including Delinquent Collection Costs and any other related amounts owed under this Service and Assessment Plan, the Administrator shall notify the Town that the Assessment has been paid in full and the Town shall execute a release, in recordable form, evidencing full payment of the Assessment and the unconditional release of the lien securing payment of the Assessment.

3.12 Refunding Bonds. The Town reserves and shall have the right and option to refund the Bonds in accordance with applicable law. In the event of such refunding, the Town shall recalculate the Annual Installments, and if necessary, may adjust, or decrease, the amount of the Annual Installment so that total Annual Installments of Assessments will be produced in annual amounts that are required to pay the refunding bonds when due and payable as required by and established in the ordinance and/or the indenture authorizing and securing the refunding bonds.

3.13 Appointment of Administrator. The Town Council may appoint or designate any person or entity to perform the duties of the Administrator under this Service and Assessment Plan.

#### SECTION 4. ADDITIONAL PROVISIONS.

##### 4.1 Surplus Obligation Proceeds.

(a) If Obligation proceeds still remain after all of the PID Improvements are constructed and accepted by the Town, the proceeds may be:

(i) deposited in the debt service fund for the Obligations and used to pay debt service on the Obligation or used to redeem Obligations, in which case Annual Installments will be adjusted accordingly as part of the Annual Service Plan Update; and/or

(ii) to the extent permitted by the Act or other applicable law, utilized to finance other public improvements authorized by the Act that specially benefit all of the Benefitted Property.

(b) If all or any portion of the PID Improvements are not constructed and thereafter accepted by the Town, resulting in excess Obligation proceeds being available to redeem Obligations, the Assessment shall be reduced by the Town Council to reflect only the costs of the PID Improvements that were constructed and accepted by the Town and such excess Obligation proceeds shall be applied to redeem Obligations. The principal of the Assessment shall not be reduced to an amount less than the principal

amount of the outstanding Obligations. Notwithstanding the foregoing, the Town may construct or complete the construction of any PID Improvement with Obligation proceeds or other lawfully available funds of the Town, and in such event the Assessment shall continue to be collected to pay the costs of such PID Improvement that were paid from Obligation proceeds.

4.2 Calculation Errors. If the owner of Benefitted Property objects to the levy of the Assessment or thereafter claims that an error has been made in any calculation required by this Service and Assessment Plan (including, but not limited to, any calculation made as part of any Annual Service Plan Update), the owner shall still be required to pay the assessment under protest and, upon payment, shall have the right, as the owner's sole and exclusive remedy, to submit a written notice of objection or error to the Town Administrator within 30 days after Town Council levied the Assessment or approved the calculation; otherwise, the owner shall be deemed to have unconditionally approved the Assessment or calculation. Upon receipt of a written notice of objection or error from an owner, the Town Administrator shall refer the notice to the Administrator who shall provide a written response to the Town Administrator and the owner within 30 days of such referral. The written response shall advise owner of owner's right to appeal the finding by the Administrator which shall require owner to deliver a written notice of appeal by owner to the Town Manager within ten (10) days of receipt of the written response of the Administrator. If the owner timely delivers the written notice of appeal, the Town Council shall consider the owner's notice of appeal and the Administrator's written response at a public hearing. Within thirty (30) days after closing such hearing, the Town Council shall make a final determination regarding the objection or error made by the appeal. If the Town Council agrees with the objection or determines that an error has been made, the Town Council shall take such corrective action as is authorized by the Act, this Service and Assessment Plan, any applicable Bond Indenture, or by the discretionary power of the Town Council. The determination by the Town Council, and any corrective action taken by the Town Council, shall be final and binding on the owner and the Administrator.

4.3 Amendments. The Town Council reserves the right to amend this Service and Assessment Plan without notice under the Act and without notice to the owners of property within the District as permitted by the Act and under Texas law.

4.4 Interpretation of Provisions. The Town Council shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein or in the Obligation Ordinance, such determination shall be conclusive.

4.5 Severability.

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

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

4.6 Appendices. The following Appendices are attached to and made a part of this Service and Assessment Plan. All references in this Service and Assessment Plan to "Appendix \_\_\_" shall be references to the following Appendices:

- Appendix A-1 - Boundary Description
- Appendix A-2 - Map of the District
- Appendix A-3 - Map of Benefitted Property
- Appendix B - Description of PID Improvements
- Appendix C - Annual Service Plan
- Appendix D - Sources and uses of Funds
- Appendix E - Assessment Roll
- Appendix F - Schedule of Annual Installments - Total

## APPENDIX A-1

### Boundary Description

Being a 363.905 acre tract of land out of the A. McDonald Survey, Abstract No. 785, Denton County, Texas and also being out of a 434 acre tract of land owned by Curtis Tally as recorded in Volume 1894, Page 254, Deed Records, Denton County, Texas and being more particularly described by metes and bounds as follows:

BEGINNING at a found railroad spike located in Mulkey Road, said point also being the centerline of a 50 foot wide easement owned by Mobil Pipe Line Company, as recorded in Volume 2239, Page 909, Deed Records, Denton County, Texas;

THENCE North 01 degree 36 minutes 10 seconds West, leaving said Mulkey Rd. and following the centerline of said Mobil easement, passing at 858.23 feet, a found 1/2 inch iron rod, continuing in all a distance of 2040.28 feet to a found 1/2 inch iron rod in a fence on the South line of Farm to Market Road 407, said point also being in the North line of said 434 acre tract;

THENCE North 89 degrees 53 minutes 45 seconds East, following along the South line of F.M. 407, and the North line of said 434 acre tract, for a distance of 757.81 feet to a set 1/2 inch iron rod;

THENCE South 89 degrees 52 minutes 59 seconds East, continuing along said South line of F.M. 407 and said North line of the 434 acre tract, for a distance of 2,255.46 feet to a found fence corner;

THENCE South 01 degree 02 minutes 11 seconds East, along a fence line and the East line of said 434 acre tract, for a distance of 5898.19 feet to a found 1/2 inch iron rod, said point being located in said Mulkey Rd. and also being the Southeast corner of said 434 acre tract;

THENCE South 89 degrees 25 minutes 07 seconds West, along said Mulkey Rd. and the South line of said 434 acre tract, for a distance of 2,540.75 feet to a set 1/2 inch iron rod;

THENCE North 00 degrees 09 minutes 35 seconds West, continuing along said Mulkey Rd. and the most Southerly West line of said 434 acre tract, for a distance of 3,767.06 feet to a set 1/2 inch iron rod;

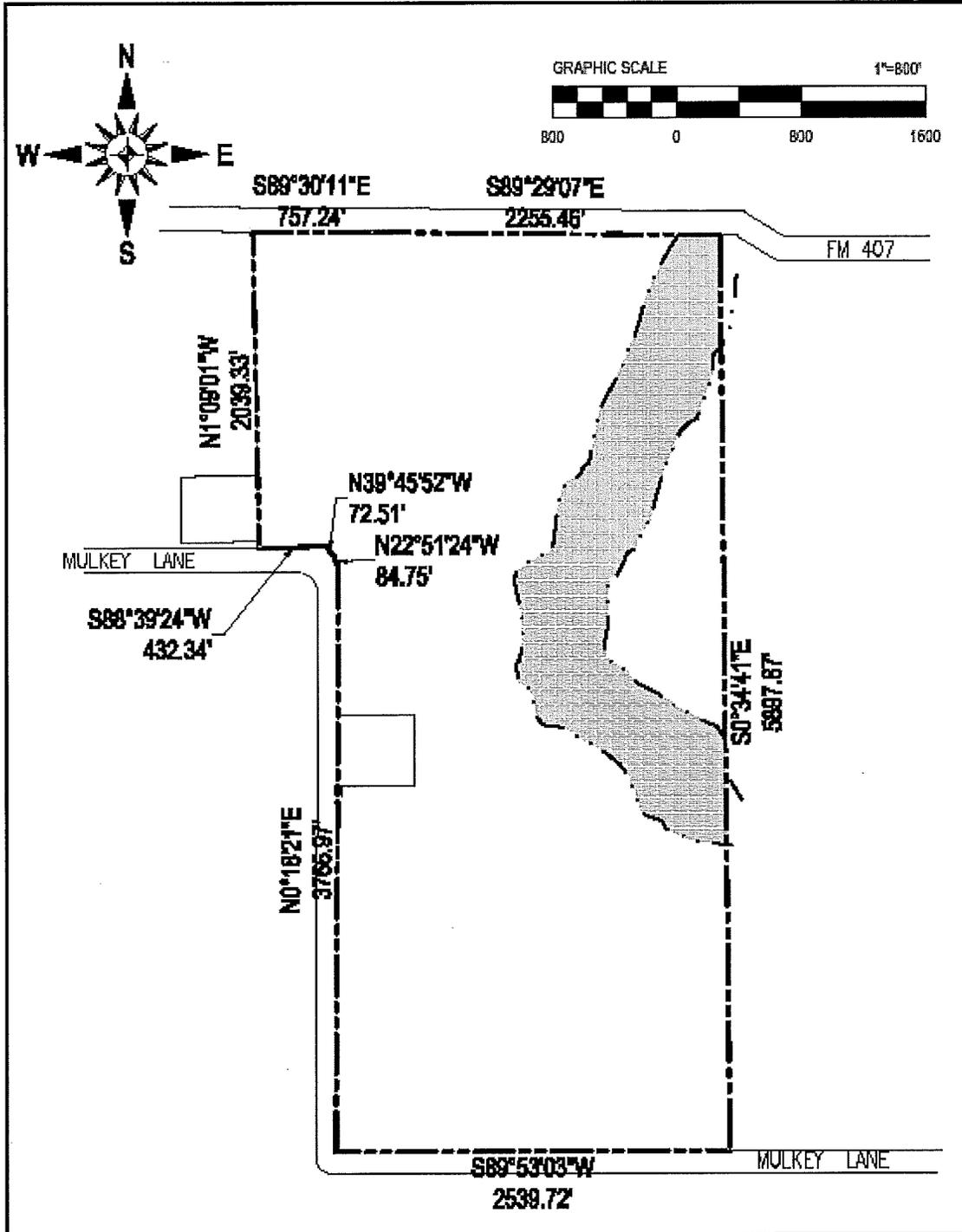
THENCE North 22 degrees 54 minutes 28 seconds West, along said Mulkey Rd. and the said West line of said 434 acre tract, 84.75 feet to a set 1/2 inch iron rod;

THENCE North 39 degrees 48 minutes 56 seconds West, continuing along said lines, for a distance of 72.51 feet to a set 1/2 inch iron rod;

THENCE South 88 degrees 08 minutes 16 seconds West, continuing along said Mulkey Rd. and the most Northerly South line of said 434 acre tract, for a distance of 432.57 feet to the POINT OF BEGINNING and containing 15,851,704.139 square feet or 363.905 acres of land, more or less.

APPENDIX A-2

Map of the District



**Burton-Stark-Swift**  
 Consulting Engineers  
 P.C.

1001 Southwood Boulevard, Suite 100  
 Fort Worth, Texas 76104  
 817-335-4400 or 817-335-4401  
 www.burtonstarkswift.com

LOCATION MAP FOR - TITLE SURVEY 363.65 ACRES  
**NORTHLAKE HIGHLANDS**  
 DENTON COUNTY, TEXAS

APPENDIX A-3

Map of Benefitted Property

(See attached)



## APPENDIX B

### Description of PID Improvements

Infrastructure Improvements - street and roadway improvements, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage and right-of-way; (ii) water and drainage improvements and facilities.

#### Paving and Utility:

Paving - \$1,300,000

Waterlines, irrigation system for public open space, lighting - \$475,000

Enhancement Improvements - parks and open space, trails, playgrounds, entry monuments and features and screening walls

#### Landscaping and Open Space:

Landscape Berm - \$265,000

Entry Feature and Pond - \$280,000

Hike and Bike Trail - \$375,000

Open Space Improvements - \$212,500

Well Screening - \$107,500

Off-Site Water Line - \$890,000. 20 inch oversized water line connecting Upper Trinity Regional Water District to the existing Northlake town water system. The District will fund the portion of the cost of the capacity of water necessary to provide a water supply to property within the District.

The amounts set forth above are estimates of probable costs. Actual costs may vary and may be reallocated among the authorized PID Improvements.

APPENDIX C

Annual Service Plan

		Improvement Costs			Maintenance and Operation Expenses	Administration Expenses
		Developer	PID	Total		
2014	Waterline	-	\$ 890,000	\$ 890,000		
	Paving	\$ 300,000	-	300,000		
	Landscaping/Open Space	360,000	-	360,000		
	Utilities	300,000	-	300,000		
	Soft Cost	225,000	-	225,000		
	Contingency	118,500	-	118,500		
	<b>TOTAL</b>	<b>\$ 1,303,500</b>	<b>\$ 890,000</b>	<b>\$ 2,193,500</b>	<b>\$ - 0-</b>	<b>\$ 15,000</b>
2015	Waterline	-	-	-		
	Paving	-	\$ 1,300,000	\$ 1,300,000		
	Landscaping/Open Space	-	1,240,000	1,240,000		
	Utilities	-	475,000	475,000		
	Soft Cost	\$ 225,000	-	225,000		
	Contingency	-	-	-		
	<b>TOTAL</b>	<b>\$ 225,000</b>	<b>\$ 3,015,000</b>	<b>\$ 3,240,000</b>	<b>\$ - 0-</b>	<b>\$ 10,000</b>
2016	Waterline	-	-	-		
	Paving	\$ 1,992,402	-	\$ 1,992,402		
	Landscaping/Open Space	476,000	-	476,000		
	Utilities	424,730	-	424,730		
	Soft Cost	225,000	-	225,000		
	Contingency	311,813	-	311,813		
	<b>TOTAL</b>	<b>\$ 3,429,945</b>	<b>-</b>	<b>\$ 3,429,945</b>	<b>\$ 10,612</b>	<b>\$ 10,000</b>
2017	Waterline	-	-	-		
	Paving	-	-	-		
	Landscaping/Open Space	-	-	-		
	Utilities	-	-	-		
	Soft Cost	\$ 225,000	-	\$ 225,000		
	Contingency	-	-	-		
	<b>TOTAL</b>	<b>\$ 225,000</b>	<b>-</b>	<b>\$ 225,000</b>	<b>\$ 10,824</b>	<b>\$ 10,000</b>
2018	Waterline	-	-	-		
	Paving	\$ 1,308,676	-	\$ 1,308,676		
	Landscaping/Open Space	510,000	-	510,000		
	Utilities	412,473	-	412,473		
	Soft Cost	225,000	-	225,000		
	Contingency	223,115	-	223,115		
	<b>TOTAL</b>	<b>\$ 2,679,264</b>	<b>-</b>	<b>\$ 2,679,264</b>	<b>\$ 11,041</b>	<b>\$ 10,000</b>
<b>TOTAL</b>	<b>\$ 7,862,709</b>	<b>\$ 3,905,000</b>	<b>\$11,767,709</b>			

\*All cost above are estimates and are subject to hard bids at time of construction

\*Phasing lines may change which will affect cost estimates

\*All costs above can be reallocated for overages and/or deficiencies.

APPENDIX D

Sources and uses of Funds

<b>Town of Northlake, Texas</b>			
<b>Combination Tax and Assessment Revenue Certificates of Obligation, Series 2014A - The Highlands Project</b>			
<b>(INFRASTRUCTURE, ENHANCED INFRASTRUCTURE &amp; OFF-SITE WATER LINE ASSESSMENTS)</b>			
FINAL			
As of May 29, 2014			
	<i>PID</i>		
	<i>IMPROVEMENTS</i>		
	Comb Tax & Rev C/Os	Developer	
	Series 2014-A	Contribution	TOTAL
<b>SOURCES OF FUNDS</b>			
Par Amount of Certificates	\$4,170,000	\$0	\$4,170,000
Net Original Issue Discount	-720	0	-720
Developer Contribution	0	7,862,709	7,862,709
<b>Total Sources of Funds</b>	<b>\$4,169,281</b>	<b>\$7,862,709</b>	<b>\$12,031,990</b>
<b>USES OF FUNDS</b>			
<b>PID Improvements</b>			
Waterline	\$890,000	\$0	\$890,000
Paving	1,300,000	3,601,078	4,901,078
Landscaping/Open Space	1,240,000	1,346,000	2,586,000
Utilities	475,000	1,137,203	1,612,203
Soft Cost	0	1,125,000	1,125,000
Contingency	0	653,428	653,428
Underwriter's Discount	49,515	0	49,515
Cost to Establish PID and Issuance Costs	214,765	0	214,765
<b>Total Uses of Funds</b>	<b>\$4,169,281</b>	<b>\$7,862,709</b>	<b>\$12,031,990</b>

APPENDIX E

Assessment Roll

<u>Owner</u>	<u>Acres</u>	<u>Boundary Description</u>	<u>Assessment</u>
D K M Property Co. Ltd.	363.905	As set forth in Appendix A	\$4,170,000 for (i) street and roadway improvements, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage and right-of-way; (ii) establishment of parks and open space, together with the design, construction and maintenance of any ancillary structures, features or amenities such as trails, playgrounds, pavilions, irrigation, walkways, lighting, benches and any similar items located therein; (iii) landscaping, including entry monuments and features, screening walls, lighting and irrigation; (iv) acquisition, construction, and improvement of water and drainage improvements and facilities; and (v) projects similar to those listed in subsections (i) – (iv) above authorized by the Act; (vi) payment of costs associated with operating and maintaining the public improvements listed in subparagraphs (i) – (iv) above; and (vii) payment of costs associated with developing and financing the public improvements listed in subparagraphs (i) – (iv) above, and costs of establishing, administering and operating the District, plus interest at a rate equal to the rate paid on the City's debt issued to fund such improvements plus .5%.

Such assessment to be apportioned against the net developable acreage within the District on a per acre basis.

Attached hereto is an Assessment Computation showing the per acre assessment and estimated annual amounts to be paid, assuming an interest rate of 3.109% with respect to the debt issued to fund such improvements and 3.609% with respect to unpaid assessments. Such estimates are subject to change based on the terms of sale of the above-referenced certificates of obligation, including the interest rate to be paid on the certificates of obligation.

APPENDIX E

Assessment Computation

<u>Assessment</u>	<u>Benefitted Property Acres</u>	<u>Per Acre Assessment</u>
4,170,000	244.89	\$17,028.06

<u>Fiscal Year Ending 9/30</u>	<u>Year</u>	<u>Annual Installment <sup>(1)</sup></u>	<u>Annual Amount Per Acre <sup>(1)</sup></u>
2015	1	\$309,746	\$1,264.84
2016	2	305,200	1,246.28
2017	3	316,812	1,293.70
2018	4	317,899	1,298.14
2019	5	318,866	1,302.08
2020	6	319,712	1,305.54
2021	7	320,437	1,308.50
2022	8	316,042	1,290.55
2023	9	321,188	1,311.57
2024	10	321,065	1,311.06
2025	11	320,309	1,307.97
2026	12	318,382	1,300.11
2027	13	321,286	1,311.97
2028	14	317,745	1,297.51
2029	15	319,009	1,302.67
2030	16	320,465	1,308.61
2031	17	321,552	1,313.05
2032	18	321,951	1,314.68
2033	19	321,968	1,314.75
2034	20	321,259	1,311.86
		<u>\$6,370,894</u>	<u>\$26,015.44</u>

<sup>(1)</sup> Includes interest, Maintenance and Operation Expenses and Administrative Expenses

APPENDIX F

Schedule of Annual Installments - Total

**SCHEDULE OF ANNUAL INSTALLMENTS**

Tax Year	Fiscal Year Ending 30-Sep	Year	Principal and Interest <sup>(1)(2)</sup>	Maintenance and Operation Expenses <sup>(3)</sup>	Administrative Expenses <sup>(3)</sup>	Annual Installment
2014	2015	1	\$ 294,746	\$ -	\$ 15,000	\$ 309,746
2015	2016	2	295,200	-	10,000	305,200
2016	2017	3	296,200	10,612	10,000	316,812
2017	2018	4	297,075	10,824	10,000	317,899
2018	2019	5	297,825	11,041	10,000	318,866
2019	2020	6	298,450	11,262	10,000	319,712
2020	2021	7	298,950	11,487	10,000	320,437
2021	2022	8	294,325	11,717	10,000	316,042
2022	2023	9	299,238	11,951	10,000	321,188
2023	2024	10	298,875	12,190	10,000	321,065
2024	2025	11	297,875	12,434	10,000	320,309
2025	2026	12	295,700	12,682	10,000	318,382
2026	2027	13	298,350	12,936	10,000	321,286
2027	2028	14	294,550	13,195	10,000	317,745
2028	2029	15	295,550	13,459	10,000	319,009
2029	2030	16	296,738	13,728	10,000	320,465
2030	2031	17	297,550	14,002	10,000	321,552
2031	2032	18	297,669	14,282	10,000	321,951
2032	2033	19	297,400	14,568	10,000	321,968
2033	2034	20	296,400	14,859	10,000	321,259
			<b>\$ 5,938,665</b>	<b>\$ 227,229</b>	<b>\$ 205,000</b>	<b>\$ 6,370,894</b>

(1) Includes assessment amounts for infrastructure improvements, enhancement improvements and off-site water line.

(2) Interest rate on the Obligations is calculated at a rate of 3.109% per annum. The interest amounts also include the additional 0.50% interest for prepayment reserve and delinquency reserve.

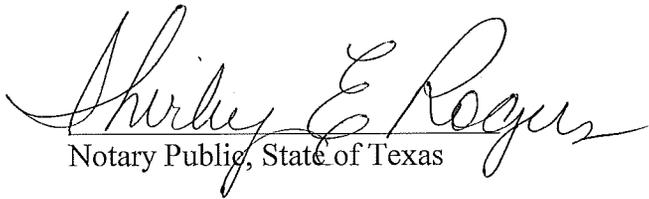
(3) The Maintenance and Operation Expense and the Administrative Expense amounts are estimated and will be updated each year as part of the annual service plan update.

THE STATE OF TEXAS	
COUNTY OF DENTON	

I, Drew Corn, Town Administrator of the Town of Northlake, Texas, do hereby certify that the attached is a true and correct copy of Ordinance No. 14-0529A as approved by the Town Council of the Town of Northlake, Texas, adopted on May 29, 2014, levying and assessing, as special assessments, the sums of money listed in Appendices E and F of the Service and Assessment Plan attached to said Ordinance against the parcels of property within the Sonoma Public Improvement District described in Appendix A-3 in said Assessment Plan, and against the real and true owners thereof, with said assessments declared to be and made a first and prior lien upon the respective parcels of property against which same are assessed from and after May 29, 2014, and a personal liability and charge against the real and true owner or owners thereof, paramount and superior to all other liens, claims or titles except for lawful claims for state, county, school district, or city ad valorem taxes.

  
 \_\_\_\_\_  
 TOWN ADMINISTRATOR  
 TOWN OF NORTHLAKE, TEXAS

SUBSCRIBED AND SWORN TO before me on this the 4th of June, 2014, to certify and witness my hand and seal of office.

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

[Notary Seal]



Town of Northlake  
 1400 FM 407  
 Northlake Texas 76247

**CERTIFICATE FOR ORDINANCE**

I, the undersigned Town Secretary of the Town of Northlake, hereby certify as follows:

1. The Town Council of said Town convened in special meeting on the 29<sup>TH</sup> day of May, 2014, at the designated meeting place thereof, and the roll was called of the duly constituted officers and members of said Town Council, to wit:

Peter Dewing, Mayor  
Jean Young, Mayor Pro Tem  
Mike McBride, Council Member  
Michael Ganz, Council Member  
Roger Sessions, Council Member  
Danny Simpson, Council Member

and all of said persons were present, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written Ordinance entitled

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF NORTHLAKE, TEXAS REGARDING THE HIGHLANDS PUBLIC IMPROVEMENT DISTRICT; APPROVING A SERVICE AND ASSESSMENT PLAN AND ASSESSMENT ROLL FOR THE DISTRICT; LEVYING ASSESSMENTS AGAINST PROPERTY WITHIN THE DISTRICT TO PAY THE COSTS OF IMPROVEMENTS; PROVIDING FOR PAYMENT AND PREPAYMENT OF ASSESSMENTS; FIXING A CHARGE AND LIEN AGAINST PROPERTY WITHIN THE DISTRICT AND THE OWNERS THEREOF; PROVIDING FOR THE MANNER AND METHOD OF COLLECTING ASSESSMENTS; PROVIDING PENALTIES FOR DELINQUENT ASSESSMENTS; MAKING FINDINGS OF SPECIAL BENEFIT TO THE PROPERTY WITHIN THE DISTRICT AND THE OWNERS THEREOF; PROVIDING FOR SAVINGS, REPEALING AND SEVERABILITY CLAUSES; PROVIDING AN EFFECTIVE DATE; AND PROVIDING FOR RECORDATION.

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

AYES: 4

NOES: 0

ABSTENTIONS: 1

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

SIGNED AND SEALED this 29<sup>TH</sup> day of May, 2014.

*Shirley Rogge*  
Town Secretary

(SEAL)



Denton County  
Cynthia Mitchell  
County Clerk  
Denton, TX 76202

RECEIVED  
JUN 23 2014  
BY: *CR*



70 2014 00054095

Instrument Number: 2014-54095

Recorded On: June 10, 2014

As  
Misc General Fee Doc

Parties: TOWN OF NORTHLAKE

To

Billable Pages: 32

Number of Pages: 32

Comment:

( Parties listed above are for Clerks reference only )

**\*\* Examined and Charged as Follows: \*\***

Misc General Fee Doc	150.00
<b>Total Recording:</b>	<b>150.00</b>

\*\*\*\*\* DO NOT REMOVE. THIS PAGE IS PART OF THE INSTRUMENT \*\*\*\*\*

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY because of color or race is invalid and unenforceable under federal law.

**File Information:**

Document Number: 2014-54095  
Receipt Number: 1172512  
Recorded Date/Time: June 10, 2014 09:17:36A

**Record and Return To:**

TOWN OF NORTHLAKE  
1400 FM 407  
NORTHLAKE TX 76247

User / Station: S Parr - Cash Station 3



THE STATE OF TEXAS }  
COUNTY OF DENTON }

I hereby certify that this instrument was FILED in the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

*C Mitchell*

County Clerk  
Denton County, Texas