

OFFICIAL STATEMENT DATED OCTOBER 2, 2024

In the opinion of Bond Counsel, under existing law, interest on the Bonds is (i) excludable from gross income for federal income tax purposes under section 103 of the Internal Revenue Code of 1986, as amended, and (ii) not an item of tax preference for purposes of the alternative minimum tax on individuals. See "TAX MATTERS" herein for a discussion of the opinion of Bond Counsel.

The Bonds are NOT designated as "Qualified Tax-Exempt Obligations" for financial institutions.

NEW ISSUE—Book-Entry-Only

**S&P Global Ratings (BAM Insured)..... "AA" (stable outlook)
Moody's Investors Service (Underlying) "Baa2"
See "MUNICIPAL BOND INSURANCE" and "RATINGS" herein.**

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT

(A Political Subdivision of the State of Texas, located within Tarrant County, Texas)

**\$20,180,000
UNLIMITED TAX UTILITY IMPROVEMENT
REFUNDING BONDS
SERIES 2024**

**\$18,185,000
UNLIMITED TAX ROAD IMPROVEMENT
REFUNDING BONDS
SERIES 2024**

Dated: October 1, 2024

Due: December 1, as shown on the inside cover pages hereof

Interest accrues from Date of Delivery

The \$20,180,000 Viridian Municipal Management District Unlimited Tax Utility Improvement Refunding Bonds, Series 2024 (the "Utility Bonds") and the \$18,185,000 Viridian Municipal Management District Unlimited Tax Road Improvement Refunding Bonds, Series 2024 (the "Road Bonds," and together with the Utility Bonds, the "Bonds") are obligations of Viridian Municipal Management District (the "District") and are not obligations of the State of Texas (the "State"); the City of Arlington, Texas (the "City"); Tarrant County, Texas (the "County"); Tarrant County Hospital District ("TCHD"); Tarrant County College District ("TCCD"); or any political subdivision or entity other than the District. Neither the full faith and credit, nor the taxing power of the State; the City; the County; nor any entity other than the District is pledged to the payment of the principal of or interest on the Bonds.

Interest on the Bonds will accrue from the date of initial delivery (expected to be on or about October 30, 2024) (the "Date of Delivery") to the Underwriters (herein defined), and will be payable June 1 and December 1 of each year (each an "Interest Payment Date"), commencing June 1, 2025, until maturity or prior redemption. The Bonds will be issued in principal denominations of \$5,000 or any integral multiple thereof. Principal of the Bonds will be payable to the registered owner(s) of the Bonds (the "Registered Owner(s)") by the paying agent/registrar, initially Regions Bank, an Alabama state banking corporation, Houston, Texas (the "Paying Agent/Registrar"), at maturity or redemption upon presentation and surrender of the Bonds for payment. Interest on the Bonds is payable on each Interest Payment Date to each Registered Owner, as shown on the records of the Paying Agent/Registrar on the close of business on the 15th day of the calendar month next preceding each Interest Payment Date (the "Record Date"). Interest accruing on the Bonds will be calculated on the basis of a 360-day year of twelve 30-day months.

The Bonds will be initially registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical certificates representing the Bonds, but will receive a credit balance on the books of the nominees of such beneficial owners. So long as Cede & Co. is the Registered Owner of the Bonds, the principal and interest on the Bonds will be paid by the Paying Agent/Registrar directly to DTC, which will, in turn, remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Bonds as described herein. See "THE BONDS—Book-Entry-Only System."

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Bonds by **Build America Mutual Assurance Company ("BAM")**.



**SEE INSIDE COVER PAGES FOR PRINCIPAL AMOUNTS, MATURITIES,
INTEREST RATES AND INITIAL OFFERING YIELDS**

The Bonds are being issued by the District pursuant to Chapter 3861, Texas Special District Local Laws Code, as amended (the "Act"); Chapter 1207, Texas Government Code; in the case of the Utility Bonds, a bond order authorizing the issuance of the Utility Bonds (the "Utility Bond Order") and, in the case of the Road Bonds, a bond order authorizing the issuance of the Road Bonds (the "Road Bond Order," and together with the Utility Bond Order, the "Bond Orders"), of which delegated authority to an "Authorized Officer" of the District to execute a pricing certificate for the Utility Bonds and the Road Bonds (the "Utility Pricing Certificate" and the "Road Pricing Certificate," and together the "Pricing Certificates") that will complete the sale of the Bonds. The Pricing Certificates, together with the Bond Orders, are referred to herein as the "Bond Orders." Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the applicable Bond Order. The Bonds, when issued and delivered, will be secured by a lien on and pledge of certain revenues (the "Pledged Revenues"). The Pledged Revenues consist of (i) revenues derived from the levy of two separate continuing, direct annual ad valorem taxes without limit as to rate or amount, levied against all taxable property located within the District in accordance with the Act, Article III, Section 52 (with respect to the Road Bonds) and Article XVI, Section 59 (with respect to the Utility Bonds) of the Texas Constitution, and pledged to the payment of principal of and interest on the Bonds, and (ii) certain annual contract payments from the City consisting of Tax Increment Payments (defined herein) derived from taxation of real property within the boundaries of Tax Increment Reinvestment Zone No. Six, Arlington, Texas (the "TIRZ"), and pledged to the payment of principal of and accrued interest on the Bonds. See "THE BONDS—Sources of Payment."

The Bonds, when issued, will constitute valid and binding obligations of the District. See "THE BONDS—Authority for Issuance" and "THE BONDS—Issuance of Additional Debt." THE BONDS ARE SUBJECT TO SPECIAL INVESTMENT CONSIDERATIONS DESCRIBED HEREIN. See "INVESTMENT CONSIDERATIONS."

The Bonds are offered subject to prior sale, when, as and if issued by the District and accepted by the underwriters listed below (the "Underwriters"), subject to the approval of the Attorney General of Texas and of Bracewell LLP, Dallas Texas, Bond Counsel. Certain legal matters will be passed upon for the Underwriters by McCall, Parkhurst & Horton L.L.P., Houston, Texas, Underwriters' Counsel. See "LEGAL MATTERS" herein. Delivery of the Bonds is expected on or about October 30, 2024.

SAMCO Capital

Raymond James

Stifel

PRINCIPAL AMOUNTS, MATURITIES, INTEREST RATES AND INITIAL REOFFERING YIELDS

\$20,180,000

UNLIMITED TAX UTILITY IMPROVEMENT REFUNDING BONDS, SERIES 2024

\$19,165,000 Serial Bonds

Maturity December 1 (a)	Principal Amount	Interest Rate	Initial Reoffering Yield (b)	CUSIP Nos. 92823P (c)	Maturity December 1 (a)	Principal Amount	Interest Rate	Initial Reoffering Yield (b)	CUSIP Nos. 92823P (c)
2025	\$ 785,000	6.250%	3.250%	SF4	2033 (d)	\$ 1,360,000	4.000%	3.500%	SP2
2026	1,170,000	6.250%	3.100%	SG2	2034 (d)	1,765,000	4.000%	3.600%	SQ0
2027	1,240,000	6.250%	3.080%	SH0	2035 (d)	1,835,000	4.000%	3.710%	SR8
2028	1,320,000	6.250%	3.080%	SJ6	2036 (d)	1,910,000	4.000%	3.820%	SS6
2029	1,115,000	6.250%	3.120%	SK3	2037 (d)	1,990,000	4.000%	3.910%	ST4
2030	1,180,000	6.250%	3.170%	SL1	2038 (d)	460,000	4.000%	3.950%	SU1
2031 (d)	1,255,000	4.000%	3.310%	SM9	2039 (d)	475,000	4.000%	4.000%	SV9
2032 (d)	1,305,000	4.000%	3.410%	SN7					

\$1,015,000 Term Bonds

\$1,015,000 Term Bonds due December 1, 2041 (a)(d)(e), Interest Rate 4.000% (Price: \$99.384) (a), CUSIP No. 92823P SX5 (c)

- (a) TIRZ Revenues, as currently established in the Amended Finance Plan and Development Agreement (defined herein), are expected to be received through 2042. The final payment of TIRZ Revenues could occur earlier than 2042 if the Tax Increment Payments made by the City reach the amount of \$230,000,000 in the aggregate prior to such date (\$33,614,036 of such amount has been contributed as of August 1, 2024). See "TAX INCREMENT REINVESTMENT ZONE NO. SIX OF ARLINGTON, TEXAS," "DEVELOPMENT FINANCING PLAN."
- (b) Information with respect to the initial reoffering yields of the Bonds is the responsibility of the Underwriters. Initial reoffering yields represent the initial offering price, which may be changed for subsequent purchasers. The initial yield indicated above represents the lesser of the yield resulting when priced to maturity or the first optional redemption date.
- (c) CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services ("CGS") is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright(c) 2022 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. Neither the District, the Underwriters nor the Financial Advisor (herein defined) shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.
- (d) The Bonds maturing on December 1, 2031, and thereafter, shall be subject to redemption and payment at the option of the District, in whole or in part from time to time, on December 1, 2030, or on any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption. See "THE BONDS—Redemption of the Bonds—*Optional Redemption*."
- (e) Subject to mandatory redemption by lot or other customary method of random selection on December 1 in the years and in the amounts set forth herein under the caption "THE BONDS—Redemption of the Bonds—*Mandatory Redemption*."

\$18,185,000
UNLIMITED TAX ROAD IMPROVEMENT REFUNDING BONDS, SERIES 2024

\$17,230,000 Serial Bonds

Maturity December 1 (a)	Principal Amount	Interest Rate	Initial Reoffering Yield (b)	CUSIP Nos. 92823P (c)	Maturity December 1 (a)	Principal Amount	Interest Rate	Initial Reoffering Yield (b)	CUSIP Nos. 92823P (c)
2025	\$ 820,000	6.250%	3.250%	SY3	2033 (d)	\$ 1,390,000	4.000%	3.500%	TG1
2026	945,000	6.250%	3.100%	SZ0	2034 (d)	1,450,000	4.000%	3.600%	TH9
2027	1,010,000	6.250%	3.080%	TA4	2035 (d)	1,500,000	4.000%	3.710%	TJ5
2028	1,070,000	6.250%	3.080%	TB2	2036 (d)	1,565,000	4.000%	3.820%	TK2
2029	1,135,000	6.250%	3.120%	TC0	2037 (d)	1,630,000	4.000%	3.910%	TL0
2030	1,210,000	6.250%	3.170%	TD8	2038 (d)	430,000	4.000%	3.950%	TM8
2031 (d)	1,285,000	4.000%	3.310%	TE6	2039 (d)	450,000	4.000%	4.000%	TN6
2032 (d)	1,340,000	4.000%	3.410%	TF3					

\$955,000 Term Bonds

\$955,000 Term Bonds due December 1, 2041 (a)(d)(e), Interest Rate 4.000% (Price: \$99.384) (a), CUSIP No. 92823P TQ9 (c)

- (a) TIRZ Revenues, as currently established in the Amended Finance Plan and Development Agreement (defined herein), are expected to be received through 2042. The final payment of TIRZ Revenues could occur earlier than 2042 if the Tax Increment Payments made by the City reach the amount of \$230,000,000 in the aggregate prior to such date (\$33,614,036 of such amount has been contributed as of August 1, 2024). See "TAX INCREMENT REINVESTMENT ZONE NO. SIX OF ARLINGTON, TEXAS," "DEVELOPMENT FINANCING PLAN."
- (b) Information with respect to the initial reoffering yields of the Bonds is the responsibility of the Underwriters. Initial reoffering yields represent the initial offering price, which may be changed for subsequent purchasers. The initial yield indicated above represents the lesser of the yield resulting when priced to maturity or the first optional redemption date.
- (c) CUSIP® is a registered trademark of the American Bankers Association. CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright(c) 2022 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. Neither the District, the Underwriters nor the Financial Advisor shall be responsible for the selection or correctness of the CUSIP numbers set forth herein.
- (d) The Bonds maturing on December 1, 2031, and thereafter, shall be subject to redemption and payment at the option of the District, in whole or in part from time to time, on December 1, 2030, or on any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption. See "THE BONDS—Redemption of the Bonds—*Optional Redemption*."
- (e) Subject to mandatory redemption by lot or other customary method of random selection on December 1 in the years and in the amounts set forth herein under the caption "THE BONDS—Redemption of the Bonds—*Mandatory Redemption*."

USE OF INFORMATION IN OFFICIAL STATEMENT

No dealer, broker, salesman or other person has been authorized to give any information, or to make any representations, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the District or the Underwriters.

All of the summaries of the statutes, resolutions, orders, contracts, audits, engineering and other related reports set forth in this Official Statement are made subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions and reference is made to such documents, copies of which are available from the District's General Counsel upon payment of duplication costs, for further information.

This Official Statement is not to be used in connection with an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

The Financial Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information in this Official Statement.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as a part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

Build America Mutual Assurance Company ("BAM") makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "MUNICIPAL BOND INSURANCE" and "APPENDIX_E—Specimen Municipal Bond Insurance Policy."

This Official Statement contains, in part, estimates, assumptions and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates, assumptions or matters of opinion, or as to the likelihood that they will be realized. Any information and expressions of opinion herein contained are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District or other matters described herein since the date hereof. The District has agreed to keep this Official Statement current by amendment or sticker to reflect material changes in the affairs of the District and to the extent such information actually comes to its attention, the other matters described in this Official Statement, until delivery of the Bonds to the Underwriters and thereafter only as specified in "PREPARATION OF OFFICIAL STATEMENT—Updating of Official Statement."

This Official Statement contains "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Such statements may involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance and achievements to be different from future results, performance and achievements expressed or implied by such forward-looking statements. Investors are cautioned that the actual results could differ materially from those set forth in the forward-looking statements.

THE BONDS ARE EXEMPT FROM REGISTRATION WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AND CONSEQUENTLY HAVE NOT BEEN REGISTERED THEREWITH. THE REGISTRATION, QUALIFICATION, OR EXEMPTION OF THE BONDS IN ACCORDANCE WITH APPLICABLE SECURITIES LAW

PROVISIONS OF THE JURISDICTIONS IN WHICH THESE SECURITIES HAVE BEEN REGISTERED, QUALIFIED, OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF.

The agreements of the District and others related to the Bonds are contained solely in the contracts described herein. Neither this Official Statement nor any other statement made in connection with the offer or sale of the Bonds is to be construed as constituting an agreement with the Underwriters of the Bonds. INVESTORS SHOULD READ THE ENTIRE OFFICIAL STATEMENT, INCLUDING ALL APPENDICES ATTACHED HERETO, TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION.

NEITHER THE DISTRICT NOR ITS FINANCIAL ADVISOR MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT REGARDING THE DEPOSITORY TRUST COMPANY OR ITS BOOK-ENTRY-ONLY SYSTEM DESCRIBED UNDER “THE BONDS- BOOK-ENTRY-ONLY SYSTEM” HEREIN.

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SALE AND DISTRIBUTION OF THE BONDS

Underwriting

SAMCO Capital Markets, Inc., Raymond James and Associates, Inc., and Stifel, Nicolaus & Company, Incorporated (collectively, the "Underwriters") have agreed to purchase the Utility Bonds from the District for \$20,980,023.34 (being the par amount of the Utility Bonds, plus a net original issue premium on the Utility Bonds of \$951,802.25, and less an underwriters' discount of \$151,778.91).

The Underwriters will be obligated to purchase all of the Utility Bonds if any Utility Bonds are purchased. The Utility Bonds to be offered to the public may be offered and sold to certain dealers (including the Underwriters and other dealers depositing Utility Bonds into investment trusts) at prices lower than the public offering prices of such Utility Bonds, and such public offering prices may be changed, from time to time, by the Underwriters.

The Underwriters have also agreed to purchase the Road Bonds from the District for \$18,929,334.51 (being the par amount of the Road Bonds, plus a net original issue premium on the Road Bonds of \$881,448.50, and less an underwriters' discount of \$137,113.99).

The Underwriters will be obligated to purchase all of the Road Bonds if any Road Bonds are purchased. The Road Bonds to be offered to the public may be offered and sold to certain dealers (including the Underwriters and other dealers depositing Road Bonds into investment trusts) at prices lower than the public offering prices of such Road Bonds, and such public offering prices may be changed, from time to time, by the Underwriters.

The Underwriters and their respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriters and their respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriters and their respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the District. The Underwriters and their respective affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the District.

Prices and Marketability

The District has no control over the reoffering yields or prices of the Bonds or over trading of the Bonds in the secondary market. Moreover, there is no assurance that a secondary market will be made in the Bonds. If there is a secondary market, the difference between the bid and asked prices of the Bonds may be greater than the difference between the bid and asked prices of bonds of comparable maturity and quality issued by more traditional municipal entities, as bonds of such entities are more generally bought, sold or traded in the secondary market.

The delivery of each series of Bonds is conditioned upon the receipt by the District of a certificate executed and delivered by the Underwriters on or before the date of delivery of the Bonds stating the prices at which a substantial amount of the Bonds of each maturity has been sold to the public. Otherwise, the District has no understanding with the Underwriters regarding the reoffering yields or prices of the Bonds. Information concerning reoffering yields or prices is the responsibility of the Underwriters.

The prices and other terms with respect to the offering and sale of the Bonds may be changed from time-to-time by the Underwriters after the Bonds are released for sale, and the Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Bonds into investment accounts.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT LEVELS ABOVE THOSE WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Securities Laws

No registration statement relating to the Bonds has been filed with the United States Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been registered or qualified under the securities acts of any other jurisdictions. The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be offered, sold, or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds should not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions in such other jurisdiction.

MUNICIPAL BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Bonds, Build America Mutual Assurance Company (“BAM”) will issue its Municipal Bond Insurance Policy for the Bonds (the “Policy”). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an exhibit to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Build America Mutual Assurance Company

BAM is a New York domiciled mutual insurance corporation and is licensed to conduct financial guaranty insurance business in all fifty states of the United States and the District of Columbia. BAM provides credit enhancement products solely to issuers in the U.S. public finance markets. BAM will only insure municipal bonds, as defined in Section 6901 of the New York Insurance Law, which are most often issued by states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM.

The address of the principal executive offices of BAM is: 200 Liberty Street, 27th Floor, New York, New York 10281, its telephone number is: 212-235-2500, and its website is located at: www.buildamerica.com.

BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM’s financial strength is rated “AA/Stable” by S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”). An explanation of the significance of the rating and current reports may be obtained from S&P at www.standardandpoors.com. The rating of BAM should be evaluated independently. The rating reflects S&P’s current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance. The above rating is not a recommendation to buy, sell or hold the Bonds, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the Bonds. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the Bonds on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the Bonds, nor does it guarantee that the rating on the Bonds will not be revised or withdrawn.

Capitalization of BAM

BAM’s total admitted assets, total liabilities, and total capital and surplus, as of June 30, 2024 and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were \$486.0 million, \$232.7 million and \$253.3 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions.

BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at www.buildamerica.com, is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published.

BAM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "MUNICIPAL BOND INSURANCE".

Additional Information Available from BAM

Credit Insights Videos. For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at www.buildamerica.com/videos. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Credit Profiles. Prior to the pricing of bonds that BAM has been selected to insure, BAM may prepare a pre-sale Credit Profile for those bonds. These pre-sale Credit Profiles provide information about the sector designation (e.g. general obligation, sales tax); a preliminary summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. Subsequent to closing, for any offering that includes bonds insured by BAM, any pre-sale Credit Profile will be updated and superseded by a final Credit Profile to include information about the gross par insured by CUSIP, maturity and coupon. BAM pre-sale and final Credit Profiles are easily accessible on BAM's website at www.buildamerica.com/credit-profiles. BAM will produce a Credit Profile for all bonds insured by BAM, whether or not a pre-sale Credit Profile has been prepared for such bonds. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Disclaimers. The Credit Profiles and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Credit Profiles and the Credit Insights videos are statements of opinion as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Credit Profiles and Credit Insight videos are prepared by BAM; they have not been reviewed or approved by the issuer of or the underwriter for the Bonds, and the issuer and underwriter assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the Bonds. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the Bonds, whether at the initial offering or otherwise

RATINGS

The Bonds are expected to receive an insured rating of "AA" (stable outlook) from S&P solely in reliance upon the issuance of the Policy at the time of delivery of the Bonds by BAM. An explanation of the ratings of S&P may only be obtained from S&P. S&P is located at 55 Water Street, New York, New York 10041, and has engaged in providing ratings for corporate bonds since 1923 and municipal bonds since 1940. Long-term debt ratings assigned by S&P reflect its analysis of the overall level of credit risk involved in financings. At present, S&P assigns long-term debt ratings with symbols "AAA" (the highest rating) through "D" (the lowest rating). The ratings express only the view of S&P at the time the ratings are given.

Moody's Investors Service, Inc. ("Moody's") has assigned an underlying credit rating of "Baa2" to the Bonds. An explanation of the rating may be obtained from Moody's, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007. Furthermore, a security rating is not a recommendation to buy, sell, or hold securities. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by Moody's, if in its judgment, circumstances so warrant. Any such revisions or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

The District is not aware of any rating assigned to the Bonds other than the ratings of S&P and Moody's.

OFFICIAL STATEMENT SUMMARY

The following is a summary of certain information contained herein and is qualified in its entirety by the more detailed information and financial statements appearing elsewhere in this Official Statement. The summary should not be detached and should be used in conjunction with the more complete information contained herein. A full review should be made of the entire Official Statement and of the documents summarized or described herein.

THE BONDS

The District Viridian Municipal Management District (the “District”) is a conservation and reclamation district of the State of Texas, created pursuant to Article XVI, Section 59, Texas Constitution, as a governmental agency and body politic and corporate, by Chapter 3861, Texas Special District Local Laws Code, as amended (the “Act”). The District encompasses approximately 2,194.37 gross acres of land located entirely within the corporate limits of the City of Arlington, Texas (the “City”), and within Tarrant County, Texas (the “County”). The District is also located within the boundaries of Tax Increment Reinvestment Zone No. Six, Arlington, Texas (the “TIRZ”). See “THE DISTRICT.”

The Issue The \$20,180,000 Viridian Municipal Management District Unlimited Tax Utility Improvement Refunding Bonds, Series 2024 (the “Utility Bonds”) and the \$18,185,000 Unlimited Tax Road Improvement Refunding Bonds, Series 2024 (the “Road Bonds,” and together with the Utility Bonds, the “Bonds”) are being issued by the District pursuant to (i) the Act; (ii) Chapter 1207, Texas Government Code; and (iii) in the case of the Utility Bonds, a bond order authorizing the issuance of the Utility Bonds (the “Utility Bond Order”) and, in the case of the Road Bonds, a bond order authorizing the issuance of the Road Bonds (the “Road Bond Order,” and together with the Utility Bond Order, the “Bond Orders”), each of which delegates to an “Authorized Officer” of the District the authority to execute a pricing certificate for the Road Bonds and the Utility Bonds (the “Road Pricing Certificate” and the “Utility Pricing Certificate” and together the “Pricing Certificates”) that will complete the sale of the Bonds. The Pricing Certificates, together with the Bonds Orders, are referred to herein as the “Bond Orders.” Interest on the Bonds will accrue from the date of the initial delivery thereof to the underwriters listed on the cover page hereof (the “Underwriters”), and will be payable June 1 and December 1 of each year (each an “Interest Payment Date”) at the rates set forth on the inside cover pages hereof, commencing June 1, 2025, until maturity or prior redemption. The Bonds maturing on December 1 on the years 2025 through 2039, inclusive, are issued as serial bonds. The Bonds maturing on December 1 in the year 2041 are issued as term bonds, and are subject to certain mandatory sinking redemption requirements as set forth herein under “THE BONDS—Redemption of the Bonds—Mandatory Redemption.” The Bonds will be issued in principal denominations of \$5,000 or any integral multiple thereof. The Bonds maturing on and after December 1, 2031, are subject to optional redemption by the District, in whole or in part from time to time, on December 1, 2030, or on any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption. See “THE BONDS—Redemption of the Bonds—Optional Redemption.”

Sources of Payment The Bonds are secured by a pledge of and lien on certain pledged revenues (the “Pledged Revenues”). The Pledged Revenues consist of (i) revenues derived from the levy of two separate continuing, direct annual ad valorem taxes by the District, without limit as to rate or amount, levied against all taxable property located within the District in accordance with the Act and Article III, Section 52 of the Texas Constitution (with respect to the Road Bonds (the “Unlimited Road Tax”)) and Article XVI, Section 59 of the Texas Constitution (with respect to the Utility Bonds (the “Unlimited Utility Tax”)) (collectively, “Unlimited Taxes”), and (ii) certain annual contract payments from the City consisting of Tax Increment Payments (herein defined) derived from taxation of real property within the boundaries of the TIRZ (the “TIRZ Revenues”).

TIRZ Revenues will not be received for a portion of the time the Outstanding Bonds (hereinafter defined) are scheduled to be outstanding. The final payments of TIRZ Revenues, as currently established in the Amended and Restated Viridian Project Finance Plan and Development Agreement among the City, the Developer (herein defined), the TIRZ, and the District, effective June 1, 2017 (the “Amended Finance Plan and Development Agreement”), are expected to be received in 2042. Each Participant (herein defined) in the TIRZ has agreed to make a not to exceed amount of Tax Increment Payments to the TIRZ, which varies for each Participant. The final payment of TIRZ Revenues could occur earlier than 2042 if the total Tax Increment Payments made by the City reach the amount of \$230,000,000 in the aggregate prior to such date (as of August 1, 2024, the City has contributed a total of approximately \$33,614,036 in TIRZ Revenues to the District since the creation of the TIRZ). See “THE BONDS—Sources of Payment,” “TAX INCREMENT REINVESTMENT ZONE NO. SIX, ARLINGTON, TEXAS,” “DEVELOPMENT FINANCING PLAN” and “UNLIMITED TAX BONDED INDEBTEDNESS—Table 1—Debt Service Requirement Schedule.”

Authority for Issuance Voters in the District have authorized a total of \$142,075,000 principal amount of bonds for purposes of paying or reimbursing the costs of purchasing, constructing, acquiring, owning, leasing, operating, repairing, improving or extending land, improvements, facilities, plants, equipment, and appliances for a waterworks and sanitary sewer system and a drainage and storm sewer system, inside or outside the boundaries of the District, including, but not limited to, all additions to such systems, any interests in property or contract rights needed therefor, and purchasing rights in any such systems and administrative facilities needed in connection therewith, as well as all expenses in any manner incidental thereto, and making payments under contracts pursuant to the Act, and paying such expenses as are incidental to the organization, administration and financing of the District (collectively, the “Utility Improvements”) to serve the District.

Voters in the District have authorized a total of \$221,200,000 principal amount of bonds for purposes of paying for the costs of constructing, acquiring, improving, maintaining and operating macadamized, graveled or paved roads or turnpikes, or improvements in aid of these purposes, inside or outside the boundaries of the District, as well as all expenses in any manner incidental thereto, and making payments under contracts pursuant

to the Act (collectively, the “Road Improvements”) to serve the District.

Currently, \$4,810,000 principal amount of unlimited tax bonds for Utility Improvements and \$42,240,000 principal amount of unlimited tax bonds for Road Improvements remain authorized and unissued.

The Bonds, when issued, will constitute valid and binding obligations of the District. See “THE BONDS—Sources of Payment.”

The Bonds are issued pursuant to the Act, Chapter 1207, Texas Government Code, and the Bond Orders. See “THE BONDS—Authority for Issuance” and “THE BONDS—Issuance of Additional Debt.”

Outstanding Unlimited Tax

Bonds..... Other than bonds that have been retired or fully refunded, the District has previously issued \$21,590,000 Unlimited Tax Utility Improvement and Refunding Bonds, Series 2015 (the “Series 2015 Utility Bonds”); \$6,500,000 Unlimited Tax Utility Improvement Bonds, Series 2016 (the “Series 2016 Utility Bonds”); \$8,900,000 Unlimited Tax Utility Improvement Bonds, Series 2017 (the “Series 2017 Utility Bonds”); \$15,080,000 Unlimited Tax Utility Improvement Bonds, Series 2018 (the “Series 2018 Utility Bonds”); \$14,760,000 Unlimited Tax Utility Improvement Bonds, Series 2019 (the “Series 2019 Utility Bonds”); \$12,725,000 Unlimited Tax Utility Improvement Bonds, Series 2020 (the “Series 2020 Utility Bonds”); \$17,185,000 Unlimited Tax Utility Improvement Bonds, Series 2021 (the “Series 2021 Utility Bonds”); \$19,620,000 Unlimited Tax Utility Improvement Bonds, Series 2022 (the “Series 2022 Utility Bonds”); \$20,905,000 Unlimited Tax Utility Improvements Bonds, Series 2023 (the “Series 2023 Utility Bonds,” and together with the Series 2015 Utility Bonds, the Series 2016 Utility Bonds, the Series 2017 Utility Bonds, the Series 2018 Utility Bonds, the Series 2019 Utility Bonds, the Series 2020 Bonds, the Series 2021 Utility Bonds, and the Series 2022 Utility Bonds, the “Outstanding Utility Bonds”); \$18,260,000 Unlimited Tax Road Improvement and Refunding Bonds, Series 2015 (the “Series 2015 Road Bonds”); \$4,790,000 Unlimited Tax Road Improvement Bonds, Series 2016 (the “Series 2016 Road Bonds”); \$12,200,000 Unlimited Tax Road Improvement Bonds, Series 2017 (the “Series 2017 Road Bonds”); \$20,305,000 Unlimited Tax Road Improvement Bonds, Series 2018 (the “Series 2018 Road Bonds”); \$19,255,000 Unlimited Tax Road Improvement Bonds, Series 2019 (the “Series 2019 Road Bonds”); \$18,210,000 Unlimited Tax Road Improvement Bonds, Series 2020 (the “Series 2020 Road Bonds”); \$26,600,000 Unlimited Tax Road Improvement Bonds, Series 2021 (the “Series 2021 Road Bonds”); \$25,240,000 Unlimited Tax Road Improvement Bonds, Series 2022 (the “Series 2022 Road Bonds”); and \$34,100,000 Unlimited Tax Road Improvement Bonds, Series 2023 (the “Series 2023 Road Bonds,” and together with the Series 2015 Road Bonds, the Series 2016 Road Bonds, the Series 2017 Road Bonds, the 2018 Road Bonds, the Series 2019 Road Bonds, the Series 2020 Road Bonds, the Series 2021 Road Bonds, and the Series 2022 Road Bonds, the “Outstanding Road Bonds”). The Outstanding Utility Bonds and the Outstanding Road Bonds are collectively referred to herein as the “Outstanding Bonds.” As of delivery of the Bonds, a total aggregate principal amount of

\$300,335,000 in previously issued unlimited tax utility and road bonds remains outstanding (collectively, the “Outstanding Bonds”). See “THE BONDS—Outstanding Unlimited Tax Bonds.”

Estimated Sources and Uses of Funds..... The proceeds of the sale of the Utility Bonds will be used to, together with certain available funds on hand, refund and defease \$18,010,000 principal amount of the District’s Unlimited Tax Utility Improvement and Refunding Bonds, Series 2015 (the “Series 2015 Refunded Utility Bonds”) and \$2,310,000 principal amount of the District’s Unlimited Tax Utility Improvement Bonds, Series 2016 (the “Series 2016 Refunded Utility Bonds,” and together with the Series 2015 Refunded Utility Bonds, the “Refunded Utility Bonds”) and to pay issuance costs associated with the sale of the Utility Bonds.

The proceeds of the sale of the Road Bonds will be used to, together with certain available funds on hand, refund and defease \$15,190,000 principal amount of the District’s Series 2015 Road Bonds (the “Series 2015 Refunded Road Bonds”) and \$3,150,000 principal amount of the District’s Unlimited Tax Road Improvement Bonds, Series 2016 (the “Series 2016 Refunded Road Bonds,” and together with the Series 2015 Road Improvement Refunded Bonds, the “Refunded Road Bonds”) as detailed below and to pay issuance costs associated with the sale of the Road Bonds.

The Refunded Utility Bonds and the Refunded Road Bonds are collectively referred to herein as the “Refunded Bonds.” See “PLAN OF FINANCING.”

Municipal Bond Insurance..... The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds (the “Policy”) by Build America Mutual Assurance Company (“BAM”). See “MUNICIPAL BOND INSURANCE.”

Ratings..... The Bonds are expected to receive an insured rating of “AA” (stable outlook) from S&P Global Ratings (“S&P”) solely in reliance upon the issuance of the Policy at the time of delivery of the Bonds by BAM. Moody’s Investors Service, Inc. (“Moody’s”) has assigned an underlying credit rating of “Baa2” to the Bonds. See “MUNICIPAL BOND INSURANCE” and “RATINGS.”

Bond Counsel..... Bracewell LLP, Dallas, Texas. See “LEGAL MATTERS” and “TAX MATTERS.”

General Counsel..... Allen Boone Humphries Robinson LLP, Dallas, Texas. See “THE DISTRICT—Management of the District.”

Financial Advisor..... Robert W. Baird & Co. Incorporated, Irving, Texas.

Underwriters’ Counsel..... McCall, Parkhurst & Horton, L.L.P., Houston, Texas.

THE DISTRICT

Description..... The District was created pursuant to the Act as a conservation and reclamation district under Section 59, Article XVI of the Texas Constitution. The District encompasses approximately 2,194.37 acres of land located wholly within the corporate limits of the City and within the County. The District is approximately 7 miles south of the Dallas-Fort Worth Airport. The District is approximately 21 miles west of downtown Dallas, approximately 16 miles east of downtown Fort Worth and is bounded by Collins Street, Green Oaks

Boulevard, Trinity Boulevard and Texas Highway 360. The District lies entirely within the boundaries of the TIRZ. See “THE DISTRICT.”

The TIRZ..... The TIRZ was created by the City on December 18, 2007, and, after an expansion of its boundaries on April 11, 2017, includes approximately 2,404 acres, including all 2,194.37 acres comprising the District, as well as other property located outside of the District. The TIRZ operates under the provisions of the Tax Increment Financing Act, Chapter 311, Texas Tax Code (the “TIRZ Act”) to facilitate the development of the land within the boundaries of the TIRZ, which encompasses the boundaries of the master-planned community of Viridian, as well as other property. Pursuant to the Amended Project and Financing Plan for the TIRZ, adopted by the City on May 9, 2017 (the “Final TIRZ Plan”), the City, the County, the Tarrant County Hospital District (“TCHD”), and Tarrant County College District (“TCCD”) (the City, the County, TCHD, and TCCD are collectively referred to herein as the “Participants”) have each agreed to provide for the acquisition, construction, and financing of certain public improvements to serve the area within the TIRZ (the “TIRZ Improvements”), and contracted to deposit to the Tax Increment Fund established by the City (the “Tax Increment Fund”) an agreed upon percentage of tax collections (up to a total maximum amount for each respective Participant) arising from their taxation of the increase, if any, since January 1, 2007, in the total appraised value of all taxable real property of each Participant located in the TIRZ (the “Tax Increment Payments”). The annual distribution of TIRZ Revenues to the District from the Tax Increment Fund, along with the revenues derived from the annual levy of the District’s Unlimited Tax, are pledged to pay the debt service on bonds issued to fund the acquisition and construction of TIRZ Improvements, which include the Utility Improvements and Road Improvements. See “TAX INCREMENT REINVESTMENT ZONE NO. SIX, ARLINGTON, TEXAS” and “THE BONDS—Sources of Payment.”

The Development..... The approximately 2,194.37 acres within the District are being developed as the mixed-use master-planned community known as “Viridian.” The master plan provides that upon completion, Viridian will include approximately 3,972 single-family homes and townhomes (approximately 3,812 residential homes and 228 build-to-rent homes), 108 acres of mixed-use commercial development, several multi-family projects, three (3) clubhouses, an event center, a community center, multiple pools, a sailing center, approximately 1,100 acres of open space, parks, lakes, trails, creeks, a river, flood plain, a City fire station, and one elementary school. The Developer (defined herein) assists in managing the installation of the infrastructure and develops, or manages the development of, Viridian. See “THE DEVELOPMENT.”

Development within the District The District is being developed as the master-planned community of Viridian. To date, approximately 712.17 acres within the District have been developed as 3,408 single-family and townhome residential lots (approximately 692.29 acres) and 182 build-to-rent townhome lots (approximately 19.88 acres). Additionally, approximately 63.56 acres are currently under development within the District as 337 single-family residential lots (approximately 57.64 acres) and 46 build-to-rent townhome lots (approximately 5.92 acres). As of July 1, 2024, there were approximately 3,358 completed homes (comprised of approximately 3,224 occupied

residential homes, 20 model homes, and 114 build-to-rent homes), 75 homes under construction (comprised entirely of residential homes), and 157 vacant developed lots (comprised of 89 residential homes and 68 build-to-rent homes) within the District. See “THE DEVELOPMENT—Status of Development” for a breakdown of the residential and build-to-rent development within the District as of July 1, 2024, by section.

The District also consists of multi-family development, mixed-use commercial development, and parks and recreational lakes as follows: approximately 15.29 acres have been developed as a 340-unit multi-family complex and a 343-unit multi-family complex; approximately 11.42 acres comprised of three (3) amenity centers as follows: (i) the Elements Amenity Center including a pool, a pickle ball court and a putting green (approximately 2.50 acres); (ii) the Viridian Lake Club amenity center including a pavilion, a small amphitheater, four (4) tennis courts and two (2) pools (approximately 7.66 acres); and (iii) a third amenity center which is currently under construction (approximately 1.26 acres); approximately 18.68 acres comprised of mixed-used commercial development comprised of approximately 2.16 acres developed as a daycare; approximately 11.01 acres developed as two (2) retail center/office space complexes; approximately 1.29 acres developed as a 7-Eleven gas station; approximately 0.87 acres developed as Viridian on Tap, a beer garden; and approximately 3.35 developed as additional commercial property; and approximately 228.33 acres are comprised of parks and recreational facilities, including a sailing center. The remaining land within the District is comprised of a fire station (approximately 1.73 acres), Viridian Elementary School developed by Hurst-Euless-Bedford Independent School District (approximately 7.50 acres), roads and right-of-way dedications (approximately 10.56 acres), approximately 13.16 acres of undeveloped but developable land planned for multi-family development, approximately 32.53 acres of undeveloped but developable land planned for commercial development, and approximately 1,079.44 acres of undevelopable land. See “THE DEVELOPMENT—Status of Development.”

The Developer and Principal Landowner Viridian Holdings, LP (the “Developer”) is a limited partnership whose principal partners are Viridian Equity, L.P., and Johnson Viridian Investors, LLC (which is managed by affiliates of The Johnson Development Corp.). The Developer or entities under common control with the Developer own approximately 1.12% of the taxable value within the District and as a result, the Developer is responsible for payment of approximately 1.12% of the ad valorem taxes to be levied within the District. See “THE DEVELOPER AND PRINCIPAL LANDOWNER,” “THE DEVELOPMENT,” and “TAX DATA—Table 8—Principal Taxpayers.”

Homebuilders..... The Developer has entered into contracts for the construction of houses in the District with Cambridge Homes, CastleRock Communities, CB JENI Lifestyle Homes, Darling Homes, David Weekley Homes, Drees Custom Homes, Glendarroch Homes, Grenadier Homes, K. Hovnanian Homes, Highland Homes, Lennar Homes, MHI building under the name Coventry Homes, Normandy Homes, Struhs Homes, Toll Brothers, Windmill Homes, Cadence Homes, Gehan Homes and several miscellaneous custom homebuilders. The contracts require each such homebuilder to

deposit earnest money in amounts ranging from 3% to 8% of the contracted lot price with a title company. According to the Developer, each of the homebuilders is in compliance, in all material respects, with their respective lot sale contracts.

Homes being built within the District range in price from approximately \$400,000 to \$1,000,000+ and in square footage from 1,500 to over 8,000. See "HOMEBUILDERS WITHIN THE DISTRICT."

INVESTMENT CONSIDERATIONS

THE DISTRICT'S TAX IS LEVIED ONLY ON, AND THE TIRZ REVENUES ARE DERIVED PRIMARILY FROM, TAXES LEVIED BY THE PARTICIPANTS ON THE PROPERTY LOCATED WITHIN THE DISTRICT. THEREFORE THE INVESTMENT SECURITY AND QUALITY OF THE BONDS IS DEPENDENT UPON THE SUCCESSFUL DEVELOPMENT OF PROPERTY LOCATED WITHIN THE DISTRICT AND THE TIRZ, AND THE PAYMENT AND COLLECTION OF TAXES LEVIED THEREON, INCLUDING TAXES LEVIED BY THE DISTRICT AND THE PARTICIPANTS.

THE BONDS ARE SUBJECT TO CERTAIN INVESTMENT CONSIDERATIONS. PROSPECTIVE PURCHASERS SHOULD REVIEW THE ENTIRE OFFICIAL STATEMENT BEFORE MAKING AN INVESTMENT DECISION, INCLUDING PARTICULARLY THE SECTION OF THE OFFICIAL STATEMENT ENTITLED "INVESTMENT CONSIDERATIONS."

SELECTED FINANCIAL INFORMATION

(UNAUDITED)

2024 Certified Taxable Assessed Valuation \$ 1,990,848,734 (a)
 (100% of taxable value as of January 1, 2024)
 See "TAX DATA" and "TAXING PROCEDURES."

**Certified Taxable Value
 of the TIRZ (b)**

	City (c)	County (c)	TCHD (c)	TCCD (c)
Base Value (d)	\$ 7,875,564	\$ 10,825,928	\$ 10,825,928	\$ 10,825,928
January 1, 2024 (d)	\$1,694,280,121	\$1,699,984,815	\$1,699,984,815	\$1,943,908,427
2024 Incremental Value	\$1,686,404,557	\$1,689,158,887	\$1,689,158,887	\$1,932,908,427
Participation Rates	85.00%	75.00%	50.00%	50.00%
2024 Tax Rates (e)	\$ 0.599800	\$ 0.187500	\$ 0.182500	\$ 0.097830
Estimated Collection Rates	95.00%	95.00%	95.00%	95.00%
Estimated 2024 TIRZ Revenue	\$ 8,167,907	\$ 2,256,611	\$ 1,464,290	\$ 898,208
Total Estimated 2024 TIRZ Revenue				<u>\$12,787,015</u>

Direct Debt (f):

The Outstanding Bonds	\$ 300,335,000
Less: The Refunded Bonds	(38,660,000)
Plus: The Bonds	<u>38,365,000</u>
Total	\$ 300,040,000

Estimated Overlapping Debt \$ 120,072,001 (g)
 Total Direct and Estimated Overlapping Debt \$ 420,112,001 (g)

Direct Debt Ratios:

As a percentage of the 2024 Certified Taxable Assessed Valuation 15.07 % (h)

Direct and Estimated Overlapping Debt Ratios:

As a percentage of the 2024 Certified Taxable Assessed Valuation 21.10 % (h)

General Fund Balance (as of September 10, 2024)..... \$ 1,235,273
 Utility Debt Service Fund Balance (as of September 10, 2024)..... \$ 419,920 (i)
 Road Debt Service Fund Balance (as of September 10, 2024) \$ 706,787 (i)

2024 Tax Rate per \$100 of Assessed Valuation

Utility Debt Service Tax Rate.....	\$ 0.1511
Road Debt Service Tax Rate.....	\$ 0.1970
Maintenance and Operations	<u>\$ 0.1150</u>
Total.....	\$ 0.4631 (j)

Average Annual Debt Service Requirements on the Bonds

and the Outstanding Bonds (2025–2042, highest years of debt service) \$ 21,214,699

Maximum Annual Debt Service Requirements on the Bonds

and the Outstanding Bonds (2042) \$ 21,372,913

Tax Rate per \$100 of Assessed Valuation Required to Pay Average

Annual Debt Service Requirements on the Bonds and Outstanding Bonds
 (2025–2042, highest years of debt service) at 95% Tax Collections:
 Based Upon the 2024 Certified Taxable Assessed Valuation (\$1,990,848,734) \$ 1.1217

Tax Rate per \$100 of Assessed Valuation Required to Pay Maximum

Annual Debt Service Requirement on the Bonds and Outstanding Bonds
 (2042) at 95% Tax Collections:
 Based Upon the 2024 Certified Taxable Assessed Valuation (\$1,990,848,734) \$ 1.1301

Tax Rate per \$100 of Assessed Valuation Required to Pay Average Annual Debt Service Requirements on the Bonds and Outstanding Bonds (2025–2042, highest years of debt service) Less the Projected TIRZ Revenues at 95% Tax Collections: Based Upon the 2024 Certified Taxable Assessed Valuation (\$1,990,848,734) \$ 0.4457

Tax Rate per \$100 of Assessed Valuation Required to Pay Maximum Annual Debt Service Requirement on the Bonds and Outstanding Bonds (2042) Less the Projected TIRZ Revenues at 95% Tax Collections: Based Upon the 2024 Certified Taxable Assessed Valuation (\$1,990,848,734) \$ 0.4540

Number of Single-Family Homes (including 75 homes under construction) as of July 1, 2024..... 3,433

-
- (a) As certified by the Tarrant Appraisal District (the “Appraisal District”). Such value is as of the latest supplemental roll as of August 17, 2024. This number also includes \$56,761,657 of uncertified value that is still pending protest hearings by the Appraisal Review Board (the “ARB”). Such value could be reduced by the results of such hearings.
 - (b) As certified by the Appraisal District.
 - (c) Participation in the TIRZ is expected to continue through the earlier of the payments expected to be received in 2042 or when the respective entities participation funds the following remaining amounts net of the total collection of Tax Increment Payments made through August 1, 2024: \$196,385,964 for the City, \$79,059,036 for the County, \$30,089,533 for TCCD and \$46,190,768 for TCHD. The final maturity of the Outstanding Bonds is scheduled for 2049.
 - (d) The values of the City, County, TCHD and TCCD differ due to the varying exemptions allowed within each taxing entity. See “THE BONDS—Sources of Payment—TIRZ Revenues.”
 - (e) TCCD participates in the TIRZ utilizing only its maintenance and operations tax rate, which is shown here.
 - (f) Does not include PID Bonds (defined herein) or other debt not secured by unlimited taxes. See “PUBLIC IMPROVEMENT DISTRICTS.”
 - (g) See “UNLIMITED TAX BOND INDEBTEDNESS—Estimated Direct and Overlapping Debt Statement.” These figures do not take into account approximately \$6,557,000 in principal amount of the District’s Assessment Revenue Bonds, Series 2015; \$4609,000 in principal amount of its Assessment Revenue Bonds, Series 2017; \$5,4893,000 in principal amount of its Assessment Revenue Bonds, Series 2018; \$4,451,000 principal amount of its Assessment Revenue Bonds, Series 2020; or \$5,034,000 in principal amount of its Assessment Revenue Bonds, Series 2022 (collectively, the “PID Bonds”), which are secured solely by assessments against certain residential lots in the District and not by the Pledged Revenues, other ad valorem taxes of the District or any other revenues of the District other than such assessments. The aggregate per parcel outstanding assessments pledged to the PID Bonds range from approximately \$2,614 to \$62,626 with annual payments that range from approximately \$185 to \$5,895.
 - (h) It is anticipated that the TIRZ Revenues will be sufficient to pay the debt service on approximately \$154,980,000 of the Outstanding Bonds and the Bonds. If the portion of the Outstanding Bonds and the Bonds supported by the TIRZ Revenues is excluded, the direct debt ratio based on the 2024 Certified Taxable Assessed Valuation is 7.29%. If the portion of Outstanding Bonds and the Bonds supported by the TIRZ Revenues is excluded, the direct and estimated overlapping debt ratio based on the 2024 Certified Taxable Assessed Valuation is 13.32%.
 - (i) This amount reflects the funds held in the District’s Debt Service Funds and the TIRZ Revenues held in the Road Revenue Fund (defined herein) and the Utility Revenue Fund (defined herein), respectively. See “TAX INCREMENT REINVESTMENT ZONE NO. SIX, ARLINGTON, TEXAS.” The ad valorem taxes and the TIRZ Revenues allocated to the Road Bonds are pledged only to pay the debt service on the Road Bonds and the Outstanding Road Bonds (defined herein). The ad valorem taxes and the TIRZ Revenues allocated to the Utility Bonds are pledged only to pay the debt service on the Utility Bonds and the Outstanding Utility Bonds (defined herein). See “THE BONDS—Sources of Payment—Deposit and Application of Pledged Revenues.” See “THE BONDS—Sources of Payment” and “PLAN OF FINANCING.”
 - (j) See “TAX DATA—Table 7—Tax Rate Distribution.”

OFFICIAL STATEMENT

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
(A Political Subdivision of the State of Texas Located in Tarrant County, Texas)**

\$20,180,000
UNLIMITED TAX UTILITY IMPROVEMENT
REFUNDING BONDS
SERIES 2024

\$18,185,000
UNLIMITED TAX ROAD IMPROVEMENT
REFUNDING BONDS
SERIES 2024

INTRODUCTION

This Official Statement provides certain information in connection with the issuance by Viridian Municipal Management District (the "District") of its \$20,180,000 Unlimited Tax Utility Improvement Refunding Bonds, Series 2024 (the "Utility Bonds") and its \$18,185,000 Unlimited Tax Road Improvement Refunding Bonds, Series 2024 (the "Road Bonds," and together with the Utility Bonds, the "Bonds").

The District is a conservation and reclamation district of the State of Texas (the "State"), created pursuant to Article XVI, Section 59, Texas Constitution, as a governmental agency and body politic and corporate, by Chapter 3861, Texas Special District Local Laws Code, as amended (the "Act"). The District encompasses approximately 2,194.37 gross acres of land located entirely within the corporate limits of the City of Arlington, Texas (the "City"), and Tarrant County, Texas (the "County"). For more complete information about the District and its Board of Directors, see "THE DISTRICT" herein.

The Bonds are being issued by the District pursuant to the Act; Chapter 1207, Texas Government Code; and a bond order authorizing the issuance of the Utility Bonds (the "Utility Bond Order") and a bond order authorizing the issuance of the Road Bonds (the "Road Bond Order," and together with the Utility Bond Order, the "Bond Orders"), each of which delegated to an "Authorized Officer" of the District the authority to execute a pricing certificate for the Road Bonds and the Utility Bonds (the "Road Pricing Certificate" and the "Utility Pricing Certificate" and together the "Pricing Certificates") that completed the sale of the Bonds. The Pricing Certificates, together with the Bonds Orders are referred to herein as the "Bond Orders." Certain capitalized terms used in this Official Statement have the same meanings assigned to such terms in the Bond Orders, except as otherwise indicated herein.

This Official Statement also includes information about the District and certain reports and other statistical data. The summaries and references to all documents, statutes, reports and other instruments referred to herein do not purport to be complete, comprehensive or definitive and each summary and reference is qualified in its entirety by reference to each such document, statute, report or instrument.

The presentation of information, including tables of receipts from taxes and other sources, is intended to show recent historic information and is not intended to indicate future or continuing trends in the financial position or other affairs of the District. No representation is made that past experience, as is shown by that financial and other information, will necessarily continue or be repeated in the future. See "FORWARD-LOOKING STATEMENTS DISCLAIMER."

THE BONDS

General

Interest on the Bonds will accrue from the date of initial delivery to the Underwriters (herein defined), will be payable June 1 and December 1 of each year (each an "Interest Payment Date") at the rates set forth on the inside cover pages hereof, commencing June 1, 2025, until maturity or prior redemption, and will be computed on the basis of a 360-day year of twelve 30-day months. The Bonds will be issued in principal denominations of \$5,000 or any integral multiple thereof.

The Bonds are fully registered bonds maturing on December 1 of the years shown under "PRINCIPAL AMOUNTS, MATURITIES, INTEREST RATES AND INITIAL REOFFERING YIELDS" on the inside cover pages of this Official Statement. Principal of the Bonds will be payable to the Registered Owners (herein defined) at maturity or redemption upon presentation at the principal payment office of the Paying Agent/Registrar (herein defined). Interest on the Bonds will be payable by check, dated as of the Interest Payment Date, and mailed by the Paying Agent/Registrar to Registered Owners as shown on the records of the Paying

Agent/Registrar at the close of business on the fifteenth calendar day of the month next preceding the Interest Payment Date (the “Record Date”).

Paying Agent/Registrar

The initial paying agent/registrar is Regions Bank, an Alabama state banking corporation, Houston, Texas (“Paying Agent/Registrar”). The Bonds are being issued in fully registered form in integral multiples of \$5,000 of principal amount, or Maturity Amount, as applicable. Interest on the Bonds will be payable semiannually by the Paying Agent/Registrar by check mailed on each Interest Payment Date by the Paying Agent/Registrar to the Registered Owners at the last known address as it appears on the Paying Agent/Registrar’s books on the Record Date.

Book-Entry-Only System

This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by The Depository Trust Company (“DTC”), New York, New York, while the Bonds are registered in its nominee’s name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Official Statement. The District, the Financial Advisor and the Underwriters believe the source of such information to be reliable, but take no responsibility for the accuracy or completeness thereof.

The District, the Financial Advisor and the Underwriters cannot and do not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participant, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Official Statement. The current rules applicable to DTC are on file with the Securities and Exchange Commission, and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be required by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each series of the Bonds, each in the aggregate principal amount of such series, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a rating of AA+ from S&P Global Ratings. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the

transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners.

Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issue as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the District or Paying Agent/Registrar, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in the section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

Use of Certain Terms in Other Sections of this Official Statement

In reading this Official Statement it should be understood that while the Bonds are in the book-entry only form, references in other sections of this Official Statement to Registered Owners should be read to include the person for which the Participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through DTC and the book-entry system, and (ii) except as described above, notices that are to be given to Registered Owners under the Bond Orders will be given only to DTC.

Registration, Transfer and Exchange

In the event the Book-Entry-Only system is discontinued, printed bond certificates will be delivered to the owners of the Bonds and thereafter the Bonds are transferable only on the bond register kept by the Paying Agent/Registrar upon surrender at the principal payment office of the Paying Agent/Registrar in Houston,

Texas. A Bond may be assigned by the execution of an assignment form on the Bonds or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. At any time after the date of initial delivery, any Bond may be transferred upon its presentation and surrender at the designated offices of the Paying Agent/Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner. The Bonds are exchangeable upon presentation at the designated office(s) of the Paying Agent/Registrar, for an equal principal amount of Bonds of the same series and maturity in authorized denominations. To the extent possible, new Bonds issued in exchange or transfer of Bonds will be delivered to the Registered Owner or assignee of the Registered Owner within not more than three (3) business days after the receipt by the Paying Agent/Registrar of the request in proper form to transfer or exchange the Bonds. New Bonds registered and delivered in an exchange or transfer shall be in the denomination of \$5,000 in principal amount or Maturity Amount, as applicable, for a Bond, or any integral multiple thereof for any one series and maturity and shall bear interest at the same rate and be for a like aggregate principal or Maturity Amount as the Bond or Bonds surrendered for exchange or transfer. Neither the Paying Agent/Registrar nor the District is required to issue, transfer, or exchange any Bond during a period beginning at the opening of business on a Record Date and ending at the close of business on the next succeeding Interest Payment Date or to transfer or exchange any Bond selected for redemption, in whole or in part, beginning fifteen (15) calendar days prior to, and ending on the date of the mailing of notice of redemption, or where such redemption is scheduled to occur within thirty (30) calendar days. No service charge will be made for any transfer or exchange, but the District or Paying Agent/Registrar may require payment of a sum sufficient to cover any tax or governmental charge payable in connection therewith.

Mutilated, Lost, Stolen or Destroyed Bonds

In the event the Book-Entry-Only System should be discontinued, the District has agreed to replace mutilated, destroyed, lost or stolen Bonds upon surrender of the mutilated Bonds, on receipt of satisfactory evidence of such destruction, loss or theft, and receipt by the District and Paying Agent/Registrar of security or indemnity to hold them harmless. Upon the issuance of a new bond the District may require payment of taxes, governmental charges and other expenses (including the fees and expenses of the Paying Agent/Registrar), bond printing and legal fees in connection with any such replacement.

Redemption of the Bonds

Optional Redemption: The Bonds maturing on December 1, 2031, and thereafter shall be subject to redemption and payment at the option of the District, in whole or in part from time to time, on December 1, 2030, or on any date thereafter, at the par value thereof plus accrued interest to the date fixed for redemption. Notice of the exercise of the reserved right of redemption will be given by the Paying Agent/Registrar at least thirty (30) days prior to the redemption date by sending such notice by first class mail to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the bond register. If less than all of the Bonds are redeemed at any time, the series and maturities of the Bonds to be redeemed shall be selected by the District. If less than all of the Bonds of a certain series and maturity are to be redeemed, the particular Bonds or portions thereof to be redeemed will be selected by the Paying Agent/Registrar prior to the redemption date by such random method as the Paying Agent/Registrar deems fair and appropriate in integral multiples of \$5,000 within any one maturity. The Registered Owner of any Bond, all or a portion of which has been called for redemption, shall be required to present such Bond to the Paying Agent/Registrar for payment of the redemption price on the portion of the Bonds so called for redemption and issuance of a new Bond in the principal amount equal to the portion of such Bond not redeemed.

NOT LESS THAN 30 DAYS PRIOR TO A REDEMPTION DATE FOR THE BONDS, THE PAYING AGENT/REGISTRAR SHALL CAUSE A NOTICE OF REDEMPTION TO BE SENT BY UNITED STATES MAIL, FIRST CLASS, POSTAGE PREPAID, TO THE REGISTERED OWNERS OF THE BONDS TO BE REDEEMED, IN WHOLE OR IN PART, AT THE ADDRESS OF THE REGISTERED OWNER APPEARING ON THE REGISTRATION BOOKS OF THE PAYING AGENT/REGISTRAR. ANY NOTICE SO MAILED SHALL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN, WHETHER OR NOT THE REGISTERED OWNER RECEIVES SUCH NOTICE. NOTICE HAVING BEEN SO GIVEN, THE BONDS CALLED FOR REDEMPTION SHALL BECOME DUE AND PAYABLE ON THE SPECIFIED REDEMPTION DATE, NOTWITHSTANDING THAT ANY BONDS OR PORTION THEREOF HAS NOT BEEN SURRENDERED FOR PAYMENT, INTEREST ON SUCH BONDS OR PORTION THEREOF SHALL CEASE TO ACCRUE.

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

Mandatory Redemption: The Utility Bonds maturing on December 1, 2041 (the “Utility Term Bonds”), shall be redeemed by lot (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form) prior to maturity, at a price equal to the principal amount thereof, plus accrued interest to the date fixed for redemption (the “Redemption Date”), on December 1 in each of the years and in the principal amounts set forth in the following schedule:

\$1,015,000 Utility Term Bonds Maturing on December 1, 2041

<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>
December 1, 2040	\$ 495,000
December 1, 2041 (Maturity)	520,000

The Road Bonds maturing on December 1, 2041 (the “Road Term Bonds”), shall be redeemed by lot (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form) prior to maturity, at a price equal to the principal amount thereof, plus accrued interest to the Redemption Date, on December 1 in each of the years and in the principal amounts set forth in the following schedule:

\$955,000 Road Term Bonds Maturing on December 1, 2041

<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>
December 1, 2040	\$ 465,000
December 1, 2041 (Maturity)	490,000

The Utility Term Bonds, together with the Road Term Bonds, are collectively referred to as the “Term Bonds.” The principal amount of the Term Bonds required to be redeemed pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the direction of the District, by the principal amount of any Term Bonds of such series and maturity which, at least 45 days prior to a mandatory redemption date, (1) shall have been acquired by the District and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and cancelled by the Paying Agent/Registrar at the request of the District with monies in the respective Debt Service Funds at a price not exceeding the principal amount of the Term Bonds plus accrued interest to the date of purchase thereof, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory sinking fund redemption requirement.

Successor Paying Agent/Registrar

In the Bond Orders, the District retains the right to replace the Paying Agent/Registrar. The District covenants to maintain and provide a Paying Agent/Registrar at all times while any Bonds are outstanding and any successor Paying Agent/Registrar shall be a commercial bank or trust company organized under the laws of the United States or any state and duly qualified and legally authorized to serve as and perform the duties and services of Paying Agent/Registrar for the Bonds. Upon any change in the Paying Agent/Registrar for the Bonds, the District agrees to promptly cause a written notice thereof to be sent to each registered owner of the Bonds by United States mail, first class, postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Authority for Issuance

Voters in the District have authorized a total of \$142,075,000 principal amount of bonds for the purposes of reimbursement, acquisition or construction of waterworks, wastewater and storm drainage improvements (“Utility Improvements”) to serve the District. Voters in the District have authorized a total of \$221,200,000 principal amount of bonds for the purposes of reimbursement, acquisition or construction of roads and improvements in aid thereof (“Road Improvements”) to serve the District. Currently, \$4,810,000 principal amount of unlimited tax bonds for Utility Improvements and \$42,240,000 principal amount of unlimited tax bonds for Road Improvements remain authorized and unissued. See “THE BONDS—Sources of Payment.”

The Bonds are issued pursuant to the Act, the Bond Orders and Chapter 1207, Texas Government Code, as amended.

Outstanding Unlimited Tax Bonds

Other than bonds that have been retired or fully refunded, the District has previously issued \$21,590,000 Unlimited Tax Utility Improvement and Refunding Bonds, Series 2015 (the “Series 2015 Utility Bonds”); \$6,500,000 Unlimited Tax Utility Improvement Bonds, Series 2016 (the “Series 2016 Utility Bonds”); \$8,900,000 Unlimited Tax Utility Improvement Bonds, Series 2017 (the “Series 2017 Utility Bonds”); \$15,080,000 Unlimited Tax Utility Improvement Bonds, Series 2018 (the “Series 2018 Utility Bonds”); \$14,760,000 Unlimited Tax Utility Improvement Bonds, Series 2019 (the “Series 2019 Utility Bonds”); \$12,725,000 Unlimited Tax Utility Improvement Bonds, Series 2020 (the “Series 2020 Utility Bonds”); \$17,185,000 Unlimited Tax Utility Improvement Bonds, Series 2021 (the “Series 2021 Utility Bonds”); \$19,620,000 Unlimited Tax Utility Improvement Bonds, Series 2022 (the “Series 2022 Utility Bonds”); \$20,905,000 Unlimited Tax Utility Improvements Bonds, Series 2023 (the “Series 2023 Utility Bonds,” and together with the Series 2015 Utility Bonds, the Series 2016 Utility Bonds, the Series 2017 Utility Bonds, the Series 2018 Utility Bonds, the Series 2019 Utility Bonds, the Series 2020 Bonds, the Series 2021 Utility Bonds, and the Series 2022 Utility Bonds, the “Outstanding Utility Bonds”); \$18,260,000 Unlimited Tax Road Improvement and Refunding Bonds, Series 2015 (the “Series 2015 Road Bonds”); \$4,790,000 Unlimited Tax Road Improvement Bonds, Series 2016 (the “Series 2016 Road Bonds”); \$12,200,000 Unlimited Tax Road Improvement Bonds, Series 2017 (the “Series 2017 Road Bonds”); \$20,305,000 Unlimited Tax Road Improvement Bonds, Series 2018 (the “Series 2018 Road Bonds”); \$19,255,000 Unlimited Tax Road Improvement Bonds, Series 2019 (the “Series 2019 Road Bonds”); \$18,210,000 Unlimited Tax Road Improvement Bonds, Series 2020 (the “Series 2020 Road Bonds”); \$26,600,000 Unlimited Tax Road Improvement Bonds, Series 2021 (the “Series 2021 Road Bonds”); \$25,240,000 Unlimited Tax Road Improvement Bonds, Series 2022 (the “Series 2022 Road Bonds”); and \$34,100,000 Unlimited Tax Road Improvement Bonds, Series 2023 (the “Series 2023 Road Bonds,” and together with the Series 2015 Road Bonds, the Series 2016 Road Bonds, the Series 2017 Road Bonds, the 2018 Road Bonds, the Series 2019 Road Bonds, the Series 2020 Road Bonds, the Series 2021 Road Bonds, and the Series 2022 Road Bonds, the “Outstanding Road Bonds”). The Outstanding Utility Bonds and the Outstanding Road Bonds are collectively referred to herein as the “Outstanding Bonds.” As of delivery of the Bonds, a total aggregate principal amount of \$300,335,000 in previously issued unlimited tax utility and road bonds remains outstanding (collectively, the “Outstanding Bonds”).

Sources of Payment

THE BONDS ARE OBLIGATIONS SOLELY OF THE DISTRICT AND ARE NOT OBLIGATIONS OF THE STATE; THE CITY; THE COUNTY; TARRANT COUNTY HOSPITAL DISTRICT (“TCHD”); TARRANT COUNTY COLLEGE DISTRICT (“TCCD”); OR ANY ENTITY OTHER THAN THE DISTRICT (THE CITY, COUNTY, TCHD, AND TCCD ARE COLLECTIVELY REFERRED TO HEREIN AS THE “PARTICIPANTS”).

The principal of and interest on the Utility Bonds are secured by a pledge of and lien on the “Pledged Utility Revenues,” which consist of revenues derived from the Unlimited Utility Tax (defined below) and the TIRZ Utility Revenues (defined below) pledged to the Utility Bonds, as set forth in the Utility Bond Order.

The principal of and interest on the Road Bonds are secured by a pledge of and lien on the “Pledged Road Revenues,” which consist of revenues derived from the Unlimited Road Tax (defined below) and the TIRZ Road Revenues (defined below) pledged to the Road Bonds, as set forth in the Road Bond Order.

The Pledged Utility Revenues and the Pledged Road Revenues are collectively referred to herein as the “Pledged Revenues.”

Unlimited Tax: The District is authorized by the Act; Article XVI, Section 59 of the Texas Constitution; and an election within the District to finance the construction and acquisition of Utility Improvements by levying a continuing, direct annual ad valorem tax, without limit as to rate or amount, against all taxable property within the District and by pledging the tax to the payment of principal of and interest on the Utility Bonds (the “Unlimited Utility Tax”). The District is also authorized by the Act; Article III, Section 52 of the Texas Constitution; and an election within the District to finance the construction and acquisition of Road Improvements by levying a continuing, direct annual ad valorem tax, without limit as to rate or amount, against all taxable property within the District and by pledging the tax to the payment of principal of and interest on the Road Bonds (the “Unlimited Road Tax”). The Unlimited Utility Tax and the Unlimited Road Tax are collectively referred to herein as the “Unlimited Taxes.”

Pursuant to the Utility Bond Order, the District has covenanted that annually, so long as the Utility Bonds are outstanding and unpaid, it will set an ad valorem tax rate which will produce an amount, together with TIRZ Utility Revenues calculated to be received and deposited for the purposes of paying debt service on the Outstanding Utility Bonds, and other legally available funds on hand, that is sufficient to pay the principal of and interest on the Utility Bonds. Pursuant to the Road Bond Order, the District has covenanted that annually, so long as the Road Bonds are outstanding and unpaid, it will set an ad valorem tax rate which will produce an amount, together with TIRZ Road Revenues calculated to be received and deposited for the purposes of paying debt service on the Outstanding Road Bonds, and other legally available funds on hand, that is sufficient to pay the principal of and interest on the Road Bonds. See “TAXING PROCEDURES” herein for a description of certain procedures for the levy and collection of ad valorem taxes in Texas.

TIRZ Revenues: The City has previously created Tax Increment Reinvestment Zone No. 6, Arlington, Texas (the “TIRZ”) pursuant to Chapter 311, Texas Tax Code, as amended (the “TIRZ Act”), and Ordinance No. 07-090, enacted on December 18, 2007 (the “TIRZ Ordinance”), as a 2,393-acre tax increment reinvestment zone. The City subsequently amended the TIRZ Ordinance on April 11, 2017, through Ordinance No. 17-018 (the “Amended TIRZ Ordinance”) expanding the boundaries to include a total of approximately 2,404 acres and extending the term of the TIRZ. The District is located entirely within the boundaries of the TIRZ. The TIRZ became effective upon the adoption of the TIRZ Ordinance, and, as a result has a base year of 2007 (“Base Year”). Upon adoption of the Amended TIRZ Ordinance, the TIRZ shall terminate on the earlier of (i) December 31, 2041, or (ii) at the time the City has contributed \$230,000,000 to the Tax Increment Fund established by the City (the “Tax Increment Fund”) (\$33,614,036 of such amount has been contributed as of August 1, 2024).

TIRZ Revenues will not be received for the entire period the Outstanding Bonds are scheduled to be outstanding. The final TIRZ payments, as currently established in the Amended and Restated Viridian Project Finance Plan and Development Agreement among the City, the Developer (hereinafter defined), the TIRZ, and the District, effective June 1, 2017 (the “Amended Finance Plan and Development Agreement”), are expected to be received in 2042, and the final maturity of the Outstanding Bonds is scheduled to occur in 2049. It is expected that the District will use only its Unlimited Taxes to support the debt service payments on the Outstanding Bonds scheduled for the year 2043 and thereafter. See “DEVELOPMENT FINANCING PLAN” and “UNLIMITED TAX BONDED INDEBTEDNESS—Table 1—Debt Service Requirement Schedule.”

The City has created the TIRZ for the principal purpose of providing for the reimbursement, acquisition and construction of certain public improvements to serve the TIRZ (the “TIRZ Improvements”), including the Utility Improvements and Road Improvements. In accordance with the TIRZ Act, the TIRZ Ordinance and the Amended TIRZ Ordinance, the City has entered into certain Amended and Restated Agreements to Participate (collectively, the “Participation Agreements”) with the County, TCHD and TCCD, pursuant to which each such taxing entity, including the City, has agreed to annually deposit a certain percentage of its tax increment to the credit of the City’s Tax Increment Fund up to total of \$230,000,000 for the City, \$53,964,592 for TCHD, \$34,350,791 for TCCD, and \$91,000,000 for the County. Pursuant to the Amended Finance Plan and Development Agreement, the City has agreed to transfer on an annual basis such amounts received annually by the City to the District for use to pay for the TIRZ Improvements, including the payment of debt service obligations on bonds, including the Outstanding Bonds and the Bonds, or other obligations issued or incurred by the District to finance the payment of TIRZ Improvements. In order to provide for the acquisition and construction of the TIRZ Improvements, the Participants have agreed to deposit to the Tax Increment Fund an agreed upon percentage of tax collections (up to a total maximum contribution amount for each respective Participant as described more fully herein under “TAX INCREMENT REINVESTMENT ZONE NO, SIX, OF ARLINGTON, TEXAS”) arising from their taxation of the increase, if any, since January 1, 2007, in the total

appraised value of all taxable real property located in the TIRZ (the "Tax Increment Payments"). The City expects that on or before April 1 of each year it will bill each participating taxing jurisdiction for its respective tax increment, and contribute its own tax increment, and that such tax increment will be transferred to the City by the Participants before July 1. The City typically remits all collections of Tax Increment Payments it has received to the District in August of each year. Pursuant to the Road Bond Order, the District has pledged a portion of the TIRZ Revenues (the "TIRZ Road Revenues") to the Road Bonds. Pursuant to the Road Bond Order, pledged TIRZ Road Revenues will be deposited in the Road Revenue Fund (defined herein) created therein, to be then deposited to the Road Debt Service Fund and used, together with revenues derived from the Unlimited Road Tax, to pay principal of and interest on the Road Bonds. Pursuant to the Utility Bond Order, the District has pledged a portion of the TIRZ Revenues (the "TIRZ Utility Revenues") to the Utility Bonds. Pursuant to the Utility Bond Order, pledged TIRZ Utility Revenues will be deposited in the Utility Revenue Fund (defined herein) created therein, to be then deposited to the Utility Debt Service Fund and used, together with revenues derived from the Unlimited Utility Tax, to pay principal of and interest on the Utility Bonds. See "DEVELOPMENT FINANCING PLAN" and "TAX INCREMENT REINVESTMENT ZONE NO. SIX OF ARLINGTON, TEXAS."

Excess TIRZ Revenues: As described in the Bond Orders, "Excess TIRZ Revenues" will be determined by the Board each calendar year. Excess TIRZ Revenues are "Available TIRZ Revenues" for the year remaining after paying debt service and other costs of financing on all outstanding TIRZ GO Bonds (as defined in the Amended Finance Plan and Development Agreement) and after further deducting from Available TIRZ Revenue (i) an amount no less than 30% of the coming year's debt service and other costs of financing on outstanding TIRZ GO Bonds, (ii) amounts necessary to pay or reimburse other costs of financing TIRZ Improvements for the coming year, (iii) amounts to pay or reimburse costs and expenses allocable to the establishment and administration of the TIRZ for the coming year, and (iv) amounts used or reserved by the District to pay or reimburse costs of TIRZ Improvements. Excess TIRZ Revenues not needed in any year for payment of the Bonds or Outstanding TIRZ GO Bonds may be used by the District to pay, reimburse or finance the costs of "Special TIRZ Improvements" pursuant to the Final TIRZ Plan and Amended Finance Plan and Development Agreement.

Deposit and Application of Pledged Revenues: The District has created under the Bond Orders a Series 2024 Road Bonds Revenue Fund (the "Road Revenue Fund"), a Series 2024 Utility Bonds Revenue Fund (the "Utility Revenue Fund") (collectively the "Revenue Funds"), a Series 2024 Road Bonds Debt Service Fund (the "Road Debt Service Fund"), and a Series 2024 Utility Bonds Debt Service Fund (the "Utility Debt Service Fund") (collectively, the "Debt Service Funds"). Revenues derived from the Unlimited Utility Taxes and Unlimited Road Taxes will be deposited to the credit of the respective Utility Revenue Fund and the Road Revenue Fund, monthly by the District. In addition, within thirty (30) Business Days of the receipt of any amount representing TIRZ Revenues, the District will transfer the portion of such TIRZ Revenues representing TIRZ Road Revenues and TIRZ Utility Revenues pledged to the Road Bonds and the Utility Bonds to the credit of the respective Road Revenue Fund and Utility Revenue Fund. Funds in the Road Revenue Fund and the Utility Revenue Fund shall be deposited to the Road Debt Service Fund and Utility Debt Service Fund in such times and in such amounts as is necessary for the timely payment of the principal of and interest on the Bonds.

In the Bond Orders, the District has provided that the amount of TIRZ Revenues required to be deposited to the Utility Revenue Fund and the Road Revenue Fund shall be amounts equal to the pro rata share of the TIRZ Revenues received by the District and allocable to the Utility Bonds and the Road Bonds, respectively. The TIRZ Revenues allocable to the Utility Bonds and the Road Bonds shall be computed on the basis of the percentage of the District's ad valorem tax rate levied for debt service on the Utility Bonds and Road Bonds, respectively, for the current year; provided, however, that the District may decrease the amount of TIRZ Revenues deposited to the Utility Revenue Fund and the Road Revenue Fund by any amount in any year so long as the District is able, in that year, to (i) pay the debt service and other costs of financing of all of the District's outstanding TIRZ GO Bonds (as defined in the Amended Finance Plan and Development Agreement), including the Utility Bonds and Road Bonds, and (ii) fund an amount not less than 30% of the debt service requirements on all outstanding TIRZ GO Bonds for the subsequent year and other costs of financing on outstanding TIRZ GO Bonds, from ad valorem taxes levied at a rate less than \$0.54 per \$100 of assessed value of taxable property within the District, as such may be increased each year by the same percentage that the ad valorem tax rate of the City increases from the previous year (the "Benchmark Tax Rate"). Such Excess TIRZ Revenues not needed in any year for the purposes described in (i) and (ii) set forth above, may be used by the District to pay, reimburse or finance the costs of Special TIRZ Improvements for any lawful purpose pursuant to the Final TIRZ Plan and the Amended Finance Plan and Development Agreement, as may be amended.

Amounts on deposit in the Debt Service Funds shall be applied, prior to each payment date, to pay principal of and interest on the Bonds when due, as described in the Bond Orders. Amounts on deposit in the Road Bond Debt Service Fund are only available to pay debt service on the Road Bonds and the Outstanding Road Bonds. Amounts on deposit in the Utility Bond Debt Service Fund are only available to pay debt service on the Utility Bonds and the Outstanding Utility Bonds.

Issuance of Additional Debt

The District may issue additional bonds. The District's voters have authorized a total of \$142,075,000 principal amount of unlimited tax bonds for Utility Improvements to serve the District and \$221,200,000 principal amount of unlimited tax bonds for Road Improvements to serve the District. Currently, the District has \$4,810,000 principal amount of unlimited tax bonds for Utility Improvements and \$42,240,000 principal amount of unlimited tax bonds for Road Improvements authorized and unissued.

Pursuant to the Amended Finance Plan and Development Agreement, the District is authorized to fund from TIRZ Revenues or bonds secured in whole or in part by TIRZ Revenues, designated "TIRZ Improvements," in a maximum estimated amount of approximately \$362,000,000. Such amount includes Utility Improvements and Road Improvements. After the issuance of the Bonds, there is approximately \$75,698,000 in remaining TIRZ Improvements authorized by the Amended Finance Plan and Development Agreement that can be reimbursed by TIRZ Revenues. The District also has the right to issue additional obligations secured solely by ad valorem taxes described in the Act. If additional bonds secured by ad valorem taxes are issued in the future and property values have not increased proportionately, such issuance may increase gross debt/property valuation ratios and thereby adversely affect the investment quality or security of the Bonds.

The District currently owes the Developer approximately \$18,600,000 for reimbursable expenditures advanced for Utility Improvements and Road Improvements, at least a portion of which will be funded with bonds secured, in whole or in part, by Pledged Revenues. Such amount does not include additional eligible expenditures made or expected to be made by the Developer beyond July 31, 2024. In the event the unlimited tax bonds remaining authorized but unissued for funding Utility Improvements or Road Improvements is insufficient to reimburse the Developer for TIRZ Improvements, the District may fund such costs from proceeds of the sale of bonds secured by Excess TIRZ Revenues pursuant to the Amended Finance Plan and Development Agreement only or annual maintenance tax revenues.

Further, pursuant to the Amended Finance Plan and Development Agreement, the District is authorized to fund from special assessments or bonds secured by special assessments designated "PID Improvements," in a maximum estimated amount of \$33,146,051 for certain improvements in PID No. 1 (as defined herein). Pursuant to the PID Act (defined herein), the District has created the Viridian Public Improvement District (referred to herein as PID No. 1), the Viridian Public Improvement District No. 2 ("PID No. 2"), the Viridian Public Improvement District No. 3 ("PID No. 3"), the Viridian Public Improvement District No. 5 ("PID No. 5"), the Viridian Public Improvement District No. 6 ("PID No. 6") and the Viridian Public Improvement District No. 7 ("PID No. 7") (collectively, the "PIDs"). See "PUBLIC IMPROVEMENT DISTRICTS." The PIDs overlay portions of the District. PID No. 1 has previously issued \$8,230,000 in principal amount of its Assessment Revenue Bonds, Series 2015, \$5,392,000 in principal amount of its Assessment Revenue Bonds, Series 2017, \$5,480,000 in principal amount of its Assessment Revenue Bonds, Series 2018, \$4,820,000 in principal amount of its Assessment Revenue Bonds, Series 2020; and \$5,144,000 in principal amount of its Assessment Revenue Bonds, Series 2022 (collectively, the "PID Bonds"), to fund the acquisition of or reimbursement of PID Improvements. PID No. 2 will reimburse the Developer for certain public parks and trail improvements in PID No. 2 from the revenues of assessments levied in PID No. 2 and collected annually that will not be financed with the issuance of PID Bonds. PID No. 3 will reimburse the Developer for certain parks and greenspace improvements in PID No. 3 with proceeds from the levy and collection of assessments that will not be financed by the issuance of PID Bonds. PID No. 5 was created to fund certain parks and landscaping improvements in PID No. 5 with proceeds from the levy and collection of assessments that will not be financed by the issuance of PID Bonds. PID No. 6 was created to fund certain parks and greenspace improvements in PID No. 6 with proceeds from the levy and collection of assessments that will not be financed by the issuance of PID Bonds. PID No. 7 was created to fund certain parks and greenspace improvements in PID No. 7 with proceeds from the levy and collection of assessments and the District does not currently anticipate that such improvements will be financed by the issuance of PID Bonds. The public improvement costs reimbursed to the Developer from assessments levied in PID No. 2, PID No. 3, PID No. 5, PID No. 6 and PID No. 7 are referred to herein as the "Cash Reimbursed PID Improvements." In addition, each of the PIDs have levied assessments for the reimbursement

of certain supplemental services, which consist primarily of marketing costs relating to the District. These will be reimbursed on an annual basis from assessment proceeds and will not be bonded.

The PID Bonds are secured solely by assessments against certain residential lots in PID No. 1 and not by the Pledged Revenues, other ad valorem taxes of the District or any other revenue of the District other than such assessments. The aggregate per parcel outstanding assessments to be pledged range from approximately \$2,614 to \$62,626 with annual payments that range from approximately \$185 to \$5,895 depending on the size of the assessed parcel. See "PUBLIC IMPROVEMENT DISTRICTS."

The District shall not issue additional debt payable from or secured by the Pledged Revenues unless the District demonstrates one times coverage of maximum annual debt service and average annual debt service on the existing and proposed additional bonds from a District Unlimited Road Tax that does not exceed \$0.59 and \$0.54, respectively, per \$100 of assessed value of taxable property in the District (the "Benchmark Rates") plus Available TIRZ Revenues based on the most recent actual or estimated Assessed Value as certified by the Tarrant Appraisal District. Additionally, in any year where TIRZ Revenues are not available, one times debt service coverage on the Bonds and additional bonds must be demonstrated solely from the Benchmark Rates.

The District's ability to issue future ad valorem bonds is limited by the policies of the Attorney General of the State, which restricts the ability of certain districts, including the District, to issue bonds that would require the levy of ad valorem taxes in amounts which, together with other ad valorem taxes levied by other districts, if any, within the District boundaries, for water, wastewater, and drainage or roads, plus any maintenance taxes levied by the District, plus the maximum tax rate required for the District to pay debt service on its proposed and outstanding bonds, would exceed \$2.50 per \$100 of assessed valuation, assuming no further growth in the District's taxable assessed valuation. In applying such limitation, the District is permitted to credit amounts anticipated to be received as TIRZ Revenues against future debt service with respect to its bonds.

In addition, while such limitation would restrict the District's ability to issue future bonds, the Unlimited Taxes have no legal limit as to rate or amount, and, in the event payment of principal and interest on the Outstanding Bonds and the Bonds necessitates a levy of the Unlimited Taxes at a rate in excess of \$2.50 per \$100 of assessed valuation, there would be no legal limit prohibiting the levy of such a rate. In addition to the foregoing limitations, State law also limits the issuance of future road bonds by certain districts, including the District, to less than 25% of the total assessed value of real property within the District, together with the overlapping portion of roads bonds issued by entities within the boundaries of the District.

Defeasance

The Bond Orders provide that the District may discharge its obligations to the Registered Owners of any or all of the Bonds to pay principal, interest and redemption price thereon in any manner permitted by law. Under current Texas law, such discharge may be accomplished either (i) by depositing with the Comptroller of Public Accounts of the State a sum of money equal to the principal of, premium, if any, and all interest to accrue on the Bonds to maturity or redemption or (ii) by depositing with any place of payment (paying agent) of the Bonds or other obligations of the District payable from revenues or from ad valorem taxes or both, amounts sufficient to provide for the payment and/or redemption of the Bonds; provided that such deposits may be invested and reinvested only in (a) direct non-callable obligations of the United States of America, (b) non-callable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (c) non-callable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and which mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment and/or redemption of the Bonds.

Upon such deposit as described above, such Bonds shall no longer be regarded as outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment or redemption of the Bonds have been made as described above, all rights of the District to initiate proceedings to call the Bonds for redemption or take any other action amending the terms of the Bonds are extinguished; provided, however, that the right to call the Bonds for redemption is not extinguished if the District: (i) in the proceedings providing for the firm

banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

There is no assurance that the current law will not be changed in the future in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Bonds.

Investment of Funds

The following is an excerpt from Section 49.186 of the Texas Water Code, and is applicable to the District:

“(a) All bonds, notes, and other obligations issued by a district shall be legal and authorized investments for all banks, trust companies, building and loan associations, savings and loan associations, insurance companies of all kinds and types, fiduciaries, and trustees, and for all interest and sinking funds and other public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic.”

“(b) A district’s bonds, notes, and other obligations are eligible and lawful security for all deposits of public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic, to the extent of the market value of the bonds, notes, and other obligations when accompanied by any unmatured interest coupons attached to them.”

The Public Funds Collateral Act (Chapter 2257, Texas Government Code) also provides that bonds of the District (including the Bonds) are eligible as collateral for public funds.

Registered Owners’ Remedies

Pursuant to Texas law, the Bond Orders provide that, in the event the District defaults in the payment of the principal of or interest on any of the Bonds when due, fails to make payments required by the Bond Orders into the Debt Service Funds, or defaults in the observance or performance of any of the other covenants, conditions or obligations set forth in the Bond Orders, any Registered Owner shall be entitled to seek a writ of mandamus from a court of competent jurisdiction compelling and requiring the District to make such payments or to observe and perform such covenants, obligations or conditions. Such right is in addition to other rights the Registered Owners may be provided by the laws of the State.

In the event of default in the payment of principal of or interest on the Bonds, the Registered Owners may seek a writ of mandamus requiring the District to levy adequate taxes or otherwise enforce the covenants in the Bond Orders to make such payments. Except for the remedy of mandamus, the Bond Orders do not specifically provide for remedies to a Registered Owner in the event of a District default, nor does it provide for the appointment of a trustee to protect and enforce the interests of the Registered Owners. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. Although the Registered Owners could obtain a judgment against the District, such a judgment could not be enforced by direct levy and execution against the District’s property. Further, the Registered Owners cannot themselves foreclose on the property of the District or sell property within the District in order to pay the principal of or interest on the Bonds. The enforceability of the rights and remedies of the Registered Owners may be further limited by laws and principles relating to sovereign immunity, bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. For example, a Chapter 9 bankruptcy proceeding by the District could delay or eliminate payment of principal or interest to the Registered Owners.

In addition, the Texas Supreme Court has ruled that a waiver of sovereign immunity must be provided for by statute in clear and unambiguous language and that certain statutory language previously relied upon by lower courts to support a finding that sovereign immunity had been waived did not constitute a clear and unambiguous waiver of sovereign immunity. In addition, the Texas Supreme Court has also recently held that governmental immunity does attach when a governmental entity performs proprietary, as opposed to governmental, functions in respect to contracts executed by a governmental entity. Texas jurisprudence has generally held that proprietary functions are those conducted by a governmental entity in its private capacity, for the benefit only of those within its corporate limits, and not as an arm of the government or under the

authority or for the benefit of the state. Therefore, in considering breach of contract cases, it is incumbent on the courts to determine whether a function is proprietary or governmental based upon the common law and statutory guidance. Issues related to the applicability of governmental immunity as they relate to the issuance of debt have not been adjudicated. Neither the remedy of mandamus nor any other type of injunctive relief was considered in these recent Supreme Court cases; and, in general, Texas courts have held that a writ of mandamus may be issued to require a public official to perform ministerial acts that clearly pertain to their duties, such as a legal duty that leaves nothing to the exercise of discretion or judgment. Texas courts have also held that mandamus may be used to require a public official to perform legally-imposed ministerial duties necessary for the performance of a valid contract to which the State or a political subdivision of the State is a party, including the payment of monies due under a contract.

PLAN OF FINANCING

Estimated Sources and Uses of Funds

The proceeds of the sale of the Utility Bonds will be used to, together with certain lawfully available funds on hand, to refund and defease \$18,010,000 principal amount of the District's Series 2015 Utility Bonds (the "Series 2015 Refunded Utility Bonds") and \$2,310,000 principal amount of the District's Series 2016 Utility Bonds (the "Series 2016 Refunded Utility Bonds," and together with the Series 2015 Refunded Utility Bonds, the "Refunded Utility Bonds") and to pay issuance costs associated with the sale of the Utility Bonds. The proceeds of the sale of the Road Bonds will be used , together with certain lawfully available funds on hand, refund and defease \$15,190,000 principal amount of the District's Series 2015 Road Bonds (the "Series 2015 Refunded Road Bonds") and \$3,150,000 principal amount of the District's Series 2016 Road Bonds (the "Series 2016 Refunded Road Bonds," and together with the Series 2015 Road Improvement Refunded Bonds, the "Refunded Road Bonds") as detailed below and to pay issuance costs associated with the sale of the Road Bonds. The Refunded Utility Bonds and the Refunded Road Bonds are collectively referred to herein as the "Refunded Bonds." See also "—The Refunded Bonds" below.

The table that follows summarizes the sources and uses of proceeds of the Bonds.

	<u>The Utility Bonds</u>	<u>The Road Bonds</u>
SOURCES OF FUNDS		
Principal Amount	\$20,180,000.00	\$18,185,000.00
Net Original Issue Premium/(Discount)	951,802.25	881,448.50
Debt Service Fund Transfer	<u>450,000.00</u>	<u>405,000.00</u>
TOTAL SOURCES OF FUNDS	\$21,581,502.25	\$19,471,448.50
USES OF FUNDS		
Deposit to Escrow Fund	\$20,773,708.43	\$18,746,118.74
Costs of Issuance (a)	654,085.12	583,338.43
Underwriter's Discount	151,778.91	137,113.99
Additional Proceeds	<u>2,229.79</u>	<u>4,877.34</u>
TOTAL USES OF FUNDS	\$21,581,802.25	\$19,471,448.50

(a) Includes the bond insurance premium.

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The Refunded Bonds

The principal amounts and maturity dates of the Refunded Bonds are set forth as follows:

Series 2015 Refunded Utility Bonds		Series 2016 Refunded Utility Bonds	
Principal Amount	Maturity Date	Principal Amount	Maturity Date
\$ 835,000	12/1/2025	\$ 250,000	12/1/2026
885,000	12/1/2026	260,000	12/1/2027
940,000	12/1/2027	275,000	12/1/2028
995,000	12/1/2028	355,000	12/1/2034
1,055,000	12/1/2029	370,000	12/1/2035
1,115,000	12/1/2030	390,000	12/1/2036
1,185,000	12/1/2031	410,000	12/1/2037
1,255,000	12/1/2032		
1,330,000	12/1/2033	\$ 2,310,000	
1,410,000	12/1/2034		
1,495,000	12/1/2035		
3,770,000	12/1/2038		
1,740,000	12/1/2041		
\$ 18,010,000			

Redemption Date: 12/1/2024

Redemption Date: 12/1/2024

Aggregate Amount of Refunded Utility Bonds\$20,320,000

Series 2015 Refunded Road Bonds		Series 2016 Refunded Road Bonds	
Principal Amount	Maturity Date	Principal Amount	Maturity Date
\$ 720,000	12/1/2025	\$ 150,000	12/1/2025
765,000	12/1/2026	155,000	12/1/2026
800,000	12/1/2027	175,000	12/1/2027
855,000	12/1/2028	175,000	12/1/2028
865,000	12/1/2029	225,000	12/1/2029
920,000	12/1/2030	235,000	12/1/2030
970,000	12/1/2031	250,000	12/1/2031
1,030,000	12/1/2032	265,000	12/1/2032
1,095,000	12/1/2033	275,000	12/1/2033
1,160,000	12/1/2034	290,000	12/1/2034
1,230,000	12/1/2035	300,000	12/1/2035
3,155,000	12/1/2038	320,000	12/1/2036
1,625,000	12/1/2041	335,000	12/1/2037
\$ 15,190,000		\$ 3,150,000	

Redemption Date: 12/1/2024

Redemption Date: 12/1/2024

Aggregate Amount of Refunded Road Bonds\$18,340,000

Defeasance of Refunded Bonds

The District will enter into an escrow agreement (the “Escrow Agreement”) with Regions Bank, an Alabama state banking corporation, in Houston, Texas (the “Escrow Agent”) pursuant to which a portion of the proceeds of the Bonds will be invested in obligations authorized by Chapter 1207, Texas Government Code, as amended (the “Escrowed Obligations”), deposited, along with cash, if any, in an escrow fund (the “Escrow Fund”), and applied to provide for scheduled payment of principal of and interest on the Refunded Bonds until their maturity or prior redemption and to provide for payment of the redemption price of the Refunded Bonds on their redemption date. At the time of delivery of the Bonds, Robert Thomas CPA, LLC (the “Verification Agent”), will verify to the District and the Escrow Agent that the Escrowed Obligations will mature at such times and yield interest in amounts that, together with uninvested funds, if any, in the Escrow Fund, will be sufficient to pay, when due, the principal of and interest on the Refunded Bonds. Such maturing principal of and interest on the Escrowed Obligations and any other amounts in the Escrow Fund will not be available to pay the debt service on the Bonds. See “VERIFICATION OF ACCURACY OF MATHEMATICAL COMPUTATIONS” herein. Pursuant to the Escrow Agreement, the Escrow Fund is irrevocably pledged for the payment of principal of and interest on the Refunded Bonds. In the Escrow Agreement, the District will give instructions to provide the required notice to the owners of the Refunded Bonds that the Refunded Bonds will be redeemed on the redemption date described herein, on which date money will be made available to redeem the Refunded Bonds from money held under the Escrow Agreement.

The Verification Agent will verify at the time of delivery of the Bonds to the Underwriters that the Escrowed Obligations deposited under the Escrow Agreement will mature and pay interest in such amounts which, together with uninvested funds, if any, in the Escrow Fund, will be sufficient to pay, when due, the principal of and interest on the Refunded Bonds on the Redemption Date (the “Report”) (see OTHER INFORMATION—Verification of Mathematical Calculations”).

By the deposit of the Escrowed Obligations and cash, if any, with the Escrow Agent pursuant to the Escrow Agreement, the District will have effected the legal defeasance of the Refunded Bonds pursuant to Chapter 1207, Texas Government Code, and the terms of the Bond Orders authorizing the issuance of the Refunded Bonds. In the opinion of Bracewell LLP, Bond Counsel, as a result of such deposit, and in reliance on the Report of the Verification Agent, the Refunded Bonds will be payable solely from the principal of and interest on the Escrowed Obligations and cash, if any, on deposit in the Escrow Fund and held for such purpose by the Escrow Agent, and such Refunded Bonds will be deemed to be fully paid and no longer outstanding except for the purpose of being paid from the funds provided therefore in such Escrow Agreement and are not to be included in or considered to be indebtedness of the District for the purpose of a limitation of indebtedness or for any other purpose.

THE DISTRICT

General

The District was created pursuant to the Act as a conservation and reclamation district under Section 59, Article XVI of the Texas Constitution.

Authority

The District has the powers and duties provided by the Act and general laws relating to conservation and reclamation districts created under Section 59, Article XVI, Texas Constitution, including Chapters 49 and 54, Texas Water Code; the general laws relating to road districts and road utility districts created under Section 52(b), Article III, Texas Constitution, including Chapter 441, Transportation Code; the powers of Subchapter A, Chapter 372, Local Government Code, in the same manner as a municipality or county; Chapter 375, Local Government Code; and Section 4B, Article 5190.6, Vernon’s Texas Civil Statutes.

Pursuant to the Act, the District may undertake improvement projects that the Board of Directors of the District (the “Board”) determines to be necessary to accomplish a public purpose of the District, whether located inside or outside of the District. The Act provides that the District has the power to issue bonds to pay costs of improvements authorized under the Act and to secure such bonds with ad valorem taxes, special assessments, impact fees or other revenue sources of the District including TIRZ Revenues. The Act further provides that the District may levy and collect a continuing, direct annual ad valorem tax, without legal limitations as to rate or amount, against all property located within the District.

The Act gives the Board the authority to provide, or enter into contracts with a governmental entity to provide, among other things, funds for the following types of improvements or activities in support of or incidental to those projects: (a) a supply and distribution facility or system to provide potable and city-approved non-potable water, including a wastewater collection facility; (b) a paved road or street, or turnpike, inside and outside the District to the extent authorized by Section 52, Article III, Texas Constitution; (c) the planning, design, construction, improvement, and maintenance of landscaping, highway, lighting, banners and signs, streets or sidewalks, hiking and cycling paths or trails, pedestrian walkways skywalks, crosswalks or tunnels, parks, lakes, gardens, recreational facilities, sports facilities, open space, scenic areas, or related exhibits or preserves (including reclamation), fountains, plazas or pedestrian malls, or drainage or stormwater detention improvements, (d) the protection and improvement of the quality of stormwater flowing through the District, (e) the planning, design, construction improvement, maintenance, and operation of water and sewer facilities or off street parking facilities or heliports, (f) the removal, razing, demolition or cleaning of land or improvements in connection with an improvement project, (g) the acquisition and improvement of land or other property for environmental mitigation purposes, (h) the acquisition of property or an interest in property in connection with an authorized improvement project, (i) a special or supplemental service for the improvement and promotion of the District or an area adjacent to the District, and (j) any similar project improvements, facilities or services.

Pursuant to the authority granted by the Act, the District has determined to undertake the construction of certain public improvements which are part of the Viridian Public Improvements (defined herein) and to finance a portion of the costs thereof through the issuance of the Bonds.

Description

The District encompasses approximately 2,194.37 acres of land in the City, approximately 7 miles south of the Dallas-Fort Worth Airport. The District is approximately 21 miles west of downtown Dallas, approximately 16 miles east of downtown Fort Worth and bounded by Collins Street, Green Oaks Boulevard, Trinity Boulevard and Texas Highway 360. The District lies entirely within the corporate limits of the City and entirely within the boundaries of TIRZ and Hurst-Euless-Bedford Independent School District. See “PHOTOGRAPHS TAKEN WITHIN THE DISTRICT” AND “APPENDIX A—LOCATION MAP OF THE DISTRICT.”

Management of the District

The District is governed by the Board, consisting of five directors, who have control over and management supervision of all affairs of the District. The directors serve four-year staggered terms which expire, respectively, in May in each even-numbered year. Currently, the members of the City Council and the Mayor of the City appoint three (3) of the directors from persons recommended by the Board. A person is appointed if a majority of the members of City Council and the Mayor vote to appoint that person. Two (2) of the directors are elected by the duly qualified voters of the District. Currently, the Board holds elections within the District to elect one (1) director on the uniform election date in May in each even-numbered year. At such time as the Board determines that at least 90% of the developable land within the District is developed, and as the current term expires, directors shall be selected by elections held within the District on the uniform election date. As of September 1, 2024, the Board has determined that 88.96% of the developable land within the District has been developed. Currently, two (2) of the Directors reside within the District and all directors own land within the District. None of the Directors are employed by the Developer or any entity affiliated with the Developer. The current members and officers of the Board are listed below:

<u>Name</u>	<u>Title</u>	<u>Position</u>	<u>Term Expires May</u>
Michelle Deuell	Chairman	3	2026
John Smith	Vice Chairman	1	2028
Terry D. Bertrand	Secretary	2	2028
David DeVries	Director	5	2026
Valerie Landry (a)	Director	4	2026

(a) Director Landry has tendered her resignation to the Board, and it is anticipated that the Board will accept such resignation at a future Board meeting.

Maintenance Tax Levy

The Board has the statutory authority to levy and collect an annual ad valorem tax for maintenance and operation of the District's improvements (as well as for paying costs of services, engineering and legal fees, and other organization and administrative expenses), if the maximum rate of such maintenance and operation tax is approved by the City Council of the City and a majority of the District voters. Pursuant to the Election, voters within the District authorized the Board to levy a maintenance and operation tax up to a maximum rate of \$0.75 per \$100 of assessed valuation. Pursuant to the Amended Finance Plan and Development Agreement, the City approved the levy of a maximum maintenance and operating tax rate of \$0.75 per \$100 of assessed valuation. Such tax is being levied in addition to taxes that the District is authorized to levy for paying principal of and interest on the Bonds and any tax-supported bonds which may be issued by the District in the future. For the 2024 tax year, the District levied a maintenance tax rate of \$0.115.

Debt Service Tax Levy

The District levied a combined debt service tax rate of \$0.3481 per \$100 assessed valuation for tax year 2024, consisting of the Unlimited Road Tax and the Unlimited Utility Tax. The Bonds will be secured by a pledge of the Unlimited Taxes, in addition to the TIRZ Revenues. See "THE BONDS—Sources of Payment," "TAX INCREMENT REINVESTMENT ZONE NO. SIX, ARLINGTON, TEXAS" and "TAX DATA—Estimated Overlapping Taxes."

Consultants to the District

Although the District does not have a general manager or any other full-time employees, it has contracted for, bookkeeping, tax assessing and collecting, auditing, engineering, financial advisory and legal services as follows:

Tax Assessor/Collector: The District's Tax Assessor/Collector is Ms. Wendy Burgess of the Tarrant County Tax Office (the "Tax Assessor/Collector"). The Tax Assessor/Collector applies the District's tax and assessment levies to the tax and assessment rolls prepared by the Tarrant Appraisal District (the "Appraisal District") and bills and collects such levies and assessments.

Bookkeeper: The District's bookkeeper is Dye & Toverly, LLC. Such firm acts as bookkeeper for approximately 50 water districts in the State.

Auditor: The District's financial statements for the fiscal year ended December 31, 2023, were audited by McCall Gibson Swedlund Barfoot, PLLC, a copy of which is included as APPENDIX B.

Engineer: The consulting engineer for the District in connection with the design and construction of the facilities for which a portion of the Bonds are being sold to reimburse the Developer is Graham Associates, Inc. (the "Engineer"). The Engineer has also been employed by the Developer in connection with certain planning activities and the design of certain streets and related improvements within the District.

Bond Counsel: The District has engaged Bracewell LLP, Dallas Texas as Bond Counsel in connection with the issuance of the Bonds. A portion of the legal fees to be paid Bond Counsel for services rendered in connection with the issuance of the Bonds are based on a percentage of the Bonds actually issued, sold and delivered and, therefore, such fees are contingent on the sale and delivery of the Bonds.

General Counsel: The District has engaged Allen Boone Humphries Robinson LLP, Dallas, Texas, as "General Counsel" to the District. General Counsel will provide certain legal services in connection with the issuance of the Bonds. A portion of the fees of General Counsel are contingent upon the sale and delivery of the Bonds.

Financial Advisor: Robert W. Baird & Co. Incorporated (the "Financial Advisor") has been engaged as Financial Advisor to the District in connection with the issuance of the Bonds. The Financial Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds.

Tax Consultant: The District has contracted with Utility Tax Services, L.L.C. (the "Tax Consultant") to interface with the Appraisal District and provide certain ad valorem tax consulting services. The Tax Consultant serves as tax assessor/collector for more than 75 other taxing jurisdictions.

PID Administrator: The District has contracted with 30 Three-Sixty Public Finance, Inc. (the "PID Administrator") to provide services in connection with the preparation, updating and administration of the

service and assessment plans for PID No. 1, PID No. 2, PID No. 3, PID No. 5, PID No. 6 and PID No. 7, as well as preparation and filing of annual continuing disclosure reports for the Outstanding Bonds and PID Bonds.

Communications Consultant: The District has contracted with Triton Consulting Group, LLC to provide services in connection with communications and technology consulting and support as needed.

Special Consultants Related to Issuance of the Bonds

Verification Agent: At the time of delivery of the Bonds, Robert Thomas CPA, LLC, will verify to the District, Bond Counsel and the Underwriters certain matters related to the issuance of the Bonds and the refunding of the Refunded Bonds. See “VERIFICATION OF MATHEMATICAL CALCULATIONS.”

Historical Operations of the District

	Fiscal Year Ended December 31					
	2024 (a)	2023	2022	2021	2020	2019
REVENUES:						
Property Taxes	\$ 668,620	\$ 1,088,104	\$ 620,105	\$ 502,206	\$ 416,391	\$ 316,762
Penalties and Interest	57,911	20,422	16,225	16,703	12,723	7,184
Investment Revenues	-	67,659	129	603	9,212	10,078
Miscellaneous Revenues	3,409.00	17,553.00	-	19,904	1,578	4,849
TOTAL REVENUES	\$ 729,940	\$ 1,193,738	\$ 636,459	\$ 539,416	\$ 439,904	\$ 338,873
EXPENDITURES:						
Professional Fees	\$ 426,907	\$ 346,143	\$ 235,411	\$ 252,270	\$ 219,552	\$ 188,989
Contracted Services	31,300	48,545	48,896	48,546	48,059	44,648
Utilities	54,605	74,357	96,684	52,609	58,303	42,314
Repairs and Maintenance	334,714	396,098	272,400	338,303	300,189	399,900
Other	284,582	202,346	281,511	110,089	71,087	65,272
TOTAL EXPENDITURES	\$ 1,132,108	\$ 1,067,489	\$ 934,902	\$ 801,817	\$ 697,190	\$ 741,123
Excess (Deficiency) of Revenues Over Expenditures	\$ (402,168)	\$ 126,249	\$ (298,443)	\$ (262,401)	\$ (257,286)	\$ (402,250)
OTHER FINANCING SOURCES (USES)						
Transfers In (Out)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Developer Contributions (b)	-	-	-	-	-	194,570
Long-Term Debt Issued	-	-	-	-	-	1,803,243
Total Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,997,813
NET CHANGE IN FUND BALANCE	\$ (402,168)	\$ 126,249	\$ (298,443)	\$ (262,401)	\$ (257,286)	\$1,595,563
Beginning Fund Balance	\$ 919,343	\$ 793,094	\$ 1,091,537	\$ 1,353,938	\$ 1,611,224	\$ 15,661
Ending Fund Balance	\$ 517,175	\$ 919,343	\$ 793,094	\$ 1,091,537	\$ 1,353,938	\$1,611,224

Source: The District’s Audited Financial Statements

(a) Unaudited. Represents period from January 1, 2024, through July 31, 2024.

(b) See “INVESTMENT CONSIDERATIONS—Factors Affecting Taxable Values and Tax Payments—Developer’s Obligations to the District.”

In fiscal year 2015 and prior years, the Developer provided funding for up to 100% of the operating budget of the District and the District was heavily dependent, if not entirely dependent, on contributions from the Developer for its operating budget. For fiscal year 2016 through 2018, the Developer provided funding for approximately 50% of the operating budget of the District. The District set aside a portion of the proceeds of Outstanding Bonds issued in fiscal year 2019 for deposit into the District’s General Fund. For fiscal years 2020 through 2021, the Developer did not provide funding for the operating budget of the District. For fiscal year 2022, the Developer advanced funds to a District contractor on behalf of the District to cover a portion of the repair and replacement costs associated with a pavement failure on Cypress Thorn Drive in the District, and the District used approximately \$600,000 of the proceeds from the Series 2022 Road Bonds to cover the remaining portion of such costs. The District has filed a lawsuit against the contractor and its bonding company for breach of contract and a claim on the maintenance bond because of the road pavement failure. In light of

the significant nature of the pavement failure, a large portion of a street was required to be removed and replaced. By agreement with the Developer, the funding was made by an advance of construction funds directly to the District contractor to be reimbursed from proceeds of the next road bond issue or the successful conclusion or settlement of the litigation, whichever is first to occur. According to the District’s litigation counsel, mediation has been unsuccessful. Trial was previously scheduled for September 23, 2024 but has been postponed and will likely be rescheduled for late October or early November of 2024. With the levy of an annual ad valorem tax for maintenance and operations purposes, the District expects to eliminate the need for Developer advances in the future. See “THE DEVELOPER AND PRINCIPAL LANDOWNERS” and “MISCELLANEOUS—Pending Litigation.”

TAX INCREMENT REINVESTMENT ZONE NO. SIX, ARLINGTON, TEXAS

The City created the TIRZ, pursuant to the provisions of the Tax Increment Financing Act, Chapter 311, Texas Tax Code, as amended, to facilitate development of the land within its boundaries. Pursuant to the Amended TIRZ Ordinance adopted by the City on May 9, 2017, the original boundaries of the TIRZ were expanded to include a total of 2,404 acres of land with the City. The TIRZ became effective on December 10, 2007, and established the January 1, 2007, valuation as the base value of the TIRZ. All 2,194.37 acres of the District are within the boundaries of the TIRZ. The TIRZ shall terminate on the earlier of (i) December 31, 2041, or (ii) at the time the City has contributed \$230,000,000 to the Tax Increment Fund.

The City, the County, TCHD and TCCD, as Participants, have agreed to deposit to the Tax Increment Fund established and held by the City the Tax increment Payments arising from the TIRZ, as described herein, up to total of \$230,000,000 for the City, \$53,964,592 for TCHD, \$34,350,791 for TCCD, and \$91,000,000 for the County. TIRZ Revenues consist of the Tax Increment Payments, which result only from taxation of property in the TIRZ, consisting of 2,404 acres, 2,194.37 of which are within the District. The remainder of the TIRZ is not within the District.

The TIRZ Revenues are pledged to pay bonds issued to fund the acquisition and construction of certain TIRZ Improvements, which include the Utility Improvements and the Road Improvements.

Pursuant to the TIRZ Act, a taxing unit’s tax increment for a year (a “Tax Increment”) is the amount of property taxes levied by the unit for that year on the incremental appraised value of real property taxable by the unit and located in a reinvestment zone. Tax Increments do not result from any increase in the appraised value of personal property (such as equipment or inventory) taxable by the unit and located in a reinvestment zone. The TIRZ Act defines incremental value as the total appraised value of all real property taxable by the unit and located in a reinvestment zone less the tax increment base of the unit (the “Incremental Value”). The base value of a taxing unit (the “Base Value”) is the total appraised value of all real property taxable by the unit and located in a reinvestment zone for the year in which the zone was designated by the City.

The table below summarizes the contribution cap amounts and percentage of tax collections agreed to be deposited into the Tax Increment Fund by the City, pursuant to the Amended TIRZ Ordinance, and by each of the County, TCHD and TCCD, pursuant to Participation Agreements between the City and each of the County, TCHD and TCCD, respectively:

	<u>The City</u>	<u>The County</u>	<u>TCHD</u>	<u>TCCD</u>
Base Value (a)	\$ 7,875,564	\$ 10,825,928	\$ 10,825,928	\$ 10,825,928
2024 Certified Real Property Value (b)	\$ 1,694,280,121	\$ 1,699,984,815	\$ 1,699,984,815	\$ 1,943,734,355
2024 Incremental Value (b)	\$ 1,686,404,557	\$ 1,689,158,887	\$ 1,689,158,887	\$ 1,932,908,427
Participation Rates	85% (c)	75% (c)	50% (c)	50% (d)
Contribution Cap Amount	\$ 230,000,000	\$ 91,000,000	\$ 53,964,592	\$ 34,350,791
Total Amount Contributed To-Date (e)	\$ 33,614,036	\$ 11,940,964	\$ 7,773,824	\$ 4,261,258

(a) The total appraised value of all real property in the TIRZ taxable by the Participants as of January 1, 2007.
 (b) Such values vary between Participants as a result of differing optional exemptions granted by the various Participants.
 (c) Based on the Participant’s total tax collections on Incremental Value within the TIRZ for each tax year commencing in 2008 through 2041 (the final payment is expected to occur in 2042).
 (d) Based on the Participant’s maintenance and operations tax collections on Incremental Value within the TIRZ for each tax year commencing in 2008 through 2041 (the final payment is expected to occur in 2042).
 (e) As of August 1, 2024.

The amounts of the Tax Increment payments made by the Participants and received by the City and after retaining a portion for operating expenses of the TIRZ, transferred to the District comprise the "TIRZ Revenues." The City has collected from the Participants and deposited into the Tax Increment Fund the following amounts:

<u>Tax Year</u>	<u>Collection Year</u>	<u>Amount Billed</u>	<u>Amount Collected (a)</u>
2008	2009	\$ 83,545	\$ 83,850
2009	2010	99,428	99,047
2010	2011	462,973	463,125
2011	2012	459,096	459,182
2012	2013	491,660	494,343
2013	2014	658,307	673,608
2014	2015	1,202,284	1,201,407
2015	2016	1,818,030	1,796,570
2016	2017	2,591,263	2,389,916
2017	2018	3,293,227	3,471,461
2018	2019	4,231,956	4,203,263
2019	2020	5,506,082	5,456,187
2020	2021	6,615,069	6,580,411
2021	2022	7,982,129	7,969,554
2022	2023	10,365,051	10,295,069
2023	2024	12,022,822	11,953,088
	Total	\$ 57,882,922	\$ 57,590,082

(a) The amount collected can and does vary from the amount billed because the Participants are statutorily allowed to reduce their payment by the percentage of tax payments that had yet to be received in the current tax year. Such delinquent tax payments will, generally, be remitted in subsequent years after being collected by the respective Participants.

The obligations of the Participants to pay Tax Increment Payments into the Tax Increment Fund may be subject to the rights of any of the holders of bonds, notes or other obligations that have been or are hereafter issued by the Participants that may be senior to the Participants obligation to pay Tax Increment Payments and are payable from and secured by a general levy of ad valorem taxes throughout the taxing jurisdiction of any such Participant.

Pursuant to the Amended Finance Plan and Development Agreement, the City and the TIRZ have agreed to transfer on an annual basis TIRZ Revenues to the District consisting of all amounts in the Tax Increment Fund net of operating expenses of the TIRZ, in accordance with the terms of the Amended Finance Plan and Development Agreement. The City expects that on April 1 of each year it will bill each participating taxing jurisdiction for its respective Tax Increment and that such Tax Increment Payment will be transferred to the City before July 1. The City will remit all collections of Tax Increment Payments to the District before August 1, or as soon as practicable thereafter. Pursuant to the Bond Orders, the District has pledged a portion of the TIRZ Revenues to the Bonds. Pursuant to the Bond Orders, TIRZ Revenues will be deposited in the Road Revenue Fund and the Utility Revenue Fund, respectively, created therein and will then be transferred to the Road Debt Service Fund and Utility Debt Service Fund to be used, together with revenues derived from the Unlimited Taxes and other legally available funds on hand, to pay principal of and interest on the Bonds. If the TIRZ Revenues are not available in the District's Road Debt Service and Utility Debt Service Funds, the District is obligated to assess an ad valorem tax sufficient to fund the shortfall.

Transfer of TIRZ Revenues: Beginning in 2009 and annually thereafter, the City shall transfer the TIRZ Revenues to pay the debt service required for debt issued to acquire and construct or reimburse developers for the acquisition and construction of the TIRZ Improvements. Pursuant to the Bond Orders, the amount of TIRZ Revenues required to be deposited to the Utility Revenue Fund and the Road Revenue Fund shall be amounts equal to the pro rata share of the TIRZ Revenues received by the District and allocable to the Utility Bonds and the Road Bonds, respectively, taking into account previously issued road debt and utility debt. The TIRZ Revenues allocable to the Utility Bonds and the Road Bonds shall be computed on the basis of the

percentage of the District's ad valorem tax rate levied for debt service on the Utility Bonds and Road Bonds, respectively, for the current year; provided, however, that the District may decrease the amount of TIRZ Revenues deposited to the Utility Revenue Fund and the Road Revenue Fund by any amount in any year so long as the District is able, in that year, to (i) pay the debt service and other costs of financing of all of the District's outstanding TIRZ GO Bonds (as defined in the Amended Finance Plan and Development Agreement), including the Utility Bonds and Road Bonds, and (ii) fund an amount not less than 30% of the debt service requirements on all outstanding TIRZ GO Bonds for the subsequent year and other costs of financing on outstanding TIRZ GO Bonds, from ad valorem taxes levied at a rate less than \$0.54 per \$100 of assessed value of taxable property in the District, as such rate may be increased each year by the same percentage that the ad valorem tax rate of the City increased from the previous year. These monies, along with funds already in the Revenue Funds, constitute the portion of the "Pledged Revenues" attributable to the TIRZ. If TIRZ Revenues deposited to the Utility Revenue Fund and Road Revenue Fund sufficient to pay the District's debt service on the Bonds are not available, the District is obligated to assess ad valorem taxes sufficient to fund the shortfall. As of August 1, 2024, the City has transferred a total of approximately \$57,590,082 in TIRZ Revenues (includes contributions from each participating entity) to the District since the creation of the TIRZ.

Limitation on Use of TIRZ Revenues: The District may utilize TIRZ Revenues to pay the cost of acquisition and construction of the TIRZ Improvements (including the Road Improvements and the Utility Improvements), or to pay debt service on bonds issued to finance such TIRZ Improvements. Unless otherwise approved by the City, or the Amended Finance Plan and Development Agreement and TIRZ Plan are amended, the total project budget for TIRZ Improvement costs funded with the use of TIRZ Revenues shall not exceed \$361,993,088.

Limitation on Issuance of Bonds: The District may issue bonds secured in whole or in part by Pledged Revenues solely to fund the cost of the TIRZ Improvements described in the Amended Finance Plan and Development Agreement and the Final TIRZ Plan. Unless waived by the City, no less than 30 days prior to the sale of any bonds secured in whole or in part by Pledged Revenues, the District shall forward to the City certain documents related to the issuance of the bonds together with a written determination by the District that (i) the TIRZ Improvements being paid or reimbursed are authorized by the Amended Finance Plan and Development Agreement; (ii) the security for the Bonds is authorized by the Amended Finance Plan and Development Agreement; (iii) the Bonds comply with the limitations set forth in the Amended Finance Plan and Development Agreement and (iv) the Bonds are marketable on a cost effective basis and on commercially reasonable terms.

Breach and Remedies: No party shall be in default under the Amended Finance Plan and Development Agreement, as amended, unless notice of the alleged default has been provided and such party has been given a reasonable time to cure, but in no event less than 30 days. In addition, no default shall be deemed if within the applicable cure period the party to whom notice of default has been given begins performance and thereafter diligently and continuously pursues performance until the default is cured. If a party is in default, the non-defaulting party may at its option seek the equitable remedy of specific performance. Notwithstanding remedies available to a non-defaulting party, no default shall entitle a non-defaulting party to termination of the Amended Finance Plan and Development Agreement, entitle a non-defaulting party to seek to recover damages, or adversely affect the right of the District to issue bonds to pay District improvement costs unless the improvements are being financed or paid for with bond proceeds that are not authorized by the Amended Finance Plan and Development Agreement, the security for the bonds is not authorized by the Amended Finance Plan and Development Agreement, or the bonds do not comply with the Amended Finance Plan and Development Agreement.

Term of The Amended Finance Plan and Development Agreement: At such time as (a) the District has no outstanding TIRZ bonds, PID Bonds or District tax bonds or contractual obligations payable from ad valorem taxes; (b) all TIRZ costs, PID costs and costs of all completed other district improvements have been paid or reimbursed, and (c) the City has assumed all assets and liabilities of the District, the Amended Finance Plan and Development Agreement may be terminated by any party thereto upon ninety (90) days' notice.

Duration of the TIRZ: Termination of the operation of the TIRZ shall occur on December 31, 2041 (the final payment of TIRZ Revenues is expected to occur in 2042), or at the time the City has contributed \$230,000,000 of City Tax Increment payments to the TIRZ Tax Increment Fund, whichever occurs first.

Term of Participation Agreements: The Participation Agreements expire the earlier of (i) December 31, 2041 (the final payment of TIRZ Revenues is expected to occur in 2042), or an earlier termination date designated

by ordinance subsequently adopted by the City Council of the City or, (ii) the date on which all project costs of the TIRZ, including but not limited to, tax increment bonds and interest on those bonds, have been paid or otherwise satisfied in full, or (iii) at the time the City has contributed \$230,000,000 of City Tax Increment Payments to the TIRZ Tax Increment Fund. The Participation Agreements also include contribution caps for TCHD of \$53,964,592; \$34,350,791 for TCCD; and \$91,000,000 for the County.

DEVELOPMENT FINANCING PLAN

The development of Viridian is subject to a planned development zoning ordinance established by the City. Under the Amended TIRZ Plan and the Amended Finance Plan and Development Agreement, certain estimated improvements and services to serve the District were identified totaling \$642,707,299 (the “Viridian Public Improvements”) of which the Developer was to fund without reimbursement \$245,597,600, and the District was to fund \$361,993,088 of TIRZ Improvements with proceeds of bonds secured by the Pledged Revenues. Pursuant to a benefit analysis made by the Board regarding the public improvements within PID No. 1, approximately \$35,116,611 of costs for public improvements and services for PID No. 1 may be paid from special assessments levied against certain properties in the District. Based upon service and assessment plans adopted by PID No. 1, the total cost of PID Improvements authorized by the District equals \$29,730,465. The District has now levied all of these contemplated assessments on all properties within PID No. 1 and has issued assessment revenue bonds secured by such assessments. The District has satisfied its reimbursement obligation to the Developer from PID No. 1 for the PID Improvements and will not issue any additional assessment revenue bonds relating to PID No. 1 for the purpose of generating new money to reimburse the Developer such PID Improvements. The District has also levied assessments in PID No. 2, PID No. 3, PID No. 5, PID No. 6 and PID No. 7 for Cash Reimbursed Improvements within the boundaries of such PIDs and will reimburse the Developer on an annual basis for the term of those assessments. In addition, each of the PIDs have levied assessments for the reimbursement of certain supplemental services, which consist primarily of marketing costs relating to the District. These will be reimbursed on an annual basis from assessment proceeds and will not be bonded.

A copy of the Amended and Restated Viridian Project Finance Plan and Development Agreement is contained in “APPENDIX C.”

THE DEVELOPMENT

Description of the Project

The development within the District, known as “Viridian,” encompasses 2,194.37 acres of mixed-use master-planned community, with commercial uses, located in the City generally bounded by N. Collins Street, Green Oaks Boulevard, Trinity Boulevard and Texas Highway 360. Viridian is located in the Dallas-Fort Worth Consolidated Metropolitan Statistical Area, an area which has seen significant recent development. Viridian is located within five miles of the Dallas Cowboys stadium, Texas Rangers Ballpark in Arlington, Dallas/Ft. Worth International Airport, seven (7) golf courses, Six Flags Over Texas, Hurricane Harbor Water Park and the TRE Passenger Rail Station. Viridian is also adjacent to the River Legacy Park System, which is a 1,300-acre preserve on the Trinity River in the City. Upon completion, it is anticipated that Viridian will contain 3,972 single-family homes and townhomes (approximately 3,812 residential homes and 228 build-to-rent homes), 108 acres of mixed-use commercial development, several multi-family projects, three (3) clubhouses, an event center, a community center, multiple pools, a sailing center, approximately 1,100 acres of open space, parks, lakes, trails, creeks, a river, flood plain, a City fire station, and one elementary school. The Developer (defined herein) assists in managing the installation of the infrastructure and develops, or manages the development of, Viridian.

Status of Development

The District is being developed as the master-planned community of Viridian. To date, approximately 712.17 acres have been developed within the District as follows:

- 3,408 single-family and townhome residential lots (approximately 692.29 acres); and
- 182 build-to-rent townhome lots (approximately 19.88 acres).

Additionally, approximately 63.56 acres are currently under development within the District as follows:

- 337 single-family residential and townhome lots (approximately 57.64 acres); and
- 46 build-to-rent townhome lots (approximately 5.92 acres).

As of July 1, 2024, there were approximately 3,358 completed homes (comprised of approximately 3,224 occupied residential homes, 20 model homes, and 114 build-to-rent homes), 75 homes under construction (comprised entirely of residential homes), and 157 vacant developed lots (comprised of 89 residential lots and 68 build-to-rent lots) within the District (see table below for a breakdown of the residential and build-to-rent development within the District as of July 1, 2024, by section).

The District also consists of the following multi-family development, mixed-use commercial development, and parks and recreational lakes:

- Approximately 15.29 acres have been developed as a 340-unit multi-family complex and a 343-unit multi-family complex;
- Approximately 11.42 acres comprised of three (3) amenity centers as follows:
 - Approximately 2.50 acres have been developed as the Elements Amenity Center which includes a pool, a pickle ball court and a putting green;
 - Approximately 7.66 acres have been developed as the Viridian Lake Club amenity center which includes a pavilion, a small amphitheater, four (4) tennis courts and two pools; and
 - Approximately 1.26 acres are currently under construction as a third amenity center;
- Approximately 18.68 acres comprised of mixed-used commercial development as follows:
 - Approximately 2.16 acres developed as a daycare;
 - Approximately 11.01 acres developed as two (2) retail center/office space complexes;
 - Approximately 1.29 acres developed as a 7-Eleven gas station;
 - Approximately 0.87 acres developed as Viridian on Tap, which is a craft beer lounge; and
 - Approximately 3.35 acres developed as additional commercial property;
- Approximately 228.33 acres are comprised of parks and recreational lakes, including a sailing center.

The remaining land within the District is comprised of a fire station (approximately 1.73 acres), Viridian Elementary School developed by Hurst-Eules-Bedford Independent School District (approximately 7.50 acres), roads and right-of-way dedications (approximately 10.56 acres), approximately 13.16 acres of undeveloped but developable land planned for multi-family development, approximately 32.53 acres of undeveloped but developable land planned for commercial development, and approximately 1,079.44 acres of undevelopable land.

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The following table summarizes the status of development within the District as of July 1, 2024, by section.

Development	Acreage	Lots	Homes		Vacant Developed Lots
			Completed	Under Construction	
<i>Residential Lots</i>					
Viridian Village, Phase 1A	43.30	164	163	-	1
Viridian Village, Phase 1A-2	4.78	61	61	-	-
Viridian Village, Phase 1B	40.84	218	218	-	-
Viridian Village, Phase 1C-1	7.09	15	15	-	-
Viridian Village, Phase 1C-2	42.23	191	191	-	-
Viridian Village, Phase 1D	41.42	136	132	1	3
Viridian Village, Phase 1E1A	4.83	20	20	-	-
Viridian Village, Phase 1E1B	7.19	34	34	-	-
Viridian Village, Phase 1E-2	18.89	104	104	-	-
Viridian Village, Phase 1E-3	23.41	92	92	-	-
Viridian Village, Phase 1F	13.01	82	82	-	-
Viridian Village, Phase 1G	9.95	112	112	-	-
Viridian Village, Phase 1K	38.12	156	150	1	5
Viridian Village, Phase 2A	69.63	362	362	-	-
Viridian Village, Phase 2B	52.12	159	148	4	7
Viridian Village, Phase 2C	69.32	389	386	2	1
Viridian Village, Phase 2D-1	23.20	162	130	23	9
Viridian Village, Phase 2D-2	33.79	168	166	1	1
Viridian Village, Phase 2F	30.71	159	159	-	-
Viridian Village, Phase 3A	48.90	228	221	-	7
Viridian Village, Phase 3B	42.65	249	171	31	47
Lakeside at Viridian, Phase 1	24.47	115	95	12	8
Viridian Village North Phase 1	1.38	16	16	-	-
Viridian Village North, Phase 2	<u>1.06</u>	<u>16</u>	<u>16</u>	<u>-</u>	<u>-</u>
Total Developed Residential Properties	692.29	3,408	3,244	75	89
<i>Build-to-Rent Lots</i>					
Viridian Village North, Phase 3 - North	1.71	16	16	-	-
Viridian Village North, Phase 3 - South	1.48	16	16	-	-
Collins West Townhomes	11.99	82	82	-	-
Streetlights Townhomes	<u>4.70</u>	<u>68</u>	<u>-</u>	<u>-</u>	<u>68</u>
Total Rental Properties	<u>19.88</u>	<u>182</u>	<u>114</u>	<u>-</u>	<u>68</u>
Total Developed	712.17	3,590	3,358	75	157
Residential/Build-to-Rent Lots Currently Under Development					
Multi Family	15.29				
Commercial/Mixed-Use/Amenity Centers	30.10				
Fire Station	1.73				
School	7.50				
Roads/Right-of-Way Dedication	10.56				
Parks and Rec	228.33				
Undeveloped but Developable	45.69				
Undevelopable	<u>1,079.44</u>				
Total Acreage	2,194.37				

THE DEVELOPER AND PRINCIPAL LANDOWNER

Role of a Developer

In general, the activities of a developer in a district such as the District include purchasing the land within the District, designing the subdivisions, designing the utilities and streets to be constructed in the subdivisions, designing any community facilities to be built, defining a marketing program and building schedule, securing necessary governmental approvals and permits for development, arranging for the construction of roads and the installation of utilities (including, in some cases, water, wastewater, and drainage facilities, as well as gas, telephone, and electric service) and selling improved lots and commercial reserves to builders, developers, or other third parties. The relative success or failure of a developer to perform such activities in development of property within a special district may have a profound effect on the security of the unlimited tax bonds issued by such district. A developer is generally under no obligation to a district to develop the property which it owns. Furthermore, there is no restriction on a developer's right to sell any or all of the land which it owns within a district. In addition, a developer is usually the major taxpayer within a district during the initial development phase of the property.

Description of the Developer

Viridian Holdings, LP (the "Developer") is a limited partnership whose principal partners are Viridian Equity, L.P. and Johnson Viridian Investors, LLC, an affiliate of The Johnson Development Corp ("Johnson Development"). The Developer has financed the purchase and development of land within the District with equity funds. The Developer or entities under common control with the Developer own approximately 1.12% of the 2024 taxable value within the District and as a result, the Developer is responsible for payment of approximately 1.12% of the ad valorem taxes to be levied within the District.

On February 5, 2018, the Developer obtained a development line of credit from Flagstar Bank, SSB to finance the development within the District. Such line of credit was modified on June 23, 2022, and reduced the amount of the line of credit from \$25,000,000 to \$20,000,000, bears interest at Prime + 0.50% and is now scheduled to mature on November 7, 2025. The loan is secured by a first lien deed of trust on approximately 133.13 acres of land in the District, owned by the Developer. The outstanding balance on the loan as of September 1, 2024, was \$0. According to the Developer, it is in compliance with all material conditions of the loan.

The development of Viridian is being managed by Viridian Management Company, LLC, an affiliate of Johnson Development. Johnson Development is a Houston-based residential and commercial land development company. Johnson Development has developed master-planned communities in Houston, Atlanta, San Antonio, and other markets. Johnson Development engages in development activities through itself and related entities. In addition to Viridian, projects in which Johnson Development or its principals are involved include: Trinity Falls, a 1,700-acre residential project in McKinney, Texas in Collin County, Texas; Sienna, a 10,000-acre mixed use project southwest of Houston, Texas; Fall Creek, a 2,300-acre mixed use project in northeast Houston, Texas; Riverstone, a 3,700-acre mixed use project southwest of Houston in Fort Bend County, Texas; Imperial, a 700-acre master planned community in Sugar Land, Texas; Towne Lake and Towne Lake Hills, a 3,700-acre residential project in the Atlanta, Georgia area; Lake Arrowhead, a 6,000-acre residential project in the Atlanta, Georgia area; Silverlake, a 1,700-acre residential project located south of Houston in Brazoria County, Texas; Bridge Mill, a 1,700-acre project near Atlanta, Georgia; Berkshire, a 200-acre residential project in west Houston, Texas; Woodforest, a 3,200-acre project located north of Houston in Montgomery County, Texas; Edgewater, a 538-acre project southwest of Houston in Webster, Texas; Jordan Ranch, a 1,350-acre residential project near Fulshear in Fort Bend County, Texas; and Tuscan Lakes, a 900-acre residential project southeast of Houston in Galveston, Texas.

The Developer has engaged The Nehemiah Company ("Nehemiah") to perform management services related to the development of property within Viridian. Nehemiah is in the business of managing and developing real property, including residential communities. The principals of Nehemiah have been actively involved in the development management of Viridian since its inception.

HOMEBUILDERS WITHIN THE DISTRICT

The Developer has entered into contracts for the construction of houses in the District with Cambridge Homes, CastleRock Communities, CB JENI Lifestyle Homes, Darling Homes, David Weekley Homes, Drees Custom Homes, Glendarroch Homes, Grenadier Homes, K. Hovnanian Homes, Highland Homes, Lennar Homes, MHI building under the name Coventry Homes, Normandy Homes, Toll Brothers, Windmill Homes, Cadence Homes, Gehan Homes, and several miscellaneous custom homebuilders. The contracts require each such homebuilder to deposit earnest money in amounts ranging from 3% to 8% of the contracted lot price with a title company. According to the Developer, each of the homebuilders is in compliance, in all material respects, with their respective lot sale contracts.

Homes being built within the District range in price from approximately \$400,000 to \$1,000,000+ and in square footage from 1,500 to over 8,000.

The following table summarizes the status of the builders' lot purchases from the Developer and the sales and construction status of such lots by builder as of July 1, 2024:

Builder	Lots Sold to Builders	Lots Under Contract w/ Builders	Units Under Contract w/ Homeowners	Residential Units Completed by Builders	Units Occupied w/ Homeowners
Cadence Homes	133	4	8	110	106
CB JENI	822	81	35	757	749
David Weekley	419	-	5	414	413
Drees Homes	19	2	6	12	12
Gehan	142	10	8	132	127
Glendarroch	362	-	-	362	362
Highland Homes	14	-	2	10	10
Lennar (CalAtlantic)	48	-	2	40	40
MHI-Coventry (a)	37	-	-	37	37
Misc. Homebuilders (a)	48	-	-	48	48
Windmill Homes (a)	549	-	-	549	549
Cambridge Homes (a)	84	-	-	84	84
CastleRock (a)	48	-	-	48	48
Darling Homes (a)	85	-	-	85	85
Grenadier (a)	262	-	-	262	262
K. Hovnanian (a)	163	-	-	163	163
Normandy Homes (a)	111	-	-	111	111
Toll Brothers (a)	20	-	-	20	20
Totals	3,366	97	66	3,244	3,226

(a) This homebuilder has completed its building program in the District.

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**PHOTOGRAPHS TAKEN WITHIN THE DISTRICT
(August 2023)**



**PHOTOGRAPHS TAKEN WITHIN THE DISTRICT
(August 2023)**



PHOTOGRAPHS TAKEN WITHIN THE DISTRICT
(August 2023)



UNLIMITED TAX BONDED INDEBTEDNESS

General

The information set forth in this section of the Official Statement, including Tables 1 through 3, does not take into account \$25,544,000 in principal amount of currently outstanding PID Bonds. The PID Bonds are secured by assessments against certain residential lots within the District and not by the Pledged Revenues, other ad valorem taxes of the District, or any other revenues of the District other than such assessments.

Table 1—Debt Service Requirement Schedule

The following schedule sets forth the current debt service requirements of the Outstanding Bonds, less the Refunded Bonds, plus the principal and interest requirements on the Bonds.

Year	Outstanding Utility Bonds Debt Service*	Less: Refunded Utility Bonds Debt Service	Plus: The Utility Bonds			Outstanding Road Bonds Debt Service*	Less: Refunded Road Bonds Debt Service	Plus: The Road Bonds			Total Debt Service
			Principal (Due 12/1)	Current Interest	Total Utility Debt Service			Principal (Due 12/1)	Current Interest	Total Road Debt Service	
2024	\$ 8,205,233	\$ 542,950	\$ -	\$ -	\$ 7,662,283	\$ 10,515,657	\$ 486,650	\$ -	\$ -	\$ 10,029,007	\$ 17,691,290
2025	9,275,606	1,920,900	785,000.00	1,043,128	9,182,835	12,095,863	1,843,300	820,000	941,305	12,013,868	21,196,702
2026	9,277,156	2,170,800	1,170,000	911,363	9,187,719	12,099,413	1,842,600	945,000	815,425	12,017,238	21,204,956
2027	9,279,606	2,170,200	1,240,000	838,238	9,187,644	12,096,563	1,843,950	1,010,000	756,363	12,018,975	21,206,619
2028	9,277,456	2,170,800	1,320,000	760,738	9,187,394	12,097,263	1,842,200	1,070,000	693,238	12,018,300	21,205,694
2029	9,279,056	1,882,350	1,115,000	678,238	9,189,944	12,097,463	1,842,150	1,135,000	626,363	12,016,675	21,206,619
2030	9,280,163	1,879,050	1,180,000	608,550	9,189,663	12,096,513	1,844,000	1,210,000	555,425	12,017,938	21,207,600
2031	9,279,538	1,882,150	1,255,000	534,800	9,187,188	12,097,538	1,842,050	1,285,000	479,800	12,020,288	21,207,475
2032	9,279,063	1,881,050	1,305,000	484,600	9,187,613	12,098,925	1,846,350	1,340,000	428,400	12,020,975	21,208,588
2033	9,277,475	1,880,750	1,360,000	432,400	9,189,125	12,096,256	1,846,300	1,390,000	374,800	12,014,756	21,203,881
2034	9,279,744	2,235,950	1,765,000	378,000	9,186,794	12,095,100	1,846,850	1,450,000	319,200	12,017,450	21,204,244
2035	9,276,406	2,233,600	1,835,000	307,400	9,185,206	12,099,063	1,842,750	1,500,000	261,200	12,017,513	21,202,719
2036	9,278,519	2,235,400	1,910,000	234,000	9,187,119	12,095,400	1,843,950	1,565,000	201,200	12,017,650	21,204,769
2037	9,278,781	2,237,500	1,990,000	157,600	9,188,881	12,099,456	1,845,950	1,630,000	138,600	12,022,106	21,210,988
2038	9,276,806	626,000	460,000	78,000	9,188,806	12,097,494	585,000	430,000	73,400	12,015,894	21,204,700
2039	9,274,975	624,600	475,000	59,600	9,184,975	12,098,750	585,000	450,000	56,200	12,019,950	21,204,925
2040	9,278,225	627,400	495,000	40,600	9,186,425	12,096,738	584,200	465,000	38,200	12,015,738	21,202,163
2041	9,278,344	629,200	520,000	20,800	9,189,944	12,097,094	587,600	490,000	19,600	12,019,094	21,209,038
2042	9,276,794	-	-	-	9,276,794	12,096,119	-	-	-	12,096,119	21,372,913
2043	3,165,513	-	-	-	3,165,513	4,129,613	-	-	-	4,129,613	7,295,125
2044	3,166,469	-	-	-	3,166,469	4,132,756	-	-	-	4,132,756	7,299,225
2045	3,169,675	-	-	-	3,169,675	4,132,219	-	-	-	4,132,219	7,301,894
2046	3,165,381	-	-	-	3,165,381	4,128,781	-	-	-	4,128,781	7,294,163
2047	3,168,531	-	-	-	3,168,531	4,132,075	-	-	-	4,132,075	7,300,606
2048	3,165,713	-	-	-	3,165,713	4,128,381	-	-	-	4,128,381	7,294,094
2049	3,165,750	-	-	-	3,165,750	4,131,750	-	-	-	4,131,750	7,297,500
	\$ 197,375,976	\$ 29,830,650	\$ 20,180,000	\$ 7,568,053	\$ 195,293,380	\$ 257,182,238	\$ 26,800,850	\$ 18,185,000	\$ 6,778,718	\$ 255,345,106	\$ 450,638,486
Average Annual Requirements (2025–2042, highest years of debt service)										\$ 21,214,699	
Maximum Annual Requirements (2042)										\$ 21,372,913	

* Includes June 1, 2024 debt service payment that has already been made.

Table 2—District Debt

2024 Certified Taxable Assessed Valuation \$ 1,990,848,734 (a)
 (100% of taxable value as of January 1, 2024)
 See "TAX DATA" and "TAXING PROCEDURES."

**Certified Taxable Value
 of the TIRZ (b)**

	City (c)	County (c)	TCHD (c)	TCCD (c)
Base Value (d)	\$ 7,875,564	\$ 10,825,928	\$ 10,825,928	\$ 10,825,928
January 1, 2024 (d)	\$1,694,280,121	\$1,699,984,815	\$1,699,984,815	\$1,943,908,427
2024 Incremental Value	\$1,686,404,557	\$1,689,158,887	\$1,689,158,887	\$1,932,908,427
Participation Rates	85.00%	75.00%	50.00%	50.00%
2024 Tax Rates (e)	\$ 0.599800	\$ 0.187500	\$ 0.182500	\$ 0.097830
Estimated Collection Rates	95.00%	95.00%	95.00%	95.00%
Estimated 2024 TIRZ Revenue	\$ 8,167,907	\$ 2,256,611	\$ 1,464,290	\$ 898,208
Total Estimated 2024 TIRZ Revenue				<u>\$12,787,015</u>

Direct Debt (f):

The Outstanding Bonds	\$ 300,335,000
Less: The Refunded Bonds	(38,660,000)
Plus: The Bonds	<u>38,365,000</u>
Total	\$ 300,040,000

Estimated Overlapping Debt \$ 120,072,001 (g)
 Total Direct and Estimated Overlapping Debt \$ 420,112,001 (g)

Direct Debt Ratios:

As a percentage of the 2024 Certified Taxable Assessed Valuation 15.07 % (h)

Direct and Estimated Overlapping Debt Ratios:

As a percentage of the 2024 Certified Taxable Assessed Valuation 21.10 % (h)

General Fund Balance (as of September 10, 2024)..... \$ 1,235,273
 Utility Debt Service Fund Balance (as of September 10, 2024)..... \$ 419,920 (i)
 Road Debt Service Fund Balance (as of September 10, 2024) \$ 706,787 (i)

2024 Tax Rate per \$100 of Assessed Valuation

Utility Debt Service Tax Rate.....	\$ 0.1511
Road Debt Service Tax Rate.....	\$ 0.1970
Maintenance and Operations	<u>\$ 0.1150</u>
Total.....	\$ 0.4631 (j)

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- (a) As certified by the Appraisal District as of the latest supplemental roll dated August 17, 2024. This number also includes \$56,761,657 of uncertified value that is still pending protest hearings by the ARB. Such value could be reduced by the results of such hearings.
 - (b) As certified by the Appraisal District.
 - (c) Participation in the TIRZ is expected to continue through the earlier of the payments expected to be received in 2042 or when the respective entities participation funds the following remaining amounts net of the total collection of Tax Increment Payments made through August 1, 2024: \$196,385,964 for the City, \$79,059,036 for the County, \$30,089,533 for TCCD and \$46,190,768 for TCHD. The final maturity of the Outstanding Bonds is scheduled for 2049.
 - (d) The values of the City, County, TCHD and TCCD differ due to the varying exemptions allowed within each taxing entity. See "THE BONDS—Sources of Payment—TIRZ Revenues."
 - (e) TCCD participates in the TIRZ utilizing only its maintenance and operations tax rate, which is shown here.
 - (f) Does not include PID Bonds or other debt not secured by unlimited taxes. See "PUBLIC IMPROVEMENT DISTRICTS."
 - (g) See "UNLIMITED TAX BOND INDEBTEDNESS—Estimated Direct and Overlapping Debt Statement." These figures do not take into account the outstanding PID Bonds, which are secured solely by assessments against certain residential lots in the District and not by the Pledged Revenues, other ad valorem taxes of the District or any other revenues of the District other than such assessments. The aggregate per parcel outstanding assessments pledged to the PID Bonds range from approximately \$2,614 to \$62,626 with annual payments that range from approximately \$185 to \$5,895.
 - (h) It is anticipated that the TIRZ Revenues will be sufficient to pay the debt service on approximately \$154,980,000 of the Outstanding Bonds and the Bonds. If the portion of the Outstanding Bonds and the Bonds supported by the TIRZ Revenues is excluded, the direct debt ratio based on the 2024 Certified Taxable Assessed Valuation is 7.29%. If the portion of Outstanding Bonds and the Bonds supported by the TIRZ Revenues is excluded, the direct and estimated overlapping debt ratio based on the 2024 Certified Taxable Assessed Valuation is 13.32%.
 - (i) This amount reflects the funds held in the District's Debt Service Funds and the TIRZ Revenues held in the Road Revenue Fund and the Utility Revenue Fund, respectively. See "TAX INCREMENT REINVESTMENT ZONE NO. SIX, ARLINGTON, TEXAS." The ad valorem taxes and the TIRZ Revenues allocated to the Road Bonds are pledged only to pay the debt service on the Road Bonds and the Outstanding Road Bonds. The ad valorem taxes and the TIRZ Revenues allocated to the Utility Bonds are pledged only to pay the debt service on the Utility Bonds and the Outstanding Utility Bonds. See "THE BONDS—Sources of Payment—Deposit and Application of Pledged Revenues." See "THE BONDS—Sources of Payment" and "SOURCES AND USES OF FUNDS."
 - (j) See "TAX DATA—Table 7—Tax Rate Distribution."

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Estimated Direct and Overlapping Debt Statement

Other governmental entities whose boundaries overlap the District have outstanding bonds payable from ad valorem taxes. The following statement of direct and estimated overlapping ad valorem tax debt was developed from information contained in “Texas Municipal Reports,” published by the Municipal Advisory Council of Texas, or other available information. Except for the amount relating to the District, the District has not independently verified the accuracy or completeness of such information, and no person is entitled to rely upon such information as being accurate or complete. Furthermore, certain of the entities listed below may have issued additional bonds since the dates stated in this table, and such entities may have programs requiring the issuance of substantial amounts of additional bonds, the amount of which cannot presently be determined. Political subdivisions overlapping the District are authorized by Texas law to levy and collect ad valorem taxes for operation, maintenance and/or general revenue purposes in addition to taxes for payment of their debt, and some are presently levying and collecting such taxes.

Taxing Jurisdiction	Outstanding	Estimated Overlapping	
	Debt as of August 31, 2024	Percent	Amount
City of Arlington	\$ 673,255,000	4.68%	\$ 31,526,178
Hurst-Eules-Bedford Independent School District	837,940,000	9.47 %	79,374,211
Tarrant County	345,130,000	0.70 %	2,427,981
Tarrant County College District	569,915,000	0.64 %	3,652,292
Tarrant County Hospital District	440,020,000	0.70 %	3,091,340
Total Estimated Overlapping Debt			\$ 120,072,001
The District			\$ 300,040,000 (a)
Total Direct & Estimated Overlapping Debt			\$ 420,112,001 (a)

(a) Includes the Bonds. See “THE BONDS—Issuance of Additional Debt” and “PUBLIC IMPROVEMENT DISTRICTS.” Does not include debt issued by the PIDs.

Table 3—Debt Ratios

	% of 2024 Certified Taxable Assessed Valuation (a)
Direct Debt Ratio (b)	15.07 %
Direct and Estimated Overlapping Debt Ratios (b)	21.10 %

(a) It is anticipated that the TIRZ Revenues will be sufficient to pay the debt service on approximately \$154,980,000 of the Outstanding Bonds and the Bonds. If the portion of the Outstanding Bonds and the Bonds supported by the TIRZ Revenues is excluded, the direct debt ratio based on the 2024 Certified Taxable Assessed Valuation is 7.29%. If the portion of Outstanding Bonds and the Bonds supported by the TIRZ Revenues is excluded, the direct and estimated overlapping debt ratio based on the 2024 Certified Taxable Assessed Valuation is 13.32%. **These ratios do not take into account \$25,544,000 in principal amount of currently outstanding PID Bonds which are secured solely by assessments against certain residential lots in the District and not by the Pledged Revenues, other ad valorem taxes of the District or any other revenues of the District other than such assessments.**

(b) Includes the Outstanding Bonds and the Bonds.

TAXING PROCEDURES

Authority to Levy Taxes

The Board is authorized to levy separate annual ad valorem taxes, without legal limitation as to rate or amount, on all taxable property within the District in sufficient amount to pay the principal of and interest on the Bonds and any additional bonds payable from these ad valorem taxes which the District may hereafter issue (see “INVESTMENT CONSIDERATIONS—Future Debt”), and to pay the expenses of assessing and collecting such taxes. Pursuant to the Bond Orders, the District has levied a tax on all taxable property within the District as described more fully above under “THE BONDS—Sources of Payment.” Under Texas law, the Board may also levy and collect annual ad valorem taxes for the operation and maintenance of the District and the System and for the payment of certain contractual obligations. See “TAX DATA—Maintenance Tax.”

Property Tax Code and County-wide Appraisal District

The Texas Property Tax Code (the “Property Tax Code”) specifies the taxing procedures of all political subdivisions of the State, including the District. Provisions of the Property Tax Code are complex and are not fully summarized herein. The Property Tax Code requires, among other matters, county-wide appraisal and equalization of taxable property values and establishes in each county of the State an appraisal district with the responsibility for recording and appraising property for all taxing units within a county and an appraisal review board with responsibility for reviewing and equalizing the values established by the Appraisal District. The Appraisal District has the responsibility of appraising property for all taxing units within Tarrant County, including the District and the TIRZ. Such appraisal values will be subject to review and change by the Tarrant Appraisal Review Board (the “Appraisal Review Board”). The appraisal roll, as approved by the Appraisal Review Board, will be used by the District in establishing its tax rolls and tax rate.

Property Subject to Taxation by the District

Except for certain exemptions provided by Texas law, all real property and tangible personal property and certain categories of intangible personal property with a tax situs in the District are subject to taxation by the District; however, no effort is expected to be made by the Appraisal District to include on the tax roll tangible or intangible personal property not devoted to commercial or industrial use. Principal categories of exempt property include: property owned by the State of Texas or its political subdivisions, if the property is used for public purposes; property exempt from ad valorem taxation by federal law; certain household goods, family supplies, and personal effects; farm products owned by the producer; certain property owned by charitable organizations, youth development associations, religious organizations, and qualified schools; designated historical sites; solar and wind powered energy devices; inventory and warehouse goods in transit; and most individually-owned automobiles and travel trailers. In addition, the District, either by action of its Board or through a process of petition and referendum initiated by its residents, may grant exemptions for residential homesteads of persons 65 years or older and certain disabled persons, to the extent deemed advisable by the Board.

Furthermore, the District must grant exemptions to disabled veterans or certain surviving dependents of disabled veterans, if requested, but only up to the maximum extent allowed by law. The disabled veteran exemption ranges between \$5,000 and \$12,000, depending upon the disability rating of the veteran claiming the exemption, and qualifying surviving spouses of persons 65 years of age or older will be entitled to receive a resident homestead exemption equal to the exemption received by the deceased spouse. A veteran who receives a disability rating of 100% is entitled to an exemption of the full value of the veteran’s residential homestead. Additionally, subject to certain conditions, the surviving spouse of a disabled veteran who is entitled to an exemption for the full value of the veteran’s residence homestead is also entitled to an exemption from taxation of the total appraised value of the same property to which the disabled veteran’s exemption applied. A partially disabled veteran or certain surviving spouses of partially disabled veterans are entitled to an exemption from taxation of a percentage of the appraised value of their residence homestead in an amount equal to the partially disabled veteran’s disability rating if the residence homestead was donated by a charitable organization. Also, the surviving spouse of a member of the armed forces who was killed in action is, subject to certain conditions, entitled to an exemption of the total appraised value of the surviving spouse’s residence homestead, and subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse. The surviving spouse of a first responder who was killed or fatally injured in the line of duty is, subject to certain conditions, also entitled to an exemption of the total appraised value of the surviving spouse’s residence homestead, and, subject to certain conditions, an

exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse. See "TAX DATA."

The Board may also exempt up to 20% of the market value of residential homesteads from ad valorem taxation. Such exemption would be in addition to any other applicable exemptions provided by law. However, if ad valorem taxes have previously been pledged for the payment of debt and the cessation of the levy would impair the obligation of the contract by which the debt was created, then the Board may continue to levy and collect taxes against the exemption value of the homesteads until the debt is discharged. To date, the Board has not voted to exempt any percentage of the market value of residential homesteads from ad valorem taxation, but no representation can be made that the Board will not determine to grant such exemption in the future.

A "Freeport Exemption" applies to goods, wares, merchandise, other tangible personal property and ores, other than oil, natural gas, and petroleum products (defined as liquid and gaseous materials immediately derived from refining or natural gas), and to aircraft or repair parts used by a certified air carrier acquired in or imported into Texas which are destined to be forwarded outside of Texas and which are detained in Texas for assembling, storing, manufacturing, processing or fabricating less than 175 days. Although certain taxing units may take official action to tax such property in transit and negate such exemption, the District does not have such an option.

A "Goods-in-Transit" Exemption is applicable to certain tangible personal property, as defined by the Property Tax Code, acquired in or imported into Texas for storage purposes and which is stored under a contract of bailment by a public warehouse operator at one or more public warehouse facilities in Texas that are not in any way owned or controlled by the owner of such property for the account of the person who acquired or imported such property. The exemption excludes oil, natural gas, petroleum products, aircraft and certain special inventory including dealer's motor vehicles, dealer's vessel and outboard motor vehicle, dealer's heavy equipment and retail manufactured housing inventory. The exemption applies to covered property if it is acquired in or imported into Texas for assembling, storing, manufacturing, processing, or fabricating purposes and is subsequently forwarded to another location inside or outside of Texas not later than 175 days after acquisition or importation. A property owner who receives the Goods-in-Transit Exemption is not eligible to receive the Freeport Exemption for the same property. Local taxing units such as the District may, by official action and after public hearing, tax goods-in-transit personal property. A taxing unit must exercise its option to tax goods-in-transit property before January 1 of the first tax year in which it proposes to tax the property at the time and in the manner prescribed by applicable law. However, taxing units who took official action as allowed by prior law before October 1, 2011, to tax goods-in-transit property, and who pledged such taxes for the payment of debt, may continue to impose taxes against the goods-in-transit property until the debt is discharged without further action, if cessation of the imposition would impair the obligations of the contract by which the debt was created. The District has taken no official action to allow taxation of such goods-in-transit personal property.

Tax Increment Reinvestment Zones

The City or the County may designate all or part of the area within the District as a reinvestment zone. Thereafter, the tax values on property in the zone are "frozen" at the value of the property at the time of creation of the zone. Taxes levied by the City and other taxing entities participating in the zone against the values of real property in a tax increment financing zone, in excess of the "frozen" value are not available for general City or participating taxing entity use, but are restricted to paying or financing "project costs" within the tax increment financing zone. The TIRZ is a tax increment reinvestment zone. See "TAX INCREMENT REINVESTMENT ZONE NO. SIX, ARLINGTON, TEXAS."

Valuation of Property for Taxation

Generally, property in the District must be appraised by the Appraisal District at market value as of January 1 of each year, except for certain categories of land designated for agricultural use, open space, or timberland as described below. See "Agricultural, Open Space, Timberland and Inventory Deferment." Assessments under the Property Tax Code are to be based upon one hundred percent (100%) of market value. The appraised value of residential homestead property may be limited to the lesser of the market value of the property, or the sum of the appraised value of the property for the last year in which it was appraised, plus ten percent (10%) of such appraised value multiplied by the number of years since the last appraisal, plus the market value of all new improvements on the property. Once an appraisal roll is prepared and approved by the Appraisal Review Board, it is used by the District in establishing its tax rate.

The Property Tax Code requires the Appraisal District to implement a plan for periodic reappraisal of property to update appraised values. The plan must provide for appraisal of all real property by the appraisal district at least once every three (3) years. It is not known what frequency of reappraisal will be utilized by the Appraisal District or whether reappraisals will be conducted on a zone or county-wide basis.

The District, however, at its expense has the right to obtain from the Appraisal District a current estimate of appraised values within the District or an estimate of any new property or improvements within the District. While such current estimate of appraised values may serve to indicate the rate and extent of growth of taxable values within the District, it cannot be used for establishing a tax rate within the District until such time as the Appraisal District chooses formally to include such values on its appraisal roll.

During the 2nd Special Session, convened on June 27, 2023, the 88th Texas Legislature passed Senate Bill 2 (“SB 2”), which, among other things, includes provisions that prohibit an appraisal district from increasing the appraised value of real property during the 2024 tax year on non-homestead properties (the “Subjected Property”) whose appraised values are not more than \$5,000,000 (the “Maximum Property Value”) to an amount not to exceed the lesser of: (1) the market value of the Subjected Property for the most recent tax year that the market value was determined by the appraisal office or (2) the sum of: (a) 20 percent of the appraised value of the Subjected Property for the preceding tax year; (b) the appraised value of the Subjected Property for the preceding tax year; and (c) the market value of all new improvements to the Subjected Property. After the 2024 tax year, through December 31, 2026, the Maximum Property Value may be increased or decreased by the product of the preceding state fiscal year’s increase or decrease in consumer price index, as applicable, to the Maximum Property Value. SB 2 was signed into law by the Governor on July 22, 2023. The provisions described hereinabove took effect January 1, 2024, after the constitutional amendment proposed by H.J.R. 2, 88th Legislature, 2nd Called Session, 2023, was approved by voters at an election held on November 7, 2023.

In addition, SB2 expanded the size of the governing body of an appraisal district in a county with a population of more than 75,000 by adding elected directors and authorized the legislature to provide for a four-year term of office for a member of the board of directors of certain appraisal districts, including the Appraisal District.

Disaster Exemption

The Property Tax Code provides for a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property that is at least 15% physically damaged by a disaster and located within an area declared to be a disaster area by the governor of the State of Texas. This temporary exemption is automatic if the disaster is declared prior to a taxing unit, such as the District, adopting its tax rate for the tax year. A taxing unit, such as the District, may authorize the exemption at its discretion if the disaster is declared after the taxing unit has adopted its tax rate for the tax year. The amount of the exemption is based on the percentage of damage and is prorated based on the date of the disaster. Upon receipt of an application submitted within the eligible timeframe by a person who qualifies for a temporary exemption under the Property Tax Code, the Appraisal District is required to complete a damage assessment and assign a damage assessment rating to determine the amount of the exemption. The temporary exemption amounts established in the Property Tax Code range from 15% for property less than 30% damaged to 100% for property that is a total loss. Any such temporary exemption granted for disaster-damaged property expires on January 1 of the first year in which the property is reappraised.

District and Taxpayer Remedies

Under certain circumstances, taxpayers and taxing units, including the District, may appeal orders of the Appraisal Review Board by filing a timely petition for review in district court. In such event, the property value in question may be determined by the court, or by a jury, if requested by any party. Additionally, taxing units may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the District and provides for taxpayer referenda which could result in the repeal of certain tax increases. The Property Tax Code also establishes a procedure for notice to property owners of reappraisals reflecting increased property values, appraisals that are higher than renditions and appraisals of property not previously on an appraisal roll.

Agricultural, Open Space, Timberland and Inventory Deferment

The Property Tax Code permits land designated for agricultural use (including wildlife management), open space, or timberland to be appraised at its value based on the land's capacity to produce agriculture or timber products rather than at its fair market value. The Property Tax Code permits, under certain circumstances, that residential real property inventory held by a person in the trade or business be valued at the price all such property would bring if sold as a unit to a purchaser who would continue the business. Landowners wishing to avail themselves of any of such designations must apply for the designation, and the Appraisal District is required by the Property Tax Code to act on each claimant's right to the designation individually. If the landowner of qualified open space land is a member of the U.S. armed forces, subject to certain conditions, the appraisal of land as qualified open space land does not change while the landowner is deployed or stationed outside Texas. A claimant may waive the special valuation as to taxation by some political subdivisions and not as to others. If a claimant receives the designation and later loses it by changing the use of the property or selling it to an unqualified owner, the District can collect taxes based on the new use for the three (3) years prior to the loss of the designation for agricultural, timberland or open space land.

Levy and Collection of Taxes

The District is responsible for the levy and collection of its taxes, unless it elects to transfer the collection functions to another governmental entity. By September 1 of each year, or as soon thereafter as practicable, the rate of taxation is set by the Board based upon the valuation of property within the District as of the preceding January 1 and the amount required to be raised for debt service, maintenance purposes, and authorized contractual obligations.

Taxes are due on receipt of the tax bill and become delinquent after January 31 of the following year or on the first day of the calendar month next following the expiration of twenty-one (21) days after mailing of the tax bills, whichever occurs later. A delinquent tax incurs an initial penalty of six percent (6%) of the amount to the tax and accrues an additional penalty of one percent (1%) per month up to July 1, at which time the total penalty becomes twelve percent (12%). In addition, delinquent taxes accrue interest at one percent (1%) per month. If the tax is not paid by July 1, an additional penalty of up to twenty percent (20%) of the total amount of taxes, penalties and interest then due may, under certain circumstances, be imposed by the District. The Property Tax Code also makes provision for the split payment of taxes, discounts for early payments, partial payments of taxes and the postponement of the delinquency date of taxes under certain circumstances. The owner of a residential homestead property who is (i) a person sixty-five (65) years of age or older, (ii) under a disability for the purpose of payment of disability insurance benefits under the Federal Old Age Survivors and Disability Insurance Act or (iii) qualifies as a disabled veteran under Texas law, is entitled by law to pay current taxes on a residential homestead in installments or to defer the payment of taxes without penalty during the time of ownership. Additionally, a person who is delinquent on taxes for a residential homestead is entitled to an agreement with the District to pay such taxes in equal installments over a period of between 12 and 36 months as determined by the District) when such person has not entered into another installment agreement with respect to the delinquent taxes within the preceding eighteen (18) months.

Rollback of Operation and Maintenance Tax Rate

Chapter 49 of the Texas Water Code, as amended, classifies districts differently based on the current operation and maintenance tax rate or on the percentage of build-out that the District has completed. Districts that have adopted an operation and maintenance tax rate for the current year that is 2.5 cents or less per \$100 of assessed valuation are classified as "Special Taxing Units." Districts that have financed, completed, and issued bonds to pay for all improvements and facilities necessary to serve at least 95% of the projected build-out of the district are classified as "Developed Districts." Districts that do not meet either of the classifications previously discussed can be classified herein as "Developing Districts." The impact each classification has on the ability of a district to increase its maintenance and operations tax rate is described for each classification below. Debt service and contract tax rates cannot be reduced by a rollback election held within any of the districts described below.

Special Taxing Units: Special Taxing Units that adopt a total tax rate that would impose more than 1.08 times the amount of the total tax imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are required to hold an election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Special Taxing Unit is the

current year's debt service and contract tax rate plus 1.08 times the previous year's operation and maintenance tax rate, subject to certain homestead exemptions.

Developed Districts: Developed Districts that adopt a total tax rate that would impose more than 1.035 times the amount of the total tax imposed by the district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions for the preceding tax year, plus any unused increment rates, as calculated and described in Section 26.013 of the Tax Code, are required to hold an election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Developed District is the current year's debt service and contract tax rate plus 1.035 times the previous year's operation and maintenance tax rate, subject to certain homestead exemptions, plus any unused increment rates. However, an election is not required if the adopted tax rate is less than or equal to the current year's debt service and contract tax rate plus 1.035 times the previous year's operation and maintenance tax rate plus any unused increment rates. In addition, if any part of a Developed District lies within an area declared for disaster by the Governor or President of the United States, alternative procedures and rate limitations may apply for a temporary period. If a district qualifies as both a Special Taxing Unit and a Developed District, the district will be subject to the operation and maintenance tax threshold applicable to Special Taxing Units.

Developing Districts: Districts that do not meet the classification of a Special Taxing Unit or a Developed District can be classified as Developing Districts. The qualified voters of these districts, upon the Developing District's adoption of a total tax rate that would impose more than 1.08 times the amount of the total tax rate imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are authorized to petition for an election to reduce the operation and maintenance tax rate. If an election is called and passes, the total tax rate for Developing Districts is the current year's debt service and contract tax rate plus 1.08 times the previous year's operation and maintenance tax rate, subject to certain homestead exemptions.

The District: A determination as to a district's status as a Special Taxing Unit, Developed District or Developing District will be made on an annual basis. The Board has designated the District as a Developing District for the 2024 tax year. The District cannot give any assurances as to what its classification will be at any point in time or whether the District's future tax rates will result in a total tax rate that will reclassify the District into a new classification and new election calculation.

Limitations on Increases of Tax Revenues by TIRZ Participants

The Participants in the TIRZ are also subject to rollback election.

Both the City and County are prohibited, absent approval by the voters at an election held for such purpose, from setting a maintenance and operations tax rate that will produce revenues that exceed the prior year's revenues from such tax by more than 3.5%, adjusted for lost values not included in the prior year's taxes and new values not included in the current year's taxable values. There are similar limitations on TCHD and TCCD, except that the applicable tax revenue increase is 8% of the prior year's maintenance and operation tax revenues. Such limitations on increases in the tax revenues of the TIRZ Participants may limit the amount of TIRZ Revenues that are available to pay debt service on the Bonds.

District's Rights in the Event of Tax Delinquencies

Taxes levied by the District are a personal obligation of the owner of the property as of January 1 of the year in which the tax is imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties and interest ultimately imposed for the year on the property. The lien exists in favor of the State and each taxing unit, including the District, having the power to tax the property. The District's tax lien is on a parity with the tax liens of other such taxing units. A tax lien on real property takes priority over the claims of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the District is determined by federal law. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes, penalty and interest.

At any time after taxes on property become delinquent, the District may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other

taxing units, by the effects of market conditions on the foreclosure sale price, by taxpayer redemption rights or by bankruptcy proceedings which restrict the collection of taxpayer debts. A taxpayer may redeem property within six (6) months for commercial property and two (2) years for residential and other types of property after the purchaser's deed at the foreclosure sale is filed in the county records.

TAX DATA

Debt Service Tax

All taxable property within the District is subject to the assessment, levy and collection by the District of a continuing, direct, annual ad valorem tax without legal limitation as to rate or amount, sufficient to pay principal of and interest on the Bonds (see "TAXING PROCEDURES"). The Board has, in its Bond Orders, levied annual ad valorem taxes for each year that all or any part of the Bonds remain outstanding and unpaid, in an amount sufficient to produce funds to pay the principal of and interest on the Bonds, taking into account available TIRZ Revenues deposited pursuant to the Bond Orders for the payment of debt service on the Bonds (see "THE BONDS" and "INVESTMENT CONSIDERATIONS"). The District levied a total tax rate of \$0.4631 per \$100 of assessed valuation for the 2024 tax year composed of a Utility Improvements debt service tax rate of \$0.1511 per \$100 of assessed valuation, a Road Improvements debt service tax of \$0.1970 per \$100 of assessed valuation, and a maintenance tax of \$0.1150 per \$100 of assessed valuation. See "—Table 7—Tax Rate Distribution" below.

Tax Rate Limitation

Utility Debt Service:	Unlimited (no legal limit as to rate or amount).
Road Debt Service:	Unlimited (no legal limit as to rate or amount).
Maintenance:	\$0.75 per \$100 assessed valuation.

Maintenance Tax

The Board has the statutory authority to levy and collect an annual ad valorem tax for maintenance of the District's improvements if such maintenance tax is authorized by vote of the District's electors. On November 4, 2008, the Board was authorized by a vote of the District's electors to levy such maintenance tax in an amount not to exceed \$0.75 per \$100 of assessed valuation. Such tax, when levied, is in addition to taxes which are levied for paying principal of and interest on the Bonds. For the 2024 tax year, the District levied a maintenance tax rate of \$0.1150. See "INVESTMENT CONSIDERATIONS—Factors Affecting Taxable Values and Tax Payments—*Developers' Obligations to the District*" and "TAXING PROCEDURES—Rollback of Operation and Maintenance Tax Rate."

City Approval

Bonds secured by ad valorem taxes and TIRZ Revenues deposited for debt service on bonds pursuant to a bond order, or a combination of both in excess of \$50 million in aggregate principal amount, requires City approval unless the Board of the District determines that the debt service on the outstanding and proposed bonds can and will be paid from a District ad valorem debt service tax that does not exceed a rate of \$0.54 per \$100 of assessed value of taxable property in the District, as increased each year by the same percentage that the ad valorem tax rate of the City increases from the previous year. In making such determination the Board can take into account projected TIRZ Revenues that are and will be pledged to the payment of principal and interest on the outstanding and proposed bonds.

Exemptions

To date, the District has not adopted any general residential homestead exemptions or exemptions for residential homesteads of persons 65 years or older and certain disabled persons. See "TAXING PROCEDURES."

Portions of the land owned by the Developer are undeveloped and at some future date could be used for agricultural purposes. Under state law, the owner(s) of such land could be entitled to have such land valued on the basis of its agricultural productivity (qualified open-space land), which would be a small fraction of its fair market value. The Developer has waived, on behalf of itself and its successors and assigns, any right to claim such valuation in future years. The waiver is binding for a period of 30 years.

Additional Penalties

The District has contracted with a delinquent tax attorney to collect certain delinquent taxes. In connection with that contract, the District established an additional penalty of twenty percent (20%) of the tax to defray the costs of collection. This 20% penalty applies to taxes that either; (1) become delinquent on or after February 1 of a year, but not later than May 1 of that year, and that remain delinquent on April 1 (for personal property) and July 1 (for real property) of the year in which they become delinquent or (2) become delinquent on or after June 1, pursuant to the Property Tax Code.

Table 4—Tax Rate Calculations

The tax rate calculations set forth below are presented to indicate the tax rates per \$100 of assessed valuation that would be required to meet the debt service requirements on the Bonds and Outstanding Bonds if no increase to, nor decrease from, the District's tax base occurs beyond the 2024 Certified Taxable Assessed Valuation (\$1,990,848,734). The calculations assume collection of 95% of taxes levied, and the sale of no additional bonds by the District except the Outstanding Bonds and the Bonds.

Average Annual Debt Service Requirement on the Bonds	
and Outstanding Bonds (2025–2042, highest years of debt service)	\$21,214,699
Tax Rate of \$1.1217 on the 2024 Certified Taxable Assessed Valuation produces.....	\$21,214,783
Net Average Annual Debt Service Requirement on the Bonds and	
Outstanding Bonds (2025–2042, highest years of debt service)	
Less: Projected Annual TIRZ Revenue	\$ 8,427,685 (a)
Tax Rate of \$0.4457 on the 2024 Certified Taxable Assessed Valuation produces.....	\$ 8,429,552
Maximum Annual Debt Service Requirement on the Bonds	
and Outstanding Bonds (2042)	\$21,372,913
Tax Rate of \$1.1301 on the 2024 Certified Taxable Assessed Valuation produces.....	\$21,373,652
Net Maximum Annual Debt Service Requirement on the Bonds and	
Outstanding Bonds (2042) Less: Projected Annual TIRZ Revenue.....	
Tax Rate of \$0.4540 on the 2024 Certified Taxable Assessed Valuation produces.....	\$ 8,585,898 (a)
Tax Rate of \$0.4540 on the 2024 Certified Taxable Assessed Valuation produces.....	\$ 8,586,531

(a) Includes the continued receipt of TIRZ Revenues of approximately \$12,787,015 in 2025 through the remaining term of the TIRZ Agreement (2042), which was calculated using the Participants' participation rates and 2024 anticipated tax rates applicable to the TIRZ with 2024 Incremental Values for 2024, through the term of the TIRZ Agreement (final payments scheduled to occur in 2042). See "TAX INCREMENT REINVESTMENT ZONE NO. SIX, ARLINGTON, TEXAS."

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Estimated Overlapping Taxes

Property within the District is subject to taxation by several taxing authorities in addition to the District. Under Texas law, if ad valorem taxes levied by a taxing authority become delinquent, a lien is created upon the property which has been taxed. A tax lien on property in favor of the District is on a parity with tax liens of other taxing jurisdictions. In addition to ad valorem taxes required to make debt service payments on bonded debt of the District and of such other jurisdictions (see “UNLIMITED TAX BOND INDEBTEDNESS—Estimated Direct and Overlapping Debt Statement”), certain taxing jurisdictions are authorized by Texas law to assess, levy and collect ad valorem taxes for operation, maintenance, administrative and/or general revenue purposes.

Set forth below is an estimation of all taxes per \$100 of assessed valuation levied by such jurisdictions. No recognition is given to local assessments for civic association dues, emergency medical service contributions, fire department contributions or any other charges made by entities other than political subdivisions. The following chart includes the anticipated 2024 taxes per \$100 of assessed valuation levied by all such taxing jurisdictions.

<u>Taxing Jurisdiction</u>	<u>2024 Tax Rate</u>
The District	\$0.463100
PID Assessments Equivalent Tax Rate	0.146253 (a)
City of Arlington	0.599800
Hurst-Eules-Bedford ISD	0.968900
Tarrant County	0.187500
Tarrant County College District	0.112280
Tarrant County Hospital District	<u>0.182500</u>
Total Tax Rate	<u>\$2.660333</u>

No prediction can be made of the tax rates that will be levied in future years by the respective taxing jurisdictions.

- (a) As provided by the PID Administrator. Represents the aggregate tax rate equivalent for PID assessments (including assessments for supplemental services) levied on properties within the PIDs. Calculated by dividing the total sum of annual installments within the PIDs for tax year 2024 by the total sum of appraised value within the PIDs for tax year 2024, then multiplying the result by 100. See “PUBLIC IMPROVEMENT DISTRICTS.”

Table 5—Assessed Valuation Summary

The following represents the type of property comprising the 2020–2024 tax rolls:

<u>Type of Property</u>	<u>2024 Assessed Valuation (a)</u>	<u>2023 Assessed Valuation (b)</u>	<u>2022 Assessed Valuation (c)</u>	<u>2021 Assessed Valuation (d)</u>	<u>2020 Assessed Valuation (e)</u>
Real Estate Residential	\$1,835,536,645	\$1,563,135,644	\$1,225,205,752	\$ 951,197,899	\$ 767,142,416
Real Estate Commercial	228,785,957	221,390,803	180,684,399	118,111,851	108,821,789
Real Estate Industrial	602,870	602,870	602,870	602,870	-0-
Personal Property Commercial	24,742,270	24,134,554	23,229,033	19,635,150	10,457,392
Personal Property Industrial	914	914	-0-	-0-	-0-
Mineral Lease Properties	-0-	-0-	-0-	-0-	-0-
Agricultural Properties	-0-	-0-	-0-	-0-	-0-
Exemptions	<u>(98,819,922)</u>	<u>(86,971,102)</u>	<u>(67,699,322)</u>	<u>(57,182,058)</u>	<u>(48,953,112)</u>
Total	\$1,990,848,734	\$1,722,293,683	\$ 1,362,022,732	\$1,032,365,712	\$ 837,468,485

- (a) As certified by the Appraisal District as of the latest supplemental roll dated August 17, 2024. This value includes approximately \$56,761,657 in value that is still pending protest hearings by the ARB. Such value could be reduced by the result of such hearings.
- (b) As of July 23, 2024. This value includes approximately \$475,231 in value that is still pending protest hearings by the ARB. Such value could be reduced by the results of such hearings.
- (c) Report as of September 29, 2023. This value includes approximately \$809,420 in value that is still pending protest hearings by the ARB. Such value could be reduced by the results of such hearings.
- (d) Report as of September 30, 2022. This value includes approximately \$4,146,547 in value that is still pending protest hearings by the ARB. Such value could be reduced by the results of such hearings.
- (e) Report as of September 30, 2021. This value includes approximately \$1,548,378 in value that is still pending protest hearings by the ARB. Such value could be reduced by the results of such hearings.

Table 6—Historical Tax Collections

Tax Year	Assessed Valuation (a)	Tax Rate / \$100 (b)	Adjusted Levy	Tax Year Ending	% of Collections as of 7/31/2024 (c)
2019	\$694,049,586	\$0.448100	\$3,110,023	9-30-2020	99.95%
2020	837,468,485	0.448100	3,752,696	9-30-2021	99.77%
2021	1,032,365,712	0.448100	4,626,031	9-30-2022	99.81%
2022	1,362,022,732	0.448100	6,103,224	9-30-2023	99.85%
2023	1,722,293,683	0.448100	7,717,598	9-30-2024	99.66%
2024	1,990,848,734	0.463100	9,219,620	9-30-2025	(c)

(a) Includes values that are still pending protest hearings by the ARB. Such values could be reduced by the results of such hearings. See "Table 5—Assessed Valuation Summary" above.

(b) See "Table 7—Tax Rate Distribution" below.

(c) Tax bills are mailed in October of each year and are delinquent February 1 of the following year.

Table 7—Tax Rate Distribution

	2024	2023	2022	2021	2020
Utility Debt Service	\$0.1511	\$0.1554	\$0.1650	\$0.1750	\$0.1800
Road Debt Service	0.1970	0.2027	0.2031	0.2131	0.2081
Maintenance	<u>0.1150</u>	<u>0.0900</u>	<u>0.0800</u>	<u>0.0600</u>	<u>0.0600</u>
Total	\$0.4631	\$0.4481	\$0.4481	\$0.4481	\$0.4481

Table 8—Principal Taxpayers

The following are the principal taxpayers in the District as shown on the District's certified appraisal rolls for the 2024 tax year:

Taxpayer	Type of Property	Taxable Valuation 2024 Tax Roll	% of 2024 Tax Roll
CRP/SLR Viridian II Owner LP	Multi-Family/Townhomes	\$ 87,979,648	4.42%
Jackson at Viridian LLC	Multi-Family	75,000,000	3.77%
CND-Viridian/Weekley Homes LLC (a)	Land & Improvements	23,954,015	1.20%
Viridian Holdings LP (b)	Land & Improvements	22,360,274	1.12%
Oncor Electric Delivery Co LLC	Personal Property	14,654,030	0.74%
CH Cadence Viridian Owner LP/Cadence Homes - Viridian (a)	Land & Improvements	9,994,878	0.50%
Waters Edge West at Viridian LLC/Waters Edge 22 LLC	Commercial/Retail	5,789,013	0.29%
Karimi Enterprises LLC	Land & Improvements	4,190,603	0.21%
Lu Viridian LLC	Land & Improvements	3,500,000	0.18%
B&M Radhe Hospitality LLC	Commercial/Retail	<u>2,520,000</u>	<u>0.13%</u>
Total		<u>\$ 249,942,461</u>	<u>12.55%</u>

(a) See "HOMEBUILDERS WITHIN THE DISTRICT."

(b) See "THE DEVELOPER AND PRINCIPAL LANDOWNER."

Table 9—Historical TIRZ Collections

Tax Year	Expected TIRZ Collections (a)	Actual TIRZ Revenues (b)	% of Collections as of 8/1/2024 (b)
2011	\$459,096	\$459,182	100.02%
2012	491,660	494,343	100.55%
2013	658,307	673,608	102.32%
2014	1,202,284	1,201,407	99.93%
2015	1,818,030	1,796,570	98.82%
2016	2,591,263	2,389,916	92.23%
2017	3,293,227	3,471,461	105.41%
2018	4,231,956	4,203,263	99.32%
2019	5,506,082	5,456,187	99.09%
2020	6,615,069	6,580,411	99.48%
2021	7,982,129	7,969,554	99.84%
2022	10,365,051	10,295,069	99.32%
2023	12,022,822	11,953,088	99.42%
2024	12,787,015	(c)	(c)

- (a) Calculated using the Participants' Incremental Values, participation rates and tax rates applicable to the TIRZ. See "TAX INCREMENT REINVESTMENT ZONE NO. SIX, ARLINGTON, TEXAS."
- (b) The TIRZ Revenues received may differ from the expected collections amount due to taxing entities' ability to withhold payment for any given year due to non-payment of delinquent taxes by the taxpayer; conversely, once the payment is received it may be added to a later year's increment revenue.
- (c) Tax bills are mailed in October of each year and become delinquent on February 1 of the following year.

THE SYSTEM

Regulation

Construction and operation of the Utility Improvements as they now exist or as they may be expanded from time to time is subject to the regulatory jurisdiction of several Federal, State and local authorities. Construction of drainage facilities is subject to the regulatory authority of the County, and, in some instances, the Texas Commission on Environmental Quality (the "TCEQ") and the U.S. Army Corps of Engineers. The City and the County also exercise regulatory jurisdiction over the District's System.

Utility System

Water supply and wastewater treatment capacity is provided by the City of Arlington. The Utility Improvements constructed within the District as water distribution and wastewater collection facilities are conveyed upon completion to the City in accordance with the provisions of Section 5 of the Amended Finance Plan and Development Agreement. Once such Utility Improvements have been conveyed to the City, they are owned and maintained by the City as stipulated by the Amended Finance Plan and Development Agreement between the City and the District. Residents in the District pay the City for water service and wastewater treatment in accordance with the City's water and sewer rate order. See "APPENDIX C—AMENDED PROJECT FINANCE PLAN AND DEVELOPMENT AGREEMENT."

Road System

Road Improvements constructed within the District are conveyed to the City, the District or the Texas Department of Transportation in accordance with the provisions of Section 5 of the Amended Finance Plan and Development Agreement. Upon completion of Road Improvements or portions thereof, the District will then be charged with maintenance of the Road Improvements that are to be conveyed to the City. Upon the expiration of the TIRZ, the Road Improvements will be transferred to the City. See "APPENDIX C—AMENDED PROJECT FINANCE PLAN AND DEVELOPMENT AGREEMENT."

Drainage Facilities

Utility Improvements and Road Improvements constructed within the District as drainage facilities are conveyed upon completion to either the City or the District in accordance with the provisions of Section 5 of the Amended Finance Plan and Development Agreement. Once such improvements have been conveyed to the

City or the District, they are owned and maintained by the City or the District, as stipulated by the Amended Finance Plan and Development Agreement between the City and the District. See “APPENDIX C—AMENDED PROJECT FINANCE PLAN AND DEVELOPMENT AGREEMENT.”

100-Year Flood Plain

According to the District’s Engineer, most of the developable land within the District has been removed from the FEMA 100-year flood plain designation as a consequence of the construction of drainage improvements financed by the Bonds and the Outstanding Bonds. The “100-year flood plain” is a hypothetical engineering and meteorological concept that defines a geographical area that would be flooded by a rain storm in intensity statistically having a one percent chance of occurring in any one year. Generally speaking, homes must be built above the 100-year flood plain in order to meet local regulatory requirements and to be eligible for federal flood insurance subsidies. An engineering or regulatory determination that an area is above the 100-year flood plain is no assurance that homes built in such area will not be flooded. If substantial or frequent flooding of homes were to occur in the District, the marketing of homes and the future growth of property values in the District could be adversely affected.

Internal Drainage Facilities

The internal drainage facilities that provide flood protection from overflows of the Trinity River to the developed and undeveloped but developable land within the District are complete. Said internal drainage facilities include, but are not limited to, eight (8) lakes and/or ponds with a network of hydraulic structures connecting them which manages the District’s flood control and internal water surfaces.

Fire Protection

Fire protection to residents of the District is provided by the Arlington Fire Department. Pursuant to the Amended Finance Plan and Development Agreement, a City fire station has been constructed within the District, which was completed in April of 2019. Such facilities were financed with a portion of the proceeds from PID Bonds issued by the District as described below.

PUBLIC IMPROVEMENT DISTRICTS

The District currently levies assessments in six (6) public improvement districts, PID No. 1, PID No. 2, PID No. 3, PID No. 5, PID No. 6 and PID No. 7, pursuant to Chapter 372, Texas Local Government Code, as amended. PID No. 1 was created to fund acquisition and construction of fire protection and park and open space improvements within the PID No. 1 (the “PID Improvements”). PID No. 2, PID No. 3, PID No. 5, PID No. 6 and PID No. 7 were created to reimburse the Developer for Cash Reimbursed PID Improvements. The acquisition and construction of the Cash Reimbursed PID Improvements will be funded from proceeds of the levy and collection of assessments received annually and not by the issuance of PID Bonds. To date, the District has levied assessments on all of the properties in PID No. 1, and on all properties within PID No. 2, PID No. 3, PID No. 5, PID No. 6 and PID No. 7 which cover the majority of the property within the District. Such assessments are levied in addition to the taxes levied on property owners within the District. The District has previously issued \$29,066,000 in principal amount of PID Bonds which are secured solely by assessments against certain residential lots in PID No. 1 and not by the Pledged Revenues, other ad valorem taxes of the District or any other revenues of the District other than such assessments. The per parcel outstanding assessments in aggregate range from approximately \$2,614 to \$62,626 with annual payments that range from approximately \$185 to \$5,895. The assessments levied within PID No. 1 are pledged to the bonds issued by the District for PID Improvements.

The District has also levied an aggregate per parcel assessment for supplemental services in each of the PIDs, of which the aggregate per parcel outstanding assessment ranges from approximately \$191 to \$13,256 with annual payments that range from approximately \$16 to \$895 and will be used to reimburse in cash annually the Developer for certain marketing and promotion expenses.

While bonds may be issued to refund outstanding PID Bonds issued by PID No. 1, no bonds will be issued for new money proceeds within PID No. 1 for the PID Improvements and the District has satisfied its reimbursement obligation to the Developer for the PID Improvements.

INVESTMENT CONSIDERATIONS

General

The Bonds are obligations of the District and are not obligations of the State; the City; the County; TCHD; TCCD; or any political subdivision other than the District. The Bonds will be secured by certain Pledged Revenues. The Pledged Revenues consist of (i) revenues derived from the levy of two separate continuing direct annual ad valorem taxes by the District without limit as to rate or amount, levied against all taxable property located within the District in accordance with the Act and Article III, Section 52 (with respect to the Road Bonds) and Article XVI, Section 59 (with respect to the Utility Bonds) of the Texas Constitution, and (ii) TIRZ Revenues consisting of Tax Increment Payments derived from taxation by the Participants of real property within the boundaries of the TIRZ as described below. See “THE BONDS—Sources of Payment” and “THE BONDS—Sources of Payment—*Deposit and Application of Pledged Revenues.*”

In order to provide for the acquisition and construction of the TIRZ Improvements, the Participants have agreed to deposit Tax Increment Payments to the Tax Increment Fund. See “TAX INCREMENT REINVESTMENT ZONE NO. SIX, OF ARLINGTON, TEXAS. Pursuant to the Amended Finance Plan and Development Agreement, the City has agreed to transfer such amounts to the District for use to pay costs of TIRZ Improvements, including the payment of debt service obligations on bonds, including the Bonds and the Outstanding Bonds, or other ad valorem tax obligations issued or incurred by the District to finance the payment of TIRZ Improvements, including Utility Improvements and Road Improvements. Pursuant to the Bond Orders, the District has pledged the TIRZ Revenues to the Bonds, the Outstanding Bonds, and to any future ad valorem tax bonds issued for water and sewer improvements and road improvements that constitute TIRZ Improvements. See “THE BONDS—Sources of Payment—*Deposit and Application of Pledged Revenues*” for a discussion of the amount of TIRZ Revenues deposited to pay debt service on the Road Bonds and Utility Bonds.

The ultimate security for payment of the principal of and interest on the Bonds depends upon the ability of the District and the Participants to collect from the property owners within the District taxes levied against all taxable property located within the District and the TIRZ, respectively, or, in the event taxes are not collected and foreclosure proceedings are instituted by the District, upon the value of the taxable property with respect to taxes levied by the District and by other taxing authorities, and the transfer of the Tax Increment Payments to the Tax Increment Fund when requested. The District makes no representations that over the life of the Bonds the property within the District will maintain a value sufficient to justify continued payment of taxes by the property owners. The potential increase in taxable valuation of District property is directly related to the economics of the residential, commercial and retail industries, not only due to general economic conditions, but also due to the particular factors discussed below. See “THE BONDS—Sources of Payment” and “TAX INCREMENT REINVESTMENT ZONE NO. SIX, OF ARLINGTON, TEXAS.”

Limited Obligation of the Participants

While the Bonds are secured by the unlimited taxing authority of the District, the Bonds are further secured by the TIRZ Revenues consisting of Tax Increment Payments made by the Participants and transferred to the Tax Increment Fund. THE CITY IS NOT OBLIGATED TO MAKE ANY PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE BONDS. FURTHERMORE, THE BONDS ARE NOT OBLIGATIONS OF THE STATE OR ANY ENTITY OTHER THAN THE DISTRICT, NOR ARE THEY DIRECT OBLIGATIONS OF THE CITY, THE COUNTY, TCHD, OR TCCD. THE SOLE OBLIGATION OF THE COUNTY, TCHD AND TCCD WITH RESPECT TO THE PAYMENT OF TIRZ REVENUES IS TO FORWARD TO THE CITY THE TAX INCREMENT PAYMENTS PURSUANT TO THEIR RESPECTIVE PARTICIPATION AGREEMENTS AND THE SOLE OBLIGATION OF THE CITY IS TO PAY THOSE TAX INCREMENT PAYMENTS COLLECTED FROM THE PARTICIPANTS, ALONG WITH THE CITY’S OWN TAX INCREMENT PAYMENT, TO THE DISTRICT IN ACCORDANCE WITH THE TERMS OF THE AMENDED FINANCE PLAN AND DEVELOPMENT AGREEMENT.

Because Tax Increment Payments and resulting TIRZ Revenues are only payable annually by the Participants from the taxes levied and collected on the total appraised value of all real property in the TIRZ that is taxable by the Participants for that year minus the total appraised value of all real property in the TIRZ that is taxable by the Participants as of the Base Year (the “Incremental Value”), such TIRZ Revenues may or may not occur in a given year and may vary in amounts, increasing or decreasing over time. The Base Year of the TIRZ is 2007. Any decrease or reduction in Tax Increment Payments as a result of a decrease in Incremental Value or a decrease in tax rate by any Participants will result in a decrease or reduction in the TIRZ Revenues.

TIRZ Revenues will not be received for a portion of the time the Bonds are scheduled to be outstanding. The final payment of TIRZ Revenues, upon the dissolution of the TIRZ, as currently established in the Amended and Restated Viridian Project Finance Plan and Development Agreement, is expected to be received in 2042, and the final maturity of the Outstanding Bonds is scheduled in 2049. Each Participant in the TIRZ has agreed to a maximum amount of Tax Increment Payments to the TIRZ, which varies for each Participant. The final payment of TIRZ Revenues could occur earlier than 2042 if the Tax Increment Payments made by the City reach the amount of \$230,000,000 in the aggregate prior to such date (\$33,614,036 of such amount has been contributed as of August 1, 2024). It is expected that the District will use only its unlimited ad valorem tax revenues to support the debt service on the Outstanding Bonds scheduled for the year 2043 and thereafter. See “THE BONDS—Sources of Payment,” “TAX INCREMENT REINVESTMENT ZONE NO. SIX, OF ARLINGTON, TEXAS,” “DEVELOPMENT FINANCING PLAN,” and “UNLIMITED TAX BONDED INDEBTEDNESS—Table 1—Debt Service Requirement Schedule.”

The obligations of the Participants to pay Tax Increment Payments into the Tax Increment Fund may be subject to the rights of any of the holders of bonds, notes or other obligations that have been or are hereafter issued by the Participants that may be senior to the Participants obligation to pay Tax Increment Payments and are payable from and secured by a general levy of ad valorem taxes throughout the taxing jurisdiction of any such Participant.

Factors Affecting Taxable Values and Tax Payments

Economic Factors: The District is a mixed-use development but consists primarily of residential development, and the rate of development within the District is directly related to the vitality of such industry in the Dallas-Fort Worth metropolitan area. New residential, commercial, retail, and multi-family construction can be significantly affected by factors such as interest rates, construction costs, and consumer demand. Decreased levels of such construction activity would restrict the growth of property values in the District. Although, as described in this Official Statement under the captions “THE DEVELOPMENT” and “THE DEVELOPER AND PRINCIPAL LANDOWNER,” a significant amount of development has been completed within the District and a significant amount of development activity is on-going, the District cannot predict the pace or magnitude of any future development or construction in the District.

Developer’s Obligations to the District: There is no commitment by, or legal requirement of, the Developer, or any other landowner, to the District to proceed at any particular rate or according to any specified plan with the development of land in the District. Moreover, there is no restriction on any landowner’s right to sell its land. Therefore, the District can make no representation about the probability of future development, if any, in the District. Failure to construct taxable improvements on developed land would restrict the rate of growth of taxable values in the District and may result in higher tax rates. With the levy of an annual ad valorem tax for maintenance and operations purposes, the District expects to eliminate the need for Developer advances in the future. There can be no assurances given as to the financial ability of the Developer to advance any funds to the District to supplement ad valorem maintenance tax revenues or as to whether the Developer actually will advance such funds if and to the extent necessary to maintain a “competitive” District tax rate. See “THE DEVELOPMENT,” “THE DEVELOPER AND PRINCIPAL LANDOWNER,” and “THE DISTRICT—Historical Operations of the District.”

Maximum Impact on District Tax Rates: While the District has pledged TIRZ Revenues deposited pursuant to the Bond Orders to pay a substantial portion of the debt service on the Bonds and the Outstanding Bonds, the risk remains that the District will be required to levy ad valorem tax rates to pay the entirety of the debt service on the Bonds. Assuming no further development, the value of the land and improvements currently within the District will be the major determinant of the ability or willingness of property owners to pay their taxes. The 2024 Certified Taxable Assessed Valuation of property located within the District (see “TAX DATA”) is \$1,990,848,734. Based upon the debt service requirements of the Outstanding Bonds and the debt service requirements of the Bonds, the maximum annual debt service requirement is \$21,372,913 (2042) and the average annual debt service requirement is \$21,214,699 (2025–2042, highest years of debt service).

Assuming no TIRZ Revenues and no increase to nor decrease from the 2024 Certified Taxable Assessed Valuation, tax rates of \$1.1301 and \$1.1217 per \$100 of assessed valuation at a 95% tax collection rate would be necessary to pay the maximum annual debt service requirement and the average annual debt service requirement, respectively, on the Bonds and the Outstanding Bonds.

Assuming no increase to, nor decrease from, the 2024 Certified Taxable Assessed Valuation and the receipt of TIRZ Revenues of approximately \$12,787,015 in 2025 through the remaining term of the TIRZ Agreement, tax rates of \$0.4540 and \$0.4457 per \$100 of assessed valuation at a 95% tax collection rate would be necessary to pay the maximum annual debt service requirement and the average annual debt service requirements, respectively, on the Bonds and the Outstanding Bonds.

TIRZ Revenues will not be received for a portion of the time the Bonds are scheduled to be outstanding. The final TIRZ payments, as currently established in the Amended Finance Plan and Development Agreement, are expected to be received through the year 2042. The final maturity of the Outstanding Bonds is scheduled in 2049. It is expected that the District will use only its unlimited ad valorem tax revenues to support the debt service payments on the Outstanding Bonds scheduled for the year 2043 and thereafter. See “DEVELOPMENT FINANCING PLAN” and “UNLIMITED TAX BONDED INDEBTEDNESS—Table 1—Debt Service Requirement Schedule.”

The District can make no representation that the taxable property values in the District will increase in the future or will maintain a value sufficient to support the proposed District tax rate or to justify continued payment of taxes by property owners. For the 2024 tax year, the District levied a debt service tax rate of \$0.1511 per \$100 of assessed valuation for Utility Improvements to serve the District, a debt service tax rate of \$0.1970 per \$100 of assessed valuation for Road Improvements to serve the District, and a maintenance and operation tax rate of \$0.1150 per \$100 of assessed valuation.

The District also levied assessments on certain property in PID No. 1, with aggregate per parcel outstanding assessments ranging from \$2,614 to \$62,626 with annual payments that range from approximately \$185 to \$5,895. The majority of such assessments are pledged to assessment revenue bonds issued by the District for PID Improvements. The District has also levied an aggregate per parcel assessment for supplemental services within the PIDs, of which the aggregate per parcel outstanding assessment ranges from approximately \$191 to \$13,256 with annual cash payments that range from approximately \$16 to \$895 and will be used to reimburse in cash annually the Developer for certain marketing and promotion expenses. See “PUBLIC IMPROVEMENT DISTRICTS.” In addition, the District has levied assessments for the Cash Reimbursed PID Improvements within PID No. 2, PID No. 3 PID No. 5, PID No. 6 and PID No. 7 in order to reimburse the Developer on an annual basis.

Increases in the District's tax rate to rates materially higher than the levels currently being levied by the District may have an adverse impact upon the willingness of buyers to purchase property in the District and the TIRZ and, therefore, the remaining future development within the District and the TIRZ, and the ability of the District and the Participants to collect, and the willingness of owners of property located within the District and the TIRZ to pay, ad valorem taxes levied by the District. See “TAX DATA—Estimated Overlapping Taxes.”

Decreases in TIRZ Revenues

Should the TIRZ Revenues from the City decrease substantially from current levels, the District would be required to increase its tax rate substantially to pay the debt service on the Bonds and fund its operating budget. The Tax Increment Payments must be transferred from the Participants to the City and from the City to the District before they are available as TIRZ Revenues to be used to pay for the debt service on the Bonds.

To the extent there are insufficient TIRZ Revenues to pay the expected share of the debt service on the Bonds, the District has covenanted to assess separate continuing direct annual ad valorem taxes, without legal limitation as to rate or amount, upon all taxable property within the District at a rate from year to year sufficient, considering delinquencies, together with TIRZ Revenues and receipts from other sources which are legally available for such purposes, to pay principal and interest on the Bonds. See “—Factors Affecting Taxable Values and Tax Payments” above and “UNLIMITED TAX BONDED INDEBTEDNESS.”

Dependence on TIRZ Revenues

The amount of TIRZ Revenues available for transfer to the District will be determined, primarily, by the appraised value of taxable real property in the TIRZ, the tax rates of the Participants, the participation rates of the Participants, maximum participation amounts, and the percentage of taxes actually collected and paid into the Tax Increment Fund. Tax Increments result only from Incremental Value of real property in the TIRZ, which consists of 2,404 acres, including all of the land within in the District. As of July 1, 2024, the TIRZ was comprised of approximately 777 developed acres (including approximately 11 acres of roads and right-of-way

dedications), approximately 228 acres of park space (including a sailing center and recreational lakes), approximately 64 acres currently under development, approximately 46 undeveloped but developable acres, and approximately 1,289 undevelopable acres. See “TAX INCREMENT REINVESTMENT ZONE NO. SIX, ARLINGTON, TEXAS.”

The District cannot make any guarantee that the value of the property and improvements within the TIRZ will achieve or maintain any certain value. Property owners have the right to protest the appraised value of their property in the TIRZ and are not required to render their property for ad valorem taxation at any agreed upon level. Property values may also be adversely affected by natural or other disasters resulting in the destruction of property in the TIRZ. The appraised value of the property and improvements will finally be determined and certified by the Appraisal District in accordance with the procedures described in “TAXING PROCEDURES,” and may be at a value lower than projected.

None of the Participants are required under Texas law or any contract to set a tax rate sufficient to assure any certain dollar amount of TIRZ Revenues; rather, Texas law and the contracts entered into by the Participants only require the Participants to pay the TIRZ Revenues actually collected by them pursuant to their individual Participation Agreements into the Tax Increment Fund.

The Participants set their tax rates in accordance with the Texas Property Tax Code, which allows voters to limit an increase in tax rates to the rollback tax rate calculated for such units. In addition, cities in Texas are generally prohibited from setting a tax rate for operation and maintenance expenses that produces revenues in excess of 3.50% of the revenues produced by the previous year’s tax rate. See “TAXING PROCEDURES—Limitations on Increases of Tax Revenues by TIRZ Participants.” Participants generally do not set tax rates for the purpose of ensuring adequate TIRZ Revenues for the District. If the Participants determine to lower tax rates and tax rates are reduced or the percentage of taxes collected in the TIRZ decline, the amount of TIRZ Revenues may decrease. The obligations of the Participants to pay the Tax Increment Payments into the Tax Increment Fund are also subject to the rights of any of the holders of bonds, notes or other obligations that have been or are hereafter issued by the Participants that are payable from and secured by a general levy of ad valorem taxes throughout the taxing jurisdiction of the Participant.

None of the Participants have any obligation to maintain a certain tax rate. A reduction in any of the Participants’ tax rate could adversely affect the amount of TIRZ Revenues received by the District and in turn affect the District’s ability to meet the debt service requirements on the Bonds, without an increase in the District’s tax rate. See “DEVELOPMENT FINANCING PLAN.”

TIRZ Revenues will not be received for a portion of the time the Bonds are scheduled to be outstanding. The final payment of TIRZ Revenues, upon the dissolution of the TIRZ, as currently established in the Amended and Restated Viridian Project Finance Plan and Development Agreement is expected to be received in 2042, and the final maturity of the Bonds is scheduled in 2049. Each Participant in the TIRZ has agreed to a maximum amount of Tax Increment Payments to the TIRZ, which varies for each Participant. The final payment of TIRZ Revenues could occur earlier than 2042 if the Tax Increment Payments made by the City reach the amount of \$230,000,000 in the aggregate prior to such date. It is expected that the District will use only its unlimited ad valorem tax revenues to support the debt service on the Outstanding Bonds scheduled for the year 2043 and thereafter. See “THE BONDS—Sources of Payment,” “TAX INCREMENT REINVESTMENT ZONE NO. SIX, OF ARLINGTON, TEXAS,” “DEVELOPMENT FINANCING PLAN,” and “UNLIMITED TAX BONDED INDEBTEDNESS—Table 1—Debt Service Requirement Schedule.”

Uncertainty of Calculation and Collection of TIRZ Revenues

TIRZ Revenues are calculated based upon the Incremental Value in the TIRZ. Accordingly, they are affected by the appraisal of property within the TIRZ. The method of appraising the TIRZ could have a significant impact on the TIRZ Revenues that become available. The appraisal method or combination of methods that the Appraisal District, the appraising authority in the TIRZ, uses within the TIRZ is within the discretion of its Chief Appraiser and may change from time to time. See “TAXING PROCEDURES—Valuation of Property for Taxation.” The use of a particular method or combination of methods of appraisal with respect to property in the TIRZ may, over time, cause a decrease in the Incremental Value in the TIRZ and, therefore, result in a reduction in the TIRZ Revenues.

The calculation and collection of Tax Increment Payments are subject to administrative interpretation by each Participant, which may change from time to time, at the option of such Participant. If Tax Increment Payments

are not received from the Participants and deposited into the Tax Increment Fund on a timely basis, there may be no TIRZ Revenues available to transfer to the District, and therefore no funds available to pay a significant portion of the debt service on the Bonds.

Moreover, the Tax Increment Payments are first used by the City to pay administrative costs of operating the TIRZ annually, prior to being transferred to the District pursuant to the Amended Finance Plan and Development Agreement. See “DEVELOPMENT FINANCING PLAN.” The District has provided in the Bond Orders that the deposit of TIRZ Revenues may be decreased by any amount in any year so long as the District is able, in that year, to (i) pay the debt service and other costs of financing all of the District’s outstanding TIRZ GO Bonds (as defined in the Amended Finance Plan and Development Agreement), including the Road Bonds and Utility Bonds,, and (ii) fund an amount not less than 30% if the debt service requirements on all outstanding TIRZ GO Bonds, from ad valorem taxes levied at a rate less than \$0.54 per \$100 of assessed value of taxable property in the District, as such rate may be increased each year by the same percentage that the ad valorem tax rate of the City increased from the previous year. See “TAX INCREMENT REINVESTMENT ZONE NO. SIX, ARLINGTON, TEXAS—*Transfer of TIRZ Revenues.*”

Additionally, Participants must establish procedures to adjust Tax Increment Payments when certified values in the Base Value and each subsequent tax year change. Certified values are established annually for the current tax year but are subject to change for a number of years thereafter. Value changes can be positive or negative and can be caused by such events as late-filed exemptions, settlement of property value protests, judicial determinations or the addition of property omitted from the roll. These anticipated administrative practices are subject to change. See “TAX DATA.”

Tax Collection Limitations

The District’s ability to make debt service payments may be adversely affected by its or the Participants’ inability to collect ad valorem taxes. Under Texas law, the levy of ad valorem taxes by the District and the Participants constitutes a lien in favor of the District and the Participants on parity with the liens of all other state and local taxing authorities on the property against which taxes are levied, and such lien may be enforced by foreclosure.

The District’s and the Participants’ ability to collect ad valorem taxes through such foreclosure may be impaired by (a) cumbersome, time-consuming and expensive collection procedures; (b) a bankruptcy court’s stay of tax collection procedures against a taxpayer; or (c) market conditions limiting the proceeds from a foreclosure sale of taxable property.

While the District and the Participants have a lien on taxable property within the District and the TIRZ for taxes levied against such property, such lien can be foreclosed only in a judicial proceeding. Attorney’s fees and other costs of collecting any such taxpayer’s delinquencies could substantially reduce the net proceeds to the District and the Participants from a tax foreclosure sale. Finally, any bankruptcy court with jurisdiction over bankruptcy proceedings initiated by or against a taxpayer within the District and the Participants pursuant to the Federal Bankruptcy Code could stay any attempt by the District and the Participants to collect delinquent ad valorem taxes against such taxpayer. In addition to the automatic stay against collection of delinquent taxes afforded a taxpayer during the pendency of a bankruptcy, a bankruptcy could affect payment of taxes in two other ways: first, a debtor’s confirmation plan may allow a debtor to make installment payments on delinquent taxes for up to six years; and, second, a debtor may challenge, and a bankruptcy court may reduce, the amount of any taxes assessed against the debtor, including taxes that have already been paid. The District has covenanted, in the bond documents issuing the PID Bonds, that it will foreclose on property owners for non-payment of their assessments but has not made a similar covenant with respect to its Unlimited Utility Tax levy or Unlimited Road Tax levy. The lien for assessments is subordinate to the lien for ad valorem taxes levied by the District and the other Participants. See “TAXING PROCEDURES—District’s Rights in the Event of Tax Delinquencies.”

Registered Owners' Remedies

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Bond Orders, or defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Bond Orders, the Registered Owners have the right to seek of a writ of mandamus issued by a court of competent jurisdiction requiring the District and its officials to observe and perform the covenants, obligations, or conditions prescribed in the Bond

Orders. Except for mandamus, the Bond Orders do not specifically provide for remedies to protect and enforce the interests of the Registered Owners. There is no acceleration of maturity of the Bonds in the event of defaults and, consequently, the remedy of mandamus may have to be relied upon from year to year. Further, there is no trust indenture or trustee, and all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Registered Owners.

Statutory language authorizing local governments such as the District to sue and be sued does not waive the local government's sovereign immunity from suits for money damages, so that in the absence of other waivers of such immunity by the Texas Legislature, a default by the District in its covenants in the Bond Orders may not be reduced to a judgment for money damages. If such a judgment against the District were obtained, it could not be enforced by direct levy and execution against the District's property. Further, the Registered Owners cannot themselves foreclose on property within the District or sell property within the District to enforce tax lien on taxable property to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the Registered Owners may be further limited by a State of Texas statute reasonably required to attain an important public purpose or by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights and creditors of political subdivisions, such as the District.

Bankruptcy Limitation to Registered Owners' Rights

The enforceability of the rights and remedies of Registered Owners may be limited by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions such as the District. Texas law requires a district, such as the District, to obtain the approval of the TCEQ as a condition to seeking relief under the Federal Bankruptcy Code.

Notwithstanding noncompliance by a district with Texas law requirements, the District could file a voluntary bankruptcy petition under Chapter 9 of the U.S. Bankruptcy Code ("Chapter 9"), thereby invoking the protection of the automatic stay until the bankruptcy court, after a hearing, dismisses the petition. A federal bankruptcy court is a court of equity and federal bankruptcy judges have considerable discretion in the conduct of bankruptcy proceedings and in making the decision of whether to grant the petitioning District relief from its creditors. While such a decision might be appealable, the concomitant delay and loss of remedies to the Registered Owner could potentially and adversely impair the value of the Registered Owner's claim.

If a petitioning district were allowed to proceed voluntarily under Chapter 9 of the Federal Bankruptcy Code, it could file a plan for an adjustment of its debts. If such a plan were confirmed by the bankruptcy court, it could, among other things, affect Registered Owners by reducing or eliminating the amount of indebtedness, deferring or rearranging the debt service schedule, reducing or eliminating the interest rate, modifying or abrogating collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising and modifying the rights and remedies of the Registered Owners' claims against a district.

The District may not be placed into bankruptcy involuntary.

Marketability

The District has no understanding (other than the initial reoffering yields) with the underwriters of the Bonds listed on the cover page hereof (the "Underwriters") regarding the reoffering yields or prices of the Bonds and has no control over the trading of the Bonds in the secondary market. Moreover, there is no assurance that a secondary market will be made for the Bonds. If there is a secondary market, the difference between the bid and asked price of the Bonds may be greater than the bid and asked price of other bonds which are more generally bought, sold or traded in the secondary market. See "SALE AND DISTRIBUTION OF THE BONDS."

Future Debt

Currently, the District has \$4,810,000 principal amount of unlimited tax bonds authorized but unissued for Utility Improvements, \$42,240,000 principal amount of unlimited tax bonds authorized but unissued for Road Improvements (see "THE BONDS—Issuance of Additional Debt"), and such additional bonds as may hereafter be approved by both the Board and voters of the District. Pursuant to the Amended Finance Plan and Development Agreement, the District is authorized to fund from TIRZ Revenues or bonds secured in whole or in part by TIRZ Revenues, designated "TIRZ Improvements," in a maximum estimated amount of approximately \$362,000,000. Such amount includes Utility Improvements and Road Improvements. Based upon service and assessment plans adopted by PID No. 1, the total cost of PID Improvements authorized by the District equals \$29,730,465.

There are approximately \$75,698,000 in remaining TIRZ Improvements authorized by the Amended Finance Plan and Development Agreement that can be reimbursed from TIRZ Revenues. The District also has the right to issue additional obligations secured solely by ad valorem taxes described in the Act. If additional bonds are issued in the future and property values have not increased proportionately, such issuance may increase gross debt/property valuation ratios and thereby adversely affect the investment quality or security of the Bonds.

The District currently owes the Developer approximately \$18,600,000 for reimbursable expenditures advanced for Utility Improvements and Road Improvements, at least a portion of which will be funded with bonds secured, in whole or in part, by Pledged Revenues. Such amount does not include additional expenditures beyond July 31, 2024. In the event the unlimited tax bonds remaining authorized but unissued for funding Utility Improvements or Road Improvements is insufficient to reimburse the Developer for TIRZ Improvements, the District may fund such costs from proceeds of the sale of bonds secured by Excess TIRZ Revenues only or annual maintenance tax revenues. See "THE SYSTEM" and "THE DEVELOPMENT."

The District has the right to issue additional special assessment revenue bonds pursuant to the PID Act. The District has created the PIDs, each of which overlay portions of the District. PID No. 1 includes approximately 1,936.40 acres, PID No. 2 includes approximately 10 acres, PID No. 3 includes approximately 17.03 acres, PID No. 5 includes approximately 12 acres, PID No. 6 includes approximately 9.65 acres and PID No. 7 includes approximately 47.29 acres. The District has previously issued \$29,066,000 in principal amount of PID Bonds supported by assessments levied against certain residential lots in PID No. 1. The District has satisfied its obligation to reimburse the Developer for the PID Improvements. The assessments levied in PID No. 2, PID No. 3, PID No. 5, PID No. 6 and PID No. 7 will be used to reimburse the Developer for additional public improvements and for supplemental services but are not currently anticipated to be funded with future PID Bonds.

The PID Bonds are secured solely by assessments against certain residential lots in PID No. 1 and not by the Pledged Revenues, other ad valorem taxes of the District or any other revenue of the District other than such assessments. The aggregate per parcel outstanding assessments in PID No. 1 to be pledged to the PID Bonds range from \$2,614 to \$62,626 with annual payments that range from approximately \$185 to \$5,895 depending on the size of the assessed parcel. See "PUBLIC IMPROVEMENT DISTRICTS."

Competitive Nature of Residential, Commercial, Retail and Multi-Family Housing Market

The residential, commercial, retail and multi-family housing industry in the Dallas-Fort Worth metropolitan area is very competitive, and the District can give no assurance that the sale of single-family residential lots to homebuilders and property to commercial users which are planned by the Developer will be continued or completed. The respective competitive position of the Developer is affected by most of the factors discussed in this section, and such competitive positions are directly related to tax revenues received by the District and the growth and maintenance of taxable values in the District.

Continuing Compliance with Certain Covenants

The Bond Orders contain covenants by the District intended to preserve the exclusion from gross income of interest on the Bonds. Failure by the District to comply with such covenants on a continuous basis prior to maturity of the Bonds could result in interest on the Bonds becoming taxable retroactively to the date of original issuance. See "TAX MATTERS."

Approval of the Bonds

The Attorney General of Texas must approve the legality of the Bonds prior to their delivery. The Attorney General of Texas does not pass upon or guarantee the security of the Bonds as an investment, nor does he pass upon the adequacy or accuracy of the information contained in this Official Statement.

Changes in Tax Legislation

Certain tax legislation, whether currently proposed or proposed in the future, may directly or indirectly reduce or eliminate the benefit of the exclusion of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation, whether or not enacted, may also affect the value and liquidity of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any proposed, pending or future legislation.

Bond Insurance Risk Factors

In the event of default of the payment of principal or interest with respect to the Bonds when all or some becomes due, any owner of the Bonds shall have a claim under the applicable Bond Insurance Policy (individually, the "Policy" and collectively, the "Policies") for such payments. However, in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Policies do not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory or optional prepayment of the Bonds by the District which is recovered by the District from the bond owner as a voidable preference under applicable bankruptcy law is covered by the insurance policy, however, such payments will be made by the provider of the Policy (the "Bond Insurer") at such time and in such amounts as would have been due absent such prepayment by the District unless the Bond Insurer chooses to pay such amounts at an earlier date.

Under most circumstances, default of payment of principal and interest does not obligate acceleration of the obligations of the Bond Insurer without appropriate consent. The Bond Insurer may direct and must consent to any remedies and the Bond Insurer's consent may be required in connection with amendments to any applicable bond documents.

In the event the Bond Insurer is unable to make payment of principal and interest as such payments become due under the Policies, the Bonds are payable solely from the moneys received pursuant to the applicable bond documents. In the event the Bond Insurer becomes obligated to make payments with respect to the Bonds, no assurance is given that such event will not adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds.

The long-term ratings on the Bonds are dependent in part on the financial strength of the Bond Insurer and its claim paying ability. The Bond Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Bond Insurer and of the ratings on the Bonds insured by the Bond Insurer will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See "MUNICIPAL BOND INSURANCE" and "RATINGS."

The obligations of the Bond Insurer are contractual obligations and in an event of default by the Bond Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the District nor the Underwriters have made independent investigation into the claims paying ability of the Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Bond Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Bonds and the claims paying ability of the Bond Insurer, particularly over the life of the investment.

LEGAL MATTERS

Legal Opinions

Delivery of the Bonds will be accompanied by the approving legal opinion of the Attorney General of Texas to the effect that the Bonds are valid and legally binding obligations of the District under the Constitution and laws of the State, payable from the proceeds of an annual ad valorem tax levied, without limit as to rate or amount, upon all taxable property within the District and TIRZ Revenues, and, based upon their examination of a transcript of certified proceedings relating to the issuance and sale of the Bonds, the approving legal opinion of Bond Counsel, to a like effect and to the effect that interest on the Bonds is excludable from gross income of the holders for federal tax purposes under existing law.

Bond Counsel was not requested to participate, and did not take part, in the preparation of the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Bond Counsel, such firm has reviewed the information under the captions "THE BONDS" (except for information under the subheadings "Book-Entry-Only System," "Outstanding Unlimited Tax Bonds," and "Registered Owners' Remedies"), "THE DISTRICT—Authority," "TAX INCREMENT REINVESTMENT ZONE NO. SIX, ARLINGTON, TEXAS" (except with

respect to any statistical or financial information included therein), "TAX DATA—Tax Rate Limitation," "LEGAL MATTERS—Legal Opinions (except for the last paragraph thereof)," "TAX MATTERS," "TAXING PROCEDURES," "ADDITIONAL FEDERAL INCOME TAX CONSIDERATIONS," "CONTINUING DISCLOSURE OF INFORMATION" (except for the information under the subheading "Compliance with Prior Undertakings") and "APPENDIX D" in the Official Statement, and such firm is of the opinion that the information relating to the Bonds and the legal issues contained under such captions and sub-captions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Bond Orders. The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise from the transaction.

Bracewell LLP, Dallas, Texas, serves as Bond Counsel to the District, and Allen Boone Humphries Robinson LLP, Dallas, Texas, serves as General Counsel to the District. McCall, Parkhurst & Horton, L.L.P., Houston, Texas serves as Underwriters' Counsel. The legal fees paid to Bond Counsel, Underwriters' Counsel, and General Counsel for services rendered in connection with the issuance of the Bonds are contingent upon the sale and delivery of the Bonds.

No-Litigation Certificate

The District will furnish the Underwriters a certificate, executed by the Chairman and Secretary of the Board, and dated as of the date of delivery of the Bonds, that to their knowledge, no litigation is pending or threatened affecting the validity of the Bonds, or the levy and/or collection of Pledged Revenues for the payment thereof, the organization or boundaries of the District, or the title of the officers thereof to their respective offices.

TAX MATTERS

The following discussion of certain federal income tax considerations is for general information only and is not tax advice. Each prospective purchaser of the Bonds should consult its own tax advisor as to the tax consequences of the acquisition, ownership and disposition of the Bonds.

Tax Exemption

In the opinion of Bracewell LLP, Bond Counsel, under existing law, interest on the Bonds is (i) excludable from gross income for federal income tax purposes under section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) not an item of tax preference for purposes of the alternative minimum tax on individuals.

The Code imposes a number of requirements that must be satisfied for interest on state or local obligations, such as the Bonds, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of bond proceeds and the source of repayment of bonds, limitations on the investment of bond proceeds prior to expenditure, a requirement that excess arbitrage earned on the investment of bond proceeds be paid periodically to the United States and a requirement that the issuer file an information report with the Internal Revenue Service (the "Service"). The District has covenanted in the Bond Orders that it will comply with these requirements.

Bond Counsel's opinion will assume continuing compliance with the covenants of the Bond Orders pertaining to those sections of the Code that affect the excludability of interest on the Bonds from gross income for federal income tax purposes and, in addition, will rely on representations by the District, the District's Financial Advisor and the Underwriters with respect to matters solely within the knowledge of the District, the District's Financial Advisor and the Underwriters, respectively, which Bond Counsel has not independently verified. If the District fails to comply with the covenants in the Bond Orders or if the foregoing representations are determined to be inaccurate or incomplete, interest on the Bonds could become includable in gross income from the date of delivery of the Bonds, regardless of the date on which the event causing such inclusion occurs.

Except as stated above, Bond Counsel will express no opinion as to the amount of interest on the Bonds or any federal, state or local tax consequences resulting from the receipt or accrual of interest on, or acquisition, ownership or disposition of, the Bonds.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on Bond Counsel's knowledge of facts as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of result and are not binding on the Service; rather, such opinions represent Bond Counsel's legal judgment based upon its review of existing law and in reliance upon the representations and covenants referenced above that it deems relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given as to whether or not the Service will commence an audit of the Bonds. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the District as the taxpayer and the Owners may not have a right to participate in such audit. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds, regardless of the ultimate outcome of the audit.

ADDITIONAL FEDERAL INCOME TAX CONSIDERATIONS

Collateral Tax Consequences

Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences, including but not limited to those noted below. Therefore, prospective purchasers of the Bonds should consult their own tax advisors as to the tax consequences of the acquisition, ownership and disposition of the Bonds.

For tax years beginning after December 31, 2022, an "applicable corporation" (as defined in section 59(k) of the Code) may be subject to a 15% alternative minimum tax imposed under section 55 of the Code on its "adjusted financial statement income" (as defined in section 56A of the Code) for such taxable year. Because interest on tax-exempt obligations, such as the Bonds, is included in a corporation's "adjusted financial statement income," ownership of the Bonds could subject certain corporations to alternative minimum tax consequences.

Ownership of tax-exempt obligations also may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, low and middle income taxpayers otherwise qualifying for the health insurance premium assistance credit and individuals otherwise qualifying for the earned income tax credit. In addition, certain foreign corporations doing business in the United States may be subject to the "branch profits tax" on their effectively connected earnings and profits, including tax-exempt interest such as interest on the Bonds.

Prospective purchasers of the Bonds should also be aware that, under the Code, taxpayers are required to report on their returns the amount of tax-exempt interest, such as interest on the Bonds, received or accrued during the year.

Tax Accounting Treatment of Original Issue Premium

If the issue price of all or a portion of the Bonds exceeds the stated redemption price payable at maturity of such Bonds, such Bonds (the "Premium Bonds") are considered for federal income tax purposes to have "bond premium" equal to the amount of such excess. The basis of a Premium Bond in the hands of an initial owner is reduced by the amount of such excess that is amortized during the period such initial owner holds such Premium Bond in determining gain or loss for federal income tax purposes. This reduction in basis will increase the amount of any gain or decrease the amount of any loss recognized for federal income tax purposes on the sale or other taxable disposition of a Premium Bond by the initial owner. No corresponding deduction is allowed for federal income tax purposes for the reduction in basis resulting from amortizable bond premium. The amount of bond premium on a Premium Bond that is amortizable each year (or shorter period in the event of a sale or disposition of a Premium Bond) is determined using the yield to maturity on the Premium Bond based on the initial offering price of such Premium Bond.

The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of Premium Bonds that are not purchased in the initial offering at the initial offering price may be determined according to rules that differ from those described above. All owners of Premium Bonds should consult their own tax advisors with respect to the determination for federal, state, and local income tax purposes of

amortized bond premium upon the redemption, sale or other disposition of a Premium Bond and with respect to the federal, state, local, and foreign tax consequences of the purchase, ownership, and sale, redemption or other disposition of such Premium Bonds.

Tax Accounting Treatment of Original Issue Discount

If the issue price of all or a portion of the Bonds is less than the stated redemption price payable at maturity of such Bonds (the “Original Issue Discount Bonds”), the difference between (i) the amount payable at the maturity of each Original Issue Discount Bond, and (ii) the initial offering price to the public of such Original Issue Discount Bond constitutes original issue discount with respect to such Original Issue Discount Bond in the hands of any owner who has purchased such Original Issue Discount Bond in the initial public offering of the Bonds. Generally, such initial owner is entitled to exclude from gross income (as defined in Section 61 of the Code) an amount of income with respect to such Original Issue Discount Bond equal to that portion of the amount of such original issue discount allocable to the period that such Original Issue Discount Bond continues to be owned by such owner. Because original issue discount is treated as interest for federal income tax purposes, the discussions regarding interest on the Bonds under the captions “TAX MATTERS—Tax Exemption” and “ADDITIONAL FEDERAL INCOME TAX CONSIDERATIONS—Collateral Tax Consequences” and “—Tax Legislative Changes” generally apply and should be considered in connection with the discussion in this portion of the Official Statement.

In the event of the redemption, sale or other taxable disposition of such Original Issue Discount Bond prior to stated maturity, however, the amount realized by such owner in excess of the basis of such Original Issue Discount Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such Original Issue Discount Bond was held by such initial owner) is includable in gross income.

The foregoing discussion assumes that (i) the Underwriters have purchased the Bonds for contemporaneous sale to the public and (ii) all of the Original Issue Discount Bonds have been initially offered, and a substantial amount of each maturity thereof has been sold, to the general public in arm’s-length transactions for a price (and with no other consideration being included) not more than the initial offering prices thereof stated on the inside cover page of this Official Statement. Neither the District nor Bond Counsel has made any investigation or offers any comfort that the Original Issue Discount Bonds will be offered and sold in accordance with such assumptions.

Under existing law, the original issue discount on each Original Issue Discount Bond accrues daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary dates of the date of the Bonds and ratably within each such six-month period) and the accrued amount is added to an initial owner’s basis for such Original Issue Discount Bond for purposes of determining the amount of gain or loss recognized by such owner upon the redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period is equal to (i) the sum of the issue price and the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (ii) the amounts payable as current interest during such accrual period on such Bond.

The federal income tax consequences of the purchase, ownership, and redemption, sale or other disposition of Original Issue Discount Bonds that are not purchased in the initial offering at the initial offering price may be determined according to rules that differ from those described above. All owners of Original Issue Discount Bonds should consult their own tax advisors with respect to the determination for federal, state, and local income tax purposes of interest accrued upon redemption, sale or other disposition of such Original Issue Discount Bonds and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale or other disposition of such Original Issue Discount Bonds.

Tax Legislative Changes

Current law may change so as to directly or indirectly reduce or eliminate the benefit of the excludability of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation, whether or not enacted, could also affect the value and liquidity of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any recently-enacted, proposed, pending or future legislation.

VERIFICATION OF MATHEMATICAL CALCULATIONS

The arithmetical accuracy of certain computations included in the schedules provided by the Financial Advisor on behalf of the District relating to (a) computation of the adequacy of the maturing principal amounts of and interest on the Escrowed Obligations to be held by the Escrow Agent and certain available funds (if any) to pay, when due, the principal or redemption price of and interest on the Refunded Bonds and (b) the computation of the yields on the Bonds and the Escrowed Obligations. The computations were independently verified by Robert Thomas CPA, LLC, based upon certain assumptions and information supplied by the Underwriters on behalf of the District, and the District's Financial Advisor. Robert Thomas CPA, LLC has restricted its procedures to verifying the arithmetical accuracy of certain computations and has not made any study or evaluation of the assumptions and information upon which the computations are based and accordingly, has not expressed an opinion on the data used, the reasonableness of the assumptions or the achievability of future events.

CONTINUING DISCLOSURE OF INFORMATION

In each of the Bond Orders, the District has the following agreement for the benefit of the holders and beneficial owners of the Bonds. The District is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under the agreement, the District will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to certain information to the Municipal Securities Rulemaking Board ("MSRB"). The MSRB has established the Electronic Municipal Market Access ("EMMA") system.

Annual Reports

The District shall provide annually to the MSRB, (1) within six months after the end of each fiscal year of the District commencing with the fiscal year ending December 31, 2024, financial information and operating data with respect to the District of the general type included in the final Official Statement, being information described in Tables 1 through 9, and (2) if not provided as part of such financial information and operating data, audited financial statements of the District, within 12 months after the end of each fiscal year of the District, if available. Any financial statements so to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit B hereto or such other accounting principles as the District may be required to employ, from time to time, by State law or regulation, and (ii) audited, if the District commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the District shall file unaudited financial statements within such 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such statements becomes available.

The financial information and operating data to be provided may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the Securities and Exchange Commission (the "SEC"), as permitted by SEC Rule 15c2-12 (the "Rule").

The District's current fiscal year end is December 31. Accordingly, it must provide updated information by June 30 in each year, unless the District changes its fiscal year. If the District changes its fiscal year, it will notify EMMA of the change.

Event Notices

The District will provide timely notices of certain events to the MSRB, but in no event will such notices be provided to the MSRB in excess of ten business days after the occurrence of an event. The District will provide notice of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Bonds, or other material events affecting the tax-exempt status of the Bonds; (7) modifications to rights of beneficial owners of the Bonds, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the District or other obligated person within the

meaning of CFR §240.15c2-12 (the “Rule” or “SEC Rule 15c2-12”); (13) consummation of a merger, consolidation, or acquisition involving the District or other obligated person within the meaning of the Rule or the sale of all or substantially all of the assets of the District or other obligated person within the meaning of the Rule, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material; (15) incurrence of a financial obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District, any of which reflect financial difficulties. Neither the Bonds or the Bond Order make any provision for debt service reserve or a trustee.

For the purposes of event (12) in the immediately preceding paragraph, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

For the purposes of events (15) and (16), the District intends the words used therein and term “Financial Obligation” to have the meanings as described in SEC Release 34-83885 dated August 20, 2018. The Bond Orders define “Financial Obligation” as (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) guarantee of a debt obligation or any such derivative instrument; provided that “Financial Obligation” shall not include municipal securities as to which a final official statement (as defined the Rule) has been provided to the MSRB consistent with the Rule.

The District shall notify the MSRB in an electronic format prescribed by the MSRB, in a timely manner, of any failure by the District to provide financial information or operating data in accordance with the Rule. All documents provided to the MSRB pursuant to this section shall be accompanied by identifying information as prescribed by the MSRB.

Availability of Information from EMMA

The District has agreed to provide the information only to the MSRB. The MSRB has prescribed that such information must be filed via EMMA. The MSRB makes the information available to the public without charge and investors will be able to access continuing disclosure information filed with the MSRB at www.emma.msrb.org.

Limitations and Amendments

The District has agreed to update information and to provide notices of certain events only as described above. The District has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results, operations, conditions or prospects or to update any information that is provided, except as described above. The District makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The District disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although Registered Owners and beneficial owners of the Bonds may seek a writ of mandamus to compel the District to comply with its agreement.

The District may amend its continuing disclosure agreement from time to time to adapt the changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the District, if but only if the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering made hereby in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as

such changed circumstances, and either the holders of a majority in aggregate principal amount of the outstanding Bonds consent to the amendment or any person unaffiliated with the District (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. The District may amend or repeal the agreement in the Bond Orders if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid or unenforceable, but only to the extent that its right to do so would not prevent the Underwriters from lawfully purchasing the Bonds in the initial offering. If the District so amends the agreement, it has agreed to include with any financial information or operating data next provided in accordance with its agreement described above under “Annual Reports” an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

Compliance with Prior Undertakings

The District has complied in all material respects with its previous continuing disclosure agreements made in accordance with SEC Rule 15c2-12 except with respect to the fiscal year ended December 31, 2020. The District filed all continuing disclosure information required with respect to the District; however, at the time the fiscal year 2020 report was filed, the District failed to associate CUSIP numbers 92823PLH7 and 92823PMD5 with such filing. A notice reflecting this failure was filed on August 20, 2021. The CUSIP numbers have since been associated with the filing and the District has implemented procedures to ensure that all outstanding CUSIP numbers are associated with future filings.

PREPARATION OF OFFICIAL STATEMENT

General

The information contained in this Official Statement has been obtained primarily from the District's records, the Engineer, the Developer, the Tax Assessor/Collector and other sources believed to be reliable; however, no representation is made as to the accuracy or completeness of the information contained herein, except as described below. The summaries of the statutes, resolutions and engineering and other related reports set forth herein are included subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information.

Experts

The information contained in the Official Statement relating to engineering and to the description of the System, and, in particular, that engineering information included in the sections entitled “THE DISTRICT—Description,” “THE DEVELOPMENT,” and “THE SYSTEM” as related to “Utility System” and “Road System,” has been provided by Graham Associates, Inc. and has been included herein in reliance upon the authority of said firm as experts in the field of civil engineering.

The information contained in the Official Statement relating to assessed valuations of property generally and, in particular, that information concerning collection rates and valuations contained in the sections captioned “TAX DATA” and “UNLIMITED TAX BONDED INDEBTEDNESS” was provided by the Appraisal District and Tax Assessor/Collector. Such information has been included herein in reliance upon the Appraisal District's authority as an expert in the field of tax assessing.

Certification as to Official Statement

The District, acting by and through its Board in its official capacity and in reliance upon the experts listed above, hereby certifies, as of the date hereof, that to its actual knowledge and belief, the information, statements and descriptions pertaining to the District and its affairs herein contain no untrue statements of a material fact and do not omit to state any material fact necessary to make the statements herein, in light of the circumstances under which they were made, not misleading. The information, descriptions and statements concerning entities other than the District, including particularly other governmental entities, have been obtained from sources believed to be reliable, but the District has made no independent investigation or verification of such matters and makes no representation as to the accuracy or completeness thereof.

Updating of Official Statement

If, subsequent to the date of the Official Statement, the District learns, through the ordinary course of business and without undertaking any investigation or examination for such purposes, or is notified by the Underwriters, of any adverse event which causes the Official Statement to be materially misleading, and unless the Underwriters elect to terminate its obligation to purchase the Bonds, the District will promptly prepare and supply to the Underwriters an appropriate amendment or supplement to the Official Statement satisfactory to the Underwriters; provided, however, that the obligation of the District to so amend or supplement the Official Statement will terminate when the District delivers the Bonds to the Underwriters, unless the Underwriters notify the District in writing on or before such date that less than all of the Bonds have been sold to ultimate customers, in which case the District's obligations hereunder will extend for an additional period of time (but not more than 90 days after the date the District delivers the Bonds) until all of the Bonds have been sold to ultimate customers.

MISCELLANEOUS

Pending Litigation

In 2022, the District filed a lawsuit against a contractor and its bonding company for breach of contract and a claim on the maintenance bond due to a road pavement failure on Cypress Thorn Drive within the District. In light of the significant nature of the pavement failure, a large portion of a street was required to be removed and replaced. According to the District's litigation counsel, mediation has been unsuccessful. Trial was previously scheduled for September 23, 2024 but has been postponed and will likely be rescheduled for late October or early November of 2024. The District cannot predict the outcome of the lawsuit or the timeframe for final resolution.

In March 2023, the District was sued by the owners of a tract of land located outside the boundaries of the District seeking a declaratory judgment that the owners have an implied access easement by necessity to cross certain District property to access a main public road. The owners claim that access to the roadway is necessary so that their land is not landlocked. The District land at issue is planned for a future park. The District disputes the landowners' claims. On August 30, 2024, the District Court granted the District's motion for summary judgment and ruled that the Plaintiff take nothing on its claims against the District. The only remaining claim is the District's claim of attorneys' fees against the Plaintiff and trial is scheduled for October of 2024. The District cannot predict the outcome of the litigation of the timeframe for final resolution.

FORWARD-LOOKING STATEMENTS DISCLAIMER

The statements contained in this Official Statement, and in any other information provided by the District, that are not purely historical, are forward-looking statements, including statements regarding the District's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the District on the date hereof, and the District assumes no obligation to update any such forward-looking statements. The District's actual results could differ materially from those discussed in such forward-looking statements.

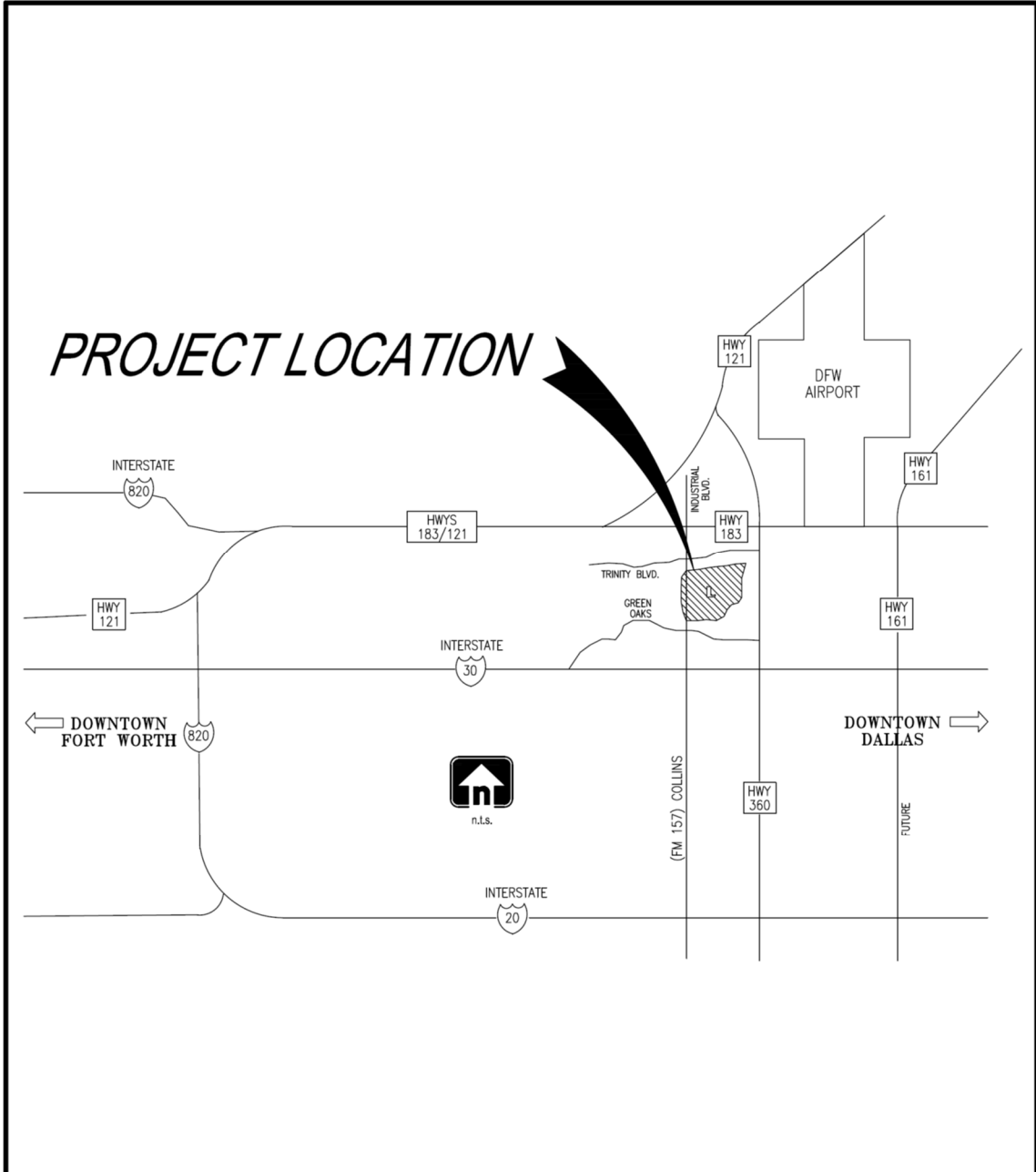
The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the District. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement will prove to be accurate.



CONCLUDING STATEMENT

The information set forth herein has been obtained from the District's records, audited financial statements and other sources which are considered to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will ever be realized. All of the summaries of the statutes, documents and resolutions contained in this Official Statement are made subject to all of the provisions of such statutes, documents and resolutions. These summaries do not purport to be complete statements of such provisions and reference is made to such summarized documents for further information. Reference is made to official documents in all respects.

The Bond Orders authorizing the issuance of the Bonds approved the form and content of this Official Statement, and any addenda, supplement or amendment thereto, and authorized its further use in the reoffering of the Bonds by the Underwriters.

**APPENDIX A
LOCATION MAP OF THE DISTRICT**



	<p>Graham Associates, Inc. CONSULTING ENGINEERS & PLANNERS 600 SIX FLAGS DRIVE, SUITE 500 ARLINGTON, TEXAS 76011 (817) 640-8535 TBPE FIRM: F-1191/TBPLS FIRM: 101538-00</p>		<p>VIRIDIAN EXHIBIT</p>
DRAWN BY: CJC	DATE: 11/6/2015		
PROJECT NO.: 2345	SHEET 1 OF 1		

APPENDIX B
FINANCIAL STATEMENTS OF THE DISTRICT

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
TARRANT COUNTY, TEXAS
ANNUAL FINANCIAL REPORT
DECEMBER 31, 2023

McCALL GIBSON SWEDLUND BARFOOT PLLC
Certified Public Accountants

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McCALL GIBSON SWEDLUND BARFOOT PLLC

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Viridian Municipal Management District
Tarrant County, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Viridian Municipal Management District (the "District") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual - General Fund be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Board of Directors
Viridian Municipal Management District

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information required by the Texas Commission on Environmental Quality as published in the *Water District Financial Management Guide* is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



McCall Gibson Swedlund Barfoot PLLC
Certified Public Accountants
Houston, Texas

June 11, 2024

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR YEAR ENDED DECEMBER 31, 2023**

Management’s discussion and analysis of the Viridian Municipal Management District’s (the “District”) financial performance provides an overview of the District’s financial activities for the fiscal year ended December 31, 2023. Please read it in conjunction with the District’s financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The basic financial statements include: (1) combined fund financial statements and government-wide financial statements and (2) notes to the financial statements. The combined fund financial statements and government-wide financial statements combine both: (1) the Statement of Net Position and Governmental Funds Balance Sheet and (2) the Statement of Activities and Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances. This report also includes required and other supplementary information in addition to the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The District’s annual report includes two financial statements combining the government-wide financial statements and the fund financial statements. The government-wide financial statements provide both long-term and short-term information about the District’s overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The Statement of Net Position includes all of the District’s assets, liabilities and deferred inflows and outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other non-financial factors.

The Statement of Activities reports how the District’s net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid.

FUND FINANCIAL STATEMENTS

The combined statements also include fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District has four governmental fund types. The General Fund accounts for resources not accounted for in another fund, maintenance tax revenues and general expenditures. The Special Revenue Fund -TIRZ accounts for TIRZ revenue and declared excess TIRZ funds for TIRZ plan projects, including the cultural center.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR YEAR ENDED DECEMBER 31, 2023**

FUND FINANCIAL STATEMENTS (Continued)

The Debt Service Fund accounts for ad valorem utility and road taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes. The Capital Projects Fund accounts for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

Governmental funds are reported in each of the financial statements. The focus in the fund statements provides a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of the District and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. The adjustments columns, the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position and the Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in the Fund Balances to the Statement of Activities explain the differences between the two presentations and assist in understanding the differences between these two perspectives.

NOTES TO THE FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

OTHER INFORMATION

In addition to the financial statements and accompanying notes, this report also presents certain required supplementary information ("RSI") and other supplementary information. A budgetary comparison schedule is included as RSI for the General Fund.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of the District's financial position. In the case of the District, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$121,649,092 as of December 31, 2023.

The following is a comparative analysis of government-wide changes in net position.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR YEAR ENDED DECEMBER 31, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

	Summary of Changes in the Statement of Net Position		
	2023	2022	Change Positive (Negative)
Current and Other Assets	\$ 24,856,927	\$ 20,014,471	\$ 4,842,456
Capital Assets (Net of Accumulated Depreciation)	<u>171,258,114</u>	<u>151,933,405</u>	<u>19,324,709</u>
Total Assets	\$ <u>196,115,041</u>	\$ <u>171,947,876</u>	\$ <u>24,167,165</u>
Deferred Outflows of Resources	\$ <u>5,509,769</u>	\$ <u>5,905,337</u>	\$ <u>(395,568)</u>
Due to Developer	\$ 6,525,790	\$ 6,889,932	\$ 364,142
Bonds Payable	307,654,735	257,880,770	(49,773,965)
Other Liabilities	<u>1,324,245</u>	<u>1,355,926</u>	<u>31,681</u>
Total Liabilities	\$ <u>315,504,770</u>	\$ <u>266,126,628</u>	\$ <u>(49,378,142)</u>
Deferred Inflows of Resources	\$ <u>7,769,132</u>	\$ <u>6,142,977</u>	\$ <u>(1,626,155)</u>
Net Position:			
Net Investment in Capital Assets	\$ (134,768,513)	\$ (104,053,613)	\$ (30,714,900)
Restricted	(133,879)	7,281,753	(7,415,632)
Unrestricted	<u>13,253,300</u>	<u>2,355,468</u>	<u>10,897,832</u>
Total Net Position	\$ <u>(121,649,092)</u>	\$ <u>(94,416,392)</u>	\$ <u>(27,232,700)</u>

*

The following table provides a summary of the District's operations for the years ended December 31, 2023, and December 31, 2022.

	Summary of Changes in the Statement of Activities		
	2023	2022	Change Positive (Negative)
Revenues:			
Property Taxes	\$ 6,098,813	\$ 4,634,335	\$ 1,464,478
TIRZ Revenue	10,338,198	7,981,169	2,357,029
Other Revenues	<u>887,513</u>	<u>271,453</u>	<u>616,060</u>
Total Revenues	\$ <u>17,324,524</u>	\$ <u>12,886,957</u>	\$ <u>4,437,567</u>
Expenses for Services	<u>44,557,224</u>	<u>8,244,848</u>	<u>(36,312,376)</u>
Change in Net Position	\$ <u>(27,232,700)</u>	\$ 4,642,109	\$ (31,874,809)
Net Position, Beginning of Year	<u>(94,416,392)</u>	<u>(99,058,501)</u>	<u>4,642,109</u>
Net Position, End of Year	\$ <u>(121,649,092)</u>	\$ <u>(94,416,392)</u>	\$ <u>(27,232,700)</u>

*

* As adjusted, see Note 13.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR YEAR ENDED DECEMBER 31, 2023**

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUNDS

The District's combined fund balances as of the fiscal year ended December 31, 2023, were \$14,000,117, an increase of \$3,212,010 from the prior year.

The General Fund fund balance increased by \$126,249, primarily due to property tax revenues exceeding operating costs during the current fiscal year.

The Special Revenue Fund - TIRZ fund balance increased by \$10,648,498, primarily due to TIRZ revenue funds received.

The Debt Service Fund fund balance decreased by \$7,328,519, primarily due to the structure of the District's outstanding debt service and TIRZ revenue collected in the Special Revenue Fund not yet being transferred to pay for debt service.

The Capital Projects Fund fund balance decreased by \$234,218, primarily due to the use of bond proceeds received in a prior fiscal year.

BUDGETARY HIGHLIGHTS

The Board of Directors adopted an unappropriated General Fund budget for the current fiscal year. Actual revenues were \$68,563 more than budgeted revenues. Actual expenditures were \$47,200 less than budgeted expenditures. This resulted in a positive budget variance of \$115,763.

CAPITAL ASSETS

Capital assets as of December 31, 2023, total \$171,258,114 and consist of parks/landscaping, sailing center, roadways, and the drainage system.

Capital Assets At Year-End, Net of Accumulated Depreciation			
	2023	2022	Change Positive (Negative)
Capital Assets Not Being Depreciated:			
Land and Land Improvements	\$ 48,648,869	\$ 44,878,015	\$ 3,770,854
Construction in Progress		906,776	(906,776)
Capital Assets, Net of Accumulated Depreciation:			
Parks/Landscaping	21,795,776	21,371,526	424,250
Sailing Center	613,323	735,643	(122,320)
Roadways	64,922,750	54,098,042	10,824,708
Drainage System	35,277,396	29,943,403	5,333,993
Total Net Capital Assets	\$ 171,258,114	\$ 151,933,405	\$ 19,324,709

Additional information related to the capital assets of the District can be found in Note 5 of this report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR YEAR ENDED DECEMBER 31, 2023**

LONG-TERM DEBT ACTIVITY

At the end of the current fiscal year, the District had total bond debt payable of \$300,335,000. The changes in the debt position of the District during the fiscal year ended December 31, 2023, are summarized as follows:

Bond Debt Payable, January 1, 2023	\$ 250,030,000
Add: Bond Sales	55,005,000
Less: Bond Principal Paid	<u>4,700,000</u>
Bond Debt Payable, December 31, 2023	<u>\$ 300,335,000</u>

The Series 2015 Refunding Utility, Series 2015 Refunding Road, Series 2016 Utility, Series 2016 Road, Series 2019 Utility, Series 2019 Road, and Series 2020 Utility and Series 2020 Road bonds carry an insured rating of “AA” by virtue of bond insurance issued by Build America Mutual Assurance Company. The Series 2017 Utility, Series 2017 Road, Series 2018 Utility, Series 2018 Road, Series 2021 Utility, Series 2021 Road, Series 2022 Utility, Series 2022 Road, Series 2023 Utility and Series 2023 Road bonds carry an insured rating of “AA” by virtue of bond insurance issued by Assured Guaranty Municipal Corp. The above ratings reflect all changes through December 31, 2023.

CONTACTING THE DISTRICT’S MANAGEMENT

This financial report is designed to provide a general overview of the District’s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Viridian Municipal Management District, c/o Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, TX 77027.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
DECEMBER 31, 2023**

	General Fund	Special Revenue Fund - TIRZ
ASSETS		
Cash	\$ 4,031,780	\$ 3,467
Investments	1,048,478	12,019,885
Cash with Tax Assessor/Collector	260,795	
Receivables:		
Property Taxes	636,428	
Other	15,906	
Due from Other Funds	3,915	
Prepaid Costs		
Land		
Capital Assets (Net of Accumulated Depreciation)		
TOTAL ASSETS	\$ 5,997,302	\$ 12,023,352
 DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charges on Refunded Bonds	\$ - 0 -	\$ - 0 -
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 5,997,302	\$ 12,023,352

The accompanying notes to the financial
statements are an integral part of this report.

<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
\$	\$ 3,900	\$ 4,039,147	\$	\$ 4,039,147
1,347,690	15	14,416,068		14,416,068
		260,795		260,795
2,536,576		3,173,004		3,173,004
		15,906		15,906
3,397,808		3,401,723	(3,401,723)	
			2,952,007	2,952,007
			48,648,869	48,648,869
			122,609,245	122,609,245
<u>\$ 7,282,074</u>	<u>\$ 3,915</u>	<u>\$ 25,306,643</u>	<u>\$ 170,808,398</u>	<u>\$ 196,115,041</u>
<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ 5,509,769</u>	<u>\$ 5,509,769</u>
<u>\$ 7,282,074</u>	<u>\$ 3,915</u>	<u>\$ 25,306,643</u>	<u>\$ 176,318,167</u>	<u>\$ 201,624,810</u>

The accompanying notes to the financial statements are an integral part of this report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
STATEMENT OF NET POSITION AND
GOVERNMENTAL FUNDS BALANCE SHEET
DECEMBER 31, 2023**

	General Fund	Special Revenue Fund - TIRZ
LIABILITIES		
Accounts Payable	\$ 117,009	\$
Accrued Interest Payable		
Due to Developers		
Due to Other Funds	3,397,808	
Long-Term Liabilities:		
Bonds Payable, Due Within One Year		
Bonds Payable, Due After One Year		
TOTAL LIABILITIES	\$ 3,514,817	\$ -0-
DEFERRED INFLOWS OF RESOURCES		
Property Tax Revenue	\$ 1,563,142	\$ -0-
FUND BALANCES		
Restricted for Authorized Construction	\$	\$
Restricted for Debt Service		
Assigned to TIRZ Plan Projects		12,023,352
Unassigned	919,343	
TOTAL FUND BALANCES	\$ 919,343	\$ 12,023,352
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 5,997,302	\$ 12,023,352
NET POSITION		
Net Investment in Capital Assets		
Restricted for Debt Service		
Unrestricted		
TOTAL NET POSITION		

The accompanying notes to the financial statements are an integral part of this report.

<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
\$ 784	\$	\$ 117,793	\$	\$ 117,793
			1,206,452	1,206,452
	3,915	3,401,723	6,525,790	6,525,790
			(3,401,723)	
			6,480,000	6,480,000
			301,174,735	301,174,735
<u>\$ 784</u>	<u>\$ 3,915</u>	<u>\$ 3,519,516</u>	<u>\$ 311,985,254</u>	<u>\$ 315,504,770</u>
<u>\$ 6,223,868</u>	<u>\$ -0-</u>	<u>\$ 7,787,010</u>	<u>\$ (17,878)</u>	<u>\$ 7,769,132</u>
\$ 1,057,422	\$	\$ 1,057,422	\$	\$
		12,023,352	(1,057,422)	
		919,343	(12,023,352)	
			(919,343)	
<u>\$ 1,057,422</u>	<u>\$ - 0 -</u>	<u>\$ 14,000,117</u>	<u>\$ (14,000,117)</u>	<u>\$ - 0 -</u>
<u>\$ 7,282,074</u>	<u>\$ 3,915</u>	<u>\$ 25,306,643</u>		
			\$ (134,768,513)	\$ (134,768,513)
			(133,879)	(133,879)
			13,253,300	13,253,300
			<u>\$ (121,649,092)</u>	<u>\$ (121,649,092)</u>

The accompanying notes to the financial statements are an integral part of this report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2023**

Total Fund Balances - Governmental Funds	\$ 14,000,117
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Prepaid bond insurance in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.	2,952,007
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Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.	171,258,114
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Deferred charges on refunded bonds in governmental activities are not current financial resources and, therefore, are not reported as assets in the governmental funds.	5,509,769
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Deferred inflows of resources related to property tax and assessment revenues on delinquent taxes for the 2022 and prior tax levies became part of recognized revenue in the governmental activities of the District.	17,878
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reported as liabilities in the governmental funds. These liabilities at year end consist of:

Due to Developer	\$ (6,525,790)	
Accrued Interest Payable	(1,206,452)	
Bonds Payable Within One Year	(6,480,000)	
Bonds Payable After One Year	<u>(301,174,735)</u>	<u>(315,386,977)</u>

Total Net Position - Governmental Activities	<u>\$ (121,649,092)</u>
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The accompanying notes to the financial statements are an integral part of this report.

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**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	General Fund	Special Revenue Fund - TIRZ
REVENUES		
Property Taxes	\$ 1,088,104	\$
TIRZ Revenue		10,338,198
Penalty and Interest	20,422	
Investment Revenues	67,659	310,300
Miscellaneous Revenues	17,553	
TOTAL REVENUES	\$ 1,193,738	\$ 10,648,498
EXPENDITURES/EXPENSES		
Service Operations:		
Professional Fees	\$ 346,143	
Contracted Services	48,545	
Purchased Water Service	49,512	
Utilities	74,357	
Repairs and Maintenance	396,098	
Depreciation		
Other	124,393	
Capital Outlay		
Conveyed to City of Arlington		
Debt Service:		
Bond Issuance Costs	28,441	
Bond Principal		
Bond Interest		
TOTAL EXPENDITURES/EXPENSES	\$ 1,067,489	\$ -0-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES/EXPENSES	\$ 126,249	\$ 10,648,498
OTHER FINANCING SOURCES (USES)		
Long-Term Debt Issued-Utility Bonds	\$	\$
Long-Term Debt Issued-Road Bonds		
Bond Discounts		
Bond Premium		
Developer Contributions		
TOTAL OTHER FINANCING SOURCES (USES)	\$ - 0 -	\$ - 0 -
NET CHANGE IN FUND BALANCES	\$ 126,249	\$ 10,648,498
CHANGE IN NET POSITION		
FUND BALANCES/NET POSITION (DEFICIT) - JANUARY 1, 2023, AS ADJUSTED	793,094	1,374,854
FUND BALANCES/NET POSITION (DEFICIT) - DECEMBER 31, 2023	\$ 919,343	\$ 12,023,352

The accompanying notes to the financial
statements are an integral part of this report.

Debt Service Fund	Capital Projects Fund	Total	Adjustments	Statement of Activities
\$ 5,006,919	\$	\$ 6,095,023	\$ 3,790	\$ 6,098,813
		10,338,198		10,338,198
465,237	6,342	20,422		20,422
		849,538		849,538
		17,553		17,553
<u>\$ 5,472,156</u>	<u>\$ 6,342</u>	<u>\$ 17,320,734</u>	<u>\$ 3,790</u>	<u>\$ 17,324,524</u>
\$ 6,000	\$	\$ 352,143	\$ 1,083,103	\$ 1,435,246
41,153		89,698		89,698
		49,512		49,512
		74,357		74,357
		396,098		396,098
191,885		316,278	15,312,974	15,312,974
	51,219,121	51,219,121	(51,219,121)	316,278
			14,928,140	14,928,140
	2,110,380	2,138,821	(269,896)	1,868,925
4,700,000		4,700,000	(4,700,000)	
9,814,366		9,814,366	271,630	10,085,996
<u>\$ 14,753,404</u>	<u>\$ 53,329,501</u>	<u>\$ 69,150,394</u>	<u>\$ (24,593,170)</u>	<u>\$ 44,557,224</u>
<u>\$ (9,281,248)</u>	<u>\$ (53,323,159)</u>	<u>\$ (51,829,660)</u>	<u>\$ 24,596,960</u>	<u>\$ (27,232,700)</u>
\$ 958,146	\$ 19,946,854	\$ 20,905,000	\$ (20,905,000)	\$
994,583	33,105,417	34,100,000	(34,100,000)	
	(623,893)	(623,893)	623,893	
	454,509	454,509	(454,509)	
	206,054	206,054	(206,054)	
<u>\$ 1,952,729</u>	<u>\$ 53,088,941</u>	<u>\$ 55,041,670</u>	<u>\$ (55,041,670)</u>	<u>\$ - 0 -</u>
\$ (7,328,519)	\$ (234,218)	\$ 3,212,010	\$ (3,212,010)	\$
			(27,232,700)	(27,232,700)
<u>8,385,941</u>	<u>234,218</u>	<u>10,788,107</u>	<u>(105,204,499)</u>	<u>(94,416,392)</u>
<u>\$ 1,057,422</u>	<u>\$ - 0 -</u>	<u>\$ 14,000,117</u>	<u>\$ (135,649,209)</u>	<u>\$ (121,649,092)</u>

The accompanying notes to the financial statements are an integral part of this report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF
ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2023**

Net Change in Fund Balances - Governmental Funds \$ 3,212,010

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report tax and assessment revenues when collected. However, in the Statement of Activities, revenue is recorded in the accounting period for which the taxes are levied. 3,790

Governmental funds do not account for depreciation. However, in the Statement of Net Position, capital assets are depreciated and depreciation expense is recorded in the Statement of Activities. (15,312,974)

Governmental funds report capital expenditures as expenditures in the period purchased. However, in the Statement of Net Position, capital assets are increased, net of assets conveyed to the City, by new purchases and the Statement of Activities is not affected. 35,207,878

Governmental funds report bond insurance costs as expenditures and bond premiums and discounts as other financing sources/uses in the year received/paid. However, in the Statement of Net Position, the bond insurance costs, bond premiums and bond discounts are amortized over the life of the bonds and the current year amortized portion is recorded in the Statement of Activities. 439,280

Governmental funds report bond principal payments as expenditures. However, in the Statement of Net Position, bond principal payments are reported as decreases in long-term liabilities. 4,700,000

Governmental funds report interest expenditures on long-term debt as expenditures in the year paid. However, in the Statement of Net Position, interest is accrued on the long-term debt through fiscal year-end. (271,630)

Governmental funds report bond proceeds as other financing sources. Issued bonds increase long-term liabilities in the Statement of Net Position. (55,005,000)

Governmental funds report developer advances as other financing sources. However, in the Statement of Net Position, developer advances, net any amount paid to the developer, are recorded as a liability. (206,054)

Change in Net Position - Governmental Activities \$ (27,232,700)

The accompanying notes to the financial statements are an integral part of this report.

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1. CREATION OF DISTRICT

The Viridian Municipal Management District (the “District”) was created, effective June 16, 2007, by Chapter 531 Acts of the 80th Texas Legislature, Regular Session, 2007, codified as Chapter 3861 Texas Special District Local Laws Code (the “Act”). Pursuant to the provisions of the Act creating the District, the District is empowered to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, arts and entertainment, economic development, safety, and the public welfare in the District. The District was created under the authority of Article XVI, Section 59 of the Texas Constitution, with powers under Chapter 49 and 54 of the Texas Water Code. The District has road powers under Article III, Sections 52 and 52a of the Texas Constitution. The District has powers provided by Subchapter A, Chapter 372, and Chapters 375 and 505, Texas Local Government Code. The Act was amended, effective September 1, 2015, by House Bill 648, Chapter 439 Acts of the 84th Texas Legislature, Regular Session, 2015. The Board of Directors held its first meeting on February 29, 2008. The District’s first bonds were sold on April 19, 2011. Currently, the Board of Directors includes two members that are elected, and three members appointed by the City of Arlington. Ultimately, pursuant to the Act, all Board members will be elected.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (“GASB”). In addition, the accounting records of the District are maintained generally in accordance with the *Water District Financial Management Guide* published by the Commission.

The District is a political subdivision of the State of Texas governed by a board as noted in Note 1. GASB has established the criteria for determining whether or not an entity is a primary government or a component unit of a primary government. The primary criteria are that it has a separately elected governing body, it is legally separate, and it is fiscally independent of other state and local governments. Under these criteria, the District is considered a primary government and is not a component unit of any other government. Additionally, no other entities meet the criteria for inclusion in the District’s financial statement as component units.

Financial Statement Presentation

These financial statements have been prepared in accordance with GASB Codification of Governmental Accounting and Financial Reporting Standards Part II, Financial Reporting (“GASB Codification”).

The GASB Codification sets forth standards for external financial reporting for all state and local government entities, which include a requirement for a Statement of Net Position and a Statement of Activities. It requires the classification of net position into three components: Net Investment in Capital Assets; Restricted; and Unrestricted. These classifications are defined as follows:

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

- * Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- * Restricted Net Position – This component of net position consists of external constraints placed on the use of assets imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulation of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- * Unrestricted Net Position – This component of net position consists of assets that do not meet the definition of Restricted or Net Investment in Capital Assets.

When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the District as a whole. The District's Statement of Net Position and Statement of Activities are combined with the governmental fund financial statements. The District is viewed as a special-purpose government and has the option of combining these financial statements.

The Statement of Net Position is reported by adjusting the governmental fund types to report on the full accrual basis, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. Any amounts recorded due to and due from other funds are eliminated in the Statement of Net Position.

The Statement of Activities is reported by adjusting the governmental fund types to report only items related to current year revenues and expenditures. Items such as capital outlay are allocated over their estimated useful lives as depreciation expense. Internal activities between governmental funds, if any, are eliminated by adjustment to obtain net total revenue and expense of the government-wide Statement of Activities.

Fund Financial Statements

As discussed above, the District's fund financial statements are combined with the government-wide financial statements. The fund financial statements include a Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances.

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Funds

The District has four governmental funds and considers them to be major funds.

General Fund - To account for resources not required to be accounted for in another fund, maintenance tax revenues and general expenditures.

Special Revenue Fund - TIRZ - To account for TIRZ revenue and declared excess TIRZ funds transferred to fund TIRZ plan projects, including the cultural center.

Debt Service Fund - To account for ad valorem utility and road taxes and financial resources restricted, committed or assigned for servicing bond debt and the cost of assessing and collecting taxes.

Capital Projects Fund - To account for financial resources restricted, committed or assigned for acquisition or construction of facilities and related costs.

Basis of Accounting

The District uses the modified accrual basis of accounting for governmental fund types. The modified accrual basis of accounting recognizes revenues when both “measurable and available.” Measurable means the amount can be determined. Available means collectable within the current period or soon enough thereafter to pay current liabilities. The District considers revenue reported in governmental funds to be available if they are collectable within 60 days after year end. Also, under the modified accrual basis of accounting, expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures when payment is due.

Property taxes considered available by the District and included in revenue include 2022 tax levy collections during the period October 1, 2022, to December 31, 2023, and taxes collected from January 1, 2023, to December 31, 2023, for the 2021 and prior tax levies. The 2023 tax levy has been fully deferred to meet planned expenditures for the 2024 fiscal year.

Amounts transferred from one fund to another fund are reported as other financing sources or uses. Loans by one fund to another fund and amounts paid by one fund for another fund are reported as interfund receivables and payables in the Governmental Funds Balance Sheet if there is intent to repay the amount and if the debtor fund has the ability to repay the advance on a timely basis.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets, which include equipment and furniture, as well as leasehold improvements, are reported in the government-wide Statement of Net Position. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenditures in the governmental fund incurred and as an expense in the government-wide Statement of Activities. Capital asset additions, improvements and preservation costs that extend the life of an asset are capitalized and depreciated over the estimated useful life of the asset. Engineering fees and certain other costs are capitalized as part of the asset.

Assets are capitalized, including infrastructure assets, if they have an original cost greater than \$20,000 and a useful life over two years. Depreciation is calculated on each class of depreciable property using the straight-line method of depreciation. Estimated useful lives are as follows:

	Years
Parks/Landscaping	10
Roadways	30
Water System	45
Drainage System	45
Sailing Center	5-15

Budgeting

An annual unappropriated budget is adopted for the General Fund by the District’s Board of Directors. The budget is prepared using the same method of accounting as for financial reporting. The General Fund budget for the current year was not amended. The Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund presents the original and amended budget amounts, if amended, compared to the actual amounts of revenues and expenditures for the current year.

Pensions

The District has not established a pension plan as the District does not have employees. The Internal Revenue Service has determined that fees of office received by Directors are considered to be wages subject to federal income tax withholding for payroll purposes only.

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus

Measurement focus is a term used to describe which transactions are recognized within the various financial statements. In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, financial position, and cash flows. All assets and liabilities associated with the activities are reported. Fund equity is classified as net position.

Governmental fund types are accounted for on a spending or financial flow measurement focus. Accordingly, only current assets and current liabilities are included on the Balance Sheet, and the reported fund balances provide an indication of available spendable or appropriable resources. Operating statements of governmental fund types report increases and decreases in available spendable resources. Fund balances in governmental funds are classified using the following hierarchy:

Nonspendable: amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. The District does not have any nonspendable fund balances.

Restricted: amounts that can be spent only for specific purposes because of constitutional provisions, or enabling legislation, or because of constraints that are imposed externally.

Committed: amounts that can be spent only for purposes determined by a formal action of the Board of Directors. The Board is the highest level of decision-making authority for the District. This action must be made no later than the end of the fiscal year. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board. The District does not have any committed fund balances.

Assigned: amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. The District has not adopted a formal policy regarding the assignment of fund balances. The District has assigned \$12,023,352 for debt service payments and/or TIRZ plan projects.

Unassigned: all other spendable amounts in the General Fund.

When expenditures are incurred for which restricted, committed, assigned or unassigned fund balances are available, the District considers amounts to have been spent first out of restricted funds, then committed funds, then assigned funds, and finally unassigned funds.

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3. LONG-TERM DEBT

General Obligation Bonds

	Series 2015-Utility Improvement and Refunding Bonds	Series 2015-Road Improvement and Refunding Bonds
Amounts Outstanding - December 31, 2023	\$ 18,795,000	\$ 15,865,000
Interest Rates	4.00% - 6.00%	4.00% - 6.00%
Maturity Dates - Serially Beginning/Ending	December 1, 2024/2041	December 1, 2024/2041
Interest Payment Dates	June 1/ December 1	June 1/ December 1
Callable Dates	December 1, 2024*	December 1, 2024*

* Or any date thereafter, in principal amounts of \$5,000 or any integral multiple thereof, at a price of par plus unpaid accrued interest to the date fixed for redemption. For the Series 2015 Utility Improvement and Refunding Bond issue (“Series 2015 Utility Bonds”), the bonds maturing on December 1, 2038, and 2041, are term bonds and are subject to mandatory redemption beginning December 1, 2036, and 2039, respectively. For the Series 2015 Road Improvement and Refunding Bond issue (“Series 2015 Road Bonds”) (Series 2015 Utility Bonds and Series 2015 Road Bonds collectively, “Series 2015 Tax Bonds”), the bonds maturing on December 1, 2038, and 2041, are term bonds and are subject to mandatory redemption beginning December 1, 2036, and 2039, respectively.

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3. LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

	<u>Series 2016 Utility Improvement Bonds</u>	<u>Series 2016 Road Improvement Bonds</u>
Amounts Outstanding - December 31, 2023	\$ 5,325,000	\$ 3,880,000
Interest Rates	4.00% - 5.00%	4.00% - 5.00%
Maturity Dates - Serially Beginning/Ending	December 1, 2024/2042	December 1, 2024/2042
Interest Payment Dates	June 1/ December 1	June 1/ December 1
Callable Dates	December 1, 2023**	December 1, 2023**
	<u>Series 2017 Utility Improvement Bonds</u>	<u>Series 2017 Road Improvement Bonds</u>
Amounts Outstanding - December 31, 2023	\$ 8,810,000	\$ 11,425,000
Interest Rates	3.00% - 3.50%	2.00% - 4.00%
Maturity Dates - Serially Beginning/Ending	December 1, 2024/2043	December 1, 2024/2043
Interest Payment Dates	June 1/ December 1	June 1/ December 1
Callable Dates	December 1, 2024**	December 1, 2024**

** Or any date thereafter, in principal amounts of \$5,000 or any integral multiple thereof, at a price of par plus unpaid accrued interest to the date fixed for redemption. For the Series 2016 Utility Improvement Bond issue (“Series 2016 Utility Bonds”), the bonds maturing on December 1, 2042, are term bonds and are subject to mandatory redemption beginning December 1, 2038. For the Series 2016 Road Improvement Bond issue (“Series 2016 Road Bonds”) (Series 2016 Utility Bonds and Series 2016 Road Bonds collectively, “Series 2016 Tax Bonds”), the bonds maturing on December 1, 2042 are term bonds and are subject to mandatory redemption beginning December 1, 2038. For the Series 2017 Utility Improvement Bond issue (“Series 2017 Utility Bonds”), the bonds maturing on December 1, 2029, December 1, 2034, December 1, 2038, and December 1, 2043 are term bonds and are subject to mandatory redemption beginning December 1, 2025, December 1, 2030, December 1, 2035, and December 1, 2039, respectively. For the Series 2017 Road Improvement Bond issue (“Series 2017 Road Bonds”), the bonds maturing on December 1, 2043 are term bonds and are subject to mandatory redemption beginning, December 1, 2039.

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3. LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

	<u>Series 2018 Utility Improvement Bonds</u>	<u>Series 2018 Road Improvement Bonds</u>
Amounts Outstanding - December 31, 2023	\$ 13,545,000	\$ 18,155,000
Interest Rates	3.125% - 4.00%	3.125% - 4.00%
Maturity Dates - Serially Beginning/Ending	December 1, 2024/2044	December 1, 2024/2044
Interest Payment Dates	June 1/ December 1	June 1/ December 1
Callable Dates	December 1, 2023***	December 1, 2023***
	<u>Series 2019 Utility Improvement Bonds</u>	<u>Series 2019 Road Improvement Bonds</u>
Amounts Outstanding – December 31, 2023	\$ 13,580,000	\$ 17,695,000
Interest Rates	2.625% - 4.00%	2.625% - 4.00%
Maturity Dates - Serially Beginning/Ending	December 1, 2024/2045	December 1, 2024/2045
Interest Payment Dates	June 1/ December 1	June 1/ December 1
Callable Dates	December 1, 2024***	December 1, 2024***

*** Or any date thereafter, in principal amounts of \$5,000 or any integral multiple thereof, at a price of par plus unpaid accrued interest to the date fixed for redemption. For the Series 2018 Utility Improvement Bond issue (“Series 2018 Utility Bonds”), the bonds maturing on December 1, 2038, December 1, 2041, and December 1, 2044 are term bonds and are subject to mandatory redemption beginning December 1, 2036, December 1, 2039, and December 1, 2042, respectively. For the Series 2018 Road Improvement Bond issue (“Series 2018 Road Bonds”), the bonds maturing on December 1, 2038, December 1, 2041, and December 1, 2044 are term bonds and are subject to mandatory redemption beginning December 1, 2036, December 1, 2039, and December 1, 2042, respectively. For the Series 2019 Utility Improvement Bond issue (“Series 2019 Utility Bonds”), the bonds maturing on December 1, 2042 and December 1, 2045 are term bonds and subject to mandatory redemption beginning on December 1, 2040 and December 1, 2043, respectively. For the Series 2019 Road Improvement Bond issue (“Series 2019 Road Bonds”), the bonds maturing on December 1, 2042 and December 1, 2045 are term bonds and are subject to mandatory redemption beginning December 1, 2040 and December 1, 2043, respectively.

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3. LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

	<u>Series 2020 Utility Improvement Bonds</u>	<u>Series 2020 Road Improvement Bonds</u>
Amounts Outstanding - December 31, 2023	\$ 12,375,000	\$ 17,235,000
Interest Rates	2.625% - 4.00%	2.625% - 4.00%
Maturity Dates - Serially Beginning/Ending	December 1, 2024/2046	December 1, 2024/2046
Interest Payment Dates	June 1/ December 1	June 1/ December 1
Callable Dates	December 1, 2027****	December 1, 2027****
	<u>Series 2021 Utility Improvement Bonds</u>	<u>Series 2021 Road Improvement Bonds</u>
Amounts Outstanding - December 31, 2023	\$ 17,185,000	\$ 26,600,000
Interest Rates	1.00% - 3.00%	1.00% - 3.00%
Maturity Dates - Serially Beginning/Ending	December 1, 2024/2047	December 1, 2024/2047
Interest Payment Dates	June 1/ December 1	June 1/ December 1
Callable Dates	December 1, 2027****	December 1, 2027****

**** Or any date thereafter, in principal amounts of \$5,000 or any integral multiple thereof, at a price of par plus unpaid accrued interest to the date fixed for redemption. For the Series 2020 Utility Improvement Bond issue (“Series 2020 Utility Bonds”), the bonds maturing on December 1, 2046 are term bonds and subject to mandatory redemption beginning on December 1, 2041. For the Series 2020 Road Improvement Bond issue (“Series 2020 Road Bonds”), the bonds maturing on December 1, 2046 are term bonds and are subject to mandatory redemption beginning December 1, 2041. For the Series 2021 Utility Improvement Bond issue (“Series 2021 Utility Bonds”), the bonds maturing on December 1, 2037, December 1, 2039, December 1, 2043, and December 1, 2047, are term bonds and are subject to mandatory redemption beginning December 1, 2036, December 1, 2038, December 1, 2040, and December 1, 2044, respectively. For the Series 2021 Road Improvement Bond issue (“Series 2021 Road Bonds”), the bonds maturing on December 1, 2037, December 1, 2039, December 1, 2043, and December 1, 2047, are term bonds and are subject to mandatory redemption beginning December 1, 2036, December 1, 2038, December 1, 2040, and December 1, 2044, respectively.

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3. LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

	<u>Series 2022 Utility Improvement Bonds</u>	<u>Series 2022 Road Improvement Bonds</u>
Amounts Outstanding - December 31, 2023	\$ 19,620,000	\$ 25,240,000
Interest Rates	4.00% - 5.00%	4.00% - 5.00%
Maturity Dates - Serially Beginning/Ending	December 1, 2025/2048	December 1, 2025/2048
Interest Payment Dates	June 1/ December 1	June 1/ December 1
Callable Dates	December 1, 2028*****	December 1, 2028*****

***** Or any date thereafter, in principal amounts of \$5,000 or any integral multiple thereof, at a price of par plus unpaid accrued interest to the date fixed for redemption. For the Series 2022 Utility Improvement Bond issue (“Series 2022 Utility Bonds”), the bonds maturing on December 1, 2048, are term bonds and are subject to mandatory redemption beginning December 1, 2043. For the Series 2022 Road Improvement Bond issue (“Series 2022 Road Bonds”), the bonds maturing on December 1, 2048, are term bonds and are subject to mandatory redemption beginning December 1, 2043.

	<u>Series 2023 Utility Improvement Bonds</u>	<u>Series 2023 Road Improvement Bonds</u>
Amounts Outstanding - December 31, 2023	\$ 20,905,000	\$ 34,100,000
Interest Rates	5.00%	5.00%
Maturity Dates - Serially Beginning/Ending	December 1, 2025/2049	December 1, 2025/2049
Interest Payment Dates	June 1/ December 1	June 1/ December 1
Callable Dates	December 1, 2029*****	December 1, 2029 *****

*****Or any date thereafter, in principal amounts of \$5,000 or any integral multiple thereof, at a price of par plus unpaid accrued interest to the date fixed for redemption. For both the Series 2023 Utility Improvement Bond Issue (“Series 2023 Utility Bonds”) and the Series 2023 Road Improvement Bond Issue (“Series 2023 Road Bonds”), the bonds maturing on December 1, 2045 and December 1, 2049, are term bonds and are subject to mandatory redemption beginning December 1, 2043 and December 1, 2046, respectively.

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3. LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

The following is a summary of transactions regarding long-term liabilities for the fiscal year ended December 31, 2023:

	January 1, 2023	Additions	Retirements	December 31, 2023
Bonds Payable	\$ 250,030,000	\$ 55,005,000	\$ 4,700,000	\$ 300,335,000
Unamortized Discounts	(3,005,308)	(623,893)	(178,192)	(3,451,009)
Unamortized Premiums	<u>10,856,078</u>	<u>454,509</u>	<u>539,843</u>	<u>10,770,744</u>
Total Long-Term Liabilities	<u>\$ 257,880,770</u>	<u>\$ 54,835,616</u>	<u>\$ 5,061,651</u>	<u>\$ 307,654,735</u>
			Amount Due Within One Year	\$ 6,480,000
			Amount Due After One Year	<u>301,174,735</u>
			Total Long-Term Liabilities	<u>\$ 307,654,735</u>

As of December 31, 2023, the debt service requirements on the general obligation bonds outstanding were as follows:

Fiscal Year	Principal	Interest	Total
2024	\$ 6,480,000	\$ 12,240,894	\$ 18,720,894
2025	9,575,000	11,796,468	21,371,468
2026	10,010,000	11,366,569	21,376,569
2027	10,460,000	10,916,170	21,376,170
2028	10,930,000	10,444,714	21,374,714
2029-2033	61,725,000	45,156,987	106,881,987
2034-2038	75,645,000	31,231,762	106,876,762
2039-2043	77,440,000	15,352,160	92,792,160
2044-2048	31,120,000	5,369,985	36,489,985
2049	<u>6,950,000</u>	<u>347,500</u>	<u>7,297,500</u>
	<u>\$ 300,335,000</u>	<u>\$ 154,223,209</u>	<u>\$ 454,558,209</u>

As of December 31, 2023, the District had authorized but unissued bonds in the amount of \$4,810,000 for utility facilities and \$42,240,000 for road facilities.

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3. LONG-TERM DEBT (Continued)

General Obligation Bonds (Continued)

The general obligation bonds of the District are payable from the proceeds of an ad valorem tax levied upon all property subject to taxation within the District, without limitation as to rate or amount and certain tax increment revenues collected within the TIRZ and received by the District.

The bond orders for the general obligation bonds require the District to levy and collect an ad valorem debt service tax sufficient, together with TIRZ revenues calculated to be received and other legally available funds on hand, to pay interest and principal on bonds when due and the cost of assessing and collecting taxes.

During the fiscal year ended December 31, 2023, the District levied an ad valorem utility debt service tax rate of \$0.1554 and road debt service tax rate of \$0.2027 per \$100 of assessed valuation, which resulted in a tax levy of \$2,694,316 and \$3,514,401 respectively, on the adjusted taxable valuation of \$1,736,090,259, for the 2023 tax year. See Note 6 for the maintenance tax levy.

NOTE 4. DEPOSITS AND INVESTMENTS

Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's deposit policy for custodial credit risk requires compliance with the provisions of Texas statutes.

Texas statutes require that any cash balance in any fund shall, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, be continuously secured by a valid pledge to the District of securities eligible under the laws of Texas to secure the funds of the District, having an aggregate market value, including accrued interest, at all times equal to the uninsured cash balance in the fund to which such securities are pledged. At fiscal year end, the carrying amount of the District's deposits was \$4,039,147 and the bank balance was \$4,044,527. Of the bank balance, \$250,967 was covered by federal depository insurance and the balance was covered by collateral pledged in the name of the District and held in a third-party depository.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

Deposits (Continued)

The carrying values of the deposits are included in the Governmental Funds Balance Sheet and the Statement of Net Position as of December 31, 2023, as listed below:

	Cash
GENERAL FUND	\$ 4,031,780
SPECIAL REVENUE FUND - TIRZ	3,467
CAPITAL PROJECTS FUND	3,900
TOTAL DEPOSITS	\$ 4,039,147

Investments

Under Texas law, the District is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity and that address investment diversification, yield, maturity, and the quality and capability of investment management, and all District funds must be invested in accordance with the following investment objectives: understanding the suitability of the investment to the District’s financial requirements, first; preservation and safety of principal, second; liquidity, third; marketability of the investments if the need arises to liquidate the investment before maturity, fourth; diversification of the investment portfolio, fifth; and yield, sixth. The District’s investments must be made “with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person’s own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to derived.” No person may invest District funds without express written authority from the Board of Directors.

Texas statutes include specifications for and limitations applicable to the District and its authority to purchase investments as defined in the Public Funds Investment Act. The District has adopted a written investment policy to establish the guidelines by which it may invest. This policy is reviewed annually. The District’s investment policy may be more restrictive than the Public Funds Investment Act.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The District invests in TexPool, an external investment pool that is not SEC-registered. The Texas Comptroller of Public Accounts has oversight of the pool. Federated Hermes, Inc. manages the daily operations of the pool under a contract with the Comptroller. TexPool meets the criteria established in GASB Statement No. 79 and measures all its portfolio assets at amortized cost. As a result, the District also measures its investments in TexPool at amortized cost for financial reporting purposes. There are no limitations or restrictions on withdrawals from TexPool.

As of December 31, 2023, the District had the following investments.

<u>Fund and Investment Type</u>	<u>Fair Value</u>	<u>Maturities of Less Than 1 Year</u>
<u>GENERAL FUND</u>		
TexPool	\$ 1,048,478	\$ 1,048,478
<u>SPECIAL REVENUE FUND - TIRZ</u>		
TexPool	12,019,885	12,019,885
<u>DEBT SERVICE FUND</u>		
TexPool	1,347,690	1,347,690
<u>CAPITAL PROJECTS FUND</u>		
TexPool	<u>15</u>	<u>15</u>
TOTAL INVESTMENTS	<u><u>\$ 14,416,068</u></u>	<u><u>\$ 14,416,068</u></u>

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. As of December 31, 2023, the District's investments in Texpool are rated AAAM by Standard and Poor's.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District considers the investments in Texpool to have a maturity of less than one year due to the fact the share position can usually be redeemed each day at the discretion of the District, unless there has been a significant change in value.

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4. DEPOSITS AND INVESTMENTS (Continued)

Restrictions

All cash and investments of the Debt Service Fund are restricted for the payment of debt service and the cost of assessing and collecting taxes. All cash and investments of the Capital Projects Fund are restricted for the purchase of capital assets.

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023:

	January 1, 2023	Increases	Decreases	December 31, 2023
Capital Assets Not Being Depreciated				
Land and Land Improvements	\$ 44,878,015	\$ 3,770,854	\$	\$ 48,648,869
Construction in Progress	906,776	34,637,683	35,544,459	
Total Capital Assets Not Being Depreciated	<u>\$ 45,784,791</u>	<u>\$ 38,408,537</u>	<u>\$ 35,544,459</u>	<u>\$ 48,648,869</u>
Capital Assets Subject to Depreciation				
Parks/Landscaping	\$ 43,284,340	\$ 8,836,475	\$	\$ 52,120,815
Sailing Center	1,855,782			1,855,782
Roadways	67,801,179	16,183,295		83,984,474
Drainage System	36,554,299	6,753,835		43,308,134
Total Capital Assets Subject to Depreciation	<u>\$ 149,495,600</u>	<u>\$ 31,773,605</u>	<u>\$ - 0 -</u>	<u>\$ 181,269,205</u>
Less Accumulated Depreciation				
Parks/Landscaping	\$ 21,912,814	\$ 8,412,225	\$	\$ 30,325,039
Sailing Center	1,120,139	122,320		1,242,459
Roadways	13,703,137	5,358,587		19,061,724
Drainage System	6,610,896	1,419,842		8,030,738
Total Accumulated Depreciation	<u>\$ 43,346,986</u>	<u>\$ 15,312,974</u>	<u>\$ - 0 -</u>	<u>\$ 58,659,960</u>
Total Depreciable Capital Assets, Net of Accumulated Depreciation	<u>\$ 106,148,614</u>	<u>\$ 16,460,631</u>	<u>\$ - 0 -</u>	<u>\$ 122,609,245</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>\$ 151,933,405</u>	<u>\$ 54,869,168</u>	<u>\$ 35,544,459</u>	<u>\$ 171,258,114</u>

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 6. MAINTENANCE TAX

On November 4, 2008, the voters of the District approved the levy and collection of an ad valorem tax not to exceed \$0.75 per \$100 of assessed valuation of taxable property within the District. This ad valorem tax is to be used for administration, operation, and maintenance purposes and for programs to promote District purposes. During the fiscal year ended December 31, 2023, the District levied an ad valorem maintenance tax of \$0.09 per \$100 of assessed valuation, which resulted in a tax levy of \$1,560,415, on the adjusted taxable valuation of \$1,736,090,259, for the 2023 tax year. The 2023 tax levy has been fully deferred.

NOTE 7. PROJECT FINANCE PLAN AND DEVELOPMENT AGREEMENT

Effective December 9, 2009, and amended on January 24, 2011, the District; the City of Arlington, Texas (the “City”); HC LOBF Arlington, LLC (the “Original Developer”); and Tax Increment Reinvestment Zone No. Six (TIRZ) entered into the Viridian Project Finance Plan and Development Agreement (“Development Agreement”). Pursuant to the Development Agreement, the District and Original Developer agreed to plan, design, and construct the Viridian Public Improvements to serve the area with and surrounding the District, which will significantly enhance economic growth and tax revenues to the City and other taxing jurisdictions. The TIRZ has agreed to provide available TIRZ revenue to the District to secure bonds for the financing the construction of such improvements. Effective July 16, 2015, the Original Developer sold its interest in the Viridian project to Viridian Holdings, LP (“Developer”). Pursuant to an assignment and assumption agreement, effective July 16, 2015, the Original Developer assigned to and the Developer assumed all of Original Developer’s rights and obligations under the Development Agreement. During the current fiscal year, the District received \$10,338,198 from the City in relation to this agreement.

The Agreement also states that the District may issue bonds to be repaid from ad valorem taxes, assessments, TIRZ revenue, or other revenue authorized by the District Act. All bonds must be approved by City Council.

Effective June 1, 2017, the District, the City, the TIRZ, and the Developer entered into an Amended and Restated Viridian Project Finance Plan and Development Agreement (the "Amended Development Agreement"), which amended and restated the Development Agreement in several respects, including: increasing the amount of public improvements to be financed by the District; increasing the term of the availability of TIRZ Revenues for financing the District public improvements; increasing the area to be benefitted from the District public improvements; and extending the Term of the Development Agreement. The Amended Development Agreement has been amended pursuant to a First Amendment, dated September 29, 2020, and Second Amendment, dated September 21, 2023. The First Amendment provided for an exchange of 10-acre parcels between the City and Developer. The Second Amendment provided for an increase in the costs of the public improvements that may be funded by TIRZ revenue, and authorized the use of TIRZ revenues for improvements to the Viridian Sailing Center and funding economic development programs.

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 7. PROJECT FINANCE PLAN AND DEVELOPMENT AGREEMENT
(Continued)

At such time as the District has no outstanding TIRZ Bonds or District Tax Bonds or contractual obligations payable from ad valorem taxes; all TIRZ Costs and costs of all completed Other District Improvements have been paid or reimbursed, and the City has assumed all assets and liabilities of the District, this Agreement may be terminated by any Party upon 90 days' notice to the other Parties.

NOTE 8. UNREIMBURSED COSTS

The District entered into reimbursement agreements with the Original Developer consisting of a Second Amended and Restated Master Reimbursement Agreement and an Amended and Restated Phase 1 Reimbursement Agreement, each dated July 22, 2014 (collectively, "Reimbursement Agreements"). Effective July 16, 2015, the Original Developer sold its interest in the Viridian Project to the Developer, and pursuant to the assignment and assumption agreements, each effective July 16, 2015, the Original Developer assigned to and the Developer assumed all of the reimbursement rights and related obligations of the Original Developer under the Reimbursement Agreements. The Reimbursement Agreements were subsequently amended on November 20, 2015. The Developers intend to develop land within the District and the District will construct certain facilities necessary to provide water, sewer, drainage services, roads, parks and open space, and firefighting improvements and facilities for the development. The Developers will advance funds to the District for operations and maintenance of drainage services and roads to the District and pay certain administrative expenses prior to other sufficient revenues becoming available to the District. The Developers have advanced funds on behalf of the District to pay certain fees and expenses in connection with the creation of the District, including legal and engineering fees. The District intends to reimburse the Developers for such funds advanced to the District from future bond issues. As of the balance sheet date, the Developers have advanced approximately \$3,881,661 in unreimbursed costs for creation, construction and engineering of utilities, detention, paving and parks. This amount has been recorded in the Statement of Net Position as a Due to Developer. Procedures were performed to review approximately 40% of the aforementioned costs. Prior to the actual reimbursement of the Developer, 100% of the costs will be reviewed and analyzed and the reimbursement amount will be calculated based upon the reimbursement agreements.

As of December 31, 2023, the Developers have advanced \$2,644,129 to the District to cover operating expenditures of the District. No amounts were advanced during the current fiscal year. These amounts have been recorded in the Statement of Net Position as a Due to Developer. These advances are expected to be reimbursed to the Developer upon the future sale of bonds.

On December 23, 2021, the Developer assigned to ORIX Public Finance LLC ("ORIX") rights to reimbursement of certain funds advanced to or on behalf of the District pursuant to the Reimbursement Agreements. Such assignment was fully satisfied on November 27, 2023, from proceeds of the District's Series 2023 Utility Bonds and Series 2023 Road Bonds.

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 8. UNREIMBURSED COSTS (Continued)

On December 12, 2023, as part of the consideration for its sale of Viridian Phase 3C land to Weekley Homes, LLC (“Weekley”), pursuant to an Assignment of Rights to Reimbursement Expenditures, the Developer received an assignment of Weekley’s rights to reimbursement for funds advanced to or on behalf of the District for construction of infrastructure to serve Phase 3C.

NOTE 9. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

NOTE 10. INTERFUND LIABILITIES AND RECEIVABLES

As of December 31, 2023, the District had the following interfund liabilities: the General Fund owed the Debt Service Fund \$3,397,808 for debt service utility and road tax collections. This liability is a timing difference from the time the General Fund collects the tax revenue and transfers it to the Debt Service Fund. The Capital Projects Fund owed the General Fund \$3,915 for bond issuance costs.

NOTE 11. BOND SALE

On November 9, 2023, the District issued \$20,905,000 of Series 2023 Utility Bonds and \$34,100,000 of Series 2023 Road Bonds. Proceeds of the bonds were used to pay ORIX and reimburse the Developer for utility and road improvements, fund capitalized interest, and to fund bond issuance costs.

NOTE 12. VIRIDIAN SAILING CENTER MANAGEMENT SERVICES CONTRACT

During 2016, the District acquired or constructed the Viridian Sailing Center (the “Sailing Center”), certain watercraft (“Watercraft”), and the area of Lake Viridian and a beach area known as “Overlook Park” with funds advanced by the Developer. Pursuant to the Reimbursement Agreements, such advances will be reimbursed by the District from the proceeds of future PID Bonds or PID assessments. Effective July 12, 2016, the District and the Viridian Sailing Center Foundation (the “Foundation”) entered into an Amended and Restated Management Services Contract (the “Management Contract”). Pursuant to the Management Contract, the District granted an exclusive license to Foundation for the use, operation, and maintenance of the Sailing Center, the Watercraft, and other related District improvements. The District further granted a non-exclusive license to Foundation for the use of Lake Viridian and Overlook Park to the extent necessary for the operation of the Sailing Center. Finally, the District made a payment to Foundation of \$4,800. The Management Contract is intended as an interim step in establishing a long-term agreement with Foundation regarding the Sailing Center once a certain level of operation is achieved. Accordingly, its term was one (1) year from its effective date. Effective July 11, 2017, the District and the Foundation entered into a Management

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 12. VIRIDIAN SAILING CENTER MANAGEMENT SERVICES CONTRACT
(Continued)

Services Contracts (the "Management Contract") on substantially similar terms as contained in the Initial Management Contract, but contract is year-to-year. While the Sailing Center is open to the public, Foundation will establish admission charges and fees for participation in activities at the center. Except for major capital repairs or improvements, District will have no obligation regarding the financial operations of the center. Foundation's operation of the Sailing Center is limited to the uses and activities specifically identified in the Management Contract. The services to be provided by and responsibilities of Foundation in connection with the operation, maintenance, and repair of the Sailing Center are described in the Management Contract. The consideration for the grant of the licenses to Foundation include Foundation's agreement to assume all costs for the operation of the Sailing Center, and maintenance and repair of "non-major, non-capital" improvements to the Sailing Center and Watercraft; payment of all taxes and fees levied upon operations at the Sailing Center; and the maintenance of certain levels of insurance coverages, naming the District as an additional insured, at no cost to District.

NOTE 13. PRIOR PERIOD ADJUSTMENT

During the current fiscal year, it was determined that the presentation in the financial statements for assessment revenue bonds previously issued by the District was not in accordance with applicable governmental accounting standards; and such bonds should not be recorded as a liability of the District and shown as such on the Balance Sheet. The following tables summarize the effects of the required adjustments:

Special Revenue Fund Balance - PID, January 1, 2023	\$ 2,198,285
Effect of Adjustment	<u>(2,198,285)</u>
Special Revenue Fund Balance - PID, January 1, 2023, As Adjusted	<u><u>- 0 -</u></u>
Net Position, January 1, 2023	\$ (118,525,279)
Effect of Adjustment	<u>24,108,887</u>
Net Position, January 1, 2023, As Adjusted	<u><u>\$ (94,416,392)</u></u>

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 14. SPECIAL ASSESSMENT DEBT

Pursuant to its enabling legislation, the District has created several public improvement districts (“PID” or “PIDs”). From time to time, the District issues PID assessment revenue bonds. Proceeds from the bonds are deposited into trust accounts with Regions Bank for the purpose of funding improvements. Regions Bank also serves as trustee for the bondholders. The bonds are special limited obligations of the District payable solely from assessments levied against parcels in the affected PIDs and other pledged funds held under the indenture. The bonds shall never be payable out of funds raised or to be raised by District taxation or from other revenues, properties, or income of the District. Further, the District has no moral or legal obligation for the payment of debt service on the PID assessment bonds from any sources other than assessments levied against parcels of the affected PIDs. Therefore, this debt has not been recorded as long-term debt of the District. However, for so long any PID assessment revenue bonds are outstanding the District has covenanted to pursue all action permissible under applicable law to cause the assessment securing those bonds to be collected and the liens thereof enforced continually, and to cause no reduction, abatement, or exemption in the assessment which constitute the revenues pledged to the outstanding bonds.

	Original Bonds Issued	Bonds Outstanding December 31, 2023
Series 2015	\$ 8,230,000	\$ 6,557,000
Series 2017	5,392,000	4,609,000
Series 2018	5,480,000	4,893,000
Series 2020	4,820,000	4,451,000
Series 2022	<u>5,144,000</u>	<u>5,034,000</u>
	\$ <u>29,066,000</u>	\$ <u>25,544,000</u>

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

DECEMBER 31, 2023

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Property Taxes	\$ 1,116,099	\$ 1,088,104	\$ (27,995)
Penalty and Interest		20,422	20,422
Investment Revenues	9,000	67,659	58,659
Miscellaneous Revenues	<u>76</u>	<u>17,553</u>	<u>17,477</u>
TOTAL REVENUES	<u>\$ 1,125,175</u>	<u>\$ 1,193,738</u>	<u>\$ 68,563</u>
EXPENDITURES			
Service Operations:			
Professional Fees	\$ 361,500	\$ 346,143	\$ 15,357
Contracted Services	60,000	48,545	11,455
Purchased Water Service	38,495	49,512	(11,017)
Utilities	84,000	74,357	9,643
Repairs and Maintenance	464,404	396,098	68,306
Other	106,290	152,834	(46,544)
Capital Outlay			
TOTAL EXPENDITURES	<u>\$ 1,114,689</u>	<u>\$ 1,067,489</u>	<u>\$ 47,200</u>
NET CHANGE IN FUND BALANCE	\$ 10,486	\$ 126,249	\$ 115,763
FUND BALANCE - JANUARY 1, 2023	<u>793,094</u>	<u>793,094</u>	
FUND BALANCE - DECEMBER 31, 2023	<u>\$ 803,580</u>	<u>\$ 919,343</u>	<u>\$ 115,763</u>

See accompanying independent auditor's report.

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VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
SUPPLEMENTARY INFORMATION REQUIRED BY THE
WATER DISTRICT FINANCIAL MANAGEMENT GUIDE
DECEMBER 31, 2023

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
GENERAL FUND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2023**

PROFESSIONAL FEES:	
Auditing	\$ 18,300
Engineering	94,786
Legal	226,034
Delinquent Tax Attorney	<u>7,023</u>
TOTAL PROFESSIONAL FEES	<u>\$ 346,143</u>
PURCHASED SERVICES FOR RESALE:	
Purchased Water Service	<u>\$ 49,512</u>
CONTRACTED SERVICES:	
Bookkeeping	<u>\$ 48,545</u>
UTILITIES:	
Electricity	<u>\$ 74,357</u>
REPAIRS AND MAINTENANCE	<u>\$ 396,098</u>
ADMINISTRATIVE EXPENDITURES:	
Director Fees	\$ 2,800
Dues	750
Insurance	57,486
Legal Notices	2,300
Office Supplies and Postage	1,341
Payroll Taxes	214
Travel and Meetings	193
Website	44,282
Other	<u>15,027</u>
TOTAL ADMINISTRATIVE EXPENDITURES	<u>\$ 124,393</u>
DEBT SERVICE:	
Bond Issuance Costs	<u>\$ 28,441</u>
TOTAL EXPENDITURES	<u>\$ 1,067,489</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
INVESTMENTS
DECEMBER 31, 2023**

Fund	Identification or Certificate Number	Interest Rate	Maturity Date	Balance at End of Year	Accrued Interest Receivable at End of Year
<u>GENERAL FUND</u>					
TexPool	XXXX0003	Varies	Daily	\$ 418,028	\$
TexPool Prime	XXXX0003	Varies	Daily	629,462	
TexPool	XXXX0006	Varies	Daily	509	
TexPool	XXXX0007	Varies	Daily	<u>479</u>	
TOTAL GENERAL FUND				<u>\$ 1,048,478</u>	<u>\$ -0-</u>
<u>SPECIAL REVENUE FUND - TIRZ</u>					
TexPool	XXXX0008	Varies	Daily	\$ 5,650,154	
TexPool	XXXX0012	Varies	Daily	<u>6,369,731</u>	<u>\$ -0-</u>
TOTAL SPECIAL REVENUE FUND - TIRZ				<u>\$ 12,019,885</u>	<u>\$ -0-</u>
<u>DEBT SERVICE FUND</u>					
TexPool	XXXX0002	Varies	Daily	\$ 142,184	\$
TexPool	XXXX0001	Varies	Daily	276,766	
TexPool	XXXX0011	Varies	Daily	394,690	
TexPool	XXXX0010	Varies	Daily	<u>534,050</u>	
TOTAL DEBT SERVICE FUND				<u>\$ 1,347,690</u>	<u>\$ -0-</u>
<u>CAPITAL PROJECTS FUND</u>					
TexPool	XXXX0004	Varies	Daily	<u>\$ 15</u>	<u>\$ -0-</u>
TOTAL - ALL FUNDS				<u><u>\$ 14,416,068</u></u>	<u><u>\$ -0-</u></u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Debt Service Taxes					
	Maintenance Taxes		Utility Taxes		Road Taxes	
TAXES RECEIVABLE -						
JANUARY 1, 2023	\$ 321,615		\$ 665,354		\$ 817,994	
Adjustments to Beginning						
Balance	<u>(7,770)</u>	\$ 313,845	<u>(16,334)</u>	\$ 649,020	<u>(20,057)</u>	\$ 797,937
Original 2023 Tax Levy	\$ 1,507,261		\$ 2,602,537		\$ 3,394,687	
Adjustment to 2023 Tax Levy	<u>53,154</u>	<u>1,560,415</u>	<u>91,779</u>	<u>2,694,316</u>	<u>119,714</u>	<u>3,514,401</u>
TOTAL TO BE						
ACCOUNTED FOR		\$1,874,260		\$ 3,343,336		\$ 4,312,338
TAX COLLECTIONS:						
Prior Years	\$ 311,118		\$ 641,790		\$ 790,016	
Current Year	<u>926,714</u>	<u>1,237,832</u>	<u>1,600,126</u>	<u>2,241,916</u>	<u>2,087,166</u>	<u>2,877,182</u>
TAXES RECEIVABLE -						
DECEMBER 31, 2023		<u>\$ 636,428</u>		<u>\$ 1,101,420</u>		<u>\$ 1,435,156</u>
TAXES RECEIVABLE BY						
YEAR:						
2023		\$ 633,701		\$ 1,094,190		\$ 1,427,235
2022		1,335		2,753		3,389
2021		219		639		778
2020		213		639		738
2019		213		656		720
2018		221		700		730
2017		201		671		631
2016		193		687		562
2015		<u>132</u>		<u>485</u>		<u>373</u>
TOTAL		<u>\$ 636,428</u>		<u>\$ 1,101,420</u>		<u>\$ 1,435,156</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
TAXES LEVIED AND RECEIVABLE
FOR THE YEAR ENDED DECEMBER 31, 2023**

	2023	2022	2021	2020
PROPERTY VALUATIONS:				
Land,				
Improvements and				
Personal Property	\$ 1,816,534,377	\$ 1,437,997,833	\$ 1,088,070,305	\$ 884,972,081
Exemptions	<u>(80,444,118)</u>	<u>(63,766,492)</u>	<u>(54,562,854)</u>	<u>(45,494,169)</u>
TOTAL PROPERTY				
VALUATIONS	<u>\$ 1,736,090,259</u>	<u>\$ 1,374,231,341</u>	<u>\$ 1,033,507,451</u>	<u>\$ 839,477,912</u>
 TAX RATES PER \$100				
VALUATION:				
Utility Debt Service	\$ 0.1554	\$ 0.1650	\$ 0.1750	\$ 0.1800
Road Debt Service	0.2027	0.2031	0.2131	0.2081
Maintenance	<u>0.0900</u>	<u>0.0800</u>	<u>0.0600</u>	<u>0.0600</u>
 TOTAL TAX RATES PER				
\$100 VALUATION	<u>\$ 0.4481</u>	<u>\$ 0.4481</u>	<u>\$ 0.4481</u>	<u>\$ 0.4481</u>
 ADJUSTED TAX LEVY*				
	<u>\$ 7,769,132</u>	<u>\$ 6,142,977</u>	<u>\$ 4,627,052</u>	<u>\$ 3,753,155</u>
 PERCENTAGE OF TAXES				
COLLECTED TO				
TAXES LEVIED	<u>59.39 %**</u>	<u>99.88 %</u>	<u>99.96 %</u>	<u>99.96 %</u>

* Based upon the adjusted tax levy at the time of the audit for the fiscal year in which the tax was levied.

** Taxes are not delinquent until January 31st, current taxes are still in the process of collection

Maintenance Tax-maximum rate of \$0.75 per \$100 of assessed valuation approved by voters on November 4, 2008.

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

**GENERAL OBLIGATION DEBT
SERIES - 2015 UTILITY
IMPROVEMENT AND REFUNDING BONDS**

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$ 785,000	\$ 1,017,500	\$ 1,802,500
2025	835,000	970,400	1,805,400
2026	885,000	920,300	1,805,300
2027	940,000	867,200	1,807,200
2028	995,000	810,800	1,805,800
2029	1,055,000	751,100	1,806,100
2030	1,115,000	687,800	1,802,800
2031	1,185,000	620,900	1,805,900
2032	1,255,000	549,800	1,804,800
2033	1,330,000	474,500	1,804,500
2034	1,410,000	394,700	1,804,700
2035	1,495,000	310,100	1,805,100
2036	1,585,000	220,400	1,805,400
2037	1,650,000	157,000	1,807,000
2038	535,000	91,000	626,000
2039	555,000	69,600	624,600
2040	580,000	47,400	627,400
2041	605,000	24,200	629,200
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 18,795,000</u>	<u>\$ 8,984,700</u>	<u>\$ 27,779,700</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

**GENERAL OBLIGATION DEBT
SERIES - 2015 ROAD
IMPROVEMENT AND REFUNDING BONDS**

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$ 675,000	\$ 856,300	\$ 1,531,300
2025	720,000	815,800	1,535,800
2026	765,000	772,600	1,537,600
2027	800,000	726,700	1,526,700
2028	855,000	678,700	1,533,700
2029	865,000	627,400	1,492,400
2030	920,000	575,500	1,495,500
2031	970,000	520,300	1,490,300
2032	1,030,000	462,100	1,492,100
2033	1,095,000	400,300	1,495,300
2034	1,160,000	334,600	1,494,600
2035	1,230,000	265,000	1,495,000
2036	1,300,000	191,200	1,491,200
2037	1,355,000	139,200	1,494,200
2038	500,000	85,000	585,000
2039	520,000	65,000	585,000
2040	540,000	44,200	584,200
2041	565,000	22,600	587,600
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 15,865,000</u>	<u>\$ 7,582,500</u>	<u>\$ 23,447,500</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
SERIES - 2016 UTILITY
IMPROVEMENT BONDS

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$ 230,000	\$ 243,638	\$ 473,638
2025	240,000	232,136	472,136
2026	250,000	220,136	470,136
2027	260,000	207,638	467,638
2028	275,000	194,638	469,638
2029	290,000	180,888	470,888
2030	305,000	169,288	474,288
2031	315,000	157,088	472,088
2032	330,000	144,488	474,488
2033	340,000	131,288	471,288
2034	355,000	117,262	472,262
2035	370,000	99,512	469,512
2036	390,000	81,012	471,012
2037	410,000	61,512	471,512
2038	175,000	41,012	216,012
2039	185,000	33,575	218,575
2040	195,000	25,713	220,713
2041	200,000	17,425	217,425
2042	210,000	8,925	218,925
2043			
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 5,325,000</u>	<u>\$ 2,367,174</u>	<u>\$ 7,692,174</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
SERIES - 2016 ROAD
IMPROVEMENT BONDS

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$ 150,000	\$ 189,650	\$ 339,650
2025	150,000	182,150	332,150
2026	155,000	174,650	329,650
2027	175,000	166,900	341,900
2028	175,000	158,150	333,150
2029	225,000	149,400	374,400
2030	235,000	138,150	373,150
2031	250,000	126,400	376,400
2032	265,000	113,900	378,900
2033	275,000	100,650	375,650
2034	290,000	86,900	376,900
2035	300,000	72,400	372,400
2036	320,000	57,400	377,400
2037	335,000	41,400	376,400
2038	110,000	24,650	134,650
2039	110,000	19,974	129,974
2040	115,000	15,300	130,300
2041	120,000	10,413	130,413
2042	125,000	5,313	130,313
2043			
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 3,880,000</u>	<u>\$ 1,833,750</u>	<u>\$ 5,713,750</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
SERIES - 2017 UTILITY
IMPROVEMENT BONDS

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$ 20,000	\$ 307,475	\$ 327,475
2025	20,000	306,875	326,875
2026	20,000	306,275	326,275
2027	20,000	305,675	325,675
2028	20,000	305,075	325,075
2029	20,000	304,475	324,475
2030	20,000	303,875	323,875
2031	20,000	303,225	323,225
2032	20,000	302,575	322,575
2033	25,000	301,925	326,925
2034	25,000	301,113	326,113
2035	30,000	300,300	330,300
2036	25,000	299,250	324,250
2037	25,000	298,374	323,374
2038	1,320,000	297,500	1,617,500
2039	1,365,000	251,300	1,616,300
2040	1,405,000	203,525	1,608,525
2041	1,455,000	154,350	1,609,350
2042	2,135,000	103,425	2,238,425
2043	820,000	28,700	848,700
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 8,810,000</u>	<u>\$ 5,285,287</u>	<u>\$ 14,095,287</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
SERIES - 2017 ROAD
IMPROVEMENT BONDS

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$ 170,000	\$ 400,000	\$ 570,000
2025	180,000	393,200	573,200
2026	190,000	386,000	576,000
2027	195,000	378,400	573,400
2028	205,000	370,600	575,600
2029	215,000	362,400	577,400
2030	220,000	353,800	573,800
2031	230,000	347,200	577,200
2032	230,000	340,300	570,300
2033	240,000	333,112	573,112
2034	245,000	325,312	570,312
2035	260,000	317,350	577,350
2036	265,000	308,900	573,900
2037	275,000	299,956	574,956
2038	1,295,000	290,675	1,585,675
2039	1,345,000	245,350	1,590,350
2040	1,390,000	198,275	1,588,275
2041	1,435,000	149,625	1,584,625
2042	2,075,000	99,400	2,174,400
2043	765,000	26,775	791,775
2044			
2045			
2046			
2047			
2048			
2049			
	<u>\$ 11,425,000</u>	<u>\$ 5,926,630</u>	<u>\$ 17,351,630</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
SERIES - 2018 UTILITY
IMPROVEMENT BONDS

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$ 425,000	\$ 504,844	\$ 929,844
2025	440,000	487,844	927,844
2026	460,000	470,244	930,244
2027	480,000	451,844	931,844
2028	500,000	432,644	932,644
2029	515,000	412,644	927,644
2030	535,000	396,550	931,550
2031	550,000	379,832	929,832
2032	570,000	361,956	931,956
2033	585,000	342,718	927,718
2034	605,000	322,974	927,974
2035	625,000	301,800	926,800
2036	650,000	279,924	929,924
2037	675,000	253,925	928,925
2038	845,000	226,925	1,071,925
2039	880,000	193,125	1,073,125
2040	915,000	161,225	1,076,225
2041	945,000	128,056	1,073,056
2042	980,000	93,800	1,073,800
2043	255,000	54,600	309,600
2044	1,110,000	44,400	1,154,400
2045			
2046			
2047			
2048			
2049			
	<u>\$ 13,545,000</u>	<u>\$ 6,301,874</u>	<u>\$ 19,846,874</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
SERIES - 2018 ROAD
IMPROVEMENT BONDS

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$ 595,000	\$ 675,429	\$ 1,270,429
2025	615,000	651,625	1,266,625
2026	640,000	627,025	1,267,025
2027	665,000	601,425	1,266,425
2028	695,000	574,825	1,269,825
2029	720,000	547,025	1,267,025
2030	745,000	524,526	1,269,526
2031	765,000	501,244	1,266,244
2032	795,000	476,382	1,271,382
2033	815,000	449,550	1,264,550
2034	845,000	422,044	1,267,044
2035	875,000	392,468	1,267,468
2036	905,000	361,844	1,266,844
2037	940,000	325,644	1,265,644
2038	1,115,000	288,044	1,403,044
2039	1,160,000	243,444	1,403,444
2040	1,205,000	201,394	1,406,394
2041	1,250,000	157,712	1,407,712
2042	1,295,000	112,400	1,407,400
2043	355,000	60,600	415,600
2044	1,160,000	46,400	1,206,400
2045			
2046			
2047			
2048			
2049			
	<u>\$ 18,155,000</u>	<u>\$ 8,241,050</u>	<u>\$ 26,396,050</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
SERIES - 2019 UTILITY
IMPROVEMENT BONDS

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$ 425,000	\$ 482,294	\$ 907,294
2025	440,000	465,294	905,294
2026	460,000	447,694	907,694
2027	475,000	429,294	904,294
2028	495,000	410,294	905,294
2029	520,000	390,493	910,493
2030	535,000	369,693	904,693
2031	560,000	348,293	908,293
2032	580,000	325,893	905,893
2033	605,000	302,693	907,693
2034	630,000	278,494	908,494
2035	655,000	253,294	908,294
2036	680,000	227,094	907,094
2037	705,000	199,894	904,894
2038	735,000	171,694	906,694
2039	755,000	152,400	907,400
2040	775,000	129,750	904,750
2041	805,000	106,500	911,500
2042	825,000	82,350	907,350
2043	245,000	57,600	302,600
2044	255,000	50,250	305,250
2045	1,420,000	42,600	1,462,600
2046			
2047			
2048			
2049			
	<u>\$ 13,580,000</u>	<u>\$ 5,723,855</u>	<u>\$ 19,303,855</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
SERIES - 2019 ROAD
IMPROVEMENT BONDS

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$ 560,000	\$ 630,194	\$ 1,190,194
2025	590,000	607,794	1,197,794
2026	610,000	584,194	1,194,194
2027	635,000	559,794	1,194,794
2028	655,000	534,394	1,189,394
2029	685,000	508,194	1,193,194
2030	710,000	480,794	1,190,794
2031	740,000	452,393	1,192,393
2032	770,000	422,793	1,192,793
2033	805,000	391,993	1,196,993
2034	835,000	359,793	1,194,793
2035	865,000	326,393	1,191,393
2036	905,000	291,794	1,196,794
2037	935,000	255,594	1,190,594
2038	975,000	218,194	1,193,194
2039	1,005,000	192,600	1,197,600
2040	1,030,000	162,450	1,192,450
2041	1,060,000	131,550	1,191,550
2042	1,090,000	99,750	1,189,750
2043	330,000	67,050	397,050
2044	345,000	57,150	402,150
2045	1,560,000	46,800	1,606,800
2046			
2047			
2048			
2049			
	<u>\$ 17,695,000</u>	<u>\$ 7,381,655</u>	<u>\$ 25,076,655</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
SERIES - 2020 UTILITY
IMPROVEMENT BONDS

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$ 360,000	\$ 442,956	\$ 802,956
2025	380,000	428,556	808,556
2026	390,000	413,356	803,356
2027	410,000	397,756	807,756
2028	425,000	381,356	806,356
2029	440,000	364,356	804,356
2030	460,000	346,756	806,756
2031	475,000	328,356	803,356
2032	495,000	309,356	804,356
2033	515,000	289,556	804,556
2034	535,000	268,956	803,956
2035	560,000	247,556	807,556
2036	580,000	225,156	805,156
2037	605,000	201,956	806,956
2038	630,000	177,756	807,756
2039	650,000	152,556	802,556
2040	680,000	126,556	806,556
2041	705,000	99,356	804,356
2042	725,000	80,850	805,850
2043	215,000	61,818	276,818
2044	220,000	56,175	276,175
2045	225,000	50,400	275,400
2046	1,695,000	44,499	1,739,499
2047			
2048			
2049			
	<u>\$ 12,375,000</u>	<u>\$ 5,495,950</u>	<u>\$ 17,870,950</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
SERIES - 2020 ROAD
IMPROVEMENT BONDS

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$ 520,000	\$ 620,994	\$ 1,140,994
2025	535,000	600,194	1,135,194
2026	560,000	578,794	1,138,794
2027	585,000	556,394	1,141,394
2028	605,000	532,994	1,137,994
2029	630,000	508,794	1,138,794
2030	655,000	483,594	1,138,594
2031	680,000	457,394	1,137,394
2032	705,000	430,194	1,135,194
2033	735,000	401,994	1,136,994
2034	765,000	372,594	1,137,594
2035	795,000	341,994	1,136,994
2036	825,000	310,194	1,135,194
2037	865,000	277,194	1,142,194
2038	900,000	242,594	1,142,594
2039	930,000	206,594	1,136,594
2040	970,000	169,394	1,139,394
2041	1,010,000	130,594	1,140,594
2042	1,035,000	104,081	1,139,081
2043	320,000	76,912	396,912
2044	325,000	68,512	393,512
2045	335,000	59,981	394,981
2046	1,950,000	51,184	2,001,184
2047			
2048			
2049			
	<u>\$ 17,235,000</u>	<u>\$ 7,583,162</u>	<u>\$ 24,818,162</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
SERIES - 2021 UTILITY
IMPROVEMENT BONDS

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$ 605,000	\$ 387,631	\$ 992,631
2025	620,000	369,481	989,481
2026	640,000	350,882	990,882
2027	660,000	331,680	991,680
2028	680,000	311,881	991,881
2029	685,000	305,082	990,082
2030	695,000	298,231	993,231
2031	705,000	288,675	993,675
2032	715,000	274,575	989,575
2033	735,000	260,275	995,275
2034	745,000	245,575	990,575
2035	760,000	230,675	990,675
2036	775,000	215,475	990,475
2037	795,000	198,038	993,038
2038	810,000	180,150	990,150
2039	830,000	161,925	991,925
2040	850,000	143,250	993,250
2041	870,000	122,000	992,000
2042	890,000	100,250	990,250
2043	265,000	78,000	343,000
2044	270,000	71,375	341,375
2045	275,000	64,625	339,625
2046	280,000	57,750	337,750
2047	2,030,000	50,750	2,080,750
2048			
2049			
	<u>\$ 17,185,000</u>	<u>\$ 5,098,231</u>	<u>\$ 22,283,231</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
SERIES - 2021 ROAD
IMPROVEMENT BONDS

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$ 960,000	\$ 598,156	\$ 1,558,156
2025	990,000	569,356	1,559,356
2026	1,015,000	539,656	1,554,656
2027	1,045,000	509,207	1,554,207
2028	1,085,000	477,850	1,562,850
2029	1,090,000	467,006	1,557,006
2030	1,105,000	456,106	1,561,106
2031	1,120,000	440,912	1,560,912
2032	1,140,000	418,512	1,558,512
2033	1,160,000	395,712	1,555,712
2034	1,185,000	372,512	1,557,512
2035	1,210,000	348,812	1,558,812
2036	1,235,000	324,612	1,559,612
2037	1,260,000	296,825	1,556,825
2038	1,290,000	268,475	1,558,475
2039	1,320,000	239,450	1,559,450
2040	1,350,000	209,750	1,559,750
2041	1,380,000	176,000	1,556,000
2042	1,420,000	141,500	1,561,500
2043	425,000	106,000	531,000
2044	435,000	95,375	530,375
2045	450,000	84,500	534,500
2046	460,000	73,250	533,250
2047	2,470,000	61,750	2,531,750
2048			
2049			
	<u>\$ 26,600,000</u>	<u>\$ 7,671,284</u>	<u>\$ 34,271,284</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
SERIES - 2022 UTILITY
IMPROVEMENT BONDS

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$	\$ 859,769	\$ 859,769
2025	590,000	859,769	1,449,769
2026	620,000	830,269	1,450,269
2027	650,000	799,269	1,449,269
2028	685,000	766,769	1,451,769
2029	720,000	732,519	1,452,519
2030	745,000	703,719	1,448,719
2031	775,000	673,919	1,448,919
2032	810,000	642,919	1,452,919
2033	840,000	610,519	1,450,519
2034	875,000	576,919	1,451,919
2035	905,000	541,919	1,446,919
2036	950,000	503,456	1,453,456
2037	990,000	463,080	1,453,080
2038	1,030,000	419,769	1,449,769
2039	1,075,000	375,995	1,450,995
2040	1,120,000	330,306	1,450,306
2041	1,165,000	282,706	1,447,706
2042	1,220,000	233,194	1,453,194
2043	260,000	178,294	438,294
2044	275,000	166,270	441,270
2045	290,000	153,550	443,550
2046	305,000	140,139	445,139
2047	315,000	126,031	441,031
2048	2,410,000	111,462	2,521,462
2049			
	<u>\$ 19,620,000</u>	<u>\$ 12,082,530</u>	<u>\$ 31,702,530</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
SERIES - 2022 ROAD
IMPROVEMENT BONDS

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$	\$ 1,105,744	\$ 1,105,744
2025	765,000	1,105,744	1,870,744
2026	805,000	1,067,494	1,872,494
2027	845,000	1,027,244	1,872,244
2028	880,000	984,994	1,864,994
2029	930,000	940,994	1,870,994
2030	965,000	903,794	1,868,794
2031	1,005,000	865,194	1,870,194
2032	1,045,000	824,994	1,869,994
2033	1,090,000	783,194	1,873,194
2034	1,130,000	739,594	1,869,594
2035	1,175,000	694,394	1,869,394
2036	1,225,000	644,456	1,869,456
2037	1,275,000	592,394	1,867,394
2038	1,330,000	536,612	1,866,612
2039	1,385,000	480,088	1,865,088
2040	1,450,000	421,224	1,871,224
2041	1,510,000	359,600	1,869,600
2042	1,570,000	295,424	1,865,424
2043	345,000	224,774	569,774
2044	365,000	208,818	573,818
2045	375,000	191,938	566,938
2046	395,000	174,594	569,594
2047	415,000	156,325	571,325
2048	2,965,000	137,132	3,102,132
2049			
	<u>\$ 25,240,000</u>	<u>\$ 15,466,757</u>	<u>\$ 40,706,757</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
SERIES - 2023 UTILITY
IMPROVEMENT BONDS

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$	\$ 1,109,126	\$ 1,109,126
2025	545,000	1,045,250	1,590,250
2026	575,000	1,018,000	1,593,000
2027	605,000	989,250	1,594,250
2028	630,000	959,000	1,589,000
2029	665,000	927,500	1,592,500
2030	700,000	894,250	1,594,250
2031	735,000	859,250	1,594,250
2032	770,000	822,500	1,592,500
2033	805,000	784,000	1,589,000
2034	850,000	743,750	1,593,750
2035	890,000	701,250	1,591,250
2036	935,000	656,750	1,591,750
2037	980,000	610,000	1,590,000
2038	1,030,000	561,000	1,591,000
2039	1,080,000	509,500	1,589,500
2040	1,135,000	455,500	1,590,500
2041	1,195,000	398,750	1,593,750
2042	1,250,000	339,000	1,589,000
2043	370,000	276,500	646,500
2044	390,000	258,000	648,000
2045	410,000	238,500	648,500
2046	425,000	218,000	643,000
2047	450,000	196,750	646,750
2048	470,000	174,250	644,250
2049	3,015,000	150,750	3,165,750
	<u>\$ 20,905,000</u>	<u>\$ 15,896,376</u>	<u>\$ 36,801,376</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
SERIES - 2023 ROAD
IMPROVEMENT BONDS

Due During Fiscal Years Ending December 31	Principal Due December 1	Interest Due June 1/ December 1	Total
2024	\$	\$ 1,809,194	\$ 1,809,194
2025	920,000	1,705,000	2,625,000
2026	970,000	1,659,000	2,629,000
2027	1,015,000	1,610,500	2,625,500
2028	1,070,000	1,559,750	2,629,750
2029	1,120,000	1,506,250	2,626,250
2030	1,175,000	1,450,250	2,625,250
2031	1,235,000	1,391,500	2,626,500
2032	1,300,000	1,329,750	2,629,750
2033	1,360,000	1,264,750	2,624,750
2034	1,430,000	1,196,750	2,626,750
2035	1,505,000	1,125,250	2,630,250
2036	1,575,000	1,050,000	2,625,000
2037	1,660,000	971,250	2,631,250
2038	1,740,000	888,250	2,628,250
2039	1,830,000	801,250	2,631,250
2040	1,915,000	709,750	2,624,750
2041	2,015,000	614,000	2,629,000
2042	2,115,000	513,250	2,628,250
2043	620,000	407,500	1,027,500
2044	650,000	376,500	1,026,500
2045	685,000	344,000	1,029,000
2046	715,000	309,750	1,024,750
2047	755,000	274,000	1,029,000
2048	790,000	236,250	1,026,250
2049	3,935,000	196,750	4,131,750
	<u>\$ 34,100,000</u>	<u>\$ 25,300,444</u>	<u>\$ 59,400,444</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
LONG-TERM DEBT SERVICE REQUIREMENTS
DECEMBER 31, 2023**

GENERAL OBLIGATION DEBT
ANNUAL REQUIREMENTS
FOR ALL SERIES

Due During Fiscal Years Ending December 31	Total Principal Due	Total Interest Due	Total Principal and Interest Due
2024	\$ 6,480,000	\$ 12,240,894	\$ 18,720,894
2025	9,575,000	11,796,468	21,371,468
2026	10,010,000	11,366,569	21,376,569
2027	10,460,000	10,916,170	21,376,170
2028	10,930,000	10,444,714	21,374,714
2029	11,390,000	9,986,520	21,376,520
2030	11,840,000	9,536,676	21,376,676
2031	12,315,000	9,062,075	21,377,075
2032	12,825,000	8,552,987	21,377,987
2033	13,355,000	8,018,729	21,373,729
2034	13,915,000	7,459,842	21,374,842
2035	14,505,000	6,870,467	21,375,467
2036	15,125,000	6,248,917	21,373,917
2037	15,735,000	5,643,236	21,378,236
2038	16,365,000	5,009,300	21,374,300
2039	16,980,000	4,393,726	21,373,726
2040	17,620,000	3,754,962	21,374,962
2041	18,290,000	3,085,437	21,375,437
2042	18,960,000	2,412,912	21,372,912
2043	5,590,000	1,705,123	7,295,123
2044	5,800,000	1,499,225	7,299,225
2045	6,025,000	1,276,894	7,301,894
2046	6,225,000	1,069,166	7,294,166
2047	6,435,000	865,606	7,300,606
2048	6,635,000	659,094	7,294,094
2049	6,950,000	347,500	7,297,500
	<u>\$ 300,335,000</u>	<u>\$ 154,223,209</u>	<u>\$ 454,558,209</u>

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
CHANGE IN LONG-TERM DEBT GENERAL OBLIGATION BONDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Description	Original Bonds Issued	Bonds Outstanding January 1, 2023
Viridian Municipal Management District Unlimited Tax Utility Improvement and Refunding Bonds - Series 2015	\$ 21,590,000	\$ 19,540,000
Viridian Municipal Management District Unlimited Tax Road Improvement and Refunding Bonds - Series 2015	18,260,000	16,500,000
Viridian Municipal Management District Unlimited Tax Utility Improvement Bonds - Series 2016	6,500,000	5,540,000
Viridian Municipal Management District Unlimited Tax Road Improvement Bonds - Series 2016	4,790,000	4,025,000
Viridian Municipal Management District Unlimited Tax Utility Improvement Bonds - Series 2017	8,900,000	8,830,000
Viridian Municipal Management District Unlimited Tax Road Improvement Bonds - Series 2017	12,200,000	11,590,000
Viridian Municipal Management District Unlimited Tax Utility Improvement Bonds - Series 2018	15,080,000	13,950,000
Viridian Municipal Management District Unlimited Tax Road Improvement Bonds - Series 2018	20,305,000	18,725,000
Viridian Municipal Management District Unlimited Tax Utility Improvement Bonds - Series 2019	14,760,000	13,990,000

See accompanying independent auditor's report.

Current Year Transactions					
Bonds Sold	Retirements		Bonds Outstanding December 31, 2023	Paying Agent	
	Principal	Interest			
\$	\$ 745,000	\$ 1,062,200	\$ 18,795,000	Regions Bank Houston, TX	
	635,000	894,400	15,865,000	Regions Bank Houston, TX	
	215,000	254,387	5,325,000	Regions Bank Houston, TX	
	145,000	196,900	3,880,000	Regions Bank Houston, TX	
	20,000	307,875	8,810,000	Regions Bank Houston, TX	
	165,000	406,600	11,425,000	Regions Bank Houston, TX	
	405,000	521,044	13,545,000	Regions Bank Houston, TX	
	570,000	698,225	18,155,000	Regions Bank Houston, TX	
	410,000	498,694	13,580,000	Regions Bank Houston, TX	

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
CHANGE IN LONG-TERM DEBT GENERAL OBLIGATION BONDS
FOR THE YEAR ENDED DECEMBER 31, 2023**

Description	Original Bonds Issued	Bonds Outstanding January 1, 2023
Viridian Municipal Management District Unlimited Tax Road Improvement Bonds - Series 2019	\$ 19,255,000	\$ 18,235,000
Viridian Municipal Management District Unlimited Tax Utility Improvement Bonds - Series 2020	12,725,000	12,725,000
Viridian Municipal Management District Unlimited Tax Road Improvement Bonds - Series 2020	18,210,000	17,735,000
Viridian Municipal Management District Unlimited Tax Utility Improvement Bonds - Series 2021	17,185,000	17,185,000
Viridian Municipal Management District Unlimited Tax Road Improvement Bonds - Series 2021	26,600,000	26,600,000
Viridian Municipal Management District Unlimited Tax Utility Improvement Bonds - Series 2022	19,620,000	19,620,000
Viridian Municipal Management District Unlimited Tax Road Improvement Bonds - Series 2022	25,240,000	25,240,000
Viridian Municipal Management District Unlimited Tax Utility Improvement Bonds - Series 2023	20,905,000	
Viridian Municipal Management District Unlimited Tax Road Improvement Bonds - Series 2023	34,100,000	
TOTAL	\$ 316,225,000	\$ 250,030,000

See accompanying independent auditor's report.

<u>Current Year Transactions</u>				
<u>Bonds Sold</u>	<u>Retirements</u>		<u>Bonds Outstanding December 31, 2023</u>	<u>Paying Agent</u>
	<u>Principal</u>	<u>Interest</u>		
\$	\$ 540,000	\$ 651,794	\$ 17,695,000	Regions Bank Houston, TX
	350,000	456,956	12,375,000	Regions Bank Houston, TX
	500,000	640,994	17,235,000	Regions Bank Houston, TX
		387,631	17,185,000	Regions Bank Houston, TX
		598,156	26,600,000	Regions Bank Houston, TX
		979,181	19,620,000	Regions Bank Houston, TX
		1,259,329	25,240,000	Regions Bank Houston, TX
20,905,000			20,905,000	Regions Bank Houston, TX
<u>34,100,000</u>			<u>34,100,000</u>	Regions Bank Houston, TX
<u>\$ 55,005,000</u>	<u>\$ 4,700,000</u>	<u>\$ 9,814,366</u>	<u>\$ 300,335,000</u>	

See accompanying independent auditor's report.

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**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
CHANGE IN LONG-TERM DEBT
FOR THE YEAR ENDED DECEMBER 31, 2023**

Bond Authority:	<u>Utility Bonds</u>	<u>Road Bonds</u>
Amount Authorized by Voters	\$ 142,075,000	\$ 221,200,000
Amount Issued	<u>137,265,000</u>	<u>178,960,000</u>
Remaining to be Issued	<u>\$ 4,810,000</u>	<u>\$ 42,240,000</u>

Debt Service Fund cash and investment balances as of
December 31, 2023: \$ 1,347,690

Average annual debt service payment (principal and interest) for remaining term
of all debt: \$ 17,483,008

See Note 3 for interest rate, interest payment dates and maturity dates.

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
GENERAL FUND - FIVE YEARS**

	Amounts		
	2023	2022	2021
REVENUES			
Property Taxes	\$ 1,088,104	620,105	502,206
Penalty and Interest	20,422	16,225	16,703
Investment Revenues	67,659	129	603
Miscellaneous Revenues	17,553		19,904
TOTAL REVENUES	<u>\$ 1,193,738</u>	<u>\$ 636,459</u>	<u>\$ 539,416</u>
EXPENDITURES			
Professional Fees	\$ 346,143	\$ 235,411	\$ 252,270
Contracted Services	48,545	48,896	48,546
Purchased Water Service	49,512	83,028	17,024
Utilities	74,357	96,684	52,609
Repairs and Maintenance	396,098	272,400	338,303
Other	152,834	117,446	93,065
Capital Outlay		81,037	
TOTAL EXPENDITURES	<u>\$ 1,067,489</u>	<u>\$ 934,902</u>	<u>\$ 801,817</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ 126,249</u>	<u>\$ (298,443)</u>	<u>\$ (262,401)</u>
OTHER FINANCING SOURCES (USES)			
Developer Contributions	\$	\$	\$
Long-Term Debt Issued			
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
NET CHANGE IN FUND BALANCE	\$ 126,249	\$ (298,443)	\$ (262,401)
BEGINNING FUND BALANCE (DEFICIT)	<u>793,094</u>	<u>1,091,537</u>	<u>1,353,938</u>
ENDING FUND BALANCE (DEFICIT)	<u>\$ 919,343</u>	<u>\$ 793,094</u>	<u>\$ 1,091,537</u>

See accompanying independent auditor's report.

		Percentage of Total Revenue				
2020	2019	2023	2022	2021	2020	2019
\$ 416,391	\$ 316,762	91.1 %	97.5 %	93.1 %	94.6 %	93.5 %
12,723	7,184	1.7	2.5	3.1	2.9	2.1
9,212	10,078	5.7		0.1	2.1	3.0
1,578	4,849	1.5		3.7	0.4	1.4
<u>\$ 439,904</u>	<u>\$ 338,873</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 219,552	\$ 188,989	29.0 %	37.0 %	46.8 %	49.9 %	55.8 %
48,059	44,648	4.1	7.7	9.0	10.9	13.2
		4.1	13.0	3.2		
58,303	42,314	6.2	15.2	9.8	13.3	12.5
300,189	399,900	33.2	42.8	62.7	68.2	118.0
71,087	65,272	12.8	18.5	17.3	16.2	19.3
			12.7			
<u>\$ 697,190</u>	<u>\$ 741,123</u>	<u>89.4 %</u>	<u>146.9 %</u>	<u>148.8 %</u>	<u>158.5 %</u>	<u>218.8 %</u>
\$ (257,286)	\$ (402,250)	<u>10.6 %</u>	<u>(46.9) %</u>	<u>(48.8) %</u>	<u>(58.5) %</u>	<u>(118.8) %</u>
\$	\$ 194,570					
	1,803,243					
<u>\$ - 0 -</u>	<u>\$ 1,997,813</u>					
\$ (257,286)	\$ 1,595,563					
1,611,224	15,661					
<u>\$ 1,353,938</u>	<u>\$ 1,611,224</u>					

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
COMPARATIVE SCHEDULE OF REVENUES AND EXPENDITURES
DEBT SERVICE FUND - FIVE YEARS**

	Amounts		
	2023	2022	2021
REVENUES			
Property Taxes	\$ 5,006,919	\$ 4,011,047	\$ 3,252,422
TIRZ Revenue		7,981,169	6,590,248
Investment Revenues	<u>465,237</u>	<u>172,741</u>	<u>2,634</u>
TOTAL REVENUES	<u>\$ 5,472,156</u>	<u>\$ 12,164,957</u>	<u>\$ 9,845,304</u>
EXPENDITURES			
Tax Collection Expenditures	\$ 226,138	\$ 31,952	\$ 26,241
Debt Service Principal	4,700,000	3,830,000	3,080,000
Debt Service Interest and Fees	<u>9,827,266</u>	<u>8,227,371</u>	<u>7,492,503</u>
TOTAL EXPENDITURES	<u>\$ 14,753,404</u>	<u>\$ 12,089,323</u>	<u>\$ 10,598,744</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ (9,281,248)</u>	<u>\$ 75,634</u>	<u>\$ (753,440)</u>
OTHER FINANCING SOURCES (USES)			
Long-Term Debt Issued	\$ 1,952,729	\$ 2,241,949	\$ 1,478,682
Transfer of Declared Excess TIRZ Funds			
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 1,952,729</u>	<u>\$ 2,241,949</u>	<u>\$ 1,478,682</u>
NET CHANGE IN FUND BALANCE	\$ (7,328,519)	\$ 2,317,583	\$ 725,242
BEGINNING FUND BALANCE	<u>8,385,941</u>	<u>6,068,358</u>	<u>5,343,116</u>
ENDING FUND BALANCE	<u>\$ 1,057,422</u>	<u>\$ 8,385,941</u>	<u>\$ 6,068,358</u>
TOTAL ACTIVE RETAIL WATER CONNECTIONS	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
TOTAL ACTIVE RETAIL WASTEWATER CONNECTIONS	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

See accompanying independent auditor's report.

		Percentage of Total Revenue				
<u>2020</u>	<u>2019</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
\$ 2,697,834	\$ 2,048,923	91.5 %	33.0 %	33.1 %	32.8 %	32.0 %
5,470,115	4,213,768		65.6	66.9	66.5	65.9
<u>54,892</u>	<u>132,437</u>	<u>8.5</u>	<u>1.4</u>		<u>0.7</u>	<u>2.1 %</u>
<u>\$ 8,222,841</u>	<u>\$ 6,395,128</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>
\$ 16,854	\$ 6,360	4.1 %	0.3 %	0.3 %	0.2 %	0.1 %
1,900,000	990,000	85.9	31.5	31.3	23.1	15.5
<u>6,751,649</u>	<u>5,636,937</u>	<u>179.6</u>	<u>67.6</u>	<u>76.1</u>	<u>82.1</u>	<u>88.1</u>
<u>\$ 8,668,503</u>	<u>\$ 6,633,297</u>	<u>269.6 %</u>	<u>99.4 %</u>	<u>107.7 %</u>	<u>105.4 %</u>	<u>103.7 %</u>
\$ (445,662)	\$ (238,169)	<u>(169.6) %</u>	<u>0.6 %</u>	<u>(7.7) %</u>	<u>(5.4) %</u>	<u>(3.7) %</u>
\$ 1,738,905	\$ 1,395,236					
<u>(1,592,265)</u>	<u> </u>					
<u>\$ 146,640</u>	<u>\$ 1,395,236</u>					
\$ (299,022)	\$ 1,157,067					
<u>5,642,138</u>	<u>4,485,071</u>					
<u>\$ 5,343,116</u>	<u>\$ 5,642,138</u>					
<u>N/A</u>	<u>N/A</u>					
<u>N/A</u>	<u>N/A</u>					

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
DECEMBER 31, 2023**

District Mailing Address - Viridian Municipal Management District
c/o Allen Boone Humphries Robinson LLP
3200 Southwest Freeway, Suite 2600
Houston, TX 77027

District Telephone Number - (713) 860-6400

Board Members	Term of Office (Elected or <u>Appointed</u>)	Fees of Office for the year ended <u>December 31, 2023</u>	Expense Reimbursements for the year ended <u>December 31, 2023</u>	<u>Position</u>
Stephen Zimmer	05/20 05/24 (Elected)	\$ 600	\$ 39	1 Vice Chairman
Terry Bertrand	05/20 05/24 (Appointed)	\$ 550	\$ 130	2 Secretary
Michelle Deuell	05/22 05/26 (Elected)	\$ 450	\$ 9	3 Chairman
Valerie Landry	05/22 05/26 (Appointed)	\$ 600	\$ 3	4 Director
David Devries	05/22 05/26 (Appointed)	\$ 600	\$ 12	5 Director

Notes: No Director has any business or family relationships (as defined by the Texas Water Code) with major landowners in the District, with the District's developers or with any of the District's consultants.

Submission date of most recent District Registration Form: June 3, 2024

The limit on Fees of Office that a Director may receive is \$50 per meeting, with an annual maximum during a twelve-month period of \$2,000 as set by the Act. Fees of Office are the amounts actually paid to a Director during the District's current fiscal year.

See accompanying independent auditor's report.

**VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
BOARD MEMBERS, KEY PERSONNEL AND CONSULTANTS
DECEMBER 31, 2023**

<u>Consultants:</u>	<u>Date Hired</u>	<u>District Fees for the year ended December 31, 2023</u>	<u>Title</u>
Allen Boone Humphries Robinson LLP	01/01/23	\$ 158,908 \$ 275,025	General Counsel Bond Counsel
McCall Gibson Swedlund Barfoot PLLC	08/01/11	\$ 25,800 \$ 34,500 \$ 600	Auditor Bond Related SB 625
Bracewell LLP	02/29/08	\$ 447,092	Bond Counsel
Dye & Toverly, LLC	07/19/10	\$ 49,208	Bookkeeper
Tarrant County Tax Assessor/ Collector	07/19/10	\$ 3,189	Tax Assessor/ Collector
Utility Tax Services, LLC		\$ 2,300	Tax Consultant
Graham Associates, Inc.	08/19/08	\$ 133,586	Engineer
Robert W. Baird & Co. Inc.	08/11/15	\$ 703,429	Financial Advisor
Kathi Dye		\$ -0-	Investment Officer

See accompanying independent auditor's report.

APPENDIX C
AMENDED PROJECT FINANCE PLAN AND DEVELOPMENT AGREEMENT

AMENDED AND RESTATED
VIRIDIAN PROJECT FINANCE PLAN AND DEVELOPMENT AGREEMENT

among

THE CITY OF ARLINGTON, TEXAS,

and

VIRIDIAN HOLDINGS, LP

and

THE BOARD OF DIRECTORS OF TAX INCREMENT REINVESTMENT
ZONE NUMBER SIX, ARLINGTON, TEXAS,

and

THE VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT

June 1, 2017

AMENDED AND RESTATED
VIRIDIAN PROJECT FINANCE PLAN AND DEVELOPMENT AGREEMENT

This AMENDED AND RESTATED VIRIDIAN PROJECT FINANCE PLAN AND DEVELOPMENT AGREEMENT (this “**Agreement**”) is entered into between the CITY OF ARLINGTON, TEXAS (the “**City**”), VIRIDIAN HOLDINGS, LP (the “**Owner**”), the Board of Directors of Tax Increment Reinvestment Zone Number Six, Arlington, Texas, (the “**TIRZ**”), and the VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT (the “**District**”) to be effective June 1, 2017 (the “**Effective Date**”). The City, the Owner, the TIRZ, and the District are sometimes individually referred to as a “**Party**” and collectively as the “**Parties**.”

RECITALS

WHEREAS, all terms with initial capital letters that are not defined in the text of this Agreement shall have the meanings given to them in Section 2 of this Agreement;

WHEREAS, the City is a duly incorporated home-rule municipality of the State of Texas;

WHEREAS, the Owner is a Delaware limited partnership;

WHEREAS, the Owner is the owner of certain portions of real property located in the corporate limits of the City, and commonly known as the Viridian development (the “**Property**”);

WHEREAS, the District is a special law district of the State of Texas created under Section 59, Article XVI, Texas Constitution pursuant to the District Act, whose powers and duties include, among others, those of a municipal management district operating under Chapter 375, Texas Local Government Code;

WHEREAS, the District includes multiple tracts located within the corporate limits of the City and wholly within the County as described by metes and bounds on **Exhibit D**, (the “**District Land**”);

WHEREAS, pursuant to Section 3861.006(a)(1) of the District Act, all or any part of the District Land may be included in a tax increment reinvestment zone created by the City under the TIRZ Act;

WHEREAS, the City created the TIRZ by Ordinance Number 07-090 adopted by the City Council on December 18, 2007, under the TIRZ Act;

WHEREAS, the City extended the term of the TIRZ to December 31, 2041, by Ordinance Number 17-105 adopted by the City Council on May 9, 2017 under the TIRZ Act;

WHEREAS, the TIRZ includes approximately 2,404 acres of land, including portions of the District Land, as described in Ordinance Number 07-090 (the “**TIRZ Land**”);

WHEREAS, the District Land, because of its size and location, holds great potential for an upscale, high-quality, mixed-use residential and commercial development commonly known

as “Viridian,” including extensive restoration and preservation of high functioning ecosystems, open space, and wetlands;

WHEREAS, development of the District Land presents enormous physical and financial challenges due to the inadequacy of public infrastructure, previous mining operations, aborted development activities, and the fact that a majority of the District Land lies within the FEMA 100-year floodplain;

WHEREAS, development of the District Land will require the marketing, planning, engineering, design, acquisition, construction, improvement, operation, and maintenance of public improvements and public amenities located within and outside the District including, but not limited to: potable and non-potable water distribution systems; wastewater collection systems; drainage and stormwater management systems; roads and streets (inside and outside the District and including associated traffic control and safety improvements); sidewalks; off-street parking; landscaping; highway right-of-way and transit corridor beautification and improvements; lighting, banners, and signs; hiking and cycling paths and trails; pedestrian walkways, skywalks, crosswalks, and tunnels; parks, lakes, including work done for drainage, reclamation, and recreation, gardens, recreational facilities, sports facilities, open space, scenic areas, historic facilities and monuments, and related exhibits and preserves; fountains, plazas, and pedestrian malls; public art, sculpture, and related exhibits and facilities; education and cultural exhibits and facilities; facilities for conferences, conventions, and exhibitions; facilities for manufacturer, consumer, and trade shows; facilities for civic and community events; and facilities for displays, attractions, special events, and seasonal and cultural celebrations (collectively, the “Viridian Public Improvements”);

WHEREAS, the design, acquisition, construction, installation, operation, and maintenance of the Viridian Public Improvements will facilitate and encourage development within the District and the TIRZ that will significantly enhance economic growth and tax revenues to the City and other taxing jurisdictions;

WHEREAS, Developers shall be responsible (without reimbursement from the District, the City, or the TIRZ) for the design, acquisition, construction, and installation of the Viridian Public Improvements identified on Exhibit A (the “Developer Improvements”) and having an estimated total cost on the Effective Date of \$246,022,164;

WHEREAS, the District shall be responsible for the design, acquisition, construction, and installation of the Viridian Public Improvements identified on Exhibit B (the “TIRZ Improvements”) and having an estimated cost (the “TIRZ Costs”) on the Effective Date of \$360,993,088;

WHEREAS, the District shall be responsible for the design, acquisition, construction, and installation of the Viridian Public Improvements identified on Exhibit C (the “PID Improvements”) and having an estimated cost (the “PID Costs”) on the Effective Date of \$35,498,758;

WHEREAS, the District shall be responsible for the design, acquisition, construction and installation of other Viridian Public Improvements (“Other District Improvements”) not included in or part of the Final TIRZ Plan;

WHEREAS, the TIRZ Improvements together with the PID Improvements and Other District Improvements are collectively referred to as the “District Improvements”; and the TIRZ Costs together with the PID Costs and costs of the Other District Improvements are collectively referred to as “District Costs”;

WHEREAS, the Developer Improvements and District Improvements confer a special benefit on the District Land and the TIRZ Land;

WHEREAS, the design, acquisition, construction, installation, operation, and maintenance of the Viridian Public Improvements will promote state and local economic development and will stimulate business and commercial activity in the City, the County, and the state; and will contribute to the development and diversification of the economy of the state, to the elimination of unemployment and underemployment in the state and to the development and expansion of commerce of the state;

WHEREAS, the Final TIRZ Plan includes, but is not limited to, the Viridian Public Improvements other than the Other District Improvements;

WHEREAS, pursuant to the TIRZ Act, the City Council and the Board of Directors of the TIRZ have the authority to enter into this Agreement to implement the Final TIRZ Plan;

WHEREAS, pursuant to Sections 311.010(b), 311.010(h), 311.0123(b), and 311.0123(e) of the TIRZ Act, the City Council and the Board of Directors of the TIRZ have the authority to dedicate, pledge, or otherwise provide for the use of Available TIRZ Revenue (i) as security for Bonds issued to pay or reimburse TIRZ Costs, (ii) to pay or reimburse TIRZ Costs, and (iii) for purposes permitted by Section 380.002(b), Local Government Code;

WHEREAS, pursuant to Section 3861.006(b) of the District Act, the Parties have the authority to enter into this Agreement to use Available TIRZ Revenue (i) as security Bonds issued to pay or reimburse TIRZ Costs, (ii) to pay or reimburse TIRZ Costs, and (iii) for purposes permitted by Section 380.002(b), Local Government Code;

WHEREAS, pursuant to Section 3861.102(a) of the District Act, the District has the authority to enter into this Agreement to provide District Improvements;

WHEREAS, pursuant to Section 3861.102(a) and Section 3861.103(a) of the District Act, the District has the authority to contract with Developers to provide Developer Improvements and District Improvements and to convey portions of such improvements to the District or the City;

WHEREAS, pursuant to Section 3861.152 and Sections 3861.158(b) and (c) of the District Act, the District may borrow money for District purposes by issuing Bonds secured by and payable from ad valorem taxes, assessments, or any other revenue authorized by the District Act;

WHEREAS, pursuant to Section 3861.157 of the District Act, the District may not issue Bonds until the governing body of the City approves a bond issuance plan authorizing and setting forth the limitations on the issuance of the Bonds;

WHEREAS, the Parties intend for this Agreement to constitute the bond issuance plan required by Section 3861.157 of the District Act authorizing and setting forth limitations on the issuance of Bonds;

WHEREAS, pursuant to Section 3861.161 of the District Act, the District may not issue Bonds, impose taxes, or borrow money unless the Parties have entered into an interlocal project development agreement regarding the development and operation of the District and the financing of District Improvements;

WHEREAS, the Parties intend for this Agreement to constitute the interlocal project development agreement required by Section 3861.161 of the District Act between the Parties regarding the development and operation of the District and the financing of District Improvements;

WHEREAS, pursuant to Section 3861.101 of the District Act, the District has the powers and duties provided by Subchapter A, Chapter 372, Texas Local Government Code in the same manner as a municipality or a county to: (i) create the PID pursuant to Section 3861.101(3) of the District Act and the PID Act; (ii) adopt an assessment ordinance (including a service and assessment plan and corresponding assessment roll) that will levy special assessments against benefited property within the PID; and (iii) collect special assessments on benefited property within the PID to pay or reimburse PID Costs and to secure Bonds for the same purpose;

WHEREAS, pursuant to Section 3861.151 of the District Act, the District has the authority to impose an ad valorem tax on all taxable property in the District, including industrial, commercial, and residential property, to pay or reimburse for certain District Costs;

WHEREAS, pursuant to Section 3861.152 of the District Act, the District has the authority to borrow money for District purposes by issuing bonds, notes, credit agreements, or other obligations of any kind and to secure such obligations from ad valorem taxes imposed by the District on all taxable property in the District;

WHEREAS, pursuant to Section 3861.160 of the District Act, bonds or other obligations of the District that are secured by and payable from ad valorem taxes imposed by the District may not be issued unless the bonds or other obligations have been approved by District voters at one or more elections held for that purpose and by the governing body of the City, all in accordance with the District Act and other applicable law;

WHEREAS, the Parties intend that this Agreement shall constitute the approval of the governing body of the City to pay or reimburse for certain District Costs from the proceeds of bonds or other obligations of the District that are secured by and payable from ad valorem taxes imposed by the District on all taxable property in the District;

WHEREAS, pursuant to Section 311.010(b) of the TIRZ Act, the City and the TIRZ intend to dedicate, pledge, and otherwise provide Available TIRZ Revenue (i) to pay or reimburse TIRZ Costs and (ii) to secure Bonds issued for the same purposes;

WHEREAS, pursuant to Section 311.010(b) of the TIRZ Act, the District may issue Bonds secured by Available TIRZ Revenue;

WHEREAS, pursuant to Section 3861.102(e) of the District Act, the Owner, the District and the City have the authority to enter into this Agreement with regard to the ownership and maintenance of Developer Improvements and District Improvements;

WHEREAS, the Parties intend for this Agreement to establish the rights and obligations of the Parties with respect to the ownership and maintenance of certain Developer Improvements and certain District Improvements;

WHEREAS, the City and Metrovest Partners, LTD entered into that certain Development Agreement, dated February 18, 1997 (the "Metrovest Development Agreement"), affecting the District Land or portions thereof;

WHEREAS, the City and Metrovest Partners, LTD entered into that certain Maintenance Agreement, dated February 18, 1997 (the "Metrovest Maintenance Agreement"), affecting the District Land or portions thereof;

WHEREAS, the Metrovest Development Agreement and Metrovest Maintenance Agreement have been terminated and do not bind or otherwise affect the District Land or any portions thereof;

WHEREAS, pursuant to Section 3861.155 of the District Act, the District has the authority to impose a tax for maintenance and operation purposes if a maximum maintenance and operation tax rate is approved by the governing body of the City and by District voters at one or more elections held for such purpose in accordance with the District Act and other applicable law;

WHEREAS, the Parties intend for this Agreement to constitute the approval of the governing body of the City to a maximum tax for maintenance and operation purposes;

WHEREAS, the Owner intends to develop the Property as a master planned, mixed use community in accordance with the Viridian PD that governs the use and development of the Property (the "Project");

WHEREAS, the Viridian PD requires the Owner to provide the following in the way of open space and amenities (collectively, the "Open Space Requirements"): (i) a minimum of 900 acres of open space to be provided within the Property, which open space must be open to the public; and (ii) the provision of certain open space amenities as further described in the Viridian PD;

WHEREAS, the Owner or District as applicable has committed to convey to the City fee simple title to approximately 208.7 acres, as generally depicted on Exhibit E (the "Park");

Property”), for use as a public park, which conveyance shall be applied toward satisfaction of the Open Space Requirements;

WHEREAS, satisfaction of the Open Space Requirements (including conveyance of the Park Property) will satisfy the spirit and intent of the City’s park land dedication and park fee requirements, and as a result, the City does not intend to apply its generally applicable requirements for payment of park fees or dedication of park land to the development of the Property;

WHEREAS, the Owner and the City have informally discussed exchanging a certain access easement within the Property for a replacement access easement to provide better access to the approximately 110-acre out parcel shown on Exhibit E, and the Owner and the City desire to memorialize their intent with respect to such exchange;

WHEREAS, the Owner and the City have informally discussed exchanging a tract of land within the Property for a tract of land owned by the City, and the Owner and the City desire to memorialize their intent with respect to such exchange;

WHEREAS, the Owner and the City have informally discussed the termination of a certain City-owned easement within the Property in exchange for the Owner’s or District’s conveyance of a tract of land within the Property to the City, and the Owner or District and the City desire to memorialize their intent with respect to such exchange;

WHEREAS, the Owner and the City anticipate that a new Fire Station will be necessary for the City to provide adequate public safety services to the Project, and as a result, the Owner intends to construct, or cause the District to construct, a Fire Station within the Property on land that will be donated to the City;

WHEREAS, the Owner and the City intend for the Owner to construct, or cause the District to construct, the Fire Station and Temporary Fire Station in general conformance with the construction plans, which have been approved by Owner and the City, which construction shall be at no cost to the City;

WHEREAS, the Owner and the City intend for the City to (i) own the Fire Station following the City’s approval of the final inspection; and (ii) maintain and staff the Fire Station at the sole cost of the City;

WHEREAS, the rights of HC Viridian Investments, L.P. and HC LOBF Arlington, LLC under the Viridian Project Finance Plan and Development Agreement dated December 9, 2009, as amended (“Original Agreement”) were assigned to Owner on July 16, 2015; and

WHEREAS, this Agreement amends and supersedes the Original Agreement, as amended, NOW THEREFORE,

In consideration of the mutual obligations of the Parties set forth in this Agreement, and other consideration the receipt and adequacy of which are acknowledged, the Parties agree as follows:

1. **RECITALS.** The recitals set forth in the foregoing “WHEREAS” clauses are true and correct, constitute representations and warranties of the Parties, constitute legislative findings of the governing bodies of the Parties, form the basis upon which the Parties have entered into this Agreement, and establish the intent of the Parties in entering into this Agreement. If it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given effect. The Parties have relied on the recitals as part of the consideration for entering into this Agreement and, but for the recitals, would not have entered into this Agreement.

2. **DEFINITIONS.** Unless the context clearly requires otherwise, the following terms shall have the meanings hereinafter set forth:

“**Available TIRZ Revenue**” means the total revenue deposited each calendar year into the Tax Increment Fund from the City Increment, the County Increment, the College Increment, and the Hospital Increment, reduced by costs and expenses authorized by the District Act and the TIRZ Act including, but not limited to, costs and expenses allocable to the establishment and administration of the TIRZ.

“**Benchmark Tax Rate**” means a District ad valorem debt service tax rate of \$0.54 per \$100 of assessed value of taxable property in the District, as increased each year by the same percentage that the ad valorem tax rate of the City increases from the previous year. No decrease in the Benchmark Tax Rate shall occur in the event of a decrease in the ad valorem tax rate of the City.

“**Board**” means the Board of Directors of the District.

“**Bond Documents**” means, for each series of Bonds, (i) the order or resolution of the District authorizing the Bonds, (ii) any trust indenture entered into in connection with the Bonds, and (iii) if applicable, any market study prepared by the District as required by Section 3.e.(5) of this Agreement.

“**Bonds**” mean bonds, notes, credit agreements, or other obligations authorized by the District Act and issued or executed by the District, whether in one or more series, to pay or reimburse District Costs and for other District purposes and secured by ad valorem taxes, assessments, or any other revenue authorized by the District Act and this Agreement.

“**City Council**” means the governing body of the City.

“**City Increment**” means, for any given year beginning with the 2008 tax year, 85% of the ad valorem property taxes levied and collected by the City for that year on the captured appraised value of real property taxable by the City and located within the TIRZ.

“**College**” means the Tarrant County College.

“**College Increment**” means, for any given year beginning with the 2012 tax year, 50% of the ad valorem property taxes for operation and maintenance levied and collected by the

College for that year on the captured appraised value of real property taxable by the College and located within the TIRZ.

“Construction Contract” means any contract awarded by or on behalf of the District for the acquisition, construction, or installation of District Improvements that will be owned by the District, a property owners association, or the City.

“County” means Tarrant County, Texas.

“County Increment” means, for any given year beginning with the 2008 tax year, 75% of the ad valorem property taxes levied and collected by the County for that year on the captured appraised value of real property taxable by the County and located within the TIRZ.

“Developer” means any person or entity that owns land or other property within the District or that designs, acquires, constructs, or installs, or provides funding to or on behalf of the District for the design, acquisition, construction, or installation of, Viridian Public Improvements.

“District Act” means Chapter 3861, Subtitle C, Title 4, Special District Local Laws Code adopted by the 80th Texas Legislature Regular Session and effective May 25, 2007, as amended.

“District Bond Tax Revenue” means all revenue available to the District for any given year from the levy and collection of ad valorem taxes on all taxable property within the District reduced by costs and expenses authorized by the District Act.

“District Tax Bonds” means ad valorem bonds issued to pay or reimburse costs for Other District Improvements and secured only by District Bond Tax Revenue.

“Excess TIRZ Revenue” means, as determined by the Board each calendar year, Available TIRZ Revenue for the year after paying debt service and other costs of financing on all outstanding TIRZ GO Bonds and after further deducting from Available TIRZ Revenue (i) an amount equal to 30% of the coming year’s debt service and other costs of financing on outstanding TIRZ GO Bonds, (ii) amounts necessary to pay or reimburse other costs of financing TIRZ Costs with TIRZ GO Bonds for the coming year, (iii) amounts to pay or reimburse costs and expenses allocable to the establishment and administration of the TIRZ for the coming year, and (iv) amounts used or reserved by the District to pay or reimburse TIRZ Costs that could be financed with TIRZ GO Bonds.

“Fire Station” shall have the meaning given such term in Section 9.b.

“Final TIRZ Plan” means the final Project Plan and Reinvestment Zone Financing Plan dated October 14, 2009, approved by the TIRZ Board on October 19, 2009, and approved by Ordinance 09-074 adopted by the City Council on November 17, 2009, amended by the TIRZ Board on April 18, 2017, and Ordinance 17-022 adopted by the City Council on May 9, 2017, and as may be further amended.

“Force Majeure” means Acts of God, strikes, lockout, labor trouble, inability to procure materials, unseasonable weather affecting construction or operation, failure of power, riot, insurrection, or war.

“Governing Regulations” means (i) the City’s Water Distribution System Master Plan as of the Effective Date of this Agreement, (ii) the City’s Wastewater System Master Plan, as of the Effective Date of this Agreement, (iii) all other applicable ordinances, rules, and regulations, as amended, of the City including, but not limited to, the Viridian PD, and (iv) all statutes, rules, and regulations, as amended, of the State of Texas and other political subdivisions and governmental entities, if any, having jurisdiction over the District Land. If Owner modifies the plan for development of the District Land in a manner that makes the public infrastructure set forth in the Master Plans as of the Effective Date of this Agreement inadequate, then Governing Regulations with respect to those Master Plans means the City’s Water Distribution System Master Plan and the City’s Wastewater System Master Plan as amended to provide adequate infrastructure.

“Hospital” means the Tarrant County Hospital District.

“Hospital Increment” means, for any given year beginning with the 2008 tax year, 50% of the ad valorem property taxes levied and collected by the Hospital for that year on the captured appraised value of real property taxable by the Hospital and located within the TIRZ.

“Local Government Code” means the Texas Local Government Code, as amended.

“OCI” means the Overall Condition Index of a street based on a weighted average of the amount of surface distress (60%) and the smoothness of the ride (40%), as determined by a professional engineer licensed in Texas with specialized training in the classification of pavement conditions based, in part, on visual inspection and on the subjective evaluation of smoothness of ride. An OCI rating of 85 is acceptable to the traveling public as a good street, but is clearly not a new street. An OCI rating of 85 represents a street segment that is free of surface distresses and has a moderately smooth ride, or a street segment that has a very low severity of surface distress and a very smooth ride.

“Off-Site Improvements” means Viridian Public Improvements located outside the boundaries of the District and consisting of roadway infrastructure (including, but not limited to, traffic control devices and intersection and signalization improvements), water improvements (including potable and non-potable water), and landscaping.

“Other District Improvements” means Viridian Public Improvements consisting of improvements authorized by the District Act that are not included in the Final TIRZ Plan.

“PID” means one or more public improvement districts created within the District pursuant to the District Act and the PID Act.

“PID Act” means Chapter 372, Subchapter A, Texas Local Government Code, as amended.

“PID Assessments” mean special assessments levied by the Board against benefited property within the PID to pay costs authorized by the District Act and the PID Act including, but not limited to, PID Improvements.

“PID Bonds” means Bonds issued to pay or reimburse PID Costs and secured by PID Revenue and any other revenue authorized by the District Act and pledged as security for the PID Bonds (excluding Available TIRZ Revenue, Excess TIRZ Revenue, and District Bond Tax Revenue).

“PID Revenue” means all revenue available to the District from the levy and collection of PID Assessments reduced by costs and expenses authorized by the District Act and the PID Act including, but not limited to, costs and expenses allocable to the establishment and administration of the PID and issuance of Bonds.

“Special TIRZ Improvements” means those improvements that are authorized by the Final TIRZ Plan and may be paid for or reimbursed by the District from the proceeds of TIRZ Revenue Bonds or from Excess TIRZ Revenues, but are not eligible for payment or reimbursement from District Bond Tax Revenue or other District ad valorem taxes.

“Tax Increment Fund” means the tax increment fund for the TIRZ created by the City, at a bank or banks selected by the City, into which all TIRZ Revenue shall be deposited.

“Temporary Fire Station” shall have the meaning given such term in Section 9.a.

“Term” means the term of this Agreement, beginning on the Effective Date and ending upon the termination of this Agreement pursuant to Section 25 herein.

“TIRZ Act” means Chapter 311, Texas Tax Code, as amended.

“TIRZ Bonds” means TIRZ GO Bonds and TIRZ Revenue Bonds.

“TIRZ GO Bonds” means Bonds issued to pay or reimburse TIRZ Costs and secured by District Bond Tax Revenue and any of the following or combination of the following: Available TIRZ Revenue, Excess TIRZ Revenue, and any other revenue authorized by the District Act and pledged as security for the TIRZ Bonds (excluding PID Revenue).

“TIRZ Revenue” means the total revenue deposited each calendar year into the Tax Increment Fund, reduced by costs and expenses authorized by the District Act and the TIRZ Act including, but not limited to, costs and expenses allocable to the establishment and administration of the TIRZ and issuance of Bonds.

“TIRZ Revenue Bonds” means Bonds issued to pay or reimburse TIRZ Costs and secured by available TIRZ Revenue, Excess TIRZ Revenue, and any other revenue authorized by the District Act and pledged as security for the TIRZ Revenue Bonds (excluding PID Revenue and District Bond Tax Revenue).

“Viridian Pattern Book” means the compilation of written specifications and exhibits, as revised from time to time, prepared by the Owner and reflecting the architectural standards applicable to builders within the Viridian development.

“Viridian PD” means the Viridian Planned Development Zoning Ordinance No. 08-038 approved by the City Council on May 20, 2008, as amended by Ordinance No. 08-093 approved by the City Council on September 30, 2008, as amended by Ordinance No. 16-036 approved by the City Council on August 2, 2016, as amended.

3. BOND ISSUANCE PLAN. Section 3861.157 of the District Act provides that the District may not issue bonds until the City Council has approved a bond issuance plan authorizing and setting forth limitations on issuance. This Section 3 constitutes City Council approval of a plan for the issuance of Bonds as required by Section 3861.157. The Bond issuance plan approved by this Section 3 shall apply to the District and to each new district that results from any division of the District pursuant to Section 3861.201 of the District Act.

a. General Bond Authority. The District Act authorizes the District to borrow money by issuing Bonds found by the Board to be necessary or appropriate for District purposes and provides that such Bonds may be secured by and payable from ad valorem taxes, assessments, other revenue or a combination thereof, as authorized by the District Act. Pursuant to such authority, and subject to the limitations in Section 3.e. of this Agreement, this Section 3.a. authorizes the District to borrow money by issuing Bonds found by the Board to be necessary or appropriate for District purposes and to secure and pay such Bonds as provided by this Agreement using District Bond Tax Revenue, PID Revenue, Available TIRZ Revenue, Excess TIRZ Revenue, and other revenue authorized by the District Act (excluding revenue from providing retail reclaimed water, retail potable water, retail sanitary sewer, stormwater, and refuse collection services within the District). The authority provided by this Section 3.a. extends to any Bonds issued pursuant to the conservation and reclamation district powers provided to the District by the District Act.

b. TIRZ GO Bond Authority. This Section 3.b. authorizes the District, without further action or approval by the City, to issue TIRZ GO Bonds in a combined aggregate principal amount determined by the Board, but not exceeding \$50 million except as provided in Section 3.e.(5), that will yield net Bond proceeds sufficient to pay the actual costs and expenses of designing, acquiring, constructing, and installing TIRZ Improvements. This authorization to issue TIRZ GO Bonds includes TIRZ GO Bonds for “defined areas” or “designated property” within the District pursuant to Section 54.801, et. seq., Texas Water Code, as amended. TIRZ GO Bonds may be issued by the District exceeding \$50 million in a combined aggregate principal amount only after compliance with the requirements of Section 3.e.(5) of this Agreement. The actual costs and expenses of designing, acquiring, constructing, and installing TIRZ Improvements may exceed the estimated TIRZ Costs on the Effective Date based on a formula agreed to by the Owner, the District, and the City that will accurately measure, on an annual basis, increases in such costs and expenses occurring in the greater Dallas/Fort Worth metropolitan area. Cost savings achieved for any line item of TIRZ Costs may be added to any other line item. Notwithstanding anything in this Agreement to the contrary, net bond proceeds from the initial \$50 million of TIRZ GO Bonds shall not be used to pay or reimburse any developer interest. Net bond proceeds from TIRZ GO Bonds in excess of \$50 million may be

used to pay or reimburse developer interest up to the lesser of \$10 million or an amount computed at the TIRZ GO Bond interest rate for five years unless the assessed value of taxable property within the District exceeds the estimate contained in the Final TIRZ Plan, in which case the maximum amount of developer interest that may be reimbursed shall be increased in proportion to the increase in assessed value.

c. PID Bond Authority. This Section 3.c. authorizes the District, without further action or approval by the City, to issue PID Bonds in an aggregate principal amount determined by the Board, but not exceeding \$15 million, that will yield net Bond proceeds sufficient to pay the actual costs and expenses of designing, acquiring, constructing, and installing: (1) the PID Improvements including, but not limited to, increases in such costs and expenses due to inflation and regardless of whether such actual costs and expenses exceed the estimated PID Costs on the Effective Date; and (2) any other public improvements authorized by the District Act and PID Act and determined by the Board to be necessary or appropriate for District purposes. PID Bonds may be issued by the District exceeding \$15 million in aggregate principal amount only after compliance with the requirements of Section 3.e.(6) of this Agreement.

d. TIRZ Revenue Bond Authority. This Section 3.d. authorizes the District to issue TIRZ Revenue Bonds in an aggregate principal amount determined by the Board that will yield net proceeds sufficient to pay the actual costs and expenses of designing, acquiring, constructing and installing the Special TIRZ Improvements in accordance with the Final TIRZ Plan.

e. Limitations on Bond Issuance. All Bonds must comply with the following limitations:

(1) All Bonds shall be marketable on a cost effective basis and shall be issued on commercially reasonable terms, all as determined by the Board.

(2) The purposes for which Bonds may be issued shall be limited to payment of District Costs and other costs and expenses authorized by the District Act and this Agreement.

(3) All Bonds shall be secured and payable solely from revenue authorized by the District Act and this Agreement.

(4) TIRZ GO Bonds issued under the authority of Section 3.b. and 3.e, respectively of this Agreement must be approved by District voters at one or more elections held for such purpose in accordance with the District Act and other applicable law, which voter approval may be obtained in the form of one or more bond authorization elections conducted within the District.

(5) TIRZ GO Bonds in excess of \$50 million in a combined aggregate principal amount shall require City approval unless the Board, in the Board's reasonable judgment, determines that the principal and interest that will be payable on the outstanding and proposed TIRZ GO Bonds can and will be paid from a District ad valorem debt service tax that does not exceed the Benchmark Tax Rate. Such determination by the Board shall be based upon: (a) an independent, professional projected land use market study prepared by the District unless the TIRZ GO Bonds are rated by a nationally recognized

rating agency, which in such case no market study is required; (b) expected capitalized interest; and (c) projected Available TIRZ Revenue and projected Excess TIRZ Revenue (as determined by the District in the District's reasonable judgment taking into consideration the District's market study, if any) that are and will be pledged to the payment of principal and interest on the outstanding and proposed TIRZ GO Bonds.

(6) PID Bonds in excess of \$15 million in a combined aggregate principal amount shall require City approval unless the Board, in the Board's reasonable judgment, determines that the principal and interest that will be payable on the outstanding and proposed PID Bonds can and will be paid from PID Revenue. Such determination by the Board shall be based upon: (a) an independent, professional projected land use market study prepared by the District; (b) expected capitalized interest; and (c) projected Available Assessment Revenue that is and will be pledged to the payment of principal and interest on the outstanding and proposed PID Bonds.

f. Delivery of Bond Documents. At least 30 days before advertising the sale of Bonds or at least 30 days before entering into any Bond purchase agreement for the sale of Bonds, the District shall submit a copy of the applicable Bond Documents to the City together with a written determination by the Board that: (1) the District Costs being paid or reimbursed are authorized by this Agreement; (2) security for the Bonds is authorized by this Agreement; (3) the Bonds comply with the limitations in Section 3.e. of this Agreement; and (4) the Bonds are marketable on a cost effective basis and on commercially reasonable terms.

g. District Tax Bonds. Notwithstanding any other provision in this Agreement, the District may issue District Tax Bonds for reimbursement of operation and maintenance expenses and Other District Improvements and all reasonable costs and expenses related thereto so long as the combined ad valorem debt service tax for the TIRZ GO Bonds and District Tax Bonds does not exceed the Benchmark Tax Rate.

4. INTERLOCAL PROJECT DEVELOPMENT AGREEMENT. Section 3861.161 of the District Act provides that before the District may issue bonds, impose taxes, or borrow money, the District and the City must negotiate and execute a mutually approved and accepted interlocal project development agreement regarding the development plans and rules for the development and operation of the District and the financing of improvement projects. This Section 4 constitutes the interlocal project development agreement required by Section 3861.161. The interlocal project development agreement approved by this Section 4 shall apply to the District and to each new district that results from any division of the District pursuant to Section 3861.201 of the District Act.

a. Development Plans and Rules for Development of the District.

(1) All Viridian Public Improvements will be designed, acquired, constructed, installed, and maintained in compliance with the Governing Regulations, except that the City's Director of Water Utilities has the discretion to approve a temporary alternative second water connection provided the Owner can demonstrate that a looped or alternative potable supply provides adequate and continuous water pressure.

(2) Prior to commencing work on any Off-Site Improvements, the Owner will dedicate or convey (or cause to be dedicated or conveyed) easements and other rights-of-way (both permanent and temporary) to the City or the District, as applicable, at no cost to the City or the District and in a form approved by the City or the District (which approvals will not be unreasonably withheld or delayed). Easements and other rights-of-way (both permanent and temporary) required for any Viridian Public Improvements located within the District shall be dedicated or conveyed by the Owner to the City or the District, as applicable, at no cost to the City or the District, by plat or other instruments approved by the City or the District (which approvals will not be unreasonably withheld or delayed). If any portion of the Property is sold prior to such dedications or conveyances having been made, then the purchaser must agree, in writing, to dedicate or convey the easements or other rights-of-way as required by this Section 4.a.(2).

(3) Upon inspection and acceptance of completed portions of work under any Construction Contract, title to the completed portions shall be dedicated as required by the City or the District, lien free, together with an assignment of all applicable bonds and warranties. Such dedications, however, shall be limited to completed portions of the work that connect to or may be used as part of the then-existing City infrastructure system.

(4) The District shall prepare and update annually after the Effective Date (and deliver a copy to the City, the Owner, and the TIRZ) a budget estimating the District Costs (as updated, the "District Budget"). The District Budget shall compare such estimated costs to Exhibit B and Exhibit C.

(5) The District Budget shall separately identify, for each line item identified on Exhibit B and Exhibit C, the costs paid for completed improvements, the costs to be paid under Construction Contracts that are pending or that have been awarded, and the costs to be incurred in the future. Upon the completion of work under each Construction Contract, the District shall deliver to the Owner, the City, and the TIRZ a statement of the total costs incurred under each contract. Construction Contracts shall require the contractor to maintain complete books and records with respect to all costs paid or incurred for a period of at least three years after completion.

(6) The Owner, the City, and the District acknowledge that the Viridian PD requires that a minimum of 900 acres be retained as open space, including the construction and maintenance of amenities required by the Viridian PD at no cost or expense to the City, that will be available for use by the general public. The City acknowledges that the value to the City of such open space and improvements exceeds the value of park fees and parkland dedications normally required in connection with development within the City. Consequently, provided the District Land is developed in accordance with the Viridian PD, and provided the ownership and maintenance obligations of the Parties for open space and related park land remain as set forth on Exhibit B and Exhibit C and as further described in Sections 7 and 8 of this Agreement, the City hereby agrees (i) that development of the Property will not require park fees or park dedications in lieu of fees other than the obligation of the Owner and District to transfer to the City (in partial satisfaction of the Open Space Requirements) fee simple title to the Park Property, and (ii) that all open space within the Viridian PD shall be used in compliance with rules

established by the District, which rules shall be consistent with the Governing Regulations.

b. Development Plans and Rules for Operation of the District. The District will be operated in accordance with: (1) the District Act; (2) rules for operation adopted, from time to time, by the Board; (3) applicable provisions of the Texas Water Code; (4) applicable authority exercised by the Texas Attorney General with respect to the issuance of Bonds; and (5) the provisions of any other existing or future laws of the State of Texas that apply to the operation of the District.

c. Financing of Viridian Public Improvements.

(1) Developer Improvements. Developer Improvements will be designed, acquired, constructed, and installed by the Owner using private funds, grants, or any other funds available to the Owner without reimbursement from the District, the City, the TIRZ, or the PID. If the Owner sells any portion of the Property prior to completion of the Developer Improvements and assigns to the purchaser the obligation to complete all or any portion of the Developer Improvements, then the purchaser must agree, in writing, to be bound by the obligations of the Owner set forth in this Section 4.c.(1).

(2) Pledge of Available TIRZ Revenue. Pursuant to Section 3861.006(b) of the District Act and Sections 311.010(b), 311.0123, and 311.013 of the TIRZ Act, and otherwise to the maximum extent permitted by law, the City and the TIRZ hereby grant, dedicate, pledge, and otherwise provide to the District all Available TIRZ Revenue to be used as follows:

(a) Before Issuance of TIRZ GO Bonds. Before and until TIRZ GO Bonds are issued, Available TIRZ Revenue shall be used or reserved by the District to pay or reimburse TIRZ Costs.

(b) After Issuance of TIRZ GO Bonds. If and when TIRZ GO Bonds are issued with a pledge of Available TIRZ Revenue, Available TIRZ Revenue shall be used by the District to pay principal and interest on such TIRZ GO Bonds in the amounts and to the extent required by the applicable Bond Documents.

(c) After Payment of TIRZ GO Bonds. To the extent not required to pay debt service on the District's TIRZ GO Bonds that contain a pledge of Available TIRZ Revenues, Available TIRZ Revenue may be used or reserved by the District to pay or reimburse any unreimbursed TIRZ Costs until such TIRZ Costs are reimbursed or paid in full.

(d) Duration of Pledge. The grant, dedication, pledge, and provision of Available TIRZ Revenue provided by Sections 4.c.(2)(a) through 4.c.(2)(c) of this Agreement shall continue until the later to occur of (i) the date all TIRZ GO Bonds with a pledge of Available TIRZ Revenue have been issued and paid in full, or (ii) the date all TIRZ Costs have otherwise been paid or reimbursed in full pursuant to Section 4.c.(2)(c); and from and after the later of such dates, Available

TIRZ Revenue shall be available to the District for use in accordance with the Final TIRZ Plan and this Agreement, including Section 4.c.(3) herein.

(3) Pledge of Excess TIRZ Revenue. Pursuant to Section 3861.006(b) of the District Act and Sections 311.010(b) and 311.0123 of the TIRZ Act, and otherwise to the maximum extent permitted by law, the City and the TIRZ hereby grant, dedicate, pledge, and otherwise provide Excess TIRZ Revenue to be used as follows:

(a) Before Issuance of TIRZ GO Bonds. Before and until TIRZ GO Bonds are issued, Excess TIRZ Revenue shall be available to the District for use in accordance with the Final TIRZ Plan.

(b) After Issuance of TIRZ GO Bonds. If and when TIRZ GO Bonds are issued, Excess TIRZ Revenue shall be used to pay principal and interest on TIRZ GO Bonds or otherwise used as security for TIRZ GO Bonds in the amounts and to the extent, if any, required by the applicable Bond Documents; and if not so required by the applicable Bond Documents, Excess TIRZ Revenue shall be available to the District for use to pay, reimburse or finance the costs of Special TIRZ Improvements in accordance with the Final TIRZ Plan and this Agreement.

(c) Duration of Pledge. The grant, dedication, pledge, and provision of Excess TIRZ Revenue provided by Sections 4.c.(3)(a) and 4.c.(3)(b) of this Agreement shall continue until the later to occur of (i) the date all TIRZ GO Bonds have been issued and paid in full, (ii) the date all TIRZ Costs have otherwise been paid or reimbursed in full, (iii) the date all TIRZ Revenue Bonds have been issued and paid in full, or (iv) the date all Special TIRZ Improvements have otherwise been paid or reimbursed in full, in accordance with the TIRZ Plan and this Agreement.

(4) Tax Participation Agreements. Pursuant to Section 3861.006(b) of the District Act and Sections 311.010(b) and 311.013 of the TIRZ Act, the City shall use reasonable efforts to enter into separate agreements (each a "Tax Participation Agreement" and collectively, the "Tax Participation Agreements") with the County, the College, and the Hospital. The Tax Participation Agreements shall obligate the County, the College, and the Hospital to deposit each year during the term of the TIRZ (beginning with the 2008, 2012, and 2008 tax years, respectively) the County Increment, College Increment, and Hospital Increment, respectively, into the Tax Increment Fund in accordance with standard administrative procedures adopted by the City and approved by the District. The City shall send annually to the County, the College, and the Hospital a bill that outlines the City's calculation of the County Increment, College Increment, and Hospital Increment, respectively, copies of which bills shall be given to the District at the same time they are given to the County, College, and Hospital. The City shall forward to the District copies of the Tax Participation Agreements, when executed, and shall not thereafter amend any of the Tax Participation Agreements without the prior written consent of the Owner and the District if the amendment would adversely affect the obligation of the County, the College, or the Hospital to deposit their respective tax increments into the Tax Increment Fund. The City shall, at all times, comply with the

provisions of the Tax Participation Agreements and shall take no action that would entitle any of the County, the College, or the Hospital to suspend payments of their respective tax increments into the Tax Increment Fund. The City agrees to immediately give the Owner, the District, and the TIRZ a copy of any Notice from the County, the College, or the Hospital to the City alleging any breach, default, or other failure by the City to perform under any of the Tax Participation Agreements. If fully executed Tax Participation Agreements between the City and the County, the College, and the Hospital have not been executed within 12 months after the Effective Date, the Parties will use reasonable efforts to amend this Agreement to offset or otherwise mitigate the financial impact on the Developer, Owner, and the District.

5. OWNERSHIP AND MAINTENANCE OF DISTRICT IMPROVEMENTS. Section 3861.102(e) of the District Act provides that, subject to this Agreement, the City may, by ordinance, order, or resolution, require that title to all or any portion of the District Improvements vest in the City, and, by ordinance, order, resolution, or other directive, authorize the District to own, encumber, maintain, and operate District Improvements; subject to the right of the City to order a conveyance of District Improvements to the City on a date determined by the City. This Agreement constitutes an order and directive approved by the City Council setting forth the ownership of, and maintenance obligations with respect to, the District Improvements.

a. Ownership of Developer Improvements. Ownership of Developer Improvements, as between the District and the City, is identified on Exhibit A. Upon completion of construction of Developer Improvements, other than gated roadway improvements and private access easements and alleys designated on plats, and upon inspection and acceptance by the District or the City as the owner, the improvements shall be dedicated or conveyed to the District or the City, as applicable, lien free and together with all applicable warranties and bonds. The ownership identified on Exhibit A shall be continuing; however, upon termination or expiration of the TIRZ, ownership of the roadway improvements identified on Exhibit A (excluding gated roadway improvements and private access easements and alleys designated on plats) will be transferred from the District to the City upon inspection and acceptance by the City after a pavement management evaluation is performed by the City in accordance with standard City procedures and at the District's expense; however, no transfers of roadway improvements will occur unless such improvements have been repaired in accordance with the Governing Regulations, ordinary wear and tear excepted, to an OCI rating of 85 or better. From and after any such transfer, the District shall have no obligations or liabilities with respect to the transferred improvements, and the City shall assume all obligations and liabilities with respect to the transferred improvements. Notwithstanding the foregoing, the District may elect to maintain certain roadway streetscaping improvements as set forth in an agreement between the City and the District. Except as identified on Exhibit A and except for the transfer of ownership provided by this Section 5.a., title to Developer Improvements shall remain with the District (or a home owners association in the case of gated roadway improvements or private access easements and alleys designated on plats) and shall not vest in the City. The City waives any right otherwise provided by Section 3861.102(e) of the District Act to order a future conveyance of any of the Developer Improvements.

b. Maintenance of Developer Improvements. Maintenance obligations for Developer Improvements, as between the District, a property owners association, and the City,

are also set forth on **Exhibit A**. The maintenance obligations identified on **Exhibit A** shall be continuing; however, upon termination or expiration of the TIRZ, the maintenance obligations for the roadway improvements identified on **Exhibit A** will be transferred from the District to the City concurrently with the transfer of ownership as provided by Section 5.a. of this Agreement. From and after such transfer, the District shall have no obligations or liabilities with respect to the transferred obligations, and the City shall assume all such obligations. Prior to termination or expiration of the TIRZ, the District shall maintain and repair roadway improvements within the District (excluding gated roadway improvements and private access easements and alleys designated on plats) in accordance with the Governing Regulations.

c. **Ownership of District Improvements.** Ownership of District Improvements, as between the District and the City, is identified on **Exhibit B** and **Exhibit C**. Upon completion of construction of District Improvements, and upon inspection and acceptance by the City or the District as the owner, the improvements shall be dedicated or conveyed to the City or District, as applicable, lien free and together with all applicable warranties and bonds. The ownership identified on **Exhibit B** and **Exhibit C** shall be continuing; however, upon termination or expiration of the TIRZ, ownership of the roadway and parking infrastructure improvements identified on **Exhibit B** and **Exhibit C** will be transferred from the District to the City upon inspection and acceptance by the City after a pavement management evaluation is performed by the City in accordance with standard City procedures and at the District's expense; however, no transfers of roadway improvements will occur unless such improvements have been repaired in accordance with the Governing Regulations, ordinary wear and tear excepted, to an OCI rating of 85 or better. From and after such transfer, the District shall have no obligations or liabilities with respect to the transferred improvements (except that the District will replace trees in the public access, utility, and City construction easement area adjacent to the right-of-way if trees must be removed as a result of roadway repairs performed by the City); and, excluding tree replacement due to repairs, the City shall assume all obligations and liabilities with respect to the transferred improvements. Except as identified on **Exhibit B** and **Exhibit C**, and except for the transfer of ownership provided by this Section 5.c., title to District Improvements shall remain with the District and shall not vest in the City. The City waives any right otherwise provided by Section 3861.102(e) of the District Act to order a future conveyance of any of the District Improvements.

d. **Maintenance of District Improvements.**

(1) Maintenance obligations for District Improvements, as between the Parties, are also set forth on **Exhibit B** and **Exhibit C**. The maintenance obligations identified on **Exhibit B** and **Exhibit C** shall be continuing; however, upon termination or expiration of the TIRZ, the maintenance obligations for the roadway and parking infrastructure improvements identified on **Exhibit B** and **Exhibit C** will be transferred from the District to the City provided by Section 5.c. of this Agreement. From and after such transfer, the District shall have no obligations or liabilities with respect to the transferred obligations, and the City shall assume all such obligations. Prior to termination or expiration of the TIRZ, the District shall maintain and repair roadway and parking infrastructure improvements within the District in accordance with the Governing Regulations.

(2) The District will use its best efforts to maintain the normal pool elevation of the Lake (hereinafter defined) at a minimum elevation of 452.0. The term “Lake” shall mean any lake body contained within the property described in **Exhibit F** to this Agreement. The District also agrees to repair any damage to the Lake, including its embankment, that threatens the integrity or harms the City’s public water or sanitary sewer systems, upon written notice by the City and within fourteen days of the District’s ability to access the Lake, or as otherwise agreed to by the City.

(3) Access to all District Improvements is granted to the City for any purpose related to the exercise of governmental services or functions, including but not limited to, fire and police protection, inspection, and code enforcement.

e. Metrovest Agreements. The City acknowledges and agrees that the Metrovest Development Agreement and Metrovest Maintenance Agreement have been unconditionally terminated and are of no further force and effect.

6. MAINTENANCE AND OPERATION TAX. Section 3861.155 of the District Act provides that the District may impose a tax for maintenance and operation purposes (an “M&O Tax”) including for planning, constructing, acquiring, maintaining, repairing, and operating District Improvements, including land, plants, works, facilities, improvements, appliances, and equipment of the District and for paying costs of services, engineering and legal fees, and organizational and administrative expenses of the District. The City Council hereby approves the imposition by the District of an M&O Tax up to a maximum of \$0.75 per \$100 of appraised value. The District may not, however, impose any M&O Tax until the maximum tax approved by this Section 6 has also been approved by District voters at one or more elections held for that purpose in accordance with the District Act and other applicable law. The District may hold a separate election for the maintenance and operation of Viridian Public Improvements authorized by Section 59, Article VI, Texas Constitution and Viridian Public Improvements authorized by Section 52, Article III, Texas Constitution; provided, however, the total M&O Tax for both categories of improvements shall not exceed \$0.75 per \$100 of appraised value. If the District voters approve a maximum M&O Tax of \$0.75 per \$100 of appraised value, the actual rate imposed within the District each year by the Board may be less than the maximum. Notice of the District M&O Tax rate will be given to the City each year within 30 days after it is imposed.

7. PARK LAND DEDICATION AND RELATED MATTERS.

a. Conveyance of Park Property. On or before December 9, 2024, or upon completion and acceptance by the City (where applicable) of the park improvements described below (the “Park Improvements”), whichever occurs first, the Owner and the District agree that whichever entity owns the Park Property at that time will convey fee simple title to the Park Property (i.e. any portion of the Park Property that the City does not already own in fee simple) to the City by special warranty deed. Owner shall be reimbursed by the District for the cost of the Park Property and any other drainage areas and improvements conveyed by Owner or Developer in accordance with the District Act and the rules and regulations applicable to the District. The Park Improvements shall consist of: (i) all improvements required in connection with the Army Corps of Engineers 404 permit for the Property, as revised from time to time (the “404 Permit”), including, but not limited to, drainage improvements to the Park Property; (ii) the

Owner's intended sidewalks, trails, landscaping, and other similar improvements within the Park Property; and (iii) all infrastructure within the Park Property (e.g., water lines, sewer lines, roadways, and similar improvements) that is necessary to serve the development of the Property. The special warranty deed conveying title to the Park Property shall be: (i) subject to easements reserved for the benefit of the Owner and the District to the extent required to comply with any Governing Regulations or to perform any obligations set forth in this Agreement; (ii) subject to easements reserved for the benefit of the Owner and the District that are necessary for the construction, installation, operation, and maintenance of the above-described infrastructure and Park Improvements; (iii) subject to other matters of record that do not unreasonably interfere with the use of the Park Property or the Park Improvements; and (iv) be in a form reasonably approved by the parties. All reserved easements shall be limited to the smallest area reasonably necessary and shall be subject to the reasonable approval of the City's Parks and Recreation Department. All work performed pursuant to such reserved easements shall minimize any adverse impacts on the Park Property and/or Park Improvements and shall comply with all Governing Regulations. The City acknowledges that revisions to the 404 Permit may be required by the Army Corps of Engineers after conveyance of the Park Property and agrees to take such actions as are necessary to comply with (or permit the Owner and/or the District to comply with) such required revisions. All work required by the 404 Permit, as revised, shall be performed in accordance with plans and specifications reasonably approved by the City. The obligations of the Parties in this Section 7.a. shall continue and shall not be affected by the conveyance of the Park Property as required by this Section 7.a. or by the termination of this Agreement.

b. Property Responsibility. Except as provided in this Section 7.b., upon the conveyance to the City of fee simple title to the Park Property, the City shall assume all responsibility with respect to the Park Property including, but not limited to, the responsibility to operate and maintain all improvements located within the Park Property. Notwithstanding the foregoing, however, the District shall retain the responsibility (as to ownership, use, operation, and maintenance) with respect to all District Improvements located within the Park Property as provided in this Agreement unless the City expressly agrees otherwise.

c. Protective Fencing. Prior to and during development in the immediate vicinity of the Park Property, the Owner shall install, or cause the District to install, temporary protective fencing reasonably required by the City around those portions of the Park Property to protect against intrusion into the Park Property by development equipment and intrusion into the development area from the Park Property, all in accordance with the Viridian PD. The Owner and the District shall each be responsible for damage done to Park Property due to (1) construction activity by the Owner or the District or their respective contractors and (2) any dumping in the Park Property by the Owner or the District or their respective contractors, including damage caused by improper access for such dumping by the Owner or the District or their respective contractors.

d. Approval Prior to Construction; Mitigation and Restoration. Except as provided by this Agreement, no construction is permitted in the Park Property without the prior written approval of the City (which approval shall not be unreasonably withheld or delayed). All construction within the Park Property by the Owner or the District or their respective contractors shall utilize reasonable efforts to minimize the impact to flora and fauna within the Park

Property, excluding tree preservation. Park Property disturbed by construction shall be restored to its pre-construction condition (excluding tree preservation) as reasonably determined by the Director of Parks and Recreation. Tree preservation shall be performed in accordance with the Viridian PD.

e. Satisfaction of City's Park Land Dedication Requirements. The City acknowledges and agrees that satisfaction (by the Owner and/or the District) of the Open Space Requirements, including performance of the obligations set forth in this Section 7, satisfies the spirit and intent of all of the City's park fee and land dedication requirements that apply to the development of the Property including, but not limited to, the City's requirements for linear park fees and neighborhood park fees.

8. ABANDONMENTS, CONVEYANCES, AND EXCHANGES.

a. The City and Owner agree to enter into good faith, non-binding negotiations for the concurrent exchange of approximately 10.833-acre City-owned tracts of land being more particularly described in Exhibit G ("City Lots") for a tract of land of comparable value located within the Property, and more particularly described in Exhibit H, which the City proposes to use for a canoe launch area ("Canoe Launch Area"). The City and the Owner will use reasonable efforts to cause such exchange to occur upon completion and acceptance by the City (where applicable) of the Park Improvements or by December 9, 2024, whichever occurs first. The conveyances contemplated by this Section 8.a. shall be in a form reasonably approved by the City and the Owner.

b. The City agrees to abandon the easement, recorded at Volume 12710, Page 562 of the County deed records, the approximate location of which is identified on Exhibit E as "Easement C." Concurrently with the abandonment of Easement C the Owner agrees to convey to the District the land previously burdened by Easement C, which shall partially satisfy the Open Space Requirements. The District shall restrict such land with a conservation easement for the benefit of the City. The abandonment and subsequent conservation easement contemplated by this Section 8.b. shall be in a form reasonably acceptable to the City, the Owner, and the District.

c. Exemption from Competitive Requirements. Pursuant to Section 272.001(b)(6) of the Texas Local Government Code, as amended, and Section 311.008(b)(2) and Section 311.008(c) of the Texas Tax Code, as amended, the obligations of the City as set forth in this Section 8 are not subject to the notice and competitive bidding requirements of Section 272.001(b)(6) of the Texas Local Government Code or the election requirements of Section 253.001 of the Texas Local Government Code because all of the property rights described in this Section 8 are located, or will at the time of performance be located, within the TIRZ.

d. Property Responsibility. Except as provided in this Section 8.d., upon the conveyance to the City of fee simple title to the Canoe Launch Area, the District shall retain the responsibility (as to ownership, use, operation, and maintenance) with respect to all District Improvements located within the Canoe Launch Area as provided in this Agreement unless the City expressly agrees otherwise. District improvements in the Canoe Launch Area shall include, but are not limited to, the ADA river access to the Trinity River.

e. Approval Prior to Construction; Mitigation and Restoration. Prior to construction of the Canoe Launch Area, the Owner and/or the District shall consult with the City on the design and plans for the Canoe Launch Area, shall allow the City to review and comment on the plans, and no plans shall be finalized without the City's written approval. Except as provided by this Agreement, no construction is permitted within the Canoe Launch Area without the prior written approval of the City (which approval shall not be unreasonably withheld or delayed). All construction within the Canoe Launch Area by the Owner or the District or their respective contractors shall utilize reasonable efforts to minimize the impact to flora and fauna within the Canoe Launch Area, excluding tree preservation. Any portion of the property disturbed by construction shall be reasonably restored to its pre-construction condition (excluding tree preservation) as reasonably determined by the Director of Parks and Recreation. Tree preservation shall be performed in accordance with the Viridian PD.

f. Protective Fencing. Prior to and during development of the Property in the immediate vicinity of the Canoe Launch Area, the Owner shall install, or cause the District to install, temporary protective fencing, if reasonably required by the City, around those portions of the Property to protect against intrusion into the Canoe Launch Area by development equipment, all in accordance with the Viridian PD. The Owner and the District shall each be responsible for damage done to the Canoe Launch Area due to (1) construction activity by the Owner or the District or their respective contractors and (2) any dumping in the Canoe Launch Area by the Owner or the District or their respective contractors, including damage caused by improper access for such dumping by the Owner or the District or their respective contractors.

9. FIRE STATION.

a. Temporary Fire Station. The Parties acknowledge that Owner constructed, or caused the District to construct, a temporary fire station that was ready for service upon the issuance of the first building permit for a building within the Property (the "Temporary Fire Station"). The Owner or the District leased to the City, at no cost to the City, the Temporary Fire Station (including the land on which it is located and the related furnishings and equipment) and leased for or on behalf of the City, at no cost to the City, a fire engine that conformed generally to the City's standard fire apparatus specifications in effect at the time. The cost of the Temporary Fire Station and the fire engine payable by the Owner or the District shall not exceed \$1,500,000 (excluding any land cost), and any costs above \$1,500,000 shall be the responsibility of the City. The terms and conditions of the leases shall be approved by the Owner and the City, which approvals shall not be unreasonably withheld or delayed. The lease for the Temporary Fire Station shall continue until the Fire Station becomes operational, at which time they will terminate and the Temporary Fire Station may be removed by the Owner or the District. The City may transfer to the Fire Station furnishings and equipment from the Temporary Fire Station. During the term of the leases, the City agrees, at its sole cost, to: (1) maintain the Temporary Fire Station and property on which it is located, including all related furnishings and equipment; (2) maintain the fire engine; and (3) staff the Temporary Fire Station so that it is fully operational. In addition to the foregoing, the Owner has caused the District to provide, to the City, at no cost to the City, a boat slip at the lake within the District Property to be used by the City for a fire rescue boat.

b. Fire Station. The Owner agrees to design and construct, or cause the District to design and construct, a new permanent fire station (the “Fire Station”) at a cost not to exceed \$3,650,000, excluding any cost of Owner incurred to mitigate soil conditions. If the cost to design and construct the Fire Station exceeds \$3,650,000, excluding any cost the Owner incurred to mitigate the soil conditions, the Owner and City will work in good faith to amend the design plans to lower the cost of design and construction to an amount not to exceed \$3,650,000.

c. Location. The Fire Station shall be constructed on Lot 1, Block 69 of Viridian Village 1F (the “Fire Station Property”). The Fire Station Property shall be dedicated or conveyed to the City at no cost or expense to the City.

d. Construction Plans. The Owner agrees to construct, or cause the District to construct, the Fire Station in general conformance with the construction plans that were approved by Owner and the City dated October 20, 2016 (the “Approved Plans”).

e. Timing. The Owner or District, as appropriate, will use commercially reasonable efforts to commence construction of the Fire Station on or before April 30, 2017. The Owner will cause the Fire Station to be completed and ready for occupancy by the Fire Department on or before March 1, 2018, subject to Force Majeure.

f. Conveyance, Maintenance, and Staffing. Following the City’s final inspection of the Fire Station for compliance with the Approved Plans, and City acceptance of the Fire Station, the Owner shall convey, or cause the District to convey, the Fire Station Property, the Fire Station, and all related equipment and furnishings to the City by special warranty deed, subject to such other matters of record that are reasonably approved by the City, the District, and the Owner. Following such conveyance, the City agrees, at its sole cost, to: (1) provide all equipment and furnishings necessary for the Fire Station to be fully operational; (2) maintain the Fire Station, the Fire Station Property, and all related equipment and furnishings; and (3) staff the Fire Station so that it is fully operational. The obligations of the Owner and the District under this Section 9.f. are expressly conditioned upon the City including line items in its then-current annual budget in amounts sufficient to operate, staff, and maintain the Fire Station, Fire Station Property, and all related equipment and furnishings.

10. DEFAULT. No Party shall be in default under this Agreement (a “Default”) unless Notice of an alleged failure of a Party to perform has been given (which Notice shall set forth in reasonable detail the nature of the alleged failure) and such Party has been given a reasonable time to cure based on the nature of the alleged failure, but in no event less than 30 days. In addition, no Default shall occur if, within the applicable cure period, the Party to whom the Notice was given begins performance and thereafter diligently and continuously pursues performance until the failure is cured.

11. REMEDIES.

a. The Parties agree that this Agreement is executed for the purposes of implementing the District Act, among other things, by setting forth the procedures to be followed by the District in financing, constructing, owning, and operating the Viridian Public Improvements and by the City in creating the TIRZ and making TIRZ Revenue available as

security for the payment of TIRZ Bonds or otherwise for the payment of TIRZ Costs in accordance with Sections 4.c.(2) and 4.c.(3) of this Agreement. Accordingly, the Parties agree that a Default by any Party shall not entitle any non-defaulting Party to seek or recover damages or to terminate this Agreement. The sole and exclusive remedy available to a non-defaulting Party in the case of any Default by another Party is to seek the equitable remedy of specific enforcement of this Agreement.

b. The City does not by this Agreement, except for the provisions related to the use of TIRZ Revenue under Sections 4.c.(2) and 4.c.(3) of this Agreement, commit or agree to provide any City funds to the District or to provide water, sewer, or other municipal services to any part of the District, whether developed or undeveloped, except in accordance with the Governing Regulations.

c. The provision of water, sewer, or other municipal services by the City to the District is subject to the annual appropriation of funds by the City from lawful and available sources. The obligations of the District to finance, construct, and provide the Viridian Public Improvements that will be owned by the City, and to provide, operate, and maintain the Viridian Public Improvements that will be owned by the District are subject to the availability of funds from lawful sources on a financially sound and reasonable basis.

d. No Default under this Agreement shall prevent the District from, or in any way affect the right of the District to proceed with, issuing Bonds in accordance with this Agreement unless: (1) the improvements being financed or paid for with Bond proceeds are not authorized by this Agreement, (2) the security for the Bonds is not authorized by this Agreement, or (3) the Bonds do not comply with Section 3.f. of this Agreement.

12. NOTICES. Any notice or communication required or contemplated by this Agreement (a "Notice") shall be deemed to have been delivered, given, or provided: (a) five business days after being deposited in the United States mail, CERTIFIED MAIL or REGISTERED MAIL, postage prepaid, return receipt requested; (b) when delivered to the notice address by a nationally recognized, overnight delivery service (such as FedEx or UPS) as evidenced by the signature of any person at the Notice address (whether or not such person is the named recipient of the Notice); or (c) when otherwise hand delivered to the Notice address as evidenced by the signature of any person at the Notice address (whether or not such person is the named recipient for purpose of the Notice); and addressed to the named recipient as follows:

If to the City:	The City of Arlington, Texas Attn: Bruce Payne MS 01-300 101 W. Abrams St. P.O. Box 90231 Arlington, Texas 76004 Phone: 817-459-6114 Email: bruce.payne@arlingtontx.gov
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If to the Owner: Viridian Holdings, LP
Attn: Robert Kembel
3104-7 N. Collins St.
Arlington, Texas 76005
Phone: 214-499-4654
E-mail: robertk@johnsondev.com

If to the District: Viridian Municipal Management District
Attn: Chairman
c/o Crawford & Jordan, LLP
3100 McKinnon, Suite 1100
Dallas, Texas 75201
Phone: 214-981-9090
E-mail: ccrawford@crawlaw.net

If to the TIRZ: The Board of Directors of Tax Increment
Reinvestment Zone Number Six, Arlington, Texas
Attn: Bruce Payne
MS 01-300
101 W. Abrams St.
P.O. Box 90231
Arlington, Texas 76004
Phone: 817-459-6114
Email: bruce.payne@arlingtontx.gov

13. REPRESENTATIONS AND WARRANTIES OF THE CITY. To induce the other Parties to enter into this Agreement, the City represents and warrants to them as follows:

a. The City has the power and authority to execute, deliver, and carry out the provisions of this Agreement and all other instruments to be executed and delivered by it in connection with its obligations hereunder. The execution, delivery, and performance by the City of this Agreement have been duly authorized by all requisite action by the City, and this Agreement is a valid and binding obligation of the City enforceable in accordance with its terms, except as may be affected by applicable bankruptcy or insolvency laws affecting creditors' rights generally.

b. Neither the execution and delivery of this Agreement, nor the consummation of the transactions herein contemplated, will conflict with or result in a breach of or default under: (1) any terms, conditions or provisions of any agreement or instrument to which the City is now a party or is otherwise bound; (2) any order or decree of any court or governmental instrumentality applicable to the City; or (3) any law applicable to the City.

c. To the best knowledge and belief of the City, the City is not a party to or otherwise bound by any agreement or instrument or subject to any other restriction or judgment, order, writ, injunction, decree, award, rule or regulation which could reasonably be expected to materially and adversely affect the ability of the City to perform its obligations under this Agreement.

14. REPRESENTATIONS AND WARRANTIES OF THE OWNER. To induce the other Parties to enter into this Agreement, the Owner represents and warrants to them as follows:

a. The Owner has the power and authority to execute, deliver, and carry out the provisions of this Agreement and all other instruments to be executed and delivered by it in connection with its obligations hereunder. The execution, delivery, and performance by the Owner of this Agreement have been duly authorized by all requisite action by the Owner, and this Agreement is a valid and binding obligation of the Owner enforceable in accordance with its terms, except as may be affected by applicable bankruptcy or insolvency laws affecting creditors' rights generally.

b. Neither the execution and delivery of this Agreement, nor the consummation of the transactions herein contemplated, will conflict with or result in a breach of or default under: (1) any terms, conditions or provisions of any agreement or instrument to which the Owner is now a party or is otherwise bound; (2) any order or decree of any court or governmental instrumentality applicable to the Owner; or (3) any law applicable to the Owner.

c. To the best knowledge and belief of the Owner, the Owner is not a party to or otherwise bound by any agreement or instrument or subject to any other restriction or judgment, order, writ, injunction, decree, award, rule or regulation which could reasonably be expected to materially and adversely affect the ability of the Owner to perform its obligations under this Agreement.

d. As of the Effective Date, the only lender with a lien or other security interest in the Property is B. Barney Baker on a portion of the Property totaling 19.997 acres described in the Deed of Trust First Lien Balloon dated May 19, 2016.

15. REPRESENTATIONS AND WARRANTIES OF THE DISTRICT. To induce the other Parties to enter into this Agreement, the District represents and warrants to them as follows:

a. The District has the power and authority to execute, deliver, and carry out the provisions of this Agreement and all other instruments to be executed and delivered by it in connection with its obligations hereunder. The execution, delivery, and performance by the District of this Agreement have been duly authorized by all requisite action by the District, and this Agreement is a valid and binding obligation of the District enforceable in accordance with its terms, except as may be affected by applicable bankruptcy or insolvency laws affecting creditors' rights generally.

b. Neither the execution and delivery of this Agreement, nor the consummation of the transactions herein contemplated, will conflict with or result in a breach of or default under: (1) any terms, conditions or provisions of any agreement or instrument to which the District is now a party or is otherwise bound; (2) any order or decree of any court or governmental instrumentality applicable to the District; or (3) any law applicable to the District.

c. To the best knowledge and belief of the District, the District is not a party to or otherwise bound by any agreement or instrument or subject to any other restriction or judgment, order, writ, injunction, decree, award, rule or regulation which could reasonably be expected to

materially and adversely affect the ability of the District to perform its obligations under this Agreement.

16. REPRESENTATIONS AND WARRANTIES OF THE TIRZ. To induce the other Parties to enter into this Agreement, the TIRZ represents and warrants to them as follows:

a. The TIRZ has the power and authority to execute, deliver, and carry out the provisions of this Agreement and all other instruments to be executed and delivered by it in connection with its obligations hereunder. The execution, delivery, and performance by the TIRZ of this Agreement have been duly authorized by all requisite action by the TIRZ, and this Agreement is a valid and binding obligation of the TIRZ enforceable in accordance with its terms, except as may be affected by applicable bankruptcy or insolvency laws affecting creditors' rights generally.

b. Neither the execution and delivery of this Agreement, nor the consummation of the transactions herein contemplated, will conflict with or result in a breach of or default under: (1) any terms, conditions or provisions of any agreement or instrument to which the TIRZ is now a party or is otherwise bound; (2) any order or decree of any court or governmental instrumentality applicable to the TIRZ; or (3) any law applicable to the TIRZ.

c. To the best knowledge and belief of the TIRZ, the TIRZ is not a party to or otherwise bound by any agreement or instrument or subject to any other restriction or judgment order, writ, injunction, decree, award, rule or regulation which could reasonably be expected to materially and adversely affect the ability of the TIRZ to perform its obligations under this Agreement.

17. DIVISION OF THE DISTRICT. City approval is required for divisions of the District and for the creation of new districts as authorized by Section 3861.201 of the District Act. In the event such divisions and the creation of new districts are approved by the City, this Agreement shall automatically apply (without further action by the Parties) to each new district as if such new district had been an original party to this Agreement upon the execution by such new district of a counterpart of this Agreement.

18. FORCE MAJEURE. Each Party shall use good faith, due diligence, and reasonable care in the performance of its obligations under this Agreement, and time shall be of the essence in such performance. If a Party is unable, due to force majeure, to perform its obligations under this Agreement, then such obligations shall be temporarily suspended. Within three business days after the occurrence of a force majeure, the Party claiming the right to temporarily suspend its performance shall give Notice to the other Parties, including a detailed explanation of the force majeure and a description of the action that will be taken to remedy the force majeure and resume full performance at the earliest possible time. The term "force majeure" shall include events or circumstances that are not within the reasonable control of the Party whose performance is suspended and that could not have been avoided by such Party with the exercise of good faith, due diligence, and reasonable care.

19. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the Parties and supersedes the Viridian Project Finance Plan and Development Agreement dated

December 9, 2009, and the First Amendment to the Viridian Project Finance Plan and Development Agreement dated March 10, 2011, and any other prior agreements, whether oral or written, covering the subject matter of this Agreement. This Agreement shall not be modified or amended except in writing signed by the Parties.

20. SEVERABILITY. The provisions of this Agreement are severable, and in the event any provision of this Agreement, or the application thereof to any person or circumstance, is held or determined to be invalid, illegal, or unenforceable, and if such invalidity, unenforceability, or illegality does not cause substantial deviation from the underlying intent of the Parties as expressed in this Agreement, then such provision shall be deemed severed from this Agreement with respect to such person, entity, or circumstance without invalidating the remainder of this Agreement or the application of such provision to other persons, entities, or circumstances.

21. RIGHTS AND OBLIGATIONS OF DEVELOPERS AND OTHER PARTIES.

a. The Owner (through the documents that transfer title to any of the Property) and the District will require and cause all Developers (in the conduct of their work, duties, and undertakings on behalf of the Owner or the District in connection with the financing, construction, installation, and maintenance of the Viridian Public Improvements) to abide by the terms, provisions, and requirements of this Agreement. Subject to providing prior written notices thereof to the District, each Developer shall have the right, acting on behalf of the Owner or the District, to request the City to perform an act that is required of the City by this Agreement or to waive a requirement of this Agreement; however, the City shall have the right to require evidence of the concurrence of the Owner or the District, as applicable, in any such request. Duties, if any, imposed on any homeowners or property owners association in connection with this Agreement shall be included in deed restrictions (e.g., “covenants, conditions, and restrictions”) recorded by the Owner before the sale of the property subject to this Agreement.

b. The District acknowledges and agrees that the only monetary obligations of the City under this Agreement are the City’s obligations under Sections 4.c.(2) and 4.c.(3) of this Agreement to make available TIRZ Revenue as security for TIRZ GO Bonds and/or TIRZ Revenue Bonds or otherwise to pay or reimburse TIRZ Costs. The District may grant to a trustee or other representative for and on behalf of the holders of TIRZ Bonds the right to enforce the provisions of Sections 4.c.(2) and 4.c.(3) of this Agreement and to require that TIRZ Revenue be deposited when and as required by this Agreement. Otherwise, no person or entity, other than an assignee or lender as permitted by Section 26, is a beneficiary of this Agreement with rights to enforce its terms and provisions.

22. NO PARTNERSHIP OR JOINT VENTURE. Nothing contained in this Agreement is intended or shall be construed as creating a partnership or joint venture among the Parties.

23. INDIVIDUALS NOT LIABLE. No director, officer, elected or appointed official, or employee of any of the Parties shall be personally liable in the event of any Default.

24. COUNTERPARTS. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and such counterparts, when taken together, shall constitute one instrument.

25. TERMINATION. At such time as (a) the District has no outstanding TIRZ Bonds, PID Bonds or District Tax Bonds or contractual obligations payable from ad valorem taxes; (b) all TIRZ Costs, PID Costs and costs of all completed Other District Improvements have been paid or reimbursed, and (c) the City has assumed all assets and liabilities of the District, this Agreement may be terminated by any Party upon ninety (90) days' notice to the other Parties.

26. ASSIGNMENT.

a. Consent to Assignments. Except as provided in Sections 26.b. and 26.c., no Party may assign this Agreement, in whole or in part, or any of such Party's right, title, or interest in this Agreement, without the prior written consent of the other Parties. All assignments shall be in writing and shall obligate the assignee to be bound by this Agreement. Unless otherwise agreed by the Parties, no assignment shall relieve the assignor from liabilities that arose before the effective date of the assignment.

b. Assignments by Owner. The Owner has the right (from time to time without the consent of any other Party but upon written notice to the other Parties) to assign its rights and duties under this Agreement, in whole or in part, and including any obligation, right, title, or interest of the Owner under this Agreement, to the District or to any person or entity that is or will become an owner of any portion of the Property, or to any person or entity that is controlled by or under common control with the Owner (an "Assignee"). Each assignment shall be in writing executed by the Owner and the Assignee and shall obligate the Assignee to be bound by this Agreement to the extent this Agreement applies or relates to the obligations, rights, title, or interests being assigned. A copy of each assignment shall be provided to the other Parties within 15 days after it is fully executed. From and after such assignment, the other Parties agree to look solely to the Assignee for the performance of all obligations assigned to the Assignee and agrees that the Owner shall be released from subsequently performing the assigned obligations and from any liability that results from the Assignee's failure to perform the assigned obligations; provided, however, if a copy of the assignment is not received by the other Parties within 15 days after full execution, the Owner shall not be released until the other Parties receive their copy. No assignment by the Owner shall release the Owner from any liability that resulted from an act or omission by the Owner that occurred prior to the effective date of the assignment unless the other Parties approve the release in writing.

c. Right to Mortgage/Encumber. The Owner and Assignees have the right, from time to time, to collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of their respective rights, title, or interest under this Agreement for the benefit of their respective lenders without the consent of, but with prompt written notice to, the other Parties. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate any lender to perform any obligations or incur any liability under this Agreement unless the lender agrees in writing to perform such obligations or incur such liability, except the requirement to convey fee simple title to the Park Property to the City; and any lender subordinates its interest in the Park Property to this provision. Provided the other Parties have been given a copy of the documents creating the lender's interest, including Notice information for the lender, then the lender shall have the right, but not the obligation, to cure any default under this Agreement and shall be given a reasonable time to do so in addition to the cure period otherwise provided to the defaulting Party by this Agreement; and the City

agrees to accept a cure offered by the lender as if offered by the defaulting Party. A lender is not a Party to this Agreement unless this Agreement is amended, with the consent of the lender, to add the lender as a Party. Except as provided in Section 26.e., the provisions in this Agreement shall be a covenant running with the land and shall continue to bind the Property and shall survive any transfer, conveyance, or assignment occasioned by the exercise of foreclosure or other rights by a lender, whether judicial or non-judicial. Any purchaser from or successor owner through a lender of any portion of the Property shall be bound by this Agreement and shall not be entitled to the rights and benefits of this Agreement with respect to the acquired portion of the Property until all defaults under this Agreement with respect to the acquired portion of the Property have been cured.

d. Assignees as Parties. An Assignee shall be considered a “Party” for the purposes of this Agreement.

e. Release of Final-Platted Lots. Notwithstanding any provision of this Agreement to the contrary, and notwithstanding the fact that this Agreement may be filed in the deed records of the County, this Agreement shall not be binding upon, shall not create an encumbrance upon, and shall not otherwise be deemed to be a covenant running with the land with respect to any part of the Property for which a final plat has been approved by the City and filed in the deed records of the County.

27. RECORDATION, RELEASES, AND ESTOPPEL CERTIFICATES.

a. Binding Obligations. This Agreement and all amendments hereto shall be recorded in the County deed records. In addition, all assignments of this Agreement shall be recorded in the County deed records. Except as provided in Section 26.e., this Agreement shall be binding upon the Property and the Owner and the assignees and lenders permitted by Section 26.

b. Releases. From time to time upon written request of the Owner or any Assignee, the Parties shall execute, in recordable form approved by the Parties (which approvals shall not be unreasonably withheld or delayed), a release of the Owner’s or Assignee’s obligations under this Agreement if the Owner or Assignee has satisfied its obligations under this Agreement. The Parties further agree to execute, from time to time upon the written request of the Owner, any title company, or any owner of property for which a final plat has been approved and filed, a release or other appropriate instrument consistent with the intent of Section 26.e. and in recordable form approved by the Parties, which approvals will not be unreasonably withheld or delayed.

c. Estoppel Certificates. From time to time upon written request of the Owner or any Assignee, the Parties will execute a written estoppel certificate identifying any obligations of the Owner or Assignee under this Agreement that are in default or, with the giving of notice or passage of time, would be in default; and stating, to the extent true, that to the best knowledge and belief of the Parties, the Owner or Assignee is in compliance with its duties and obligations under this Agreement.

28. EXHIBITS. The following exhibits are attached hereto and incorporated herein as a part of this Agreement.

- Exhibit A: Developer Improvements
- Exhibit B: TIRZ Improvements
- Exhibit C: PID Improvements
- Exhibit D: Metes and Bounds Description of the District Land
- Exhibit E: Location Map for Park Property
- Exhibit F: Location of Lake
- Exhibit G: City Lots
- Exhibit H: Canoe Launch Area

ATTEST:

CITY OF ARLINGTON, TEXAS

Mary Dupina
City Secretary

By: [Signature]
Title: DCM
Date: 6.02.17

APPROVED AS TO FORM:

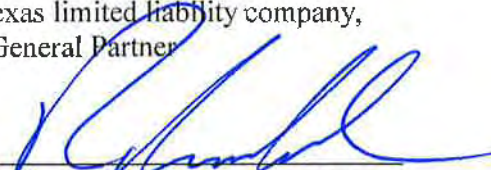
TAX INCREMENT REINVESTMENT ZONE
NUMBER SIX, ARLINGTON, TEXAS

[Signature]
City Attorney

By: [Signature]
Title: CHAIR TIRZ 6
Date: 13 JUNE 2017

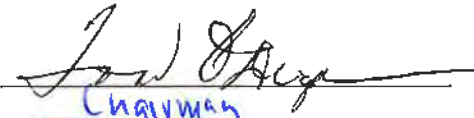
VIRIDIAN HOLDINGS, LP
A Delaware limited partnership

By: Johnson Viridian GP, LLC
a Texas limited liability company,
its General Partner

By: 
Robert Kembel, Vice President

Date: 6-6-2017

VIRIDIAN MUNICIPAL MANAGEMENT
DISTRICT

By: 
Title: Chairman
Date: 6.6.17

The undersigned, B. Barney Baker, executes this Agreement as a lender to the Owner for the sole purpose of evidencing the subordination of its security interest to this Agreement and the parties to the Agreement hereby acknowledge and agree that while B. Barney Baker has agreed to subordinate its security interest, by executing this Agreement, B. Barney Baker does not assume any obligations to perform on behalf of Owner under this Agreement.



B. Barney Baker

Date: 5-18-2017

EXHIBIT A
Developer Improvements

DESCRIPTION OF IMPROVEMENTS		OWNERSHIP	MAINTENANCE	ESTIMATED COST (Excluding Maintenance)
Roadway infrastructure, sidewalks, and alleys, regional trails and road improvements related to quiet crossings	Roadway infrastructure (including, but not limited to, paving and related drainage of residential and non-residential streets, medians, roundabouts, utility duct banks, and other similar street-related improvements between back-of-curb and back-of-curb)	District, except as otherwise provided in Section 5 of this Agreement	District, except as otherwise provided in Section 5 of this Agreement	\$536,932
	Sidewalks	City	City, except that non-standard sidewalks shall be maintained by the District.	
	Alley paving	District	District	
	Street sign poles	City	District	
	Street signs	City	City	
	Street light bulbs	City	City	
	Street light poles	City	District	
Landscaping	Landscaping along public streets or ways and in medians	Home owners association and/or District	N/A	\$6,502,211
	Landscaping in public parks and open space areas	Home owners association and/or District	N/A	
Open Space Facilities	Amenity center(s); recreational and sports facilities	Home owners association	N/A	\$16,869,762
Golf Course and Clubhouse	Riverside golf additions and new clubhouse	Private	Private	\$5,681,791
Developer Reimbursement Interest and capital cost				\$74,684,142
Landscape Maintenance		Home owners association	Home owners association	\$4,729,222

DESCRIPTION OF IMPROVEMENTS		OWNERSHIP	MAINTENANCE	ESTIMATED COST (Excluding Maintenance)
Archeology and Land	Exhibits and Preserves	District	District	\$79,484,083
Costs of Permitting and Redevelopment Fees				\$170,234
Advertising and Promotion				\$10,768,994
Overhead Costs				\$41,894,944
Cost Inflation				4,275,285
TOTAL				\$245,597,600

Exhibit B

TIRZ Improvements (includes Developer and Non-developer TIRZ Costs)

DESCRIPTION OF IMPROVEMENTS		OWNERSHIP	MAINTENANCE	ESTIMATED COST (Excluding Maintenance)
Roadway Infrastructure, sidewalks, and Alleys, regional trails, and improvements related to quiet crossings or other road related as allowed by the Act	Roadway infrastructure (including, but not limited to, paving and drainage of residential and non-residential streets, medians, roundabouts, utility duct banks, and other similar street-related improvements between back-of-curb and back-of-curb) and maintenance land and facilities	District, except as otherwise provided in Section 5 of this Agreement	District, except as otherwise provided in Section 5 of this Agreement	\$83,983,403
	Street light bulbs	City	City	
	Street light poles	City	District	
	Sidewalks	City	City, except that non-standard sidewalks shall be maintained by the District.	
	Street sign poles	City	District	
	Street signs	City	City	
Water and Sewer Utility Improvements	On-site water and sewer improvement (including, but not limited to, water mains and a metering station)	City	City	\$40,426,182
Utility Infrastructure and roads and improvements in aid of roads as allowed by the Act	Land and improvements for infrastructure maintenance facilities	District	District	\$3,000,000
Erosion Control	On-site erosion control not related to specific project	District	District	\$162,481

DESCRIPTION OF IMPROVEMENTS		OWNERSHIP	MAINTENANCE	ESTIMATED COST (Excluding Maintenance)
Drainage Improvements and public landscaping, hardscape, wetlands, restoration, mitigation, and other improvements in the flood control and mitigation areas or other	Storm drainage improvements specific to street drainage (excluding slotted drains and grate inlets in alleyways, outfall structures, ponds and lakes, drainage structures and lines draining into or located under ponds and lakes, and other drainage amenities that will be owned and maintained by the District).	District except as provided in Section 5 of this Agreement	District except as provided in Section 5 of this Agreement	\$148,329,587

DESCRIPTION OF IMPROVEMENTS		OWNERSHIP	MAINTENANCE	ESTIMATED COST (Excluding Maintenance)
	Storm drainage improvements consisting of slotted drains and grate inlets (including their laterals), outfall structures, ponds and lakes, drainage structures and lines draining into or located under ponds and lakes, and other drainage amenities	District	District	
	Floodplain reclamation related improvements and land (including, but not limited to, creation of lakes)	District	District	
	Storm water treatment facilities (identified as a best management practice(s) for storm water quality in the accepted storm water management site plan and associated easements and land	District	District	
Water Wells/Lift Stations	Water wells or other irrigation related improvements and land	District	District	\$5,479,817
	Lift stations	City	City with reimbursement of maintenance cost to be paid to the City from the District due within 90 days of invoice	
	Metering stations	TRA	TRA	
Public Landscaping	Landscaping along public streets or other public ways and in medians	District	District	\$9,688,484
Mobility related projects	Off-site roadway or traffic-related improvements to improve mobility (including, but not limited to, quiet crossings, improvements to Collins Street, as well as signalization improvements, turn lane improvements, street widenings, and	City/TxDOT	City/TxDOT	\$41,372,134

DESCRIPTION OF IMPROVEMENTS		OWNERSHIP	MAINTENANCE	ESTIMATED COST (Excluding Maintenance)
	intersection improvements)			
	Viridian Boulevard at Collins Street intersection improvements	City	City	
	Blue Lake Boulevard at Collins Street intersection improvements	TxDOT	City	
	Street segment identified as Birds Fort Trail at Collins Street intersection improvements	TxDOT	City	
	Collins Street at Green Oaks Boulevard intersection improvements	TxDOT	City	
	Signalization at River Legacy entrance on Collins Street	TxDOT	City	
	Public parking facilities	District, except as otherwise provided in Section 5 of this Agreement	District, except as otherwise provided in Section 5 of this Agreement	
Cultural Facilities		City or District	City or District	\$12,660,000
Enhanced Open Space Facilities		District	District	\$2,000,000
Developer Reimbursement Interest (10 years at 5%)				\$10,000,000
VMMD Operating Subsidies				\$4,291,000
Organizational Costs, District Creation and Administration				\$500,000
Costs of Permitting and Related Development Fees				\$100,000
Total				\$361,993,088

Exhibit C

PID Improvements

DESCRIPTION OF IMPROVEMENTS		OWNERSHIP	MAINTENANCE	ESTIMATED COST (Excluding Maintenance)
Public Landscaping and improvements defined in Viridian Public Improvements and allowed by the act	Landscaping along streets or other public ways and in medians	District	District	\$25,560,246
	Landscaping in parks and other open space areas accessible to the general public	District, unless certain areas are dedicated to and accepted by the City, in which case the City will own the landscaping within those areas.	District, unless certain areas are dedicated to and accepted by the City, in which case the City will maintain the landscaping within those areas.	
	Landscaping of public open space surrounding existing or planned gas wells	District	District	
	Landscaping on the site of the publicly-owned Republic Landfill	City	District	
Fire station (permanent) and related equipment		City	City	\$3,650,000
Fire station (temporary)		District	City	\$1,150,175
Advertising and Promotion		N/A	N/A	\$4,756,190
Total				\$35,116,611

EXHIBIT D
LEGAL DESCRIPTION
VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT (VMMD)

TRACT ONE:

Being a 2,147.12 acre tract of land situated in the William Jenkins Survey, Abstract No.856, Samuel Kephart Survey, Abstract No.891, Thomas D. Newton Survey, Abstract No. 1164, Jehu Condra Survey, Abstract No. 347, E. Jones Survey, Abstract No. 842, J.J. Goodfellow Survey, Abstract No. 1904, Norman Underwood Survey, Abstract No. 1582, Jefferson Estill Survey, Abstract No. 491, John Childress Survey, Abstract No. 249, Jonathan Brown Survey, Abstract No. 109, James & DC Swan Survey, Abstract No. 1995, Patrick G. Dalton Survey, Abstract No. 414, Madison Coleman Survey, Abstract No. 380 and the Thomas Dalton Survey, Abstract No. 402, Tarrant County, Texas, and being all of a tract of land, conveyed Viridian Holdings, LP., as recorded in Document No. D215157108, and a portion of a tract of land conveyed to Viridian Holdings, LP., as recorded in Document No. D215157350, and all of a tract of land conveyed to Viridian Holdings, LP., as recorded in Document No. D216107369, County Clerk Records, Tarrant County, Texas, and being more particularly described as follows:

BEGINNING at a found 1/2 inch iron rod for corner, said point being the most northwesterly corner of said Tract 1, and being in the existing east right-of-way line of North Collins Street (FM 157) (having a variable width R.O.W.);

THENCE North 89°30'35" East, a distance of 2454.47 feet to a point for corner;

THENCE North 00°29'38" West, a distance of 604.03 feet to a point for corner;

THENCE North 89°18'20" East, a distance of 2653.20 feet to a point for corner;

THENCE North 00°53'56" West, a distance of 819.08 feet to a point for corner;

THENCE South 89°36'15" East, a distance of 21.13 feet to a point for corner;

THENCE North 00°04'49" West, a distance of 478.14 feet to a point for corner;

THENCE North 00°26'37" West, a distance of 199.82 feet to a point for corner;

THENCE North 89°18'30" East, a distance of 24.99 feet to a point for corner;

THENCE North 04°18'52" East, a distance of 274.80 feet to a point for corner;

THENCE North 21°41'09" West, a distance of 121.28 feet to a point for corner, for the beginning of a non-tangent curve to the left having a radius of 308.76 feet and a central angle of 1°52'31" and a long chord which bears North 22°48'49" West, 10.11 feet;

THENCE along said non-tangent curve to the left an arc distance of 10.11 feet to a point for corner;

THENCE North 00°26'37" West, a distance of 4.75 feet to a point for corner;

THENCE North 73°44'45" East, a distance of 189.46 feet to a point for corner;

THENCE North 16°15'15" West, a distance of 50.00 feet to a point for corner;

THENCE North 73°44'45" East, a distance of 4247.64 feet to a point for corner, for the beginning of a tangent curve to the right having a radius of 11359.20 feet, a central angle of 5°45'07", and a long chord which bears North 76°37'19" East, 1139.88 feet;

THENCE along said tangent curve to the right, an arc distance of 1140.36 feet to a point for corner;

THENCE South 00°25'11" West, a distance of 102.37 feet to a point for corner;

THENCE North 82°01'28" East, a distance of 121.32 feet to a point for corner;

THENCE South 00°25'43" West, a distance of 46.35 feet to a point for corner, for the beginning of a non-tangent curve to the right having a radius of 11209.22 feet and a central angle of 1°51'57", and a long chord which bears North 80°48'30" East, 365.00 feet;

THENCE along said non-tangent curve to the right an arc distance of 365.01 feet to a point for corner;

THENCE North 88°34'22" East, a distance of 376.98 feet to a point for corner;

THENCE South 02°25'03" East, a distance of 57.59 feet to a point for corner;

THENCE North 87°39'05" East, a distance of 486.25 feet to a point for corner;

THENCE South 02°17'09" East, a distance of 160.00 feet to a point for corner;

THENCE North 87°35'07" East, a distance of 140.04 feet to a point for corner;

THENCE South 01°42'54" West, a distance of 85.74 feet to a point for corner;

THENCE North 56°55'53" East, a distance of 166.30 feet to a point for corner;

THENCE South 01°56'52" West, a distance of 275.02 feet to a point for corner;

THENCE South 89°54'17" East, a distance of 282.16 feet to a point for corner;

THENCE South 00°02'35" East, a distance of 49.63 feet to a point for corner;

THENCE North 59°53'49" West, a distance of 58.57 feet to a point for corner;
THENCE South 66°31'15" West, a distance of 218.37 feet to a point for corner;
THENCE South 21°17'39" West, a distance of 172.36 feet to a point for corner;
THENCE South 16°32'31" West, a distance of 128.04 feet to a point for corner;
THENCE South 05°42'04" West, a distance of 125.46 feet to a point for corner;
THENCE South 20°43'09" West, a distance of 194.10 feet to a point for corner;
THENCE South 25°49'06" East, a distance of 230.16 feet to a point for corner;
THENCE South 42°48'19" East, a distance of 281.46 feet to a point for corner;
THENCE South 39°04'10" East, a distance of 105.83 feet to a point for corner;
THENCE South 18°02'35" East, a distance of 185.16 feet to a point for corner;
THENCE South 24°28'34" East, a distance of 148.45 feet to a point for corner;
THENCE South 07°17'22" West, a distance of 129.87 feet to a point for corner;
THENCE South 27°48'33" West, a distance of 127.36 feet to a point for corner;
THENCE South 54°43'28" West, a distance of 85.96 feet to a point for corner;
THENCE South 88°29'00" West, a distance of 255.06 feet to a point for corner;
THENCE South 67°29'18" West, a distance of 108.40 feet to a point for corner;
THENCE South 41°03'02" West, a distance of 125.39 feet to a point for corner;
THENCE South 01°42'06" West, a distance of 76.95 feet to a point for corner;
THENCE South 18°59'00" East, a distance of 73.00 feet to a point for corner;
THENCE South 43°11'32" East, a distance of 273.62 feet to a point for corner;
THENCE South 13°24'34" East, a distance of 97.67 feet to a point for corner;
THENCE South 06°41'43" West, a distance of 186.01 feet to a point for corner;
THENCE South 27°53'06" West, a distance of 118.42 feet to a point for corner;

THENCE South $87^{\circ}34'46''$ West, a distance of 106.09 feet to a point for corner;
THENCE North $53^{\circ}06'51''$ West, a distance of 305.31 feet to a point for corner;
THENCE North $73^{\circ}50'14''$ West, a distance of 241.21 feet to a point for corner;
THENCE North $80^{\circ}32'48''$ West, a distance of 206.34 feet to a point for corner;
THENCE South $77^{\circ}03'44''$ West, a distance of 119.64 feet to a point for corner;
THENCE South $06^{\circ}03'53''$ West, a distance of 115.88 feet to a point for corner;
THENCE South $25^{\circ}21'47''$ East, a distance of 148.13 feet to a point for corner;
THENCE South $18^{\circ}03'48''$ East, a distance of 145.50 feet to a point for corner;
THENCE South $08^{\circ}19'02''$ East, a distance of 200.65 feet to a point for corner;
THENCE South $03^{\circ}07'57''$ East, a distance of 302.24 feet to a point for corner;
THENCE South $12^{\circ}52'56''$ East, a distance of 345.58 feet to a point for corner;
THENCE South $00^{\circ}18'59''$ East, a distance of 212.01 feet to a point for corner;
THENCE South $08^{\circ}09'23''$ West, a distance of 708.08 feet to a point for corner;
THENCE South $10^{\circ}23'56''$ West, a distance of 388.71 feet to a point for corner;
THENCE South $14^{\circ}29'51''$ West, a distance of 541.65 feet to a point for corner;
THENCE North $76^{\circ}58'40''$ West, a distance of 473.01 feet to a point for corner;
THENCE South $33^{\circ}23'06''$ West, a distance of 289.17 feet to a point for corner;
THENCE South $34^{\circ}37'32''$ East, a distance of 407.97 feet to a point for corner;
THENCE South $64^{\circ}32'17''$ East, a distance of 379.31 feet to a point for corner;
THENCE South $15^{\circ}08'13''$ East, a distance of 165.15 feet to a point for corner;
THENCE South $15^{\circ}22'09''$ West, a distance of 156.45 feet to a point for corner;
THENCE South $27^{\circ}21'13''$ West, a distance of 619.00 feet to a point for corner;
THENCE North $64^{\circ}52'44''$ West, a distance of 204.80 feet to a point for corner;

THENCE North 65°50'06" West, a distance of 410.22 feet to a point for corner;
THENCE South 06°14'00" West, a distance of 970.00 feet to a point for corner;
THENCE North 86°46'00" West, a distance of 250.00 feet to a point for corner;
THENCE North 49°31'00" West, a distance of 540.00 feet to a point for corner;
THENCE South 64°04'00" West, a distance of 234.19 feet to a point for corner;
THENCE South 05°16'06" West, a distance of 468.44 feet to a point for corner;
THENCE South 00°34'24" East, a distance of 16.79 feet to a point for corner;
THENCE South 88°58'19" East, a distance of 32.08 feet to a point for corner;
THENCE South 02°16'06" East, a distance of 397.40 feet to a point for corner;
THENCE South 12°16'54" West, a distance of 352.90 feet to a point for corner;
THENCE South 54°02'24" West, a distance of 321.40 feet to a point for corner;
THENCE South 87°34'54" West, a distance of 808.40 feet to a point for corner;
THENCE South 38°01'24" West, a distance of 177.80 feet to a point for corner;
THENCE North 89°49'36" West, a distance of 33.51 feet to a point for corner;
THENCE South 23°49'36" East, a distance of 382.60 feet to a point for corner;
THENCE South 11°48'24" West, a distance of 799.97 feet to a point for corner;
THENCE South 11°41'36" East, a distance of 719.99 feet to a point for corner;
THENCE South 49°48'24" West, a distance of 759.96 feet to a point for corner;
THENCE South 83°48'24" West, a distance of 389.98 feet to a point for corner;
THENCE South 66°18'24" West, a distance of 559.97 feet to a point for corner;
THENCE North 53°11'36" West, a distance of 889.97 feet to a point for corner;
THENCE North 81°11'36" West, a distance of 249.99 feet to a point for corner;
THENCE South 28°48'24" West, a distance of 319.99 feet to a point for corner;

THENCE South 03°11'36" East, a distance of 491.39 feet to a point for corner;
THENCE South 39°48'24" West, a distance of 422.87 feet to a point for corner;
THENCE North 89°47'47" West, a distance of 360.87 feet to a point for corner;
THENCE North 00°00'24" West, a distance of 139.47 feet to a point for corner;
THENCE North 16°09'13" West, a distance of 289.11 feet to a point for corner;
THENCE North 47°34'01" West, a distance of 125.88 feet to a point for corner;
THENCE South 80°05'07" West, a distance of 248.13 feet to a point for corner;
THENCE South 76°25'18" West, a distance of 406.42 feet to a point for corner;
THENCE North 70°18'30" West, a distance of 287.99 feet to a point for corner;
THENCE North 51°13'28" West, a distance of 201.49 feet to a point for corner;
THENCE North 45°04'33" West, a distance of 275.45 feet to a point for corner;
THENCE North 35°46'27" West, a distance of 430.75 feet to a point for corner;
THENCE North 19°06'11" East, a distance of 125.86 feet to a point for corner;
THENCE North 28°06'09" East, a distance of 321.56 feet to a point for corner;
THENCE North 27°33'47" East, a distance of 159.66 feet to a point for corner;
THENCE North 17°19'33" East, a distance of 291.31 feet to a point for corner;
THENCE North 14°14'50" West, a distance of 146.50 feet to a point for corner;
THENCE North 47°59'57" West, a distance of 106.93 feet to a point for corner;
THENCE North 79°53'17" West, a distance of 251.81 feet to a point for corner;
THENCE South 74°17'11" West, a distance of 93.41 feet to a point for corner;
THENCE South 53°29'55" West, a distance of 115.85 feet to a point for corner;
THENCE South 30°26'41" West, a distance of 288.71 feet to a point for corner;
THENCE South 72°16'37" West, a distance of 702.02 feet to a point for corner;

THENCE South $76^{\circ}27'16''$ West, a distance of 291.88 feet to a point for corner;

THENCE South $81^{\circ}27'59''$ West, a distance of 280.75 feet to a point for corner;

THENCE South $77^{\circ}36'21''$ West, a distance of 411.40 feet to a point for corner;

THENCE North $21^{\circ}33'59''$ West, a distance of 147.43 feet to a point for corner;

THENCE North $58^{\circ}28'28''$ East, a distance of 356.72 feet to a point for corner;

THENCE North $77^{\circ}06'36''$ East, a distance of 699.84 feet to a point for corner;

THENCE North $12^{\circ}51'10''$ West, a distance of 240.00 feet to a point for corner;

THENCE South $80^{\circ}19'13''$ West, a distance of 257.68 feet to a point for corner;

THENCE South $58^{\circ}30'28''$ West, a distance of 840.01 feet to a point for corner;

THENCE North $21^{\circ}42'18''$ West, a distance of 109.35 feet to a point for corner, for the beginning of a tangent curve to the right having a radius of 2914.96 feet and a central angle of $0^{\circ}30'36''$ and a long chord which bears North $21^{\circ}56'18''$ West, 25.95 feet;

THENCE along said tangent curve to the right an arc distance of 25.95 feet to a point for corner, for the beginning of a compound curve to the right having a radius of 7572.80 feet and a central angle of $18^{\circ}13'17''$ and a long chord which bears North $09^{\circ}40'45''$ West, 2398.20 feet;

THENCE along said compound curve to the right an arc distance of 2408.33 feet to a point for corner;

THENCE North $00^{\circ}34'23''$ West, a distance of 1010.42 feet to a point for corner, for the beginning of a non-tangent curve to the left having a radius of 7702.81 feet and a central angle of $1^{\circ}39'25''$ and a long chord which bears North $01^{\circ}24'46''$ West, 222.73 feet;

THENCE along said non-tangent curve to the left an arc distance of 222.74 feet to a point for corner;

THENCE North $02^{\circ}00'01''$ East, a distance of 141.04 feet to a point for corner, for the beginning of a non-tangent curve to the left having a radius of 7714.81 feet and a central angle of $4^{\circ}24'13''$ and a long chord which bears North $05^{\circ}26'04''$ West, 592.80 feet;

THENCE along said non-tangent curve to the left an arc distance of 592.95 feet to a point for corner, for the beginning of a reverse curve to the right having a radius of 98.00 feet, a central angle of $28^{\circ}43'26''$, and a long chord which bears North $22^{\circ}16'41''$ West, 48.62 feet;

THENCE along said reverse curve to the right, an arc distance of 49.13 feet to a point for corner,

for the beginning of a reverse curve to the left having a radius of 7702.81 feet, a central angle of 6°29'03", and a long chord which bears North 11°15'19" West, 871.25 feet;

THENCE along said reverse curve to the left, an arc distance of 871.71 feet to a point for corner;

THENCE North 14°29'44" West, a distance of 200.89 feet to a point for corner;

THENCE North 09°39'23" West, a distance of 142.48 feet to a point for corner;

THENCE North 14°31'04" West, a distance of 508.91 feet to a point for corner, for the beginning of a tangent curve to the right having a radius of 98.00 feet and a central angle of 28°54'05" and a long chord which bears North 28°30'51" West, 48.91 feet;

THENCE along said tangent curve to the right an arc distance of 49.43 feet to a point for corner, for the beginning of a compound curve to the right having a radius of 7572.90 feet, a central angle of 3°11'42", and a long chord which bears North 12°29'55" West, 422.24 feet;

THENCE along said compound curve to the right, an arc distance of 422.30 feet to a point for corner;

THENCE South 89°35'25" East, a distance of 30.77 feet to a point for corner, for the beginning of a non-tangent curve to the right having a radius of 7542.79 feet and a central angle of 1°33'03", and a long chord which bears North 10°09'45" West, 204.17 feet;

THENCE along said non-tangent curve to the right an arc distance of 204.18 feet to the POINT OF BEGINNING and CONTAINING 93,528,751 square feet, 2,147.12 acres of land, more or less.

"Save & Except" from Tract 1 the following tract:

Being a 110.97 acre tract of land situated in the Samuel Kephart Survey, Abstract No. 891 and the Thomas D. Newton Survey, Abstract No. 1164, City of Arlington, Tarrant County, Texas, and being all of a called 110.97 acre tract of land, described as the "save and except" tract in a deed to Viridian Holdings, LP., as recorded in Document No. D215157108, County Clerk Records, Tarrant County, Texas. Said 110.97 acre tract of land being more particularly described by metes and bounds as follows:

COMMENCING at a found railroad spike for an inside ell corner of aforesaid 2,147.12 acre tract and being the southeast corner of a tract of land conveyed to Don G. and Rita J. Winn Trust, as recorded in Document No. D207016971, County Clerk Records, Tarrant County, Texas;

THENCE South 00°56'38" East, a distance of 855.96 feet to a found 3/4 inch iron rod, for the northeast corner of aforesaid 110.971 acre tract, being the POINT OF BEGINNING;

THENCE South 00°46'51" East, a distance of 2342.37 feet to a found 1 inch square tube for the inside ell corner of aforesaid 110.97 acre tract;

THENCE South 68°32'34" East, a distance of 282.28 feet to a found 1/2 inch iron rod for corner;

THENCE South 86°00'45" East, a distance of 185.98 feet to a found 1/2 inch iron rod for corner

THENCE South 88°03'37" East, a distance of 241.41 feet to a found 3/4 inch iron rod for corner;

THENCE North 49°31'08" East, a distance of 285.94 feet to a found 5/8 inch iron rod with a yellow cap stamped "Carter Burgess" for corner;

THENCE South 89°49'20" East, a distance of 136.26 feet to a found 1/2 inch iron rod for corner;

THENCE South 02°31'12" East, a distance of 255.86 feet to a found 1/2 inch iron rod with a yellow cap stamped "Brittain & Crawford" for corner;

THENCE South 32°22'38" West, a distance of 222.96 feet to a found 1 inch iron rod for corner;

THENCE South 46°01'29" West, a distance of 277.26 feet to a found 1/2 inch iron rod with a yellow cap stamped "Brittain & Crawford" for corner;

THENCE South 88°56'31" West, a distance of 744.44 feet to a found 1/2 inch iron rod with a yellow cap stamped "Brittain & Crawford" for corner;

THENCE South 89°27'53" West, a distance of 277.94 feet to a found 1/2 inch iron rod for corner;

THENCE North 55°45'57" West, a distance of 805.23 feet to a found 1/2 inch iron rod for corner;

THENCE South 89°34'03" West, a distance of 674.35 feet to a found 1/2 inch iron rod with a yellow cap stamped "Brittain & Crawford" for the southwest corner of aforesaid 110.97 acre tract;

THENCE North 00°32'29" West, along the west line of aforesaid 110.97 acre tract, a distance of 2520.73 feet to a found 2 inch iron pipe, for the northwest corner of said 110.97 acre tract;

THENCE South 88°46'50" East, along the north line of aforesaid 110.97 acre tract, a distance of 1618.96 feet to the POINT OF BEGINNING and CONTAINING 4,833,906 square feet or 110.97 acres of land, more or less.

TRACT 2:

Being a 45.251 acre tract of land situated in the Patrick G. Dalton Survey, Abstract No. 414, and the William Jenkins Survey, Abstract No. 856, City of Arlington, Tarrant County, Texas, and being a portion of tract of land, conveyed to Viridian Holdings, L.P., as recorded in Document No. D215157350, County Clerk Records, Tarrant County, Texas. Said 45.251 acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 inch iron rod with a plastic cap stamped "Brittain & Crawford" found for the north corner of aforesaid 45.251 acre tract and being on the west right-of-way of F.M. 157 (a variable width right-of-way) and on the east right-of-way of Old F.M. 157 (a variable width right-of-way now closed) and being the beginning of a non-tangent curve to the left having a central angle of $04^{\circ}11'08''$, a radius of 7702.79 feet, a chord bearing of South $12^{\circ}27'30''$ East, and a chord length of 562.59 feet;

THENCE along the east line of aforesaid 45.251 acre tract and the common west right-of-way of F.M. 157 the following courses and distances:

along said non-tangent curve to the left, an arc length of 562.71 feet, to a concrete right-of-way monument with an aluminum disc found for corner;

South $14^{\circ}29'51''$ East, a distance of 843.12 feet to a concrete right-of-way monument with an aluminum disc found for corner, and being the beginning of a non-tangent curve to the right having a central angle of $13^{\circ}56'23''$, a radius of 7572.81 feet, a chord bearing of South $07^{\circ}32'07''$ East, and a chord length of 1837.89 feet;

along said non-tangent curve to the right, an arc length of 1842.43 feet, to a concrete right-of-way monument with an aluminum disc found for corner;

South $00^{\circ}32'59''$ East, a distance of 1011.25 feet to a concrete right-of-way monument with an aluminum disc found for corner and being the beginning of a non-tangent curve to the left having a central angle of $11^{\circ}20'40''$, a radius of 7702.80 feet, a chord bearing of South $06^{\circ}14'20''$ East, and a chord length of 1522.65 feet;

along said non-tangent curve to the left, an arc length of 1525.14 feet, to a 1/2 inch iron rod found for the southeast corner of aforesaid 45.251 acre tract;

THENCE South $82^{\circ}46'55''$ West, along the south line of aforesaid 45.251 acre tract, a distance of 24.91 feet to a 1/2 inch iron rod found for the southwest corner of said 45.251 acre tract and being on the east right-of-way of aforesaid old F.M. 157;

THENCE along the west line of aforesaid 45.251 acre tract and the common east right-of-way of aforesaid old F.M. 157 the following courses and distances:

North $21^{\circ}51'02''$ West, a distance of 1508.74 feet to a 1/2 inch iron rod with a plastic cap stamped "Brittain & Crawford" found for corner and being the beginning of a non-tangent curve to the right having a central angle of $21^{\circ}16'14''$, a radius of 1860.00 feet, a chord bearing of North $11^{\circ}18'12''$ West, and a chord length of 686.55 feet;

along said non-tangent curve to the right, an arc length of 690.50 feet, to a 1/2 inch iron rod with a plastic cap stamped "Brittain & Crawford" found for corner;

North $00^{\circ}40'04''$ West, a distance of 3343.13 feet to a 1/2 inch iron rod with a plastic cap stamped "Brittain & Crawford" found for corner;

North 02°08'14" East, a distance of 299.32 feet to the POINT OF BEGINNING and CONTAINING 1,971,112 square feet or 45.251 acres of land, more or less.

TRACT 3:

Being a 1.996 acre tract of land situated in the Patrick G. Dalton Survey, Abstract No. 414, City of Arlington, Tarrant County, Texas, and being a portion of tract of land, conveyed to Viridian Holdings, LP., as recorded in Document No. D215157350, County Clerk Records, Tarrant County, Texas. Said 1.996 acre tract of land being more particularly described by metes and bounds as follows:

BEGINNING at a found 1/2 inch iron rod for corner, said point being the north corner of said Tract 3, and being in the west right-of-way line of Old FM 157 (a variable width R.O.W. now closed);

THENCE South 21° 50'34" East, along the northeast line of aforesaid 1.996 acre tract and the common southwest right-of-way of aforesaid Old F.M.157, a distance of 843.24 feet to a 1/2 inch iron rod with a plastic cap stamped "Brittain & Crawford" found for the southeast corner of said 1.996 acre tract;

THENCE South 82°43'04" West, along the south line of aforesaid 1.996 acre tract and the north line of a called 22.05 acre tract of land conveyed to the City of Arlington by deed recorded in Volume 15590, Page 18, Deed Records, Tarrant County, Texas, a distance of 213.06 feet to a 1/2 inch iron rod with a plastic cap stamped "Brittain & Crawford" found for the southwest corner of said 1.996 acre tract and the inside ell corner of said 22.05 acre tract;

THENCE North 07°12' 25" West, along the west line of aforesaid 1.996 acre tract and the common east line of aforesaid 22.05 acre tract, a distance of 816.16 feet to the POINT OF BEGINNING and CONTAINING 89,947 square feet or 1.996 acres of land, more or less.

LEGEND

- CHUTE LUNCH
- PARK PROPERTY
- EASEMENT C - EXCHANGE PROPERTY
- EASEMENTS A & B
- EASEMENT C (NOT BE VACATED)

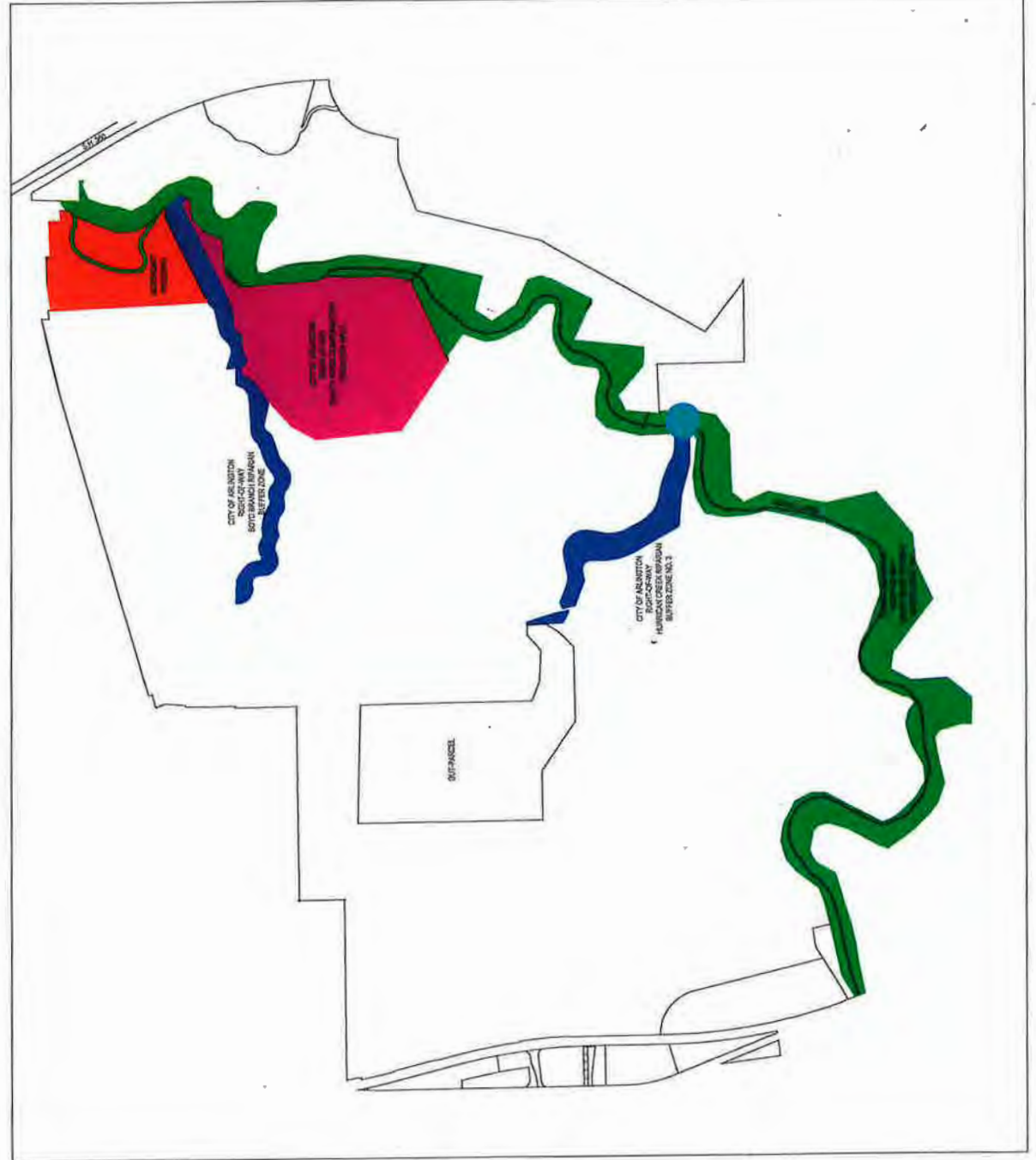
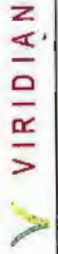


EXHIBIT E
LOCATION MAP FOR PARK PROPERTY
APRIL 2017



Critham Associates, Inc.
CONSULTING ENGINEERS & ARCHITECTS
10000 WOODBRIDGE DRIVE, SUITE 100
FALLS CHURCH, VA 22041
TEL: 703.441.1100 FAX: 703.441.1101



UNOFFICIAL COPY

Parcel No. 34E-Part 1
Highway F.M. 157
CSJ 0747-03-052
November 16, 1999
Page 1 of 2

EXHIBIT F

BEING a 4.477 hectare (11.062 acre) tract of land situated in the WILLIAM JENKINS SURVEY, Abstract No. 856, City of Arlington, Tarrant County, Texas, being part of a called tract conveyed to Arlington Lakes, L.P., by deed recorded in Volume 13468, Page 419, Deed Records of Tarrant County, Texas, and being more particularly described as follows:

COMMENCING at right-of-way marker found in the proposed West right-of-way line of F.M. 157, said marker being 19.812 meters (65.00 feet) West and at a right angle to the centerline survey station 15+531.384 of said F.M. 157;

- 1) THENCE S 00°34'19" E, a distance of 67.715 meters (222.11 feet) along the proposed West right-of-way line of F.M.157 to a point, being the POINT OF BEGINNING;
- 2) THENCE S 00°34'19" E, a distance of 260.661 meters (855.38 feet) along the proposed West right-of-way line of F.M. 157 to a right-of-way marker found for corner;
- 3) THENCE S 74°28'31" W, a distance of 133.259 meters (437.20 feet) to a point for corner in the existing East right-of-way line of F.M. 157, said point being the beginning of a curve to the right having a radius of 566.928 meters (1859.00 feet), a central angle of 21°16'19" and whose long chord bears N 11°18'32" W, a distance of 209.275 meters (686.60 feet);
- 4) THENCE Northwesterly, along said curve to the right and said existing right-of-way line, an arc distance of 210.462 meters (689.56 feet) to a point;
- 5) THENCE N 00°40'20" W, along said existing right-of-way line, a distance of 191.083 meters (625.34 feet) to the POINT OF BEGINNING and containing 4.477 hectares (11.062 acres) of land, more or less.

NOTE: Directional control is based on the centerline of proposed F.M. 157.

NOTE: Plat to accompany this legal description.


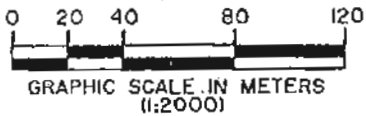
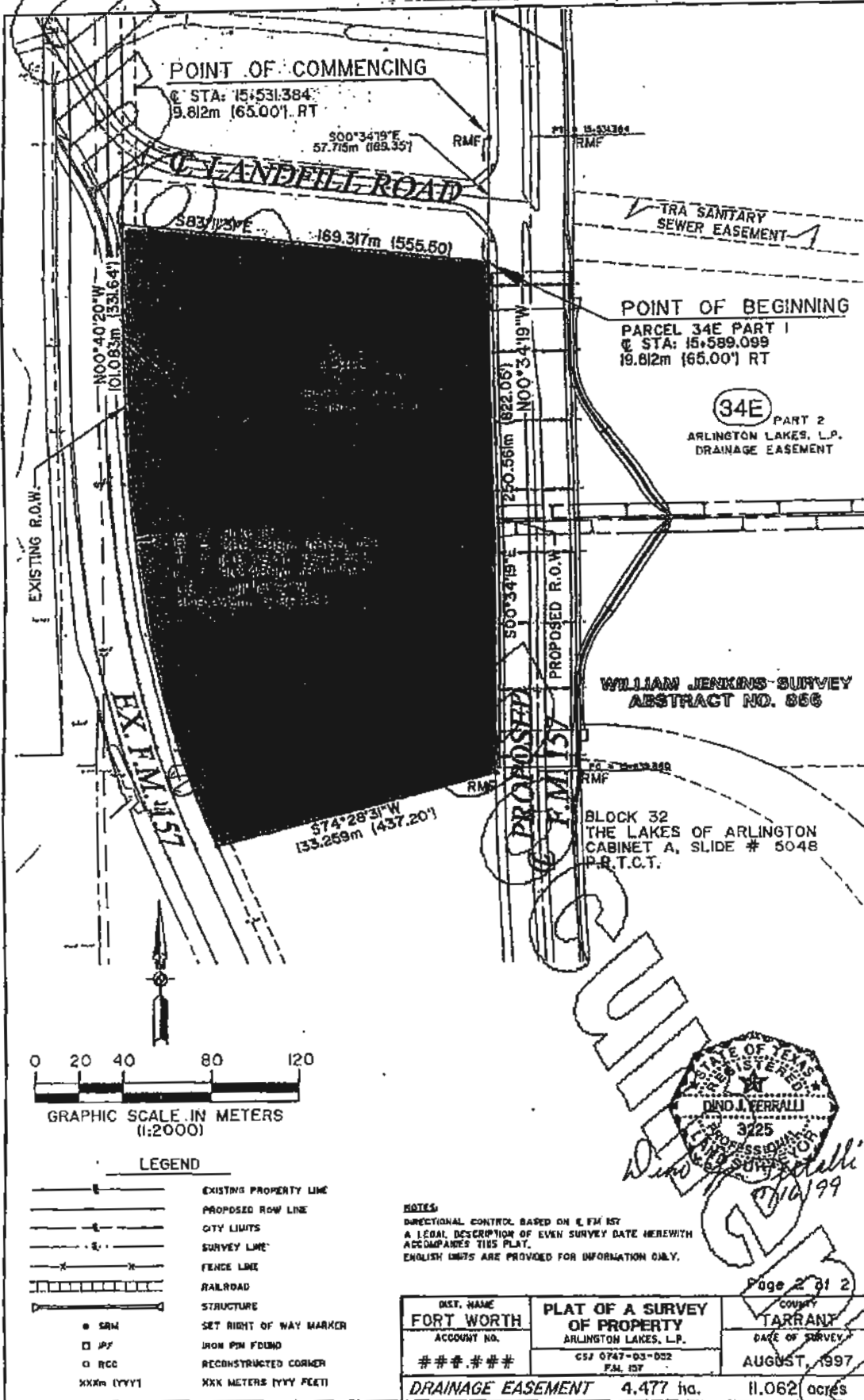

 Dino J. Ferrali
 11/13/99

EXHIBIT F



LEGEND

- EXISTING PROPERTY LINE
- PROPOSED ROW LINE
- CITY LIMITS
- SURVEY LINE
- FENCE LINE
- RAILROAD
- STRUCTURE
- SET RIGHT OF WAY MARKER
- IRON PIN FOUND
- RECONSTRUCTED CORNER
- XXX METERS (YYY FEET)

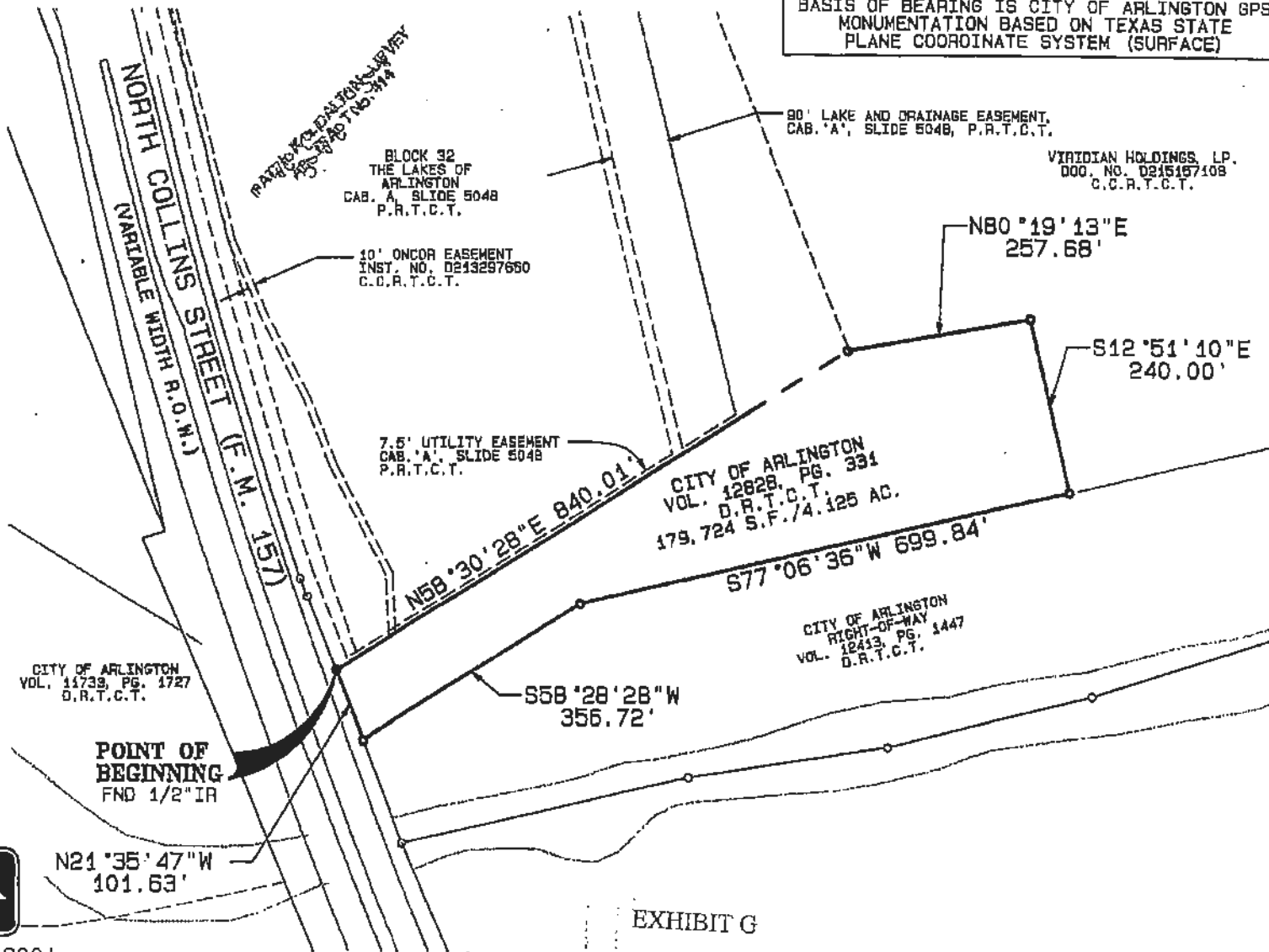
NOTES:
 DIRECTIONAL CONTROL BASED ON E.F.M. 157
 A LEGAL DESCRIPTION OF EVERY SURVEY DATE HEREWITH
 ACCOMPANIES THIS PLAT.
 ENGLISH UNITS ARE PROVIDED FOR INFORMATION ONLY.

STATE OF TEXAS
 COUNTY OF TARRANT
 L. J. VERRALLI
 3/25
 PROFESSIONAL SURVEYOR
 07/16/99

Page 2 of 2

DIST. NAME FORT WORTH	PLAT OF A SURVEY OF PROPERTY ARLINGTON LAKES, L.P.	COUNTY TARRANT
ACCOUNT NO. ###.###	CSJ 0747-03-002 F.M. 157	DATE OF SURVEY AUGUST, 1997
DRAINAGE EASEMENT 4.477 ha.		11.062 acres

BASIS OF BEARING IS CITY OF ARLINGTON GPS
MONUMENTATION BASED ON TEXAS STATE
PLANE COORDINATE SYSTEM (SURFACE)



SCALE 1"=200'

 **Graham Associates, Inc.**
 CONSULTING ENGINEERS & PLANNERS
 600 SIX FLAGS DRIVE, SUITE 500
 ARLINGTON, TEXAS 76011 (817) 640-8336
 TELE FAX: F-1181/TBPLS FAX: 101536-00

EXHIBIT G
 BEING 4.125 AC. TRACT OF LAND
 SITUATED IN THE
 PATRICK G. DALTON SURVEY
 ABSTRACT NO. 414
 CITY OF ARLINGTON, TARRANT COUNTY, TEXAS

MARCH 2016

EXHIBIT G
BEING 4.125 AC. TRACT OF LAND
SITUATED IN THE
PATRICK G. DALTON SURVEY
ABSTRACT NO. 414
CITY OF ARLINGTON, TARRANT COUNTY, TEXAS

Being a 4.125 acre tract of land situated in the Patrick G. Dalton Survey, Abstract No. 414, Tarrant County, Texas and being all of a tract of land conveyed to the City of Arlington, as recorded in Volume 12828, Page 331, Deed Records, Tarrant County, Texas, and being more particularly described as follows:

BEGINNING at a found 1/2 inch iron rod for corner, said point being the northwest corner of said City of Arlington tract, and being the southwest corner of Block 32, The Lakes of Arlington, as recorded in Cabinet A, Slide 5048. Plat Records, Tarrant County, Texas, and also being the in existing east right-of-way line of North Collins Street (F.M.157) (having a variable width R.O.W.);

THENCE North 58°30'28" East, leaving said existing east right-of-way line, and along the north line of said City of Arlington tract, a distance of 840.01 feet to a point for corner;

THENCE North 80°19'13" East, continuing along said north line, a distance of 257.68 feet to a point for corner, said point being the northeast corner of said City of Arlington tract;

THENCE South 12°51'10" East, a distance of 240.00 feet to a point for corner, said point being the southeast corner of said City of Arlington tract;

THENCE South 77°06'36" West, along the south line of said City of Arlington tract, a distance of 699.84 feet to a point for corner;

THENCE South 58°28'28" West, continuing along said south line, a distance of 356.72 feet to a point for corner, said point being in the existing east right-of-way line of said North Collins Street;

THENCE North 21°35'47" West, leaving said south line, and along said existing east right-of-way line, a distance of 101.63 feet to the POINT OF BEGINNING and CONTAINING 179,724 square feet, 4.125 acres of land, more or less.



PRELIMINARY

This document shall not be recorded for any purpose.

EXHIBIT G

TRACT NO. 8
NORTH PARKING FACILITY
DESCRIPTION

BEING all that certain tract or parcel of land situated in the J. BURNETT SURVEY, Abstract No. 178, in Tarrant County, Texas, and being out of a 125.567 acre tract of land described in deed to Metrovest Partners, Ltd., recorded in Volume 10994, Page 1085 of the Deed Records of Tarrant County, Texas, and being more particularly described as follows:

BEGINNING at the northeast corner of said 125.567 acre tract of land, being on the south right-of-way of the C.R.I. and P. RR (300' R.O.W.);

THENCE S 02°31'36" W, departing said right-of-way along the east line of said tract, a distance of 384.26 feet to a corner;

THENCE S 57°22'39" W, departing the east line of said tract, a distance of 166.38 feet to a corner;

THENCE N 02°31'36" E, a distance of 85.58 feet to a corner;

THENCE S 88°14'15" W, a distance of 140.32 feet to a corner;

THENCE N 01°45'45" W, a distance of 160.00 feet to a corner;

THENCE S 88°14'15" W, a distance of 486.29 feet to a corner;

THENCE N 01°45'45" W, a distance of 96.20 feet to a corner, being on a curve to the left whose chord bearing is S 82°21'37" W;

THENCE westerly, along said curve having a central angle of 03°48'00", a radius of 11,209.16 feet, an arc length of 743.28 feet to a corner;

THENCE N 01°01'23" E, a distance of 101.71 feet to a corner on a curve to the right whose chord bearing is N 84°25'56" E, said curve being on the south right-of-way of the C.R.I. and P. R.R.;

THENCE easterly along said right-of-way and curves having a central angle of 07°45'16", a radius of 11,309.16 feet, an arc length of 1,530.74 feet to the POINT OF BEGINNING and containing 293,065 square feet or 6.728 acres of land, more or less.

EXHIBIT G

TRACT NO. 8
NORTH ACCESS TO TRINITY BLVD.
DESCRIPTION

BEING all that certain tract or parcel of land situated in the J. BURNETT SURVEY, Abstract No. 178, Tarrant County, Texas, and being that tract of land described as TRACT II in deed to Metrovest Partners, Ltd., recorded in Volume 10994, Page 1085 of the Deed Records of Tarrant County, Texas, and being more particularly described as follows:

BEGINNING at a 1/4-inch iron rod at the Northeast corner of Block 1, Post Oak Village, an addition to the City of Fort Worth, Tarrant County, Texas, according to the plat recorded in volume 388-144, Page 66 of the Plat Records of Tarrant County, Texas, said corner being on the south right-of-way line of Trinity Boulevard (a variable width right-of-way);

THENCE S 80°02'12" E, along said south right-of-way line, a distance of 101.28 feet to a 1/4-inch iron rod at the northwest corner of a tract of land described in deed to the City of Fort Worth recorded in Volume 6653, Page 846 of the Deed Records of Tarrant County, Texas;

THENCE S 00°50'02" W, departing said right-of-way along the west line of said City of Fort Worth tract, a distance of 1,836.23 feet to a 1/4-inch iron rod at the Southwest corner of Lot 1, Block 1, International Substation Addition to the City of Fort Worth, Tarrant County, Texas, according to the plat recorded in Volume 388-213, Page 58 of the Plat Records of Tarrant County, Texas, and being on the north right-of-way of the Chicago, Rock Island and Gulf Railroad described in deed to the Cities of Dallas and Fort Worth recorded in Volume 7726, Page 1848 of the Deed Records of Tarrant County, Texas, said corner being on a curve to the left whose chord bearing is S 80°32'06" W;

THENCE Southwesterly along said right-of-way and curve having a central angle of 00°30'06", a radius of 11,608.16 feet, and an arc length of 101.64 feet to a 1/4-inch iron rod at the southeast corner of Block 2 of the aforesaid Post Oak Village Addition;

THENCE N 00°50'02" E, along the east line of said Post Oak Village Addition, a distance of 1,870.47 feet to the PLACE OF BEGINNING and containing 4.254 acres of land, more or less.

EXHIBIT G

TRACT NO. 9(A)
NORTH ACCESS TO TRINITY BLVD.
DESCRIPTION

BEING all that certain tract or parcel of land situated in the J. BURNETT SURVEY, Abstract No. 178, Tarrant County, Texas, and being out of that tract of land described as TRACT I in deed to Metrovest Partners, Ltd., recorded in Volume 10994, Page 1085 of the Deed Records of Tarrant County, Texas, and being more particularly described as follows:

BEGINNING at a 1/4-inch iron rod at the intersection of the west line of said J. Burnett Survey with the south right-of-way of the Chicago, Rock Island and Gulf Railroad described in deed to the Cities of Dallas and Fort Worth recorded in Volume 7726, Page 1848 of the Deed Records of Tarrant County, Texas, being on a curve to the right whose chord bearing is N 80°14'43" E;

THENCE Northeasterly along said right-of-way and curve having a central angle of 00°37'08", a radius of 11,309.18 feet, and an arc length of 122.16 feet to a corner;

THENCE S 01°01'23" W, departing said right-of-way, a distance of 101.71 feet to a corner;

THENCE N 88°58'37" W, a distance of 120.00 feet to a corner on the east line of a tract of land described in deed to Scotty and Frank Reaves recorded in Volume 4017, Page 89 of the Deed Records of Tarrant County, Texas;

THENCE N 01°01'23" E, along the east line of said tract, a distance of 78.87 feet to the PLACE OF BEGINNING and containing 0.25 acres of land, more or less.

EXHIBIT H
BEING 4.339 AC. TRACT OF LAND
SITUATED IN THE
JONATHAN BROWN SURVEY
ABSTRACT NO. 109
CITY OF ARLINGTON, TARRANT COUNTY, TEXAS

Being a 4.339 acre tract of land situated in the Jonathan Brown Survey, Abstract No. 109, Tarrant County, Texas and being a portion of a tract of land conveyed to Viridian Holdings, LP, as recorded in Document No. D215157108, County Clerk Records, Tarrant County, Texas, and being more particularly described as follows:

COMMENCING at a found 1/2 inch iron rod for corner, said point being the northwest corner of a tract of land conveyed to the City of Arlington, as recorded in Volume 12828, Page 331, Deed Records, Tarrant County, Texas, and being the southwest corner of Block 32, The Lakes of Arlington, as recorded in Cabinet A, Slide 5048, Plat Records, Tarrant County, Texas, and also being the in existing east right-of-way line of North Collins Street (F.M.157) (having a variable width R.O.W.);

THENCE North 73°59'40" East, leaving said existing east right-of-way line, a distance of 7769.39 feet to a point, for the POINT OF BEGINNING;

THENCE North 00°12'34" West, a distance of 363.30 feet to a point for corner;

THENCE North 89°53'35" East, a distance of 381.66 feet to a point for corner;

THENCE South 00°01'10" West, a distance of 156.97 feet to a point for corner;

THENCE North 89°19'06" East, a distance of 242.08 feet to a point for corner, said point being in the east line of said Viridian Holdings, LP tract;

THENCE South 02°16'06" East, along said east line, a distance of 207.37 feet to a point for corner;

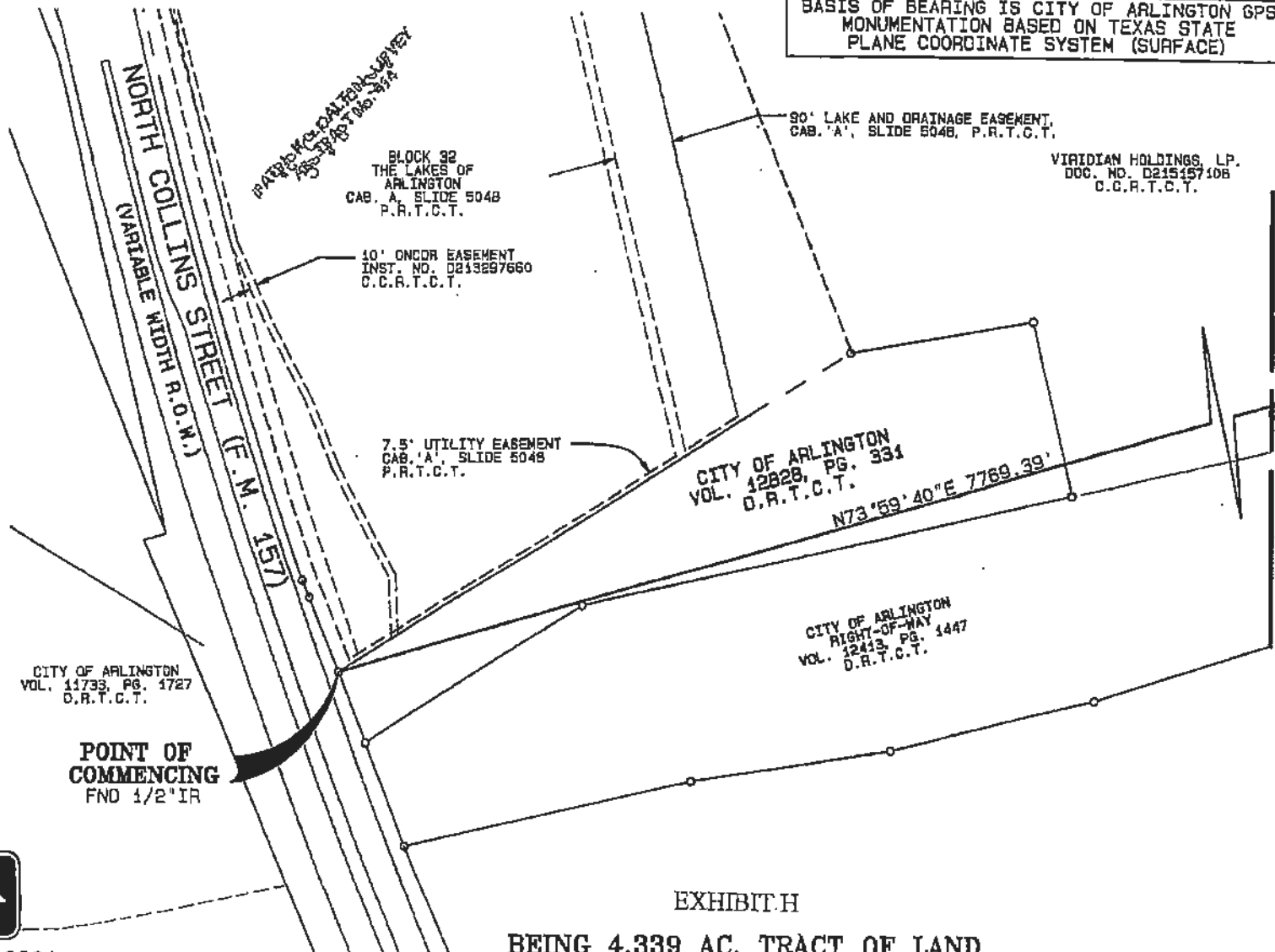
THENCE South 89°45'16" West, leaving said east line, a distance of 630.56 feet to the POINT OF BEGINNING and CONTAINING 189,020 square feet, 4.339 acres of land, more or less.



PRELIMINARY

This document shall not be
recorded for any purpose.

BASIS OF BEARING IS CITY OF ARLINGTON GPS
MONUMENTATION BASED ON TEXAS STATE
PLANE COORDINATE SYSTEM (SURFACE)



VIRIDIAN HOLDINGS, LP.
DOC. NO. D215157108
C.C.R.T.C.T.

BLOCK 32
THE LAKES OF
ARLINGTON
CAB. 'A', SLIDE 5048
P.R.T.C.T.

10' ONCDR EASEMENT
INST. NO. D213297660
C.C.R.T.C.T.

7.5' UTILITY EASEMENT
CAB. 'A', SLIDE 5048
P.R.T.C.T.

90' LAKE AND DRAINAGE EASEMENT,
CAB. 'A', SLIDE 5048, P.R.T.C.T.

CITY OF ARLINGTON
VOL. 12828, PG. 331
D.R.T.C.T.

CITY OF ARLINGTON
RIGHT-OF-WAY
VOL. 12413, PG. 1447
D.R.T.C.T.

CITY OF ARLINGTON
VOL. 11733, PG. 1727
D.R.T.C.T.

POINT OF
COMMENCING
FND 1/2" IR

MATCHLINE SEE SHEET 2



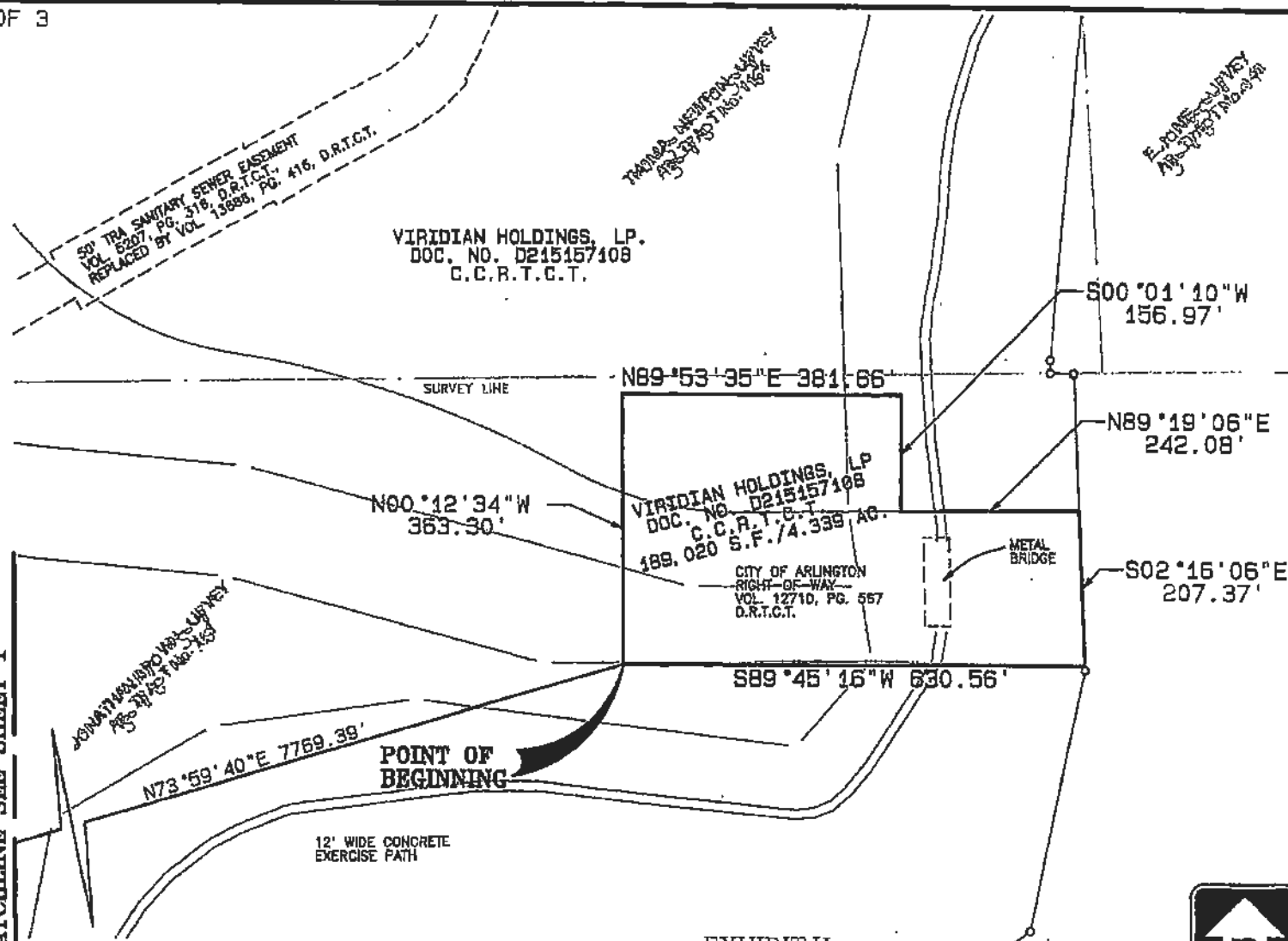
SCALE 1"=200'



Graham Associates, Inc.
CONSULTING ENGINEERS & PLANNERS
500 SIX FLAGS DRIVE, SUITE 500
ARLINGTON, TEXAS 76011 (817) 840-8535
TELE FAX: 7-1181/78PLS FAX: 101635-00

EXHIBIT H
BEING 4.339 AC. TRACT OF LAND
SITUATED IN THE
JONATHAN BROWN SURVEY
ABSTRACT NO. 109
CITY OF ARLINGTON, TARRANT COUNTY, TEXAS

MARCH 2016



MATCHLINE SEE SHEET 1

EXHIBIT H

BEING 4.339 AC. TRACT OF LAND
 SITUATED IN THE
 JONATHAN BROWN SURVEY
 ABSTRACT NO. 109
 CITY OF ARLINGTON, TARRANT COUNTY, TEXAS



SCALE 1"=200'



Graham Associates, Inc.
 CONSULTING ENGINEERS & PLANNERS
 600 SIX FLAGS DRIVE, SUITE 600
 ARLINGTON, TEXAS 76011 (817) 840-8538
 TWP. FAX: 1-1101/12915 FURS 101838-00

MARCH 2016

APPENDIX D
FORMS OF BOND COUNSEL OPINION

[Form of Bond Counsel Opinion]

[Date]

\$20,180,000
VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
UNLIMITED TAX UTILITY IMPROVEMENT REFUNDING BONDS, SERIES 2024

WE HAVE represented Viridian Municipal Management District (the “District”) as its bond counsel in connection with an issue of bonds (the “Bonds”) described as follows:

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT UNLIMITED TAX UTILITY IMPROVEMENT REFUNDING BONDS, SERIES 2024, dated October 1, 2024.

The Bonds mature, bear interest, are subject to redemption prior to maturity and may be transferred and exchanged as set out in the Bonds and in the order adopted by the Board of Directors of the District authorizing their issuance and the Pricing Certificate executed pursuant to the Order (together, the “Order”).

WE HAVE represented the District as bond counsel for the purpose of rendering an opinion with respect to the legality and validity of the Bonds under the Constitution and laws of the State of Texas and with respect to the exclusion of interest on the Bonds from gross income for federal income tax purposes. We have not investigated or verified original proceedings, records, data or other material, but have relied solely upon the transcript of proceedings described in the following paragraph. We also have analyzed such laws, regulations, guidance, documents and other materials as we have deemed necessary to render the opinions herein. We have not assumed any responsibility with respect to the financial condition or capabilities of the District or the disclosure thereof in connection with the sale of the Bonds. Our role in connection with the District’s Official Statement prepared for use in connection with the sale of the Bonds has been limited as described therein. Capitalized terms used herein and not otherwise defined shall have the meaning assigned thereto in the Order.

In providing the opinions set forth herein, we have relied on representations and certifications of the Issuer and other parties involved with the issuance of the Bonds with respect to matters solely within the knowledge of the Issuer and such parties, which we have not independently verified. In addition, we have assumed for purposes of this opinion continuing compliance with the covenants in the Indenture, including, but not limited to, covenants relating to the tax-exempt status of the Bonds.

We do not express any opinion herein concerning any law other than the law of the State of Texas and federal law of the United States of America.

IN OUR CAPACITY as bond counsel, we have participated in the preparation of and have examined a transcript of certified proceedings pertaining to the Bonds, which contains certified copies of certain proceedings of the District; ; an escrow agreement (the “Escrow Agreement”) between the Issuer and Regions Bank, an Alabama banking corporation as escrow agent (the “Escrow Agent”); the report (“Report”) of Robert Thomas CPA, LLC (the “Verification Agent”), verifying the sufficiency of the deposits made with the Escrow Agent for the defeasance of the bonds being refunded (the “Refunded Bonds”); customary certificates of officers, agents and representatives of the District and other public officials; and other certified showings relating to the authorization and issuance of the Bonds. We also have analyzed such laws, regulations, guidance, documents and other materials as we have deemed necessary to render the opinions herein. We have also examined executed Bonds No. ICI – 1 and ICAB -1 of this issue.

BASED ON SUCH EXAMINATION, IT IS OUR OPINION THAT:

(1) The transcript of certified proceedings evidences complete legal authority for the issuance of the Bonds in full compliance with the Constitution and laws of the State of Texas presently effective and, therefore, the Bonds constitute valid and legally binding obligations of the District;

(2) A continuing ad valorem tax, without limit as to rate or amount, has been levied and pledged irrevocably to the payment of the principal of and interest on the Bonds, and the total indebtedness of the District, including the Bonds, does not exceed any constitutional, statutory or other limitations;

(3) Additionally, the Bonds are payable from and secured by a lien on and pledge of the Available TIRZ Utility Revenues received with respect to the Bonds and deposited to the Utility Revenue Fund as defined and described in the Order; and

(4) Firm banking and financial arrangements have been made for the discharge and final payment of the Refunded Bonds pursuant to the Escrow Agreement, and therefore, the Refunded Bonds are deemed to be fully paid and no longer outstanding except for the purpose of being paid from the funds provided therefor in the Escrow Agreement; and

(5) Interest on the Bonds is excludable from gross income for federal income tax purposes under section 103 of the Internal Revenue Code of 1986, as amended. In addition, interest on the Bonds is not a specific preference item for purposes of the alternative minimum tax on individuals, but we observe that such interest is taken into account in computing the alternative minimum tax on certain corporations for tax years beginning after December 31, 2022.

THE RIGHTS OF THE OWNERS of the Bonds are subject to the applicable provisions of the federal bankruptcy laws and any other similar laws affecting the rights of creditors of political subdivisions generally, and may be limited by general principles of equity which permit the exercise of judicial discretion.

Except as stated above, we express no opinion as to the amount of interest on the Bonds or any federal, state or local tax consequences resulting from the receipt or accrual of interest on, or the acquisition, ownership or disposition of, the Bonds. Further, in the event that the representations of the Issuer and other parties are determined to be inaccurate or incomplete or the Issuer fails to comply with the covenants of the Ordinance, interest on the Bonds could become includable in gross income for federal income tax purposes from the date of the original delivery of the Bonds, regardless of the date on which the event causing such inclusion occurs.

Our opinions are based on existing law and our knowledge of facts as of the date hereof and may be affected by certain actions that may be taken or omitted on a later date. We assume no duty to update or supplement our opinions, and this opinion letter may not be relied upon in connection with any changes to the law or facts, or actions taken or omitted, after the date hereof.

[Form of Bond Counsel Opinion]

[Date]

\$18,185,000
VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT
UNLIMITED TAX ROAD IMPROVEMENT REFUNDING BONDS, SERIES 2024

WE HAVE represented Viridian Municipal Management District (the “District”) as its bond counsel in connection with an issue of bonds (the “Bonds”) described as follows:

VIRIDIAN MUNICIPAL MANAGEMENT DISTRICT UNLIMITED TAX ROAD IMPROVEMENT REFUNDING BONDS, SERIES 2024, dated October 1, 2024.

The Bonds mature, bear interest, are subject to redemption prior to maturity and may be transferred and exchanged as set out in the Bonds and in the order adopted by the Board of Directors of the District authorizing their issuance and the Pricing Certificate executed pursuant to the Order (together, the “Order”).

WE HAVE represented the District as bond counsel for the purpose of rendering an opinion with respect to the legality and validity of the Bonds under the Constitution and laws of the State of Texas and with respect to the exclusion of interest on the Bonds from gross income for federal income tax purposes. We have not investigated or verified original proceedings, records, data or other material, but have relied solely upon the transcript of proceedings described in the following paragraph. We also have analyzed such laws, regulations, guidance, documents and other materials as we have deemed necessary to render the opinions herein. We have not assumed any responsibility with respect to the financial condition or capabilities of the District or the disclosure thereof in connection with the sale of the Bonds. Our role in connection with the District’s Official Statement prepared for use in connection with the sale of the Bonds has been limited as described therein. Capitalized terms used herein and not otherwise defined shall have the meaning assigned thereto in the Order.

In providing the opinions set forth herein, we have relied on representations and certifications of the Issuer and other parties involved with the issuance of the Bonds with respect to matters solely within the knowledge of the Issuer and such parties, which we have not independently verified. In addition, we have assumed for purposes of this opinion continuing compliance with the covenants in the Indenture, including, but not limited to, covenants relating to the tax-exempt status of the Bonds.

We do not express any opinion herein concerning any law other than the law of the State of Texas and federal law of the United States of America.

IN OUR CAPACITY as bond counsel, we have participated in the preparation of and have examined a transcript of certified proceedings pertaining to the Bonds, which contains certified copies of certain proceedings of the District; ; an escrow agreement (the “Escrow Agreement”) between the Issuer and Regions Bank, an Alabama banking corporation as escrow agent (the “Escrow Agent”); the report (“Report”) of Robert Thomas CPA, LLC (the “Verification Agent”), verifying the sufficiency of the deposits made with the Escrow Agent for the defeasance of the bonds being refunded (the “Refunded Bonds”); customary certificates of officers, agents and representatives of the District and other public officials; and other certified showings relating to the authorization and issuance of the Bonds. We also have analyzed such laws, regulations, guidance, documents and other materials as we have deemed necessary to render the opinions herein. We have also examined executed Bonds No. ICI – 1 and ICAB -1 of this issue.

BASED ON SUCH EXAMINATION, IT IS OUR OPINION THAT:

(1) The transcript of certified proceedings evidences complete legal authority for the issuance of the Bonds in full compliance with the Constitution and laws of the State of Texas presently effective and, therefore, the Bonds constitute valid and legally binding obligations of the District;

(2) A continuing ad valorem tax, without limit as to rate or amount, has been levied and pledged irrevocably to the payment of the principal of and interest on the Bonds, and the total indebtedness of the District, including the Bonds, does not exceed any constitutional, statutory or other limitations;

(3) Additionally, the Bonds are payable from and secured by a lien on and pledge of the Available TIRZ Road Revenues received with respect to the Bonds and deposited to the Road Revenue Fund as defined and described in the Order; and

(4) Firm banking and financial arrangements have been made for the discharge and final payment of the Refunded Bonds pursuant to the Escrow Agreement, and therefore, the Refunded Bonds are deemed to be fully paid and no longer outstanding except for the purpose of being paid from the funds provided therefor in the Escrow Agreement; and

(5) Interest on the Bonds is excludable from gross income for federal income tax purposes under section 103 of the Internal Revenue Code of 1986, as amended. In addition, interest on the Bonds is not a specific preference item for purposes of the alternative minimum tax on individuals, but we observe that such interest is taken into account in computing the alternative minimum tax on certain corporations for tax years beginning after December 31, 2022.

THE RIGHTS OF THE OWNERS of the Bonds are subject to the applicable provisions of the federal bankruptcy laws and any other similar laws affecting the rights of creditors of political subdivisions generally, and may be limited by general principles of equity which permit the exercise of judicial discretion.

Except as stated above, we express no opinion as to the amount of interest on the Bonds or any federal, state or local tax consequences resulting from the receipt or accrual of interest on, or the acquisition, ownership or disposition of, the Bonds. Further, in the event that the representations of the Issuer and other parties are determined to be inaccurate or incomplete or the Issuer fails to comply with the covenants of the Ordinance, interest on the Bonds could become includable in gross income for federal income tax purposes from the date of the original delivery of the Bonds, regardless of the date on which the event causing such inclusion occurs.

Our opinions are based on existing law and our knowledge of facts as of the date hereof and may be affected by certain actions that may be taken or omitted on a later date. We assume no duty to update or supplement our opinions, and this opinion letter may not be relied upon in connection with any changes to the law or facts, or actions taken or omitted, after the date hereof.

APPENDIX E
SPECIMEN MUNICIPAL BOND INSURANCE POLICY



BAM

MUNICIPAL BOND INSURANCE POLICY

ISSUER: [NAME OF ISSUER]

Policy No: _____

MEMBER: [NAME OF MEMBER]

BONDS: \$ _____ in aggregate principal
amount of [NAME OF TRANSACTION]
[and maturing on]

Effective Date: _____

Risk Premium: \$ _____
Member Surplus Contribution: \$ _____
Total Insurance Payment: \$ _____

BUILD AMERICA MUTUAL ASSURANCE COMPANY (“BAM”), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the “Trustee”) or paying agent (the “Paying Agent”) for the Bonds named above (as set forth in the documentation providing for the issuance and securing of the Bonds), for the benefit of the Owners or, at the election of BAM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the first Business Day following the Business Day on which BAM shall have received Notice of Nonpayment, BAM will disburse (but without duplication in the case of duplicate claims for the same Nonpayment) to or for the benefit of each Owner of the Bonds, the face amount of principal of and interest on the Bonds that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by BAM, in a form reasonably satisfactory to it, of (a) evidence of the Owner’s right to receive payment of such principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner’s rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in BAM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by BAM is incomplete, it shall be deemed not to have been received by BAM for purposes of the preceding sentence, and BAM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, any of whom may submit an amended Notice of Nonpayment. Upon disbursement under this Policy in respect of a Bond and to the extent of such payment, BAM shall become the owner of such Bond, any appurtenant coupon to such Bond and right to receipt of payment of principal of or interest on such Bond and shall be fully subrogated to the rights of the Owner, including the Owner’s right to receive payments under such Bond. Payment by BAM either to the Trustee or Paying Agent for the benefit of the Owners, or directly to the Owners, on account of any Nonpayment shall discharge the obligation of BAM under this Policy with respect to said Nonpayment.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. “Business Day” means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer’s Fiscal Agent (as defined herein) are authorized or required by law or executive order to remain closed. “Due for Payment” means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity (unless BAM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration) and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. “Nonpayment” means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. “Nonpayment” shall also include, in respect of a Bond, any payment made to an Owner by or on behalf of the Issuer of principal or interest that is Due for Payment, which payment has been recovered from such Owner pursuant to the United States Bankruptcy Code in accordance with a final, nonappealable order of a court having competent jurisdiction. “Notice” means delivery to BAM of a notice of claim and certificate, by certified mail, email or telecopy as set forth on the attached Schedule or other acceptable electronic delivery, in a form satisfactory to BAM, from and signed by an Owner, the Trustee or the Paying Agent, which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount, (d) payment instructions and (e) the date such claimed amount becomes or became Due for Payment. “Owner” means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that “Owner” shall not include the Issuer, the Member or any other person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

BAM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee, the Paying Agent, the Member and the Issuer specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee, the Paying Agent, the Member or the Issuer (a) copies of all notices required to be delivered to BAM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to BAM and shall not be deemed received until received by both and (b) all payments required to be made by BAM under this Policy may be made directly by BAM or by the Insurer's Fiscal Agent on behalf of BAM. The Insurer's Fiscal Agent is the agent of BAM only, and the Insurer's Fiscal Agent shall in no event be liable to the Trustee, Paying Agent or any Owner for any act of the Insurer's Fiscal Agent or any failure of BAM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, BAM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to BAM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy. This Policy may not be canceled or revoked.

This Policy sets forth in full the undertaking of BAM and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW. THIS POLICY IS ISSUED WITHOUT CONTINGENT MUTUAL LIABILITY FOR ASSESSMENT.

In witness whereof, BUILD AMERICA MUTUAL ASSURANCE COMPANY has caused this Policy to be executed on its behalf by its Authorized Officer.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

By: _____
Authorized Officer

SPECIMEN

Notices (Unless Otherwise Specified by BAM)

Email:

claims@buildamerica.com

Address:

200 Liberty Street, 27th floor
New York, New York 10281

Telecopy:

212-962-1524 (attention: Claims)

SPECIMEN