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CERTIFICATE OF ORDER

STATE OF TEXAS COUNTY OF EL PASO HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT

We, the undersigned officers of the Board of Directors (the "Board") of HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT (the "District"), hereby certify as follows:

The Board convened in regular session, open to the public, on Thursday, July 26, 2018, at 6:00 p.m., at 14100 Horizon Boulevard, Horizon City, Texas and the roll was called of the members of the Board, to-wit:

Florence "Kit" ThomasPresidentBonnie MoorhouseVice PressJohn WhitakerAsst. ViceGordon "Bob" JarvisTreasurerCarl Dean HulseySecretary

President Vice President Asst. Vice President Treasurer Secretary

All members of the Board were present except $\sqrt{250}$, thus constituting a quorum. Whereupon other business, the following was transacted at such meeting: A written

ORDER DESIGNATING THE DEFINED AREA, APPROVING PLANS FOR THE DEFINED AREA, AND CALLING CONFIRMATION, AND BOND ELECTION

was duly introduced for the consideration of the Board. It was then duly moved and seconded that such Order be adopted; and after full discussion, such motion, carrying with it the adoption of such Order prevailed, carried, and became effective by the following vote:

NOES: \mathcal{D} ABSTAIN: \bigcirc AYES:

A true, full and correct copy of the aforesaid Order adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; such Order has been duly recorded in the Board's minutes of such Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of such Meeting pertaining to the adoption of such Order; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board are duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of such Meeting, and that such Order would be introduced and considered for adoption at such meeting, and each of the officers and members consented, in advance, to the holding of such meeting for such purpose; and such Meeting was open to the public and public notice of the time, place, and purpose of such Meeting was given, all as required by Chapter 551 of the Texas Government Code, and Section 49.063 of the Texas Water Code, as amended.

SIGNED this 26th day of July, 2018.

Board of Directors

Horenal Thomas

President, Board of Directors

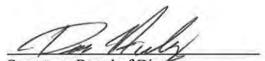
Rancho Desierto Bello

WITNESS OUR HANDS AND THE SEAL OF THE DISTRICT this 26th day of July, 2018.

ame. I. H

President, Board of Directors

ATTEST:





ORDER DESIGNATING THE DEFINED AREA, APPROVING PLANS FOR THE DEFINED AREA, AND CALLING CONFIRMATION, BOND AND MAINTENANCE TAX ELECTION

STATE OF TEXAS COUNTY OF EL PASO HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT

WHEREAS, the HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT (the "District") is a conservation and reclamation district created and operating pursuant to Chapters 49 and 54 of the Texas Water Code, as amended; and

WHEREAS, the District is composed of more than 1,500 acres and may, therefore, define areas or designate certain property of the District to pay for improvements, facilities or services that primarily benefit that area or property pursuant to Section 54.801 of the Texas Water Code; and

WHEREAS, the defined area identified as the Rancho Desierto Bello for portions of Sections 5, 43 and 44, in the Engineering Report for Creation of Horizon Regional Municipal Utility District Defined Benefits Area (the "Defined Area") is located entirely within the District; and

WHEREAS, pursuant to Section 54.803 of the Texas Water Code, the Board gave notice of and held a public hearing on the proposed plan for the Defined Area; and

WHEREAS, after the hearing the Board found that the proposed plan for the Defined Area equitably distributes the cost of facilities for the defined area and protects the public interest in that the development of the Defined Area will require improvements that do not generally and directly benefit the District as a whole; and

WHEREAS, the Board of Directors (the "Board") of the District has adopted the proposed plan for improvements in, for and to the Defined Area set forth in the report entitled "Rancho Desierto Bello for portions of Sections 5, 43 and 44 Engineering Report," prepared by TRE & Associates, LLC, El Paso, Texas, dated June 2018, a copy of which has been filed in the office of the District, and made available for public inspection, and which further contains a detailed estimate of the costs of improvements, including the costs of any property to be purchased, and described the proposed defined area maintenance tax; and

WHEREAS, the Board, on June 28, 2018, has passed the Order Adopting Preliminary Defined Area Plan, whereby the Board adopted the Plan for Improvements, and the Board adopted a plan of taxation to apply to the Defined Area to pay for and maintain improvements, facilities, or services that will primarily benefit the Defined Area and not generally and directly benefit the District as a whole, which ad valorem taxes shall be in addition to other taxes imposed by the District on the same area (collectively, the "Plan for Taxation"); and

WHEREAS, the Board called a hearing on the proposed Defined Area, Plan for Improvements and Plan of Taxation, which was held on July 26, 2018, at which hearing

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interested persons have appeared and supported or opposed all or part of the proposed plan and have offered testimony; and

WHEREAS, the Plan for Improvements contains an estimate of the costs of the improvements to serve the Defined Area as follows:

| CONSTRUCTION COSTS | COSTS | DEFINED AREA SHARE (70%) |
|------------------------------------|-------------|-----------------------------|
| Water Distribution System | \$2,632,186 | \$1,842,530 |
| Wastewater Collection System | \$3,165,365 | \$2,215,756 |
| Earthwork | \$ 129,112 | \$ 90,379 |
| Erosion Control | \$ 51,538 | \$ 36,077 |
| Engineering (10%) | \$ 597,820 | \$ 418,474 |
| Contingency | \$ 896,730 | \$ 627,711 |
| TOTAL CONSTRUCTION COSTS | \$7,472,751 | \$5,230,926 |
| NON CONSTRUCTION COSTS | | COSTS |
| Bond Counsel (2%) | | \$150,000 |
| Fiscal Agent (1.5%) | | \$112,500 |
| Capitalized Interest (2yrs @ 5.5%) | | \$825,000 |
| Developer Interest (2yrs @, 5.5%) | | \$825,000 |
| Creation Costs | | \$ 50,000 |
| Bond Issuance Costs | | \$ 55,324 |
| Attorney General | | \$ 7,500 |
| Bond Discount (3%) | | \$225,000 |
| TCEQ Bond Issuance Fee (0.25%) | | \$ 18,750 |
| TOTAL NON-CONSTRUCTION COSTS | | \$2,269,074 |
| TOTAL COSTS | | \$7,500,000 |

WHEREAS, the Board hereby finds and determines that the above estimated project costs are reasonable and proper and are hereby adopted and approved as being the Board's estimate of the total amount of money needed for the items listed to complete the planned improvements, all of which are properly to be included in the maximum amount of bonds proposed for approval at this time pursuant to this Order; and

WHEREAS, the Board now wants to define and serve the proposed separate tax area, and to call an election in the Defined Area; and

WHEREAS, all requirements have been met prerequisite to the ordering of the election, and the Board is of the opinion that an election should be held for the purpose of submitting to the duly qualified electors of the Defined Area, the proposition hereinafter set forth for the definition of the defined area, issuance of bonds, and the levy of a maintenance tax; and

WHEREAS, it is now proper for the Board to call and provide for the holding of said election to determine whether it should be authorized and empowered to define, issue bonds and levy a maintenance tax election for the Defined Area of the District.

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF DIRECTORS OF HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT THAT:

<u>Section 1</u>: The matters and facts set out in the preamble of this Order are hereby found and declared to be true and correct.

Section 2: The Board adopts the Engineering Plan for Creation of Rancho Desierto Bello Defined Benefits Area, a copy of which is attached hereto as <u>Exhibit "A"</u>, including the estimates therein, and the data and items submitted therewith.

Section 3: The Board designates the property identified as Rancho Desierto Bello for portions of Sections 5, 43 and 44 in the Engineering Report for Creation of Rancho Desierto Bello Defined Benefits Area, incorporated herein as the Defined Area and approves the proposed defined area plan contained in such report.

<u>Section 4:</u> The Board hereby adopts the Plan of Taxation to apply to the Defined Area which shall be taxes on the ad valorem basis on all taxable property within the Defined Area to pay for and maintain improvements, facilities, or service peculiar to the Defined Area and not generally and directly benefiting the District as a whole, which ad valorem taxes shall be in addition to other taxes imposed by the District on the same area.

<u>Section 5</u>: There shall be no change in the tax plan which will impair the ability of the District to promptly meet all outstanding obligations of the District. The Board shall continue to levy, assess, and collect taxes on the ad valorem basis against all taxable property in the Defined Area for payment of the interest and principal of the District's bonds outstanding at the time of this Order, and any future bonds which may be issue by the District that may require such taxes.

<u>Section 6:</u> The Election shall be held for the Defined Area in the District on November 6, 2018 between the hours of 7 a.m. and 7 p.m. at 10009 Darrington Road, Horizon, Texas, 79928 within the Defined Area of the District.

The following propositions shall be submitted to the resident electors of the District:

PROPOSITION A

SHALL THE DEFINED AREA BE DESIGNATED?

PROPOSITION B

SHALL THE BOARD OF DIRECTORS OF HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT ("DISTRICT") BE AUTHORIZED TO ISSUE BONDS IN THE MAXIMUM AMOUNT OF SEVEN MILLION FIVE HUNDRED THOUSAND AND 00/100 DOLLARS (\$7,500,000), MATURING SERIALLY OR OTHERWISE OVER A PERIOD NOT TO EXCEED 40 YEARS FROM THEIR DATE OR DATES, AND TO BE ISSUED AND SOLD AT ANY PRICE OR

PRICES AND TO BEAR INTEREST AT ANY RATE OR RATES AS SHALL BE DETERMINED WITHIN THE DISCRETION OF THE BOARD OF DIRECTORS OF THE DISTRICT AT THE TIME OF ISSUANCE AS AUTHORIZED BY AS NOW ENACTED OR HEREAFTER AMENDED, FOR THE PURPOSES OF PURCHASING, CONSTRUCTING. ACOUIRING. OWNING. OPERATING. MAINTAINING, REPAIRING, IMPROVING AND EXTENDING, CONTRACTING FOR. OR MAKING CAPITAL CONTRIBUTIONS FOR, A WATER SUPPLY AND DISTRIBUTION SYSTEM, A SANITARY SEWER SYSTEM, AND A DRAINAGE AND STORM SEWER SYSTEM, INCLUDING BUT NOT LIMITED TO ALL TO SUCH SYSTEMS AND ALL ADDITIONS WORKS. FACILITIES, EQUIPMENT, IMPROVEMENTS. APPLIANCES, INTEREST IN CONNECTION THEREWITH, AND MAKING PAYMENTS UNDER CONTRACTS INCLUDING BUT NOT LIMITED TO CONTRACTS PURSUANT TO SECTION 49.213 OF THE TEXAS WATER CODE, AND PAYING SUCH EXPENSES AS ARE INCIDENTAL TO THE ORGANIZATION, ADMINISTRATION, AND FINANCING OF THE DISTRICT, WHICH UNDER APPLICABLE LAW MAY PROPERLY BE PAID FROM THE PROCEEDS OF SUCH BONDS, FOR THE PURPOSE OF SERVING THE DEFINED AREA, AND FOR REFUNDING BONDS AND/OR OTHER OBLIGATIONS ISSUED FOR ANY OF THE FOREGOING PURPOSES IN AN AMOUNT NOT TO EXCEED ONE AND ONE-HALF TIMES THE AMOUNT OF BONDS AND/OR OTHER OBLIGATIONS HEREAFTER ISSUED, AND TO PROVIDE FOR THE PAYMENT OF PRINCIPAL OF AND INTEREST ON SUCH BONDS BY THE LEVY AND COLLECTION OF A SUFFICIENT AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN SAID DEFINED AREA, AS AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS?

PROPOSITION C

SHALL THE BOARD OF DIRECTORS OF HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT BE AUTHORIZED TO ASSESS. LEVY AND COLLECT AD VALOREM TAXES ON ALL TAXABLE PROPERTY WITHIN SAID DEFINED AREA FOR MAINTENANCE. FOR PURPOSES. INCLUDING FUNDS PLANNING. CONSTRUCTION, ACQUIRING, MAINTAINING, REPAIRING AND OPERATING ALL NECESSARY LAND, PLANTS, WORKS, FACILITIES, IMPROVEMENTS, APPLIANCES AND EQUIPMENT OF SUCH DEFINED AREA AND FOR PAYING COSTS OF PROPER SERVICES. ENGINEERING AND LEGAL FEES. AND ORGANIZATION AND ADMINISTRATIVE EXPENSES. IN ACCORDANCE WITH THE CONSTITUTION AND LAWS OF THE

STATE OF TEXAS, PARTICULARLY (BUT NOT BY THE WAY OF LIMITATION) SECTION 49.107 OF THE TEXAS WATER CODE, PROVIDED THAT IN NO YEAR SHALL SAID MAINTENANCE TAX EXCEED \$1.00 PER \$100 VALUATION OF TAXABLE PROPERTY WITHIN SAID DEFINED AREA?

OFFICIAL BALLOT

PROPOSITION A

| () () | FOR AGAINST |))) | SHALL THE DEFINED AREA BE DESIGNATED? |
|----------|----------------|-------------|--|
| PRO | POSITION B | | |
| () () | FOR AGAINST |))) | THE ISSUANCE OF \$7,500,000 BONDS AND LEVY OF TAXES WITHIN THE DEFINED AREA ADEQUATE TO PROVIDE FOR |
| | | | PAYMENT OF THE BONDS FOR THE CONSTRUCTION, REPAIR AND REPLACEMENT OF DISTRICT'S WATER, DRAINAGE, AND WASTEWATER FACILITIES AND THE REFUNDING OF ANY OUTSTANDING BONDS TO SERVE THE DEFINED AREA |
| PRO | POSITION C | | |
| () | FOR | 2 | THE IMPLEMENTATION OF AN OPERATIONS AND |
| () | AGAINST |) | MAINTENANCE TAX NOT TO EXCEED \$1.00/\$100 VALUATION OF TAXABLE PROPERTY WITHIN THE DEFINED AREA |

Paper Ballot Instructions:

Mark the ballot by placing an "X" in the space beside "For" or "Against" for your choice for each proposition.

Section 7: OSCAR OGAZ JR. is hereby appointed as the Presiding Judge.

The presiding judge may appoint, as he deems necessary, clerks to assist in the conduct of the election, not to exceed the maximum number of two (2). If the regularly appointed presiding judge is unable to serve at the election, the alternate presiding judge shall serve as the presiding judge for the election. If the election is conducted by the regularly appointed presiding judge, he may appoint the alternate presiding judge as one of the clerks to serve at the election.

The early voting ballot board shall consist of the Presiding Judge and at least two (2) other members, appointed by the Presiding Judge, who are eligible to serve in accordance with the Texas Election Code.

Early voting in the election by personal appearance shall occur on each day from October 22, 2018, through November 2, 2018, which is not a Saturday, a Sunday, or an official state holiday. Because the District has fewer than 1,000 registered voters, the early voting clerk shall keep the early voting polling place open between the hours of 8:00 a.m. and 11:00 a.m. on each day for early voting which is not a Saturday, a Sunday, or an official state holiday. The clerk for early voting shall be **OSCAR OGAZ JR.** and the place at which early voting by personal appearance shall be conducted is, 10009 Darrington Road, Horizon, Texas, 79928, which is within the boundaries of the District. The early voting clerk's mailing address to which ballot applications and ballots to be voted by mail may be sent is c/o Johnson Petrov LLP, 2929 Allen Parkway, Suite 3150, Houston, Texas 77019.

<u>Section 8</u>: The rate of pay for judges and clerks of the election shall be \$10.00 dollars per hour, as authorized by the Texas Election Code.

Section 9: The election shall be held and conducted and returns shall be made to the Board of Directors in accordance with the Texas Election Code as modified by Chapter 49, Texas Water Code, as amended.

Section 10: All qualified resident electors of the District within the Defined Area shall be entitled to vote at the elections.

<u>Section 11</u>: The notice of election is to be provided in accordance with the requirements of the Texas Election Code, including the posting requirements applicable to a debt obligation election order codified at Section 4.003(f) of the Election Code.

Section 12: In the event the elections result favorably for the propositions submitted, (i) the defined area shall be designated; (ii) the Board shall thereafter be authorized to issue \$7,500,000 in bonds of the District, payable from taxes within the Defined Area, on the terms and conditions described in the proposition voted in the election; (iii) the Board shall thereafter be authorized to issue \$11,250,000 in refunding bonds of the District, payable from taxes within the Defined Area, on the terms and conditions described in the proposition voted in the election; and (iv) the Board shall be authorized to levy and collect \$1.00 maintenance tax per \$100 assessed valuation within the Defined Area on the terms and conditions described in the proposition voted in the election. In the event the election results against any of the propositions submitted, the Board shall be authorized to act only on the terms and conditions of the propositions approved at the elections.

Section 13: The Board hereby designates its Attorney, Johnson Petrov LLP (the "Attorney"), 2929 Allen Parkway, Suite 3150, Houston, Texas 77019, as authorized representative for purposes of the election, and any and all documents required to be filed with or notices required to be given by the Secretary of the Board under the provisions of the Texas Election Code shall be deemed filed and notices shall be deemed given if filed with or given to the Board's Attorney.

Section 14: In accordance with the propositions of Sect. 3.009(b), Texas Election Code, the following information is provided:

- A. The proposition language that will appear on the ballot is set forth in Section 6 of this Order.
- B. The purposes for which the bonds are to be authorized are set forth in Section 6 of this Order.
- C. The principal amounts of the bonds to be authorized are set forth in Section 6 of this Order.
- D. As set forth in Section 6 of this Order, if the bonds are approved by the voters, taxes sufficient to pay the annual principal of and interest of the bonds may be levied without limitation as to rate or amount.
- E. The maximum interest rate of the debt obligations or any series of debt obligations under Proposition B is 5.5% percent, and such rates are based upon the bond market conditions at the date of adoption of this order and as calculated in accordance with applicable law. Such estimate takes into account a number of factors including issuance schedule, maturity schedule and the estimated projected tax rate. The estimated maximum interest rate is provided for informational purposes only in accordance with Section 3.009(b)(5) of the Texas Election Code and could be affected by material changes in the assumptions used, including future economic and legal changes that are beyond the control of the District. The estimated maximum interest rate provided herein is not a limitation on the interest rate at which the bonds, or any series thereof, may be submitted to the Texas Commission on Environmental Quality for purposes of approval of issuance of the bonds or the interest rate at which the bonds, or any series thereof, may be sold. Such estimate does not create a contract with the voters and shall not in any way limit the District from setting a higher tax rate if necessary;
- F. If approved by the voters, the bonds may be issued in one or more series to mature serially over a period not to exceed forty (40) years.
- G. The aggregate amount of the outstanding principal of the District's debt obligations as of the beginning of the District's fiscal year in which this election is

ordered is \$57,654,985 (including the District's outstanding revenue and general obligation bonds);

- H. The aggregate amount of the outstanding interest of the District's debt obligations as of the beginning of the District's fiscal year in which this election is ordered is \$31,122,942 (including the District's outstanding revenue and general obligation bonds);
- I. The ad valorem debt service tax rate for the District at the time this election is ordered is \$0.335051 per \$100 of assessed valuation in the District.
- J. The aggregate amount of the outstanding principal of the Defined Area obligations as of the beginning of the District's fiscal year in which this election is ordered is \$0.00;
- K. The aggregate amount of the outstanding interest of the Defined Area's debt obligations as of the beginning of the District's fiscal year in which this election is ordered is \$0.00 (including the District's outstanding revenue and general obligation bonds);
- L. The ad valorem debt service tax rate for the Defined Area at the time this election is ordered is \$0.00 per \$100 of assessed valuation in the District.

The information provided in this section if provided solely for the purpose of compliance with Sec. 3.009 (b), Texas Election Code and is for illustration purposes only. The information is not part of the proposition to be voted on and does not create a contract with the voters.

The President and Secretary are authorized and directed to take any action necessary to carry out the provisions of this Order.

[EXECUTION PAGE FOLLOWS]

WITNESS OUR HANDS AND THE SEAL OF THE DISTRICT this 26^{th} day of July, 2018.

President, Board of Directors

ATTEST:

Secretary, Board of Directors



EXHIBIT "A" (Engineering Plan for Creation of Rancho Desierto Bello)



PRELIMINARY ENGINEERING REPORT DEFINED AREA CREATION RANCHO DESIERTO BELLO UNITS 11 THROUGH 20 WITHIN HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT

Submitted to:

HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT 14100 Horizon Blvd Horizon City, Texas

Prepared By:

TRE & Associates, LLC. El Paso, Texas

July 2018



1770-11591-42

110 Mesa Park Drive, Ste. 200 El Paso, Texas 79912 P (915) 852-9093 F (915) 629-8506
6101 W. Courtyard Drive, Bldg. One, Ste. 100 Austin, Texas 78730 P (512) 358-4049 F (512) 366-5374
www.tr-eng.com TBPE Firm No. 13987

PRELIMINARY ENGINEERING REPORT FOR DEFINED AREA CREATION OF RANCHO DESIERTO BELLO WITHIN HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT

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1770-11591-42

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PRELIMINARY ENGINEERING REPORT FOR DEFINED AREA CREATION OF RANCHO DESIERTO BELLO WITHIN HORIZON REGIONAL MUNICIPAL UTILITY DISTRICT

LIST OF ATTACHMENTS

| Attachment 1 | A copy of the referenced | Texas Water Code |
|--------------|--------------------------|------------------|
| | | |

- Attachment 2 Vicinity and Location Maps
- Attachment 3 Defined Area Metes and Bounds

Attachment 4

Preliminary Land Use Plan for the Defined Area

1770-11591-42

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www.b-eng.com. TBPE Firm No. 17987

1.0 PURPOSE

It is the intent of this report to present the location, planned land use and feasibility to support the Horizon Regional Municipal Utility District (District) creation of a 266.012 acre Defined Area (a portion of Section 5, Block 78, Township 4, Texas & Pacific Railroad Company Surveys, Sections 43 and 44, Block 78, Township 3, Texas and Pacific Railroad Company Surveys and Leigh Clark Survey No. 297, El Paso County, Texas) within its approximate 99,000 acre boundary. This Defined Area will contain single family residential subdivisions identified as Rancho Desierto Bello Units 11 through 20. The purpose of the Defined Area would be for the issuance of bonds to finance water and wastewater improvements within the delineated boundary that primarily benefit the property owners.

The Texas Water Code provides under Section 54, Subchapter J for creation of a Defined Area within a municipal utility district of at least 1,500 acres for the purpose of paying for infrastructure improvements that primarily benefit that area and not the municipal utility district as a whole. The property owners within the Defined Area will pay for the financed improvements through a debt service tax that is assessed in the same manner and in addition to those within the District. A copy of the referenced Texas Water Code section authorizing the creation of Defined Areas is provided as Attachment 1. In alignment with that section the District Board of Directors will administer applications for bond issues within the Defined Area. The justification for approval by the Texas Commission on

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Environmental Quality (TCEQ) requires the bond sale be based upon the pledge of faith and credit on property values within the Defined Areas and not a pledge of full faith and credit on the District as a whole.

2.0 DEFINED AREA DESCRIPTION

The subject Defined Area is located within the District, El Paso County, and the corporate limits of the Town of Horizon City. Access to the Defined Area may be gained from Interstate Highway 10 and proceeding from its intersection with Darrington Road northwest approximately 5 miles along Darrington Road. The area is a portion of Section 5, Block 78, Township 4, Texas & Pacific Railroad Company Surveys, Sections 43 and 44, Block 78, Township 3, Texas and Pacific Railroad Company Surveys and Leigh Clark Survey No. 297 as depicted by the vicinity and location maps provided on Attachment 2. The Defined Area is further described by metes and bounds and provided as Attachment 3.

3.0 LAND USE PLAN

The preliminary land use planning for the Defined Area will include 1032 single family lots. This will be contained within ten residential subdivisions (Rancho Desierto Bello Units 11 through 20). The preliminary land use plan for the Defined Area is presented as Attachment 4. The acreage for the land uses and total lots planned within the Defined Area are summarized as follows:

| LAND USE | ACREAGE | LOTS |
|-------------------------------|--------------|-----------|
| Rancho Desierto Bello Unit 11 | 17.98 | 89 |
| Rancho Desierto Bello Unit 12 | 25.73 | 101 |
| Rancho Desierto Bello Unit 13 | 36.02 | 149 |
| Rancho Desierto Bello Unit 14 | 19.42 | 68 |
| Rancho Desierto Bello Unit 15 | 41.75 | 126 |
| Rancho Desierto Bello Unit 16 | 21.70 | 72 |
| Rancho Desierto Bello Unit 17 | 26.05 | 121 |
| Rancho Desierto Bello Unit 18 | 28.42 | 134 |
| Rancho Desierto Bello Unit 19 | 27.53 | 98 |
| Rancho Desierto Bello Unit 20 | <u>21.41</u> | <u>74</u> |
| TOTALS | 266.01 | 1032 |

4.0 DEVELOPMENT COST SUMMARY AND BOND ISSUE REQUIREMENT

The Defined Area will be limited to the issuance of bonds for financing water and wastewater system improvements to support the planned development within its delineated boundary. The opinion of construction costs for those improvements and the non-construction costs associated with the sale of the bonds determine the Bond Issue Requirement (BIR). The BIR represents the total amount of bonds that are authorized for issuance with the Defined Area creation for financing the water and wastewater system. The opinion of construction costs, non-construction costs and resulting BIR are presented on the following page.

SUMMARY OF COSTS FOR BOND ISSUE REQUIREMENT

| CONSTRUCTION COSTS | 9 | COSTS | | NED AREA RE (70%) |
|------------------------------------|-----|-----------|----|----------------------|
| Water Distribution System | \$ | 2,632,186 | \$ | 1,842,530 |
| Wastewater Collection System | \$ | 3,165,365 | \$ | 2,215,756 |
| Earthwork | \$ | 129,112 | \$ | 90,379 |
| Erosion Control | \$ | 51,538 | \$ | 36,077 |
| SUBTOTAL | \$ | 5,978,201 | \$ | 4,184,741 |
| Engineering (10%) | \$ | 597,820 | \$ | 418,474 |
| Contingency (15%) | \$ | 896,730 | \$ | 627,711 |
| TOTAL CONSTRUCTION COSTS | \$ | 7,472,751 | \$ | 5,230,926 |
| NON-CONSTRUCTION COSTS | | | C | OSTS |
| Bond Counsel (2%) | | | \$ | 150,000 |
| Fiscal Agent (1.5%) | | | \$ | 112,500 |
| Capitalized Interest (2yrs @ 5.5%) | | | \$ | 825,000 |
| Developer Interest (2yrs @ 5.5%) | | | \$ | 825,000 |
| Creation Costs | | | \$ | 50,000 |
| Bond Issuance Costs | | | \$ | 55,324 |
| Attorney General (0.10%) | | | \$ | 7,500 |
| Bond Discount (3%) | | | \$ | 225,000 |
| TCEQ Bond Issuance Fee (0.25%) | | | \$ | 18,750 |
| TOTAL NON-CONSTRUCTION COSTS | | | \$ | 2,269,074 |
| TOTAL COS | STS | | \$ | 7,500,000 |

As presented in the BIR, Construction Costs are considered for financing through bond sales as the Defined Area share being 70% of the construction cost opinion. This aligns with the Texas Water Code, Chapter 293.47 wherein the TCEQ can limit the financing to 70% if it is determined that is required to support the feasibility of the construction. The District Board can agree to a 100% financing of the improvements for each bond sale if the Defined Area meets the requirements for debt to assessed value ratio stated in Chapter 293.47.

5.0 PROJECTED ASSESSED VALUATION

The projected assessed valuation of the Defined Area based on the preliminary land use plan provided as Attachment 4 is as follows:

| Single Family Homes | 1032 homes | \$ 125,000/home | \$ 129,000,000 |
|---------------------|-------------|-----------------|-------------------|
| TOTAL PRO | JECTED ASSE | SSED VALUATION | \$ 129,000,000 |

6.0 DEFINED AREA FEASIBILITY

The proposed water and wastewater improvements will serve the development presented on the preliminary land use plan with a projected assessed valuation, at full buildout, of \$129,000,000. Bond financing of the improvements would require a bond authorization of \$7,500,000. Assuming an interest rate of 5.5% on the bonds and a 30-year amortization, the average annual debt service will be approximately \$516,075. With the District's projected assessed valuation of \$129,000,000, an annual tax rate of \$0.43000 per \$100 assessed valuation with

a 95% collection rate would yield \$526,965 received each year for retirement of the Defined Area bond debt. This tax would be in addition to the current District tax of \$0.512006 per \$100 assessed valuation imposed on all property within its boundary.

7.0 TOTAL TAX ASSESSMENT FOR THE DEFINED AREA

The following table shows the total tax burden from the taxing authorities for the property owners within the Defined Area.

| Taxing Jurisdiction | 2017 Current Tax Rate Per \$100 Valuation |
|-----------------------------------|--|
| Town of Horizon City | 0.491756 |
| Emergency Services District No. 1 | 0.099468 |
| University Medical Center | 0.251943 |
| El Paso Community College | 0.141638 |
| District | |
| Socorro ISD | 1.274794 |
| Horizon Regional MUD | 0.512006 |
| Projected Defined Area Tax | 0.430000 |
| TOTAL | \$3.201605 |
| | |

8.0 JUSTIFICATION FOR DEFINED AREA CREATION

Creation of the Defined Area is justified based upon the supporting development and financial feasibility presented in this report. With creation of a Defined Area the developer can recover infrastructure costs which can result in adjusted lot costs to homebuilders and potentially lower home prices for future homeowners and District residents.



ATTACHMENT 1

A COPY OF THE REFERENCED TEXAS WATER CODE

IIO Mesa Park Drive, Ste. 200 El Paso, Texas 79912 P (915) 852-9093 F (915) 629-8506 6101 W. Courtyard Drive, Bldg. One, Ste. 100 Austin, Texas 78730 P (512) 358-4049 F (512) 366-5374 www.tr-eng.com TBPE Firm No. 13987

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district's debt outstanding at the time the land was excluded from the district.

(b) The district shall apply the taxes collected on the excluded land only to the payment of the excluded land's pro rata share of the debt.

Added by Acts 2003, 78th Leg., ch. 248, Sec. 33, eff. June 18, 2003.

SUBCHAPTER J. SERVICES FOR CERTAIN DEFINED AREAS AND DESIGNATED PROPERTY

Sec. 54.801. AUTHORITY TO ESTABLISH DEFINED AREAS OR DESIGNATED PROPERTY. (a) A district that is composed of at least 1,500 acres may define areas or designate certain property of the district to pay for improvements, facilities, or services that primarily benefit that area or property and do not generally and directly benefit the district as a whole.

(b) The board shall state in its designation the physical and economic reasons, the particular diverse local needs, or the comparative potential benefits of the defined areas or designated property in the district that make it necessary or equitable to levy all or part of the tax on a defined area or designated property of the district.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Sec. 54.802. DEFINING AREA AND DESIGNATING PROPERTY TO BE BENEFITED BY IMPROVEMENTS. (a) The board shall adopt a proposed plan that defines the particular area to be taxed by metes and bounds or designates the property to be served, affected, and taxed.

(b) The board shall adopt a proposed plan for improvements in the defined area or to serve the designated property in the manner provided by Section 49.106.

(c) The board shall adopt a proposed plan of taxation to apply to the defined area or designated property that may or may not be in addition to other taxes imposed by the district on the same area or property,

Added by Acts 1987, 70th, Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987. Amended by Acts 1997, 75th Leg., ch. 1070, Sec. 32, eff. Sept. 1, 1997.

Sec. 54.803. NOTICE OF ADOPTION OF PLANS FOR DEFINED AREA OR DESIGNATED PROPERTY AND HEARING. (a) After proposed plans for a defined area or designated property are adopted, the board shall publish notice of the adoption once a week for two consecutive weeks in one or more

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newspapers with general circulation in the county or counties in which the district is located.

(b) The notice must state:

(1) that proposed plans for a defined area or designated property have been adopted;

(2) that a map and description of the area or property is available for public inspection in the district's office;

(3) that a hearing on the proposed plans will be held by the board at a specified place and at a particular time; and

(4) that all interested persons may appear and support or oppose all or part of the proposed plans and offer testimony.

(c) A hearing for which notice is required by this section must be held not less than 15 days and not more than 20 days after the date on which the first notice is published.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Sec. 54.804. ORDER ADOPTING PLANS FOR DEFINED AREA OR DESIGNATED PROPERTY. (a) After the hearing is completed, the board may approve the proposed plans for the defined area or designated property or may modify the proposed plans.

(b) If the board adopts a proposed plan, it must adopt the definition or designation that it finds, according to the evidence before the board, most equitably distributes the cost of facilities or service and protects the public welfare.

(c) If the proposal includes the issuance of bonds or the imposition of a maintenance tax for the defined area or designated property, the board shall call and hold an election in the defined area or within the boundaries of the designated property only.

(d) The board's order is not subject to judicial review except on the ground of fraud, palpable error, or arbitrary and confiscatory abuse of discretion.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987. Amended by Acts 1989, 71st Leg., ch. 973, Sec. 1, eff. Aug. 28, 1989.

Sec. 54.805. OBTAINING FUNDS TO CONSTRUCT, ADMINISTER, MAINTAIN, AND OPERATE IMPROVEMENTS AND FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On adoption of the plans as provided by Section 54.804 of this code and voter approval of the plans, the district, under the limitations of this subchapter, may apply separately, differently, equitably, and http://www.statutes.legis.state.tx.us/Docs/WA/htm/WA.54.htm#54.801

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specifically its taxing power and lien authority to the defined area or designated property to provide money to construct, administer, maintain, and operate improvements and facilities that primarily benefit the defined area or designated property.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Sec. 54.806. PROCEDURE FOR ELECTION. (a) Before the adopted plans may become effective, they must be approved by the voters in the defined area or within the boundaries of the designated property. The election shall be conducted as provided by Section 49.106 for an election to authorize the issuance of bonds.

(b) The board may submit the issues to the voters on the same ballot to be used in another election.

(c) The notice of election must describe the area to be defined or property to be designated and must otherwise conform to the provisions of this chapter relating to notice of bond elections.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987. Amended by Acts 1997, 75th Leg., ch. 1070, Sec. 33, eff. Sept. 1, 1997.

Sec. 54.807. BALLOTS. The ballot proposition for an election under this subchapter must be printed to provide for voting for or against defining the area or designating the property and, if applicable, issuing bonds and levying a tax to retire the bonds or imposing a maintenance tax not to exceed the rate, which must be specified in the ballot proposition, provided by the proposed plans.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987. Amended by Acts 1989, 71st Leg., ch. 973, Sec. 2, eff. Aug. 28, 1989.

Sec. 54.808. DECLARING RESULT AND ISSUING ORDER. (a) If a majority of the voters voting at the election approve the proposition, the board shall declare the results and, by order, shall establish the defined area and describe it by metes and bounds or designate the specific property and shall set the tax rate for the area or property as otherwise provided by the Tax Code.

(b) A certified copy of the order shall be recorded in the minutes of the district and shall constitute notice.

(c) If a majority of the voters voting at the election fail to approve the proposition, the board may not establish the defined area or http://www.statutes.legis.state.tx.us/Docs/WA/htm/WA.54.htm#54.801

WATER CODE CHAPTER 54. MUNICIPAL UTILITY DISTRICTS

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designate the property.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Sec. 54.809. ISSUANCE OF BONDS AND LEVY OF TAX FOR DEFINED AREA OR DESIGNATED PROPERTY. After the order is recorded, the district may issue its bonds to provide the specific plant, works, and facilities included in the plans adopted for the defined area, or to serve the designated property and shall provide the plant, works, and facilities.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Sec. 54.810. LIMITATION ON OTHER BOND AUTHORIZATIONS. If the voters of the designated area authorize the issuance of bonds for a particular purpose, a district may not issue bonds from any other authorization for the same purposes, and only revenue and taxes from the designated area may be used to retire the bonds.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Sec. 54.811. PLEDGE OF FAITH AND CREDIT. If at an election, the voters approve the issuance of bonds and the levy of a tax that applies only to a designated area, the district may issue bonds that pledge only the faith and credit based on the property values in the defined area and may not pledge the full faith and credit of the district.

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Sec. 54.812. NOTICE TO PURCHASERS. (a) A person who sells or conveys real property located within the designated area of the district shall supplement the notice to purchaser required by Section 50.301, of this code, as provided by this section.

(b) The prescribed notice shall be inserted into the general notice after the first sentence and shall read as follows: "The real property described below, which you are about to purchase, is also located within a designated area of the district and your land will be subject to a higher tax than other land within the district. Your rate of taxes will be higher by \$ on each \$100 of assessed valuation than land not within the designated area."

Added by Acts 1987, 70th Leg., ch. 600, Sec. 1, eff. Aug. 31, 1987.

Sec. 54.813. MUNICIPALITY'S AUTHORITY REGARDING DEFINED AREA. (a) This section applies only to a municipality any portion of which is located in a county with a population of more than 1 million and less than 1.5 million.

(b) A municipality may not annex a part of a defined area in a district that has adopted a plan for the defined area under this subchapter unless:

(1) 90 percent or more of all facilities and infrastructure described by the plan has been installed and completed; and

(2) the municipality:

(A) annexes all of the defined area that is within the municipality's extraterritorial jurisdiction; and

(B) assumes the pro rata share of the bonded indebtedness of the annexed area.

(c) After the annexation occurs:

(1) the annexed area is not eligible to be a defined area under this subchapter; and

(2) the district may not impose in the annexed area a tax authorized for a defined area under this subchapter.

Added by Acts 2005, 79th Leg., Ch. 962 (H.B. 1644), Sec. 6, eff. June 18, 2005.

Amended by:

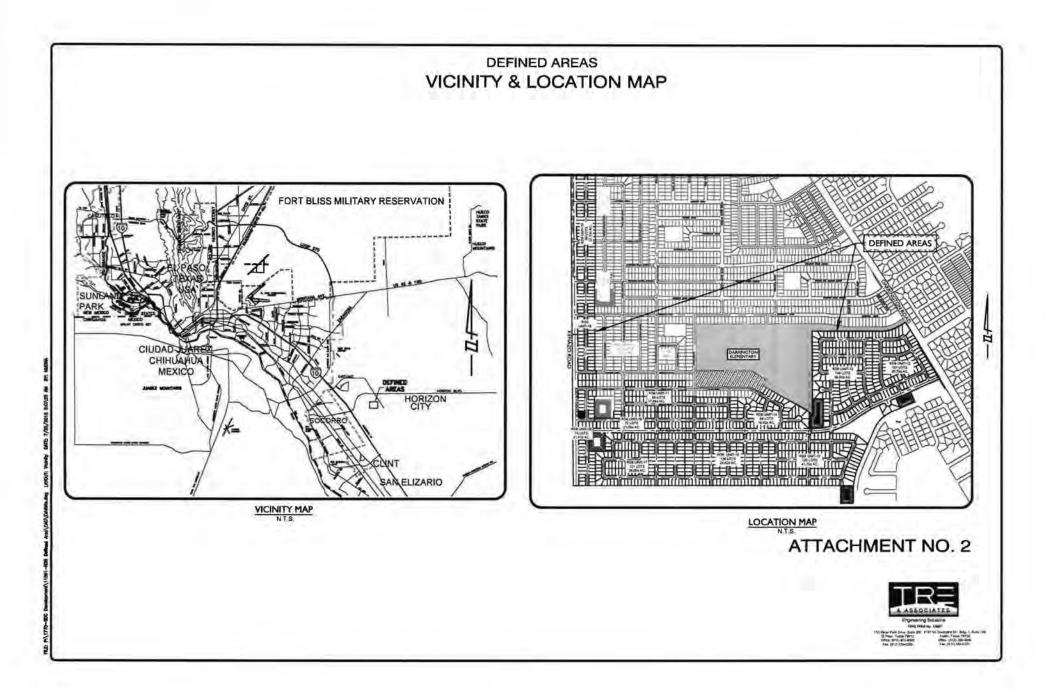
Acts 2011, 82nd Leg., R.S., Ch. 1163 (H.B. 2702), Sec. 185, eff. September 1, 2011.



ATTACHMENT 2

VICINITY AND LOCATION MAPS

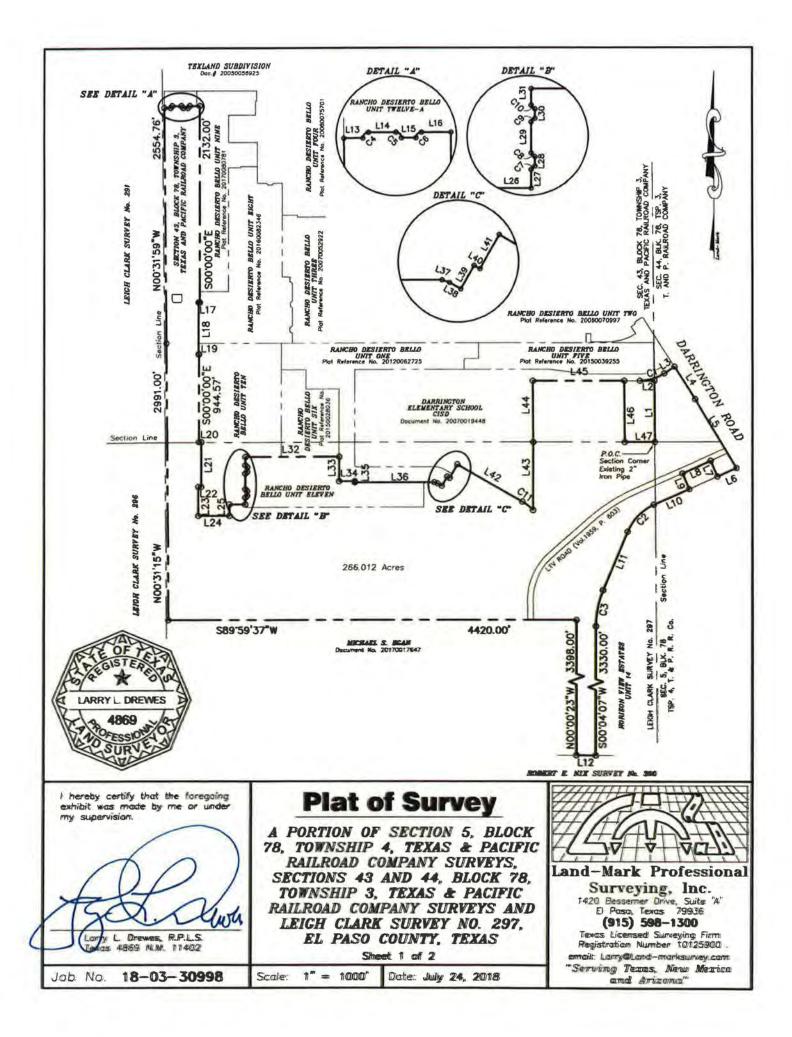
I 10 Mesa Park Drive, Ste. 200 El Paso, Texas 79912 P (915) 852-9093 F (915) 629-8506 6101 W. Courtyard Drive, Bldg. One. Ste. 100 Austin, Texas 78730 P (512) 358-4049 F (512) 366-5374 www.tr-eng.com TBPE Firm No. 13987





ATTACHMENT 3

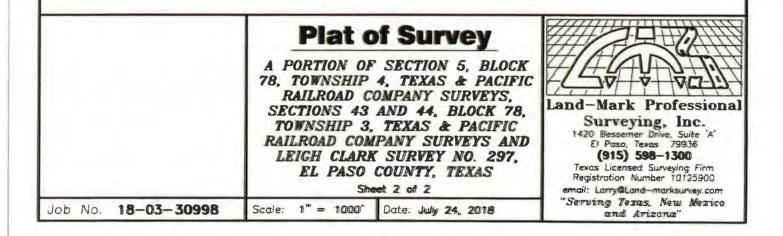
DEFINED AREA METES AND BOUNDS



| L1 N00'33'12"W 657.96' L2 N89'59'52"W 161.78' L3 N57'32'52"E 133.81' L4 S33'04'20"E 414.08' L5 S31'40'02"E 872.76' L6 S66'15'37"W 228.47' L7 N23'49'02"W 187.32' L8 S66'11'46"W 342.71' L9 S23'39'51"E 186.94' L10 S66'15'37"W 423.16' L11 S23'00'37"W 680.00' L12 N89'55'53"W 207.59' L13 N89'28'01"E 69.60' L14 N90'00'00"E 52.00' L15 N90'00'00"E 52.00' L16 N90'00'00"E 562.00' L17 N90'00'00"E 562.00' L18 S00'00'00"E 545' L20 N90'00'00"E 545' L20 N90'00'00"E 489.00' L22 N90'00'00"E 314.00' L23 S00'00'00"E 314.00' | LINE | DIRECTION | DISTANCE |
|---|------|-------------|----------|
| L2 N89'59'52"W 161.78' L3 N57'32'52"E 133.81' L4 S33'04'20"E 414.08' L5 S31'40'02"E 872.76' L6 S66'15'37"W 228.47' L7 N23'49'02"W 187.32' L8 S66'11'46"W 342.71' L9 S23'39'51"E 186.94' L10 S66'15'37"W 423.16' L11 S23'00'37"W 680.00' L12 N89'55'53"W 207.59' L13 N89'28'01"E 69.60' L14 N90'00'00"E 52.00' L15 N90'00'00"E 52.00' L16 N90'00'00"E 562.00' L17 N90'00'00"E 562.00' L18 S00'00'00"E 562.00' L19 N90'00'00"E 54.5' L20 N90'00'00"E 25.15' L21 S00'00'00"E 489.00' L22 N90'00'00"E 314.00' | L1 | N00'33'12"W | 657.96' |
| L4 S33'04'20"E 414.08' L5 S31'40'02"E 872.76' L6 S66'15'37"W 228.47' L7 N23'49'02"W 187.32' L8 S66'11'46"W 342.71' L9 S23'39'51"E 186.94' L10 S66'15'37"W 423.16' L11 S23'00'37"W 680.00' L12 N89'55'53"W 207.59' L13 N89'28'01"E 69.60' L14 N90'00'00"E 99.38' L15 N90'00'00"E 52.00' L16 N90'00'00"E 562.00' L17 N90'00'00"E 562.00' L18 S00'00'00"E 562.00' L19 N90'00'00"E 545' L20 N90'00'00"E 25.15' L21 S00'00'00"E 489.00' L22 N90'00'00"E 314.00' | L2 | N89'59'52"W | 161.78' |
| L5 S31'40'02"E 872.76' L6 S66'15'37"W 228.47' L7 N23'49'02"W 187.32' L8 S66'11'46"W 342.71' L9 S23'39'51"E 186.94' L10 S66'15'37"W 423.16' L11 S23'00'37"W 680.00' L12 N89'55'53"W 207.59' L13 N89'28'01"E 69.60' L14 N90'00'00"E 99.38' L15 N90'00'00"E 52.00' L16 N90'00'00"E 562.00' L17 N90'00'00"E 562.00' L18 S00'00'00"E 562.00' L19 N90'00'00"E 545' L20 N90'00'00"E 25.15' L21 S00'00'00"E 489.00' L22 N90'00'00"E 314.00' | L3 | N57'32'52"E | 133.81' |
| L5 S31'40'02"E 872.76' L6 S66'15'37"W 228.47' L7 N23'49'02"W 187.32' L8 S66'11'46"W 342.71' L9 S23'39'51"E 186.94' L10 S66'15'37"W 423.16' L11 S23'00'37"W 680.00' L12 N89'55'53"W 207.59' L13 N89'28'01"E 69.60' L14 N90'00'00"E 99.38' L15 N90'00'00"E 52.00' L16 N90'00'00"E 562.00' L17 N90'00'00"E 562.00' L18 S00'00'00"E 562.00' L19 N90'00'00"E 545' L20 N90'00'00"E 25.15' L21 S00'00'00"E 489.00' L22 N90'00'00"E 314.00' | L4 | S33'04'20"E | 414.08' |
| L6 S66'15'37"W 228.47' L7 N23'49'02"W 187.32' L8 S66'11'46"W 342.71' L9 S23'39'51"E 186.94' L10 S66'15'37"W 423.16' L11 S23'00'37"W 680.00' L12 N89'55'53"W 207.59' L13 N89'28'01"E 69.60' L14 N90'00'00"E 99.38' L15 N90'00'00"E 52.00' L16 N90'00'00"E 562.00' L17 N90'00'00"E 562.00' L18 S00'00'00"E 562.00' L19 N90'00'00"E 545' L20 N90'00'00"E 25.15' L21 S00'00'00"E 489.00' L22 N90'00'00"E 314.00' | L5 | S31'40'02"E | 872.76 |
| L7 N23'49'02"W 187.32' L8 S66'11'46"W 342.71' L9 S23'39'51"E 186.94' L10 S66'15'37"W 423.16' L11 S23'00'37"W 680.00' L12 N89'55'53"W 207.59' L13 N89'28'01"E 69.60' L14 N90'00'00"E 99.38' L15 N90'00'00"E 52.00' L16 N90'00'00"E 562.00' L17 N90'00'00"E 562.00' L18 S00'00'00"E 562.00' L19 N90'00'00"E 54.5' L20 N90'00'00"E 25.15' L21 S00'00'00"E 489.00' L22 N90'00'00"E 314.00' | L6 | | 228.47' |
| L8 S66*11'46"W 342.71' L9 S23'39'51"E 186.94' L10 S66*15'37"W 423.16' L11 S23'00'37"W 680.00' L12 N89'55'53"W 207.59' L13 N89'28'01"E 69.60' L14 N90'00'00"E 99.38' L15 N90'00'00"E 52.00' L16 N90'00'00"E 108.00' L17 N90'00'00"E 562.00' L18 S00'00'00"E 562.00' L19 N90'00'00"E 545' L20 N90'00'00"E 489.00' L21 S00'00'00"E 489.00' L22 N90'00'00"W 31.94' L23 S00'00'00"E 314.00' | L7 | N23'49'02"W | |
| L9 S23'39'51"E 186.94' L10 S66'15'37"W 423.16' L11 S23'00'37"W 680.00' L12 N89'55'53"W 207.59' L13 N89'28'01"E 69.60' L14 N90'00'00"E 99.38' L15 N90'00'00"E 52.00' L16 N90'00'00"E 108.00' L17 N90'00'00"E 562.00' L18 S00'00'00"E 562.00' L19 N90'00'00"E 5.45' L20 N90'00'00"E 489.00' L21 S00'00'00"E 489.00' L22 N90'00'00"E 314.00' | L8 | S66'11'46"W | 342.71' |
| L10 S66*15'37"W 423.16' L11 S23*00'37"W 680.00' L12 N89*55'53"W 207.59' L13 N89*28'01"E 69.60' L14 N90*00'00"E 99.38' L15 N90*00'00"E 52.00' L16 N90*00'00"E 108.00' L17 N90*00'00"E 562.00' L18 S00*00'00"E 562.00' L19 N90*00'00"E 5.45' L20 N90*00'00"E 25.15' L21 S00*00'00"E 489.00' L22 N90*00'00"W 31.94' L23 S00*00'00"E 314.00' | L9 | | 186.94' |
| L12 N89*55'53"W 207.59' L13 N89'28'01"E 69.60' L14 N90'00'00"E 99.38' L15 N90'00'00"E 52.00' L16 N90'00'00"E 108.00' L17 N90'00'00"E 562.00' L18 S00'00'00"E 562.00' L19 N90'00'00"E 5.45' L20 N90'00'00"E 489.00' L21 S00'00'00"E 489.00' L22 N90'00'00"E 314.00' | L10 | S66'15'37"W | |
| L12 N89*55'53"W 207.59' L13 N89'28'01"E 69.60' L14 N90'00'00"E 99.38' L15 N90'00'00"E 52.00' L16 N90'00'00"E 108.00' L17 N90'00'00"E 562.00' L18 S00'00'00"E 562.00' L19 N90'00'00"E 5.45' L20 N90'00'00"E 489.00' L21 S00'00'00"E 489.00' L22 N90'00'00"E 314.00' | L11 | S23'00'37"W | 680.00' |
| L13 N89'28'01"E 69.60' L14 N90'00'00"E 99.38' L15 N90'00'00"E 52.00' L16 N90'00'00"E 108.00' L17 N90'00'00"E 108.00' L18 S00'00'00"E 562.00' L19 N90'00'00"E 5.45' L20 N90'00'00"E 25.15' L21 S00'00'00"E 489.00' L22 N90'00'00"E 31.94' L23 S00'00'00"E 314.00' | L12 | N89'55'53"W | 207.59' |
| L15 N90'00'00"E 52.00' L16 N90'00'00"E 108.00' L17 N90'00'00"W 13.00' L18 S00'00'00"E 562.00' L19 N90'00'00"E 5.45' L20 N90'00'00"E 25.15' L21 S00'00'00"E 489.00' L22 N90'00'00"W 31.94' L23 S00'00'00"E 314.00' | L13 | N89'28'01"E | |
| L16 N90'00'00"E 108.00' L17 N90'00'00"W 13.00' L18 S00'00'00"E 562.00' L19 N90'00'00"E 5.45' L20 N90'00'00"E 25.15' L21 S00'00'00"E 489.00' L22 N90'00'00"W 31.94' L23 S00'00'00"E 314.00' | | N90'00'00"E | 99.38 |
| L16 N90'00'00"E 108.00' L17 N90'00'00"W 13.00' L18 S00'00'00"E 562.00' L19 N90'00'00"E 5.45' L20 N90'00'00"E 25.15' L21 S00'00'00"E 489.00' L22 N90'00'00"W 31.94' L23 S00'00'00"E 314.00' | L15 | N90'00'00"E | 52.00' |
| L18 S00°00'00"E 562.00' L19 N90°00'00"E 5.45' L20 N90°00'00"E 25.15' L21 S00°00'00"E 489.00' L22 N90°00'00"W 31.94' L23 S00°00'00"E 314.00' | L16 | | 108.00' |
| L19 N90°00'00"E 5.45' L20 N90°00'00"E 25.15' L21 S00°00'00"E 489.00' L22 N90°00'00"W 31.94' L23 S00°00'00"E 314.00' | L17 | N90'00'00"W | 13.00' |
| L20 N90°00'00"E 25.15' L21 S00°00'00"E 489.00' L22 N90°00'00"W 31.94' L23 S00°00'00"E 314.00' | L18 | S00'00'00"E | 562.00' |
| L20 N90°00'00"E 25.15' L21 S00°00'00"E 489.00' L22 N90°00'00"W 31.94' L23 S00°00'00"E 314.00' | L19 | N90'00'00"E | 5.45' |
| L21 S00'00'00"E 489.00' L22 N90'00'00"W 31.94' L23 S00'00'00"E 314.00' | L20 | | |
| L22 N90'00'00"W 31.94' L23 S00'00'00"E 314.00' | L21 | S00'00'00"E | |
| L23 S00'00'00"E 314.00' | L22 | | |
| | L23 | | |
| | L24 | | 333.44' |

| LINE | DIRECTION | DISTANCE |
|------|-------------|----------|
| L25 | N00'00'00"W | 124.00' |
| L26 | N90.00,00 E | 168.90' |
| L27 | N00'00'00"W | 73.00' |
| L28 | N00'00'00"W | 52.00' |
| L29 | N00'00'00"W | 170.00' |
| L30 | N00.00,00.M | 52.00' |
| L31 | N00'00'00"W | 90.00' |
| L32 | N90'00'00"E | 1017.27' |
| L33 | S00'00'00"E | 267.00' |
| L34 | N90'00'00"E | 171.00' |
| L35 | S00'00'00"E | 13.50' |
| L36 | N90'00'00"E | 865.01' |
| L37 | S70'37'29"E | 35.89' |
| L38 | S59'58'18"E | 57.00' |
| L39 | N30'01'43"E | 118.50 |
| L40 | S59'58'18"E | 29.64 |
| L41 | N30'01'42"E | 170.56 |
| L42 | S59'58'18"E | 811.39 |
| L43 | N00'00'23"W | 739.96' |
| L44 | N00'32'11"W | 657.78' |
| L45 | N89'59'58"E | 996.48' |
| L46 | S00'32'55"E | 657.93' |
| L47 | S89'59'40"E | 332.21' |

| CURVE | RADIUS | LENGTH | CHORD | BEARING | DELTA |
|-------|----------|---------|---------|-------------|-----------|
| CI | 500.00' | 283.20' | 279.43 | N73"46'26"E | 32'27'08" |
| C2 | 554.95' | 418.91 | 409.03' | S44'38'07"W | 43'15'00" |
| C3 | 1000.001 | 400.41 | 397.74' | 511"32'22"W | 22'56'30" |
| C4 | 20.00' | 31.60* | 28.42' | N44'44'00"E | 90'31'59" |
| C5 | 20.00 | 31.42" | 28.28' | S45'00'00"E | 90'00'00" |
| C6 | 20.00' | 31.42' | 28.28' | N45'00'00"E | 90'00'00" |
| C7 | 20.00 | 31.42 | 28.28' | N45'00'00"E | 90.00,00, |
| C8 | 20.00' | 31.42' | 28.28' | N45'00'00 W | 90'00'00" |
| C9 | 20.00' | 31.42' | 28.28' | N45'00'00"E | 90.00,00, |
| C10 | 20.00' | 31.42" | 28.28' | N45'00'00 W | 90'00'00" |
| CII | 467.33' | 147.58 | 146.97 | S50"55'29"E | 18'05'38" |





Land - Mark Professional Surveying Inc.

"Serving Texas, New Mexico and Arizona"

METES AND BOUNDS DESCRIPTION

Rancho Desierto Bello – Defined Area Bond

266.012 ACRES OUT OF SECTION 5, BLOCK 78, TOWNSHIP 4, TEXAS & PACIFIC RAILROAD COMPANY SURVEYS, SECTIONS 43 AND 44, BLOCK 78, TOWNSHIP 3, TEXAS & PACIFIC RAILROAD COMPANY SURVEYS AND LEIGH CLARK SURVEY NO. 297, EL PASO COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS;

COMMENCING, for reference, at an existing 2-inch iron pipe located at the common corner of Section 5, Block 78, Township 4, Texas and Pacific Railroad Company Surveys, Sections 43 and 44, Block 78, Township 3, Texas and Pacific Railroad Company Surveys and Leigh Clark Survey No. 297 and being the **POINT OF BEGINNING** of this parcel description;

THENCE, North 00°33'12" West, with the easterly boundary line of said Section 43, a distance of 657.96 feet to a point for a corner of this parcel;

THENCE, North 89°59'52" West, with the northerly boundary line of said parcel of land conveyed to Octavio Prieto, a distance of 161.78 feet to a point lying in the southerly boundary line of CISD Desierto Bello Subdivision, recorded in Document No. 20090061514, Plat Records of El Paso County, Texas, for a corner of this parcel;

THENCE, Northeasterly, with the arc of a curve to the left and with said southerly boundary line, a distance of 283.20 feet to a point for a corner of this parcel; Said curve having a radius of 500.00 feet, a central angle of 32°27'08" and a chord which bears North 73°46'26" East, a distance of 279.43 feet;

THENCE, North 57°32'52" East, continuing with said southerly boundary line, a distance of 133.81 feet to a point lying in the southwesterly right-of-way line of Darrington Road, for a corner of this parcel;

THENCE, South 33°04'20" East, with said southwesterly right-of-way line, a distance of 414.08 feet to a point, for a corner of this parcel;

THENCE, South 31°40'02" East, continuing with said southwesterly right-of-way line, a distance of 872.76 feet to a point lying in the northwesterly boundary line of Horizon View Estates Unit 14, recorded in Volume 40, Page 15, Plat Records of El Paso County, Texas, for a corner of this parcel;

THENCE, South 66°15'37" West, with said northwesterly boundary line, a distance of 228.47 feet to a point lying at the southeasterly boundary corner of a 1.476 acre parcel conveyed to the Town of Horizon City, described in Document No. 20160079983, Official Records of El Paso County, Texas, for a corner of this parcel;

1420 Bessemer • El Paso, Texas 79936 Tel. (915) 598-1300 • Fax (915) 598-1221 • E-mail address: Larry@Land-Marksurvey.com Rancho Desierto Bello Defined Area Bond Page 2 of 6

THENCE, North 23°49'02" West, with the easterly boundary line of said 1.476 acre parcel, a distance of 187.32 feet to a point lying in the southeasterly right-of-way line of LTV Road, recorded in Volume 1959, Page 803, Official Records of El Paso County, Texas, for a corner of this parcel;

THENCE, South 66°11'46" West, with said southeasterly right-of-way line, a distance of 342.71 feet to a point lying in the westerly boundary line of said 1.476 acre parcel, for a corner of this parcel;

THENCE, South 23°39'51" East, with said westerly boundary line, a distance of 186.94 feet to a point lying in the northwesterly boundary line of Horizon View Estates Unit 14, recorded in Volume 40, Page 15, Plat Records of El Paso County, Texas, for a corner of this parcel;

THENCE, South 66°15'37" West, northwesterly boundary line a distance of 423.16 feet to a point, for a corner of this parcel;

THENCE, Southwesterly, with the arc of a curve to the left and continuing with said northwesterly boundary line, a distance of 418.91 feet to an existing 1/2-inch rebar with cap, for a corner of this parcel; Said curve having a radius of 554.95 feet, a central angle of 43°15'00" and a chord which bears South 44°38'07" West, a distance of 409.03 feet;

THENCE, South 23°00'37" West, continuing with said northwesterly boundary line, a distance of 680.00 feet to a point, for a corner of this parcel;

THENCE, Southwesterly, with the arc of a curve to the left and continuing with said northwesterly boundary line, a distance of 400.41 feet to a point for a corner of this parcel; Said curve having a radius of 1000.00 feet, a central angle of 22°56'30" and a chord which bears South 11°32'22" West, a distance of 397.74 feet;

THENCE, South 00°04'07" West, continuing with said northwesterly boundary line, a distance of 3330.00 feet to a point lying in the southerly boundary line of Leigh Clark Survey No. 297;

THENCE, North 89°55'53" West, with said southerly boundary line, a distance of 207.59 feet to an existing 5/8" rebar with cap stamped "Land-Mark TX4869 NM11402" lying at the southeasterly boundary corner of a parcel of land conveyed to Michael S. Egan, recorded in Document No. 20170017647, Official Records of El Paso County, Texas, for a corner of this parcel;

THENCE, North 00°00'23" West, with the easterly boundary line of said parcel of land conveyed to Michael S. Egan, a distance of 3398.00 feet to an existing 5/8" rebar with cap stamped "Land-Mark TX4869 NM11402" lying at the northeasterly boundary corner of a parcel of land conveyed to Michael S. Egan, for a corner of this parcel;

Rancho Desierto Bello Defined Area Bond Page 3 of 6

THENCE, South 89°59'37" West, with the northerly boundary line of said parcel of land conveyed to Michael S. Egan, a distance of 4420.00 feet to a 5/8-inch rebar with cap stamped "LAND-MARK TX4869 NM11402", set in the easterly right-of-way line of a 20 feet wide road, recorded in Volume 1526, Page 1171, Official Records of El Paso County, Texas for a corner of this parcel;

THENCE, North 00°31'15" West, with said easterly right-of-way line, a distance of 2991.00 feet to a point, for a corner of this parcel;

THENCE, North 00°31'59" West, continuing with said easterly right-of-way line a distance of 2554.76 feet to a point, for a corner of this parcel;

THENCE, North 89°28'01" East, a distance of 69.60 feet to a point, for a corner of this parcel;

THENCE, Northeasterly, with the arc of a curve to the right, a distance of 31.60 feet to a point, for a corner of this parcel; Said curve having a radius of 20.00 feet, a central angle of 90°31'59" and a chord which bears North 44°44'00" East, a distance of 28.42 feet;

THENCE, North 90°00'00" East, a distance of 99.38 feet to a point, for a corner of this parcel;

THENCE, Southeasterly, with the arc of a curve to the right, a distance of 31.42 feet to a point, for a corner of this parcel; Said curve having a radius of 20.00 feet, a central angle of 90°00'00" and a chord which bears South 45°00'00" East, a distance of 28.28 feet;

THENCE, North 90°00'00" East, a distance of 52.00 feet to a point, for a corner of this parcel;

THENCE, Northeasterly, with the arc of a curve to the right, a distance of 31.42 feet to a point, for a corner of this parcel; Said curve having a radius of 20.00 feet, a central angle of 90°00'00" and a chord which bears North 45°00'00" East, a distance of 28.28 feet;

THENCE, North 90°00'00" East, a distance of 108.00 feet to a point lying in the westerly boundary line of Rancho Desierto Bello Unit Nine, recorded in Document No. 20170080781, Plat Records of El Paso County, Texas, for a corner of this parcel;

THENCE, South 00°00'00" East, with said westerly boundary line and continuing with the westerly boundary line of Rancho Desierto Bello Unit Eight, recorded in Document No. 20160082346, Plat Records of El Paso County, Texas, a distance of 2132.00 feet to a point, for a corner of this parcel;

THENCE, North 90°00'00" West, with said westerly boundary line of Rancho Desierto Bello Unit Eight, a distance of 13.00 feet to a point, for a corner of this parcel;

THENCE, South 00°00'00" East, with said westerly boundary line at a distance of 443.50 feet pass the southwesterly corner of said Rancho Desierto Bello Unit Eight and continuing for a total a distance of 562.00 feet to a point, for a corner of this parcel;

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THENCE, North 90°00'00" East, a distance of 5.45 feet to a point, for a corner of this parcel;

THENCE, South 00°00'00" East, a distance of 944.57 feet to a point, for a corner of this parcel;

THENCE, North 90°00'00" East, a distance of 25.15 feet to a point, for a corner of this parcel;

THENCE, South 00°00'00" East, a distance of 489.00 feet to a point, for a corner of this parcel;

THENCE, North 90°00'00" West, a distance of 31.94 feet to a point, for a corner of this parcel;

THENCE, South 00°00'00" East, a distance of 314.00 feet to a point, for a corner of this parcel;

THENCE, North 90°00'00" East, a distance of 333.44 feet to a point, for a corner of this parcel;

THENCE, North 00°00'00" West, a distance of 124.00 feet to a point, for a corner of this parcel;

THENCE, North 90°00'00" East, a distance of 168.90 feet to a point, for a corner of this parcel;

THENCE, North 00°00'00" West, a distance of 73.00 feet to a point, for a corner of this parcel;

THENCE, Northeasterly, with the arc of a curve to the right, a distance of 31.42 feet to a point, for a corner of this parcel; Said curve having a radius of 20.00 feet, a central angle of 90°00'00" and a chord which bears North 45°00'00" East, a distance of 28.28 feet;

THENCE, North 00°00'00" West, a distance of 52.00 feet to a point, for a corner of this parcel;

THENCE, Northwesterly, with the arc of a curve to the right, a distance of 31.42 feet to a point, for a corner of this parcel; Said curve having a radius of 20.00 feet, a central angle of 90°00'00" and a chord which bears North 45°00'00" West, a distance of 28.28 feet;

THENCE, North 00°00'00" East, a distance of 170.00 feet to a point, for a corner of this parcel;

THENCE, Northeasterly, with the arc of a curve to the right, a distance of 31.42 feet to a point, for a corner of this parcel; Said curve having a radius of 20.00 feet, a central angle of 90°00'00" and a chord which bears North 45°00'00" East, a distance of 28.28 feet;

THENCE, North 00°00'00" East, a distance of 52.00 feet to a point, for a corner of this parcel;

THENCE, Northwesterly, with the arc of a curve to the right, a distance of 31.42 feet to a point, for a corner of this parcel; Said curve having a radius of 20.00 feet, a central angle of 90°00'00" and a chord which bears North 45°00'00" West, a distance of 28.28 feet;

THENCE, North 00°00'00" East, a distance of 90.00 feet to a point, for a corner of this parcel;

THENCE, North 90°00'00" East, at a distance of 391.00 feet pass the southwesterly corner of said Rancho Desierto Bello Unit Six, recorded in Document No. 20150028036, Plat Records of El Paso County, Texas and continuing for a total a distance of 1017.27 feet to a point lying in the

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westerly boundary line of Rancho Desierto Bello Unit One, recorded in Document No. 20120062725, Plat Records of El Paso County, Texas, for a corner of this parcel;

THENCE, South 00°00'00" East, with said westerly boundary line, a distance of 267.00 feet to a point lying at the southwesterly boundary corner of said Rancho Desierto Bello Unit One, for a corner of this parcel;

THENCE, North 90°00'00" East, with the southerly boundary line of said Rancho Desierto Bello Unit One, a distance of 171.00 feet to a point, for a corner of this parcel;

THENCE, South 00°00'00" East, continuing with the southerly boundary line, a distance of 13.50 feet to a point, for a corner of this parcel;

THENCE, North 90°00'00" East, continuing with the southerly boundary line, a distance of 865.01 feet to a point, for a corner of this parcel;

THENCE, South 70°37'29" East, continuing with the southerly boundary line, a distance of 35.89 feet to a point, for a corner of this parcel;

THENCE, South 59°58'18" East, continuing with the southerly boundary line, a distance of 57.00 feet to a point lying at the southeasterly boundary corner of said Rancho Desierto Bello Unit One, for a corner of this parcel;

THENCE, North 30°01'42" East, with the easterly boundary line of said Rancho Desierto Bello Unit One, a distance of 118.50 feet to a point, for a corner of this parcel;

THENCE, South 59°58'18" East, continuing with said easterly boundary line, a distance of 29.64 feet to a point, for a corner of this parcel;

THENCE, North 30°01'43" East, continuing with said easterly boundary line, a distance of 170.56 feet to a point lying in the southerly boundary line of CISD Desierto Bello Subdivision, recorded in Document No. 20090061514, Plat Records of El Paso County, Texas, for a corner of this parcel;

THENCE, South 59°58'18" East, with said southerly boundary line, a distance of 811.39 feet to a point, for a corner of this parcel;

THENCE, Southeasterly, with the arc of a curve to the right and continuing with said southerly boundary line a distance of 147.58 feet to a point lying in the easterly boundary line of said CISD Desierto Bello Subdivision, for a corner of this parcel; Said curve having a radius of 467.33 feet, a central angle of 18°05'38" and a chord which bears South 50°55'29" East, a distance of 146.97 feet;

THENCE, North 00°00'23" West, with said easterly boundary line, a distance of 739.96 feet to a point, for a corner of this parcel;

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THENCE, North 00°32'11" West, continuing with said easterly boundary line, a distance of 657.78 feet to a point lying in the southerly boundary line of said CISD Desierto Bello Subdivision, for a corner of this parcel;

THENCE, North 89°59'58" East, with said southerly boundary line, a distance of 996.48 feet to an existing nail lying at the northwesterly boundary corner of a parcel of land conveyed to Octavio Prieto, recorded in Document No. 20170004166, Official Records of El Paso County, Texas, for a corner of this parcel;

THENCE, South 00°32'55" East, with the westerly boundary line of said parcel of land conveyed to Octavio Prieto, a distance of 657.93 feet to an existing 1/2-inch rebar lying at the southwesterly boundary corner of a parcel of land conveyed to Octavio Prieto, for a corner of this parcel;

THENCE, South 89°59'40" East, with the southerly boundary line of said parcel of land conveyed to Octavio Prieto, a distance of 332.21 feet to the **POINT OF BEGINNING**.

Said parcel contains 266.012 Acres (11,587,480 Square feet) more or less.

LAND-MARK PROFESSIONAL SURVEYING, INC.

Larry L. Drewes, R.P.L.S. Texas License No. 4869 Job Number 30998 July 24, 2018

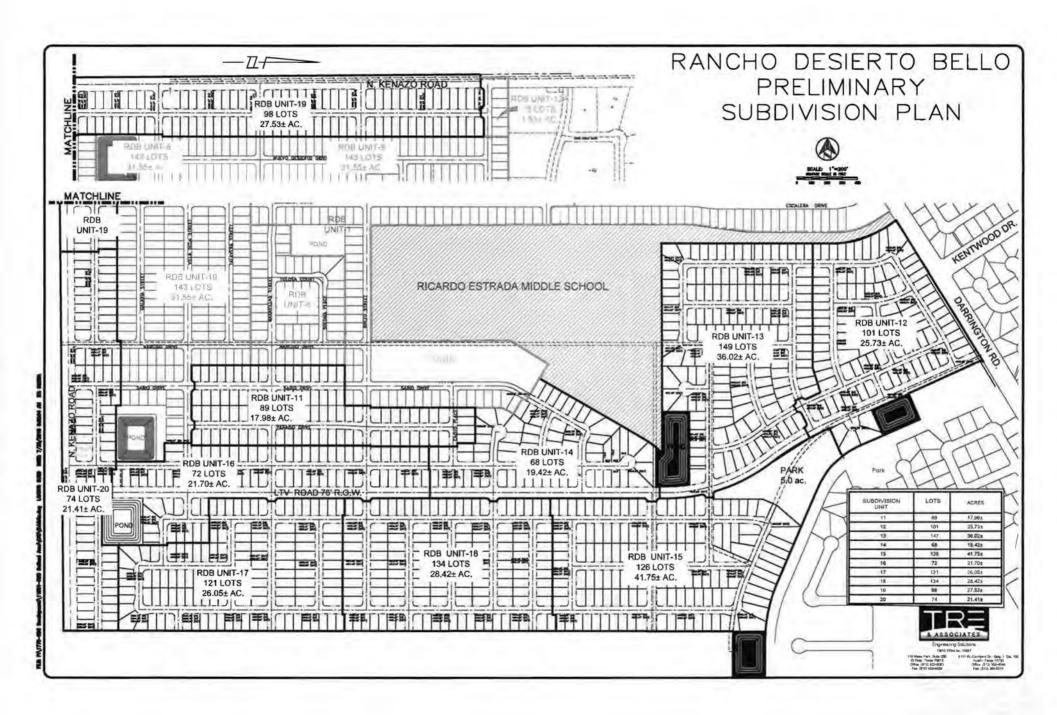




ATTACHMENT 4

PRELIMINARY LAND USE PLAN FOR THE DEFINED AREA

110 Mesa Park Drive, Ste. 200 El Paso, Texas 79912 P (915) 852-9093 F (915) 629-8506 6101 W. Courtyard Drive, Bldg. One, Ste. 100 Austin, Texas 78730 P (512) 358-4049 F (512) 366-5374 www.tr-eng.com TBPE Firm No. 13987



SCANNED

Doc# 20210125143 #Pages 42 #MFPages 1 12/29/2021 8:50:28 AM Filed & Records in official Records of El Paso County Delia Briones County Clerk Faes \$190.00

I hereby certify that this instrument was filed on the date and time stamped hereon by me and was duly recorded by document number in the Recording Division of Real Property in El Paso County.



Delia Brines

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EL PASO COUNTY, TEXAS